



# LVP

# GRANITE FUND

## INFORMATION MEMORANDUM

Warning for direct investors from New Zealand:

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision.

The usual rules do not apply to this offer because there is an exclusion for offers where the amount invested upfront by the investor (plus any other investments the investor has already made in the financial products) is \$750,000 or more. As a result of this exclusion, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for this investment.

Investments of this kind are not suitable for retail investors. Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.



## IMPORTANT INFORMATION

### Overview

This confidential information memorandum dated 2 April 2026 (**Memorandum**) has been prepared and issued by Liverpool Partners Pty Ltd (ACN 159 465 193; Australian Financial Services licence no. 000429777) (**LVP, we or us**) to provide background information for persons considering applying for interests in LVP Granite Fund (**Fund**) either directly or via any other investment vehicle providing indirect investment into the LVP Granite Fund. This Memorandum has not been lodged with the Australian Securities and Investments Commission (**ASIC**) and is not required to be lodged.

This Memorandum also has not been, and will not be lodged with the Registrar of Financial Service Providers in New Zealand, and is not a Product Disclosure Statement under the Financial Markets Conduct Act 2013 (NZ) (**FMCA**)

This Memorandum, together with the Constituent Documents (as defined in Schedule 1) of the Fund, should be read in their entirety before making any investment decision in relation to the Fund. To the extent of any inconsistency between this Memorandum and any of the Constituent Documents, the terms of the Constituent Documents will prevail, unless a provision of the Trust Deed expressly provides that the Trustee or Manager may determine, specify or provide for a matter in this Memorandum, in which case this Memorandum prevails in respect of that matter.

In preparing this Memorandum, we have not taken into account the investment objectives, financial situation or particular needs of any particular person. Recipients must not construe the contents of this Memorandum as tax, legal or financial product advice. Recipients should obtain their own independent professional advice prior to making any investment decisions and to the extent that you have any questions in relation to the contents of this document or the Constituent Documents.

This Memorandum is supplied personally to the recipient on the conditions set out herein. The recipient's acceptance of these conditions is evidenced by its retention of this Memorandum. If these conditions are not acceptable, the recipient must immediately return this Memorandum to LVP or the Manager (as defined in Schedule 1).

LVP and the Manager reserve the right to update, supplement or modify the terms of this Memorandum, the offering and the interests described herein in their absolute discretion by providing written notice to investors (which may be by way of posting at <https://lvpfunds.com.au/>). Any further information is provided under the same terms and conditions as this Memorandum.

### Preparation of this Memorandum

No persons other than LVP have caused or authorised the issue of this Memorandum nor do they take any responsibility for its preparation. This Memorandum

supersedes all previous representations and communications (including investor presentations) in respect of the Fund.

### Structure

The Fund is structured as an Australian wholesale (unregistered) unit trust and is an unregistered managed investment scheme for the purposes of the *Corporations Act 2001* (Cth) (**Corporations Act**). As at the date of this Memorandum, the Fund is not, and is not required to be, registered with ASIC but may be in the future. By investing in the Fund, you consent to the Fund being registered in the future should the Trustee (in consultation with the Manager) consider it appropriate. You also consent to registration taking place without the Trustee holding a meeting of investors to amend the Trust Deed to make it suitable to be registered and to approve the application for registration. To the extent that the level of any fees may change from those set out in this Memorandum as a result of such registration, we will notify you of these changes prior to the change becoming effective.

### Offer and Jurisdiction

Unless otherwise determined by LVP, the offer to which this Memorandum relates is only available:

- in Australia to wholesale clients as defined in sections 761G and 761GA of the Corporations Act and wholesale clients who invest through an investor directed portfolio service such as a master trust or wrap account; and
- in New Zealand to wholesale investors as defined in clauses 3(2) or 3(3)(b)(i)-(ii) of Schedule 1 of the *Financial Markets Conduct Act 2013* (NZ) (**FMCA**).

If you do not qualify for these categories, your investment will not be accepted. This offer is not made to any person who is not in Australia or New Zealand.

The provision of this Memorandum to a person does not constitute, and may not be used for the purposes of, an offer of securities or interests of any kind to that person, or an invitation to that person to apply for the issue of securities or interests of any kind, in circumstances where it would not be lawful to make that offer or invitation including, without limitation, where such person is not a wholesale client.

The distribution of this Memorandum in jurisdictions outside of Australia may be restricted by law. Persons who come into possession of this Memorandum must seek advice on, and comply with, any such restrictions. Any person who receives a copy of this Memorandum in circumstances where receipt of this Memorandum is unlawful or unauthorised, or requires LVP or the Manager to take any additional steps (including registration with any governmental agency, authority or body) must not accept this Memorandum and must immediately return it to LVP or the Manager. Any failure to comply with restrictions on receipt or distribution of this Memorandum may constitute a violation of applicable law.





## Confidentiality

This Memorandum and any other information provided in connection with this Memorandum are confidential to LVP and the Manager. It is provided to recipients for the sole purpose of considering an investment in the Fund and must not be copied, supplied, disseminated or disclosed by any recipient to any other person (other than a professional advisor of the recipient who is bound to keep it confidential) without LVP or the Manager's prior written consent.

## Authorised Intermediary

Any offers of interests in the Fund are made by LVP in accordance with section 911A(2)(b) of the Corporations Act under an arrangement between the Trustee and LVP (Australian Financial Services licence no. 000429777) (**Authorised Intermediary Arrangement**).

Pursuant to the Authorised Intermediary Arrangement, and in accordance with section 911A(2)(b) of the Corporations Act, LVP may make offers to arrange for the issue, variation or disposal of financial products on behalf of the Trustee or in respect of investments of the Fund, and the Trustee will issue (including to acquire, or to enter into a legal relationship or contract), vary or dispose of such financial products, if such offer(s) are accepted.

## References to Amounts

Unless otherwise stated, the currency of the Fund and all references to dollars and "\$" amounts are to Australian dollars unless expressly stated otherwise.

Unless expressly stated otherwise, all figures are inclusive of Australian Goods and Services Tax (**GST**) less any reduced input tax credits and are shown without any other adjustment.

## Information

Subject only to applicable law, no member of the LVP Group (as defined in Schedule 1):

- warrants or represents the origin, validity, accuracy, completeness, currency or reliability of the information contained in this Memorandum (or any accompanying or subsequent information relating to the Fund);
- accepts any responsibility for errors or omissions in this Memorandum (or any accompanying or subsequent information relating to the Fund); or
- has any obligation to advise any person if any of them becomes aware of any inaccuracy in, or omission from, this Memorandum (or any accompanying or subsequent information relating to the Fund).

Subject only to applicable law, each member of the LVP Group disclaims and excludes all liability for losses, claims, damages, costs and expenses of any nature arising out of, or in connection with, this Memorandum (or any accompanying or subsequent information relating to the Fund).

Past performance is not indicative of future results. Certain information in this Memorandum may constitute forward-looking statements. All statements of opinion or belief, all views expressed and all projections, forecasts or statements relating to expectations regarding future events or the possible future performance of the Fund, any prior fund or any portfolio company, represent LVP or the Manager's assessment and interpretation of the information available as at the date of this Memorandum. No representation is made or assurance given that such statements, views, projections or forecasts are reasonable or correct or that the objectives or prospective returns of the Fund, any prior fund or any Portfolio Investment will be achieved.

Certain information contained in this Memorandum has been obtained from published sources prepared by other parties and no responsibility is assumed for the accuracy or completeness of such of such information. All industry and market data has been sourced from research of LVP or the Manager, unless otherwise indicated.

Statements in this Memorandum are made as of the date stated above unless otherwise stated herein, and neither the delivery of this Memorandum at any time, nor any sale hereunder, shall under any circumstances create an implication that the information contained herein is correct as of any time subsequent to such date.

## Cooling Off

As the Fund is only available to wholesale clients, no cooling off period is available.

## Placement Agents

LVP or the Manager may from time to time appoint one or more placement agents or financial advisors to assist the placement of interests in the Fund to certain of their clients. Any placement fees or financial advisor fees will be paid and borne by a member of the LVP Group from its own resources unless otherwise agreed to by an investor.

## Risk

LVP does not guarantee the performance of any underlying product. This is a high-risk investment which should be considered over a medium to long term time horizon. Neither returns nor the money you invest is guaranteed to be returned to you. You may experience delays in payment of any distributions or redemption proceeds and/or delays in any repayment of capital invested, irrespective of any forecasts. You can lose as well as make money. No member of the LVP Group promises that you will earn any return on your investment or that your investment will gain or retain its value.

In considering whether to invest in the Fund, you should consider the risk factors that could affect the financial performance of the Fund. Some of the risks of the Fund are summarised in Section 4 "Risks".





## **Investment Structures**

The Fund may invest in one or more wholly or partly owned registered and unregistered sub-trusts, funds or other interposed vehicles which may also be managed or advised by members of the LVP Group or external investment managers (with whom the LVP Group may be affiliated). The Fund may invest indirectly through such structures in the underlying investments described in this Memorandum.

## **Related party transactions and conflicts of interest**

The Trustee and the Manager may act in various capacities (including as manager, advisor, trustee, responsible entity and/or custodian) for other investment vehicles or accounts and may face conflicts between their duties to the Fund, such other investment vehicles and accounts and their own interests.

The Manager and the other members of the LVP Group provide investment services to a number of clients, investment vehicles and accounts whose goals may overlap with those of the Fund and as a result the Manager and such other members of the LVP Group may be subject to conflicts of interests in their relationships and dealings.

The Manager and other members of the LVP Group, and any clients, investment vehicles and accounts that they manage or advise, may invest in or manage or advise other clients, investment vehicles and accounts which invest in investments that are also held by the Fund.

The Trustee and Manager may cause the Fund to acquire investments from, or sell investments to, members of the LVP Group or other clients, investment vehicles and accounts that they or other members of the LVP Group manage or advise. The Trustee and Manager may also cause the Fund to make investments in other investment vehicles managed by the LVP Group. Where such transactions occur, in some circumstances fees may become payable to the Manager or other members of the LVP Group.

The Trustee and Manager have policies and procedures in place to manage conflicts of interest and ensure actual or potential conflicts of interest are identified and properly dealt with.

## **New Zealand Investors**

New Zealand investors who invest in the Fund indirectly via a separate New Zealand fund should refer to the New Zealand Wholesale Investor Fact Sheet provided by us.





## Contents

<b>1</b>	<b>Key Features of the Fund</b>	<b>1</b>
<b>2</b>	<b>Management of the Fund</b>	<b>6</b>
	2.1 Trustee and Manager	6
	2.2 Management Team	6
	2.3 Administration	6
	2.4 Service Providers	6
<b>3</b>	<b>Investment Strategy</b>	<b>8</b>
	3.1 Investment Objective	8
	3.2 Investment Strategy	8
	3.3 Portfolio Construction and Borrowing	12
	3.4 Investment objective and strategy	13
<b>4</b>	<b>Risks</b>	<b>14</b>
	4.1 General Market Risks	14
	4.2 Fund Specific Risks	16
	4.3 Manager and Conflicts Risks	17
	4.4 General Risks	18
<b>5</b>	<b>Fees and Costs</b>	<b>22</b>
	5.1 Fees	22
	5.2 Costs and expenses	23
	5.3 Changes to fees and costs	24
	5.4 Government charges and taxation	24
<b>6</b>	<b>Applications and Redemptions</b>	<b>25</b>
	6.1 Applications	25
	6.2 Redemptions	27
	6.3 Distributions and Distribution Reinvestments	29
	6.4 Unit pricing	29
<b>7</b>	<b>Taxation Information</b>	<b>31</b>
	7.1 Fund Status	31
	7.2 Taxation of Australian resident Unitholders	32
	7.3 Taxation of non-resident Unitholders	33
	7.4 Other taxation matters	34
	7.5 FATCA and CRS	35
	7.6 Taxation of New Zealand resident Unitholders	36
<b>8</b>	<b>Jurisdictional Considerations</b>	<b>41</b>
	8.1 Australia	41
	8.2 New Zealand	41
	8.3 Registered Management Investment Scheme	43
<b>9</b>	<b>Privacy</b>	<b>44</b>
	9.1 Collection, holding, and use of your personal information	44
	9.2 Disclosure of Your Personal Information	44
	9.3 Data Security	44
	9.4 Direct Marketing	44
	9.5 Your Rights and Our Privacy Policy	44
	9.6 Feeder vehicles	45





<b>10</b>	<b>Anti-Money Laundering</b>	<b>46</b>
10.1	Our legal obligations	46
10.2	Investor identification and verification	46
10.3	Ongoing and transactional due diligence	46
10.4	Right to delay or refuse transactions	46
10.5	Feeder vehicles	46
	<b>Schedule 1</b>	<b>47</b>
	Glossary	47
	<b>Schedule 2</b>	<b>50</b>
	Directory	50





## 1 Key Features of the Fund

The following is a summary of the principal terms of the Fund. This summary is qualified by reference to the Constituent Documents, which are available upon request and should be reviewed carefully prior to making any investment decisions.

Term	Description	Section Reference
<b>Fund Overview</b>		
<b>Fund</b>	LVP Granite Fund	Section 2
<b>APIR code</b>	LVP0221AU	Section 2
<b>Manager</b>	LVP Granite Management Pty Ltd ACN 695 016 347. The Manager is a corporate authorised representative of the AFSL Holder (corporate authorised representative no. 001319622).	Section 2
<b>Trustee</b>	Initially, LVP Granite Services Pty Ltd ACN 695 016 383. The Trustee is a corporate authorised representative of the AFSL Holder (corporate authorised representative no. 001319621). The Trustee may be replaced by a further trustee or a third-party responsible entity at a later point in time.	Section 2
<b>AFSL Holder</b>	Liverpool Partners Pty Ltd (ACN 159 465 193; Australian Financial Services licence no. 000429777).	Section 2
<b>Administrator</b>	Apex Fund Services Pty Limited	Section 2
<b>Structure</b>	The Fund is initially structured as an unregistered Australian unit trust. The Trustee may elect to have the Trust qualify for MIT and/or AMIT regimes for all or part of the term of the Fund. The Fund may be registered as a scheme at some future time. The Trustee will hold Fund assets and may appoint a custodian at a future time.	Section 7
<b>Securities</b>	This Memorandum relates to Ordinary Units ( <b>Units</b> ) in the Fund.	Section 6
<b>Term</b>	The term of the Fund is open-ended.	Section 6
<b>Fund Strategy</b>		
<b>Investment Objective</b>	The Fund aims to provide investors with an annual return (net of fees and expenses) of 12-15% per annum (including a yield of 5-8% per annum, paid quarterly) on a defensive risk-adjusted but returns enhanced basis, by investing in a mix of private markets (alternatives) assets, with a core of real assets (including social infrastructure, real estate and natural capital). The Investment	Section 3





Term	Description	Section Reference
	Objective is a target only. Returns are not guaranteed and there is no guarantee that the Investment Objective will be achieved.	
<b>Investment Strategy</b>	<p>The Fund intends to establish and maintain a defensive but return enhanced alternatives portfolio for investors through investments with one or more of the following features:</p> <ul style="list-style-type: none"><li>• <b>Alternatives:</b> private markets assets, focused on real assets (property, infrastructure and natural capital), with flexibility to invest in private equity to achieve the targeted Investment Objective at the Fund portfolio level;</li><li>• <b>Defensive Characteristics:</b> asset-backing, government-backed cash flows (directly or indirectly), and demand driven / supply constrained thematics; and</li><li>• <b>Enhanced Return Profile:</b> equity and preferred equity investment positions targeting yield, ideally with a high fixed component, and capital growth potential; and</li><li>• <b>Social Thematics:</b> investments in social thematics supported by global megatrends.</li></ul>	Section 3
<b>Borrowing</b>	<p>The Fund intends to implement a non-structural portfolio gearing strategy of up to 30% of the Fund's last reported GAV (at the time of the relevant borrowing). The debt strategy is primarily intended to facilitate liquidity management for the Fund and minimise cash drag by enabling the Manager to fully invest the portfolio and maximise the capital efficiency of the Investment Strategy.</p> <p>The Borrowing is considered non-structural as during stable market conditions alongside steady state portfolio construction, debt facility utilisation should generally range between 0-30% drawn, retaining 70-100% undrawn for periods of market dislocation or extended liquidity management requirements.</p>	Section 3
<b>Risk</b>	Investing in the Fund is high risk. For details on risks associated with the Fund, refer to 4 "Risks".	Section 4
<b>Investing in the Fund</b>		
<b>Eligible Investors</b>	Unless otherwise determined by the Manager, Australian Wholesale Clients that have received this Memorandum in Australia and New Zealand wholesale investors that have received this Memorandum in New Zealand. New Zealand wholesale investors must also have completed a safe harbour certificate that meets the requirements of clause 44 of Schedule 1 of the <i>Financial Markets Conduct Act 2013</i> (NZ).	Section 6





Term	Description	Section Reference
	New Zealand wholesale investors may also gain exposure to the Fund indirectly through a New Zealand fund or other investment vehicle.	
<b>Investment Horizon</b>	<p>An investment in the Fund is intended to be suitable for investors with limited requirement for short term liquidity on their investment in the Fund, with a medium to long term time horizon to benefit from the profile of the Investment Strategy.</p> <p><i>None of LVP, the Trustee or the Manager has taken into account any investor's individual or particular circumstances, investment objectives or financial needs. Investors should seek their own independent professional advice.</i></p>	Section 4
<b>Applications</b>	Monthly.	Section 6
<b>Application process</b>	Applications will be processed based on the Fund unit pricing as at the last Business Day of the relevant month, with units issued effective on the first Business Day of the following month. Applications must be made prior to the Cut-Off Date for the relevant month.	Section 6
<b>Minimum investment</b>	For direct investors, \$25,000, unless the Trustee or Manager determines otherwise, and subject to any applicable minimum investment thresholds applicable to indirect investors through an IDPS.	Section 6
<b>Lock Up Period</b>	An initial lock up period of up to two years will apply from the First Issue Date of the Fund.	Section 6
<b>Redemptions</b>	<p>Monthly, subject to the Lock Up Period and the Quarterly Redemption Limit.</p> <p>Where it would not be in the best interests of the Fund or investors in the Fund as a whole or during times of material market disruption, the Trustee and Manager may modify or suspend redemptions. All redemptions are subject to the liquidity available to the Fund to service redemption requests. The Trustee may accept or reject a redemption request in whole or in part, or scale redemption requests pro rata, including where aggregate requests exceed the Quarterly Redemption Limit or where doing so is in the best interests of Unitholders considered together. If processing a redemption request would result in your holding falling below the Minimum Account Balance, the Trustee may treat your request as a request to redeem your entire holding.</p> <p>Redemptions requests must be made prior to the Cut-Off Date for the relevant month. Any modification to or suspension of redemptions will be notified to members in writing (which may be</p>	Section 6





Term	Description	Section Reference
	by way of posting at <a href="https://lvpfunds.com.au/">https://lvpfunds.com.au/</a> ). The redemption regime in place at the time of redemption will apply (and not, for the avoidance of doubt, the redemption regime at the time of being issued Units). The Trustee reserves the right to accept or reject redemption requests in whole or in part in its discretion.	
<b>Quarterly Redemption Limit</b>	Redemptions in a calendar quarter are limited to a maximum of 5% of the preceding calendar quarter-end Net Trust Value. Where redemption requests in a given calendar quarter exceed the Quarterly Redemption Limit, requests will be processed pro rata and any requests in excess will be cancelled and may be re-submitted prior to the Cut-Off Date for the first month of the next calendar quarter. The Trustee and Manager may allow redemptions in a calendar quarter in excess of the otherwise applicable Quarterly Redemption Limit in their discretion where there is sufficient liquidity to do so. The Quarterly Redemption Limit may be amended in an amended form of this Memorandum, a term sheet or other document (including any Terms of Issue) issued by the Trustee or Manager and which includes some or all of the terms of the Units.	Section 6
<b>Redemption process</b>	Subject to the Lock Up Period and Quarterly Redemption Limit, redemption requests will be processed monthly and the redemption price will be based on the unit price (less any transaction costs) as at the last Business Day of the relevant month. Proceeds relating to a successful redemption request will generally be paid by the end of the month following receipt of your redemption request.	Section 6
<b>Minimum Redemption Request</b>	\$25,000, unless the Trustee or Manager determines otherwise.	Section 6
<b>Minimum Account Balance</b>	\$25,000, unless the Trustee or Manager determines otherwise.	Section 6
<b>Cut-Off Date</b>	The cut-off time for applications and redemptions is 5:00pm Australian Eastern Standard Time on the fifth Business Day prior to the final day of the month.	Section 6
<b>Fund Terms</b>		
<b>Distributions and Distribution Reinvestment</b>	<b>Yield Distributions</b> The Fund intends to make distributions on a quarterly basis in line with the targeted yield profile (net of fees and expenses) of between 5% to 8% per annum ( <b>Yield Distribution Target</b> ). The Manager will determine the Yield Distribution Target in respect of each Financial Year in its discretion.	Section 6





Term	Description	Section Reference
	<p>In respect of each distribution, the Trustee or the Manager will provide investors in the Fund written notice in the relevant distribution notice what proportion of the distribution is a Yield Distribution and/or an Other Distribution.</p> <p>Investors may elect to reinvest their Yield Distributions (net of any applicable withholding tax) into a commensurate number of additional units in the Fund. Please contact the Trustee or the Manager should you wish to automatically reinvest your Yield Distributions.</p> <p><b>Other Distributions</b></p> <p>Distributions made by the Fund other than Yield Distributions may be made in the discretion of the Trustee and Manager, and are automatically reinvested into a commensurate number of additional units in the Fund unless you request otherwise. Please contact the Trustee or the Manager should you not wish to automatically reinvest your distributions. Investors should seek independent tax advice regarding distributions from the Fund.</p>	
<b>Valuation and Unit Prices</b>	<p>Valuations will be undertaken of the Fund's portfolio to calculate the Net Trust Value which determines the Unit price. The valuations and Unit price calculations will be done in accordance with the terms of the Constituent Documents.</p> <p>Unit prices will be calculated monthly. The Fund's investments will be valued on a monthly basis.</p>	Section 3
<b>Fees and Costs</b>		
<b>Management Fee</b>	1.50% (ex GST) per annum of the Net Trust Value of the Fund.	Section 5
<b>Performance Fee</b>	12.5% (ex GST) of returns over the 8% Hurdle.	Section 5
<b>Ordinary Expenses</b>	The Trustee and Manager are entitled to be reimbursed for all expenses reasonably and properly incurred by it for the operation and management of the Fund and assets.	Section 5
<b>Indirect Costs</b>	The Fund may bear indirect costs relating to investments held in the portfolio from time to time. Indirect Costs refer to costs such as arrangements with third parties, and obtaining exposures through interposed managed vehicles.	Section 5





## 2 Management of the Fund

---

### 2.1 Trustee and Manager

The Trustee and Manager form part of the LVP Group, a leading multi-strategy private markets investment firm based in Sydney, Australia. The LVP Group currently manages over \$1.8 billion in funds under management across three core investment strategies: Private Equity Buyout, Growth/Impact and Real Assets.<sup>1</sup>

The LVP Group has a team of over 30 professionals and has invested capital into over 20 investments across its Buyout and Growth/Impact strategies and over 130 properties across its Real Assets strategy.

LVP believes that its experience across private markets asset classes and both direct and indirect investing make it uniquely positioned to provide a differentiated alternatives return offering with defensive characteristics and a strong yield and capital growth profile through the Fund.

### 2.2 Management Team

The Manager has an experienced investment team across the private markets asset classes, comprising over 15 investment professionals across its three investment strategies; Buyout, Growth/Impact and Real Assets. The investment team is supported by over 10 professionals within the LVP Group's Finance & Operations and Client & Product Solutions teams.

The Management Team brings prior experience managing evergreen portfolios across market cycles, including successfully through the Global Financial Crisis. We believe that this is a high value-add skill set given (1) the nature of the assets, which combine yield and capital growth characteristics, and (2) the nature of the vehicle, which provides liquidity via the redemption mechanism while also optimising capital invested in the Investment Strategy.

### 2.3 Administration

The Manager intends to appoint Apex Fund Services Pty Limited as the administrator of the Fund (**Administrator**). The Administrator will assist the Trustee and Manager with processes including managing applications and withdrawals and calculating the Fund's unit prices.

### 2.4 Service Providers

The key service providers to the Fund and their roles are summarised as follows:

Role	Service Provider	Function
<b>Trustee</b>	LVP Granite Services Pty Ltd	Trustee for the Fund.
<b>Manager</b>	LVP Granite Management Pty Ltd	Manager of the Fund's investments.
<b>Administrator</b>	Apex Fund Services Pty Limited	Investment accounting, fund accounting and unit pricing calculations.
<b>Auditor</b>	Ernst & Young	Auditing annual financial statements.

Each service provider other than the Trustee has entered, or will enter into, a services agreement which sets out their obligations to the Fund.<sup>2</sup> These agreements may contain certain

---

<sup>1</sup> Funds under management current as of November 2025.

<sup>2</sup> The Trustee's obligations to the Fund are outlined in the Trust Deed.





limitations on the liability of these service providers. The Manager monitors the performance of the key service providers on an ongoing basis to assess their compliance with these obligations.

Each service provider named in this Memorandum has consented to being named in the form and context in which they are named and has not withdrawn such consent prior to the date of this Memorandum.

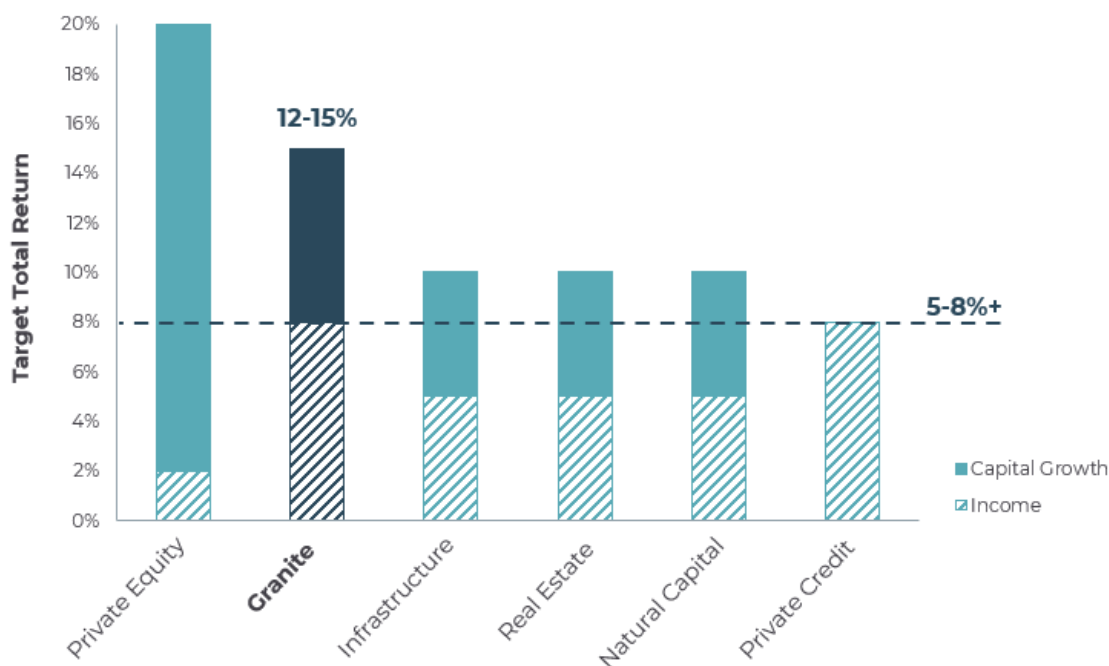




### 3 Investment Strategy

#### 3.1 Investment Objective

The Fund aims to provide investors with an annual return of 12-15% per annum (including a yield of 5-8% per annum, paid quarterly) on a defensive risk-adjusted but returns enhanced basis, by investing in a mix of private markets (alternatives) assets, with a core of real assets (including social infrastructure, real estate and natural capital).



Source: Target total return metrics are estimates by LVP based on its market experience and understanding of industry standards. Returns are a target only and not guaranteed.

#### 3.2 Investment Strategy

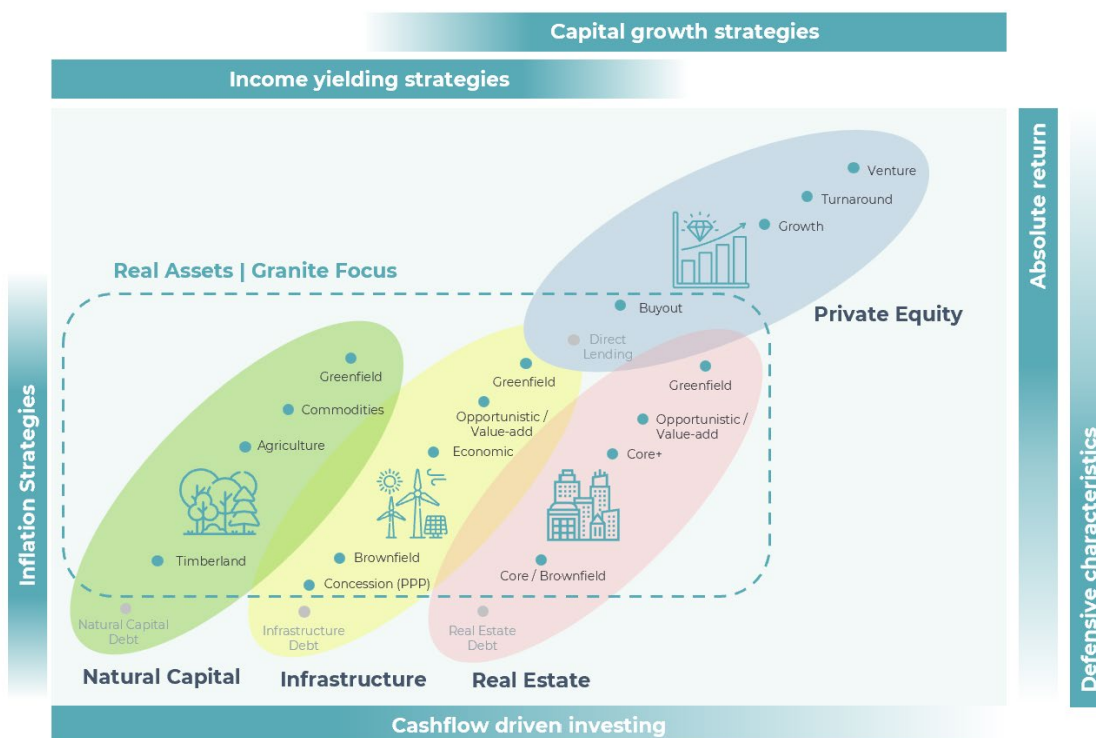
The Fund intends to establish and maintain a defensive but return enhanced alternatives portfolio for investors through investments with one or more of the following features:

##### Alternative investments with a real assets tilt

Primarily Australian and New Zealand based lower mid-market private markets assets, focused on real assets (property, infrastructure and natural capital), with flexibility to invest in private equity to achieve the targeted Investment Objective at the Fund portfolio level.

The assets and lifecycle stage (within each asset class type) are intended to be combined to meet the Investment Objective, or hybrid yield (5-8% per annum target (net of fees and expenses)) plus capital growth (targeting a combined total return of 12-15% per annum (net of fees and expenses)) return profile. The strategy and how the Manager intends to combine the characteristics of the private markets assets can be visualised as follows:





Source: LVP adapted from Aberdeen Standard Investments source material

The Fund intends to provide access to investment opportunities that the Manager believes are difficult for individual investors to access, given that private market investments typically require significant minimum investment and public markets generally only offers a very low proportion, if any, of the equivalent investible universe.

### Defensive Characteristics

The Fund will seek to utilise a mix of these private markets characteristics to construct a defensive portfolio and underpin the yield profile. This will mean a focus on the Real Assets categories (providing land and asset backing) which the Manager expects will benefit from strong cashflow driven profiles ranging from long term government-backed (directly or indirectly) cash flow profiles to demand driven / supply constrained thematic profiles.

Furthermore, the Manager intends to build diversification into the Fund at both the investment platform (e.g., using the seed portfolio examples: Aged Care platform | Disability Accommodation platform | Sustainable Seafood platform) and underlying asset level (e.g., diversification by region or underlying real assets, with all the seed asset investment platforms established via buy and build strategies).





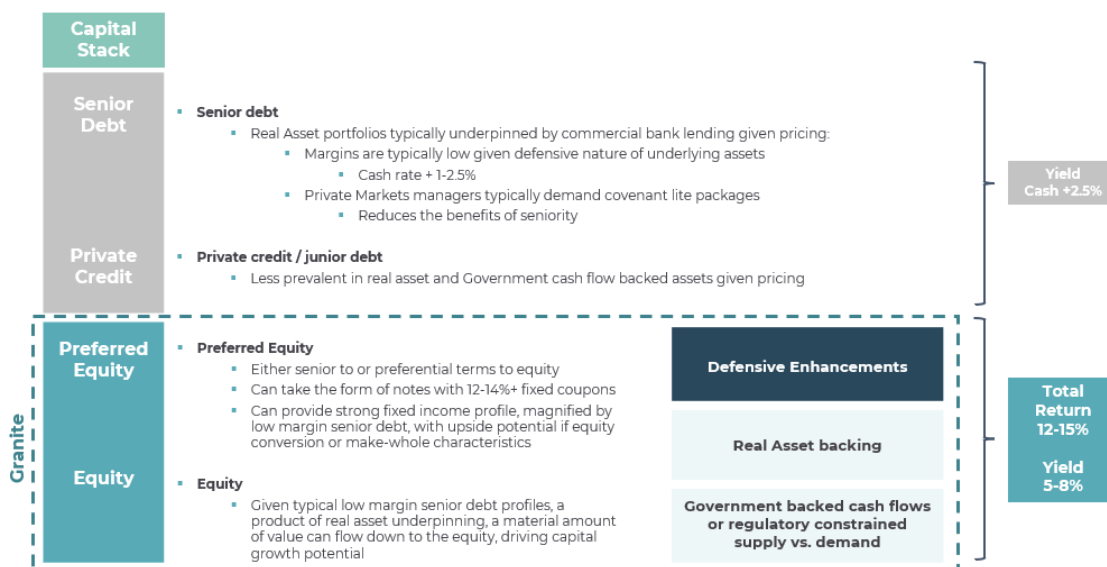
How the targeted seed asset portfolio provides examples of these characteristics is as follows:<sup>3</sup>

	Aged Care	Disability Accommodation	Sustainable Seafood
<b>Diversification</b>	✓ 18 properties (>2,000 operational beds)	✓ >30 properties	✓ >1,400 tonnes of seafood quota across 13 species and 11 fisheries
<b>Real Asset backing</b>	✓ >240% of investment value covered by net land and building value	✓ ~50% of value underpinned by land	✓ 1:1 backing of >1,400 tonnes of quota
<b>Cash flow backing</b>	✓ Government backed cash flows (AN ACC) underpin ~80% of revenues	✓ 20yr Government backed cash flows (NDIS)	✓ Government regulated fishing quota allowances cap supply
<b>Income profile</b>	✓ 13-15%   Fixed	✓ 5-8%   Fixed	✓ 6-8%   Fixed & Variable
<b>Total return profile</b>	✓ 13-15%	✓ 12-14%	✓ 15-20%

Source: Data is current as of 31 December 2025.

### Enhanced Return Profile

The Manager intends to enhance the yield return profile with equity upside (i.e. capital growth), via the use of equity and preferred equity (and similar) instruments. These instruments will help generate the fixed nature of the yield as well as the capital growth potential. From a capital stack and instrument perspective, the Investment Strategy will target the following:



<sup>3</sup> Source: LVP. Exposure to Disability Accommodation is expected to be via limited recourse notes issued by a corporate special purpose vehicle invested in a fund that holds the underlying assets, rather than to the assets directly. Exposure to Aged Care is expected to be via unsecured loan notes issued by a corporate special purpose vehicle, rather than to the assets directly. Exposure to Sustainable Seafood is expected to be via the Fund's ownership of interests in a fund directly or indirectly managed by a third party investment manager, rather than to the assets directly. Cash flow backing in each case looks to the ultimate driver of cash flows for each instrument. The Fund is not expected to have direct recourse to the Government.











Source: Based on LVP's market experience and understanding of industry standards. Returns metrics are targets only and not guaranteed.

## Social Thematics

The Fund intends to focus on investments in social thematics supported by global megatrends. The Manager believes that multi-cycle megatrends support private markets investments and real assets investments in particular, which can be difficult to disrupt where you own or control a supply constrained “real” asset, yet benefit from strong demand drivers which are often supplemented by government-backing (directly or indirectly). Some examples of the social thematics the Fund intends to target include:

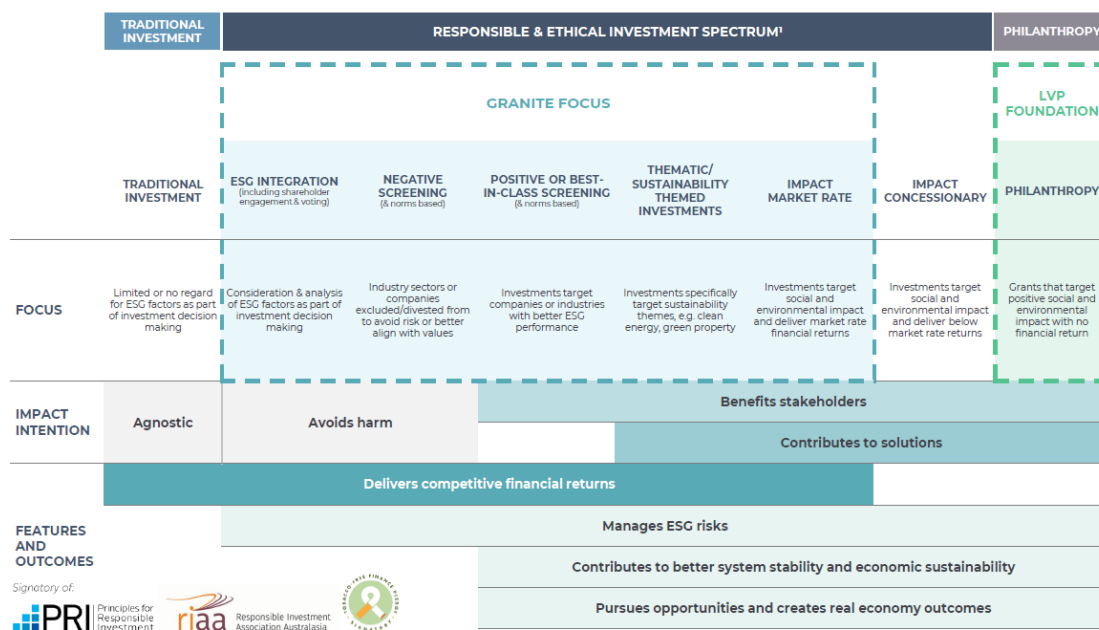
	Megatrend	Thematic tailwinds	Defensive characteristics & returns drivers
	<b>Ageing population</b>	Life expectancy increasing across developed economies and a “silver tsunami” anticipated (by 2050, those aged 60+ to double to ~2 billion globally), requiring chronic disease management, assisted living and aged care.	Long-duration, predictable growth in demand for elderly care, specialised medical services and enabling technologies. Supported by Government policy and long-term funding frameworks (e.g., the AN-ACC scheme)
	<b>Healthcare and welfare</b>	Driven by rising prevalence of chronic and lifestyle health issues, under-supply of supporting infrastructure, and the consumerisation of healthcare and wellbeing	Resilient and counter-cyclical theme, underpinned by non-discretionary demand. Government-supported with long-term funding frameworks (e.g., the NDIS scheme)
	<b>Emerging affluence and aspirational trends</b>	Steady growth of people into higher-income bands, greater financial security, and more aspirational consumption patterns driven by urbanisation, education, digital inclusion, employment growth, and productivity gains	Long-term demand drivers a product of transition from subsistence to choice-based consumption, redirecting income towards goods and service that improve quality of life, convenience, mobility and wellbeing.
	<b>Digitisation (data and connectivity), AI and compute proliferation</b>	Exploding data and AI usage fuel demand for data centre and associated infrastructure requirements.	Digital infrastructure is hard to replicate, with long-term leases and high barriers to entry, while AI adoption mitigates disruption risk and enables productivity gains and new business models.
	<b>Climate change, energy transition and grid modernisation</b>	Decarbonisation and electrification of transport and industry drives renewable energy and major grid upgrade requirements	Renewables and energy infrastructure is regulated / policy-supported and benefits from contracted offtake and supply imbalance.
	<b>Food and water security</b>	Supply volatility and geopolitics drive the need for sustainable and traceable food systems, water treatment, recycling and resilience projects	Land, utilities, water rights, logistics assets are essential for resilient supply chains and are typically regulated with inflation linked cash flows

Source: LVP.

## Sustainability Values

The Manager also intends to incorporate ESG, sustainability themed and impact focused investments into the Fund’s portfolio. The Manager intends to do this without impacting returns, with market rate returns underwritten and supported by thematic tailwinds. How these will be incorporated into the Investment Strategy can be mapped to an adaption of the Responsible Investment Association Australia framework as follows:





<sup>1</sup> Adapted from Responsible Investment Association Australasia (RIAA)

The Manager considers material environmental, social and governance factors in its investment due diligence where relevant to value, risk and return, including (as applicable) assessment of climate and environmental risks, stakeholder and workforce considerations, governance practices and alignment with applicable sustainability frameworks. The Fund does not represent that it has a sustainability or impact objective, and any ESG statements in this Memorandum reflect the Manager’s current approach and are not binding investment restrictions.

### 3.3 Portfolio Construction and Borrowing

The Management Team’s experience includes evergreen portfolio management across institutional open-end and listed retail products.<sup>4</sup> Using this skill set, the Manager intends to run a capital efficient structure to optimise returns. This means targeting a fully invested portfolio in steady state to mitigate the risk of cash drag on returns while managing liquidity requirements. Strategies that may be implemented to achieve this include:

#### Portfolio Construction

The Manager intends to construct a diversified portfolio that can generate liquidity at both underlying asset and investment platform level, facilitating either the forecasting of cash flow and liquidity requirements, or proactively generating liquidity via M&A activity.

For example, the targeted seed asset portfolio (see Section 3.2) consists of exposure to three investment platforms, which themselves consist of land, over 50 properties and over 1,400 tonnes of seafood quota (across 13 species and 11 fisheries). These platforms were aggregated by buy and build strategies over time, and liquidity can be generated at either a platform or underlying asset level. Furthermore, the Manager also intends to broaden investment platform level diversification, with a strong pipeline of investment opportunities.

#### Borrowing

<sup>4</sup> Experience of the Management Team referred to in this Section 3.3 includes roles prior to commencing with the LVP Group and both domestic and foreign products and investment vehicles.





The Fund intends to implement a non-structural portfolio gearing strategy of up to 30% of the Fund's last reported GAV (at the time of the relevant borrowing). The debt strategy is primarily intended to facilitate liquidity management for the Fund and minimise cash drag by enabling the Manager to fully invest the portfolio, thereby maximising the capital efficiency of the Investment Strategy.

Borrowing is considered non-structural as during stable market conditions alongside steady state portfolio construction, debt facility utilisation is intended to range between 0-30% drawn while retaining 70-100% undrawn for periods of market dislocation or extended liquidity management requirements.

### **3.4 Investment objective and strategy**

We have the right to change the Investment Objective and strategy of the Fund. Where these changes do not have a materially adverse effect on Unitholders, we may make these changes without prior notice to Unitholders. We will inform investors of any material change to the Fund's investment objective and strategy as part of the Fund's general reporting cycle, or as otherwise required by law.





## 4 Risks

---

An investment in the Fund is high risk and should be considered over a medium to long term time horizon. None of LVP, the Manager, nor the Trustee can guarantee any rate of return (in terms of income or capital), the performance of the Fund, the return of money you invest nor that any forecasts or targets set out in this Memorandum will be met. There is no certainty that the Fund will generate returns or distributions, and you may lose some or all of your investment.

While the Manager intends to create a portfolio of investments focused on real assets with defensive characteristics (including, where possible and either directly or indirectly, asset backing, and government and/or strong demand driven cash flow profiles), the Fund should not be seen as a predictable, low risk investment as the Fund intends to invest across private markets asset classes (including private equity) which are typically considered illiquid and higher risk particularly in relation to the portfolio construction and liquidity management required for an open-ended fund. Prior to investing you should read this Memorandum and the Constituent Documents in their entirety, and consider the risks involved in investing in the Fund and whether the Fund is appropriate for your objectives and financial circumstances.

Prospective investors are encouraged to seek professional advice suited to their personal investment objectives, financial situation and particular needs, and to only make investments with a risk level and time frame recommended by your professional advisor.

While it is not possible to identify every risk associated with an investment in the Fund, this Section 4 (Risks) describes certain areas that LVP, the Trustee and the Manager believe represent a non-exhaustive list of significant risks associated with an investment in the Fund.

### 4.1 General Market Risks

#### **General Investment Risk**

The investment returns of the Fund will be subject to macroeconomic and microeconomic variables, market conditions, environmental, social and technological changes, government policy and factors impacting particular investees and/or investments of the Fund.

#### **Indirect Investment Risk**

The Fund may seek exposure to investments indirectly, for example by subscribing for interests in Underlying Vehicles which may be managed or advised by members of the LVP Group or other third parties. Indirect exposures may alter or increase the risks of investing in the Fund by exposing investors to the risks of the Underlying Vehicle as well as the Fund (for example, an Underlying Vehicle may lessen control entitlements of the Fund). For the purposes of this Memorandum, risk disclosures (whether set out in this Risks section or otherwise) drafted as applicable to direct investments of the Fund should also be read and interpreted as applicable to indirect investments of the Fund.

#### **Investment Sourcing Risk**

The performance of the Fund will largely depend on the Manager's ability to identify suitable investment opportunities. Such opportunities are subject to market conditions and other factors outside of the Manager's control. Failure by the Manager to identify, source and enter into suitable investments will adversely affect returns available to the Fund. There is also a risk that completed investments may not generate expected returns.

#### **Valuation Risk**

The Fund may have exposure to investments for which publicly accessible market values may be unavailable. The Manager will have to rely on policies, guidelines and procedures,





information and models provided by third parties, its reasonable judgement and/or the advice of third-party independent valuers to determine the fair value of such investments. Valuation risk may also result from data issues, reporting timelines, market liquidity, market instability or inaccurate financial modelling assumptions. The fair value determined by the Manager will not constitute a guarantee of value and may not necessarily reflect the prices at which such investments could be, or could have been, exited at any given time, which may be subject to significant volatility and uncertainty and which will depend on various factors beyond the Manager's control.

### **Fraud and Misrepresentation Risk**

The value of the Fund's investments may be affected by fraud, misrepresentation or omission by the investee, their related parties or other parties related to the investment. Such fraud, misrepresentation or omission may adversely affect the value of the investment.

### **Market Risk**

Any investment is exposed to the universal risks of the market for such investments. There can be no guarantee that losses equivalent to or greater than that overall market will not be incurred as a result of making such investments.

### **Economic and Political Risk**

The value of the Fund's investments may be affected by the broader economies to which they are exposed, including with respect to gross domestic product growth, inflation, currency depreciation, capital reinvestment, resource self-sufficiency and the balance of payments position. The Fund may have indirect or direct exposure to emerging and frontier markets whose economies may involve greater risk than is customarily associated with larger or more established economies. For example, emerging or frontier market companies may be more exposed to political risks, may make less information available to investors and may have greater restrictions on capital mobility than more developed markets. Such investments may therefore be more susceptible to losses. As with any jurisdiction, there is the possibility of political change, government regulation, social instability or diplomatic developments (including war), which could adversely affect the value of the Fund's investments.

### **Foreign Investment Risk**

The Fund, through its investments, may have exposure to foreign investment risks not usually applicable to or associated with investing in Australia or New Zealand, including:

- political risks, such as difficulty in repatriating funds, adverse government policies and social, political and economic instability;
- difficulty enforcing rights in foreign legal jurisdictions;
- the possibility of the imposition of unforeseen taxes, such as withholding taxes; and
- less rigorous standards for financial reporting, general disclosure or regulation of investments.

The Fund may have exposure to currencies and securities of foreign markets (including markets that do not have a long history of operating within a market-oriented economy). These factors may affect the liquidity and/or value of investments held by the Fund.

Regulatory controls and corporate governance of companies in some foreign countries may provide little or no protection for the Fund or Unitholders.

### **Foreign Exchange Risk**





A portion of the Fund's assets may be invested in securities and other investments denominated in currencies other than Australian dollars. The value of such investments may be affected favourably or unfavourably by fluctuations in exchange currencies. In addition, prospective investors whose assets and liabilities are primarily denominated in currencies other than the currency of investment should take into account the potential risk of loss arising from fluctuations in the rate of exchange between the currency of investment and such other currency.

## **4.2 Fund Specific Risks**

### **Concentration Risk**

The Manager intends to seek to diversify the Fund's investments as it deems appropriate and consistent with the Investment Strategy. If suitable investment opportunities are not identified and the Manager is not ultimately able to achieve its preferred allocation in pursuing the Investment Strategy, the Fund's portfolio may consist of a smaller and more concentrated number of investments, or investments more concentrated in the same or similar sectors. Alternatively, the Fund may, at its sole discretion, take more concentrated exposures should an attractive risk-adjusted return opportunity arise. In either case, concentration may result in greater volatility.

### **Due Diligence Risk**

There is risk that the Manager's due diligence on investments will not identify all relevant facts or issues that may be relevant or necessary in evaluating investment opportunities. Due diligence also may be unable to verify the accuracy, reliability or completeness of information that the Manager or its Affiliates are provided. Information in respect of private markets assets may be more limited. The Manager and its Affiliates may base their investment decisions on financial and operational assumptions and models, or evaluations from independent consultants, which may prove to be inaccurate.

### **Investee Failure**

Investments of the Fund may suffer financial difficulties and/or fail, which could result in losses to the Fund. Such investments may require follow-on funding, which may dilute any investment held by the Fund to the extent that the Fund does not participate in such follow-on funding. Some investees may have certain levels of debt to carry out and expand their operations. The level of interest rates payable on that debt, and the availability of debt financing (including to refinance existing borrowings), can have a significant effect on the returns of those entities.

### **Liquidity Risk**

The Fund's Investment Strategy focusses on private markets investments that may be illiquid or for which there may be no established secondary market, meaning that they may be difficult exit at a preferred price over a preferred period. In certain conditions, the liquidity of a particular market or security may be restricted, thus affecting the performance of the Fund. Where the Fund seeks exposure to an investment strategy by subscribing for interests in Underlying Vehicles, the Fund may be subject to the redemption terms and any liquidity restraints of the Underlying Vehicles. The Fund may be forced to exit investments in certain stressed scenarios, including to satisfy Unitholder redemptions or loan commitments on leveraged capital. A lack of liquidity or market depth may affect the valuation of the Fund's investments in such circumstances. The Trustee and/or the Manager may suspend or significantly delay redemptions and/or the calculation of the Fund's unit price if sufficient Fund assets cannot be realised at an appropriate price on adequate terms in such circumstances. For further information, see the Section 6.





### **Leverage Risk**

The Trustee and Manager may use leverage to implement the Fund's Investment Strategy. The level of the Fund's leverage may be substantial, both absolutely and relative to the size of the Fund. Leverage can magnify both the gains and the losses of the Fund and may result in greater volatility, increasing the risk of loss to Unitholders. Depending on the arrangements with the financier, security may be pledged or granted over part or all of the assets of the Fund. A default under the terms of a facility agreement may result in the financier enforcing its security. In an enforcement scenario, a financier may require the Fund to cease paying any distributions to Unitholders and instead to apply all income and proceeds generated from the security asset towards the repayment of the loan facility and other operating costs. In addition, providers of the borrowed funds could withdraw their funding and alternative funding sources may not be available.

If the Fund is wound up, Unitholders will rank behind secured and unsecured creditors of the Fund. If there is a shortfall of funds on winding-up, Unitholders may recover less than or none of what they invested. The Fund's portfolio may also include investees and Underlying Vehicles that have significant debt in their capital structures. Investees and Underlying Vehicles with a leveraged capital structure may be more exposed to rising interest rates, refinancing risk, economic downturns and deteriorations in their financial performance. Leverage may also exacerbate losses.

### **Derivatives Risk**

The Fund may use derivatives, such as options, warrants, futures and swaps, for hedging and non-hedging purposes. Derivative transactions may be highly volatile and can create investment leverage, which may cause the Fund to lose more than the amount initially contributed to the transaction. A derivative's value may fail to move consistently with the value of its underlying asset. In addition, derivatives can be illiquid, can be difficult or costly to reverse, and may not perform as expected. Derivative contracts also expose the Fund to counterparty risk.

## **4.3 Manager and Conflicts Risks**

### **Manager Risk**

The Fund relies heavily on the Manager's ability to identify and originate investment opportunities that will generate a return commensurate with the underlying risk of the Fund's Investment Strategy. If the Manager makes the wrong decisions, the Fund could have lower or negative returns. The Fund might also be unable to deploy its capital in an efficient manner. Completed investments may not generate expected returns. Unfavourable circumstances may affect the Manager's ability to make investments at acceptable prices. The Manager may not be successful in implementing the Investment Objective or the Investment Strategy.

Further, the Fund's performance largely depends on the continuation of the services and skills of the officers and employees of the LVP Group. There is a risk that key personnel may depart from the LVP Group or that the LVP Group may be removed as Trustee and/or investment Manager of the Fund.

### **Conflicts of Interest**

Conflicts of interest exist in the structure and operation of the Manager's business as it relates to the Fund. The Manager and its Affiliates provide investment management and advisory services to other funds and client accounts, and its compensation for managing or advising such funds and accounts may be greater than its compensation for managing the Fund (whether due to differences in the terms of such compensation or due to differences in the Manager's practical





ability to satisfy any conditions for the payment of such compensation, or both). This may create an incentive to focus on such other funds and accounts which may have investment objectives or investment strategies similar to those of the Fund.

The Manager may also give advice or take action with respect to the other clients that differs from the advice given or action taken in respect of the Fund. To the extent a particular investment is suitable for both the Fund and another LVP Group fund or account, these other funds or accounts may compete with the Fund with respect to these investments. Where this occurs, the Manager will generally allocate investments in a fair and equitable manner, considering matters such as applicable law, capacity, risk and investment objectives.

Funds or accounts managed or advised by the LVP Group may now or in the future have direct or indirect exposure to the same investees as the Fund. There is a risk that any advice, actions (or inactions) taken by a member of the LVP Group as the investment manager or investment adviser of the other funds or accounts may have a material impact (positive or negative) on the investments held by the Fund and vice versa.

Different teams within the LVP Group may know information that could be beneficial to the Fund but cannot be shared with the Fund due to internal policies and procedures, including in relation to information barriers. Subject to internal compliance policies and approval procedures, the Fund may participate in transactions in which one or more members of the LVP Group are, directly or indirectly, interested. In connection with such transactions, the Fund, on the one hand, and one or more members of the LVP Group, on the other, may have conflicting interests.

Subject to internal compliance policies and approval procedures, members of the LVP Group may engage, from time to time, in personal trading of investments, including investments of the kind contemplated by the Fund's Investment Strategy.

Where the Manager or its Affiliates manage separate managed accounts or investment vehicles for investors that pursue strategies similar to, or that overlap with, those of the Fund, those investors may have access to detailed information about their accounts, including current portfolio holdings, which the Manager does not customarily make available to investors in the Fund or other funds or accounts. Such investors may be able to take action, including more timely action, with respect to their accounts that investors in the Fund or other funds or accounts cannot take.

The Manager may effect the transfer of investments between the Fund and other funds and accounts managed or advised by members of the LVP Group, or between the Fund and one or more members of the LVP Group. As a result of the foregoing, the Manager may have conflicts of interest with respect to the allocation of its time and activities between the Fund and its other clients, the allocation of investments between the Fund and the other clients, transactions between the Fund and other funds and accounts, and with respect to decision-making on behalf of the Fund and such other funds and clients.

Under the Constituent Documents, the Trustee and Manager may

- (a) deal with themselves, other members of the LVP Group, investors in the Fund or of the LVP Group or any other person;
- (b) be interested in and receive benefits under any such contracts or transactions; or
- (c) act in the same or similar capacity in relation to other investment vehicles.

#### **4.4 General Risks**

##### **Regulatory, Litigation and Compliance Risks**





The Manager and its Affiliates have an established regulatory compliance and governance framework. The Manager and its Affiliates monitor their compliance with existing laws and regulations, the political and regulatory environment and their adherence to internal processes.

The Manager and its Affiliates have from time to time, and may in the future, become subject to regulatory investigations. The inherent uncertainty of the investigative processes may affect the Manager's and its Affiliates' operational and/or financial position due to demands on management time and increased costs. Such investigations may result in administrative actions or legal proceedings against members of the LVP Group. If any such action or proceeding is commenced that may have a material adverse effect on the Fund, the Manager will make appropriate disclosures. Such actions or proceedings, if determined adversely, could attract fines, civil and criminal liability or other regulatory action. There is also a risk that the LVP Group's reputation could suffer due to the profile of, and public scrutiny surrounding, any regulatory investigation, regardless of the outcome.

### **Cyber Risk**

The Manager's information and technology systems, or those of its service providers, suppliers, other counterparties, contractors, investees or those of any Underlying Vehicles or managers or advisors of Underlying Vehicles, may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, usage errors, power outages or catastrophic events. If these systems are compromised, become inoperable for extended periods of time, or cease to function properly, the Manager or other affected party or parties may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions to the Manager's or other relevant party's or parties' operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Unitholders and other investors.

In addition, the Manager, its service providers, suppliers, other counterparties, contractors, investees or those of any Underlying Vehicles or managers or advisors of Underlying Vehicles may be subject to cyberattacks. Cyberattacks include, among other behaviours, efforts to gain unauthorised access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, stealing or corrupting data maintained online or digitally, the unauthorised release of confidential information or various other forms of cybersecurity breaches.

Cyberattacks are viewed as a constantly evolving risk and the scope of the risk and related mitigation techniques are subject to continuing change.

### **Pandemic and Force Majeure Risk**

Health crises, such as epidemic and pandemic diseases like COVID-19, and other catastrophes that interrupt the expected course of events, such as natural disasters, civil disturbances, wars, acts of terrorism, power outages and other external events, whether foreseeable or unforeseeable, and the public response to or fear of them, may adversely affect the economies and financial markets to which the Fund is exposed, and consequently the value of the Fund's investments.

Such events may also adversely affect the financial standing of investees and their ability to meet any obligations they may have to the Fund, and the ability of the Fund to meet its own obligations, including in respect of the Fund's borrowing obligations (if it has borrowings), the Fund's distributions, the liquidity of the Fund (if there is an increase in redemption requests) or as a result of changes to legislation, regulations and government policies.





Further, such events may impact the Manager's and the Fund's other service providers' operations, including by reducing, delaying, suspending or otherwise disrupting functions such as trading and valuation.

### **Counterparty Risk**

Counterparty risk is the risk of loss caused by another party defaulting on its obligations to the Fund because it either becomes insolvent or cannot otherwise meet its obligations. A party defaulting on its obligations could subject the Fund to substantial losses since the Fund will still have to fulfil its own obligations on any other transactions, including those that were intended to be offset by other contracts. Derivatives entered into by the Fund on a bilateral basis with a counterparty such as an investment bank, as opposed to exchange-listed derivatives, are subject to the risk that the counterparty will default.

In addition, the Manager may outsource key operational functions to third party service providers, which services may relate to prime broking, custody, execution, administration and valuation. There is a risk that third party service providers may intentionally or unintentionally breach their obligations to the Fund or provide services at a level below the agreed standards, which may result in losses to the Fund. There is also a risk that such service providers will voluntarily elect to discontinue their provision of services, either generally or in relation to the Fund, in which case the Manager may have limited time to appoint and transition to a replacement service provider.

### **Commodities Risk**

The Fund may have exposure to the natural resources sector, including associated industries. Accordingly, the value of the Fund's investments may be impacted by movements in underlying commodity prices, which may result from various economic, political, environmental or other conditions and events in Australia and globally.

### **Credit Risk**

The Fund may have direct or indirect exposure to credit investments (both secured and unsecured) with a range of maturities. It is possible that any of these facilities may be repaid earlier than anticipated. The extent of borrowers' prepayment or refinancing of their debt facilities may depend on various factors. Likewise, the Fund may invest in both drawn and undrawn loans. Undrawn loans may include revolving credit facilities, the principal of which may be drawn down at the borrower's election during a period. The Fund may be entitled to a lower rate of interest on undrawn amounts, or none. Accordingly, the Fund's returns may be lower than expected if such loans are not drawn to the extent expected, or not at all.

Various factors could adversely impact the ability of borrowers and issuers to fulfil some or all of their payment obligations or could lead to other events of default. If an event of default occurs, the borrower might not fulfil their payment or other obligations in full or at all, or might breach their covenants, which may lead to additional events of default. In these circumstances, the Fund may suffer reduced income and therefore have a reduced ability to pay distributions and may be required to exercise any contractual rights of enforcement that it has against the borrower in order to recover its investment. There is no guarantee that the Fund will be able to recover its investment successfully. Non-performing investments made by the Fund may require substantial negotiation or restructuring, which may entail, among other matters, substantial irrecoverable costs, a substantial reduction in interest, a substantial write-down of the loan principal or a substantial change in the terms, conditions and covenants. It is possible that the Fund may find it necessary or desirable to enforce (either itself or through the appropriate





counterparty) an underlying security. Any enforcement process can be lengthy and expensive, which could have a material negative impact on the Fund's anticipated return.

The Fund may be exposed to fluctuations in interest rates. Credit cycles expand and contract over time in line with factors over which the Manager has no control. Central bank interest rates (including the RBA cash rate) are correlated to base rates, which may be used as a basis to price loans. Movements in interest rates may negatively impact the Fund's financial performance directly or indirectly, including where they impact a borrower's financial performance.

Certain subordinate or mezzanine investments of the Fund may be subordinated to or rank behind other more senior credit providers. The Fund may be less able (compared to more senior creditors) or unable to influence the borrower. In many cases, the remedies available, such as foreclosure on any security collateral, will be subject to the rights of any senior creditors and other contractual intercreditor provisions. Further, certain senior and subordinated loans of the Fund may not be protected by financial covenants. As a result, the Fund may not be able to take the steps necessary to protect its investments in a timely manner or at all, which could reduce distribution payments or the return of capital. If the Fund is wound up, Unitholders will rank behind secured and unsecured creditors of the Fund. Similarly, if a fund or investment in which the Fund has invested is wound up, the Fund may also have subordinated rights behind other creditors of the insolvent fund or investment. If there is a shortfall of funds on winding-up, Unitholders may recover less than they invested.

The level of covenant protection in credit facilities provided by the Fund may be limited or not present at all, resulting in greater risk to the Fund. Where the Fund proposes to lend capital in conjunction with other lenders as part of a syndicated arrangement, the Fund's negotiating power against both the borrower and the other lenders will depend, in part, on the size of the Fund's contribution to the overall facility, relative to the contributions of other lenders, among various other factors. If the Fund's contribution represents only a small proportion of such a facility, the Fund's ability to negotiate for its preferred covenants may be significantly reduced, resulting in greater risk to the Fund.

The borrowers' covenants, events of default, enforcement rights and repayment obligations are generally documented in the relevant loan documentation. There is a risk that a borrower may challenge the validity of an agreement, or that changes to laws or legal actions may result in agreements being or becoming unenforceable or less valuable to the Fund. If the loan or security documents are not duly executed or enforceable or do not accurately reflect the terms approved by the Fund's Investment Committee, then the returns of the Fund may be adversely impacted.

### **Legal and Tax Risks**

As at the date of this Memorandum, the Fund is not, and is not required to be, registered under the Corporations Act. Accordingly, Unitholders are not entitled to all of the same protections as those afforded to investors in registered Managed Investment Schemes.

Government policies, law and legal and tax regulations that apply to the Trustee, the Manager, the Fund and the Fund's investments may change (including on a retroactive basis). Changes to tax law, interpretation, administrative guidance or practice (whether or not having the force of the law) could adversely affect the tax treatment of an investment in the Fund and the tax treatment of the Fund's investments. Investors should obtain their own tax advice in relation to an investment in the Fund.





## 5 Fees and Costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment and/or from the assets of the Fund as a whole.

Taxes are set out in another part of this document (see Section 7). You should read all the information about fees and costs because it is important to understand their impact on your investment.

### 5.1 Fees<sup>5</sup>

The table below summarises the main fees and costs associated with an investment in the Fund:

Fee or cost	Amount	How and when paid
<b>Management Fee</b>	1.50% (ex GST) per annum of Net Trust Value. <sup>6</sup>	The Management Fee is calculated and paid to the Manager monthly in arrears from the assets of the Fund.
<b>Performance Fee</b>	12.50% (ex GST) of the Total Return per Unit, subject to achieving the 8% Hurdle.	Performance Fees per Unit are generally calculated on 30 June for the relevant Performance Period and payable within 30 days. The Performance Fee in respect of a Unit is payable for each Performance Period that the Total Return in respect of that Unit meets the 8% Hurdle. Performance Fees may be calculated or payable on other calculation dates in accordance with the Constituent Documents.
<b>Trustee Fee</b>	Nil.	N/A.
<b>Ordinary Expenses</b>	Variable.	Ongoing Ordinary Expenses are expected to comprise costs of the management and administration of the Fund, including administration, legal, audit, accounting and taxation preparation costs, insurances, government charges, AML checking fees, CRS checking fees, general expenses and other amounts permitted by the Constituent Documents from time to time. The Overheads of the Trustee and Manager, and abnormal and extraordinary costs are not included in the estimate.
<b>Indirect Costs</b>	Variable.	Indirect Costs are expected to comprise costs arising from interposed vehicles in or through which the Fund invests, for example fees paid to third party investment managers. Indirect costs may include fees, costs and expenses payable at special purpose vehicle or asset level (for example, management or

<sup>5</sup> Unless otherwise stated, fees and costs quoted in this Memorandum are exclusive of GST and do not take into account available input tax credits. The impact of GST payments and credits will be reflected in the Unit price of the Fund.

<sup>6</sup> As referable to a class.





Fee or cost	Amount	How and when paid
		administration fees, custody and audit fees, and acquisition/disposal costs) which are borne indirectly by the Fund and may reduce returns to Unitholders.

### Management Fee

The Manager is entitled to a Management Fee of 1.50% (ex GST) per annum of the Net Trust Value of the Fund as referable to a class (after any current accrued and paid fees and expenses, but before any Performance Fee accrual for the relevant period). The Management Fee is calculated and accrued monthly, and payable monthly in arrears from the assets of the Fund. For clarity, the Management Fee is calculated on the Fund's Net Trust Value as referable to a class after any accrued and paid fees and expenses but before any Performance Fee accrual for the relevant period. The Manager and its Associates are entitled to retain any Outside Fees without deduction or set off of the Management Fee.

### Performance Fee

The Performance Fee per Unit will be calculated for each twelve month period (or part period, where applicable) ending 30 June (or such other date in accordance with the Constituent Documents) during the Term (each, a **Performance Period**). The Performance Fee per Unit is payable for each Performance Period that the 8% Hurdle is met and calculated as 12.5% of the Total Return for the Performance Period. The Performance Fee per Unit is generally payable by the Trustee to the Manager within 30 days of the applicable calculation date in accordance with the Constituent Documents. The Performance Fee per Unit is calculated by reference to the Total Return definition in the Glossary and are not a guarantee of future performance.

## 5.2 Costs and expenses

### Ordinary Expenses

Ordinary Expenses of the Fund are expected to comprise costs of the management and administration of the Fund, including transaction costs, administration, legal, audit, accounting and taxation preparation costs, insurances, government charges, AML checking fees, IDPS operator fees, CRS checking fees, general expenses and other amounts permitted by the Constituent Documents from time to time. Some of these costs are fixed and are expected to fall as a proportion of Net Trust Value as the Fund grows.

Ordinary Expenses will be deducted from the assets of the Fund as and when they are incurred. Abnormal expenses may and are expected to occur infrequently and may include (without limitation) costs of litigation to protect the Fund's interests, legal fees, once off or non-business as usual fees and termination and wind up costs. Any abnormal expenses will be deducted from the assets of the Fund as and when they are incurred. The Manager and/or the Trustee may, in their discretion, elect to bear some or all of the Fund's costs and expenses and recover them from the assets of the Fund over time to manage the impact of expense and cost recovery on the Fund.

### Indirect Costs

Indirect Costs of the Fund are expected to comprise costs arising from interposed vehicles in or through which the Fund invests (for example, without limitation, fees payable to or in respect of underlying investment managers). Indirect Costs are paid from the assets of the Fund as and when incurred, but are generally expected to be factored into the net distributions paid from the underlying investments and/or investment vehicles where applicable.





Unless expressly permitted by the Constituent Documents, the Manager does not invoice investors directly for Fund expenses outside the Fund. Where permitted, any such invoices will be on a reasonable basis and in accordance with applicable law.

### **5.3 Changes to fees and costs**

Fees and expenses may change from time to time in accordance with the Constituent Documents and this Memorandum. Each of the Trustee and Manager may accept lower fees or expense recovery than it is entitled to receive under the Constituent Documents and this Memorandum by way of rebate, offset or net payment from the Trust, or may defer payment for any period. Where payment is deferred, such amounts will accrue daily until paid. Different investors may bear different fees.

The Trustee and/or the Manager may, in their discretion, enter into fee rebate, waiver or differential fee arrangements (including via side letters) with certain investors, provided such arrangements are in accordance with the terms of the Constituent Documents and applicable law. Where applicable, the Trustee may make corresponding adjustments to ensure equitable treatment of all Unitholders considered together.

### **5.4 Government charges and taxation**

Government taxes such as GST will be applied to your account as appropriate. In addition to the fees and costs described in this section, standard government fees, duties, and bank charges, such as stamp duties, may also apply. Some of these charges may include additional GST and will apply to your investments and withdrawals as appropriate.





## 6 Applications and Redemptions

---

### 6.1 Applications

#### Eligible Investors

Unless otherwise determined by LVP, the offer to which this Memorandum relates is only available in:

- (a) Australia to wholesale clients as defined in sections 761G and 761GA of the Corporations Act and wholesale clients who invest through an investor directed portfolio service such as a master trust or wrap account; and
- (b) New Zealand to wholesale investors as defined in clauses 3(2) or 3(3)(b)(i)-(ii) of Schedule 1 of the FMCA.

#### Application process

To invest in the Fund, prospective Unitholders must complete an Application Form which is available upon request from the Trustee at [granite@lvpfunds.com.au](mailto:granite@lvpfunds.com.au). New Zealand wholesale investors must also complete a safe harbour certificate that meets the requirements of clause 44 of Schedule 1 of the Financial Markets Conduct Act 2013 (NZ) that confirms that they are a wholesale investor, unless the Trustee or Manager waives this requirement for a particular applicant.

The cut-off time for applications and redemptions is 5:00pm Australian Eastern Standard Time on the fifth Business Day prior to the final day of the month (**Cut-Off Date**). A complete Application Form, together with the application monies and supporting documentation, including a safe harbour certificate for New Zealand investors, must be received by the Administrator prior to the Cut-Off Date in order to be processed the following month, unless otherwise agreed by the Manager in its discretion or as provided for in the Constituent Documents. Payment instructions are set out in the Application Form. All application amounts are required to be paid in Australian Dollars.

For Application Forms submitted electronically, an investor will receive an immediate confirmation that the Fund has received the subscription request, followed by a later correspondence typically issued the month following quarter end confirming whether or not the application has been successful and the issued unit price. Paper application forms may be requested from the Trustee. Whether applying online or via paper form, your application will only be processed once all KYC and supporting documentation has been received and verified to the Trustee's satisfaction.

The Trustee and Manager may in its discretion allow additional time for accepting applications or suspend applications for any period of time.

The issue price of a Unit issued on or within 10 Business Days (or such other period reasonably determined by the Trustee) of the First Issue Date is \$1.00, and thereafter is equal to the Net Unit Value plus Transaction Costs (**Issue Price**), unless the Trustee determines otherwise in its discretion from time to time in this Memorandum, a term sheet or other document (including any Terms of Issue) issued by the Trustee or Manager and which includes some or all of the terms of the Units.

Applications for units may be accepted or rejected (in whole or in part) at the discretion of the Trustee without providing reasons (in which case the Trustee will return any rejected application moneys, subject to its legal and regulatory obligations, less any applicable taxes or fees and without any interest) and the Manager may close the Fund to further investment where it





believes the Fund has reached capacity. None of the Trustee, Manager or any of their Affiliates accept any liability to any recipient of this Memorandum for costs incurred or losses suffered in the event that an application is withdrawn for any reason or if an application is refused in whole or in part. An application is irrevocable and may not be withdrawn except with the consent of the Trustee. Application monies may be held in a trust or operating account pending the issue of Units or return of monies. Any interest or other earnings on application monies will be retained by the Trustee or the Fund (as determined by the Trustee) and applicants are not entitled to such amounts.

### **Minimum investment**

The minimum initial and additional investment is \$25,000 for direct investors into the Fund, unless otherwise approved by the Manager, subject to any applicable minimum investment thresholds applicable to indirect investors through an IDPS.

### **Cooling off**

The Fund is only open to eligible wholesale investors either directly or indirectly via an IDPS. No cooling off right applies.

### **IDPS**

The Trustee and the Manager authorise the use of this Memorandum to eligible wholesale by client or prospective clients of operators of platforms such as an IDPS. You should read this Memorandum in association with the disclosure documents provided by your IDPS operator.

If you invest via an IDPS, the IDPS operator will be the Unitholder in the Fund, and thus the IDPS operator will have the rights of an investor under the Constituent Documents, for example voting rights, and can exercise them, subject to any arrangements that they may have in place with you. Investors through an IDPS will complete an application form for the IDPS and receive reports from the IDPS operator, not from the Trustee or Manager. Certain terms such as the minimum investment, minimum balance and redemptions may be different for investors through an IDPS. Additional fees and costs may also apply. Subject to applicable law, none of the Trustee, the Manager nor any other member of the LVP Group are responsible for any costs incurred or losses suffered by an indirect investor into the Fund via an IDPS in connection with the relevant IDPS platform or any action or inaction of the IDPS operator.

### **Foreign Investment Review Board**

Investors will be required to complete a Foreign Investment Review Board (**FIRB**) Questionnaire as part of the application process. This information is necessary for the Manager to assess whether FIRB clearance is required in connection with the investor's investment (or any investments of the Fund).

### **Further Information**

For the avoidance of doubt, the Trustee may specify in an amended form of this Memorandum, a term sheet or other document (including any Terms of Issue) issued by the Trustee or Manager and which includes some or all of the terms of the Units, the following information:

- (a) the application process;
- (b) application frequency;
- (c) cut-off dates for applications;
- (d) minimum initial and additional investment amounts;
- (e) the process for issuing Units;





- (f) the timing of issue of Units;
- (g) the frequency with which Units may be issued;
- (h) the manner in which the Issue Price is to be determined or applied;
- (i) any other requirements or procedures it determines in its discretion for applications;  
and
- (j) any other matters relating to the issue of Units.

## **6.2 Redemptions**

### **Liquidity of the Fund**

Private markets investments are long-term investments. Whilst the Trustee and Manager intend to permit limited liquidity, Unitholders should be aware of their limited ability to withdraw from the Fund. There is no guarantee concerning the liquidity of the Fund or availability of redemptions.

### **Lock Up Period**

An investment in the Fund is subject to the Lock Up Period, being a period of up to two years from the First Issue Date. During the Lock Up Period, you cannot withdraw from the Fund.

### **Redemption process**

Following the Lock Up Period, redemption requests will generally be permitted monthly, subject to the Quarterly Redemption Limit. Redemption requests may be made prior to the Cut-Off Date for a given month and, if accepted, will be processed based on the Unit price on the last Business Day of that month. Redemption requests received after the Cut-Off Date will generally be processed the following month, subject to the Quarterly Redemption Limit. If accepted, the proceeds of any redemption requests will generally be paid by the end of the month following receipt of your redemption request.

The form to lodge a redemption request is available to Unitholders upon request from the Administrator. Unitholders may complete a written redemption request and lodge it in accordance with the instructions set out in the form.

Once received we may act on your instruction without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

We reserve the right to accept or reject redemption requests in whole or in part at our discretion. We have the discretion to delay processing redemption requests where we believe this to be in the best interest of the Fund or Unitholders.

This redemption process is applicable at the date of this Memorandum and until it is updated by the Trustee or Manager, in writing to Unit holders (including via the website). The current redemption regime at the time of redemption is the regime which applies (not the regime at the time the Units were issued to you).

### **Redemption price**

Units will be redeemed at the Net Unit Value less Transaction Costs, calculated as at the last Business Day of the relevant month. We may withhold from amounts we pay to you any amount you owe us or we owe someone else relating to you (for example, the Australian Tax Office).

### **Quarterly Redemption Limit**





A Quarterly Redemption Limit will apply; redemptions will be limited to an aggregate of 5% per quarter of the preceding calendar quarter-end Net Trust Value of the Fund. Once the Quarterly Redemption Limit is reached in any given month, all redemption requests for that month will be processed on a pro rata basis with any excess cancelled. Where any part or all of your redemption request is cancelled, you must resubmit another redemption request by the Cut-Off Date for the first month of the next calendar quarter. For the avoidance of doubt, any part or all of unfulfilled or rejected redemption requests will not be automatically resubmitted on your behalf. No priority will be given to previously scaled-back Unitholders on a subsequent Redemption Date.

The Trustee and Manager may, in their absolute discretion, permit redemptions in excess of the Quarterly Redemption Limit where the Fund has sufficient liquidity and considers that it is in the interests of Unitholders in the Fund as a whole. The Quarterly Redemption Limit may be amended in an amended form of this Memorandum, a term sheet or other document (including any Terms of Issue) issued by the Trustee or Manager and which includes some or all of the terms of the Units.

#### **Minimum redemption amount**

For direct investors into the Fund, the minimum holding amount in the Fund is \$25,000. The minimum redemption amount is \$25,000 or such lesser amount (if any) as the Trustee or Manager may determine in its absolute discretion. The Trustee and Manager may fully redeem a Unitholder whose investment falls below the minimum balance of \$25,000.

#### **IDPS**

If you are an indirect investor in the Fund through an IDPS, you need to provide your redemption request directly to your IDPS operator. The terms and process to do so may differ from those set out in this Memorandum as they will depend on the relevant IDPS operator and terms of the IDPS through which you have invested.

#### **Restrictions on redemptions**

While the Trustee and Manager intend to permit redemption requests from time to time (subject to the Quarterly Redemption Limit), Unitholders do not have a right of withdrawal or right to be redeemed. The Trustee may accept or reject any redemption requests (in whole or in part) in its absolute discretion, in the case of rejecting including (without limitation) where:

- (a) it is impracticable or not possible for the Trustee to accurately or fairly calculate the Net Unit Value, for example because of closure of, or trading restrictions on, stock or securities exchanges, an emergency or other state of affairs, or on declaration of a moratorium in a country where the Fund invests or under the Corporations Act;
- (b) there have been or the Trustee anticipates that there will be, redemption requests that involve realising a significant amount of the Fund property and the Trustee considers that if those redemption requests are all met immediately, Unitholders who continue to hold Units may bear a disproportionate burden of tax or other amounts;
- (c) the Trustee determines that meeting those redemption requests would be to the disadvantage of Unitholders as a whole, for example by resulting in a material reduction in the value of the Fund property;
- (d) the Trustee reasonably considers that it is in the interests of Unitholders;
- (e) the Fund is registered as a managed investment scheme under the Corporations Act and is not liquid (as that term is used in the Corporations Act);





- (f) a moratorium on redemption requests has been declared by the Trustee or the Manager; or
- (g) it is otherwise legally permitted.

### **Transfers**

A Unitholder may transfer their Units by completing a transfer form, which is available from the Administrator upon written request, and providing it to the Administrator. You will receive confirmation when your transfer is processed. The eligibility of transferees that are the subject of proposed transfers is subject to the absolute discretion of the Trustee and Manager, who may refuse to register a transfer of Units.

### **Compulsory withdrawals**

In certain circumstances, as set out in the Constituent Documents, Unitholders may be required to compulsorily withdraw from the Fund.

## **6.3 Distributions and Distribution Reinvestments**

The Trustee may distribute amounts of capital and income from the Fund to Unitholders from time to time in its discretion. No distributions are guaranteed, however the Trustee intends to make distributions from the Fund on a quarterly basis to meet the Yield Distribution Target from time to time. Distributions may be made more or less frequently at the discretion of the Trustee. The Yield Distribution Target is a target only and is not guaranteed. Distributions may not reflect the Yield Distribution Target or any other estimate or target set out in this Memorandum.

You can elect to automatically reinvest Yield Distributions that you receive from the Fund into additional Units by contacting the Administrator at least twenty Business Days prior to the relevant distribution date.

All Non-Yield Distributions will be automatically reinvested in full into additional Units unless you opt to have distributions paid to your nominated account. You can choose to receive these Non-Yield Distributions in cash instead of reinvestment by opting out. To opt out, please provide a written notice addressed to the Administrator at least twenty Business Days before the relevant distribution date. If we receive your notice after this time, it will generally apply from the next distribution date. You may change or withdraw your reinvestment election by giving written notice to the Administrator at least twenty Business Days prior to the relevant distribution date.

Distributions that are reinvested are reinvested at the Unit price effective immediately after the end of the distribution period. The Trustee may in its discretion elect to pay a distribution to your nominated account notwithstanding any election by you to reinvest such distribution.

Please note there may be tax implications for you on distributions reinvested on your behalf.

## **6.4 Unit pricing**

Unit pricing will be undertaken monthly on the last Business Day of the month. The Unit price is the price at which Units are issued and redeemed. The price per unit is equal to the Net Unit Value and may include any applicable Transaction Costs (see page 48 for further details).

Investments of the Fund are valued monthly in accordance with the valuation and unit pricing policies under the Constituent Documents. Methods may include the use of third party manager statements (where investing via interposed vehicles), recent transaction data, and, where applicable, external valuations. The Trustee may, having regard to the nature of the underlying investments, appoint an external valuer from time to time (for example, in connection with material asset acquisitions, material disposals, impairment indicators, or periodically where independent valuation is considered appropriate).





Where an external valuation is obtained, the Trustee will determine the frequency and scope of such valuation, taking into account the characteristics of the underlying assets and good market practice.

There is a possibility that the audited financial report for the Fund may reflect a discrepancy as regards to the Net Trust Value of the Fund, as compared to the unaudited Net Trust Value calculated for June of each year. Audited financial reports are usually finalised and released by September following each financial year. As a result, units issued in July and August of each financial year will be based on the non-audited unit price which may ultimately reflect a discrepancy as compared to unit price which is disclosed in the subsequently disclosed audited financial report.





## 7 Taxation Information

---

The following is a general overview of the Australian income tax, GST and stamp duty implications for Australian resident investors which invest in the Fund under the terms set out in this Memorandum and the Constituent Documents.

The Australian tax consequences outlined in this section are relevant to investors who are individuals, companies (other than life insurance companies), trusts and complying superannuation funds that will hold their Units on capital account for Australian income tax purposes. This section does not address the Australian tax consequences for investors who:

- hold their Units as a revenue asset (i.e. trading entities or entities who will acquire their Units for the purposes of resale at profit) or as trading stock;
- are under a legal disability;
- are 'temporary residents' as that term is defined in section 995-1(1) of the Tax Act;
- are non-residents for Australian income tax purposes and who hold their Units as an asset of a permanent establishment in Australia;
- are entities that may be subject to special rules including investors who have changed their tax residency while holding Units in the Fund, financial institutions, insurance companies, partnerships, tax exempt entities and superannuation funds;
- are subject to the taxation of financial arrangements rules in Division 230 of the Tax Act in relation to gains and losses on their Units; or
- are subject to special tax rules, such as insurance companies, partnerships, tax exempt organisations and entities subject to the Investment Manager Regime under Subdivision 842-I of the Tax Act in respect of their Units.

Investors who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences of investing in the Fund under the laws of their country of residence, as well as under Australian law.

The Trustee and Manager cannot give tax advice. The information contained in this section is intended as a general guide and is based on the Australian tax laws, regulations and administrative practices in effect at the date of this Memorandum. Investors should be aware that any changes (with either prospective or retrospective effect) to the Australian tax laws, regulations or administrative practices may affect the tax consequences outlined in this Memorandum.

The information contained in this Section 7 is general in nature and should not be relied upon by Investors as tax advice. This Section 7 is not intended to be an authoritative or complete statement of the tax law applicable to the specific circumstances of every investor. Investors should obtain their own independent professional advice on the tax consequences of investing in the Fund.

### 7.1 Fund Status

#### **Attribution Managed Investment Trust provisions**

The Fund may qualify as an AMIT, in which case the Trustee intends to elect into the AMIT regime. Where this is the case, Unitholders will be attributed their share of the assessable income, exempt income, non-assessable non-exempt income and tax credits of the Fund. This





means that the Fund should itself not be subject to Australian income tax (except in certain circumstances) and that the tax liability for income of the Fund will be borne by Unitholders.

Where the Fund has not elected into the AMIT regime, or has made the election but the election is not effective for the income year (for example, because the Fund does not meet the relevant requirements for that income year), it is intended that the Fund be treated as a flow through unit trust under Division 6 of the Tax Act. Under the Trust Deed, Unitholders will be presently entitled to the net income of the Fund, meaning that the Fund itself should not be subject to Australian income tax and Unitholders should be taxed on their share of the Fund's net taxable income or the amount attributed to them (as relevant).

### **Capital account election**

Where the Fund meets the requirements to be a MIT, it may make an election to apply a deemed capital account treatment for gains and losses on the disposal of certain eligible investments. Where the election is made the Fund should hold those eligible investments on capital account, with gains and losses from the disposal of such eligible investments being treated as capital gains and losses respectively. Subject to meeting the relevant eligibility requirements, the Trustee intends to make the election for deemed capital account treatment for 'covered' assets. For any income years where the Fund does not meet the requirements to be a MIT or the relevant elections have not been made, the characterisation of the Fund's assets will be determined by the Trustee based on ordinary principles.

### **Distributions**

The Fund is initially structured as an Australian resident unit trust for Australian tax purposes. Where the Fund makes a loss for Australian tax purposes, the Fund cannot distribute the tax loss to Unitholders. However, the tax loss may be carried forward by the Fund to offset against any taxable income of the Fund in subsequent years, subject to the operation of the trust loss recoupment rules.

Your taxable income will include your share of taxable income of the Fund attributed to you, even if part or all of your distributions are reinvested or received in the following income year. Income attributed to you may not coincide with the actual cash distribution you have received (if any) during the same period. Depending on your personal circumstances you may need to make a cash payment to the ATO for tax on your share of the net income of the Fund each year and the Trustee and Manager cannot guarantee that cash distributions from the Fund will be sufficient to fund a Unitholder's tax liability for that year in respect of the Fund.

## **7.2 Taxation of Australian resident Unitholders**

### **Taxation of Australian resident Unitholders treatment of assessable income**

For each income year, Australian resident Unitholders will be required to include within their own tax calculations and tax return filings the assessable income, and tax offsets of the Fund attributed to them by the Trustee, or arising from their share of the net income of the Fund, depending on whether or not the Fund is an AMIT for the income year. The tax consequences for Unitholders in the Fund will depend on the tax components of this assessable income, and the tax offsets derived by the Fund. Where the Fund is not an AMIT for a given income year, Unitholders should include their proportionate share of the Fund's taxable net income to which they were presently entitled to in their income tax return. This amount must be included in the income tax return irrespective of whether the income is distributed or not (such as where the automatic reinvestment of distributions applies).





Unitholders will receive an Annual Tax Statement (or an AMMA for an AMIT) detailing all relevant taxation information concerning attributed amounts and cash distributions, including any Foreign Income Tax Offset (**FITO**) and franking credit entitlements, returns of capital, assessable income, and any net increase or decrease in the capital gains tax cost base of their units in the Fund, and any taxes withheld.

Unitholders may receive their share of attributed tax components of the Fund or net income in respect of distributions made during the year or where they have made a large withdrawal from the Fund, in which case their withdrawal proceeds may include their share of net income or attributed tax components of assessable income, exempt income, non-assessable non-exempt income and tax credits.

### **Foreign income**

The Fund may derive foreign source income that is subject to tax overseas, for example foreign withholding tax. Australian resident Unitholders should include their share of assessable foreign income inclusive of applicable foreign taxes. In such circumstances, Unitholders may be entitled to a FITO for the foreign tax paid, against the Australian tax payable on the foreign source income. Excess FITOs that are not utilised in an income year cannot be carried forward to a future income year.

### **Disposal of units by Australian resident Unitholders**

If an Australian resident Unitholder deals with or redeems their Units in the Fund, this may constitute a disposal (a CGT event) for income tax purposes depending on their specific circumstances.

Where a Unitholder holds their Units in the Fund on capital account, a capital gain or loss may arise on disposal and the Unitholder should calculate their capital gain or loss according to their own particular facts and circumstances. Proceeds on disposal may include a component of distributable income. In calculating the taxable amount of a capital gain, if certain conditions are met, including that the Units have been held for more than 12 months (excluding the date of acquisition and disposal), the Unitholder may be eligible for a discount of one half for individuals and trusts or one third for complying Australian superannuation funds. No CGT discount is available to corporate investors.

Any capital losses arising from the disposal of the investment may be used to offset other capital gains the investor may have derived. Net capital losses may be carried forward for offset against realised capital gains of subsequent years but may not be offset against ordinary income.

The discount capital gains concession may be denied in certain circumstances where a Unitholder (together with Associates) holds 10% or more of the issued Units of the Fund, the Fund has less than 300 beneficiaries and other factors are present. Unitholders who together with their Associates are likely to hold more than 10% of the units in the Fund should seek advice on this issue.

## **7.3 Taxation of non-resident Unitholders**

### **Australian taxation of non-resident Unitholders tax on income**

Distributions of any foreign source income to non-resident Unitholders would generally not be subject to Australian withholding tax (unless, for example, the income is derived through an Australian permanent establishment of the non-resident Unitholders).

Australian withholding tax may be withheld from distributions or the attribution (as relevant) of Australian source income and gains to a non-resident Unitholder. The various components of the net income of the Fund which may be regarded as having an Australian source include





Australian sourced interest, Australian sourced other gains, Australian sourced dividends, Australian sourced trust distributions and CGT taxable Australian property.

The income tax treatment of expected distributions is outlined below:

- (a) **Unfranked dividends:** 30% withholding tax (unless reduced by the application of a Double Taxation Agreement);
- (b) **Franked dividends:** 0% withholding tax;
- (c) **MIT fund payment:** 15% final withholding tax (i.e. income derived from passive investments);
- (d) **Non-concessional MIT income:** 30% withholding tax (i.e. income derived from trading investments); and
- (e) **Return of capital:** 0% if a capital distribution out of cost base under a tax deferred distribution.

If the Fund is not a withholding MIT, a non-final withholding tax may be withheld by the Trustee at the non-resident withholding rates. In this case, non-resident investors will be required to lodge an Australian income tax return to return the income that they have derived, and claim a credit for the tax withheld by the Trustee.

We recommend that non-resident investors seek independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant Double Taxation Agreement and/or Exchange of Information Agreement between Australia and their country of residence.

#### **Disposal of units by non-resident Unitholders**

Based on the Fund's investment profile, generally a non-resident Unitholder holding its Units on capital account should not be subject to Australian capital gains tax on the disposal of Units in the Fund unless the Units were capital assets held by the Unitholder in carrying on a business through a permanent establishment in Australia. However, if a non-resident Unitholder holds its Units as part of a business of investing or for the purpose of profit making by sale, realised gains and amounts otherwise resulting in cost base decreases may be subject to Australian tax as ordinary income, subject to any Double Taxation Agreement. CGT may also apply in some cases where the Fund has a direct or indirect interest in Australian real property. We recommend that non-resident investors seek independent tax advice in relation to the tax consequences of the disposal of their units.

### **7.4 Other taxation matters**

#### **Taxation of Financial Arrangements (TOFA) regime**

The TOFA regime contains rules that cover tax timing treatments for certain financial arrangements where certain income may be recognised on an accruals basis for tax purposes. Broadly, where returns from certain financial instruments are not sufficiently certain they should be recognised on a realisation basis rather than on an accruals basis, unless specific tax timing elections are made. There are a number of exclusions from the TOFA regime. Investors should seek their own advice as to the possible application of the TOFA regime to their investment in the Fund.

#### **Controlled Foreign Company (CFC) provisions**

There may be instances where the CFC provisions apply to investments by the Fund in controlled foreign entities which results in unrealised gains and undistributed income from such investments being taxed on an accruals basis. If CFC interests are held by the Fund at the end





of the income year, the net income of the Fund may include a share of certain income and gains (being the CFC attributable income) from such investments. The Trustee will generally seek to manage the Fund's investments such that the CFC provisions should not apply.

## **GST**

It is not expected that the issue and redemption of Units in the Fund, and receipt of distributions by Unitholders from the Fund, will be subject to GST. GST will be payable by the Fund on certain fees, costs and expenses (including reimbursement of costs) borne by the Fund, however to the extent possible the Trustee will endeavour to claim on behalf of the Fund a proportion of this GST as an input tax credit. Unless otherwise stated, fees and costs quoted in this Memorandum are exclusive of GST and do not take into account available input tax credits. The impact of GST payments and credits will be reflected in the unit price of the Fund. Investors should seek their own professional advice with respect to the GST consequences arising from their holding of Units.

## **Trading Trust provisions**

The general summary set out in this Section 7 (Taxation Information) assumes that the Fund is not a trading trust (as defined in Division 6C of the Tax Act). The Fund may become a trading trust in circumstances where it carries on a trading business. Broadly, the Fund should not be considered to be carrying on a trading business if it limits its activities to the following:

- (a) investing in land for the primary purpose of deriving rent; and/or
- (b) investing or trading in loans, shares, units, life assurance policies, derivatives and similar financial instruments or financial instruments that arise, subject to certain exceptions, under financial arrangements.

The Investment Strategy of the Fund is to minimise the impact of the trading trust provisions applying to the Fund, but this will ultimately depend on the terms of the investments made by the Fund. If in fact the Fund qualifies as a trading trust or controls a trading business, the income tax implications for the Fund may differ from that set out earlier in this Section 7 (Taxation Information). In particular, the Fund may not be treated as tax transparent and may be taxed as a company at the corporate rate of its net taxable income. If this is the case, the Fund is not expected to qualify as a MIT or AMIT.

## **Stamp duty**

Stamp duty may arise and be payable in the ordinary course of the acquisition of certain assets by the Fund. Dealings in the Fund by Unitholders, including by way of acquisition, transfer, withdrawal or redemption of Units, may attract stamp duty depending on the extent of the dealing and nature and location of the underlying assets of the Fund at the time. The stamp duty rules are complex and we recommend that investors seek independent professional advice in relation to the stamp duty consequences of any dealing of interests in the Fund.

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

If you do not disclose your TFN or ABN (as required by the Trustee), the Trustee may be required to withhold tax at the top marginal rate, plus the Medicare Levy, on gross payments made to you from the Fund including distributions or attribution of income. You may be able to claim a credit in your tax return for any TFN or ABN tax withheld. Collection of TFNs is permitted under taxation and privacy legislation.

## **7.5 FATCA and CRS**

### **Foreign Account Tax Compliance Act (FATCA)**





The intent of the FATCA regime, introduced by the United States of America government, is broadly to prevent tax avoidance by US persons. Broadly, the FATCA rules may require the Fund to report certain information to the ATO, which may then pass the information on to the US Internal Revenue Service. If you do not provide this information, we will not be able to process your application. To comply with these obligations, we will collect certain information about you and undertake certain due diligence procedures to verify your FATCA status and provide information to the ATO in relation to your financial information required by the ATO (if any) in respect of any investment in the Fund.

### **Common Reporting Standards**

The OECD Common Reporting Standards Automatic Exchange of Financial Account Information (**CRS**) regime requires certain financial institutions to collect and report information to the ATO and follow related due diligence procedures. It is expected that the Fund will be a financial institution required to comply with the CRS regime by obtaining and reporting information on relevant accounts (which may include your Units in the Fund) to the ATO. In order to facilitate such compliance we will request certain information and certifications from you which we will use to determine whether the Fund is required to report your details to the ATO. The ATO may provide this information to authorities in other jurisdictions.

## **7.6 Taxation of New Zealand resident Unitholders**

If you are a New Zealand resident wishing to invest in Australia, we recommend that you seek independent professional tax advice. New Zealand resident investors will be taxed on their units under the Foreign Investment Fund (“**FIF**”) rules or ordinary tax rules, depending on their circumstances. Australian tax will be withheld at prescribed rates from distributions to non-residents to the extent that the distributions comprise relevant Australian sourced income or gains.

### **New Zealand Taxation**

This summary of New Zealand taxation matters is a general guide that outlines the New Zealand taxation implications applicable to New Zealand resident investors. The summary is based on the New Zealand tax laws as at the date of this Memorandum. The New Zealand tax laws are subject to continual change, and as the tax treatment applicable to particular investors may differ, it is recommended that all New Zealand investors seek their own professional advice on the taxation implications before investing in the Fund.

**The following summary relates to direct investment into the Fund.** It assumes that no New Zealand resident investor will have an interest of 10% or more of the Fund. The New Zealand taxation treatment of an investment in Australian securities is not the same as for an investment in New Zealand securities.

### **Classification of the Fund – New Zealand investors directly investing in the Fund**

The Fund is a unit trust (which is deemed to be a “company”) for New Zealand tax purposes. New Zealand resident investors are treated as holding shares in an Australian resident company.

### **Dividend Taxation**

The rules outlined below apply to direct investors in the Fund who are New Zealand resident natural person investors and a limited range of trusts, including testamentary trusts whose offshore portfolio investments cost NZ\$50,000 or less, unless they elect to be taxed under the Foreign Investment Fund rules (refer to the next section).





All foreign portfolio investments held by the investor (including units in the Fund) are taken into account in ascertaining whether the NZ\$50,000 cost threshold is exceeded, except for certain excluded investments. Common investments excluded in the calculation of the threshold are the cost of most shares listed on an approved index of the Australian Securities Exchange and units issued by certain Australian unit trusts (which regularly turn-over their assets and maintain a New Zealand resident withholding tax proxy, which is not the case with the Fund).

#### *Distributions*

If the investor is under the NZ\$50,000 cost threshold, then the investor will be treated as deriving a dividend for tax purposes at the time any income is distributed to them or reinvested in the Fund.

Investors will be taxed on dividends derived from the Fund at their relevant marginal tax rate. Investors will be required to include the full amount of the dividend (including any Australian withholding tax deducted) in an income tax return or an overseas income summary. Any Australian withholding tax deducted from the dividend may be able to be credited against the investor's income tax liability (although the credit may not exceed the investor's New Zealand tax liability on the dividend).

#### *Withdrawal of units*

Gains realised in excess of the amount paid on the issue of the units (and in excess of the amount of any distribution applied in reinvested units), converted to New Zealand dollars at the time of withdrawal, will be treated as a dividend at the time the units are redeemed unless (1) the withdrawal is at least 15% or more of the investor's total investment and the Fund has available subscribed capital at least equal to the withdrawal proceeds, or (2) the withdrawal is not part of a pro rata cancellation and the Fund has available subscribed capital at least equal to the withdrawal proceeds. Finally, there is an over-arching requirement that the withdrawal is not in lieu of the payment of a dividend. In the event of dividend treatment, the tax implications are the same as outlined above in relation to distributions.

Investors will be treated as having disposed of their units on withdrawal. Those investors who would otherwise be taxable on any gain derived from the sale of their units (see below) will continue to be taxable on any gain in excess of the amount treated as a dividend.

#### *Sale of units*

An amount derived by an investor from any sale or disposition of their units in the Fund will only be taxable if:

- the investor is in the business of dealing in shares or similar property (including units in unit trusts);
- the investor purchased the units for the dominant purpose of resale; or
- the amount is received in connection with a profit-making undertaking or scheme.

Investors who are taxable on amounts received on the sale or disposition of their units will be allowed a tax deduction equal to the cost of the units being redeemed.

We recommend investors seek tax advice in such circumstances to confirm their tax position.

#### **New Zealand Foreign Investment Fund Taxation**

The New Zealand Foreign Investment Fund rules apply to New Zealand resident investors who are not subject to Dividend Taxation (refer to the previous section).





New Zealand resident investors will be taxed on their Units under the FIF rules unless the NZ\$50,000 cost threshold, explained above, applies. The investment in the Fund will not fall within the very limited FIF exemption for certain Australian unit trusts nor within the exemption for Australian companies listed on the official list of the ASX.

Strict rules govern the method that may be used for calculating FIF income and also restrict the ability to change between methods. We note that individuals and eligible family trusts can choose between the fair dividend method and comparative value method, depending on which method produces the lower taxable income each income year. However, the selected method must be applied consistently to all FIF interests for that income year (see our more detailed discussion below). We recommend investors seek tax advice to confirm which FIF income method(s) they are able to apply.

#### *Fair dividend rate taxation*

The default method for calculating taxable income under the Foreign Investment Fund rules is the Fair Dividend Rate (“FDR”) method. The FDR method can be computed annually or periodically.

Under the FDR Annual method, a New Zealand investor derives taxable income each year equal to 5% of the New Zealand dollar market value of the investor’s total offshore share portfolio (including the investment in the Fund) measured at the beginning of the income year (1 April in most cases). Currency conversion is at either the actual rate at the beginning of the income year, the rolling 12-month annual rate, or the mid-month actual rate (at the New Zealand investor’s option). The chosen rate must be applied consistently across all investments that the New Zealand investor holds that are subject to FDR (and consistently for later income years).

On the other hand, the FDR Periodic method applies to a New Zealand investor who is a “unit valuing fund” or who elects to use this method on a daily basis. Broadly, a New Zealand investor will be a unit valuing fund if it invests on behalf of others and values its own investors’ interests periodically throughout the income year. Under this version of the FDR method, an investor is deemed to derive taxable income equal to 5% of the New Zealand dollar market value of the investor’s total offshore share portfolio (including the investment in the Fund) at the start of the unit valuation period, multiplied by a fraction, being the number of days in the period divided by 365 (or 366 in tax years that include 29 February). The investor’s income for the year is the total of the amounts calculated for each valuation period in the year.

Income distributions, whether reinvested or received, are not separately taxable to New Zealand investors where the FDR method is applied.

If units were not held on the measurement date (i.e. 1 April) and the FDR method is used, FDR income for the year will be nil. Any distributions received during the income year will not be taxed separately. Conversely, if units are redeemed during the tax year, FDR income is not changed (i.e., the FDR income calculated at the commencement of the tax year is taxable). Investors may choose to change between the FDR Annual method and FDR Periodic method no more than once every four years.

#### *Comparative value taxation*

New Zealand natural persons and family trust investors can elect to be taxed on their actual gain (i.e., aggregate gains and losses in market value over the year, distributions and net sale or withdrawal proceeds) under the comparative value (“CV”) method, if the actual return is less than the deemed 5% return under the FDR method for the particular year. However, net portfolio losses are not deductible where the CV method is applied. Currency conversion is as per that applying to the FDR method (as outlined above).





If an investor elects to use the CV method for the investment in the Fund it must be applied (with limited exceptions) to all offshore portfolio equity investments held by the investor for that income year which are subject to the FIF Rules. That is, the investor must choose between the CV method and the FDR method for the investor's whole portfolio.

#### *Investment losses*

No tax deduction is available to an investor under the FDR or CV methods if the units decline in value during a tax year.

#### *Disposal of Units by New Zealand Investors*

Gains made on the withdrawal or the disposal of units in the Fund that are not quick sale units (see below) are not taxable to New Zealand investors where the FDR method is applied.

The units will be classified as "quick sale" units if:

- the New Zealand investor buys and sells units in the Fund within the same income year and uses the annual FDR method, or
- the New Zealand investor uses the periodic FDR method and buys and sells units in the Fund within the unit valuation period and has a unit valuation period of more than one day.

To calculate the "quick sale" adjustment, the investor's FDR income for the year is increased by the lesser of:

- 5% of the "cost" of the quick sale units (the "cost" per unit of any quick sale unit is the average per unit cost of all units acquired during the year or unit valuation period); and
- the investor's actual return on the quick sale units (i.e., all distributions received and proceeds received on disposal or withdrawal of the investment, less the average cost of units acquired during the year or unit valuation period).

Where the CV method is applied for the period in which the disposal occurs, proceeds derived from the sale of the units will be taken into account in the CV method calculation (refer to the summary of the CV method calculation above).

#### *Australian withholding taxes*

Any Australian withholding tax deducted from distributions from the Fund may be credited against the New Zealand investor's income tax liability in respect of the investment in the Fund calculated under the FIF rules. The amount of the credit allowed is the lesser of the New Zealand tax payable on the Foreign Investment Fund income for the units or the Australian withholding tax paid. Note however that New Zealand investors are generally not entitled to claim a tax credit in New Zealand for overseas withholding tax deducted with respect to the Fund's underlying investments.

#### *Reforms to the FIF Rules*

On 26 August 2025, the New Zealand Government introduced the Taxation (Annual Rates for 2025–26, Compliance Simplification, and Remedial Measures) Bill, which will reform some aspects of the FIF rules, with retrospective effect from 1 April 2025 (assuming it is enacted in its current form). The reforms will allow eligible taxpayers to apply a realisation-based calculation, referred to as the Revenue Account Method ('RAM'), for FIF taxable income. Under the RAM, only dividends and gains in the value of foreign investments on disposal (or possibly on emigration) are taxed.

The RAM will only be available to:





- New Zealand migrants who become fully tax resident in New Zealand (usually after the expiration of their transitional tax residence exemption period) on or after 1 April 2024, and
- Returning New Zealanders who have been non-New Zealand tax resident for at least five years.

For all other existing New Zealand taxpayers, the existing FIF rules will continue to apply.

New Zealand Investors who may be eligible to apply the new RAM should seek detailed professional advice as to whether the RAM can apply to their investments in the Fund, given their personal facts and circumstances.

#### **New Zealand GST**

No New Zealand GST is payable on any distributions nor in respect of the application, acquisition, disposal or withdrawal of units in the Fund.





## 8 Jurisdictional Considerations

---

### 8.1 Australia

This Memorandum is not a Disclosure Document or Product Disclosure Statement (each as defined in the Corporations Act). As at the date of this Memorandum, it is not required to, and does not, contain all the information which would be required in a Disclosure Document or Product Disclosure Statement, or all the information that a prospective investor may desire or should obtain in order to make an informed investment decision. As at the date of this Memorandum the Fund is not, and is not required to be, registered as a Managed Investment Scheme under the Corporations Act.

The Manager will only make an offer of interests in the Fund to a person in Australia if the offer to such person does not require a Product Disclosure Statement or other Disclosure Document under the Corporations Act. Accordingly, each prospective investor who receives an offer in Australia will be required to demonstrate that it is a “sophisticated investor” or a “professional investor” within the meaning of the Corporations Act, unless the Manager determines that another exemption is available.

### 8.2 New Zealand

Offers of the interests in the Fund or indirect interests in the Fund through any other investment vehicle providing indirect investment into the Fund in New Zealand are only being made to investors such that the offer does not require a product disclosure statement under the FMCA. If you receive this Memorandum in New Zealand, you represent and warrant that:

- (a) you are a “wholesale investor” within the meaning of clauses 3(2) or 3(3)(b)(i) to (ii) of Schedule 1 of the FMCA or an exclusion to the disclosure requirements of the FMCA otherwise applies in relation to the acquisition of any interest in the Fund; and
- (b) if you are acquiring interests in the Fund for the account of another person, that person falls within the criteria set out in the previous paragraph.

#### **New Zealand selling restriction**

If you receive this Memorandum in New Zealand you acknowledge that:

- (a) neither you, nor any person on whose account you will acquire the interests in the Fund, has offered, sold, or transferred, and will not offer, sell, or transfer, directly or indirectly, any units in the Fund; and
- (b) neither you, nor any person on whose account you will acquire the interests in the Fund, has granted, issued, or transferred, and will not grant, issue, or transfer, any interests in or options over, directly or indirectly, any units in the Fund; and
- (c) neither you, nor any person on whose account you will acquire the interests in the Fund, has distributed and will not distribute, directly or indirectly, an information memorandum or any other offering materials or advertisement in relation to any offer of any units in the Fund,

in each case other than to a person who is a Wholesale Investor, and other than in accordance with the terms of this Memorandum and the Constituent Documents; and

- (d) you will notify us immediately if you, or any person on whose account you will acquire interests in the Fund, ceases to be a Wholesale Investor.





This Memorandum does not constitute a New Zealand product disclosure statement, has not been and will not be lodged with the Registrar of Financial Service Providers in New Zealand under the FMCA.

### **Withdrawals by New Zealand investors**

Unless otherwise determined by the Trustee or Manager, withdrawal requests received from New Zealand investors must specify the:

- (a) withdrawal amount in Australian dollars; or
- (b) number of units to be withdrawn.

We are unable to accept withdrawal amounts quoted in New Zealand dollars. If you are a New Zealand investor, please note that, unless the Trustee or Manager determine otherwise, the withdrawal amount paid to you will be in Australian dollars and may differ from the amount you receive in New Zealand dollars due to:

- (a) Foreign Exchange spreads between Australian and New Zealand dollars (the currency exchange rates differ daily); and
- (b) Overseas Telegraphic Transfer costs.

Withdrawals will only be paid directly to the New Zealand investor's AUD denominated bank account held in the name of the investor with an Australian-domiciled bank, unless otherwise determined by the Trustee or Manager in their discretion. Withdrawal payments will not be made to third parties.

The offer of interests in the Fund may involve a currency exchange risk as they will be denominated in Australian dollars. The value of the interests in the Fund will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products. New Zealand investors should obtain their own professional advice on the tax consequences of this investment on them, including as arising from any future distributions and distribution reinvestments.

Distributions from the Fund, net any withholding tax, will be reinvested resulting in additional units being issued to you, unless you opt-out of this reinvestment (which you can do by contacting the Administrator should you not wish to automatically reinvest your distributions).

### **New Zealand investor redistributions disclosures**

The distribution reinvestment plan described in this Memorandum is offered on the following basis:

- (a) at the time the price of the Units allotted pursuant to the distribution reinvestment plan is set, we will not have any information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the Units if the information were publicly available;
- (b) the right to acquire, or require us to issue, Units will be offered to all investors of the same class, other than those residents outside Australia or New Zealand who are excluded so as to avoid breaching overseas laws; and
- (c) Units will be issued on the terms disclosed to you, and will be subject to the same rights as Units issued to all investors of the same class as you.





### **8.3 Registered Management Investment Scheme**

By investing in the Fund, you consent to the Fund being registered in the future should the Trustee (in consultation with the Manager) consider it appropriate. You also consent to registration taking place without the Trustee holding a meeting of investors to amend this Memorandum and the Constituent Documents to make it suitable to be registered and to approve the application for registration. To the extent that the level of any fees may change from those set out in this Memorandum as a result of such registration, we will notify you of these changes prior to the change becoming effective.





## 9 Privacy

---

### 9.1 Collection, holding, and use of your personal information

To assess your application to invest in the Fund, manage our relationship with you, and operate the Fund effectively, LVP and our respective service providers (collectively **we, us**) need to collect your personal information.

This information is collected and used for primary purposes including:

- (a) processing your application and establishing your investment;
- (b) administering your investment and providing you with reports and other services;
- (c) complying with our legal and regulatory obligations, including under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth), the *Corporations Act 2001* (Cth), and taxation laws; and
- (d) any other purpose permitted under the *Privacy Act 1988* (Cth) (the **Privacy Act**).

If you do not provide the personal information we request, we may be unable to process your application or properly administer your investment.

### 9.2 Disclosure of Your Personal Information

We may disclose your personal information to third parties, including:

- (a) related entities within the LVP Group;
- (b) our external service providers, such as the registry, custodian, legal advisors, and auditors; and
- (c) government and regulatory bodies as required or authorised by law.

Some of our service providers may be located overseas or use cloud-based infrastructure with servers located in other countries. Therefore, your personal information may be disclosed to recipients in jurisdictions outside of Australia. The likely location of these recipients is detailed in our Privacy Policy. We take reasonable steps to ensure that any overseas recipient of your personal information handles it in accordance with the Australian Privacy Principles.

### 9.3 Data Security

We take our obligation to protect your personal information seriously. We implement and maintain reasonable administrative, technical, and physical safeguards to protect the information we hold from misuse, interference, loss, and from unauthorised access, modification, or disclosure.

### 9.4 Direct Marketing

We may also use your personal information to contact you with information about other investment opportunities or services that may be of interest to you. You have the right to opt-out of receiving such communications at any time by contacting us. Instructions on how to opt-out are also contained within our Privacy Policy.

### 9.5 Your Rights and Our Privacy Policy

Our Privacy Policy contains detailed information about:

- (a) how you may access the personal information we hold about you;
- (b) how you can seek the correction of that information; and





- (c) how you may lodge a complaint if you believe we have breached the Australian Privacy Principles, and how we will handle your complaint.

You may request a copy of our Privacy Policy by contacting the Manager. By submitting a subscription agreement, you acknowledge that you have been provided with an opportunity to read our Privacy Policy.

## **9.6 Feeder vehicles**

Where an investor invests via a feeder vehicle, the trustee of that vehicle will have similar obligations regarding the handling of your personal information as set out above.





## 10 Anti-Money Laundering

---

### 10.1 Our legal obligations

The Trustee, Manager, and other LVP Group members, as reporting entities, are subject to and must strictly comply with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) and the *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)* (collectively, **AML/CTF Law**). These laws are designed to prevent money laundering, terrorism financing, and other serious financial crimes.

### 10.2 Investor identification and verification

Before we can issue any Units in the Fund to you, we are required by law to collect specific information and documentation to verify your identity and, where applicable, the identity of associated parties. This process is known as customer due diligence or 'Know Your Customer' (**KYC**). The information we are required to collect includes, but is not limited to:

- (a) **For the Investor:** Verification of the full and correct identity of the applicant.
- (b) **For Beneficial Owners:** Identification and verification of any individual who ultimately owns or controls, directly or indirectly, the investor.
- (c) **For Controllers:** Identification and verification of any person acting on behalf of the investor, such as a director, trustee, or attorney.
- (d) **Source of Funds & Wealth:** Collection of information and supporting documentation regarding the source of the funds being invested and the investor's source of wealth.
- (e) **Politically Exposed Persons (PEPs):** Determining whether an investor or their beneficial owners are domestic or foreign PEPs.

We are prohibited by law from issuing Units in the Fund until we have satisfactorily completed these verification procedures at our sole discretion.

### 10.3 Ongoing and transactional due diligence

Our obligations under AML/CTF Law are ongoing. This means we may need to request additional information from you in the future to keep our records current or before processing certain transactions, such as redemptions or transfers. You agree to provide any such information promptly upon request.

### 10.4 Right to delay or refuse transactions

By applying to invest in the Fund, you acknowledge and agree that we may, at our sole discretion, delay, block, or refuse any application or transaction if we have concerns that it may breach our obligations under any AML/CTF Law or other applicable law. This includes the right to suspend the issue or redemption of Units or the payment of any proceeds. The Trustee, Manager or any other member of the LVP Group will incur no liability to you for any loss you may suffer as a result of any such action.

### 10.5 Feeder vehicles

Where an investor invests via a feeder vehicle, the trustee of that vehicle is also subject to AML/CTF Law and will have similar and separate obligations to identify and verify its underlying investors as set out above. We may rely on the due diligence performed by the feeder trustee but reserve the right to request information directly from any underlying investor.





## Schedule 1

### Glossary

---

In this Memorandum:

**8% Hurdle** has the meaning given to it in the Constituent Documents, but generally means, in respect of a Performance Period and a Unit, a Total Return of at least 8% per annum for the relevant Performance Period. For the avoidance of doubt, the 8% Hurdle is satisfied in respect of each Performance Period where the Total Return is equal to or greater than 8% per annum and for any Performance Period that is less than 12 months, the Hurdle shall be prorated accordingly.

**Administrator** has the meaning given in Section 2.3.

**Affiliate** means, in respect of an entity or other person, an entity or other person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the entity or other person. An Affiliate of a Manager or the Trustee includes an entity or other person that directly, or indirectly through one or more intermediaries holds equity interests in the Manager or Trustee (as applicable) or a person for whom such interests are, directly or indirectly, held on their behalf.

**AMIT** or **Attribution Managed Investment Trust** has the meaning given by the Tax Act.

**AML/CTF Law** has the meaning provided in Section 10.1.

**Application Form** means an application form or subscription agreement in a form approved by the Manager under which a prospective Unitholder applies for interests in the Fund.

**Associate** has the meaning given in section 11 of the Corporations Act and without limiting the foregoing includes:

- (a) a person who would be an associate of another person if the other person was a body corporate and any person who directly or indirectly controls or is under the common control of any of the aforementioned persons; and
- (b) in relation to a Manager or the Trustee, includes an entity or other person that directly, or indirectly through one or more intermediaries holds equity interests in the Manager or Trustee (as applicable) or a person for whom such interests are, directly or indirectly, held on their behalf.

**ATO** means the Australian Taxation Office.

**Business Day** means a day that is not a Saturday, Sunday, bank holiday or public holiday in Sydney, New South Wales, Australia.

**Constituent Documents** means the constituent documents of the Fund, including the Trust Deed and each Application Form which contain the details of the rights and obligations of Unitholders.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Cut-Off Date** has the meaning provided in Section 1.

**Disclosure Document** has the meaning provided in the Corporations Act.

**Financial Year** means each 12 month period ending on 30 June and a shorter period ending on the first 30 June after the First Issue Date or commencing on 1 July and ending on the date of termination of the Fund.

**FIRB** has the meaning provided in Section 6.1.

**First Issue Date** means a date determined by the Trustee on which Units are issued.

**FMCA** means the *Financial Markets Conduct Act 2013* of New Zealand





**Fund** means LVP Granite Fund.

**GAV** means the gross asset value of the Fund calculated in accordance with the Constituent Documents.

**GST** means Australian Goods and Services Tax.

**IDPS** means an investor directed portfolio service, master trust, wrap account and analogous platforms and schemes.

**Investment Committee** has the meaning provided in the Constituent Documents.

**Issue Price** has the meaning provided in Section 6.1.

**KYC** has the meaning provided in Section 10.2.

**Lock Up Period** has the meaning provided in Section 1.

**LVP** means Liverpool Partners Pty Ltd (ACN 159 465 193; Australian Financial Services licence no. 000429777).

**LVP Group** means:

- (a) LVP;
- (b) each of its Affiliates and Associates; and
- (c) each of the officers, employees, advisers, agents and associates of the entities referred to in (a) and (b).

**Managed Investment Scheme** has the meaning provided in the Corporations Act.

**Manager** has the meaning provided in Section 1.

**Memorandum** means this investment memorandum relating to the Fund.

**MIT** or **managed investment trust** has the meaning given by the Tax Act.

**Net Trust Value** means the net asset value of the Trust calculated in accordance with the Constituent Documents.

**Net Unit Value** means, in respect of a Unit, the Net Trust Value divided by the number of Units in the Trust.

**New Zealand Wholesale Investor Fact Sheet** means the separate offer document provided by the Trustee for New Zealand Wholesale Investors who invest indirectly into the Fund via a separate fund established in New Zealand.

**Non-Yield Distributions** means distributions from the Fund that are not Yield Distributions.

**Outside Fees** means bona fide and commercial fees received by the Trustee, Manager or any of their Associates in relation to potential or actual transactions of the Trust or for services provided to an investment of the Trust. These fees are:

- (a) net of any expenses associated with generating and receiving such fees and amounts that are required to be repaid to the payer; and
- (b) exclusive of fees charged to an investment for reimbursement of costs incurred on behalf of that investment and fees charged to investors for co-investments.

**Overheads** means any administration, rent, office maintenance and administration, wage, salary, travel, personal income tax and fringe benefits tax expenses of the Trustee, Manager or an appointee and premiums for any insurance in respect of the Trustee, Affiliates and Associates, or its employees or officers, other than in respect of directors and officers in insurance, professional indemnity or other insurance to the extent such is related to the Trust or its investments.





**Performance Period** has the meaning provided in Section 5.1.

**PEP** has the meaning provided in Section 10.2.

**Portfolio Investment** means an investment of the Fund (which may be made directly or indirectly via one or more interposed vehicles).

**Privacy Act** has the meaning provided in Section 9.1.

**Product Disclosure Statement** has the meaning provided in the Corporations Act.

**Quarterly Redemption Limit** has the meaning provided in Section 1.

**Redemption Date** means the date on which a redemption of Units occurs.

**Tax Act** means the *Income Tax Assessment Act 1936* (Cth) and/or *Income Tax Assessment Act 1997* (Cth), as applicable.

**Term** has the meaning provided in Section 1.

**Total Return** has the meaning given to it in the Constituent Documents, but generally means, in respect of a Performance Period and a Unit, the change in the Net Unit Value (for the avoidance of doubt, before any Performance Fee accrual) and adjusting for any distributions during the Performance Period, calculated from the beginning of the period to the end of the period, expressed as an annualised percentage.

**Transaction Costs** means, in respect of an application for or redemption of Units, an amount determined by the Trustee or Manager which may include:

- (a) any amounts returned to Unitholders that should be allocated as such in the Trustee or Manager's absolute discretion, in order to be fair to all Unitholders considered together;
- (b) an estimate of the aggregate of the total transaction costs the Fund would incur to acquire or dispose of (as applicable) the property of the Fund including the incurrence of taxes and losses or impairments; and/or
- (c) if appropriate having regard to the actual cost which would be incurred because of the issue or redemption of the Units, the Trustee or Manager's estimate of a portion of the costs including the incurrence of taxes, which may be zero,

or, if the Trustee and Manager do not make an estimate, zero.

**Trust** means the trust which constitutes the Fund, as established by the Trust Deed.

**Trust Deed** means the deed which constitutes the Fund (as amended from time to time).

**Trustee** has the meaning provided in Section 1.

**Underlying Vehicle** means a fund, account or investment vehicle in which the Fund invests (which may be made directly or indirectly via one or more interposed vehicles).

**Unit** means an ordinary unit in the Fund.

**Unitholder** means the holder of Units in the Fund.

**Wholesale Client** has the meaning given to the term in sections 761G and 761GA of the Corporations Act.

**Wholesale Investor** has the meaning given to the term in clauses 3(2) or 3(3)(b)(i)-(ii) of Schedule 1 of the *Financial Markets Conduct Act 2013* (NZ).

**Yield Distribution Target** has the meaning provided in Section 1.

**Yield Distributions** means distributions from the Fund to the Unitholders in connection with the Yield Distribution Target, as determined by the Trustee or the Manager.





## Schedule 2

### Directory

---

<b>Fund</b>	<b>LVP Granite Fund</b> Level 25, 1 Bligh Street Sydney NSW 2000
<b>Trustee</b>	<b>LVP Granite Services Pty Ltd</b> ACN 695 016 383 Level 25, 1 Bligh Street Sydney NSW 2000
<b>Manager</b>	<b>LVP Granite Management Pty Ltd</b> ACN 695 016 347 Level 25, 1 Bligh Street Sydney NSW 2000
<b>Administrator</b>	<b>Apex Fund Services Pty Limited</b> ACN 118 902 891 Level 10, 12 Shelley Street Sydney NSW 2000
<b>Auditor of the Fund</b>	<b>Ernst &amp; Young</b> Level 34, 200 George Street Sydney NSW 2000
<b>Legal Counsel</b>	<b>Gilbert + Tobin</b> Level 35, Tower Two, International Towers 200 Barangaroo Avenue Sydney NSW 2000
<b>Tax Counsel</b>	<b>Alvarez &amp; Marsal</b> Level 25, 20 Bond Street Sydney NSW 2000
<b>Website</b>	<a href="https://lvpfunds.com.au/">https://lvpfunds.com.au/</a>

