



MFEG

DIVERSIFIED REAL ESTATE CREDIT FUND (DRCF)

INFORMATION MEMORANDUM

ONE FUND SERVICES LTD
(ACN 615 523 003)
(AFSL 493 421)
(TRUSTEE)

MFEG INVESTMENT MANAGEMENT PTY LTD
(ACN 665 594 794)
(MFEG INVESTMENT)

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1. Glossary of terms

1.1 Terms used in this Information Memorandum have the following meanings:

Act *Corporations Act 2001* (Cth) for the time being in force together with the regulations of the *Corporations Act 2001* (Cth).

ADI is an authorised deposit-taking institution licenced by the Australian Prudential Regulatory Authority to carry on banking business.

Administrator Unity Fund Services Pty Ltd (ACN 146 747 122).

AFSL Australian financial services licence.

Application Form The form used by an Investor to make an application to invest in the Fund that accompanies this IM.

Application Money The money paid by an applicant for Units.

ASIC Australian Securities and Investments Commission.

ASX Australian Securities Exchange.

BBSW The Bank Bill Swap Rate is an ASX benchmark interest rate which includes a credit premium representing the market assessment of the premium payable by the Prime Banks designed to measure the price at which Prime Bank eligible securities trade in the open market between 8:30 and 10 am on a Sydney Business Day.

Borrower The borrower under a Loan.

Business Day A day on which banks are open for business, except a Saturday, Sunday or public holiday in NSW.

CPI The Consumer Price Index, Australia (All Groups) for the city of Sydney for the relevant reference period, published from time-to-time on the Australian Bureau of Statistics website .

Direct Mortgage Investment An investment made into an individual loan secured by a Mortgage.

Direct Mortgage Investment Provider A business that presents and manages Direct Mortgage Investments.

First Pricing Period has the meaning described in section 5.12.1.

Fund MFEG Diversified Real Estate Credit Fund.

GST goods and services tax as defined in the GST Act.

GST Act *A New Tax System (Goods and Services Tax) Act 1999*, for the time being in force together with the regulations of the *A New Tax System (Goods and Services Tax) Act 1999*.

IM This information memorandum, dated 27 October 2023.

Investment Committee The committee appointed by MFEG as described in section 4.3.

Investment Management Agreement The document entitled 'Investment Management Agreement' dated 25 September 2023 between the Trustee and MFEG Investment, as amended from time to time.

Investment Term A period of 12 months which applies to each Unit issued to an Investor, beginning on the first day of the month in which the Unit was issued.

Investor A person who has acquired, or will acquire, Units.

Lending Guidelines MFEG Investment's lending guidelines for the Fund as set out in section 7.

Loan A loan advanced by the Fund to a Borrower.

LVR Where Loans are secured by property, LVR is the 'loan to value ratio' which is a measure of the amount of the Loan advanced relative to the value of any security granted in respect of the Loan. The LVR target for the Fund is described in section 5.10.4.

MFEG Melbourne Finance and Equity Group Pty Ltd (ACN 629 715 073).

MFEG Investment MFEG Investment Management Pty Ltd (ACN 665 594 794).

Mortgage A first or second mortgage over land or an interest in land to secure a Loan and registered in favour of the Trustee.

Offer The offer under this IM to acquire Units.

One Fund Services One Fund Services Ltd (ACN 615 523 003) (AFSL 493421).

One Registry Services One Registry Services Pty Limited (ACN 141 757 360).

Ordinary Units a Unit issued by the Trustee in the class known as Ordinary Units under the Trust Deed, subject to the rights, obligations and restrictions attaching to that Unit as set out in the Trust Deed and this IM.

Qualifying Investor is a person who is a Wholesale Client.

Registry One Registry Services.

Security Interest A security interest under the Personal Property Security Act 2009 (Cth) and otherwise any other right, interest and power under the Loan with respect to the Borrower's assets.

Security Property the property offered by a Borrower as security for a Loan subject to a Mortgage and otherwise a Security Interest.

Target Return refers to an annual return rate for Units in the Fund set by MFEG Investment from time to time to meet the objectives of the Fund which has been described in section 5.7.2.

Trust Deed The trust deed of the Fund, dated 7 June 2023, as amended from time to time.

Trustee One Fund Services.

Unit or Units Refers to an Ordinary Unit in the Fund.

Unity Fund Services The Administrator.

Wholesale Client has the meaning given to it in section 761G of the Act.

Withdrawal Request a withdrawal request by an Investor to withdraw Units from the Fund.

2. Notice

- 2.1 The interests in the Fund offered under this IM are issued by One Fund Services which is licensed to operate unregistered managed investment schemes that hold deposits, mortgages, and other financial products for wholesale clients.
- 2.2 The Fund as at the date of this IM, is not required to be, and is not, registered as a managed investment scheme pursuant to section 601ED of the Act, and this IM has not been, and is not required to be, lodged with ASIC. This IM is not a product disclosure statement for the purposes of Part 7.9 of the Act.
- 2.3 Investors in the Fund will be issued Units. The Trust Deed provides for different classes of Units. Under the Trust Deed, the different Unit classes may have different rights and obligations. Holders of different classes of Units will be treated fairly.
- 2.4 Registration of membership in the Fund and provision of your funds for investment may only be made and accepted upon the receipt of a completed Application Form and any other required information, including as to an investor's identity and the source of payment of the Application Money.
- 2.5 The Fund is subject to investment risk, including possible delays in repayment and loss of income and principal invested. The performance of your investment in the Fund will be linked to the investment option you choose and the underlying loans in which the Fund invests. Your investment does not represent deposits in or other liabilities of MFEG, MFEG Investment or any other person. None of the Trustee, MFEG, MFEG Investment or any of their associates or any of its related bodies corporate, guarantees in any way the performance of the Fund, repayment of capital from the Fund, any particular return from, or any increase in, the value of the Fund. Any prospective financial information in this IM is predictive in nature, may be affected by inaccurate assumptions or by known or unknown risks and uncertainties and may differ materially from the results ultimately achieved.
- 2.6 This IM has been prepared without taking into account the investment objectives, financial situation or needs of any particular investor. Before deciding whether to make an investment you should carefully read all of this IM and you should consult your business adviser, financial planner, accountant or such other professional as you may deem fit to ensure that your investment is in compliance with your needs and meets your investment criteria. If you are unsure about any matters explained in this IM you should consult a professional adviser. Any

information or representation not contained in this IM must not be relied on as having been authorised by MFEG or MFEG Investment.

- 2.7 Investment in the Fund can only be made by Qualifying Investors receiving the IM (including an electronic version) in Australia and who qualify as a Wholesale Client. If you receive this IM outside Australia, you should seek professional advice about restrictions on investing in trusts. Offshore applications will be considered on a case by case basis by the Trustee and acceptance remains at the sole discretion of the Trustee.
- 2.8 MFEG and MFEG Investment is involved specifically in lending for business or commercial purposes and the Loans provided by MFEG and MFEG Investment do not fall under the National Consumer Credit Code.
- 2.9 The information in this IM is current as at 27 October 2023. Copies of this IM are available on www.mfeg.com.au and www.oneinvestment.com.au/MFEG.
- 2.10 To the extent of any inconsistency between this IM and the Trust Deed the Trust Deed prevails.

3. Introduction

- 3.1 The Fund is an open-ended Australian unit trust that invests in a portfolio of Australian and New Zealand real estate loans. The Fund offers Investors exposure to an otherwise bank dominated market by pooling investor funds to scale investments in loans to Australian and New Zealand based commercial borrowers in a wide range of real estate assets.
- 3.2 Investing in the Fund offers the potential to achieve competitive returns and generate a regular income stream for investors without the risks associated with diversifying existing investment portfolios, and gives investors access to the real estate debt market that would otherwise be difficult to access without substantial pools of capital.
- 3.3 The Fund is managed by MFEG Investment which is a subsidiary of MFEG, which has an established loan originating business and substantial experience in the lending market place. A key feature of the Fund is that fees generated from referrals by MFEG to the Fund will be reinvested directly into the Fund for the benefit of Investors.

4. Management of the Fund

4.1 The Trustee

One Fund Services has extensive experience as a corporate trustee and is a professional trustee and is a member of the One Investment Group (OIG).

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

One Investment Group is responsible for in excess of 200 funds and \$25 billion in a wide range of underlying asset classes including infrastructure, real estate, equities, fixed income, private equity and fund of funds.

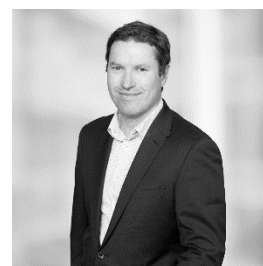
One Investment Group is not a fund manager, and its clients include global and Australian listed companies, sovereign wealth funds, banks, insurance companies, pension funds, private equity firms and boutique MFEG Investments.

4.2 MFEG Investment

Through its related entity MFEG, MFEG Investment has substantial experience in the lending market place having secured and/or placed hundreds of millions of dollars in debt finance and has been involved in direct lending for over 5 years.

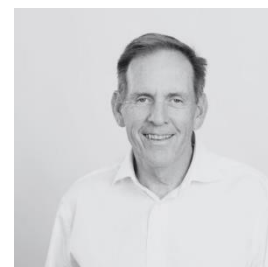
4.2.1 Managing Director – Cameron Perry

Each of MFEG Investment and MFEG, is headed by Cameron Perry, who has 19 years of experience as a residential and commercial mortgage broker. He has achieved multiple awards including MPA Top Commercial Broker and MFAA Broker of the Year. He has been the director of MFEG since 2018 and has been responsible for the placement of over \$400 million of debt transactions during this period.



4.2.2 Non-Executive Director – Mark Hardgrave

Mark Hardgrave has a corporate advisory and investment management background. He is Chairman of ASX listed companies Traffic Technologies Limited and Pental Limited. He was co-founder and former Joint Managing Director of M&A Partners. He was the responsible manager for the AFSL held by M&A Partners. Mr. Hardgrave was also previously Chief Executive Officer of Bennelong Group, which specialises in listed equities, property, and private equity. Earlier in his career he worked in senior roles in several investment groups including Brencorp Group, Merrill Lynch and Thorney Investment Group. Mr. Hardgrave holds a Bachelor of Commerce degree from the University of Queensland. He is a chartered accountant and a member of the Australian Institute of Company Directors.



Mark acts as a Non-Executive Director of MFEG Investment and is a member of the Investment Committee.

4.3 The Investment Committee

4.3.1 The Investment Committee, appointed by the board of MFEG Investment for the Fund, comprises Cameron Perry and Mark Hardgrave, directors of MFEG Investment and such other personnel as appointed from time to time. The Investment Committee will be tasked with assessing and reporting on any potential investments to be made by through the Fund to help identify key investments based on risk, growth and return.

5. Overview

5.1 Fund name

MFEG Diversified Real Estate Credit Fund.

5.2 The Trustee

One Fund Services is the trustee of the Fund, and will be responsible for holding title to the Fund's assets for the benefit of the Investors.

5.3 Fund structure

5.3.1 The Fund is an unregistered Australian unit trust (unregistered managed investment scheme) established by the Trustee pursuant to the Trust Deed and is governed by Australian law. Investors have an opportunity to acquire Units in the Fund which entitles them to returns generated by the Fund.

5.3.2 Investor's funds are pooled and invested collectively through the Fund, either directly or indirectly, in an underlying portfolio of commercial loans secured by first and second ranking mortgages over real estate in Australia and New Zealand. All investments are made in accordance with the Fund's Lending Guidelines.

5.4 MFEG Investment

5.4.1 MFEG Investment, a related entity of MFEG, has been appointed the investment manager of the Fund and is responsible for managing the Fund's assets.

5.4.2 MFEG Investment will source and assess potential mortgage investments, direct mortgage loans for the Fund and will monitor the day-to-day management of the Fund's loans.

5.5 Administrator

Unity Fund Services has been appointed by the Trustee to provide administration services to the Fund.

5.6 Registry

One Registry Services has been appointed by the Trustee to provide registry services in relation to the issue of Units in the Fund.

5.7 Investment Objective

5.7.1 The Fund aims to provide Investors with regular monthly income and capital stability through exposure to a diversified portfolio of loans secured by real estate located in Australia and New Zealand.

5.7.2 The Fund will aim to deliver an annualised Target Return of 6-6.5% above the 90 Day BBSW paid monthly in arrears, net of fees and expenses of the Fund. The Target Return is not a forecast and is not guaranteed under the Fund. The Fund may not be successful in meeting this objective.

5.8 Key Benefits

- 5.8.1 By investing in the Fund, Investors can gain access to a diversified portfolio of carefully selected risk adjusted commercial loans and an asset class which may not otherwise be accessible without significant pools of capital.
- 5.8.2 The Fund's structure offers reduced administration for Investors who want to receive monthly distributions reflecting the return derived from multiple pooled investments through the Fund.
- 5.8.3 MFEG Investment through MFEG may leverage relationships with leading investment providers to gain access to off-market opportunities and where loans have been introduced by MFEG, fees from transactions will be reallocated to the Fund providing enhanced returns.
- 5.8.4 MFEG Investment's experienced credit team and Investment Committee will conduct rigorous credit processes for each invested deal based on security and development risk, servicing risk and saleability as detailed in the Lending Guidelines in this IM, including for exposures gained via investments in other funds.

5.9 Risks

Like any investment of this type, there are risks associated with investing in the Fund. Distributions are not guaranteed, nor are any capital returns. For further information about the specific risks associated with the Fund see section 8.

5.10 Investment Strategy

- 5.10.1 The Fund will primarily act as a "fund of funds" in that it will invest into Direct Mortgage Investments sourced both directly and through a selection of private debt financiers including MFEG who manage and deliver real estate debt investment opportunities. The Fund will also lend directly to borrowers from time to time.
- 5.10.2 The Fund will be diversified through geographic location, borrowers, loan purpose, asset class and maturity.
- 5.10.3 Where a loan has been introduced by MFEG, introducer fees are paid to MFEG, and the Fund invests in the loan directly, a fee of 0.25% of the total loan amount (exclusive of GST) for the transaction will be charged to the borrower and reallocated to the Fund.
- 5.10.4 The Fund will target an average LVR of 65% for investments and will invest in a mix of senior mortgage and second mortgage debt transactions. For construction loans, the LVR will be calculated on the "as-if-complete" value of the project. For other transactions the LVR will be calculated on an "as-is" value of the Security Property.

5.11 Who can invest?

The Offer is only available to Qualifying Investors who, if they reside in Australia, qualify as a Wholesale Client. Investors are limited to domestic investors and offshore investors may be considered on a case by case basis at the Trustee's absolute discretion. For further information on criteria for Qualifying Investors refer to section 6.1.

5.12 Unit price

5.12.1 It is intended that Units will initially be issued at \$1.00 at the date of this IM and will remain fixed for a period of 60 days (the **First Pricing Period**). After that time the Unit price is calculated in accordance with the Trust Deed and is based on the value of the underlying net assets of the Fund. For further information about calculation of the Unit price refer to the First Pricing Period in section 6.3.

5.12.2 The current Unit price is available by visiting www.mfeg.com.au.

5.13 Minimum Investment Amounts

Minimum Investment into the Fund will be \$100,000 or such lower amount as the Trustee may accept from time to time at its discretion. The Trustee may consult with MFEG Investment on these decisions at any time.

5.14 Term of Investment

The first 12 month period of an investment in the Fund by an Investor is referred to as **Investment Term**. The Investment Term for each Unit subscribed to will commence on the first day of the month after the month in which that Unit is issued and runs for 12 months. Each separate investment will have its own Investment Term.

5.15 Withdrawal Opportunities

Once an Investment Term has expired, Investors will have an opportunity to withdraw from the Fund by giving not less than 6 months' notice by lodging a Withdrawal Request. Information on withdrawing from the Fund is set out in sections 6.6 and 6.7.

5.16 Fees and costs

There are no Fund entry or exit fees. Management fees and costs are payable in relation to the management of the Fund as follows:

(a) Management Fee

(i) MFEG Investment is entitled to a fee payable out of the assets of the Fund. This fee is equal to 2.00% per annum (exclusive of GST) of the Fund's gross asset value.

(ii) This fee is calculated daily and will accrue and is payable to MFEG Investment monthly in arrears.

(b) Expenses

(i) Expenses of the Fund will be met by MFEG Investment.

For further information on fees and costs refer to section 9.

5.17 Tax

Neither the Trustee nor MFEG Investment provides financial, accounting or tax advice. This IM does not address taxation issues which may be relevant to prospective Investors. Investors must take full and sole responsibility for their own investments into the Fund and should obtain their own independent tax advice before investing in the Fund in relation to any associated tax implications arising from such investment.

5.18 Proposed Raising

The Fund is targeting receiving applications for investments into the Fund totalling at least \$2 million during its first 12 months of operation. If total applications for this amount is not achieved, the investment opportunities available may be more limited than currently anticipated and which may in turn impact target returns.

6. Investment Overview

6.1 Qualifying Investors

MFEG Investment believes the Fund is suitable for investors seeking a competitive return on investment with regular income distributions. Suitable investors are likely to include self-managed superannuation funds, individuals, family offices, charitable trusts or companies. The Offer is available to Qualifying Investors, meaning an Investor who:

- 6.1.1 invests \$500,000 or more in the Fund, or
- 6.1.2 provides a certificate from a qualified accountant (substantially in the form circulated with the Application Form) that states the Investor has net assets of at least \$2.5 million or has a gross income for each of the last two financial years of at least \$250,000, or
- 6.1.3 is a professional investor (including the holder of an AFSL, 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).

6.2 How to Invest

To invest, prospective investors must read this IM carefully and complete the Application Form accompanying this IM. The Application Form must be accompanied by satisfactory evidence that the investor qualifies as a Qualifying Investor, and proof of identity to comply with Anti-Money Laundering and Counter Terrorism Financing, FATCA and CRS legal requirements. The Trustee may accept or reject in whole or in part any Application, without providing a reason for doing so. See the process to invest in section 11.

6.3 Unit Pricing

As at the date of this IM Units will be issued at \$1.00 for the First Pricing Period (being a period of 60 days). Thereafter, the Unit price will be based on the underlying value of the Fund's net assets and will be calculated monthly in accordance with the terms of the Trust Deed. The Unit price may therefore change. The withdrawal price for a Unit is also based on the underlying value of the Fund's net assets. This price may be different from the price originally paid for the Unit.

6.4 Issue of Units

The Units offered under this IM are Ordinary Units in the Fund. Applications for Units will be processed up to 5.00pm on the second last Business Day of a month. Units will be issued on the first calendar day of the next month at the Unit price determined as at last day of the preceding month.

6.5 Distributions

It is intended that distributions will be paid monthly, within 14 Business Days after the last day of each month, but may be longer (e.g. after each 30 June). Investors will receive their pro-rata portion of the net income of the Fund after fees and expenses have been paid. This means they will receive a proportion of the Fund's net income based on the number of Units they hold in relation to the number of Units on issue. An Investor will become eligible to receive distributions from the Fund from the date they are issued with Ordinary Units.

6.6 Withdrawal Rights

6.6.1 After the Investment Term has concluded Investors will have an opportunity to withdraw from the Fund by giving not less than 6 months' notice. Withdrawal requests will need to be received by 5pm on the last Business Day of a given month for the 6 calendar months' notice period to begin on the 1st day of the following month. The Trustee will generally accept the Withdrawal Request at the end of the 6 months' notice period. Units will be redeemed at the Unit price determined as at the last day of the month in which the Units are redeemed. However Investors must be aware that acceptance of a Withdrawal Request is at the sole discretion of the Trustee. If the Trustee is unable to accept all Withdrawal Requests received in respect of a given month, then the following will apply:

- (a) Withdrawal Requests for that month will be satisfied on a pro-rata basis, which means an Investor may continue to hold some Units in the Fund (**Remaining Units**).
- (b) For the following month and for subsequent months (if necessary), the Trustee will redeem Remaining Units before subsequent Withdrawal Requests are satisfied.

6.6.2 The Registrar will pay the withdrawal proceeds for Withdrawal Requests the Trustee has accepted usually within 14 days after acceptance of the Withdrawal Request.

6.7 Withdrawal Information

6.7.1 The first 12 months of an investment in the Fund by an Investor is referred to as the Investment Term. You cannot withdraw a Unit during the Unit's Investment Term.

6.7.2 When you invest in the Fund, the Investment Term for each Unit you subscribe for begins on the first day of the month following the submission of a fully completed Application Form and the Application Moneys.

6.7.3 Once an Investment Term has expired you may apply to withdraw some or all of the Units. You must provide 6 calendar months' notice to withdraw those Units from the Fund. The 6 calendar months' notice period will begin on the first day of the month following the day when the Withdrawal Request is made. You may provide notice to withdraw the Units prior to the completion of the Investment Term but in such cases the 6 calendar months' notice period will begin on the first day of the month after the Investment Term has expired.

6.7.4 The below table outlines 2 examples of investments made in the Fund and Withdrawal Request dates:

Date Investment made	Start of Investment Term	Expiry of Investment Term	Withdrawal Request Made	Earliest date a withdrawal can be processed using prior month's Unit price
July 27 th 2023	August 1 st 2023	July 31 st 2024	July 27 th 2024	February 1 st 2024
July 13 th 2023	August 1 st 2023	July 31 st 2024	December 15 th 2024	July 1 st 2025

6.7.5 In the first example a Withdrawal Request is made prior to the completion of the Investment Term. In this case the withdrawal is able to be completed 6 calendar months after August 1st 2024 being the first day of the month following day that Withdrawal Request is made.

6.7.6 In the second example, a Withdrawal Request is made after the completion of the Investment Term. Once again, the withdrawal is able to be completed 6 calendar months after the first day of the month following the date of the request, which would be July 1st 2025.

6.7.7 Withdrawal proceeds will be calculated as at the last day of the month preceding the processing of the Withdrawal Request. Withdrawal proceeds will generally be paid 14 Business Days after the processing date.

6.7.8 Withdrawal requests will need to be received by 5pm on the last Business Day of a given month for the 6 calendar months' notice period to begin on the 1st day of the following month.

6.7.9 Investors must note that the Trust Deed permits the Trustee discretion, non-exhaustively, over:

- (a) accepting a Withdrawal Request (in whole or in part) and noting that once made, a Withdrawal Request cannot be withdrawn;
- (b) compulsorily redeeming all or some Units of an Investor (or all Investors), for instance, if required by law or where the failure to do so may be to the material disadvantage of the Fund;
- (c) determining when specific circumstances require compulsory withdrawals;
- (d) deducting money owed by an investor from proceeds of a withdrawal;
- (e) satisfying a Withdrawal Request by other means such as transfer of assets of the Fund to the Investor; or
- (f) suspending withdrawals generally.

6.8 Transfer of Units

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

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

6.9 Borrowings

There is no current intention that the Fund will borrow.

7. Lending Guidelines

The Fund will invest in a range of loans through Direct Mortgage Investment Providers as well as directly to Borrowers. All loans whether made directly or invested in through Direct Mortgage Investment Providers will comply with the lending parameters as set out in the Lending Guidelines below.

7.1 Type of Loan

All loans and mortgage investments must be secured by a Mortgage over real property in Australia or New Zealand.

7.2 Type of Security

Loans invested in, whether made directly or through a Direct Mortgage Investment Provider, may be secured by any type of property, including commercial office, retail, industrial, residential, vacant land, or specialist property. They may include a construction or land development component.

7.3 Location of Security Property

Loans invested in directly will be supported by Mortgages over real estate located in Australia. For loans invested in through Direct Mortgage Investment Providers, loans may be supported by Security Properties located in Australia and New Zealand. Security Properties will be typically located within capital cities and major regional cities.

7.4 Mortgages

The lender will hold a registered Mortgage over the relevant real property to secure each loan. Each Mortgage will be, at a minimum, a second ranking mortgage.

7.5 Security Interests

The lender may take other forms of security referred to as Security Interests, which may include personal guarantees or director guarantees or interests registered on the Personal Property Securities Register (PPSR).

7.6 Loan to value ratio (LVR)

The actual LVR for each investment will vary depending upon the credit risk of the Borrower and the nature of the property which is the subject of a Mortgage. The Fund will target an average LVR of 65% across all investments. For construction loans, the LVR will be calculated on the “as-if-complete” value of the project. For other transactions the LVR will be calculated on an “as-is” value of the property.

7.7 Term

The maximum term of a Loan invested in or made directly will be 36 months, unless otherwise determined by the Trustee on the recommendation of MFEG.

7.8 Interest rate and terms

For Loans made directly to a Borrower, the interest rate will generally be as determined by MFEG Investment and will be priced on the basis of the risk assessment of each transaction. For Loans invested into through external Direct Mortgage Investment Providers, the rate will be determined by the Direct Mortgage Investment Provider but MFEG Investment will look to ensure that investments are in line with the Target Return.

7.9 Lending strategy

MFEG Investment will ensure before the Fund invests in any loan, either directly or indirectly, that the risk / reward profile of each loan is appropriate having regard to the quality and value of the Borrower, underlying Security Property and the risk analysis process. All loan investment decisions will be based on risk-adjusted returns over the term of the Loan. All Loans, Borrowers and Mortgages are assessed by MFEG Investment. In addition, each Loan will be properly documented and appropriately secured following a comprehensive assessment of the purpose, servicing capability of the Borrower, planning and permits, valuation, insurance and management protocols proposed for each Loan.

7.10 Loan selection and assessment process

7.10.1 MFEG Investment will be responsible for undertaking the assessment of any Loan proposed to be made by or invested in through the Fund, having regard to the Lending Guidelines.

7.10.2 Analysis and evaluation assessment of a Loan commences when an application and accompanying financial data is received from a proposed Borrower. MFEG Investment will assess the merits of each prospective Loan and the associated risks. The analysis takes into account a set of criteria including available security, the precise nature of the Security Property, loan-to-value ratio and evidence of capacity to service the Loan. The risks can be described in three broad categories as follows:

- (a) **Security / Development Risk** – MFEG Investment must assess the character and geographic suitability of the Security Property, the proposed capital expenditure for the development and a number of extraneous factors such as permissible usage, competition and the appeal and demand for the development asset.
- (b) **Servicing risk** – the ability of the Borrower to meet Loan commitments, which focusses on the income and cash flow sources of the Borrower.
- (c) **Saleability** – the exit strategy at the Loan conclusion including the ability of the Borrower to sell the property (including existing income producing or development assets), the end value of the asset and the ability of the Borrower to refinance.

7.11 Approval process and ongoing management

7.11.1 After a Loan is made, MFEG Investment is responsible for the day-to-day and ongoing management of that Loan. For direct Loans it will provide reports to the Trustee in relation to both individual and portfolio loan performance including in

respect of payment and collection of interest, and compliance with loan covenants and conditions. MFEG Investment will also dedicate resources towards ensuring that all Security Properties are appropriately insured for public liability and against loss or damage to improvements.

7.11.2 For Loans invested in through Direct Mortgage Investment Providers, the Investment Committee will review potential investments and suitability based on the same guidelines.

7.12 **Valuation policy**

The Security Property for any Loan, whether made directly or invested in through an external Direct Mortgage Investment Provider, will be independently valued for suitability and market value before the Loan is made. Valuations will be prepared on the basis of standard market valuation practices and will form part of the Borrower's reporting obligations under lending arrangements.

7.13 **Insurance Policy**

As a condition precedent of any Loan the Borrower will be required to provide evidence that the Security Property is fully insured and records the interests of the lender as secured party. Insurance will be for full replacement value suitable to the type of property and commercial activity of the Borrower.

7.14 **Documentation and settlement of Security Property**

Mortgage documents are prepared and reviewed by an experienced panel of legal firms experienced in mortgage finance, verification and validation requirements, who also attend to settlement of the legal documentation. In the event of construction funding, normal development funding conditions such as receipt of independent engineer's and/or quantity surveyor's report confirming costs, expenses, and cost to complete the project will be required before any Loans are made.

7.15 **Arrears and default management**

The Fund may be affected by any default by a Borrower under a Loan. MFEG Investment will be responsible for default management and commencing recovery action against the defaulting Borrower for directly funded Loans. For investments made with Direct Mortgage Investment Providers, the Direct Mortgage Investment Providers will be responsible for default management and recovery action. In these cases MFEG Investment will be responsible for communicating actions to Investors in the Fund.

7.16 **Loan losses**

The Fund does not keep a dedicated pool of funds to cover losses on Loans, in the event that they arise. As a result, any losses incurred due to a Borrower's default or any other reason must be covered using the Fund's capital. This may lead to a decrease in the Unit price of the Fund and, in turn, may result in Investors' incurring capital losses.

8. **Risks**

8.1 Investing in the Fund comes with inherent risks, just like any other investment. Various risk factors could impact the Fund's performance and the repayment of capital to Investors. Several of these risks are beyond the control of the Trustee and MFEG Investment and cannot

be eliminated. While the list of primary risk factors is not exhaustive, Investors must thoughtfully consider and assess them to determine their comfort level. The Fund's distributions and the return of Investors' capital are not assured.

8.2 **Risks associated with the performance of MFEG Investment**

MFEG Investment plays a crucial role in the success of the Fund by identifying suitable loans to invest in, both directly and through Direct Mortgage Investment Providers. For Loans that are funded directly, MFEG Investment is responsible for managing the repayment process. If MFEG Investment is unable to perform these functions effectively, it could have an adverse impact on the Fund's returns.

8.3 **Risks associated with the performance of Direct Mortgage Investment Providers**

For Loans invested in through Direct Mortgage Investment Providers, the Direct Mortgage Investment Provider is responsible for managing the repayment process. If the Direct Mortgage Investment Provider is unable to perform these functions effectively, it could have an adverse impact on the Fund's returns.

8.4 **Risks associated with the solvency and financial position of the Borrowers**

The financial outcomes of the Fund's investments are subject to the financial performance of both MFEG Investment and the Borrowers. If the Borrowers encounter financial difficulties or become insolvent, the Fund's financial performance may be negatively affected, leading to potential losses and the possibility of partial or complete loss of your investment.

8.5 **Liquidity risk**

The ability of Investors to withdraw their investment from the Fund might be limited, which could pose a risk if they need the return of their investment promptly. Investors must be aware of the constraints imposed on the time at which they may request withdrawal of their Units as explained in section 6.7.

8.6 **Return risk**

The Fund's aim is to provide Investors with a Target Return that exceeds the interest earned on regular deposit and savings products offered by ADIs. The Target Return is not a forecast and the Fund may not achieve this goal. The returns are not assured. It is important to note that investing in the Fund is distinct from investing in an ADI such as a bank. Therefore, investing in the Fund carries a higher level of risk compared to investing in a bank.

8.7 **Junior lender risk**

Loans typically have a Mortgage as security. However, if the Fund is a second-ranking lender, its Mortgage will have lower priority than the senior lender's mortgage. So in the event of a default by the Borrower, the Fund's ability to recover the outstanding amount under the loan agreement will depend on the senior lender's actions. As the Fund's security is subordinate to the senior lender's, if the Borrower defaults on any of the loan facilities and the senior lender enforces its security, the Trustee will not have daily control over the Borrower's assets. As a result, MFEG Investment may not be able to utilise the Fund's security until the senior lender is fully paid. Additionally, in such situations, the Fund's available funds would be limited to the amount recovered after the priority mortgagees have been fully repaid. This will also be the case for investments with Direct Mortgage Investment Providers where the Loan invested in has a second-ranking Mortgage as security.

8.8 **Concentration risk**

The Fund may provide loans to, or invest in loans provided to, a restricted group of Borrowers, and all such Loans will be backed by real estate located across Australia and New Zealand. However, if the Loans are concentrated in terms of specific types of loans, locations, activities, or Borrowers, it poses an increased risk.

8.9 **Loan loss risk**

The Fund will not set aside any funds to cover losses arising from default or other causes of Loan losses. As a result, if the Fund incurs any losses on Loans made directly or invested in, it will have to use its capital to cover them. This could impact the Unit price of the Fund and result in Investors incurring a capital loss.

8.10 **Construction loan risk**

The Fund may make or invest in loans made for the purpose of construction of property. Loans made for this purpose in general carry higher risk than those made for established properties. These risks are subject to a range of factors including but not limited to the credit and insolvency risk of the builder, the risk that there will be insufficient funds available to the developer and/or builder to fund contingencies, verifying construction costs and increased costs generally. In addition, anything that causes a delay to construction – for example, goods and materials not being available, inclement weather, enforced shutdowns (eg. a pandemic) or industrial action – could impact on the timing for completion of construction and therefore the timing for repayment of the loan.

8.11 **Enforcement risk**

In the event of a Borrower default, MFEG Investment may have to take action to enforce its Mortgage to recover the outstanding loan balance, unpaid interest, and related costs. The Fund will be required to meet the costs of any enforcement action and which such costs may not ultimately be recovered from the Borrower or the proceeds of the security granted in connection with the loan. This may result in a reduction of distributions paid to Investors, and if the enforcement costs cannot be ultimately recouped from the sale of the Security Property, the Fund may incur a loss.

8.12 **Documentation risk**

In some cases, inadequate loan documentation may have a negative impact on the Loan's returns. This could potentially create obstacles for MFEG Investment in enforcing the Mortgage relating to the Loan and could also hinder the ability to reclaim any penalties imposed against the Borrower.

8.13 **Valuation risk**

In some cases a valuation of the Security Property used for a Loan may be inaccurate or fail to reflect its true value at the time of valuation. In such cases, if the valuation figure is incorrect, the sale of the Security Property may not generate enough proceeds to cover the outstanding loan amount owed by the Borrower.

8.14 **Market risk**

8.14.1 Fluctuations in the property market may negatively impact the value of real estate and in turn the value of the property being used as security for a Loan. This risk can arise from a variety of factors, including changes in market conditions, economic downturns, changes in interest rates, or shifts in population demographics.

8.14.2 As the Fund's assets will largely consist of investment in Loans secured by Mortgages over real estate, fluctuations in the property market may affect the value of the underlying security and the ability of the Fund or Direct Mortgage Investment Provider to recover the loan amount, interest and fees owing through the sale of Security Properties in the event of Borrower default.

8.15 **Operational risk**

All managed investments carry operational risk, which pertains to the possibility that MFEG Investment may not be able to anticipate market movements or manage investment risks appropriately. It may also refer to instances where MFEG Investment fails to execute the Fund's investment strategy in a proper manner. Another inherent risk associated with managed investments is the departure or death of key personnel providing services to the Trustee or MFEG Investment. These risks, if not identified and mitigated, may adversely affect the Fund's performance and cause losses for Investors.

8.16 **Cyber risk**

There is a risk of fraud, data loss, business disruption or damage to the information of the Fund or to Investors' personal information as a result of a threat or failure to protect the information or personal data stored within the IT systems and networks of the Trustee, MFEG Investment or any of their service providers or agents.

8.17 **Pandemic risk**

While the impact of COVID19 or any future pandemic is not able to be forecast, there is a risk that the broad economic conditions caused by pandemics may adversely affect the Fund, including the value of the Fund's investments and the Fund's earnings and income distributions.

8.18 **Regulatory and economic risk**

Changes in policies, regulations, or laws, including those related to taxation, may impact the value of an investment. In addition, downturns in the domestic or international economy can negatively affect investments. While these factors are beyond the control of the Trustee and MFEG Investment, they can impact the performance of the Fund. It is therefore recommended that Investors seek independent financial advice before investing in the Fund.

8.19 **Currency Risk**

8.19.1 Currency risk, also known as foreign exchange risk, is the potential financial risk that an investor may face due to changes in currency exchange rates. It arises when an investment is made in a foreign currency, and the value of that currency relative to the investor's domestic currency fluctuates.

8.19.2 The Fund may invest in a limited number of mortgage investments in New Zealand through Direct Mortgage Investment Providers and therefore may be exposed to some currency risk.

8.19.3 It is important for Investors to consider the potential currency risk when making investment decisions and to consult with a financial advisor for guidance. The Fund does not hedge against foreign currency exchange movements.

9. Fees and costs

9.1 Trustee fee

9.1.1 The Trustee is entitled to receive the following fees on a non-exhaustive basis:

- (a) 0.06% per annum of the gross value of the Fund's assets, subject to a minimum fee of \$2,250 and increasing to a minimum fee of \$3,000 after the first 12 months following the establishment of the Fund.
- (b) Transaction fees including:
 - (i) \$10,000 for each IM issued;
 - (ii) \$1,500 for each investment made by the Trustee in another managed investment scheme, unit trust, company or similar investment entity;
 - (iii) \$4,000 for each Loan or any refinance of that Loan.

9.1.2 The minimum fee in section 9.1.1(a) and the transaction fee in section 9.1.1(b) are subject to an annual increase on 1 July each year from the establishment of the Fund by the greater of CPI or 4%.

9.1.3 The Trustee's fees will be covered by MFEG Investment. However, Investors must be aware that in the event that MFEG Investment fails or refuses to pay the Trustee's fees from its own funds, for any reason whatsoever, the Trustee may recover the fees from the assets of the Fund.

9.2 Management fee

MFEG Investment is entitled to a management fee equal to 2% per annum (plus GST) of the gross value of the Fund's assets. This fee is calculated and is payable monthly in arrears from the Fund's assets.

9.3 Other Fees and expenses

Other fees and expenses such as administration fees, registry fees, audit and tax related fees will be paid for by MFEG Investment from its management fee. To the extent MFEG Investment does not pay these fees and expenses the Trustee will be required to pay them from the assets of the Fund, which will negatively impact upon investor returns.

9.4 Units as consideration for fees

MFEG Investment may, at its discretion, elect to be issued Units in lieu of any fees and costs payable to it, either in whole or part. Such Units will be issued on the same terms as those issued to Investors under this IM.

9.5 Fees payable by Borrowers

9.5.1 MFEG Investment will receive fees directly from borrowers in relation to individual loans, such as commitment fees, establishment fees, loan management fees and line fees. These fees will be paid for by the relevant Borrower and not from the Fund's assets.

9.5.2 For loans made directly, at MFEG Investment's discretion, a portion of the fees collected from Borrowers may be allocated to the Fund to enhance returns in the Fund.

9.5.3 Where a loan has been introduced by MFEG, introducer fees are paid to MFEG, and the Fund invests in the loan directly, a fee of 0.25% of the total loan amount (exclusive of GST) for the transaction will be charged to the Borrower and allocated to the Fund.

9.6 **Third party referral fees**

MFEG Investment may pay an introductory fee or commission rebate to a party that has referred you to the Fund and/or arranging for you to invest in the Fund. Such fees and rebates are negotiated between that third party and MFEG Investment and not paid from the Fund.

9.7 **Expenses**

In addition to the fees and costs outlined above, MFEG Investment and the Trustee will on-charge to the Borrower all costs relating to any legal, consultant, valuation, quantity surveyor or associated cost and all operational costs relating to any administration, registration, auditing or associated cost properly incurred or accrued by MFEG Investment and the Trustee in the establishment, ongoing management, discharge of mortgage or recovery of Loan proceeds where possible. If any of these out of pocket costs are not directly recoverable from the Borrower (due to the Borrower being in default), MFEG Investment and the Trustee is entitled to recover these costs out of the assets of the Fund as and when the expenses are incurred, or is entitled to accrue these costs and recover them from the proceeds of sale of the Security Property.

9.8 **Fee changes**

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

9.9 **Waiver, deferral or rebate of fees**

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

9.10 **Goods and services tax**

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

10. **Additional Information**

10.1 **Taxation information**

The Trustee does not provide financial or tax advice, and nor does MFEG Investment. Neither the Trustee nor MFEG Investment has obtained taxation advice specific to the Offer. As such, this IM does not address taxation issues which may be relevant to you. You must take full and sole responsibility for your investment in the Fund, the associated taxation implications arising from your investment and any changes in those taxation implications during the course of your

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

10.2 **GST**

10.2.1 The acquisition, withdrawal and transfer of interests in the Fund should not be subject to GST. Distributions made by the Fund should also not give rise to any GST consequences.

10.2.2 GST may apply to fees charged to the Fund. In such a case, the Fund may be eligible to claim a reduced input taxed credit of either 75% or 55% of the GST paid on some of the fees charged to the Fund, depending on the type of fee.

10.2.3 Fees are quoted in this IM on a GST exclusive basis.

10.3 **Trust Deed**

10.3.1 The Trust Deed largely governs the rights and entitlements of an Investor in the Fund as a unitholder (**Unitholder**) and is binding upon Unitholders and the Trustee. The Trust Deed is a legal agreement between the Trustee and the Unitholders (from time to time) of the Fund. A copy of the Trust Deed (including any amendments) is available on request from MFEG Investment. The Trust Deed amounts to a declaration of trust for the benefit of the Unitholders by the Trustee in relation to all Unitholders' funds (and any other Fund assets) the Trustee holds on a Unitholder's behalf. The following is a non-exhaustive list of the matters described in the Trust Deed:

- (a) the consideration required to be provided by a Unitholder to acquire an interest in the Fund;
- (b) a summary of the Fund activities;
- (c) operation of a Loan;
- (d) powers of the Trustee to deal with Fund property;
- (e) the complaints handling provisions available to Unitholders of the Fund;
- (f) provisions dealing with the winding-up of the Fund; and
- (g) the rights of the Trustee to be indemnified from the Fund Assets.

10.4 **Reporting**

10.4.1 As an investor you will be kept up to date on your investments in the Fund by being sent the following information:

- (a) Confirmation statements for initial investment, additional investments and redemptions;
- (b) Monthly account transaction statements;

- (c) Monthly reports on the performance of the Fund (which may only be made available via MFEG Investment’s website); and
 - (d) Annual income tax statements.
- 10.4.2 Monthly transaction statements will generally be provided within 14 days of the end of each month.
- 10.5 Reports on the investment activities and performance of the Fund will also generally be provided within 14 days of the end of each month.
- 10.6 Annual tax statements will be provided within 90 days of the end of each financial year.
- 10.7 **Related party transactions and conflicts of interest policies**
 - 10.7.1 Our directors, our employees, and entities associated with them, and some of the products we manage may be investors in other products we manage. These transactions are carried out on the same terms and conditions as for other investors in the products. Decisions in relation to conflicts of interest and related party transactions are documented. All employees and where applicable directors must comply with our policies including code of conduct policy, conflicts of interest policy and related party transactions policy. These policies are designed to mitigate and manage any actual or perceived conflicts of interest.
 - 10.7.2 Acquisition of interests in the Fund by MFEG, MFEG Investment or its directors, officers, employees and advisers must be made on an identical basis to that of all Investors regarding consideration, terms and conditions of issuance. Any related party investor will be treated the same as any other investor. Any loans to related parties must be approved unanimously by the Investment Committee.
- 10.8 **Anti-money laundering and counter terrorism financing Act and requirements**
 - 10.8.1 The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 and related rules (**AML/CTF Law**) imposes stringent obligations on financial services providers to ascertain and verify the identity of Investors in the Fund and their beneficial owners, as well as the source of any payment. The AML/CTF Law requires the Trustee to comply with client identification and verification procedures. The Trustee will require you to provide the identification and other information set out in the Application Form. Units will not be issued to you unless satisfactory documentation and information is provided. Depending on the circumstances, the Trustee may need to obtain from you certain additional documents or information. You will be informed what information or documents are required, if any, when the need arises. We reserve the right to reject any application where such documents are not provided to us prior to, or accompanying, your application or if we believe on reasonable grounds that processing the application may breach any law in Australia or any other country. We will incur no liability to you if we do so.
 - 10.8.2 We may also be required to disclose information in respect of an application and/ or subsequent transactions to regulatory and/ or law enforcement agencies including the Australian Transaction Reports and Analysis Centre (**AUSTRAC**). Information obtained by the Trustee will be maintained in accordance with OIG’s privacy policy for the period of time required by the laws of Australia. You can find a copy of OIG’s privacy policy its website by visiting www.oneinvestment.com.au.

10.9 Foreign Account Tax Compliance Act

- 10.9.1 Under the US Foreign Account Tax Compliance Act (**FATCA**), MFEG is deemed to be a 'foreign financial institution' and is required to obtain and disclose information about certain US and US-owned investors. We may ask you to provide certain information about yourself in order to comply with our FATCA obligations (**FATCA Information**).
- 10.9.2 To the extent that all FATCA Information is provided, imposition of US withholding tax on payments of US income will not apply to the trust. Although we attempt to take all reasonable steps to comply with our FATCA obligations and to avoid the imposition of US withholding tax, this outcome is not guaranteed.
- 10.9.3 Under the terms of the intergovernmental agreement between the US and Australian governments, we may provide FATCA information to the Australian Taxation Office. We may use your personal information in order to comply with FATCA, and may contact you if we require additional information to comply with our FATCA obligations.
- 10.9.4 FATCA means sections 1471 through 1474 of the US Internal Revenue Code of 1986 (commonly known as the Foreign Account Tax Compliance Act provisions), any current or future regulations or official interpretations thereof, Division 396 of the Taxation Administration Act 1953, the Agreement entered into between the Government of Australia and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA on 28 April 2014, and the Competent Authority Arrangement signed on 16 September 2015 between Competent Authorities of Australia and the United States of America.

10.10 Common Reporting Standard

- 10.10.1 The Australian Government introduced the Organisation for Economic Co-operation and Development's Common Reporting Standard (**CRS**) from 1 July 2017.
- 10.10.2 CRS is a broad framework for the collection, reporting and exchange of financial account information between revenue authorities across all jurisdictions. Like FATCA, the CRS requires financial institutions (including MFEG) to collect and report to the Australian Taxation Office financial account information on non-residents, which the Australian Taxation Office will then exchange with the foreign tax authorities of those non-residents.
- 10.10.3 We may therefore collect and use your personal information, or contact you for additional information, in order to comply with the CRS.

10.11 Privacy

- 10.11.1 The Privacy Act 1998 (Cth) regulates, among other things, the collection, disclosure and access to personal information.
- 10.11.2 Certain laws require us to collect, store and disclose information about you (including personal information at the time your application is processed and while you remain invested), for example, the AML/CTF Law, the Corporations Act, the FATCA and the Tax Laws Amendment (Implementation of the CRS). We may be required under the AML/CTF Law to provide information about you (including personal information) to AUSTRAC, the body responsible for regulating the AML/CTF Law. In respect of Investors who are ordinarily resident in a country other

than Australia, both FATCA and CRS may require us to collect and disclose to the Australian Taxation Office information about you (including personal information) obtained from you. If you do not provide the information requested in the Application Form, we will not be able to process your application (including any application for additional units) and your application may be delayed or rejected. Where applications are delayed or refused, we are not liable for any loss you suffer (including consequential loss) as a result. Alternatively, if we accept your application to the Fund when you have not provided all of the requested information, we may provide information about you to the relevant regulator.

- 10.11.3 We will be required to share information about you (including personal information) with service providers to the Trustee in respect of the Fund (including MFEG Investment) to ensure you receive the appropriate information and assistance in respect of your holding in the Fund.
- 10.11.4 By applying to invest in the Fund, you consent to your information (including your personal information) being collected, used and disclosed by the registry provider and by the Trustee for the purposes disclosed above and in their respective privacy policies.
- 10.11.5 You are entitled to access, correct and update all personal information we hold about you. You can contact us to find out what personal information we hold about you or if you have any concerns about the completeness or accuracy of the information we hold. If you want us to correct any personal information we hold, please contact us using the details in this Information Memorandum.

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

10.12 Complaints

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

Attention:	Complaints Officer
Address:	Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000
Post:	Complaints Officer PO Box R1471 Royal Exchange NSW 1225
Phone:	+61 2 8277 0000
Email:	complaints@oneasset.com.au

- 10.12.2 Once the Trustee receives a complaint, the Trustee will acknowledge it as soon as practicable and investigate the complaint with a view to resolving it and responding as soon as possible and in any event within 30 days of the complaint being made.

11. How to invest

11.1 Before completing the Application Form, you should read this IM carefully.

11.1.1 If you have any questions about how to complete the Application Form which accompanies this IM, please contact the Registry on (02) 8188 1510 or info@oneregistryservices.com.au.

11.1.2 Please pay particular attention to all of the risk factors in section 8 of this IM. The risks should be considered in light of your own investment situation. Where appropriate, you should also consult a financial, taxation or other professional advisor before deciding whether to invest in the Fund.

11.2 How to invest

11.2.1 For an application to be considered, you must complete and submit your Application Form. Your Application Money is payable by the date as notified by the Trustee.

11.3 Application Form instructions

11.3.1 Only legal entities are allowed to invest in the Fund. Applications must be in the name(s) of natural person(s), companies or other legal entities acceptable to the Trustee. At least one full given name and the surname are required for each natural person.

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

11.3.3 Investors should be aware that Application Money received to the Fund's application account will remain in the application account until Units are issued as at the first Business Day of the next month. Investors will not receive interest on their funds while those funds are in the Fund's application account. Any such interest will be retained by the Trustee. Investors may wish to take this into account in deciding when to pay cleared funds into the Fund's application account.

12. Contact details

12.1 MFEG Investment

MFEG Investment Management Pty Ltd ACN 665 594 794 CAR 001304708

Address: Level 30 / 35 Collins Street, Melbourne VIC 3000

Website: www.mfeg.com.au

Email: info@mfeg.com.au

Phone: (03) 9101 8526

12.2 Trustee

One Fund Services Ltd ACN 615 523 003 AFSL 493421

Address: Level 16 Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000

Website: www.oneinvestment.com.au

Email: mfeg@oneinvestment.com.au

Phone: (02) 8277 0000

12.3 Administrator

Unity Fund Services Pty Ltd ACN 146 747 122

Address: Level 16 Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000

Website: www.unityfundservices.com.au

Email: enquiries@unityfundservices.com.au

Phone: (02) 8277 0070

12.4 Registry

One Registry Services Pty Limited ACN 141 757 360

Address: Level 16 Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000

Website: www.oneregistryservices.com.au

Email: info@oneregistryservices.com.au

Phone: (02) 8188 1510

MFEG
DIVERSIFIED REAL ESTATE
CREDIT FUND (DRCF)
INFORMATION MEMORANDUM

CONTACT

LEVEL 30 | 35 COLLINS STREET, MELBOURNE VIC 3000, AUSTRALIA

T 03 9101 8526
E INFO@MFEG.COM.AU
W WWW.MFEG.COM.AU

MF MELBOURNE FINANCE
EG & EQUITY GROUP