



Founders of the Victorian Pride Centre Fund Information Memorandum

7th December 2018



Sponsor
Victorian Pride Centre Ltd ACN 615 432 838

Trustee
Vasco Investment Managers Limited ACN 138 715 009

Administration Manager
Vasco Funds Management Pty Ltd ACN 610 512 331

1. IMPORTANT INFORMATION

This Information Memorandum (**IM**) is dated 7th December 2018 and is issued by Vasco Investment Managers Limited ACN 138 715 009 AFS Licence number 344486 (**Trustee**) as trustee for the Founders of the Victorian Pride Centre Fund (**Fund**).

This IM details the features, benefits, risks and general information about the Fund.

Victorian Pride Centre Ltd ACN 615 432 838 (**Sponsor** or **VPC**) is the sponsor of the Fund.

The Sponsor is a corporate authorised representative (No. 001265544) of D H Flinders Pty Ltd ACN 141 601 596 AFSL 353001 (**D H Flinders**) for the period of the capital raising of the Fund.

The Trustee has also appointed Vasco Funds Management Pty Limited ACN 610 512 331 (**Administration Manager**) as the administration manager of the Fund.

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

Glossary

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

Images

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

Updated information

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

Questions

Any questions regarding this IM should be directed to the Sponsor at contact@pridecentre.org.au or the Trustee on +613 8352 7120 or at info@vascofm.com or at Level 5, 488 Bourke Street, Melbourne, Victoria, 3000, Australia.

ASIC

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

Restrictions on distribution

This IM does not constitute, and may not be used for the purposes of, an offer of units or an invitation to apply to

participate in the Fund by any person in any jurisdiction in which such offer or invitation is not authorised or in which the person endeavouring to make such offer or invitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or invitation.

No action has been taken to register or qualify interests in the Fund, the invitation to participate in the Fund, or to otherwise permit any public offering of Fund interests in any jurisdiction other than Australia.

It is the responsibility of prospective investors in the Fund (Founders) to satisfy themselves as to full compliance with the relevant laws and regulations of any territory in connection with any application to invest in the Fund, including obtaining any requisite governmental or other consent and adhering to any other formality prescribed in such territory.

By receiving and viewing this IM, the recipient is warranting that they are legally entitled to do so and the securities laws of their relevant jurisdiction do not prohibit them from acquiring interests in the Fund. Further, the person receiving and viewing this IM from the Issuer warrants that, if they reside in Australia, they are a wholesale client as defined in section 761G of the Corporations Act (Qualifying Investors).

This IM has been prepared on the basis that prospective Founders are wholesale clients or sophisticated investors, not retail clients (all within the meaning of the Corporations Act). Accordingly, this IM is not a product disclosure statement and does not contain all of the information that would be included in a product disclosure statement issued under the Corporations Act.

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

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

Founder to undertake own due diligence

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

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

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

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

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

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

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

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

2. IMPORTANT WARNING STATEMENTS

No performance guarantee

None of the Sponsor, the Trustee, Administration Manager, nor their associates or directors or any other person guarantees the performance or success of the Fund, the repayment of capital invested in the Fund or any particular rate of return on investments in the Fund.

There can be no assurance that the Fund will achieve results that are comparable to the track record of the Trustee or Sponsor and their advisers or that the Fund's investment objectives will be achieved.

An investment in the Fund does not represent a deposit with, or a liability of, the Sponsor, the Trustee, the Administration Manager, or any of their associates.

An investment in the Fund is subject to investment risks which are described in Section 12 of this IM, including possible delays in repayment and loss of some or all of your income or capital invested. The risks associated with an investment in the Fund

are different to a cash deposit or investment in an approved deposit taking institution (**ADI**).

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

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

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

There will be no opportunity to withdraw Units until the end of the Fund Term.

No representation other than this IM

Except where expressly disclosed, the information contained in the IM has not been independently verified or audited. To the maximum extent permitted by law, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Trustee or Sponsor and their advisers, consultants and agents as to the accuracy or completeness of any part of this IM, nor will they have any responsibility to update or supplement this IM.

No person is authorised to give any information or to make any representation in connection with the Offer of Units in the Fund described in this IM, which is not in this IM. This IM supersedes any prior IM or marketing materials given prior to the issue of the IM to the extent of any inconsistency. Any information or representation in relation to the Offer of Units in the Fund described in this IM not contained in this IM may not be relied upon as having been authorised by the Trustee, the Sponsor or their advisers.

Forward looking statements

Certain information contained in this IM constitutes "forward-looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "target", "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology.

Furthermore, any projections or other estimates in this IM, including estimates of returns or performance, are "forward-looking statements" and are based upon certain assumptions that may change.

Due to various risks and uncertainties, including those set forth under "Risks" in Section 12, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

The forward looking statements included in this IM involve subjective judgment and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, the Trustee and Sponsor. Actual future events may vary materially from any forward looking statements and the assumptions on which those statements are based. Given these uncertainties, prospective Founders are cautioned to not place undue reliance on such forward looking statements.

Any estimate, forecast, projection, feasibility, cash flow or words of a similar nature or meaning in this IM are forward looking statements and subject to this disclaimer.

Confidentiality

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

Summary of key documents only

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

Independent financial advice

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

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3. LETTER FROM THE CHAIR

Dear Investor

On behalf of the Victorian Pride Centre Ltd Fundraising Committee and the Board it is our pleasure to present to you an opportunity to invest in the Pride Centre Founder's Fund (Fund).

The Pride Centre won't happen without you! We seek your urgent involvement.

The Fund is established as an enterprise which aims to raise capital to fund the development of the Victorian Pride Centre. The Fund will invest by making a single loan to Victorian Pride Centre Ltd. The loan will be secured by a registered mortgage (subordinated to, and possibly ranking equally, with one or more other investors or financiers to the project) over the property on which the Victorian Pride Centre will be constructed, and will provide a one-off repayment of principal and, subject to certain conditions, interest equal to CPI, plus a potential bonus return (based on the value of the property) in or around October 2037.

The Victorian Pride Centre is a unique initiative that celebrates, bolsters and protects equality, diversity and inclusion. It is set to forge a new chapter in the narrative of Australian Pride by bringing the LGBTI community together in a single and powerful space.

It will showcase Victoria's diversity, pave new directions for its future, and honour and celebrate Australia's LGBTI community's brave, and at times difficult, past. It will be home to practical and supportive services as well being an international tourist destination.

We hope that the investors in the Fund, the 'Founders' will form a coterie of community leaders, like-minded supporters as well as long standing campaigners.

The Fund has an independent Trustee, Vasco Investment Managers Limited (Vasco). Vasco is part of an investment management group that provides responsible entity, trustee, and fund administration services to Australian and international investment managers.

The Vasco team has significant experience in the Asia Pacific region in the management of equity funds, fixed income funds, REITs, private equity real estate funds, real estate securities funds, and mortgage and real estate debt funds. Some of the funds Vasco's executives have developed include the \$1.5 billion Australian Unity Healthcare Property Trust and the \$1.5 billion AIMS AMP Capital Industrial REIT listed on the Singapore Stock Exchange (SGX).

We invite you to read through the attached Information Memorandum (including in Section 12 entitled "Risks") to allow you to make an informed decision before investing in the Fund.

On behalf of Victorian Pride Centre Ltd, we look forward to your participation with us in this ground-breaking investment opportunity.

Regards

Jude Munro AO
Board Chair

Stuart Kollmorgen
Fundraising Committee Chair and Deputy Board Chair

4. KEY FEATURES

The table below is only a summary of the key features of an investment in the Fund. It is not intended to be exhaustive. You must read the whole of this IM to obtain more detailed information before making a decision to invest in the Fund.

Feature	Description	Further Details
Sponsor	Victorian Pride Centre Ltd ACN 615 432 838 (VPC)	5
Trustee	Vasco Investment Managers Limited ACN 138 715 009	10.2
Administration Manager	Vasco Funds Management Pty Limited ACN 610 512 331	10.2
Fund structure	The Fund is an unlisted, unregistered, closed-ended, managed investment scheme structured as a unit trust. The Fund provides Founders with an opportunity to acquire Units in the Fund which entitles them to a return generated by the Fund at the completion of the project.	9.1
Fund strategy	<p>The Fund will be investing by lending money to VPC (Loan), who will use the Loan from the Fund to meet the construction and associated costs of the Victorian Pride Centre project.</p> <p>The Trustee aims to provide Founders with a one-off return of income and capital by lending money to VPC, who will undertake the development of the Victorian Pride Centre.</p> <p>The Loan to VPC is intended to be secured by a mortgage over the Site (provided that VPC achieves certain milestones in the early stages of the development).</p>	5.4
Loan	<p>The Fund will lend money to VPC in accordance with the Loan Agreement.</p> <p>The Loan Agreement will allow for advances to be made up to the full loan amount.</p> <p>At the end of the term of the Loan, VPC will be required to repay the principal amount and, subject to certain conditions, an amount equal to annual CPI compounded over the entire term of the Loan.</p> <p>An additional amount may be payable to the Fund under the Loan Agreement depending on the Site value at the end of the term of the Loan. This may result in a bonus return for the Founders.</p>	7.2
Minimum application amount	\$25,000, subject to the Trustee's discretion to accept lesser initial or additional amounts.	-

Feature	Description	Further Details
Fund Size	<p>The fundraising will be capped at \$7.5 million.</p> <p>The Trustee has not set a minimum fundraising amount in order for the Offer to proceed, but retains the discretion to do so. If a minimum fundraising threshold is set by the Trustee, and that minimum amount is not raised prior to the Close Date (which may be extended at the Trustee's sole discretion), the Trustee may cancel the Offer and wind up the Fund by redeeming all Units in the Fund. In this scenario it is expected Founders will receive their original investment amount (less any costs and expenses that may need to be incurred by the Trustee).</p>	-
Issue of Units	<p>Units will be issued on the Allotment Date and will be issued at the price of \$25,000 per Unit. No fractional Units will be issued.</p> <p>If Units are issued and the Loan is advanced by the Trustee to VPC, and subsequently the project does not proceed for any reason (e.g. not all funding required for the project is raised or relevant approvals for the project are not obtained by VPC), the Trustee will have the right to call in the Loan and then redeem all Units in the Fund. In this scenario, it is expected that Founders will receive their original investment amount (less any costs and expenses that may need to be incurred by the Trustee).</p>	9.4
Allotment Date	Units will be issued at the end of the month in which an application is received unless otherwise determined by the Trustee in its absolute discretion.	9.4
Close Date	Units in the Fund will be issued until the close of the capital raising period on 30 November 2020. If the project does not proceed for any reason (e.g. not all funding required for the project is raised or relevant approvals for the project are not obtained by VPC), the Trustee will wind up the Fund by redeeming all Units in the Fund. In this scenario, it is expected that Founders will receive all of their original investment amounts (less any costs and expenses that may need to be incurred by the Trustee).	
Fund Term	The term of the Fund will be the period between the first Allotment Date and 6 October 2037. The Trustee may extend the Fund Term (and the term of the Loan) for the purpose of allowing VPC sufficient time to obtain financing or sell the Site, if required, to repay the Fund.	-
Distributions	<p>Founders who invest prior to the Close Date are expected to receive an annual cash distribution equivalent to the banks cash rate from the date of acceptance of your application until the Close Date.</p> <p>After the Close Date, a single distribution will be made to Founders at the end of the Fund Term.</p>	9.7
Redemptions	There will be no opportunity for withdrawal from the Fund until the end of the Fund Term.	9.6
Nomination of Final Benefit	All Founders may nominate a recipient to whom the final redemption payment and final distribution payment will be made, by completing the Nomination of Final Benefit section of the Application Form. Such payments will be made after deduction of any relevant withholding tax and Fund expenses.	9.8

Feature	Description	Further Details
Qualifying Investors	This Offer is only available to Wholesale clients, as defined in the Corporations Act.	9.2
Entry and exit fees	There are no entry or redemption fees.	9
Fees and costs	<p>Fees and costs payable by the Sponsor include (excluding GST):</p> <p>Expenses incurred by the Trustee properly incurred in connection with performing their respective duties, capped at \$2,500 each year.</p> <p>Trustee fee of \$9,500 each year.</p> <p>Administration fees of:</p> <p>\$15,000 for the first and final years of the Fund Term; and</p> <p>\$10,000 for every other year of the Fund Term.</p> <p>Trustee and administration fees are subject to an increase equivalent to the published CPI rate on the 1st of January of each year.</p> <p>The Sponsor has agreed to pay these costs and will not be reimbursed out of the assets of the Fund.</p>	11
Borrowings	The Fund will not have any borrowings. VPC will source funding from a range of sources to complete the development of the Pride Centre.	7.5
Risks	It is important that you read and consider the risks associated with and investment in the Fund before deciding whether to invest. For example, distributions or capital returns are not guaranteed.	12

5. THE VICTORIAN PRIDE CENTRE

5.1. Overview

The Victorian Pride Centre is a unique initiative that celebrates, bolsters and protects equality, diversity and inclusion. It is set to forge a new chapter in the narrative of Australian Pride by bringing the LGBTI community together in a single and powerful space.

It will showcase Victoria's diversity, pave new directions for its future, and honour and celebrate Australia's LGBTI community's brave, and at times difficult, past. It will be home to practical and supportive services as well being an international tourist destination.

The Pride Centre will be home to major LGBTI organisations. At the date of this IM, proposed resident organisations of the Victorian Pride Centre include JOY FM, Thorne Harbour Health (the Victorian AIDS Council), Minus18, Melbourne Queer Film Festival, Midsumma Festival, Australian GLBTQI Multi Cultural Council, Switchboard, Team Melbourne and the Australian Lesbian and Gay Archives. Other smaller LGBTQI organisations will use the Pride Centre for events and meetings. It will also rent commercial space to a range of businesses to achieve the dual purpose of financial sustainability and broader community engagement.



5.2. Vision and Values

VPC's vision is that the Victorian Pride Centre will be the most loved, well known and visited home for the lesbian, gay, bisexual, transgender and intersex (LGBTI) community in Australia. VPC will seek to achieve this by operating the Centre according to its values, which include:

- honouring our LGBTI history and culture, and creating our future
- catalysing our community
- celebrating and valuing our difference
- respecting and supporting each other

- living with courage, pride, and strength
- demonstrating leadership for the LGBTI community
- sustainability.

5.3. The Site

The Victorian Pride Centre will be located at the Site on Fitzroy Street, St Kilda, approximately 6 kilometres from the CBD and in the historical heartland of Melbourne's LGBTI community. The Victorian Pride Centre will provide critical services to the LGBTI community and aims to become the focal point of our Pride celebrations.

The Site, valued at approximately \$13 million at the time it was acquired by VPC, was contributed by the Port Phillip City Council following a tender process.

Victorian Pride Centre Ltd has freehold tenure over the land, meaning VPC has ownership (registered title) of the Site, and can deal with it as its own premises. The financial independence that this provides to VPC will give the LGBTI community the agency to craft our future on our terms.

We expect to own this site in perpetuity. We will march by it every Pride March knowing it's ours.

Jude Munro AO



VPC took the land under the condition that the Victorian Pride Centre is operated from the Site for a minimum of 20 years from opening.

The Site was unanimously selected by the VPC Board (Board) members, upon the recommendation of an independent evaluation panel formed to evaluate potential sites submitted by several local councils in Victoria.

The Board undertook extensive consultation with LGBTI community organisations and members to ensure that the selection criteria for the Site would suit the needs of our communities. The Board considered the recommendation of a panel of professional advisers, who supplied technical reports and conducted due diligence to assess various sites submitted as part of the tender process. The St Kilda Site was selected because, among other reasons, it could be provided on the basis that encumbrances will be removed the time at which development approval for construction of the Victorian Pride Centre is granted, allowing for much faster commencement and completion of the project.

5.4. The Investment

Your contribution will provide finance critical to completing the project - together with the Victorian State Government's \$15 million grant, VPC's interest-only loan from Bank Australia as social impact lender, an additional (and substantial) interest-only loan currently in an advanced stage of negotiations with a financier, and potential other funding sourced from other organisations and members of the community- will make up the estimated \$37.5 million required to construct the Centre.¹

Your investment in the Fund will be pooled with the investments of the other Founders and the total amount, net of expenses (if any), will be loaned to VPC to construct the Victorian Pride Centre building.



VPC intends to operate the Victorian Pride Centre for at least the minimum 20 year period required from the date of opening. At the end of this period, VPC will have clear title to the land and intends to repay the Loan to the Fund. Your Units will be redeemed, and you will receive a distribution of capital and income.

It is expected that each \$25,000 investment in the Fund (which is a mortgage Fund) will contribute to the total cost of constructing the Victorian Pride Centre (which cost is estimated to be \$37.5 million as at the date of this document).

In this way, each Founder can know they have financially enabled, through their individual (and collective) contributions, an important advance to VPC through the Fund, to the construction of the Victorian Pride Centre.

5.5. Founders' Club

VPC recognises the significance and importance of each Founder's investment and the contribution that it provides to the construction of the Victorian Pride Centre.

By making an investment in the Fund, you will become a valued contributor to the Victorian Pride Centre and a welcomed member of the Victorian Pride Centre community.

¹ This funding is not guaranteed. It is subject to certain conditions being met and legal agreements being negotiated between the parties.

In recognition, VPC will provide Benefits to Founders, where permitted by the Founder, including²:

- A pin or other visible token recognising your contribution and status as a Founder;
- Access to ticket opportunities for events being held at the Victorian Pride Centre;
- Early information and ongoing communication about activities and events at the Victorian Pride Centre.

² These benefits will be provided at the discretion of VPC. Where a Founder is not an individual (e.g. through a trust or SMSF or corporation) VPC may, at its absolute discretion allow the Founder to nominate an individual to receive the benefits set out in this section of the IM. Please contact VPC for more information.

6. KORDAMENTHA REAL ESTATE - INVESTMENT CONSIDERATIONS

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The Directors

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Melbourne Victoria 3000

17 July 2018

Victorian Pride Centre real estate investment considerations

This letter has been prepared for insertion in the Information Memorandum dated on or around 7 December 2018. It outlines KordaMentha Real Estate's limited, high-level qualitative assessment of the Victorian Pride Centre's ('VPC') long-run capital value prospects. The comments within are necessarily general in nature and do not attempt to address all matters that may determine capital value performance.

KordaMentha Real Estate

KordaMentha Real Estate is one of six specialist practices of KordaMentha; an independent investment and advisory group of more than 400 people across Asia-Pacific. Our primary focus is helping clients grow, protect and recover value in their real estate portfolios. As at July 2018, we have advised on and participated in more than \$14.0 billion of real estate transactions for, and with, a diverse range of clients, including Australian and international financial institutions, corporates, government, not-for-profit organisations and private investors.

Overview

KordaMentha Real Estate considers the development of the Victorian Pride Centre ('Centre') to be a landmark addition to St Kilda's iconic Fitzroy Street precinct ('Precinct'). The proposed breadth of services, retail amenity and productive space appears consistent with the strategic plan of the City of Port Phillip ('Council') for the Precinct's gentrification. Amid elevated levels of vacancy across the Precinct, the Centre is positioned to be a timely potential catalyst for improved economic activity³.

KordaMentha Real Estate considers there to be numerous factors that determine long-run capital value prospects. Notwithstanding its unique form and purpose, this assessment seeks to qualitatively relate the Centre's value to the worth of its residual land and the versatility of its proposed built form. Consideration is afforded to four primary factors:

1. Ongoing statutory authority support, including both State Government and Council that extends across both social policy and commercial uses.

³ Vacancy assessed at 22 shops; City of Port Phillip; Fitzroy Street CCTV Year 1 Evaluation Report; March 2018

KordaMentha

Real Estate

2. Superior socioeconomic and demographic indicators relative to state and national averages.
3. Design quality; specifically, that which is fit for the proposed purpose and sufficiently versatile for future repositioning.
4. The Centre's potential to generate economic activity, increasing demand for space and, ultimately, valuations, within the Precinct.

The respective considerations are outlined below in the above order.

1.0 Statutory authority support, zoning and broader planning considerations

KordaMentha Real Estate has reviewed existing planning regulations, strategic planning releases and approached Council regarding its vision, feasibility of implementation and proposed management of its Fitzroy Street revitalisation policy suite.

Comments and overview

- a. The Commercial 1 Zone classification permits a broad range of commercial and adjacent sector uses that can contribute to increased economic activity and consequent favourable valuation impact.
- b. By extension of 1.a., current council planning and overlay provisions afford scope for attractive capital value improvements within an established precinct; typically, a key consideration of land investors. To this point, KordaMentha Real Estate notes the forthcoming completion of prestige residential developments within the Precinct, such as the Gatwick Hotel. This confluence of Council strategy and investor demand is further highlighted by plans for the substantial redevelopment of both The Esplanade Hotel and Novotel St Kilda site.
- c. KordaMentha Real Estate acknowledges the recently released strategic masterplan for the 'St Kilda Triangle' and the completion of various commercial and social infrastructure projects within the Precinct and its proximity. Examples include the Palais Theatre refurbishment, St Kilda Life Saving Club development and the transformation of The Junction Oval into the home of Cricket Victoria.
- d. With reference to 1.b., KordaMentha Real Estate acknowledges the Precinct's historical association with social issues and is pleased to note the support both Council and the Victorian State Government are providing through various policing and broader initiatives, such as the Fitzroy Street CCTV program and recently completed streetscape works.
- e. The site is differentiated by its size and location; more specifically, there is a conspicuous relative scarcity of land with comparable scale (approx. 1,625 sq.m) available or recently transacted within the Precinct.
- f. The privileged access the Centre was granted to the freehold land may present a notional 'free carry' (an implicit development profit) opportunity in the event of any future disposition⁴.
- g. The proven long-run capital growth of real estate investments; specifically, commercially zoned real estate.
- h. Notable public transport access, with both tram and bus services adjacent to the site partly alleviates access challenges posed by limited street front carparking.
- i. Major arterial roads and linkages adjoin the Precinct, including Nepean Hwy, Princes Hwy, Queens Road and Beach Road. Carparking is available in the adjacent Jackson Street.

Observation

Current zoning provisions, Council's initiatives to effect revitalisation throughout the Precinct, established transport infrastructure, indications of investor demand, in addition to rising residential density, present favourable conditions for the Centre's long-run value prospects.

⁴ Subject to the final terms of the land transfer agreement with the City of Port Phillip, which KordaMentha Real Estate has not sighted

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2.0 Design considerations

KordaMentha Real Estate has completed a limited review of the proposed design form and space allocation, primarily through publicly available releases and consultation with the Victorian Pride Centre. KordaMentha Real Estate notes the high quality of consultants engaged during the preliminary stage of the project and the calibre of the panel assessing the proposed designs.

Overview and comments

- a. The integration of spaces appropriate for discrete uses, such as administrative collaboration, professional and community services that respond to unmet needs (KordaMentha Real Estate notes the proposed inclusion of a library), along with commercial activity, positions the Centre for efficient repurposing strategies where higher and better uses are viable.
- b. With regard to 2.a., the proposed design and built form aligns with the rich history and culture of St Kilda, whose electoral division (Melbourne Ports) had the second highest percentage of 'Yes' votes (82%) in the recent Australian Marriage Law Postal Survey (2017) (see Fig. 1).

Fig. 1: Australian Marriage Law Postal Survey, 2017

Australian Marriage Law Postal Survey, 2017	Vote 'Yes'		Votes 'No'		Total	
	no.	% 'Yes'	no.	% 'No'	no.	% Total
Melbourne	81,287	83.7	15,839	16.3	97,126	100
Melbourne Ports	70,589	82.0	15,523	18.0	86,112	100
Victoria (Total)	2,145,629	64.9	1,161,098	35.1	3,306,727	100
Australia (Total)	7,817,247	61.6	4,873,987	38.4	12,691,234	100

- c. The Centre's intention to pursue a strata-title ownership structure provides risk-mitigating strategies including, but not limited to:
 - i. liquidity enhancement
 - ii. value support; specifically, under certain circumstance, realisable proceeds from a sum of parts sale can exceed that from an in-one-line transaction.
- d. The proposed uses introduce employment opportunities to the Precinct, notably with the introduction of new businesses and workforces; a key component to augmenting business confidence-led economic activity. KordaMentha Real Estate notes the proposed Joy FM radio studios, medical clinics and function spaces as examples.
- e. The creative and innovative building design adds prestige to the Precinct's built form, signalling to developers that Council may favourably consider applications that, in both design and proposed use, support gentrification and community cohesion. Refer Fig. 2 for summary comment on the proposed uses.

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Fig. 2. Proposed site usage comments

Level	Proposed use	KordaMentha Real Estate Comments
Ground	Commercial café Commercial bookshop Multipurpose room Commercial bar	<ul style="list-style-type: none"> Improved activation of the street frontage is achieved through the adoption of multiple commercial uses. Facilitates an increased 'captive market', enhancing relevance of the higher margin commercial uses. Underpins the Centre's diversity of potential uses (office, hospitality, social services and community service) and immediate sources of revenue.
Mezzanine	Library Archives Common area	<ul style="list-style-type: none"> The design supports the need for additional community services such as a library, archives and social services (e.g. VAC). Addresses the mounting need for additional archives space in Victoria. Captures the increasing demand for community spaces as population and housing density rises.
Level 1	Six radio production stations Common area	<ul style="list-style-type: none"> The Centre brings a new workforce to the Precinct, creating jobs and the potential for long-term leases. The Centre is positioned to become a 'popular culture' destination, with the production of six different radio stations and inclusion of numerous function spaces The medical disposition of the Centre, through the presence of the Victorian AIDS Council and various health care clinics, complements its discretionary service offerings.
Level 2	Commercial co-working Commercial function centre Victorian Aids Centre Common area	<ul style="list-style-type: none"> The design is positioned to appeal to a broad range of needs and demands of modern, flexible work forces, with the inclusion of modern co-working spaces. This design facilitates cross-businesses and organisation collaboration together in an inviting, contemporary environment.
Level 3	Various medical clinics Common areas and management	<ul style="list-style-type: none"> Refer previous comments.
Level 4	Commercial hospitality (rooftop) Telephone tower	<ul style="list-style-type: none"> The rooftop activation and its cultural disposition presents a potential revenue opportunity from event staging and gatherings. Positioned to capture any unmet demand for open air-venue space throughout the Precinct.

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Observation

The high quality, prestige and functional design promises to facilitate a vibrant social environment, host of commercial pursuits, the introduction of unmet community services that, in aggregate, augments the profile and prestige of the Precinct's built form.

3.0 Socioeconomic and demographic considerations

The following is a limited assessment of the socioeconomic and demographic profile within a two-kilometre catchment area of the Centre ('Catchment'); a nominal proxy for the trade area most responsive to development of the Precinct. The data is drawn from the 2016 Census, with relativity by reference to Victorian and Australian averages.

Overview and comments

- a. The Catchment is in a superior socioeconomic position relative to Metropolitan Melbourne and Australian averages (refer Fig. 3.), with a primary trade-area extending over several of Melbourne's most affluent neighbourhoods.
- b. The location pattern of well-established retail, high-end hospitality and food services destinations across the Catchment; specifically, weighted to areas of high social engagement and pedestrian thoroughfare, indicates the potential for the Centre (with reference to its stated vision) to support development in its immediate vicinity.
- c. 57% of people who live within two-kilometres of the Centre are aged between 20 and 44, with the median age being 34. This age group is typically associated with high rates of social interaction and disposable income; the latter of which is conceivably likely to be spent within St Kilda and surrounding suburbs
- d. Forecast strong population growth over the medium term is likely to support economic growth and rising land values within and around the Precinct. In absolute terms, the projected population for the surrounding two kilometres to increase from 59,916 (2016) to 69,120 people in 2031. (refer Fig 4.).

Fig. 3. Demographic Summary

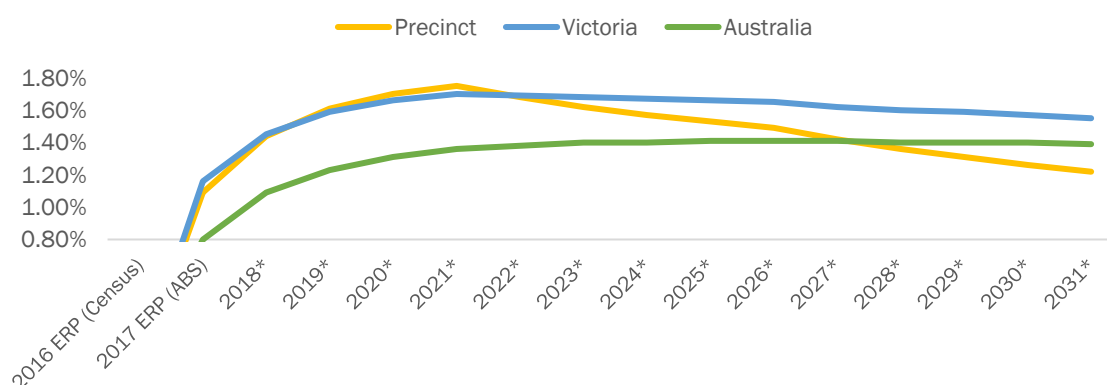
Data drawn from a two-kilometre radius of the subject property)

Population	Location	Victoria	Australia
Census Count Population (2016)	52,753	5,918,858	23,401,892
Estimated Resident population (2016)	56,916	6,179,249	24,210,800
Ave. Annual Growth Rate, 2011-2016	2.84%	2.32%	1.67%
Ave. Annual income per capita (\$)	\$65,196	\$38,486	\$39,602
Ave. Annual income per household	\$125,583	\$100,082	\$103,663

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Fig. 4. Population Projection (compound annual growth rate – 2016 Census data)



Observation

KordaMentha Real Estate considers the relevant socioeconomic and demographic profile is – with appropriate statutory authority oversight – supportive of long-run demand for space within the Precinct and, consequentially, supports the Centre's long-run capital value prospects.

4.0 Contribution to improved local economic activity

Economic activity, typically measured by consumption, employment and investment, is fundamental to capital growth prospects for commercial and services focused precincts. Prospects for the Centre to be a source of economic activity and value appreciation by contributing to sustainable gentrification of the Precinct; specifically, increasing affluence and social cohesion, are outlined below.

Overview and comments

The capital value performance of commercially-zoned real estate can be substantially determined by the level of demand for space set for commercial use (subject to no substantial change to current planning zones).

The relative scarcity of available commercial land, in addition to the previously referenced increased high density residential accommodation within the Precinct, positions investors to capture the benefits of increased commercial activity. These changes, paired with effective transport infrastructure and amenity can create positive feedback through capital expenditure-led employment and consequential overall affluence.

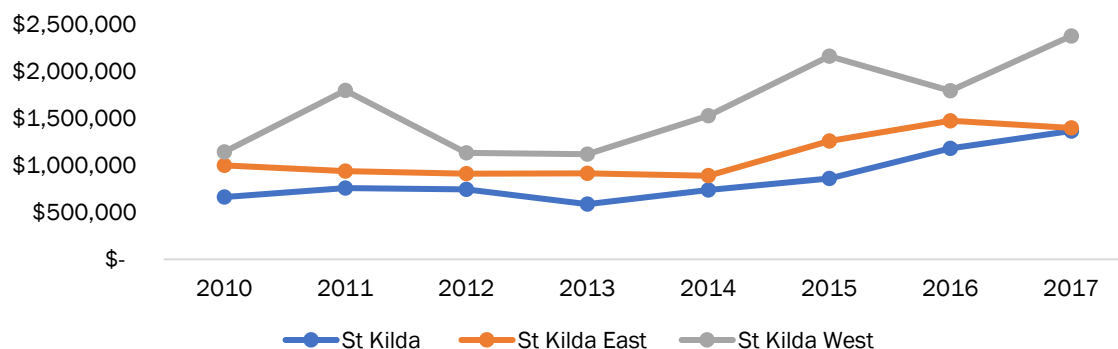
With clear statutory authority support, the design's balance of immediate-use needs with versatility, in addition to its location of broadly favourable demographic indicators, strategically positions the Centre to exploit long-run growth in business conditions; a key component of gentrification. Central to the Centre's contribution to commercial activity will be the addition of a permanent vibrant social and professional community utilising the proposed services and facilities.

With reference to the pursuit of sustainable gentrification, an often-compelling leading indicator is house price growth in adjacent suburbs that precedes a gradual convergence. St Kilda East and St Kilda West, being the closet points of reference have experienced substantial growth (refer Fig. 5). St Kilda's steady growth and tendency to converge indicates – subject to numerous factors – the Precinct is a candidate for heightened investment and affluence over the long-term.

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Fig. 5. Average House Prices 2010-2018



Observation

KordaMentha Real Estate considers the Centre is well positioned to both contribute to, and benefit from, an increase in economic activity and broader gentrification process underway across the Precinct and surrounds. The addition of the proposed services and uses to the Precinct; specifically, in a section without a current 'anchor', are plausible sources of demand, through increased patronage and activity, for comparable real estate space. Against diminishing available supply over the long-term, the emergence of conditions for consequential valuation growth are feasible.

5.0 Assessment summary

The Victorian Pride Centre, progressive in both design and function, responds to the wants and needs of the broader Victorian LGBTQI community and beyond. The potential economic activity from the proposed complementary uses could plausibly activate a section of the Precinct for which the Centre offers a higher and better use. KordaMentha Real Estate, in citing the above, considers that it is not unreasonable to expect the value of its real estate assets to appreciate over the long term (20 years). We explicitly state, however, that this assessment does not constitute investment nor valuation advice.

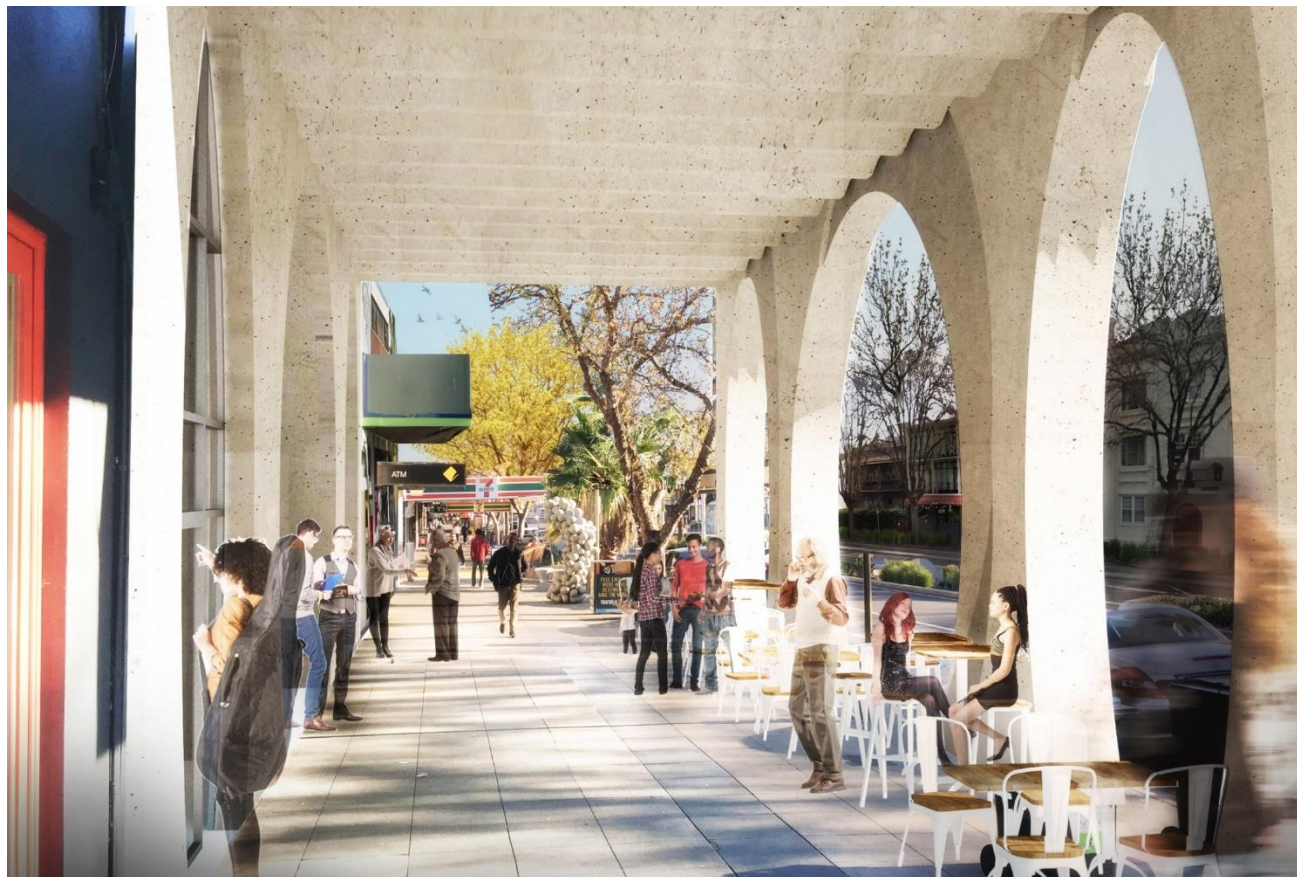
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July 2018

7. FUND OBJECTIVE

7.1. Introduction

The Fund will lend money to VPC under the terms of the Loan Agreement. VPC will undertake the development and management of the Victorian Pride Centre.



A detailed profile on VPC is included below in section The Victorian Pride Centre5.

7.2. Loan terms

The Loan Agreement will specify the terms and conditions on which monies are loaned to VPC.

The Loan to VPC will be secured by a registered mortgage over the Site, which may rank equally with, and is likely to be subordinated to, other contributors of funds to VPC.

The Loan Agreement allows for advances to be made to VPC. The amount advanced to VPC under the Loan will depend upon the amount of capital raised by the Fund, but will be a maximum of \$7,500,000.

The Loan Agreement will provide for a single repayment at the end of the loan term of the principal amount advanced plus, subject to certain conditions, interest equal to CPI over the entire term of the Loan and an additional amount if the value of the Site exceeds a set threshold (**Bonus Interest**).

The key terms of the proposed Loan Agreement are set out below.

Feature	Description
Borrower	Victorian Pride Centre Limited (VPC)
Lender	Vasco Investment Managers Limited in its capacity as trustee for the Founders of the Victorian Pride Centre Fund (Fund)
Security	<p>Mortgage over the Site - once development approval is obtained, which mortgage may rank equally with, and is likely to be subordinated to, other contributors of funds to VPC (described in Section 7.2).</p> <p>There is no guarantee provided by any third party in respect of VPC's obligations under the Loan Agreement</p>
Facility Type	Fixed term loan
Loan Amount	Maximum of \$7,500,000, subject to the amount raised by the Fund.
Facility Term	<p>From the date of the first drawdown until 6 October 2037.</p> <p>The facility term may be extended where VPC is required to seek alternate financing to repay the Loan.</p> <p>The facility term may also be shorter if the project does not proceed and the Trustee calls in the Loan.</p>
Purpose	To fund costs and expenses associated with the construction of the Victorian Pride Centre building.
Documentation	All documentation will be reviewed by the Fund's legal advisor, Hall & Wilcox, who has been chosen from a panel of legal firms with particular experience in financial services and finance.
Drawdowns	It is anticipated that VPC will make a single drawdown but may make multiple drawdowns where it considers this to be in its interests.

Feature	Description									
Interest	<p>At the end of the loan term, interest will be calculated as:</p> <p>an amount equal to CPI calculated on an annual compounding basis, based on the published ABS annual CPI (CPI Interest); plus</p> <p>a bonus return if 1/1600th of the value of the Site exceeds the total of \$25,000 plus CPI Interest applied to \$25,000 (Bonus Interest). Bonus Interest will be calculated in respect of each multiple of \$25,000 advanced as being (nominally) 1/1600th of the value of the Site less the value of your investment in real terms. See below for further details and examples.</p> <p>The payment of interest under the Loan will be subject to the following condition:</p> <p>the CPI Interest will only be payable where, at the end of the loan term, the value of the Site is greater than the amount required to repay the Fund and any creditors who rank before or equal to the Fund in the event of a sale of the Site.</p> <p>Valuations will be based upon the price at which the Site would be sold at the relevant time, assuming there were no tenants in the building.</p>									
CPI Interest	Where CPI Interest is payable, it will be calculated and accrued at the end of the loan term based on CPI published by the Australian Bureau of Statistics over the term of the Loan, as though it had been calculated on an annual compounding basis.									
Bonus Interest	<p>Where Bonus Interest is payable, it will be calculated so that with respect to each multiple of \$25,000 advanced the total amount repayable by VPC will be an amount nominally equivalent to 1/800th of the value of the Site.</p> <p>For illustrative purposes, the example below are based on the Loan made by the Fund being for an amount of \$25,000 which is repaid on 31 December 2037. The actual amount of the Loan will be the full amount raised by the Fund.</p> <table><tr><th>Assumptions</th><th>Repayment</th><th>Why</th></tr><tr><td><ul style="list-style-type: none">CPI is 2.5% each yearSite is valued at \$85M in December 2037The valuation of the Site exceeds the amount required to repay the Fund and any equal or higher-ranking creditors</td><td><ul style="list-style-type: none">\$53,125.00 comprised of:\$13,040.46 CPI Interest\$15,084.54 Bonus Interest\$25,000 repayment of principalAverage annual return of 6.62%pa⁵</td><td>Bonus Interest is received since 1/1600th of the Site value is greater than the principal plus CPI Interest.</td></tr><tr><th>Assumptions</th><th>Repayment</th><th>Why</th></tr></table>	Assumptions	Repayment	Why	<ul style="list-style-type: none">CPI is 2.5% each yearSite is valued at \$85M in December 2037The valuation of the Site exceeds the amount required to repay the Fund and any equal or higher-ranking creditors	<ul style="list-style-type: none">\$53,125.00 comprised of:\$13,040.46 CPI Interest\$15,084.54 Bonus Interest\$25,000 repayment of principalAverage annual return of 6.62%pa⁵	Bonus Interest is received since 1/1600 th of the Site value is greater than the principal plus CPI Interest.	Assumptions	Repayment	Why
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Assumptions	Repayment	Why								

⁵ Calculated using a geometric average (simple interest) of the total return over the period invested.

Feature	Description
	<ul style="list-style-type: none"> CPI is 2.5% each year Site is valued at \$75M in December 2037 The valuation of the Site exceeds the amount required to repay the Fund and any equal or higher-ranking creditors <ul style="list-style-type: none"> \$46,875.00 comprised of: \$13,040.46 CPI Interest \$8,834.54 Bonus Interest \$25,000 repayment of principal Average annual return of 5.15%pa⁵ <p>Bonus Interest is received since 1/1600th of the Site value is greater than the principal plus CPI Interest.</p>
	<ul style="list-style-type: none"> CPI is 2% each year Site is valued at \$55M in December 2037 The valuation of the Site exceeds the amount required to repay the Fund and any equal or higher-ranking creditors <ul style="list-style-type: none"> \$35,006.04 comprised of: \$10,006.04 CPI Interest \$25,000 repayment of principal Average annual return of 2.35%pa⁵ <p>No Bonus Interest is received since 1/1600th of the Site value is less than the principal plus CPI Interest.</p>
	<ul style="list-style-type: none"> CPI is 2% each year Site is valued at \$45M in December 2037 The valuation of the Site exceeds the amount required to repay the Fund and any equal or higher-ranking creditors <ul style="list-style-type: none"> \$35,006.04 comprised of: \$10,006.04 CPI Interest \$25,000 repayment of principal Average annual return of 2.35%pa⁵ <p>No Bonus Interest is received since 1/1600th of the Site value is less than the principal plus CPI Interest.</p>
Repayment	Principal and interest will be repaid on termination of the Loan Agreement
Prepayment	VPC may repay the Loan prior to the expiry of the facility term. In the event where early repayment is made, any interest will be calculated as at the date of repayment.
Transaction costs	VPC will be liable for all fees, costs, charges and expenses incurred by the Fund in relation to the Loan Agreement.
Other terms	The Loan Agreement will contain standard commercial provisions for a facility of this nature including: representations, undertakings, events of default and confidentiality.

7.3. Returns to Founders

Each Unit will entitle its holder to receive a proportionate amount of the capital and income of the Fund, which is repaid by VPC under the Loan Agreement.

The examples given in Section 7.2 'Bonus Interest' above, provide indicative demonstrations of the returns that may be received by Founders.

These returns are provided for illustration only. There is no guarantee that an investment will realise such a return for Founders. Returns may be reduced where fees or expenses are not paid by the Sponsor.

Founders who invest prior to the Close Date will receive an annual distribution up until the Close Date. The Trustee will invest monies received prior to the close date in cash or other liquid investments.

7.4. Arrears and default management

Founders' capital and returns may be affected if VPC defaults on the Loan made to it by the Fund.

As the Loan will be made to the Sponsor of the Fund, the Trustee will administer arrears and default management procedures in the event of late payment or default in accordance with the Loan Agreement (and any other relevant documents) prepared by Fund's legal advisor.

Where VPC fails to satisfy a payment by the payment date under the Loan Agreement, the Trustee will look to enforce the Loan according to the enforcement procedures specified in the Loan Agreement.

The enforcement procedure can involve significant costs, including legal costs and receiver's fees. These costs may be funded as follows:

1. Paid by the Fund.
2. Paid by a third party. In which case, any expenses paid plus any amount agreed with the lender (for example interest or success fees) would be recovered from the proceeds received from the Borrower in priority to any payment to Founders.

In the event that insufficient funds are recovered to meet the income and capital return obligations of the Fund, then capital returns to Founders may be lower than the original amounts invested into the Fund or no capital returns will be paid. Reduced capital returns will be shared across all Founders in accordance with their proportionate interest in the Fund. As the Fund's registered mortgage over the Site may rank equally with, and is likely to be subordinate to, one or more other registered mortgages, there is a risk that even the enforcement of the Fund's security would be insufficient to meet the income and capital return obligations of the Fund.

While the Loan will be secured by a mortgage over the Site (once development approval is obtained), there is no guarantee provided by any third party in respect of VPC's obligations under the Loan Agreement.

7.5. Borrowings

VPC is sourcing a range of financing to contribute to the construction costs of the Pride Centre, which as at the date of this Information Memorandum may include, but which are not limited to:

- an initial \$15 million grant from the Victorian State Government;
- an interest only loan offer from VPC's social impact lender Bank Australia, which will be secured by a registered mortgage over the Site; and
- an additional (and substantial) interest-only loan currently in an advanced stage of negotiations with a financier (which may require security granted over the Site, which is likely to rank higher than the Fund's security interest).

The funding described above is not guaranteed. It is subject to certain conditions being met and legal agreements being negotiated between the parties.

VPC has also secured in-principle commitments from other organisations aligned with the LGBTIQ community, and depending on its funding requirements, may seek to secure these as legally binding commitments.

7.6. Valuation Policy

The Loan made by the Fund will be valued at the face value unless the Borrower has defaulted and the Trustee considers the Loan to be impaired. The Trustee maintains and complies with a written valuation policy, which is reviewed at least annually or as market circumstances dictate. This policy may be updated from time to time and is available on the Trustee's website at www.vascofm.com.

8. VICTORIAN PRIDE CENTRE LTD

The Victorian Pride Centre Ltd (ACN 615 432 838) is a not-for-profit organisation structured as a public company limited by guarantee, and was registered in October 2016. It has been established with a skills-based board of non-executive directors.



Jude Munro AO

- Board Chair
- Chair, Victorian Planning Authority
- Director, Newcastle Airport
- Director, SunCentral Maroochydore
- Director, Metro Tasmania

Jude Munro AO was one of the founding members of the Gay Lib movement in Melbourne in the early 1970s. Jude was awarded the Order of Australia in 2010 for distinguished service to local government, as well as the keys to the City of Brisbane in recognition of her many achievements during her 10 years as the Chief Executive Officer of Australia's then fastest growing city. She led the City of Brisbane with its \$2.6 billion annual budget, 9,000 employees and delivered infrastructure projects, bus and ferry services, regulatory and other municipal services for 1.2 million people, including the \$2.7 billion Clem7 tunnel, chairing the steering committee for the feasibility stage of Airport Link, the Green Bridge, and Go Between bridge. She served three Lord Mayors and has also served as Chief Executive Officer of a number of other cities, including Moreland and St Kilda in Victoria, and the City of Adelaide.

Since that time, she has been chair of Australia's fourth largest water utility, a director of a national aviation business, a director of one of Australia's largest not-for-profit organisations with a \$1.3 billion budget, and has recently been appointed as Chair of the Victorian Planning Authority.

Jude is a Fellow of the Australian Institute of Company Directors and the Australian Institute of Management, and holds Bachelor of Arts (Hons) and Graduate Diploma (Public Policy) qualifications from the University of Melbourne, and a Graduate Diploma (Business Administration) from Swinburne University.

Jude believes she can make a meaningful contribution to the Board because of the skills she has developed, as well as her passion for the big picture, achieving commercial outcomes, implementing good governance and developing lateral ideas.

Coming out is crucial to our acceptance of ourselves and our own self confidence as lesbians, gays, bisexuals, trans and intersex people.

Being out there, including as a Pride Centre, is the opposite of us being hidden. A Pride Centre underpins society's acceptance of its own diversity. It lies at the heart of a cohesive society.

Jude Munro AO

Stuart Kollmorgen

- Deputy Board Chair, Fundraising Committee Chair
- Monash University

Stuart previously headed the Program Execution function at Australia's sovereign wealth fund, the Future Fund, which supports complex and long term projects designed to maximise outcomes including in investment strategy, data management and analytics.

Before that, Stuart was an Employment Law Partner at Norton Rose Fulbright Australia for 17 years.

Stuart has been a leader in the LGBTIQ community for 25 years, including as a Director of Midsumma Festival Inc. for 5 years, a pro bono legal advisor to many LGBTIQ organisations, a volunteer to the Victorian AIDS Council for 10 years, an on-air presenter with Joy94.9 and Bent-TV, a Director of the profit-making Asia-Pacific Outgames Melbourne 2009, and a founder-member of Melbourne Frontrunners and WhiteOut. In the wider community, he was a Director of Bowls Victoria Inc, and is a current and 3 x past world champion in Masters Athletics.

A secure, permanent, familiar place housing all of my favourite organisations.

A place to meet, explore, support, challenge and celebrate with old and new friends. Owned by us. Loved by us. Us.

Defiant. Without self-censoring. With empowerment and undeniably worthwhile citizenship. No longer cap-in-hand to anyone/

Stuart Kollmorgen



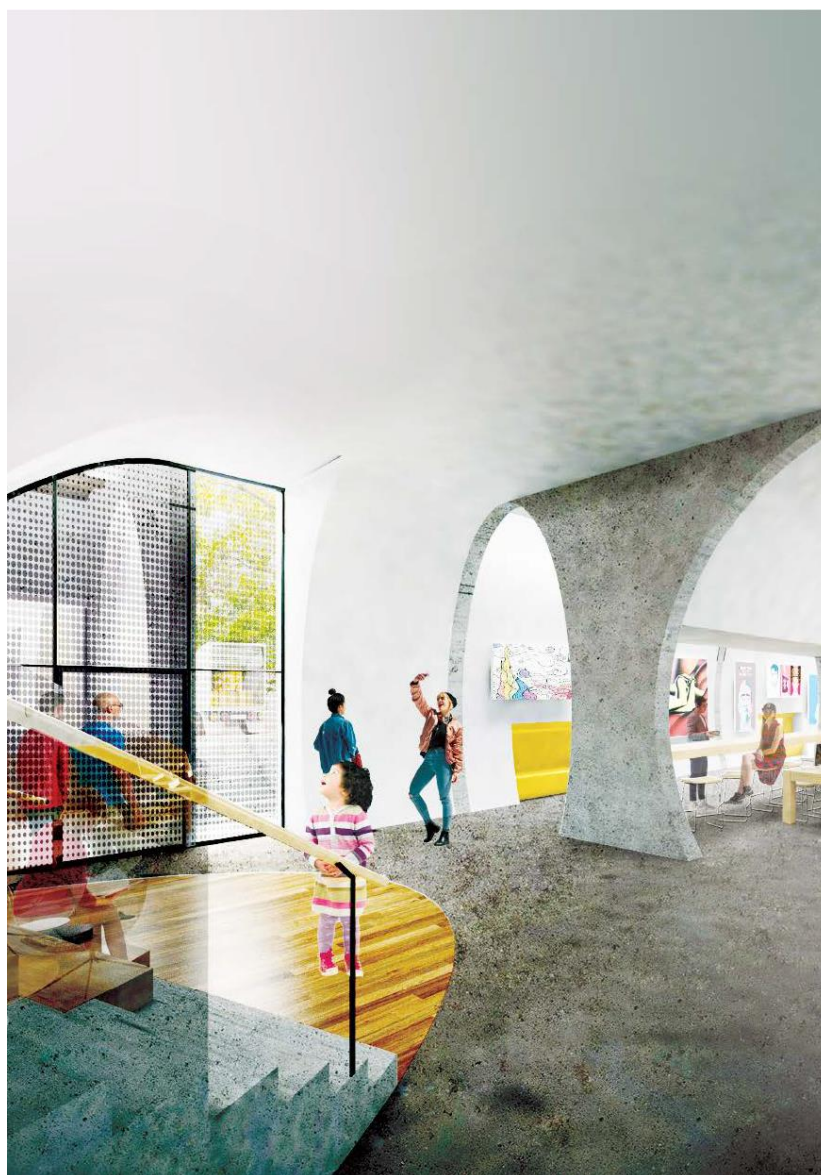
Stephen Barrow

- Deputy Chair
- Executive General Manager, People, Culture and Capability, NAB
- Director, Diversity Council Australia

Stephen is the Executive General Manager: People, Culture and Capability at National Australia Bank, with leadership accountability for shaping purpose, culture, transformation and people capabilities, now and for the future. Stephen has a proven track record in the leadership and development of great teams and talent globally, with specific expertise the areas of strategy, organisational design, systems science, change, leadership, talent, learning and development, communication, and remuneration. He has had significant public speaking experience and has participated widely in debate on organisational, people and performance issues.

Born and raised in London, Steve was educated in the UK and holds a BSc(Hons) in Management Science, and an MSc in Organisational Psychology.

With his specific interest in inclusion and diversity, he established and has led NAB's LGBTI employee network, Pride@NAB, since 2011 and is also on the Boards of the Diversity Council Australia (DCA), The Pinnacle Foundation and The Melbourne Midsumma Festival. Steve lives in Melbourne with his husband, Lawrence, and three dogs.



Shu Das

- Treasurer
- Business Consultant, PWC

Shu is a business consultant at PwC with expertise in risk and financial assurance, and is involved in delivering outstanding risk and financial assurance to clients across government, financial services, technology, manufacturing and transport. He is passionate about using his expertise in business, innovation and STEM to help individuals, organisations and communities succeed in a rapidly changing world.

Scott Hartley

- Director
- Public Sector Industry Lead for RIVOR advisory
- Chartered Accountant and Fellow of CPA Australia

Scott is Public Sector Industry Lead for RIVOR advisory. He is a Chartered Accountant and Fellow of CPA Australia specialising in the delivery of risk management and governance advisory services to clients across the Not for Profit and Public Sectors. He previously led Grant Thornton Australia's Public-Sector practice and industry focus. In addition to his role with the Victorian Pride Centre, he volunteers as a Director and Company Secretary for the Good Samaritan Inn. Scott is also a Director and chairs the Finance and Resource Management Committee for Wellways Australia. He is a strong supporter of diversity in the workplace and advocate of LGBTIQ issues.

Kris Kornovich

- Director
- Operations Manager with Cushman & Wakefield

Kris is an Operations Manager with Cushman & Wakefield with experience in future occupancy and strategic planning. He has worked on contracts with NAB and currently works with MLC Life Insurance on their separation from NAB. He is experienced in relocating staff to new offices, working on office fit outs to suit flexible co-working spaces, and managing a team of Concierge staff and Facilities Managers.

Kris studied Architecture and Business Management at the University of Minnesota in the USA as well as a semester in Copenhagen, Denmark. He worked as an Architect in Mexico City and completed his Masters Degree in Architecture at the University of Melbourne in 2013 and has now found a great place to settle here. He has also had experience in volunteering with Habitat for Humanity in Botswana and Cambodia, and has worked with other volunteer organisations in South Africa and Mexico.

Kris also is the Lead for the LGBTI Employee Network at Cushman & Wakefield and is honoured to have this opportunity of the Board of Directors for the Victorian Pride Centre and is looking forward to giving back to the LGBTI community within Australia.

Georgie Harman

- Social Media Task Group Co-Chair
- CEO, Beyondblue

Georgie has significant and broad-ranging policy, change management and service delivery experience, with a focus on complex and sensitive social issues, in the community, public and private sectors in Australia and the UK. She has been accountable for annual budgets of up to \$650 million and works effectively with diverse stakeholders from high profile Boards to community members.

Francesca Lai

- Secretary
- Lawyer, WEstjustice

Francesca is an employment lawyer at WEstjustice and is extremely passionate about ensuring that legal services are accessible to communities in need. Working predominantly with refugees, newly arrived migrants and international students; Francesca provides free and targeted legal advice and casework to clients, delivers community legal education seminars and engages in advocacy for systemic change to assist in preventing vulnerable workers from being exploited in the workplace.

Previously a commercial dispute resolution lawyer at Hall & Wilcox, Francesca sought to encourage diversity and inclusion in professional services from early on in her career; in particular, she was instrumental in the establishment of the Hall & Wilcox's diversity and inclusion committee in 2015.

In her previous role, Francesca also provided volunteer assistance as a registered migration agent to asylum seekers applying for temporary protection visas and was actively involved in the strategic legal framework underlying the 'let them stay' campaign run by the Human Rights Law Centre.



Peter McEwan

- Property and Program Committee Co-Chair
- Town Planner

*I try to do my bit***Peter McEwan**

Peter McEwan holds formal qualifications in Town and Regional Planning. His career spans all areas of statutory and strategic planning in a number of agencies, including Housing and Education, but mostly in variously named Victorian Planning Departments. In 1990 he joined the City of Melbourne as chief of staff to the Lord Mayor. He went on to manage Victoria's involvement in the Commonwealth-State Better Cities Program.

In 2007 he volunteered his skills as a town planner in the Post Tsunami Reconstruction project in Sri Lanka. He was actively involved with the St Kilda Triangle site, including a stint as community representative on the City of Port Phillip Steering Committee for the project.

He has a long association with gay community groups in Melbourne. As a Gay Libber in the early 1970s he was an organiser of the Gay Lib fortnightly dances, a founding member of the Gay Lib Counselling service and one of the early presenters on the 3CR gay radio program. As a proud 78er, Peter looks forward to the 40th anniversary Mardi Gras in 2018.

Peter was a member of the organising collective for the 5th National Homosexual Conference held in Melbourne in 1979. This continued with the formation of the Gay Community News Collective, then OutRage and Bluestone Publications. As a member of the Victorian AIDS Council, Peter was deputy convenor of the AIDS Housing Action Group (AHAG), which facilitated access to housing services with government and community providers.

Megan Smith

- Social Media Task Group Co-Chair
- Senior Technical Specialist, NBN

Megan Smith is a telecommunications professional with more than 18 years of experience acquired with Optus and NBN. She is a Senior Technical Specialist at NBN Australia specialising in passive fibre optic telecommunication networks and associated access technologies.

Megan is also a passionate advocate and leader in her community. She serves as Chair of the ANZPATH Community Advisory Committee and is a broadcaster at JOY94.9 in Melbourne. She also chairs the LGBTIQ network at NBN Australia, Pride@nbn.

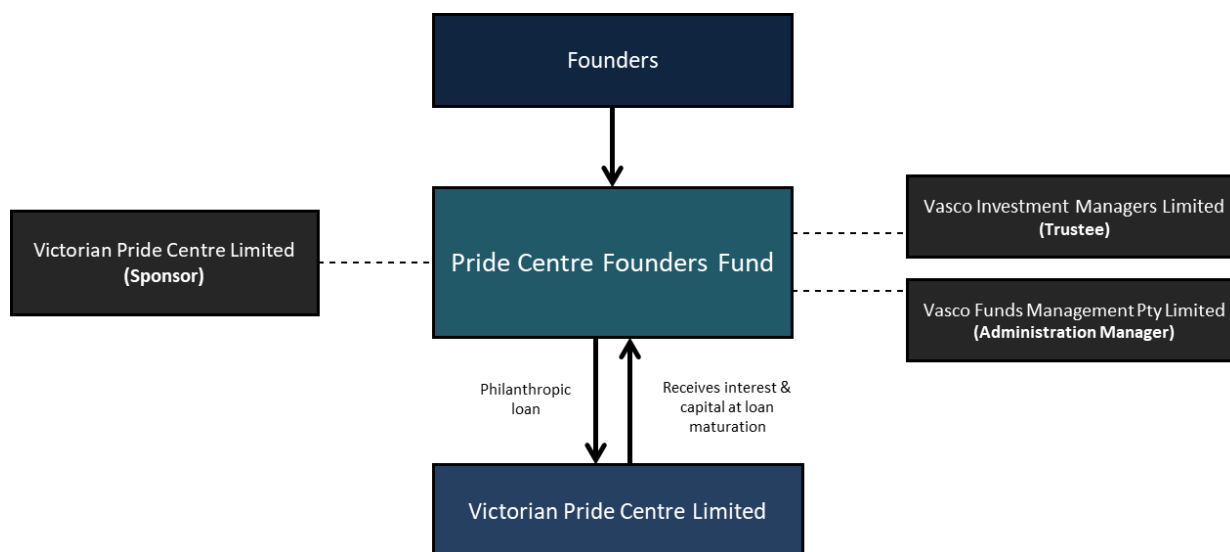
9. OFFER DETAILS

9.1. Investment Structure

The Fund is an unlisted, unregistered managed investment scheme structured as a unit trust and established by a Trust Deed dated 1 August 2018 which regulates the relationship between the Trustee and Founders.

The monies contributed by Founders as Application Money will be pooled and invested in accordance with Fund Objective detailed in Section 7.

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



Details about the role each of parties play and their expertise is provided in Sections 5 and 10

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

9.2. Qualifying Investors

This Offer is only available to wholesale clients within the meaning of the Corporations Act, meaning a Founder who:

- invests \$500,000 or more in the Fund; or
- if investing less than \$500,000:
 - provides a certificate from a qualified accountant (substantially in a form provided by and available from the Trustee) that states that the Founder has net assets of at least \$2.5 million or has a gross income for each of the last two financial years of at least \$250,000; or
 - is a professional investor (including the holder of an Australian financial services licence, a person who controls more than \$10 million or a person that is a listed entity or a related body corporate of a listed entity),

(each a **Qualifying Investor**).

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

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

9.3. Fund Size

The fundraising will be capped at \$7.5 million.

The Trustee has not set a minimum fundraising amount in order for the Offer to proceed, but retains the discretion to do so. If a minimum fundraising threshold is set by the Trustee, and that minimum amount is not raised prior to the Close Date (which may be extended at the Trustee's sole discretion), the Trustee may cancel the Offer and wind up the Fund.

9.4. Issue of Units

If a valid Application and Application Monies are received, Units will be issued at the absolute discretion of the Trustee on the Allotment Date.

If Units are issued and the Loan is advanced by the Trustee to VPC, and subsequently the project does not proceed for any reason (e.g. not all funding required for the project is raised or relevant approvals for the project are not obtained by VPC), the Trustee will have the right to call in the Loan and then redeem all Units in the Fund. In this scenario, it is expected that Founders will receive their original investment amount (less any costs and expenses that may need to be incurred by the Trustee).

Further detail about applying for Units in the Fund is outlined in Section 12.

9.5. Unit Price

Units in the Fund will be issued at \$25,000 per Unit. No fractional Units will be issued.

Subsequent to this time, the Unit price will be based on the underlying value of the Fund's assets and is calculated in accordance with the terms of the Trust Deed. The redemption price for a Unit is also based on the underlying value of the Fund's assets. This price may be different from the price originally paid for the Unit as the Fund's assets are re-valued.

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

The value of your investment is not guaranteed. Further detail about the Fund's valuation policy is outlined in Section 7.6.

9.6. Redemptions

There will be no opportunity to withdraw from the Fund before the expiration of the Fund Term.

If VPC repays the Loan amount to the Fund before the expiration of the Fund Term, the Trustee may shorten the Fund Term and redeem Founders' Units at that time. The Trustee may extend the Fund Term for the purpose of allowing VPC sufficient time to obtain financing or to sell the Site, if required, to repay the Loan.

9.7. Distributions

The Fund will pay an annual distributions to Founders who invest in the Fund prior to the Close Date and up to the Close Date. Subsequent to the Close Date, the Fund will make one final distribution of income and capital at the expiration of the Fund Term.

Distributions will only be made from the income earned by the Fund upon the realisation of its investment.

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

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

Distributions to Founders will take into account the number Units held by the Founders each day during the Financial Year.

9.8. Nomination of Final Benefit

All Founders may nominate a recipient to whom the final redemption payment and final distribution payment will be made, by completing the Nomination of Final Benefit section of the Application Form.

Such payments will be made after deduction of any relevant withholding tax and Fund expenses.

10. MANAGEMENT OF THE FUND

10.1. The Sponsor

Victorian Pride Centre Ltd (**Sponsor**) is the Fund's sponsor and is responsible for marketing the Fund.

More information about the Sponsor is given in Section 5

10.2. The Trustee and Administration Manager

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

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

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

The directors of Vasco were responsible for establishing the real estate funds management businesses of Australian Unity Funds Management Limited and MacarthurCook Limited as well as establishing the Asian platform for industrial real estate manager the Goodman Group.

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

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

11. FEES AND COSTS

11.1. Payment of fees and costs

The Sponsor has agreed to pay the fees and costs of the Fund described below and will not be reimbursed from the Fund for these payments.

In the event that the Sponsor does not pay the fees and costs of the Fund, the Trustee may deduct these fees from the assets of the Fund, which may reduce the returns to Founders.

11.2. Trustee fees

The Trustee is entitled to the following fees (excluding GST), which will be paid by the Sponsor:

1. An establishment fee of \$7,500
2. An annual fee of \$9,500
3. Where the Trustee is terminated or replaced, a trustee replacement fee payable at the time of termination or replacement of:
 - \$2,500 plus GST; plus
 - where the Trustee is terminated or replaced within 5 years of the establishment of the Fund, the balance of the annual fee which would have been otherwise payable calculated on the basis of the gross asset value of the Fund at that time.

The Trustee's fee is calculated daily and payable half yearly in two instalments in advance from processing of the first Application to invest in the Fund and subject to an annual increase equivalent to the published CPI rate on the 1st of January of each year.

11.3. Administration fees

The Administration Manager is entitled to an annual administration fee (excluding GST) of:

- \$15,000 in the first and final years of the Fund Term;
- \$10,000 in every other year.

The administration fee is calculated daily and payable monthly in arrears from processing of the first Application to invest in the Fund and subject to an annual increase equivalent to the published CPI rate on the 1st of January of each year. The administration fee will be paid by the Sponsor. The Administration Manager's minimum engagement period will be 5 years from the establishment of the Fund.

11.4. Expenses

The Trustee is entitled to be paid or reimbursed for all expenses properly incurred in connection with performing its duties and obligations in the day to day operation of the Fund, up to a limit of \$2,500 per annum. Such expenses include, but are not limited to, any additional costs associated with the administration or distribution of income, asset management and the management of defaults and arrears.

The Trust Deed of the Fund contains a full description of the expenses the Trustee is entitled to be paid or reimbursed for. The agreement between the Trustee and Sponsor sets out the expenses that the Trustee can properly claim from the Sponsor.

The Sponsor will personally reimburse the Trustee for these expenses.

11.5. Buy sell spread

There is no buy or sell spread.

11.6. Goods and services tax

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

11.7. Waiver, deferral or rebate of fees

The Trustee may accept lower fees and expenses than it is entitled to receive, or may defer payment of those fees and expenses for any time. If payment is deferred, then the fee will accrue until paid.

12. RISKS

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

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

12.1. General investment risk

The value of an investment may rise or fall, distributions may or may not be paid and a Founder's capital may or may not be returned.

12.2. No guarantee of performance or representations is made by the Trustee or the Sponsor

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

12.3. Trustee risk

The Trustee may elect to retire or may be replaced as the Trustee of the Fund or the services of key personnel of the Trustee may become unavailable for any reason.

There is always a risk that the Trustee may fail to identify and adequately manage the investment risks of the Fund and thus affect the ability to pay distributions or reduce the value of the Units.

Operational risks of the Trustee and the Administration Manager include the possibility of systems failure, regulatory requirements, documentation risk, fraud, legal risk and other unforeseen circumstances.

The Fund is relying on the ability of Sponsor to achieve its investment objectives. If the Sponsor were not to continue in its role, the Fund may not be able to achieve these objectives.

12.4. Related party risk

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

12.5. Related Party Loan

The Loan made by the Fund will be made to VPC who is the Sponsor of the Fund.

VPC will use the monies borrowed from the Fund to undertake the development of the Victorian Pride Centre. By making an investment in the Fund, Founders acknowledge the Loan may not be on arm's length terms and that the key terms of the Loan have been adequately disclosed to Founders or that they have made their own independent investigations to satisfy themselves of the benefit of entering into the Loan.

12.6. Diversification Risk

The Fund's only investment will be the financing of the development of the Victorian Pride Centre. As such, the Fund will not be diversified by sector and its diversification in respect of geography or number of investments is not expected to grow. Founders will be exposed to any events which have an adverse effect on the value of the Victorian Pride Centre, to the extent that the value of the Victorian Pride Centre will impact on VPC's ability to repay the Loan and the amount to be repaid under the Loan Agreement.

12.7. Funding Risk

Most of the additional funding required for the project is not guaranteed as at the date of this IM. It is subject to certain conditions being met and legal agreements being negotiated between the relevant parties. Accordingly, there is a risk that not all of this funding will be secured by VPC, which may result in either the project not proceeding or alternative funding sources (which have not been contemplated as at the date of this IM) being obtained by VPC, which alternative sources of

funding may be on less favourable terms than those contemplated in this IM and which may, therefore, impact the return to the Fund.

12.8. Default and Credit Risk

There is a risk that VPC may not be able to meet its financial obligations under the Loan Agreement or its financing arrangements with third parties. This may be for a wide range of reasons, including a change in the individual financial or other circumstances of VPC or a change in the economic climate generally.

In addition, the ability of the Fund to recover any of its investment may be impacted by and subject to the rights of other secured lenders. This means that where other debt lenders or financiers have priority in respect of VPC's assets, there may not be sufficient funds to repay the Fund's investment after repayment of amounts owing to higher-ranking secured parties.

The Trustee, on behalf of the Fund, will have a registered mortgage over the Site. It is likely that the Trustee may be party to inter-creditor arrangements with other secured parties who are involving in financing or contributing funds to the project.

12.9. Early repayment

Early repayments by the Borrower of loan monies from the Fund will impact on the expected returns of the Fund.

12.10. General construction and development risks

Investments in the Fund will be lent to VPC for use in a property construction project, being the construction of the Pride Centre. There are specific risks associated with this type of project, including:

- construction or development costs can exceed budgeted costs and VPC may be unable to complete the project unless VPC can obtain further funds;
- loan funds kept in reserve by the project manager to complete the project being insufficient to meet the cost of completion; and
- a change in market conditions could result in the project's value on completion being worth less than anticipated, or in lower sale rates and prices than expected.

The Sponsor may manage this risk and its elements by:

- ensuring a guaranteed maximum price building contract from reputable and established builders who have experience in the type of proposed construction to be executed between the builder and VPC; or
- ensuring that a project is employing standard construction techniques and that adequate building insurance cover is in place.

An independent quantity surveyor or construction cost manager will be appointed prior to the commencement of the construction of the Victorian Pride Centre to verify that there are sufficient funds available to complete the construction and may be appointed to verify the completion of each stage of construction prior to the draw-down of funds.

The Trustee may also require VPC to include a contingency factor on total construction costs in the debt funding required for each project.

Ultimately, there is a risk that the project does not proceed for a number of reasons (e.g. not all funding required for the project is raised or relevant approvals for the project are not obtained by VPC). This risk will be mitigated by the Trustee having a contractual right to call in the Loan, following which its intention would be to redeem all Units in the Fund. In this scenario, it is expected that Founders will receive their original investment amount (less any costs and expenses that may need to be incurred by the Trustee).

12.11. Security risk

Due to VPC's existing contractual commitments, the Trustee, on behalf of the Fund, will not be able to obtain a mortgage over the Site until VPC has:

- obtained development approval for the construction of the Pride Centre; and
- substantially commenced development of the Pride Centre, meaning that the excavation works have been completed.

This means that there is a risk that if the Trustee, on behalf of the Fund, cannot take security over the Site, and the Loan cannot be repaid by VPC, the Fund will not have a secured interest in the Site against which it can enforce repayment of the amount outstanding under the Loan Agreement.

VPC's title to the Site is subject to a Section 173 Agreement, pursuant to which there are various conditions applied to the use of the Site in favour of the City of Port Phillip. The implications of this Section 173 Agreement could impact both the ability of the Trustee to enforce its security interest in relation to the Site and the level of return to the Fund from the enforcement of such security. The Section 173 Agreement was a condition of the City of Port Phillip making the Site available to VPC.

12.12. Priority risk

Where a loan is secured by second ranking mortgage, or otherwise subordinated to a senior lender, there is greater risk for the lender than if it were first ranking, because it ranks behind first ranking mortgages, or senior loans, in priority. Upon enforcement of the security, the first ranking mortgage must be paid out before the second ranking mortgage, exposing lenders secured by the second mortgage to the risk of capital and/or interest loss where there are insufficient funds to repay the loans.

This means that if the Fund's security is subordinated to other lenders, and needs to enforce its security, that the lender with the first ranking mortgage will get paid out first, and that there may then be insufficient funds available to satisfy enforcement of the Fund's security in full.

12.13. Legal, regulatory and compliance risk

Changes in government legislation, regulation and policies generally could materially adversely affect the operating results of the Fund. Although unable to predict future policy changes, the Trustee intends to manage this risk by monitoring and reacting to any potential regulatory and policy changes.

The operation of a funds management business in Australia is subject to significant regulation by Australian government authorities including without limitation the Australian Securities and Investments Commission, the Australian Transactions Reporting and Analysis Centre, the Foreign Investment Review Board and the Australian Competition and Consumer Commission. There is a risk that the Fund may not comply at all times with its various obligations under government regulations and this may result in the loss of authorisations of the Australian Financial Services Licence held by the Trustee, thereby preventing the continued operation of the Fund.

12.14. Liquidity risk

The Fund is an illiquid investment.

This is the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimise a loss or make a profit.

There are no rights for a Founder to require the Trustee to repurchase a Founder's investment. However, Founders may be able to transfer their investment to another person, although there is no guarantee that any third party can be found to acquire the Founder's investments or to acquire such investments at a fair price.

An investment in the Fund should be viewed as illiquid. There is currently no secondary market for Units in the Fund and it is unlikely that any active secondary market will develop. There are substantial restrictions upon the transferability of interests in the Fund under the documents relating to the Fund (including, but not limited to, the Trust Deed) and applicable securities laws.

You should only consider an investment in this Fund if you are not likely to require access to your investment in the medium or long term.

12.15. Information not complete or accurate

The Trustee is not in a position to confirm the completeness, genuineness or accuracy of any information or data included in this IM. A significant amount of the material provided in this IM was supplied by third parties including the Sponsor. This information has not been audited or independently reviewed.

12.16. Tax risk

It is not intended that the Fund will earn any distributable income on which Founders would be liable to pay income tax until repayments are made under the Loan. However, there is a risk that Founders may be assessed on distributable income comprising interest which is accrued under the Loan, but which has not been repaid under the Loan or distributed to Founders.

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

12.17. Underlying Property Risk

There may be external influences from time-to-time, including unforeseen items of expenditure which have not been budgeted for and loss of revenue, which adversely affect the income of the Fund. These may result in a reduction of distributions and returns.

12.18. Performance Risks

These risks relate to the performance of underlying property assets and may include:

- the inability to liquidate the Victorian Pride Centre due to a depressed property market or other factors at the expiration of the Fund Term;
- damage to a building as a result of fire, tempest, malicious damage, earthquake, etc. (however, these risks will be insured against);
- risk that the Fund will be involved in disputes or litigation; and
- changes in income tax, indirect tax or stamp duty legislation or policy may affect the Fund's returns.

12.19. Operating history

The Fund has no operating history upon which Founders may base an evaluation of its likely performance. The success of the Fund's investment activities will depend almost entirely on VPC's ability to carry out the proposed strategy successfully. There can be no assurance that the Fund's investments will achieve the target returns or will avoid a loss.

12.20. Return of capital

There can be no assurance that profits will be realised from the Fund's investment and losses may be realised before gains are realised. Founders should also note that Fund operating expenses, including annual management fees, may exceed income or realised profits therefore requiring the difference to be paid from the Fund's capital.

Where the Fund's capital is insufficient to repay the full amount contributed to the Fund by Founders at the end of the Fund Term, capital will be returned to Founders on a pro-rata basis determined by reference to the number of Units they hold in the Fund.

12.21. Planning approval risk

It may be more difficult than anticipated, or even impossible, to obtain the requisite government or regulatory approvals and permits for the development of the Victorian Pride Centre and this may increase costs and cause delays to the construction of the Victorian Pride Centre. In addition, a requirement of a government or semi-government department or authority (including relating to environmental, archaeological, planning or servicing issues) may result in a reduced yield or delay in the property development project which may impact on the ability of the VPC to open and operate the Victorian Pride Centre, and, as the Fund Term is dependent on the date of the opening of the Pride Centre, may materially increase the Fund Term.

There are other specific risks to the Fund associated with VPC not obtaining development approval to construct the Victorian Pride Centre, being that pursuant to VPC's existing contractual obligations, VPC cannot grant a mortgage over the Site until, among other things, development of the Pride Centre has substantially commenced (meaning that excavation works must be completed). This means that if development has not substantially commenced, and the Loan cannot be repaid by VPC, the Fund will not have a secured interest in the Site against which it can enforce repayment of the amount outstanding under the Loan Agreement.

12.22. Title risk

VPC's existing contractual arrangements provide that VPC must transfer its freehold interest in the Site upon the demand of a third party, free of encumbrances and for nominal value, if:

- planning approval to construct the Victorian Pride Centre is not obtained by 6 August 2019; or
- development of the Victorian Pride Centre has not substantially commenced (meaning that excavation works have been completed) by 6 August 2021.

This means that there is a risk that if development approval is not obtained by 6 August 2019, or construction is not substantially commenced by 6 August 2021, VPC may no longer own the freehold interest in the Site, and may not be able to repay the amount outstanding under the Loan Agreement to the extent that it needs to realise its interest in the Site to do so.

12.23. Contractor and Third Party risk

Contractors and third parties engaged to perform works in connection with the construction of the Victorian Pride Centre could become insolvent or default under their contracts which may lead to delays or impact on the viability of the property development project.

12.24. Environmental Risk

Changes to, or unforeseen environmental, archaeological and ethnographic conditions and requirements may impact the progress and cost of each property development project.

12.25. Valuation risk

This is the risk that the valuation of the Site contemplated by the Fund is inaccurate at the time of deciding to invest, so that the amount that could be realised by VPC, if needed to satisfy its obligations under the Loan Agreement, is less than would have been expected had the valuation been correct.

A high level qualitative assessment of the Site's long-run capital value prospects has been obtained from KordaMentha Real Estate Limited. However, the comments within the report are necessarily general in nature and do not attempt to address all matters that may determine the capital value performance of the Site.

12.26. Fees and expenses

The Fund will incur fees and expenses regardless of whether it is successful. The Trustee fees and administration fees will be payable whether or not the Fund receives its returns.

In addition, the Trustee fees and administration fees are also payable whether the funds raised are fully utilised or not. The Fund must therefore ensure that sufficient liquidity is maintained in order to meet these and other expenses in the event that they are not paid by the Sponsor.

The Trustee expects to incur costs and expenses in seeking to source, evaluate, structure, negotiate, close, monitor and exit the investment including, but not limited to, financial, legal, technical, regulatory, commercial advisers, engaged to assist the Trustee and the Sponsor in seeking to source, evaluate, structure, negotiate, close, monitor and exit the investment. These amounts may be significant and could have an adverse impact on the return that Founders might otherwise realise, if the Fund expenses are not paid by the Sponsor.

12.27. Currency risk

The Fund will accept Application Monies in Australian dollars only.

The Fund's investment will be domiciled in Australian dollars and therefore the weakening of a country's currency relative to the Australian dollar will negatively affect the value of the Fund's from the perspective of an international investor.

Thinly-capitalised management

The Sponsor does not have any material independent financial resources. If an action or claim is brought against the Sponsor and such claim is not covered by the professional indemnity or directors' and officers' insurance policies arranged by or on behalf of the Sponsor, the Fund cannot assure that the Sponsor will have sufficient financial resources to cover any amounts payable under any such claim. The Fund is reserved to certain Qualifying Investors who are required to be aware of the risks

involved in an investment such as the Fund and who accept that they will have recourse only to the Fund's assets in existence at any given time.

12.28. Other risks

It is important to note that not all risks can be foreseen. It is therefore not possible for the Trustee to protect the value of the Fund's investment from all risks. Investors should ensure they obtain appropriate professional advice regarding the suitability of an investment in the Fund having regard to their individual circumstances, including investment objectives, their level of borrowings, their financial situation and individual needs.

Whilst the Trustee and the Sponsor have taken steps to ensure that the information presented in this IM is correct, it is possible that due to factors such as the passage of time or the uncertainty in forecast details that the information contained in this IM may be inaccurate at the date of release of the IM or at a later time.

The Trustee has not sought to verify any statements contained in this IM about the Offer, the strategy employed by the Sponsor, the Sponsor's business or the business of any other parties named in this IM.

Neither the Trustee nor Sponsor guarantees the repayment of investments or the performance of the Fund. We strongly recommend that Founders obtain independent financial advice before investing in the Fund.

13. TAXATION INFORMATION

The following taxation information is of a general nature and some but not necessarily all of the Australian taxation implications for Australian tax resident Founders who hold their units in the Fund on capital account. It is based on the taxation laws and Australian Taxation Office administrative practices at the date of this IM. Because the Australian tax laws are subject to change, and the tax treatment applicable to particular Founders may differ depending on their individual circumstances, Founders should seek their own advice in relation to the taxation implications of investing in the Fund.

13.1. Nature of Investment

Founders should note that their investment in the Fund does not constitute a gift that will qualify for an income tax deduction to the VPC, where VPC is specifically listed or endorsed as a Deductible Gift Recipient.

13.2. Taxation of distributions

As the Fund is a unit trust, Founders will be subject to Australian income tax on their proportionate share of the net income of the Fund to which they are 'presently entitled'. The Trustee does not intend to make any distributions of income to the Founders on a present entitlement basis prior to the end of the term of the Loan. At the end of the term, Founders will become presently entitled to their proportionate share of the net income of the Fund, if any.

13.3. Disposal of Units

A Founder's Units will be an asset for capital gains tax (CGT) purposes. If a Founder transfers or disposes of a Unit in the Fund, this may give rise to CGT implications, including an assessable capital gain. A Founder should seek their own advice to determine the particular CGT implications if they dispose of or transfer their Units.

13.4. Tax File Number and Australian Business Number

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

13.5. Stamp Duty on the transfer of Units

As the register of the Fund will be maintained in Victoria, no marketable securities duty is payable on the transfer of Units in the Fund. Land rich or landholder duty may be payable on the issue, redemption or transfer of Units in any Australian jurisdiction where the Fund owns or has an interest in land.

13.6. Foreign Account Tax Compliance Act (FATCA)

FATCA is United States (US) tax legislation that enables the US Internal Revenue Service (IRS) to identify and collect tax from US residents that invest in assets through non-US entities. If you are a US resident for tax purposes, you should note that the Fund is or is expected to be a 'Foreign Financial Institution' under FATCA and it intends to comply with its FATCA obligations, as determined by either the FATCA regulations or any inter-governmental agreement (IGA) entered into by Australia and the US for the purposes of implementing FATCA. Under these obligations, the Fund will have to obtain and disclose information about certain Founders to the Australian Taxation Office (ATO). In order for the Fund to comply with its obligations, we will also request that you provide certain information about yourself, including your US Taxpayer Identification Number (TIN). We will only use such information for this purpose from the date the Fund is required to do so.

13.7. Common Reporting Standards (CRS)

CRS is the standard set by the Organisation for Economic Co-operation and Development (OECD) for the automatic exchange of information with revenue authorities for tax non-residents that invest in certain financial accounts. The standard covers both the identification of tax non-residents and reporting on the applicable financial accounts. The Trustee is a 'Reporting Financial Institution' under CRS and intends to comply with its CRS obligations under any relevant Australian laws and regulations, including obtaining and disclosing information about certain investors to the ATO or other foreign tax authorities as required. To facilitate these disclosures, Founders will be required to provide certain information such as that relating to their country of tax residence and their relevant taxpayer identification number (if applicable).

14. ADDITIONAL INFORMATION

14.1. Summary of material documents

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

1. Trust Deed
2. Administration Agreement
3. Sponsors Agreement
4. Loan Agreement

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

14.2. Trust Deed

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

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

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

The Trust Deed contains provisions about convening and conducting meetings of Unit holders. Under the Trust Deed, the Trustee may create different Unit classes which may have different rights and obligations. As at the date of this IM, there is no intention to create multiple Unit classes.

The Trustee can amend the Trust Deed without Unit holders' approval provided it reasonably considers the change will not adversely affect Unit holders' rights.

The Trust Deed can also be amended by a special resolution passed by Unit holders.

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

14.3. Administration Agreement

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

14.4. Sponsors Agreement

The Sponsors Agreement is between the Sponsor and the Trustee under which the Sponsor is responsible for the promotion and marketing of the Fund.

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

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

14.5. Loan Agreement

The Loan Agreement between VPC and the Trustee sets out the terms on which Fund lends money to VPC.

The Loan Agreement contains the terms outlined in Section 7.2

14.6. Related party transactions

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

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

By making an investment in the Fund, Founders acknowledge that the Fund will lend money to VPC, who is the Sponsor of the Fund.

It is not the responsibility of the Trustee to assess the merits of this investment recommended by the Sponsor, but rather to ensure that this investment is within the terms outlined in this IM and permissible under the Trust Deed. Accordingly, the Trustee does not guarantee that this investment is made on arm's length terms.

By investing in the Fund, Founders acknowledge that the Trustee is not responsible for making investment decisions for the Fund and that they have made their own independent investigations to satisfy themselves of the benefit of becoming a Founder of the Fund.

Enforcement action procedures, if required, in the event of default on the Loan to VPC will be managed by the Trustee and are set out above in Section 7.4.

14.7. Privacy

In applying to invest in the Fund, you are providing the Trustee and the Sponsor with your personal information (for example, your name, address, contact details and financial information). The Trustee uses this information to establish and manage your investment in the Fund, communicate with you, and as required or permitted by any law (including, but not limited to the Privacy Act).

Under the Privacy Act, you can access personal information about you held by the Trustee, except in limited circumstances. Please let the Trustee know if you think the information is inaccurate, incomplete or out of date. You can also tell the Trustee at any time not to pass on your personal information by advising it in writing.

If you do not provide the Trustee with your contact details and other information, then it may not be able to process your application to invest.

The Trustee has a Privacy Policy which is publicly available at www.vascofm.com. The Trustee's privacy policy sets out details of how the Trustee will collect, store, manage, use and disclose personal information from you, how you can access and seek correction of your personal information held by the Trustee, and how the Trustee will respond to and deal with a privacy complaint.

Under various laws and regulatory requirements, the Trustee may have to pass-on certain information to other organisations, such as the Australian Tax Office or the Australian Transaction Reports and Analysis Centre (AUSTRAC).

The Trustee may disclose a Founder's personal information to other entities involved in the administration in the Fund, or as required by law. By applying to invest in the fund, you give the Trustee permission to pass personal information it holds about you to other such entities which are involved in helping it administer the Fund, or where they require it for the purposes of compliance with AML/CTF law or in connection with the holding of Application Money. The Trustee may also use your information to provide you with details of future investment offers made by it or the Sponsor.

14.8. Anti-money laundering law

The Trustee is required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 ("AML/CTF Law"). This means that the Trustee will require potential Founders to provide personal information and documentation in relation to their identity when they invest in the Fund. The Trustee may need to obtain additional information and documentation from investors to process applications or subsequent transactions or at other times during the period of the investment.

The Trustee may need to identify:

- a. a Founder prior to purchasing Units in the Fund. The Trustee will not issue Units until all relevant information has been received and a Founder's identity has been satisfactorily verified; and
- b. anyone acting on behalf of a Founder, including a power of attorney.

In some circumstances, the Trustee may need to re-verify this information.

By applying to invest in the Fund, Founders also acknowledge that the Trustee may decide to delay or refuse any request or transaction, including by suspending the issue or withdrawal of Units in the Fund, if it is concerned that the request or transaction may breach any obligation of, or cause the Trustee to commit or participate in an offence under, any AML/CTF Law, and the Trustee will incur no liability to Founders if it does so.

14.9. Transfer of Units

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

Under the Trust Deed, the Trustee has the discretion to refuse the transfer of Units and is not obliged to accept a transfer of Units. Please note that a transfer of Units may have taxation consequences. See Section 13 of the IM for further information.

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

14.10. Consents

Written consent to be named in the IM in the form and context in which they are named have been provided by the following parties who and have not withdrawn their consent prior to the date of this IM:

- Victorian Pride Centre Ltd
- Vasco Funds Management Pty Ltd
- Hall & Wilcox
- KordaMentha Real Estate Limited

15. GLOSSARY

Administration Manager	Vasco Funds Management Pty Ltd ACN 610 512 331
AFSL	Australian financial services licence
Allotment Date	as at the first day of the month after which an Application is received by the Trustee or as otherwise determined by the Trustee in its absolute discretion
Applications	Has the meaning given in Section 16.
Application Form	The application form included in or accompanied by this IM
Application Money	The money paid by an applicant for Units
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Bonus Interest	Has the meaning given in Section 7.2
Business Day	A day on which banks are open for business in Melbourne, except a Saturday, Sunday or public holiday
Centre or Pride Centre	The Victorian Pride Centre facility being developed on the Site.
Close Date	30 November 2020 or such other date determined by the Trustee in their absolute discretion, at which point the Fund will cease accepting Applications for Units
Corporations Act	Corporations Act 2001 (Cth) for the time being in force together with the regulations of the Corporations Act
CPI	Consumer Price Index
CPI Interest	Has the meaning given in Section 7.2
Financial Year	The period from 1 July to 30 June
Founder	A holder of a Unit/s
Fund	Founders of the Victorian Pride Centre Fund, established pursuant to the Trust Deed
Fund Term	From the Allotment Date until 6 October 2037, unless extended by the Trustee.
GST	Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999, as amended
IM	This information memorandum
Loan	The loan from the Fund to VPC
Loan Agreement	The agreement which sets out the terms and conditions of the Loan
Trust Deed	The deed establishing the Fund dated 1 August 2018 as amended from time to time
Offer	The offer under this IM to acquire Units
Privacy Act	Privacy Act 1988 (Cth)
Qualifying Investor	Has the meaning given in Section 9.2
Site	Together, the properties at 3/77 Fitzroy Street and 79-81 Fitzroy Street, St Kilda, Victoria 3182

Sponsor	Victorian Pride Centre Ltd ACN 615 432 838, a corporate authorised representative (No. 1265544) of D H Flinders Pty Ltd ACN 141 601 596 AFSL 353001
Trustee	Vasco Investment Managers Limited ACN 138 715 009 AFSL 344486
Unit	A Unit in the Fund
VPC	Victorian Pride Centre Ltd ACN 615 432 838, a corporate authorised representative (No. 1265544) of D H Flinders Pty Ltd ACN 141 601 596 AFSL 353001

16. HOW TO APPLY FOR UNITS

An application for Units can only be made by completing and lodging the Application Form that is included below (**Application**).

Instructions relevant to completion of the Application Form are set out in the form.

A completed original Application Form, including relevant identification documents, should be lodged by sending it to the Administration Manager at the following address:

**Victorian Pride Centre Ltd
C/- Vasco Funds Management Pty Ltd
Level 5, 488 Bourke Street
Melbourne, Victoria 3000
Australia**

An Application constitutes an offer by the applicant to subscribe for Units on the terms and subject to the conditions set out in this IM.

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

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

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

Any interest earned on Application Monies will be retained by the Trustee and will not form part of the Fund's assets.

Application Form

Founders of the Victorian Pride Centre Fund



Use this application form if you wish to invest in:

Founders of the Victorian Pride Centre Fund

This Information Memorandum (IM) dated 7 December 2018 for the Founders of the Victorian Pride Centre Fund (Fund) includes information about purchasing units in the Fund. Any person who gives another person access to the application form must also give the person access to the IM and any incorporated information. You should read the IM and any incorporated information before completing this application form.

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

Customer identification

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

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

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

Important Information for Financial Advisers

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

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

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

Contact details

Mail your completed application form and identity verification documents to:

Victorian Pride Centre Ltd
C/- Vasco Funds Management Pty Ltd
Level 5, 488 Bourke Street
Melbourne VIC 3000

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

Checklist

Before sending us your application please ensure you have:

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

Founders of the Victorian Pride Centre Fund



1. Investment details

Please proceed to section 6. If you provide any information in any other section, this will override any previous information provided.

2. Investor type

- ☐ Individual investor or joint investors – also complete ‘Customer Identification Form – Individuals and Sole Traders’
- ☐ Sole Trader – also complete ‘Customer Identification Form – Individuals and Sole Traders’
- ☐ Super Fund – also complete ‘Customer Identification Form – Superannuation Funds and Trusts’
- ☐ Trust – also complete ‘Customer Identification Form – Unregulated Trusts and Trustees’
- ☐ Australian company – also complete ‘Customer Identification Form – Australian Companies’
- ☐ Foreign company – also complete ‘Customer Identification Form – Foreign Companies’
- ☐ Other – contact our Investor Services team on 03 8352 7120 for other Customer Identification Forms.

3. Investor name

3A. Individual investor/joint investors/sole trader

Business name of sole trader (if applicable)

Date of birth

3B. Super fund/Trust/Australian company/foreign company/other

[illegible]

3C. Account designation (if applicable)

[illegible]

Founders of the Victorian Pride Centre Fund – 7 December 2018

4. Contact details

This is the address where all correspondence will be sent.

Contact person	<input type="text"/>																								
Unit number	<input type="text"/>				Street number	<input type="text"/>																			
Street name	<input type="text"/>																								
Suburb	<input type="text"/>																								
State	<input type="text"/>			Postcode	<input type="text"/>																				
Country	<input type="text"/>																								
Phone (after hours)	<input type="text"/>												Phone (business hours)	<input type="text"/>											
Mobile	<input type="text"/>												Facsimile	<input type="text"/>											
Email	<input type="text"/>																								

5. Tax information

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

5a. Individual investor or entity

TFN	<input type="text"/>										
Tax exemption	<input type="text"/>										
ABN	<input type="text"/>										

5b. Investor 2 (joint investors)

TFN	<input type="text"/>										
Tax exemption	<input type="text"/>										

5c. Non-residents

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

<input type="text"/>																							
----------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

6. Investment allocation and payment options

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

I/we are making my/our investment via:

☐ Direct Credit/EFT → see below.

☐ Bank Cheque → make cheque payable to 'Vasco Investment Managers Limited ATF Founders of the Victorian Pride Centre Fund'.

Fund name	Initial investment
Founders of the Victorian Pride Centre Fund	\$ <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>

The minimum initial investment is \$25,000, and investments will only be accepted in multiples of \$25,000.

Cheque Instructions: Bank Cheques or drafts must be made payable to Vasco Investment Managers Limited ATF Founders of the Victorian Pride Centre Fund. Only cheques or drafts in Australian currency and drawn on an Australian bank will be accepted. Your cheque(s) should be crossed NOT NEGOTIABLE. Mail or deliver your completed Application Form with your cheque(s) to:

Vasco Investment Managers Limited
Level 5, 488 Bourke Street
Melbourne, VIC, 3000
P +61 3 8352 7120 F +61 3 8352 7199 E info@vascofm.com

Direct Credit / EFT Instructions

Alternatively you can direct credit your application funds to:
Vasco Investment Managers Limited ATF Founders of the
Victorian Pride Centre Fund
Macquarie Bank
BSB 182 512
Account number 966467060
Please note the applicants name when transferring the funds.
Please ensure all funds transferred are net of all bank charges.

7. Annual report

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

8. Wholesale Investor Qualification

In order to participate in the Offer you must be a Wholesale Investor. Please complete this section so that the Trustee can determine whether you are eligible to participate in the Offer.

Part 1 – Investor category

Each Applicant must mark the box (X) which best describes the category of investor they are.

Applicant 1 Applicant 2
(if joint application)

<input type="checkbox"/>	<input type="checkbox"/>	I am applying for \$500,000 or more worth of Units.
<input type="checkbox"/>	<input type="checkbox"/>	I have net assets of at least \$2.5 million (please arrange for a Qualified Accountant to complete Part 2 of Section 9 of this Application Form).
<input type="checkbox"/>	<input type="checkbox"/>	I have earned at least \$250,000 per annum gross income for each of the last two financial years (please arrange for a Qualified Accountant to complete Part 2 of Section 9 of this Application Form).
<input type="checkbox"/>	<input type="checkbox"/>	I have or control gross assets of at least \$10 million (please provide a Statutory Declaration).
<input type="checkbox"/>	<input type="checkbox"/>	I hold Australian Financial Services Licence No. (please provide AFSL no.)

Part 2 – To be completed by a Qualified Accountant

Insert full name and address of Qualified Accountant

[illegible]

8. Wholesale Investor Qualification (continued)

Declaration by Qualified Accountant

I, the Qualified Accountant named above, certify that the following is true and correct:

- (a) I am a Qualified Accountant;
- (b) this certificate is given at the request of the Applicant described above in relation to the Units in the Fund to be issued by the Trustee; and
- (c) please indicate which option below applies by marking the relevant box for each Applicant:

Option 1

Applicant 1 Applicant 2
(if joint
application)

The Applicant is known to me and for the purposes of section 761G (7)(c) of the Corporations Act, the Applicant either personally or in conjunction with a company or trust controlled by the Applicant, has:

- ☐ ☐ net assets of at least \$2.5 million; or
- ☐ ☐ a gross income for each of the last two financial years of at least \$250,000 a year.

Option 2

Applicant 1 Applicant 2
(if joint
application)

The Applicant is a company or trust controlled by a person known to me for the purposes of section 761G (7)(c) Corporations Act, who has:

- ☐ ☐ net assets of at least \$2.5 million; or
- ☐ ☐ a gross income for each of the last two financial years of at least \$250,000 a year.

Signature of Qualified
Accountant

Date / /

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

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

Financial institution

Branch

Account name

Branch number (BSB) - Account number

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

Please read the declarations below before signing this form. The signatures required are detailed at the bottom of this form.

I/We declare that:

- all details in this application and all documents provided are true and correct and I/we indemnify the Trustee of the Fund against any liabilities whatsoever arising from acting on any of the details or any future details provided by me/us in connection with this application;
- I/we have received a copy of the current IM and all information incorporated into the IM to which this application applies and have read them and agree to the terms contained in them and to be bound by the provisions of the current IM (including the incorporated information) and current trust deed (each as amended from time to time);
- I/we have legal power to invest in accordance with this application and have complied with all applicable laws in making this application;
- I/we have received and accepted this offer in Australia;
- the details of my/our investment can be provided to the adviser group or adviser named at the end of this form or nominated by them by the means and in the format that they direct;
- if this application is signed under Power of Attorney, the Attorney declares that they have not received notice of revocation of that power (a certified copy of the Power of Attorney should be submitted with this application unless we have already sighted it);
- sole signatories signing on behalf of a company confirm that they are signing as sole director and sole secretary of the company;
- I/we acknowledge that if Vasco reasonably believes an email or facsimile communication it receives is from me/us Vasco is entitled to rely on that email or facsimile communication and will not be liable for any loss it may suffer if it is later found the email or facsimile communication was fraudulent;
- unless alternative authority for signature is notified to and accepted by Vasco, the person/persons that signs/sign this form is/are able to operate the account on behalf of the company and bind the company for future transactions, including in respect of additional deposits and withdrawals, including withdrawals by telephone and fax;
- I/we acknowledge that I/we have read and understood the information under the heading 'Privacy policy' in the IM. I am/We are aware that until I/we inform Vasco otherwise, I/we will be taken to have consented to all the uses of my/our personal information (including marketing) contained under that heading and I/we have consented to my/our financial adviser providing such further personal information to Vasco as is required or reasonably deemed necessary by Vasco under applicable law;
- I/we understand that if I/we fail to provide any information requested in this application form or do not agree to any of the possible use or disclosure of my/our information as detailed on the IM, my/our application may not be accepted by Vasco and we agree to release and indemnify Vasco in respect of any loss or liability arising from its inability to accept an application due to inadequate or incorrect details having been provided;
- I/we acknowledge that none of Vasco, or any other member of Vasco or any custodian or investment manager, guarantees the performance of the Fund or the repayment of capital or any particular rate of return or any distribution;
- I/we are bound by the trust deed and acknowledge that an application for Units is binding and irrevocable;
- I/we agree to be bound by any Call Notice issued to me/us in accordance with the IM and acknowledge and understand that the Trustee may take action to recover some of all the monies owing by me/us as described in the IM and Trust Deed;
- I/we have not relied on statements or representations made by anybody, other than those made in the IM;
- I/we agree and acknowledge no cooling off period applies and I/we have had the opportunity to seek independent professional advice on subscribing for Units;
- I/we agree and acknowledge Vasco is required to comply with the anti-money laundering laws in force in a number of jurisdictions (including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS)) and I/we must provide Vasco with such additional information or documentation as Vasco may request of me/us, otherwise my/our Application for Units may be refused, Units I/we hold may be compulsorily redeemed, and any disposal request by me/us may be delayed or refused and Vasco will not be liable for any loss arising as a result thereof;
- I/we have provided a tax file number, and if not, I/we consent to Vasco withholding tax at the highest marginal tax rate plus the Medicare levy;
- I/we acknowledge and agree to having read and understood the risks of investing in the Fund as described in the IM and understand that the risks associated with the Fund's investments may result in lower than expected returns or the loss of my/our investment;
- I/we acknowledge that the Fund is not currently registered with the Australian Securities and Investments Commission, but may be at some future point in time. By investing in the Fund, I/we consent to the Fund being registered at some future point should the Trustee consider it appropriate. I/we also consent to registration taking place without the Trustee holding a meeting of Investors to approve the application for registration.

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

I/We also warrant and acknowledge that:

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

Refer to list of signatories on page 9 of this application form

Investor 1

Signature	<div style="border: 1px solid black; height: 40px; width: 480px;"></div>	Date	<div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> / <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> / <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div>
Surname	<div style="border: 1px solid black; width: 480px; height: 20px;"></div>		
Given name(s)	<div style="border: 1px solid black; width: 480px; height: 20px;"></div>		
Capacity	<input type="checkbox"/> Sole Director <input type="checkbox"/> Director		

(company investments only)

Investor 2 (joint investors)

Signature

Date

Surname

Given name(s)

Capacity ☐ Director ☐ Company Secretary
 (company investments only)

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

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

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

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

11. Nomination of Final Benefit (Direction and Distribution of Direction Deed)

The Trustee has an obligation under of the Trust Deed of the Fund to distribute any amount to which the Founder is entitled to the Founder. Under this direction deed an Founder can direct the Trustee to pay the final distribution and final redemption amount to the nominee whose details are provided below.

Once completed, this section can only be revoked by the Founder.

Redemption and Distribution Direction Declaration

I/we declare that:

- I/we hereby authorise and direct the Trustee to pay our final distribution and redemption payments (**Final Payment**) to the following nominated entity (**Nominee**).

Full name of person/company/trust:

[illegible]

11. Nomination of Final Benefit (Direction and Distribution of Direction Deed) (continued)							
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Contact details:

[illegible]

Bank Account Details (must be in the name of the Nominee):

[illegible]

- I/we confirm that the Trustee may contact the above Nominee to confirm and verify the above details prior to the Final Payment.
- I/we confirm that unless I/we inform the Trustee of a change to above Nominee prior to the Final Payment that:
 - where the Nominee is an individual who is deceased at the time of the Final Payment the Trustee is directed to pay the Final Payment to the Nominee's estate.
 - where the Nominee is a Company or Trust that no longer exists at the time of the Final Payment the Final Payment is to be paid to the Founder or, in the event that the Founder is deceased, its estate.
- I/we confirm that the Nominee details above can only be revoked by me/us and otherwise cannot otherwise be revoked in the event of my/our incapacity or death.

Executed as a **deed poll**

Investor 1

Signature

Date

Surname

Given name(s)

Capacity ☐ Sole Director ☐ Director

(company investments only)

Investor 2 (joint investors)

[illegible]

Signing Authority

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

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

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

12. Adviser use only

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

Office name

Surname

Given name(s)

Phone (business hours)

Adviser name

Adviser email

Adviser group AFSL

Adviser Signature

Date

Important notes

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

Signatories

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

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

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

**This is not required in some circumstances.

18. SCHEDULE - OFFERING LEGENDS

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

18.1. Australia

This IM may not be circulated or distributed and no offer for subscription or purchase of the Units offered hereby, nor any invitation to subscribe for or buy such interests has been made or issued, directly or indirectly, in Australia, other than to prospective Founders who are wholesale clients as defined in Section 761G of the Corporations Act in an offer exempt from the disclosure requirements of Part 7.9 of the Corporations Act. Further, the Units offered hereby may not be resold in Australia within a period of 12 months after the date of issue otherwise than by means of an offer exempt from the disclosure requirements of Part 7.9 of the Corporations Act.

This IM is not a prospectus or product disclosure statement under the Corporations Act and is not required to be, and has not been, lodged with the Australian Securities and Investments Commission. To the extent that information in this IM constitutes financial product advice, it is general financial product advice only, is provided by the Sponsor and does not consider the specific objectives, financial intentions or needs of any particular person. Each person considering subscribing for interests should read this IM in full before making a decision to acquire any interests. There is no cooling-off regime in Australia that applies in respect of the issue of the Units.

19. CORPORATE DIRECTORY

Sponsor

Victorian Pride Centre Ltd

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Trustee

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Administration Manager

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