



Australian Securities Property Fund Product Disclosure Statement

[ARSN 153 029 264]

The Australian Securities Property Fund

The Australian Securities Property Fund is a non-pooled Fund which distinguishes it from other property funds. Australian Securities Limited (ASL) packages specific real estate (in Sub-schemes) to suit Investors who want to own property, receive regular income, have control with other investors over the Sub-scheme property and benefit from potential capital growth.

The Fund is unique, as investors are not pooled. It caters for investors wanting more control and direct ownership within a regulated managed investment scheme.

The Fund caters for private investors, self managed superannuation funds, financial institutions and anyone seeking immediate income and the potential for future capital return.

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At a glance

"The Australian Securities Property Fund is a unique unlisted property fund providing investors with an opportunity to invest directly in selected Australian real estate."

Section

The Fund

Australian Securities Property Fund [ASPF] or [the Fund] is an unlisted property fund, where investors have an opportunity to own real estate.

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An Investor must become a Member of the Fund before investing in a Sub-scheme. Members invest in a specific Sub-scheme (each Sub-scheme holding a single property) identified in a Property Description Certificate [PDC]. After the Member selects the Sub-scheme their investment funds are allocated to acquire the property of that Sub-scheme. Once the investment is made in that Sub-scheme, Members become Owners and hold a defined interest in the Sub-scheme property. No fees are payable until a Member invests in a Sub-scheme.

Objectives

To provide investors with:

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- Regular income returns paid monthly; and
- Capital growth over the medium to longer term.

Manager

Australian Securities Limited [ASL] is the Responsible Entity and Custodian appointed to manage the Fund. ASL has an 95 year history in property related financial services and has been the manager of the Australian Securities Income Fund since 1999.

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Investment

The Fund (via each Sub-scheme) invests in property predominantly in the following property categories:

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- Commercial
- Retail
- Industrial
- Residential

Investment timeframe

Medium to long term (usually five to seven year investment period).

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No withdrawals are allowed during the investment term. An Owner may sell their interest to another Member at the end of the financial year following the fifth anniversary of the start of a sub scheme if that option is included for the Sub Scheme on Entry.

		Section
Minimum Investment	\$100,000	4
Distributions	Income Distributions will be payable monthly in arrears. Capital Distributions will be payable following receipt of sale proceeds.	4
Acquisition Finance	There is generally little or no debt financing to acquire a property in a Sub-scheme. ASL may procure a non-recourse loan to improve and/or acquire the property which shall not exceed 50% of the value of the scheme property” . The purpose and amount of any debt is set out in the Property Description Certificate PDC for approval by the Member.	3
Fees and costs	No fees are payable until a Member has invested in a Sub-scheme. The fees and costs vary between each Sub-scheme and are set out in the Property Description Certificate PDC . The following is an overview of typical fees. Standard Fees and Costs plus GST Establishment Fee nil Contribution Fee up to 2.5% Acquisition and Due Diligence Fees up to 2.0% Management Fee (on gross assets) 0.95% p.a. Disposal Fee 2.0% - 4.0% on sale price	5
Repairs and Maintenance	The repairs and maintenance finance loan is a non-recourse debt in addition to acquisition finance.	3
Tax	Product ruling PR 2019/1 summarizes the taxation implications of the Fund. This can be viewed at www.australiansecurities.com.au The Fund does not pay income tax as it distributes all taxable income to the Sub-scheme Members each year. All capital gains tax, stamp duty and land tax is payable by the owners of the Sub scheme property.	9

Key Aspects of the Fund

Key Benefits of investing in a Sub scheme of the Fund

Management

Investors own real estate in a registered professionally managed investment fund.

Investor Controls

The Investor decides the key issues, eg their level of contribution and property selection.

Direct Ownership

The Fund provides direct ownership at a lower cost entry level without the management responsibilities of direct property ownership. Investors can increase their investment in the Fund via entry to a new Sub-scheme. Investors can spread their investment over a broad range of property categories including commercial, retail and industrial properties.

A Specific (non-pooled) investment

An Investor's contribution to a property is clearly identified and held with other Members as Tenants in Common for the amount of their contribution to the Sub-scheme property. Each property is held by ASL as Custodian for the named Members in the Sub-scheme.

The contributions and the Sub-scheme property are not pooled with other Sub-schemes. An Investors contribution is identified as the amount of their financial contribution in proportion to the total acquisition cost at commencement (or value set by ASL on rollover or redemption).

Regular Income

Investors derive most of their income from property rental returns. Income distributions are paid monthly to provide Investors with a regular cash flow.

Capital Return Potential

ASL seeks to achieve capital growth in properties via:

- (i) selection of quality properties with potential for growth;
- (ii) active management of properties.
- (iii) value add opportunities

Leveraged Investments

The Fund provides flexibility for a Sub-scheme to borrow and leverage up to a conservative percentage when acquiring a Subscheme Property. The amount of any leveraged debt is limited to the amount in the Property Description Certificate approved by the Member.

Key Risks

As with all investments, an investment in the Fund is subject to risks. Key risks of the Fund are explained in detail at section 6. These should be read carefully before investing.

This investment is not suitable for Investors looking to hold the investment for the short to medium term.

ASL does not provide investment or financial advice and encourages all Investors to obtain independent financial advice before investing in the Fund.

About the Fund

Fund Overview

The Fund is an unlisted property fund that acquires, manages and disposes real estate assets.

ASL establishes and packages property into Sub-schemes under an umbrella property investment scheme to suit Members. Each Sub-scheme property may have one or more Members. Once a Member is subscribed to a Sub-scheme they become Owners. Each Sub-scheme property pays rental income to Owners in proportion to their investment. The income earned by Owners will vary from Sub-scheme to Sub-scheme depending on the terms negotiated with the tenant(s) and the movements in the value of the property.



Illustration 3.1 Australian Securities Property Fund - Structure

bank account holding member contributions and non recourse debt borrowed to pay the purchase price, stamp duty and fees incurred. The bank account will receive rental income, pay management expenses and distribute net income to Owners always retaining a buffer for budgeted expenses. Investors can invest funds in the Australian Securities Term Fund to receive monthly interest before rental income starts. Any interest earned is credited to the Members nominated bank account monthly.

Sub-scheme Entry

When a Member invests in a Sub-scheme they become Owners of the Sub-scheme Property on the terms of the PDS and the PDC.

Each Sub-scheme holds only one property and may have one or multiple Owners each holding a defined interest in the Sub-scheme property as Tenants in Common for the amount of their entitlement. Prior to investing in a Sub-scheme ASL supplies the Member with a Property Description Certificate | PDC | which provides a summary on:

- Location description [with photographs];
- Market, insurance and rental values;
- Historical tenancy rates [if available];
- Initial proposed term of investment;
- Sub-scheme Property valuation;
- Estimated annual expenses due on property;
- Borrowing amount (if applicable); and
- Fees payable to ASL.
- ASIC Disclosure/benchmarks

A Member's contribution is not allocated to the investment until:

- The Member signs and returns an approval attached to the PDC for a new investment;
- The Member does not reject (in writing and within 30 days before rollover date) an investment extension for an existing investment.

The Member becomes an Owner of the Sub-scheme on signed approval of the PDC and payment of their contribution towards the acquisition cost of the Sub-scheme Property.

Registration of Property Ownership

A Property Summary | PS | is issued to each Owner shortly after the registration of ownership, by either ASL as trustee or in the Owner's name as identified in the PDC. The extent of each Owners interests in a Sub-scheme (including any voting rights for that Sub-scheme) is the amount of their investment contribution in proportion to the total investment of all other Owners in that Sub-scheme. As an example where an Owner holds a \$250,000 interest in an investment with all Owner interests totalling \$5000,000, that Owner will hold 5% of the voting rights in that Sub-scheme. The PS summarises the Sub-scheme property information and attaches a copy of the Title to the Sub-scheme property as registered, valuation and trust declaration if ASL is named on title. ASL emails this summary to each Owner within 30 days of the later date for the Title registration or Member contribution allocated to a Sub-scheme by a Member. Short Form Summaries (that do not include Title and Valuation documents) and paper versions are available if you do not want to receive the standard electronic version.

Membership of the Fund

An investor must become a Member of the Fund before participation is permitted in any Sub-scheme.

An investor becomes a Member by completing the Application and paying the minimum investment amount to ASL to hold pending an investment in a Sub-scheme (as directed by the Member). Sub scheme has a trust

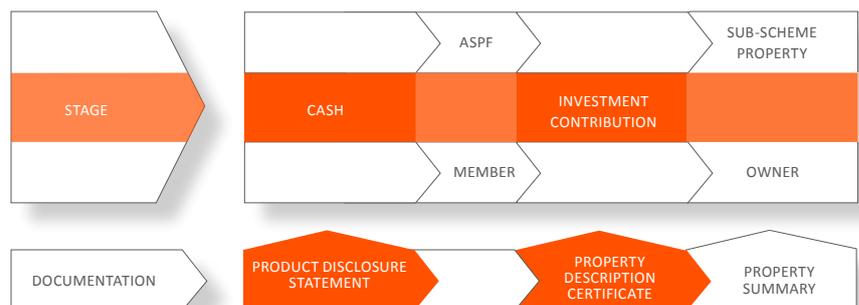


Illustration 3.2 Australian Securities Property Fund - Investment process

Fund Investment Strategy

The Fund holds the majority of its assets in real estate with the balance of the funds assets held on trust in separate Member cash accounts (whilst waiting to be invested in real estate). Investors funds are never pooled. The Fund invests predominantly within a 100km radius of the Melbourne CBD. The fund may invest outside this area if appropriate. Due diligence and research on property sectors and markets are performed when evaluating all new investment opportunities. ASL seeks to achieve the Fund's objective by actively managing the properties to maximise total returns for Members.

Medium & Long Term Benefits

The key components of the funds strategy are to provide Regular monthly income payments to Owners; Investment in quality properties for medium to long term;

Active management of properties to increase values and income growth prospects; and Regular review of properties to ensure the performance of each property is consistent with the investment objectives set by the Sub-scheme Members.

The key criteria the Fund looks for when acquiring properties include:

- Location;
- Quality tenants;
- Long-term leases;
- Property markets where vacancy rates are low or falling;
- Lease terms that sustain rental income growth; and
- Potential for capital growth;
- Developing property markets and asset classes with growth potential.

Investment Categories

Properties are categorised by their use. The property category can dictate higher or lower rental income.

The Fund will hold property that falls within four categories:

1 Commercial Office Buildings

Commercial Office Buildings will typically have a long-term commercial lease with an approved tenant(s).

2 Retail Properties

Retail properties comprise retail premises or small shopping centres.

3 Specialised Properties

Property comprises properties built for a unique purpose to suit needs of the community or a new industry.

4 Industrial

Industrial property comprises factories and warehouses used for manufacturing, mechanical or storage purposes.

Borrowing

A Sub-scheme may borrow to finance the acquisition of scheme property and to upgrade and maintain property (where required).

All borrowings procured to acquire Sub-scheme Property or to finance necessary repairs and maintenance (as determined by ASL) will be from non-recourse loans limited to the specific Sub-scheme property and on terms outlined in the PDC.

A Sub-scheme will operate within a gearing ratio determined by ASL and set out in the PDC for Member approval before joining the Sub-Scheme. The gearing ratios are set to the following limits:

- Total gearing ratio will not exceed 50% (usually no more than 40%) of the total value of the Sub-scheme at the time the loan is advanced;
- Debt financing used for repairs and maintenance will not exceed 10% of the total value of the Sub-scheme Property.

Interest costs relating to the borrowings will generally be met from the gross income of the relevant Property prior to the payment of income to Owners.

The Sub-scheme lenders' rights to recover the loan and then the rights of any creditors of a Sub-scheme, will rank ahead of all Owners of that Sub-scheme. A Sub-scheme lender has no recourse to Owners, other Sub-scheme Members or the Fund Manager.

Lenders

ASL will arrange borrowings from Australian Securities Income Fund, or other leading financial institutions.

Interest Rates

The interest rate applicable to a loan will be outlined in the PDC [for financing an acquisition], or communicated by ASL to the Owners where financing is required for repairs and maintenance.

Who will manage your investment?

ASL has since 1999 been a Responsible Entity and Custodian of managed investment schemes dealing with property related financial services, including the Australian Securities Income Fund (a mortgage fund with its origins dating back to 1925). ASL holds an Australian Financial Services licence to act as Responsible Entity & Custodian for the Australian Securities Property Fund, Australian Securities Income Fund and Australian Securities Term Fund.

ASL is an unlisted public company, has a majority of independent Directors on the Board to ensure investor interests are represented in the management of the Fund. The Fund has been registered to meet the investment needs of investors seeking a property investment with the conservative principles of ASL.

Custodian

ASL as Custodian of the Fund will:

- Receive, hold and disburse all monies to and from Owners of property held in any Sub-scheme;
- Hold in safe custody all property titles and other fund assets;
- Execute any necessary documents as Attorney for Members under this PDS; and
- Act as Trustee to hold property for any debt arrangements on property investments.

ASL as Custodian is entitled to fees and expenses for its custodial role but it has waived those fees.

Appointment as Attorney

By signing the Application, the Investor becomes a Member of the Fund and appoints ASL in its capacity as Responsible Entity to be their irrevocable Attorney appointed under a Power of Attorney under the Constitution, this PDS and by ASL accepting their signed Application attached to this PDS. As Attorney ASL, whilst the Investor is a Member of the Fund, may:

1. Do everything which in ASL's reasonable opinion is necessary or expedient to enable the exercise of any right of the Attorney as registered proprietor in relation to any Sub-scheme and the Scheme Property;
2. Appoint substitutes and otherwise delegate its power (including this power of delegation); Execute any document required to register the transfer of a member's interest in the Scheme in respect of any transfer, transmission or assignment;
3. Execute any document or take any action necessary to protect the interest of the Members in respect of each Sub-scheme;
4. Execute any contract of sale of property, transfer, lease, or document required to register any dealings and complete the sale of such property under any Sub-scheme;
5. Deal with the real property under the Sub-scheme; and
6. Incur any debts in relation to any real property and generally manage the real property on behalf of the members and all rights pursuant to the Property Law Act 1958 and the Transfer of Land Act 1958.

Investment policy changes

The Constitution permits a wide range of investments and gives ASL broad investment powers. ASL may vary the investment objectives, strategies and processes set out in this PDS, provided that ASL gives Investors written notice of any material variation it believes Investors would not have reasonably expected.

Your Investment

Investing in the Australian Securities Property Fund

A minimum investment is required for an investment in a Fund Sub-scheme.

Investing

Required Documents	Minimum Initial Investment ¹
1. Completed Application form	\$100,000
2. Completed Direct Debit Details; or	
3. Electronic Fund Transfer (please contact ASL for details)	

Investment Overview

As set out in Section 3, an Investor must become a Member of the Fund before investing in any Sub-scheme.

Once a Member invests in a specific Sub-scheme, they become Owners of the Sub-scheme Property on the terms of the PDS and the PDC.

Investing Directly

Initial investment in the Fund is \$100,000 and can be made by completing the Application on page 36. Instructions on page 35 will assist you complete the Application. Further assistance is available from our Investment Managers on Tel: 1300 275 275 or Email: mail@asltd.com.au

The application for additional investments must state the investor's existing account number at Section 1 on the Application Form.

Investment amounts can be paid by

- (i) electronic funds Transfer to – Australian Securities Property Fund,
- (ii) by Direct Credit Authority

Applications are processed in strict order of receipt and monies received after 12:00pm on any business day will be deemed to have been received the next business day.

ASL reserves the right to establish higher minimum investment amounts on some or all property Sub-schemes, or decline part or all of any Application. Investors should keep a copy of the current PDS, the PDC and any information they receive from ASL for future reference. Copies of this document are available from ASL or on the ASL website [only while it is current] www.australiansecurities.com.au

Investing Indirectly through a Financial Adviser

An investor may appoint their Financial Adviser as Authorised Representative to perform certain investor rights by completing Section 5 of the Application to this PDS.

Refer to Section 7 to appoint another person or entity (including a Financial Adviser) as an authorised representative.

Cooling Off Period

Generally, an investor has a 14-day cooling off period for an investment in a Sub-scheme. The 14-day cooling off period starts on the earlier of:

- the date the investor receives the PDC; or
- five business days after the investor's interest in the Sub-scheme Property is issued.

Application Monies Refund

A Member may also require repayment of their Application monies at any time prior to allocation of their investment to a Sub-scheme.

CAUTION

If a Member requests return of funds during any cooling off period then ASL may deduct any taxes or duties incurred because the Member requested return of funds and any reasonable amount for transaction and administration costs incurred. The amount returned to the Member may be less than their original investment.

Holding Period and Disposal

Properties will be held for a period of five to seven years by each Sub-scheme. ASL will sell Sub-scheme property when it believes it is appropriate for the property Owners and will be within the sale period identified in the PDC.

- The decision to sell or hold a property is based on a range of factors, including but not limited to:
- The potential for future capital appreciation of the Sub-scheme property relative to the acquisition cost;
- Comparative sale of other properties available on the market;
- The impact of new competition, changes in local economic conditions and demographic changes in the region;
- The Sub scheme's liquidity and debt positions;
- The relative interests of the Sub-scheme Owners; and
- The relative interest of Members to acquire the interest of an outgoing Owner who does not wish to hold their investment.

After the initial 5 years Owners may (following the release of the Annual Investment Report) sell their entire interest in a sub scheme to another Owner/Member at the valuation set for the property disclosed in the Annual Investment Report.

A resolution from at least 75% of the Members/Owners in a Sub-scheme can reverse the decision of ASL and nominate a date for the sale of the property.

Income Distributions

ASL will collect rental income from properties on a monthly basis and the proceeds from sale of a property of a Sub-scheme on behalf of the Owners [Distribution Income].

The amount of any Distribution Income paid to an Owner is based on the Owner's Contribution to the Sub-scheme held at the end of a Distribution Period.

¹ ASL reserves the right to establish a higher minimum investment amount on some or all Sub-schemes.

Rental Income

Rental income received net of deductions will be paid to Owners monthly by ASL.

ASL may withhold certain distributions from being distributed to Owners of a sub-scheme to meet current and anticipated expenses of the Sub-scheme to minimise the variability of distribution to Owners. The Tax implications of this are outlined in Page 19.

Capital Distribution

The capital proceeds received on sale of Sub-scheme Property will be distributed to the Sub-scheme Owners in proportion to their individual contributions at the capital distribution date (less any Fees and Expenses) following settlement of the sale.

Distribution Payments

The payment of Distribution Income or Capital will be via Electronic Funds Transfer [EFT] into an account held at an Australian bank or financial institution, as nominated in the investors Application.

Capital Returns

Members are only entitled to a capital return of their investment from a Sub-scheme as follows:-

1. Upon the sale of the Sub-scheme property
2. The Owner gives ASL 30 days written notice to realise their investment in the Sub-scheme before the property is rolled over at the end of the first (or any subsequent) investment period and a Member has paid the agreed Price to the exiting Owner.

Sub-scheme - Property Sale

When ASL receives the sale proceeds of the Sub-scheme property it will account for all Sub-scheme liabilities less any outgoing fees payable on sale to ASL.

Sale proceeds will be made payable to the Owner or direct to a bank account nominated in the Application Form.

Rollover - Extension

A Sub-scheme may be extended beyond its term where 50% of Members vote for it to be extended. Where a Member does not elect to extend the Sub-scheme, the rollover/extension is subject to new Members (or remaining Members of the Sub-scheme) acquiring the existing Members interest in the Sub-scheme. Where a Sub-scheme is extended, a Disposal Price will be paid to outgoing Owners who elect not to extend the Sub-scheme. The outgoing Owner is paid the net value of their contribution in the Sub-scheme on the day the Sub-scheme was due to mature less any expenses and fees payable to ASL. A short delay may occur if the date is not on a business day or ASL experiences a delay in changing Owners. Disposal Fees are payable where an Owner disposes of their interest in the Sub-scheme at the time the Sub-scheme is extended.

The Disposal Price will be calculated by reference to the ASL valuation relied upon for the rollover substituting another Member willing to acquire the outgoing Owner's interest at that price.

An outgoing Owner will be liable for any tax payable on the disposal of their interest. Taxes are discussed further at Page 19.

No early withdrawal from Sub-schemes

An Owner cannot withdraw their contribution from an existing Sub-scheme. ASL Board may at the request of the Owner suffering hardship offer the Sub-scheme property to another Member on the same terms as held by the outgoing Owner at the Withdrawal Price. ASL is under no obligation to process a withdrawal during the term of any Sub-scheme. ASL will endeavour to assist where special circumstances exist and if another Member is willing to take an assignment of an investment at the expense of the withdrawing Owner.

ASL will not consent to any assignment when it appears no hardship exists or the property has decreased in value since it was acquired. An Early Withdrawal Fee must be paid by the withdrawing Owner to ASL to facilitate any early withdrawal.

When an Owner withdraws early, a valuation report will be required to determine the appropriate Withdrawal Price. The cost of any valuation report will be included in the Early Withdrawal Fee. In certain circumstances, the Early Withdrawal Fee may reduce the capital value of the withdrawing Owner's investment.

Withdrawal Price - Financial Hardship

Withdrawal price payments will be paid to the withdrawing Owner by ASL at the time their investment is withdrawn. The amount is determined by ASL at its sole discretion based on the valuation report and adjusted for any shortfall of income, uncollected expenses, ASL fees to process the withdrawal as well as any other adjustments (as reasonably determined by ASL) to accommodate the incoming Owner. A decision on hardship relief by ASL will be made within 3 months of receipt of the relief application.

Minimum investment after Withdrawal

If as a result of a withdrawal request your account value falls below the minimum balance of \$100,000. ASL may treat a withdrawal request as a request to withdraw in full. ASL reserves the right to vary the minimum balance at any time.

Fees and Other Costs

No fees apply until your investment contribution is invested into a Property Sub-scheme you approve.

Consumer Advisory Warning Statement

The warning below is required by law. The fees and other costs associated with investing in the Fund are described in this section.

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100 000 to \$80 000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.fido.asic.gov.au) has a [superannuation or managed investment fee] calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the fund assets as a whole. Taxes and insurance costs are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of Fee or Cost	Amount ¹	How and when paid
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Fees when your money moves in or out of the fund

Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee¹ The fee on each amount contributed by an investor into a Sub-scheme.	Up to 2.5% of the membership contribution	Payable at the time a Member contributes to a Sub-scheme.
Early Withdrawal fee The fee on each amount you take out of your investment	0% to 3% of the Withdrawal Price	Payable at the time an Owner withdraws from a Sub-scheme. It is payable from the Withdrawal Price.
Termination fee The fee to close your investment	Nil	Not applicable

Management costs

Management Fees The fees and costs for managing your investment each year.	Management fee of 0.95% of the gross value of the assets	The management fee is accrued daily and payable each month (automatically from rental income).
Acquisition and Due Diligence Fees The fees charged for all work undertaken upon the acquisition of a property, including identifying, negotiating, due diligence of and attending to the acquisition of real property assets.	Acquisition and due diligence fees of up to 2% of the gross value of the assets	Payable to ASL at the time the Sub-scheme Property is acquired.
Debt Arranging Fee The fees charged for arranging a debt facility procured by ASL for the Investors in a Sub-scheme.	Up to 0.55% of the amount initially drawn down	Payable to ASL at the time the loan is drawn down
Project Management Fee The fees charged for any project works (e.g. building repairs or refurbishment) that are managed in house.	As set out in the PDC.	As set out in the PDC.
Disposal Fee The fees charged on the sale of Sub-scheme Property. (or members interest in the Sub-scheme property)	2% to 4% of the sale price of the Sub-scheme Property	Payable to ASL on settlement of the Sale.
Performance fee The Fees paid for outperforming an agreed benchmark set in the PDC	Nil	Not applicable

Service fees

Investment switching fee The fee for changing investment options	Nil	Not applicable
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¹ These amounts are exclusive of GST

Example of annual fees and costs for the Fund

This table gives an example of how the fees and costs in the Fund can affect your investment over a one-year period. You should use this table to compare these products with other management investment products.

Example	Balance of %50,000 with contribution of \$5,000 during the year	
Contribution Fees	Up to 2.5%	For every additional \$5,000 invested into a Sub-scheme, you will be charged between \$0 and \$125, depending on the contribution fee agreed with your financial adviser.
Plus Management Costs	0.95%*	And, for every \$50,000 you have in the fund you will be charged \$475 each year.
EQUALS Cost of fund ¹	Nil	If you put in \$5,000 during a year and your balance was \$50,000, then for that year you will be charged fees of from: \$475 to \$650** What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.

* Additional fees may apply: Acquisition and due diligence Fees up to 2% Disposal Fee up to 2%. The management fee is based on gross assets of the Fund and Gearing is assumed to be 0% in the example above.

¹ ASPF Schemes do not require additional contributions during the term of an investment scheme

**If you leave the fund early, you may be charged withdrawal fees of between 0 and 3% of your total fund balance (between \$0 and \$3,000 plus GST for every \$100,000 you withdraw).

Additional explanation of fees and costs

Management Fees

Management fees comprise fees or costs you incur by investing in the Fund and are calculated based on the gross value of assets of a Sub-scheme on the initial purchase price in year 1, and the most recent valuation report in subsequent years. The Management Fee is paid to ASL as the responsible entity for the Fund.

The management fee covers administration for Members, human resources, office rental, insurance, audit and compliance requirements, regulatory fees, computer equipment and systems, disclosure documents, bank charges, independent directors' fees, etc.

Contribution Fees and Management Fees

No fees apply until your investment contribution is invested into a Property Sub-scheme you approve.

Acquisition and Disposal fees

The acquisition and disposal fees ensure that each Member shares in the transaction costs associated with their investment decision to either enter or exit a Sub-scheme.

The amount is an estimate to cover the usual costs incurred when buying or selling assets, such as agent fees, legal fees, and other fees and expenses incurred by ASL on entry and exit of Owners/Members of a Sub-scheme.

Stamp Duty

Stamp duty is generally payable on the acquisition of real property in Australia.

All stamp duty payable on the acquisition of a property in a Sub-scheme is included as part of the Member's contribution amount into the relevant Sub-scheme.

Other expenses and costs

In addition to the fees outlined above, you may also incur costs relating to your property investment, such as Government taxes, registration fees and bank fees. These costs will be directly deducted from your investment. We are unable to estimate these costs generally, but can provide an estimate for each property in the PDC.

Land Tax

Land Tax is an annual tax that is levied on certain property owners in certain Australian states (including Victoria) by the relevant State Revenue Offices. Land tax is calculated on an individual taxpayer's landholdings.

Owners are assessed for land tax individually based on their individual property portfolio attributes. Land Tax may result in additional costs to the Owner of holding an interest in an investment property.

For more information relating to land tax, refer to Page 19.

Management Fee Ratio | MFR |

The MER is a measure of the total ongoing fees and expenses (excluding transaction fees and costs) payable from the Fund expressed as

a percentage of the average net asset value of the Fund over the period. It shows the costs to investors of investing in a managed investment scheme as opposed to investing directly in the same investments.

The Funds MER varies between each Sub-scheme ASL will confirm the MER in the PDC, but the MER is not expected to exceed 1.25%

Early Withdrawal Fees

Early Withdrawal Fees include the fee payable to ASL to process on early withdrawal, a portion of the future Management Fees that would otherwise be payable to ASL, the fee to ASL to find an appropriate Member to invest in the Sub-scheme as well as certain other costs involved in the Withdrawal, including but not limited to costs of obtaining a Valuation Report..

Responsible Entity removal/retirement fee

A Responsible Entity removal/retirement fee of 2.0% of the gross assets of the Fund (or relevant Sub-scheme) is payable on the date of resignation, retirement or removal of the Responsible Entity of the Fund and is subject to the proper performance of its duties. When applicable, this fee is deducted from the assets of the Fund.

Changes in Fees

Fees can change following changes in regulation or economic conditions. ASL will give Members 30 days' notice of any proposed changes.

Risks

"There is generally a relationship between the level of return generated by an investment, and its level of risk."

Introduction to risk

Risk generally refers to the variability and volatility of an investment return and the likelihood of incurring a loss on your investment.

Like all investments, this Fund has an element of risk. Before making an investment in the Fund the investor should consider their:

- Specific risk assessment by investing in this Fund;
- Risk of other investments compared with the risks in this Fund;
- Personal risk tolerance; and
- Personal investment objectives and expected return and outcome from this investment.

There is generally a relationship between the level of return generated by an investment, and its level of risk. The spectrum below shows typical investment categories according to their relationship between risk and return.

An investment with lower risk should be chosen if security of investment is of greater concern than higher returns. Conversely, if an Investor aims for higher returns, there is more likely to be a higher risk.

Risks and safeguards

It is also important to note that not all risk can be foreseen; therefore, it is not possible for ASL to protect the value of an investment from all risks.

Individual Sub-schemes – no pooling of investments

The Fund is not a pooled fund. In a pooled fund the manager invests in a range of properties and sets the debt funding used for each security without any input from an investor. A loss arising from any property will be shared by all Members.

The Fund's Sub-schemes stand alone, specifically approved by Members for their ownership as an investment property and operate independently and separately from all other Sub-schemes.

There is no pooling of property Sub-schemes permitted between Members/Owners. If an Owner sustains loss on one property, they cannot seek indemnity or to offset their loss from any other property held by other Owners in the Fund. ASPF Owners may manage their exposure risk by a spread of investment Sub-schemes [subject to minimum investment criteria] with different property categories and risk potential.

What are the risks of this Fund?

a. Market Risk

Market risk is the risk that the whole property market declines in line with various trends in the Australian or overseas markets due to internal factors (e.g. over supply of real estate), or external factors (e.g. general economic conditions).



ASL panel of property consultants and Valuers research and analyse the factors effecting market risk to try to limit the market risk to Members and to optimise the time at which a Sub-scheme property is sold. Inflation risk is the danger that the rate of inflation is higher than the return received on investments.

b. Property Risk

Property risk is the risk that values on property assets will be affected by the supply and demand of property, insurance (and any exclusions like terrorism), competing properties, rental levels, tenant default, property outgoings, economic cycles, business confidence, government and central bank policies and general market conditions.

Property selection risk is the risk that the specific property security selected by the Investor will not perform as well as others.

In addition, property assets are generally less liquid than other forms of investment. There is a risk that it may take longer for a property investment to be realised through sale.

c. Valuation Risk

Valuation risk is the risk that Sub-scheme property has been overvalued. An ASL panel valuer has 5 years minimum experience to value the specific security, is a member of the Property Institute [or equivalent] and has professional indemnity insurance. Valuers are required to comply with the Property Institute Valuation Standards and specific guidelines from ASL relating to valuation and independence.

A Valuation will generally be based on comparative sales and summation. It will value the Land separately from improvements and it will provide insurance replacement value and rental value.

d. Income risk

The distributable income of a Sub-scheme will be adversely affected by a property not being fully leased at a point in time, rent levels decreasing or a tenant defaulting on their obligations, leading to a loss of income and increased costs as a result of enforcement action.

Vacancy periods may impact a Sub-schemes net income, its distributions and a Property's capital value.

e. Investor Liquidity Risk

Liquidity relates to how quickly Owners can access their money from a property investment. There are no early withdrawals allowed from a Sub-scheme. ASL is under no obligation to process a withdrawal during the agreed term of any property Sub-scheme. However, ASL will endeavour to assist where special circumstances (e.g. hardship) exist if another Member is willing to take an assignment of an investment at the expense of the withdrawing Owner.

Where another Member is not willing to take an assignment of an investment, an Owner may not be able to withdraw from a Sub-scheme until another Member has been found that is willing to take an assignment of the investment, thereby limiting an Owner's ability to access its investment in the Fund.

f. Operational Risk

Litigation risk

Litigation Risk is the risk that the Fund may be involved in disputes and possible litigation on behalf of a Subscheme, including tenancy disputes, native title claims, environmental and occupational health and safety claims, industrial disputes and any legal claims or third-party losses.

The cost of these disputes could affect the net value of the assets or the expected income of a Sub-scheme (e.g. due to extended litigation).

ASL will manage this risk through tenant and property selection and due diligence procedures.

Insurance risk

Any losses incurred due to uninsured risks may adversely affect the performance of a Sub-scheme. Increases in insurance premiums may affect the performance of a Sub-scheme.

ASL will manage this risk by maintaining insurance cover in respect of Properties (including insurance for damage, destruction and public liability) as well as tenant selection. Any failure by an insurance company may adversely affect the Fund's ability to make claims under its insurance. All claims under the insurance policies have a minimum excess.

g. Borrowing and interest rate risk

The Fund may combine Members money of a Sub-scheme with borrowed money and invest the combined amount in Sub-scheme property.

This process, known as gearing, magnifies the effect of gains and losses on investment and is considered more risky than similar investments that are not geared.

Borrowing risk

There is a risk that a Sub-scheme may not be able to refinance the borrowings when the borrowing facility matures on terms considered acceptable or at all. If this occurred, the relevant Sub-scheme may lose value from selling an asset at an inopportune time in order to repay the borrowed amount. ASL will seek to mitigate this risk by seeking borrowings over a similar term to that of the Sub-scheme.

Interest rate risk

Changes to interest rates may impact borrowing costs and ultimately impact the level of income an investor receives. ASL will seek to mitigate this risk by borrowing on fixed interest rate terms, unless the Owners agree otherwise.

h. Capital expenditure risk

Unforeseen capital expenditure requirements may require increased borrowings or a reduction in distributions from a Sub-scheme which may also result in a reduction in Owner's capital in the Sub-scheme.

ASL will manage this risk by adopting the assumptions of the Valuer or a more conservative estimate for capital expenditure requirements, and by working in conjunction with building consultants to ensure cost estimates are realistic.

i. Environmental risk

Property income or value could be adversely affected by:

- Discovery of an environmental contamination
- Incorrect assessment of costs associated with an environmental contamination or with Property preservation.

The risk may occur irrespective of whether the contamination was caused by the Sub-schemes Owners or a prior owner of the property. ASL valuers are required to identify these risks, where relevant. Where considered necessary an environmental risk impact study is obtained and cost to reinstate the security obtained and taken into account in any valuation of the security where relevant.

j. Manager Risk

By investing in the Fund, you delegate your control over operations and investment decisions to ASL. The success of the Fund depends partly on ASL's performance and/or its external service providers, including property managers, valuers, and the properties in the Sub-scheme which is not assured.

ASL seeks to mitigate this risk through using experienced professionals to assist with all stages of a Sub-scheme.

k. Regulatory Risk

Changes to government policies, regulations and laws (including taxation) may negatively impact on the operations of the Fund. ASL cannot predict future policy changes but monitors updates from ASIC and relevant Government departments and participates in industry forums to anticipate and keep ahead of changes on the horizon.

l. Force majeure

Force majeure is the term generally used to refer to an event beyond the control of any party, including acts of God, fire, floods, earthquakes, wars and strikes. Some force majeure risks are uninsurable and if such events occur, they may have adverse effects on the Fund.

Management Fee Rate

In managing your risk, we recommend that you:

- Seek your own professional advice to help you understand how your current financial situation, and your investment objectives, affect the selection of investments that you can make;
- Consider your investment timeframe, your investment objectives and your risk tolerance; and
- Diversify your investments to help reduce risk and volatility of investment returns.

Authorised Representative and Financial Advisers

"The authorised representative can do everything the Member can do with the investment property"

Authorised representative

A Member may appoint another person or entity (including their Financial Adviser) with the legal capacity to contract as their authorised representative by completing the relevant section of the Application form.

This may be particularly useful for Members who will be overseas.

- The authorised representative can do everything the Member can do with the investment property, including:
- Apply to make additional contributions;
- Request that an investment property is held for an extended period;
- Approve or reject a Sub-scheme for investment, receive reports and statements, attend meetings and make complaints;
- Approve an increase or decrease to the amount advanced to the Fund;
- Enquire about an investment and request copies of any reports or documentation provided by ASL in relation to the investment; and
- Change the Member(s) bank account details.

The authorised representative appointed by the Member does not have the power to appoint other authorized representatives. Only the Member has this power. The exercise of any of the powers by a person reasonably believed to be acting on behalf of the Member's authorized representative will

be treated as if the Member had personally exercised those powers. This arrangement will continue until the Member cancels the appointment in writing. ASL may cancel this facility or vary these conditions, but only after giving the Member 14 days written notice. The Member agrees to release, discharge and indemnify ASL from and against any liabilities arising out of the use of this Authorised Representative facility.

The Member agrees that neither the Member, nor any person claiming through them, have any claim against the Fund or ASL in respect of any payment from the Fund (or a Sub-scheme in the Fund) on the instructions of their authorised representative.

After appointing an authorised representative, the Member cannot later claim that the authorised representative, or any person(s) appointed by the Member acting on behalf of their authorised representative, was not acting on their behalf.

For example, if the Member is a company and it appoints an employee to be its authorised representative, that person will still be able to operate the account even if they leave the company unless the company notifies ASL in writing that the person no longer is its authorised representative.

Financial Adviser Fees

Owners can by agreement with their Financial Adviser substitute direct payment of their adviser's fees by selecting the remuneration options contained in Section 5 of the Application.

Other information you need to know

"The Legal Relationship of the Investor with ASIF is centred on the PDS and MSD. These documents must also comply with the ASIF Constitution, Compliance Plan and the law."

Tax

Members should refer to Product Ruling PR 2019/1 for details of the tax implications relating to an investment in the Fund. This ruling is only a ruling on the application of taxation law and is only binding on the Commissioner if the Scheme is implemented in the specific manner outlined in the product ruling. ASL recommends Members seek independent professional advice on their specific circumstances and the taxation implications of investing in the Fund.

Some of the general tax implications of investing in the Fund are explained below. It is intended to be a brief guide only and does not purport to be a complete statement of the relevant tax law nor does it constitute taxation advice.

The following is a summary of the general tax implications for individual resident Members who hold their investment on capital account for tax purposes.

a. Income Tax

Payment of income tax

The Fund does not pay income tax on the income it derives as it distributes all taxable income to the Members each year. Rather, taxes payable by Members in a Sub-scheme in the year in which the distribution relates, even if it is received in the next financial year. Members' tax liability arises upon becoming presently entitled to the income of the Fund.

This is so regardless of whether Members receive the distributions or not, (eg where ASL withholds cash for future expenses). The taxable income from the distributions is determined based on the components of the distributions. These may include rental income, capital gains from disposal of assets, or interest returns. The different components of a distribution may have different tax consequences for Members. Members will receive an Annual Tax Atatement [ATS] from ASL outlining the relevant information for the purposes of preparing their income tax returns. The ATS will provide Members with details of the distribution components to be included in their tax return (being either revenue or capital distributions) for that particular year and will also include any expenditure relating to a relevant property as well as any interest amounts (where relevant). The sum of the taxable components may differ to the amount of cash distribution received. Management Fees paid to ASL should be tax deductible against Members' taxable income.

Maturity of an investment

Upon maturity of a Sub-scheme, the Sub-scheme Property will be sold and the Owners of that Sub-scheme may be subject to capital gains tax. Broadly, an Owner will realise a capital gain if the proceeds received on sale exceed the cost base of the investment. The capital gain is equal to the amount of the excess. Where a Member (that is an individual, trust or superannuation fund) has held the investment for more than 12 months, the

Owner may be eligible to reduce the amount of the capital gain. The discount percentage is applied after deducting any capital losses. The resulting net capital gain should be included in the Member's income tax return to be taxed at their applicable marginal tax rate.

Conversely, a capital loss will be realised if the cost base of the investment exceeds the disposal proceeds. The availability of any capital loss to the Owners will be dependent on the specific structure of the sub-scheme. The structure will be confirmed in the PDC.

Withholding taxes

You may quote your Tax File Number | TFN | or claim an exemption from doing so by completing the TFN section in the Application form. The Fund is required to collect withholding tax for international Members. Australian residents have the highest marginal rate of tax deducted when an investor does not supply a TFN. If you are a non resident you may be subject to the laws of the country of your domicile and should consult a taxation adviser before investing.

b. Goods and Services Tax | GST |

GST applies to fees, charges and rent from tenants. GST, when applicable, will be deducted from the income collected. The amount of any GST deduction is set out in the investor's periodic income statement which may be treated as a tax invoice.

cont.

c. Stamp Duty

Stamp duty is generally payable by a Transferee on the acquisition of real property in Australia. The amount payable is determined by the relevant State Revenue Office of the State in which the property is located. All stamp duty is payable by Owners on entry into the Sub-scheme/acquisition of an interest in real property and the Fund includes any stamp duty as part of the Contribution Amount of the Owners.

d. Land Tax

Land Tax is an annual tax that is levied on certain property owners in certain Australian states (including Victoria) by the relevant State Revenue Office. Land tax is calculated on an individual taxpayer's landholdings. A property owner may be liable for land tax if they own:

- Vacant land, including rural land;
- Holiday house;
- One or more investment properties; or
- Some primary production land that is not exempt. The actual liability varies in each Australian State and Territory. Relevantly in Victoria, an Owner is subject to land tax if their land holdings have a total taxable value of \$250,000 or more (excluding the Owner's principal place of residence which is exempt). As Members in a Sub-scheme are treated as the owners of an investment property, the Members may be subject to

land tax (or if already subject to land tax, increase their land tax liability).

ASL recommends Investors seek independent professional advice on their specific circumstances about the land tax implications of investing in the Fund, based on their current property portfolio.

Reporting

If investing through a Financial Adviser please refer directly to them for your reporting needs. ASL reports regularly to Financial Advisers.

If investing directly, ASL will:

- Confirm every investment and withdrawal you make
- Send you an Annual Tax Statement after the end of a financial year to help with your tax return
- Send you an annual Property Information Summary
- Provide a summary Update on the valuation of your investment in your Sub-scheme (approximately every 12 months following the initial investment)
- Send Members Annual Accounts of the ASPF (generally in September). You can decline to receive the annual accounts on the Application Form.

Privacy Policy

ASL is committed (without reservation) to respect and protect the privacy of the personal information of individuals with whom it deals.

Information Collection

ASL collects limited personal information of Financial Adviser Investors in connection with their investments in the Fund. Financial Adviser Investors should contact their Financial Adviser for this information.

Whenever it is reasonable and practicable to do so, ASL only collects information about investors directly from them.

Information Purpose

This personal information is collected to :

- Identify the investor and satisfy the requirements of the Anti-Money Laundering [AML] and Counter Terrorism Financing [CTF] regulations.
- Provide suitable property that meet the investor's criteria
- Consider applications and approaches made by the investor to ASL
- Maintain investor contact details; and
- Comply with the law [for example Financial Transactions Reports Act 1988, AML/ CTF, Corporations Law, Tax Law, State Revenue, Land Registration, etc.];

Holding Information

ASL holds personal information relating to:

- The products and services it provides or has provided to an investor,
- Contact details for the investor; and
- Information required to be retained by law.

No sensitive information is retained about the investor unless required by applicable laws or rules.

Use and Disclosure of Information

ASL will only use and disclose personal information about an investor for the purpose for which it was disclosed to ASL or related purposes which would reasonably be expected without investor permission.

ASL may disclose personal information to service providers who provide services in connection with its products and services or to a Members nominated financial adviser [with their permission].

Maintaining accurate information

ASL takes all reasonable steps to ensure that all information we hold is as accurate as possible. An investor can contact ASL at any time and ask for its correction if the investor feels the information held by ASL is inaccurate or incomplete.

Protecting Information

ASL protects the investor information it holds. Access is limited to prevent misuse or unlawful disclosure of the information. Information no longer required is deleted or permanently de-identified.

Information Access

An investor can access all information unless a legal or administrative reason requires ASL to deny access. If access is denied, ASL will provide the investor with an explanation.

Complaints

All complaints received by ASL relating to the Fund are governed by a procedure which is consistent with Australian Standard AS ISO 10002 – 2006. Financial Adviser investors should contact their Financial Adviser with initial queries, feedback or complaints.

ASL Staff receiving verbal complaints will attempt to settle them immediately to the satisfaction of the complainant or will involve another staff member who can resolve the complaint. Verbal complaints which cannot be resolved in a timely manner, as well as all written complaints, will be referred to the Complaints Officer. The Complaints Officer is responsible for the effective operation of the complaints handling process.

Where a complaint remains unresolved (for example where no remedy is offered, instigated or accepted by the complainant) the complainant may be entitled to take their complaint to the Fund's external complaints scheme, Australian Financial Complaints Authority [AFCA]. AFCA is an independent external complainants handling body approved by ASIC. Complaints in this category will be sent details of how to contact AFCA.

AFCA will decline to process a complaint before ASL is first given an opportunity to resolve the complaint. Where a complainant has referred a complaint to AFCA, the Complaints Officer shall comply with procedures set out in the AFCA terms of reference. Following referral and expiry of time to settle the complaint, AFCA will work with the Complainant and ASL to seek a mutually acceptable resolution of the complaint. AFCA can be contacted by telephone 1800 931 678, or by email at-

Australian Financial Complaints Authority

Email: info@afca.org.au

Web: www.afca.org.au

Glossary

Applicant	A person who has applied to become a Member in the Fund by completing the Application form accompanying this PDS.
Application Form	An application by the Applicant to be a Member of the Fund in the form attached to this PDS.
Application Monies	The amount received by ASL or Custodian from the Applicant for the membership Contribution applied with this PDS towards an existing Sub-scheme or held for a future Sub-scheme.
ASL	Australian Securities Limited. Responsible Entity/Custodian of the Fund [ACN 005 428 231].
ASIC	Australian Securities and Investments Commission.
Assets	All the property, rights and income of the Scheme including costs, fees and other intangibles which may be reasonably determined by ASL from time to time to be assets but not application money or property in respect of which Membership Contributions have not yet been issued.
ASPF	Australian Securities Property Fund, or the Fund.
Authorised Representative	A representative elected by a Member in writing to make decisions for them about their investment in the Fund.
Board	The Board of Australian Securities Limited.
Business day	A day on which trading banks are open for business in Melbourne, Victoria.
Compliance Officer	A manager appointed by the Responsible Entity to ensure compliance with the Constitution, Compliance Plan and the Corporations Law.
Compliance Plan	The Compliance Plan dated 2 September 2011 in respect of the Fund.
Constitution	The Constitution dated 8 September 2011 which established the Fund.
Contribution	The interest of a Member as a proportion to their monetary contribution (compared to other Members in the Sub-scheme) towards the acquisition cost of a Subscheme property.
Corporations Act 2001	The Corporations Act 2001 (Cth) as amended from time to time.
Custodian	Australian Securities Limited or any other person authorised under the Constitution to hold the scheme Assets.
Disposal Price	The value of the member's contribution to a Sub-scheme at the date a Sub-scheme is rolled over as determined by ASL and the relevant member does not elect to continue the investment in the Sub-scheme.
Distribution Period	The period ending on the last day of each calendar month or as determined by ASL.
Financial Year	The period of 12 months ending 30 June in each year.
Directors	The Directors of ASL.

Fund	The registered managed investment scheme known as the Australian Securities Property Fund [ARSN 153 029 254].
GST	As defined in A New Tax system (Goods and Services Tax) Act 1999.
Investor	Any person wishing to become a Member for the purpose of investing in Sub-scheme Property.
Law or the Law	The Corporations Act 2001 unless it is otherwise apparent from the context.
Liabilities	Any and all liabilities of the Fund or a Sub-scheme including any provision ASL considers should be taken into account in determining liabilities.
Member	Any person who has signed an Application form to become a Member of the Fund and being eligible to make a monetary contribution to a Sub-scheme.
Member Accounts	An interest earning bank account maintained by ASL in the name of the Member into which contributions are deposited before investment into a Sub-scheme.
Month	A calendar month.
Nominee or Trustee or Manager	Australian Securities Limited.
Owner(s)	Any Member who has contributed to a Sub-scheme.
PDC	A Property Description Certificate issued as Part 2 of the PDS (Supplementary PDS) to Members to identify the Sub-scheme property and its attributes for approval.
PDS	This Product Disclosure Statement and Application form.
Power of Attorney	The power of attorney given by the Member to Australian Securities Limited under the terms of the PDS as evidence by their signature on the Application.
Responsible Entity	ASL, the manager of the Fund.
Rollover Notice	Notice sent to an Owner when an investment is proposed to be extended for a further term.
Sub-scheme Property	Property that is held by a Sub-scheme on behalf of the Owners.
Sub-scheme	Is one of many similar schemes coming under the same umbrella type property investment scheme in which individual members have their interests recorded against the sub-scheme property identified in a Property Description Certificate in proportion to their monetary contribution to the sub-scheme.
Trust Declaration	A document issued by ASL detailing that it holds a Property on trust for one or more Owners identified in the Deed for their relevant contributions to the relevant sub-scheme.
Withdrawal Price	The value of a Member's contribution to a sub-scheme at the date of withdrawal less any withdrawal fees and expenses payable at the time of withdrawal as determined by ASL.

Guide to completing the Application Form

Investor Details

Applicants may be one or more individuals, a company, incorporated association, partnership or unincorporated association.

Persons signing for:

Corporations and Incorporated Associations
Acknowledge:

- You are the officers of the corporation or incorporated association;
- You have the authority to bind the corporation or incorporated association;
- The Certificate of Incorporation attached to the application is a true and current copy; and
- Company applicants may sign under seal, although seal is not required.

Joint Investors

Agree to hold the interests as joint tenants:

- Acknowledge that unless otherwise states, both signatures are required for written withdrawal requests and additional applications; and
- Acknowledge all liability shall be both joint and several.

Partnerships

- Acknowledge that you are a partner in the partnership and are investing on behalf of the partnership;

- Acknowledge that you have the authority to bind the partnership; and
- Agree all liability shall be both joint and several.

Trustees

If you are joint trustees and you elect in the relevant section of the application that either trustee can sign authorities for future transactions, you acknowledge the relevant trust deed authorises you to do this;

- Acknowledge that holding units are an authorized investment of the trust into the investments.

Unincorporated Associations

Acknowledge you:

- Have authority to bind the unincorporated association; and
- Invest for and on behalf of the unincorporated association.

Investment Adviser

Accept ASL and any financial adviser named in the Application may exchange personal investment details and relevant account information.

Communication

All communications from ASL will be sent to the address shown on the Application. For

joint applicants only one address is required. Please include telephone, facsimile, e-mail and mobile telephone details should ASL need to contact you urgently.

Payment Details

- Complete the payment details in the Application. Your contribution will be held by ASL in a trust account for you until a suitable property is identified and approved by you for investment under the PDS.
- Payment is by electronic funds transfer to Australian Securities Property Fund.
- Payment can also be collected by ASL for the amount you nominate to invest in the Application by debiting any bank account you nominate for that purpose in the Application.
- Investment amounts due to be repaid to you from a Sub-scheme on maturity can be credited by electronic funds transfer to any bank account you nominate for that purpose in the Application.

Income Payments

Your rental income from the property will be credited to the bank account you nominate in the attached application form.

You understand and acknowledge that:

1. Your nominated financial institution may in its absolute discretion decide the order of priority of payment by it of any moneys pursuant to this request or any authority or mandate.
2. ASL may, in its absolute discretion, at any time by notice in writing to you, terminate this request as to future debits.
3. You can modify, defer, stop or cancel any Direct Debit Request (DDR) at any time by giving ASL 14 days' notice, in writing.
4. If at any time you feel that a direct debit against your nominated account is inappropriate or wrong it is your responsibility to notify ASL as soon as possible.
5. It is your responsibility to ensure that there are sufficient cleared funds in your nominated account to honour the DDR. ASL will charge the cost of dishonoured direct debits against your account.
6. Macquarie Bank, as sponsor for ASL, may need to exchange information with other parties involved in processing your direct debit request to assist with the checking of any incorrect or wrongful debits to your nominated account.

Signature Declarations

The Applicant must sign each Application personally. A person signing under a Power of Attorney must provide a certified copy of the original Power of Attorney with the Application.

Joint applicants must each sign the Application. An application by a company may be under seal and must be executed in accordance with its Constitution. A copy of its Constitution need not be provided. The Application should also be dated.

By completing and signing the Application form the Investor gives ASL their Power of Attorney as set out in the PDS and the Investor agrees to be bound by all provisions in this PDS, the Constitution and any PDC approved in compliance with this PDS.

Completed Application Forms

Complete the Application form and the Direct Debit Authority with bank account information at Section 4 of the Application . The completed Application Form can be mailed to:

Australian Securities Limited
Level 29, 140 William Street
Melbourne, VIC. 3000
or by email to mail@asltd.com.au

Application Form

The investor becomes a Member of the Fund when the signed Application on the following pages are received by ASL along with at least the minimum investment amount and the investor's name is registered as a Member of the Australian Securities Property Fund.

Section T

Fund Application Form

This is an Australian Securities Limited, Fund Application Form. To be completed if you are investing in any or all of the Funds listed below



Australian Securities Fund Application.

This form accompanies the Product Disclosure Statement for each of the following funds

Please tick chosen fund application boxes:

- Australian Securities Income Fund
- Australian Securities Property Fund
- Australian Securities Term Fund
- All of the above

ASL use only:

When you complete this form please print in clear BLOCK LETTERS and use crosses in boxes.

Adviser's stamp:

- Step One** Identify the applicant type for your investment account by ticking the appropriate box
- Step Two** Complete the mandatory sections identified against the Applicant type you ticked
- Step Three** Complete section 5 only if you appoint a third party or representative to act for you.
- Step Four** Sign the Application at Section 6 [initial any amendments or white outs]
- Step Five** Return the signed Application to Australian Securities Limited along with a copy of the following:
 - Photo ID (eg Drivers licence, Passport)
 - Recent utilities bill (eg Gas, electricity, water)
 - Certified copy of a Power of Attorney (if account is opened under a Power of Attorney)
 [Authorised Representative or Third Party appointments also require Photo Identification]

Applicant type (please tick box)

Mandatory Sections to complete

- Individual or Joint Individuals.....1, 2A, 2B, 3, 4, 6A
- Company.....1, 2A, 2C, 3, 4, 6B
- Trust- Trustees are individuals.....1, 2A, 2B, 3, 4, 6A
- Trust- Trustee is a company.....1, 2A, 2C, 3, 4, 6B
- Superannuation Fund- Trustees are individuals.....1, 2A, 2B, 3, 4, 6A
- Superannuation Fund- Trustee is a corporation.....1, 2A, 2C, 3, 4, 6B
- Partnership- partners are individuals.....1, 2A, 2B, 3, 4, 6A
- Partnership- partners are companies.....1, 2A, 2C, 3, 4, 6B
- Deceased Estates.....1, 2A,2B, 3, 4, 6A
- Trust (no trust deed)- individual.....1, 2A, 2B, 3, 4, 6A
- Trust (no trust deed)- Company.....1, 2A, 2C, 3, 4, 6B
- Unincorporated body- office bearers.....1, 2A, 2C, 3, 4, 6B

Australian Securities Limited Fund Application Form

1. Investor Name: _____

Your investment is/or will be recorded in this name

2. Do you have an existing investment in this name? Yes ASL INVESTOR NUMBER: _____

If YES and you do not wish to use this form to update our records, proceed to Signing Clause at Section 6 and return this Application with your preferred method of payment. If NO, continue to complete this Application Form.

3. Initial Investment Method⁹ (Minimum requirements apply) If this is an ASL Term Fund Application only, please proceed to number 11.

\$ _____ (Cash is not accepted) Direct Debit Direct Credit

4. Investment Options¹⁰

Only Direct Only Contributory Only Nominee All Types refer to page 7

5. First Mortgage Security Priority Type

T1 T2¹¹ All Types

6. Preferred Term

One Year Two Year Three Year Four Year Five Year Any term up to 5 Years

7. Security Category

Industrial Residential Development & Construction Regional/Rural Regional/Coast All Types

8. Interest Rate

Fixed Variable Both Fixed and Variable

9. Interest Advance Facility¹³ (Applies to Direct Investment only within the Australian Securities Investment Fund)

Cross this box if you do not require this facility for direct investments Hold – I do not require the interest Advance Facility

10. Investment Summary¹⁴ (Applies only to the ASL Property Fund and the ASL Term Fund)

Tick box to not receive Summary

11. GST

Yes No ABN No. _____

12. Privacy Notice

No marketing information

Your personal information is collected to enable us to provide information about existing and invest funds in your name in sub-schemes provide you with and administer the sub-schemes under this PDS you wish to invest in.

Please cross the box above if you do not wish to receive marketing information.

⁹ Initial Investment- Investing page 13 ¹⁰ Investment options- page 6 ¹¹ T2 Investments page 10 ¹² Security Categories page 8
¹³ Interest Advance Facility page 13 ¹⁴ Mortgage Investment Summary page 3

Section

2

Australian Securities Limited Fund Application Form

A INFORMATION TYPE

New Investor Information

Updated Investor Information

B INDIVIDUALS (COMPLETE ALSO IF TRUSTEE IS INDIVIDUAL(S))

1. Individual Investor A or Trustee

Title (Mr/Mrs/Miss/Ms/Other) _____ This person is an Individual Trustee for this Investment

Given Names: _____

Last Name: _____ Date of Birth _____ / _____ / _____

Tax File Number: _____

2. Individual Investor B or Trustee

Title (Mr/Mrs/Miss/Ms/Other) _____ This person is an Individual Trustee for this Investment

Given Names: _____

Last Name: _____ Date of Birth _____ / _____ / _____

Tax File Number: _____

3. Relationship Investor A & B. If contact details for each investor the same, please state "AS ABOVE" for Investor B

Joint Tenants in Common Partnership Trustee

4. Account signing authorities for future transactions

For two investors only A&B Either A or B Only A Only B

C NON INDIVIDUAL

5. Name: _____

If the Trustee is an Individual, complete Question 1 and Mark the BOX as Trustee.

6. Tax File Number: _____

Australian Registered Business Number or Exemption Reason: _____

ARBN Non-resident OR Exemption Reason: _____

Australian Securities Limited Fund Application Form

Contact Information

1. Contact Name: _____

2. Contact Details

Address: _____ Suburb: _____

State: _____ Postcode: _____ Country of Residence (If other than Australian): _____

Telephone (Home): + 61 () _____ (Work): + 61 () _____ (Mobile): _____

Fax: + 61 () _____ E-mail address: _____

3. Alternative Contacts: _____ Phone (Day time) + 61 () _____

4. Relationship: _____

ADVISERS DETAILS (if applicable)

5. Lawyers Details

Contact Name: _____ Phone No: + 61 () _____

Business No: _____ Address: _____

Suburb: _____ State: _____ Postcode: _____

6. Accountant Details

Contact Name: _____ Phone No: + 61 () _____

Business No: _____ Address: _____

Suburb: _____ State: _____ Postcode: _____

7. Financial Advisor Details

Contact Name: _____ Phone No: + 61 () _____

Business No: _____ Address: _____

Suburb: _____ State: _____ Postcode: _____

7. Attorney or Administrator Details

Contact Name: _____ Phone No: + 61 () _____

Business No: _____ Address: _____

Suburb: _____ State: _____ Postcode: _____

Power of Attorney Appointment as administrator _____ / _____ / _____ Date of Appointment

Attach Certified copy of EPA or Order of Appointment as Administrator

8. Next of Kin (Emergency Only)

Contact Name: _____ Phone No: + 61 () _____

Business No: _____ Address: _____

Suburb: _____ State: _____ Postcode: _____

Section

4

Australian Securities Limited Fund Application Form Capital & income payments electronic banking

1. DEFT INVESTMENT ACCOUNTS - AUTHORITY

Direct Credit Authority Direct Debit Authority

2. Bank Account Details (ASL User ID 161318, 484021 & 476158)

The following nominated bank account will be:

- (a) Credited for payment of income distributions and withdrawals if applicable, and
- (b) Debited for your initial and additional investments (if paying by direct debit).

(i) Primary Bank Account (incorporating Direct Debit request)

Name of Institution: _____

Address: _____

City: _____ State: _____ Postcode: _____

Account Name: _____ BSB Number: _____ Account Number: _____

Direct Debit Authority/We acknowledge this Direct Debit arrangement is governed by the Direct Debit Facility in this Product Disclosure Statement to Australian Securities Ltd (ASL User ID 161318, 484021 & 476158)

BANK SIGNATORIES All signatories for account to be debited must sign

Signature: _____

Signature: _____

3. ALTERNATE BANK ACCOUNT FOR INCOME DISTRIBUTION ONLY

Please complete if you wish to nominate an alternative bank account for payment of the following:

Income distribution payments

(ii) Optional Alternative Bank Account (for direct credit payments only)

Name of Institution: _____

Address: _____

City: _____ State: _____ Postcode: _____

Account Name: _____ BSB Number: _____ Account Number: _____

4. INSTRUCTIONS FOR ALL CAPITAL REPAYMENTS FROM PROPERTY FUND INVESTMENTS*:

Please complete the following.

Return capital to the nominated primary bank account

OR

Return Capital to the Australian Securities Term Fund (ASTF) account. Note this Capital will then be subject to the 90 day minimum investment term as defined by the ASTF PDS; the 14 day cooling-off period will not apply.

Signature: _____ Date: _____ / _____ / _____

* Note that these instructions can be changed by providing written notice to ASL 10 business days prior to the next capital repayment

Australian Securities Limited Fund Application Form Authorised Representative

Authorised Representative

You may appoint another person or entity with legal capacity to contract as your authorised representative to operate investments on your behalf by completing this section. Complete company name & ASL reference if authorised representative is known.

Company Name: _____

Title (Mr/Mrs/Miss/Ms/Other): _____ ASL INVESTOR NUMBER: _____

Given Names: _____ Last Name: _____

CONTACT DETAILS

Address 1: _____

Address 2: _____

City: _____ State: _____ Postcode: _____

Telephone (Home): + 61 () _____ (Work): + 61 () _____ (Mobile): _____

Fax: + 61 () _____ E-mail address: _____

I/We agree to the conditions relating to the appointment of an authorised representative as shown in the declarations, conditions and acknowledgments. All investors must countersign the authorised representative's signature

Authorised Representative: All signatories for account to be debited must sign Enduring Power of Attorney held?

Signature: _____ Date: _____ / _____ / _____

SIGNATORIES APPOINTED AUTHORISED REPRESENTATIVES

Investor A (Print Name and Date) Given Names: _____ Last Name: _____

Investor B (Print Name and Date) Given Names: _____ Last Name: _____

APPOINTING AUTHORISED REPRESENTATIVE

COMPANY SEAL

Signature: _____ Signature: _____

You must indicate your company title

You must indicate your company title

Director or Secretary Sole Director and Sole Secretary

Director Secretary



INVESTMENT ADVISERS REMUNERATION (line out if not applicable)

8. Adviser ONLY (to be completed by Adviser)

ASL INVESTOR NUMBER: _____ Company Name: _____

Remuneration Details:

Please indicate the brokerage to be charged to the client. Fees paid will be reflected in the effective income distribution to the Member. This brokerage will apply to this investment and all subsequent investments unless an alternative for future investment is selected below.

(i) Investment Advisers to be charged on funds and paid by deduction from interest collected

1.00% 0.75% 0.50% Nil Other: _____

If boxes are left blank we will assume no remuneration agreement applies to this investment requiring payment from ASL from the interest income collected

(ii) The same brokerage fee will apply to ongoing investments from the Applicant following future investments (optional).

Additional mortgage securities Increased Investment Roll Overs

The Investment Adviser holds a current signed authority from the Applicant to be paid these fees by deduction from the interest income collected.

INVESTOR SIGNING CLAUSE

Signature: _____ Date: _____ / _____ / _____

Australian Securities Limited Fund Application Form

Investor Authorisation

Section 6

SIGNATURE(S)

All investors must sign and date the Application.

In signing this Application I/We acknowledge that I/We have read and understood the Product Disclosure Statement to which this Application relates AND agree, consent and acknowledge the declarations, conditions and acknowledgments provided in the Prospectus AND declare that all the details given in this Application are true and correct.

NOTE: If signing under a Power of Attorney, you are verifying that at the time of signing you have not received notice of revocation of that Power. Please provide a certified copy of the Power of Attorney including appointed signature

A INDIVIDUALS & INDIVIDUALS ACTING AS TRUSTEES

Investor A (Print Name and Date)

Given Names: _____ Last Name: _____

SIGNING CLAUSE: _____ Date: _____ / _____ / _____

Investor B (Print Name and Date)

Given Names: _____ Last Name: _____

SIGNING CLAUSE: _____ Date: _____ / _____ / _____

B CORPORATE INVESTORS

COMPANY SEAL

Company Name: _____

ACN: _____



CORPORATE DIRECTORS SIGNING CLAUSE Director(Print Name and Date)

Two directors or a director and a company secretary MUST sign (unless Sole Director and Sole Secretary)

1. Given Names: _____ Last Name: _____

Signature: _____ Date: _____ / _____ / _____

You must indicate your company title Director or Secretary Sole Director and Sole Secretary Other

2. Given Names: _____ Last Name: _____

Signature: _____ Date: _____ / _____ / _____

You must indicate your company title Director or Secretary Sole Director and Sole Secretary Other

3. Given Names: _____ Last Name: _____

Signature: _____ Date: _____ / _____ / _____

You must indicate your company title Director or Secretary Sole Director and Sole Secretary Other

4. Given Names: _____ Last Name: _____

Signature: _____ Date: _____ / _____ / _____

You must indicate your company title Director or Secretary Sole Director and Sole Secretary Other

Important Notices

This PDS is for the Australian Securities Property Fund, an umbrella managed property investment scheme. The Fund comprises numerous individual sub-schemes which are specifically identified in a separate PDC (Supplementary Product Disclosure Statement). This PDS should be read before and in conjunction with the PDC. This is not a pooled fund. This is a direct property fund.

Product Disclosure Statement

This PDS is dated 15 November 2019 PDS can be downloaded from the ASL website at www.australiansecurities.com.au. ASL can provide a complimentary paper copy of this PDS on request. Fees and expenses are current and inclusive of GST unless otherwise stated or notified. Information relating to the Fund is subject to change.

Responsibility

The Australian Securities and Investment Commission (ASIC) has been notified that this PDS is "in use" in accordance with section 1015D(2) of the Corporations Act 2001. ASIC takes no responsibility for the contents of the PDS or any subsequent PDS.

Statement

ASL administers the Fund with care, diligence and skill. The Fund is designed to suit Investors seeking medium to long term investment providing a regular income indexed to inflation and potential capital growth. The performance of the Fund and the Property in a Sub-scheme is not guaranteed. ASL and their related Bodies Corporate and their Officers and Directors are permitted to invest in the Fund from time to time.

Investment Advice

ASL does not provide investment or financial advice to Investors, Members, Owners or the general public. ASL does not know the extent of your financial position or requirements.

You should only invest in the Fund after giving careful consideration to your personal needs, the risks of this form of investment and your personal investment strategy. Before making an investment you may wish to seek advice from an independent financial adviser. Non independent financial advisers unfortunately can only provide advice on the products for which they have a licence to market and may not be qualified to advise on this product. If investing directly, additional information can be obtained by contacting the Investment Services Team weekdays between 9am and 5pm AEST on 1300 275 275. The Fund has a legal obligation to make necessary disclosures and provide regular reports.

AFCA

ASL is a member of the Australian Financial Complaints Authority | AFCA |. AFCA Member companies comply with standards to inform and assist investors.

Income Tax Ruling

The Tax Ruling is only a ruling on the application of taxation law and only binding on the ATO if the Scheme is implemented in the specific manner outlined in the product ruling. The Commissioner of Taxation (Commissioner) does not sanction, endorse or guarantee this product. Further, the Commissioner gives no assurance that the product is commercially viable, that charges are reasonable, appropriate or represent industry norms or that projected returns will be achieved or are reasonably based. Potential participants must form their own view about the commercial and financial viability of the product. The Commissioner recommends you consult an independent financial (or other) adviser for such information.

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Managed Investment Fund

Australian Securities Property Fund
[ARSN 092 514 488]

Responsible Entity and Fund Custodian

Australian Securities Limited

[ABN 69 005 428 231]

Financial Services & Credit Licence

[Licence No. 260499]



**AUSTRALIAN[®]
SECURITIES**

Private fund since 1925

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