

# *CFMG Land & Opportunity Fund*

ARSN 602 610 006

## Supplementary Product Disclosure Statement

This Supplementary Product Disclosure Statement ('SPDS') supplements the Product Disclosure Statement dated 16 January 2018 for the Trust issued by the Responsible Entity. Together, the PDS and this SPDS contain all of the information about the Offer of Class I Units ('Gardner Road Units') in the Trust.

Capitalised terms used in this SPDS have the meaning given to those terms as set out in the Glossary of the PDS.

CFMG Equity and Income Funds Limited ACN 112 753 876, the holder of Australian Financial Services Licence (AFSL) no. 291390, is the responsible entity of CFMG Land and Opportunity Fund ARSN 602 610 006 (Trust).



## Overview

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The information presented below in this SPDS outlines an offer to acquire Gardner Road Units in the Trust to facilitate the Trust investing in a minimum of 250,000 and a maximum of 2,500,000 notes issued by Gardner Road Developments Pty Ltd A.C.N 632 054 249 ('Gardner Road SPV'). The notes have a fixed return of 16.9% per annum. Money raised by the issue of the notes will be used by the Gardner Road SPV to fund the Property Development.

The Property Development relates to the purchase of real property, comprising approximately 1.2014 hectares (0.9 hectares of developable area) paying \$3,375,000 with settlement due on 30 September 2019.

Gardner Road SPV has applied for development approval to subdivide the Property into 15 residential allotments, supporting roads and other services generally in accordance with the Concept Plan in this SPDS.

A development application seeking approval for the reconfiguration of the Property into 15 residential allotments and other services was lodged with the Brisbane City Council on 21 May 2019. As at the date of this SPDS the development application has not been approved by the Brisbane City Council.

The funding of up to \$2.5m to be contributed by the Trust in exchange for the issue of notes is to be applied to the costs associated with funding the deposit paid by Gardner Road SPV to the Seller of the Property, the costs associated with payment of stamp duty on the purchase contract, the costs of carrying out due diligence and for working capital associated with the Property Development.

A fixed return of 16.9% per annum is required to be paid to the Trust by Gardner Road SPV on the notes. An initial distribution by the Trust is expected to be paid during June 2020. This initial distribution will be funded by subscription money retained by the Trust and not provided to Gardner Road SPV.

A final distribution and redemption of the notes is to be paid on completion of the Property Development and sale of the Property. Please note that whilst Gardner Road SPV is required to make interest payments of 16.9% per annum over the term of the issue of the notes, the return is not guaranteed by the Responsible Entity, and the Gardner Road SPV's ability to make these payments is (subject to the subscription money being retained by the Responsible Entity) totally dependent on the successful completion of the Property Development and sale of the Property.

The Gardner Road Units will provide a targeted return of 12.0% per annum to investors. This is based on the fixed return payable on the notes to be issued by the Gardner Road SPV less the Asset Identification and Negotiation Fee, Management Fee and administrative fees and costs the Responsible Entity is entitled to be reimbursed for in operating the Trust. The payment of any returns other than the initial distribution during June 2020 is totally dependent on Gardner Road SPV meeting its interest and repayment obligations.

The Responsible Entity will waive payment of any fees and costs it is entitled to be reimbursed in the event the incurring of those fees and costs result in the Gardner Road Units not achieving the targeted return of 12.0% per annum.

The specific risks associated with this investment are disclosed in this Supplementary Product Disclosure Statement. These risks should be read in conjunction with the risks disclosed in the PDS.

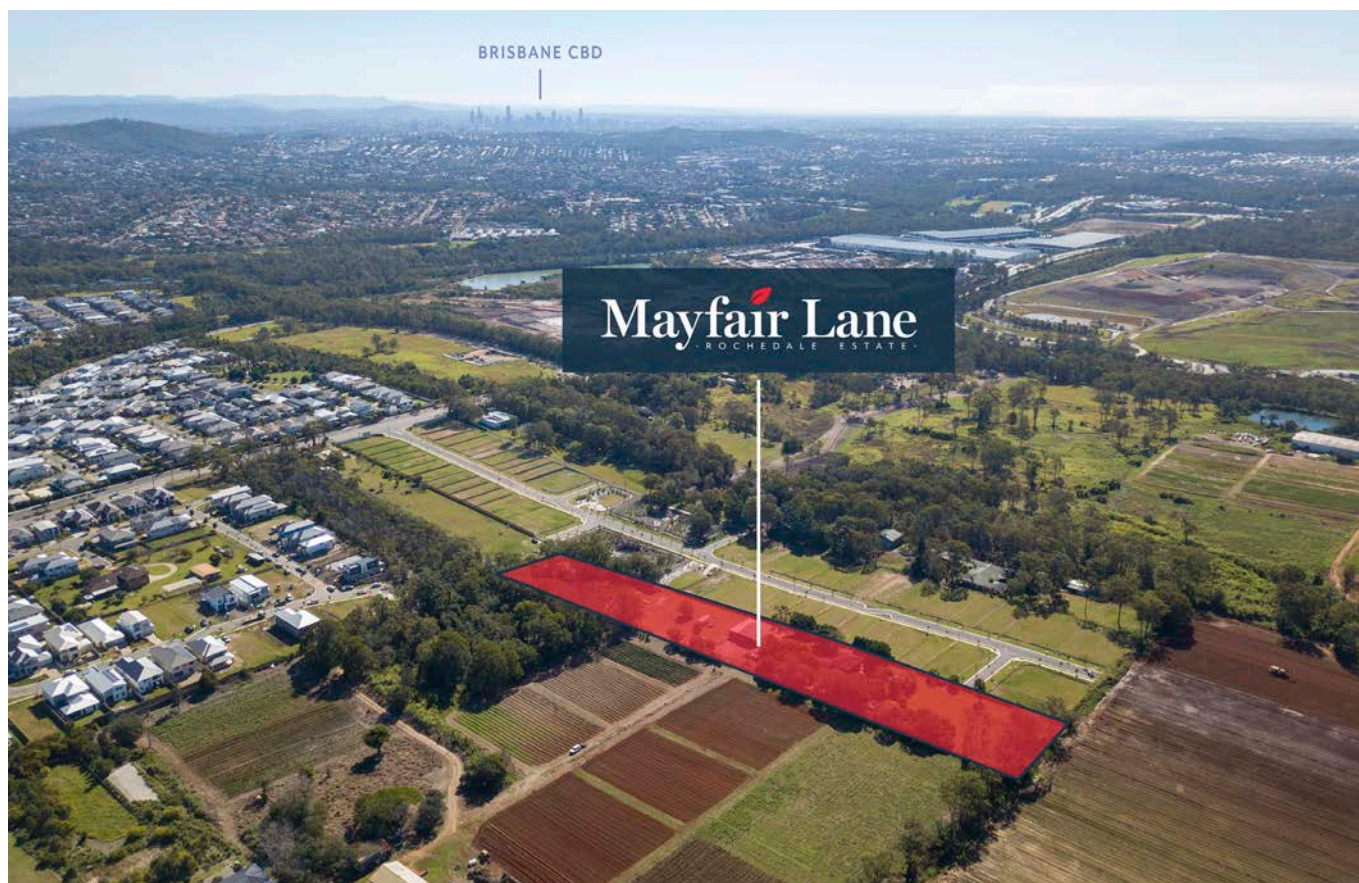


# The Investment Proposal

<b>Gardner Road Units</b>	The Trust is offering a minimum of 250,000 and up to 2,500,000, Gardner Road Units, to be issued at a price of \$1.00 per Unit, to raise up to \$2,500,000, which the Trust will invest in notes issued by Gardner Road SPV.
<b>Gardner Road SPV</b>	<p>Gardner Road SPV is a special purpose vehicle incorporated for the sole purpose of acquiring the Property and carrying out the Property Development.</p> <p>The Gardner Road SPV currently has two directors serving on its board. Scott Watson and Jason Matigian. Both of these persons (Scott Watson and Jason Matigian) are also directors of the Responsible Entity. Details of each of these directors are set out below.</p> <p>The sole shareholder of Gardner Road SPV is CFMG Land Limited ACN 127 663 414 (<b>CFMG Land</b>). CFMG Land has also been engaged by Gardner Road SPV to provide it with project management functions and administrative and company secretarial functions. The ultimate holding company of CFMG Land, Gardner Road SPV and the Responsible Entity is CFMG Capital Limited.</p>
<b>Directors of Gardner Road SPV</b>	<p>The Gardner Road SPV currently has two directors serving on its board. Details of the directors, their background and experience are:</p> <p><b>Scott Watson</b>  Scott is a founding Director of both the residential communities and income fund businesses of CFMG.</p> <p>After five years as a solicitor in private practice advising a wide range of clients including State Government departments, publicly listed and private companies, Scott joined a private development and financial services group where his responsibilities included management of the group's legal requirements and obligations, project management and broad acre acquisitions.</p> <p>From 2008, Scott has been actively involved in overseeing the governance and compliance obligations in relation to residential land development companies.</p> <p>Scott holds Bachelor degrees in Law and Accountancy, a Graduate Diploma in Urban and Regional Planning and has more than 12 years broad experience in the property development and finance industries.</p> <p><b>Jason Matigian</b>  Jason has 15 years experience in the property industry specialising in valuation and real estate advisory. Jason has had a broad range of property experience across all sectors including residential, commercial, retail, industrial, rural, special purpose and mixed use. This broad range of experience has seen Jason and his Valuation Practice (JPM Valuers &amp; Property Consultants) actively providing advice to the public, private and government bodies across Victoria, New South Wales, Queensland and Northern Territory.</p> <p>Prior to Jason setting up his own valuation practice he held positions with Brisbane Real Estate specialising in site acquisition and Asset Realisation for receivers; and approximately 10 years with Australia's largest valuation and advisory firm Herron Todd White Valuers.</p> <p>Jason has a strong background in valuation and advisory services and has completed various valuation assignments for due diligence and mortgage security lending purposes. More recently Jason has been working closely with receivers in provide advice on 'Highest &amp; Best Use' analysis and distressed asset workouts.</p> <p>Jason holds a Bachelor of Applied Science (Property), is a Certified Practicing Valuer in Queensland and New South Wales and an Associate member of the Australian Property Institute.</p>
<b>Trust Structure</b>	The Trust is a registered managed investment scheme. This SPDS relates to the offer of Gardner Road Units which will have a beneficial interest in notes issued by the Gardner Road SPV to the Trust. The notes to be issued by the Gardner Road SPV will carry a rate of return of 16.9% per annum. The Gardner Road Units have a targeted return of 12.0% per annum, which is based on the fixed return of 16.9% per annum payable on the notes to be issued by the Gardner Road SPV less the Asset Identification and Negotiation Fee, Management Fee and administrative fees and costs the Responsible Entity is entitled to be reimbursed for in operating the Trust. The resulting fixed targeted return at the rate of 12.0% per annum is totally dependent on the approval of the development application as lodged with the Brisbane City Council, completion of the Property Development and sale of the Property.
<b>Asset identification and negotiation fee</b>	An asset identification and negotiation fee of 4% (plus GST) of the capital raised by the issue of Gardner Road Units will be paid to the Responsible Entity on the issue of units in the Trust.

<b>Anticipated Distribution Rate</b>	<p>Gardner Road Units have a targeted distribution rate of up to 12.0% per annum (pre tax and net of fees) over the life of the investment. For the timing of distribution payments please refer to page 12 of this SPDS.</p> <p>For example, for each \$25,000 you invest in the Trust, at the end of the Project the anticipated income distribution you will receive is based on the rate of \$3,000 per annum. An initial distribution by the Trust is expected to be paid during June 2020. This initial distribution will be funded by subscription money retained by the Trust and not provided to Gardner Road SPV.</p> <p>Please note that whilst Gardner Road SPV is required to make interest payments over the term of the issue of the notes, Gardner Road SPV's ability to make these payments is (subject to the subscription money being retained by the Responsible Entity) totally dependent on the approval of the development application as lodged with the Brisbane City Council, the successful completion of the Property Development and sale of the individual lots to be created from the Property.</p>
<b>Minimum Investment</b>	<p>Applications for Gardner Units must be for a minimum investment of \$25,000 and then in multiples of \$5,000. The Responsible Entity reserves the right to accept lower amounts.</p> <p>The Gardner Road Units will be issued for \$1.00 each.</p>
<b>Likely term of your Investment</b>	<p>Gardner Road SPV expects the Property Development to be completed and the Property sold by September 2020. Accordingly, the Gardner Road Units are intended to be on issue for a term of eighteen (18) months.</p> <p>Unitholders may not withdraw their investment (although transfers are permitted subject to the Constitution).</p>
<b>Income Distribution</b>	<p>The targeted return for the Gardner Road Units is up to 12.0% per annum, which is based on the rate of return on the notes issued by the Gardner Road SPV less the Asset Identification and Negotiation Fee, Management Fee and administrative fees and costs the Responsible Entity is entitled to be reimbursed for in operating the Trust.</p> <p>An initial distribution is intended to be paid by the Trust in June 2020. This initial distribution is to be funded by subscription money retained by the Trust and not provided to Gardner Road SPV. Distributions will be made by electronic funds transfer to the Unitholder's nominated Australian bank account.</p> <p>A final distribution and redemption of the notes is to be paid on completion of the Property Development and sale of the Property.</p> <p>The final distributions and redemption of the notes for the financial year FY21 will be totally dependent on Gardner Road SPV complying in full and on time with its obligations under the terms of the notes.</p> <p>A forecast Application, Sources, Income and Distribution Statement is set out on page 12 of this SPDS which has been prepared on the basis that capital of \$2.5m is raised by the issue of Gardner Road Units. The forecast Application, Sources, Income and Distribution Statement is provided for illustrative purposes only and is not represented as being necessarily indicative of the Trust's future position or outcomes.</p> <p>Following the redemption of the notes by the Gardner Road SPV the Trust will redeem your Gardner Road Units by electronic funds transfer to your nominated Australian bank account.</p>





## DETAILS OF GARDNER ROAD SPV (SPV DEVELOPER))

Gardner SPV is a special purpose vehicle incorporated for the sole purpose of acquiring the Property and carrying out the Property Development.

Gardner Road SPV was incorporated in Queensland on 5 March 2019 as a proprietary company and currently has two directors serving on its board. Scott Watson and Jason Matigian. Details of each of these directors are set out above.

The Gardner Road SPV, pursuant to a management agreement, will draw on the resources of CFMG Land Limited ACN 127 663 414 ('CFMG Land') for project management functions and administrative and company secretarial functions.

The directors serving on the board of CFMG Land are Scott Watson, Jason Matigian, Wayne Hamburger and Ross Stiles.

## DETAILS OF GARDNER ROAD SPVS CORPORATE AND PROJECT MANAGEMENT

CFMG Land provides management and administrative services to the Gardner Road SPV and is also the project manager of the Property Development for the Gardner Road SPV.

CFMG Land will earn management fees as set out below.

### Project Management Fees

The Gardner Road SPV has agreed to pay CFMG Land a project management services fee in consideration for CFMG Land endeavoring to do all things it may deem necessary, prudent and desirable for carrying out the efficient, businesslike and proper management of the Property Development.

The project management fee:

- a. comprises an amount equal to 2.0% plus GST of the gross sales price received by the Gardner Road SPV from any sale and/or similar transaction relating to the Property; and
- b. is payable on the date of settlement of the sale by the Gardner Road SPV of any allotment developed or created from the Property.

### Company and Asset Management Services Fee

The Gardner Road SPV has agreed to pay CFMG Land a company and asset management services fee in consideration for CFMG Land endeavoring to do all things it may deem necessary, prudent and desirable for carrying out the efficient and proper management of the Gardner Road SPV, the Property and the Property Development.

The company and asset management fee:

- a. comprises an amount equal to 3% plus GST of the gross sales price received by Gardner Road SPV for any sale and/or similar transaction in respect of the Property; and
- b. is payable by the Gardner Road SPV as lot sales are finalised.

### Company Secretarial Services Fee

The Gardner Road SPV has agreed to pay CFMG Land a company secretarial services fee in consideration for CFMG Land endeavoring to do all things it may deem necessary, prudent and desirable for carrying out the efficient administration of the Gardner Road SPV's secretarial affairs.

The company secretarial services fee:

- a. is \$60,000 plus GST per annum (on a pro-rata basis); and
- b. is payable monthly on a pro-rata basis in arrears.

The Gardner Road SPV must reimburse CFMG Land for any:

- disbursements paid or incurred by CFMG Land in the course of performing its duties under the management agreement; and
- disbursements or payments made by CFMG Land on behalf of the Gardner Road SPV in respect of the acquisition of the Property, the capital raising and administration of the Gardner Road SPV not otherwise covered by the management agreement.

## DETAILS OF GARDNER ROAD PROPERTY DEVELOPMENT

### Overview

The Gardner Road SPV has contracted to purchase approximately 1.2014 hectares of land (0.9 hectares of developable area) in Rochedale, situated approximately 17 kilometres east of the Brisbane CBD ('Property').

Subject to the approval of the development application as lodged with the Brisbane City Council, it is intended that the Property be developed into 15 residential allotments generally in accordance with the Concept Plan in this SPDS.

### The Locality

Located 17 kilometres east of the Brisbane CBD, the surrounding land comprises predominantly developing residential estates. Rochedale, the suburb in which the Property is located has seen significant residential development over the past 15 years.

Immediate surrounding development predominantly comprises developing residential estates.

The Property is situated within close proximity to all necessary amenities including retail, education, child care, public transport, sporting amenities and parks.

### The Property

The Property is situated at 238 Gardner Road, Rochedale QLD 4123 and is more particularly described as Lot 8 on RP 84459 and having certificate of title reference number 15139009.

### Market Demographics

The residential land market in south-east Queensland peaked in late 2017 with sale volumes stabilising throughout 2018.

Revenues stabilised throughout the second half of 2018 with some minor growth only in regions/suburbs which are supply constrained.

The difficult retail lending conditions has led to a trend in the past six months for more affordable vacant land product and as a result smaller average lot sizes.

There has been increased levels of interest from Sydney and Melbourne developers seeking opportunities in South East Queensland, based on the pricing disparity in addition to the perceived value proposition. This has increased competition for subdivision sites.

The Property has been identified to capitalise on these existing and future opportunities.

### Infrastructure

Rochedale has seen significant residential development over the past 15 years.

The property is situated within close proximity to all necessary amenities including retail, education, child care, public transport, sporting amenities and parks.

- Rochedale Town Centre supermarket is currently under construction on the corner of Miles Platting Road and Gardner Road to be anchored by Coles.
- Rochedale Central is a suburban retail and medical centre within close proximity to the Property and is anchored by IGA.

## Concept Plan



- Rochedale State High School is located approximately 1 km to the south of the Property.
- The Eight Mile Plains Bus interchange is located approximately 1 km south-west of the Property.
- Brisbane Technology Park is located approximately 1 km to the west of the Property.
- Westfield Garden City Shopping Centre is located approximately 3 km to the west of the Property.
- The Springwood Shopping precinct is located approximately 4 km to the south of the Property.

#### Purchase of the Property

A contract between the Gardner Road SPV and the registered owners for the purchase of the Property was entered into on 31 July 2019.

The key commercial terms of the contract are as follows:

- a deposit of \$350,000 was paid by the Gardner Road SPV to the registered owner of the Property;
- the Settlement Date for the Gardner Road SPV to complete the purchase falls on 30 September 2019;
- the purchase price payable by the Gardner Road SPV for the Property is \$3,375,000.

The deposit of \$350,000 paid pursuant to the terms of the contract was paid by CFMG Land on behalf of the Gardner Road SPV and is intended to be repaid to CFMG Land from the funds raised under this offer of Gardner Road Units.

#### The Development Concept

The Concept Plan set out on page 7 of this SPDS illustrates the proposed development concept.

The proposed development is to comprise 15 residential allotments and other services.

It is proposed that the Property be developed over a single stage.

The allotments proposed to be developed range from 342m<sup>2</sup> to 490m<sup>2</sup> with an overall average land area of approximately 439m<sup>2</sup>.

Subject to the approval of the development application as lodged with the Brisbane City Council, the Property Development involves the development of the Property as residential allotments for on-sale as sites for residential housing.

A development application for the proposed development was lodged with the Brisbane City Council on 21 May 2019. As part of the process of assessing the development application Brisbane City Council issued a Request for Information on 12 June 2019 seeking clarification of certain components of the proposal. The Gardner Road SPV's town planning consultants submitted a formal response to that Request on 24 June 2019 and in the absence of any further Requests being made by Council, the Gardner Road SPV's town planners expect the application to be assessed in the ordinary course.

The statutory 'public notification period' during which Council can accept submissions relating to the development application was completed on 12 July 2019 with one submission being received.

The submission requested that in assessing the development application the Council give consideration to:

- Having the proposed retaining walls stepped;
- Ensuring that all roads align with neighbouring development;
- Conditions to ensure that construction noise and impacts are mitigated;
- Conditions regarding appropriate sewer servicing.

The Gardner Road SPV considers that all these items can be appropriately accommodated and Council has now moved to the decision stage under the Planning Act 2016 (Qld) within which the Council has 20 Business Days to issue its decision notice containing the conditions of the development approval.

As at the date of this SPDS the development application has not been approved by the Brisbane City Council.

#### Marketing and Distribution

The marketing strategy for the residential allotments is intended to include a mix of direct selling to individual buyers and also selling to the local home builders, who on sell the allotments to their clients.

It is proposed that the Gardner Road SPV will direct marketing allotments through a project web site, real estate marketing sites and other media campaigns.

It is anticipated that marketing of the allotments will commence prior to settlement of the purchase of the Property and will continue during construction with allotments to be pre-sold subject to titles being created.

While the Gardner Road SPV anticipates that the above marketing and distribution strategy is appropriate the directors of the Responsible Entity or the Gardner Road SPV are not able to forecast land sales prices or rates.

Sales rates and selling prices can be influenced by a number of factors which are outside the control of either the Responsible Entity or the Gardner Road SPV including property market conditions, supply and demand, interest rates and buyer sentiment.

#### Indicative Property Development Timing

Based on the likely time frames for development approval and engineering plan approvals, it is currently anticipated that the construction works for the Property Development could commence shortly after settlement of the purchase of the Property and the Property Development could be completed by late September 2020.

Marketing is anticipated to commence prior to the construction of the development works, with allotments to be pre-sold subject to titles being created and then continue following completion of the development works and titling process.

Provided that the key assumptions anticipated by the Gardner Road SPV hold true then the anticipated timing for the carrying out of the Property Development is expected to be as follows:

Settlement of Property	September 2019
Subdivision Works	January 2020 to May 2020
Registration of Allotments	June 2020
Settlement of Allotments	July 2020 to September 2020

\* Dates indicative only and subject to change.

Whilst the above is how the Gardner Road SPV anticipates the Property Development could progress, there is no guarantee that the assumptions above will be met. For example, if approval of the development approval is not granted by Brisbane City Council (or is not granted on the terms anticipated) then the Property Development is unlikely to proceed as anticipated or at all and the Gardner Road SPV would be unable to redeem the notes issued to the Trust in turn meaning the Gardner Road Units may have minimal or little value.

The directors of the Gardner Road SPV are not able to forecast land sales rates or other delays which may be experienced with the timing of the Property Development.

Accordingly, the financial performance or returns which may be generated by the Gardner Road SPV is not guaranteed and an investment in the notes to be issued by Gardner Road SPV is considered a speculative investment.

That said, the directors of the Responsible Entity do not intend to allow the Trust to subscribe for the notes unless the directors are satisfied as to the status of the necessary development approvals (and all of the other conditions precedent referred to in the Subscription Agreement have been satisfied, as discussed below). That is, the Trust's investment in the Gardner Road SPV is not intended to proceed unless the directors are satisfied that all those matters are satisfactory.

#### Property Development Finance

The Trust will contribute the capital raised by the issue of Gardner Road Units (less the amounts retained from the subscription price to pay management fees to the Responsible Entity and the initial distribution in June 2020) to the Property Development by taking up notes to be issued by Gardner Road SPV.

The Gardner Road SPV will apply the funds received from the Trust to refunding to CFMG Land the Deposit paid to the Seller of the Property, the costs associated with payment of stamp duty on the purchase contract, the costs associated with carrying out due diligence, the costs associated with the development application and for working capital associated with the Property Development.

Together with the amount raised through the Trust, it is anticipated that a total of approximately \$3.5m in debt finance will be required to complete the Property Development.

Based on the experience of CFMG Land Limited as manager of the Gardner Road SPV in sourcing debt finance from major lending institutions on other similar projects the Gardner Road SPV considers that debt finance can be secured and may be applied towards the funding of part of the purchase price to be paid for the Property and the development costs for the Property Development.

#### **PLANNED FURTHER CAPITAL RAISING BY GARDNER ROAD SPV**

In the immediate future, the Gardner Road SPV will need to raise further funds to complete the contract for the purchase of the Property.

Specifically, the Gardner Road Park SPV will require funds of at least \$3,375,000 to fund the purchase price to be paid for the Property from the Seller in September 2019.

The Gardner Road SPV intends to raise a total of \$2.5m in third party equity inclusive of the capital intended to be contributed by the Trust, and if the capital raised and contributed by the Trust is ultimately less than the \$2.5 million then the Gardner Road SPV intends to raise the balance through the issue of further notes which are likely to rank ahead of the Trust and to secure debt finance to complete the purchase of the Property.

**The abovementioned information is important. This offer of Gardner Road Units should be considered a highly speculative investment opportunity. Completion of the purchase of the Property from the seller of the Property (and the development of the Property Development) is dependent on both the securing of debt finance and the raising of a total at least \$2.5m in third party equity (including the capital intended to be contributed by the Trust) to fund payment of the purchase price for the Property.**

**If the intended capital raising is not successful, the Property Development is unlikely to proceed and Gardner Road SPV would be unable to redeem the notes issued to the Trust in turn meaning the Gardner Road Units may have minimal or little value.**

**That said, the directors of the Responsible Entity do not intend to allow the Trust to subscribe for the notes unless the directors are satisfied the third party funding has been secured (and all of the other conditions precedent referred to in the Subscription Agreement have been satisfied, as discussed below). That is, the Trust's investment in the Gardner Road SPV is not intended to proceed unless the directors are satisfied that all those matters are satisfactory.**

#### **SUBSCRIPTION AGREEMENT**

The Trust's investment in the Gardner Road SPV is by way of a subscription agreement. Upon entering into the subscription agreement the Trust will be issued with notes issued by Gardner Road SPV.

The subscription agreement sets out the terms on which the Trust subscribes for and is issued the notes and the rights and obligations of the parties to that agreement.

The subscription agreement also includes key matters such as the conditions precedent (and subsequent) to the Trust subscribing for the notes, the Trust's step in rights, undertakings by the Gardner Road SPV to the Trust, representations and warranties by the Gardner Road SPV and the terms of the notes (including the interest entitlements attached to the notes, the waterfall of payments relating to distribution of Property Development proceeds and other rights attaching to the notes).

Key conditions precedent required before the Trust will subscribe for the notes issued by Gardner Road SPV under the subscription agreement, include:

- approval by the board of the Responsible Entity to entry into and completion of the subscription agreement;
- the grant of and entry into a general security over the Gardner Road SPV in favour of the Trust which ranks behind other lenders to Gardner Road SPV;
- receipt of an expression of interest from a secured funder to provide property finance and a construction debt facility to Gardner Road SPV outlining the terms and basis on which development finance may be provided to the Property Development on terms satisfactory to the Gardner Road SPV and the Responsible Entity;
- confirmation as to the status of the development approvals required to be able to carry out the Property Development to the satisfaction of the Responsible Entity; and
- receipt of an independent valuation confirming the value of the Property.

Should the Gardner Road SPV default under the subscription agreement (or the management agreement with CFMG Land) and not remedy the default, the Trust may (subject to the rights of the other lenders) exercise step in rights.



The Gardner Road SPV must not, without the Responsible Entity's prior written consent:

- create any liability by way of further financial indebtedness in relation to the Property Development (except in relation to the secured senior debt and the third party equity that is likely to rank in priority to the notes to dividends and/or on winding up);
- create any mortgage, charge or other security interest affecting or relating to the Property Development (other than in relation to the construction debt facility for the Property Development);
- issue or redeem new shares or other securities in the Gardner Road SPV other than in relation to raising the third party equity that ranks equally or takes priority to the notes to dividends and/or on winding up;
- pay any dividends; or
- amend the management agreement with CFMG Land in a manner which materially impacts the Trust.

Under the subscription agreement, the application by the Gardner Road SPV of surplus cashflow of the Gardner Road SPV is to be made in the following order:

**firstly**, to repay the secured funder and interest; then

**secondly**, to pay all taxes and other statutory imposts; then

**thirdly**, to pay all other outstanding costs, expenses and liabilities incurred in the operations of the Gardner Road SPV (including fees to CFMG Land for services provided to the Gardner Road SPV in accordance with the terms of the management agreement); then

**fourthly**, to pay interest and redeem any notes issued or repay any debt that ranks ahead of the notes held by the Trust;

**fifthly**, to redeem all of the notes, *pari passu* amongst the holders of notes that were allotted in the first tranche of allotments plus payment of interest at the rate of 16.9% per annum on those notes redeemed in that tranche (until all those notes have been redeemed and interest at the rate of 16.9% per annum has been paid on all those notes), then

**sixthly** (and thereafter in separate tranches being those same tranches in which the further notes were allotted), to redeem all of the notes allotted in the next and each successive tranche *pari passu* amongst the holders of the notes that were allotted in the relevant tranche plus payment of interest at the rate of 16.9% per annum on those notes redeemed in that tranche (until all notes have been redeemed and interest at the rate of 16.9% per annum has been paid on all notes), then

**finally**, balance of Property Development profits to the Gardner Road SPV.

## ABOUT THE NOTES ISSUED BY GARDNER ROAD SPV

The notes are to be issued on the following basis:

<b>Issue Price</b>	\$1.00 per note.
<b>Type of notes</b>	The notes are issued by Gardner Road SPV and are secured by a general security over Gardner Road SPV.
<b>Interest Payable</b>	An interest payment of 16.9% per annum is payable in arrears on the notes held by the Trust.
<b>Distributions by the Trust</b>	The Responsible Entity intends to make an initial distribution in June 2020 with the final distribution once the notes are redeemed by Gardner Road SPV.
<b>Voting Rights</b>	There will be no entitlement to receive notice of, to attend or to vote at, any general meetings of the Gardner Road SPV or to vote on any written resolution of members of the Gardner Road SPV.
<b>Property Development Cashflow Waterfall</b>	Repayment of the notes is subject to the Property Development cashflow waterfall set out on page 11 of this SPDS.
<b>Redemption Date</b>	Each note issued to the Trust is redeemable on the date which is eighteen (18) months after the issue of the notes or earlier at the election of the Gardner Road SPV (provided that such redemption will not occur until at least 6 months after the note is issued). The Responsible Entity may agree with the Gardner Road SPV to agree to extend the redemption date by up to 6 months.
<b>Redemption Price</b>	\$1.00 per note.

## FORECAST APPLICATION, SOURCES, INCOME AND DISTRIBUTION STATEMENT

The application, sources, income and distribution statement assumes that capital of \$2.5m is raised by the issue of Gardner Road Units and that Gardner Road SPV meets all its repayment obligations on time and in full. It is not a forecast of future performance of the notes, the Gardner Road Units, Gardner Road SPV or the Property Development.

Set out below are the application and sources of Trust funds together with the income and distribution statements of the Fund for the periods ending 30 June 2020 and 30 June 2021.

	Jun-20	Jun-21	Dec-21	Total
Income/Capital				
Units	\$2,500,000.00			
Fixed Return - 16.9% pa	\$422,500.00	\$212,986.30		\$635,486.30
<b>Sub-total</b>	<b>\$2,922,500.00</b>	<b>\$212,986.30</b>		<b>\$3,135,486.30</b>
Distributions				
Asset Identification & Negotiation Fee - 4%	\$100,000.00			\$100,000.00
Management Fee of units on issue - 1%	\$25,000.00	\$12,500.00		\$37,500.00
Annual Fund Expenses - \$30,000 pa	\$30,000.00	\$15,000.00		\$45,000.00
<b>Sub-total</b>	<b>\$155,000.00</b>	<b>\$27,500.00</b>		<b>\$182,500.00</b>
<b>Funds available for distribution</b>	<b>\$2,767,500.00</b>	<b>\$2,872,736.30</b>		
Unitholder Distributions	\$80,250.00	\$2,872,736.30		\$2,952,986.30
Per Unit Distribution	\$0.03	\$1.15		\$1.18

\*The initial distribution on June 2020 will be funded by the Trust retaining an amount from the subscription price for the notes. Whilst the Trust will be entitled to the full 16.9% per annum interest on the amount raised, the funds retained by the Trust will be sufficient to pay for the fees and expenses of the Trust and the initial distribution on June 2020. The final distributions for the financial year FY21 will be totally dependent on the Gardner Road SPV complying in full and on time with its obligations under the terms of the notes.

The forecast application, sources, income and distribution statement is provided for illustrative purposes only and is not represented as being necessarily indicative of the Trust's future financial position or outcomes.

## RISK FACTORS

All investments involve some risk, as investments can decline as well as increase in value. Details of the risks relating to an investment in the Trust are set out in the PDS dated 25 January 2018.

Below are specific risks associated with an investment in Gardner Road Units.

### Specific Risks

An investment in the offer of Gardner Road Units also involves specific risks relating to the Property Development to be carried out by the Gardner Road SPV which is the purchase and development of the Property. These risks are common when undertaking property development. By undertaking a process of due diligence, key Property Development risks are where possible identified and management strategies put in place. This reduces the risk that the Property Development will not perform as anticipated but does not eliminate all risk. Some of the key risks (and potential mitigating factors) are summarised below.

Before deciding whether to subscribe for Units, you should carefully consider the principal risks to which you are exposed and whether the purchase of Units is a suitable investment for you.

If you are in doubt as to whether you should apply for Units, you should first seek advice on the matters contained in this SPDS from a professional adviser.

RISK	RISK MANAGEMENT
<p><b>Planning Risks</b></p> <p>There are risks associated with planning for the Property Development, particularly in relation to obtaining and satisfying conditions relating to a development approval.</p>	<ul style="list-style-type: none"> <li>Professional town planning consultants have been engaged by the Gardner Road SPV to advise in relation to the planning for the Property Development.</li> <li>Gardner Road SPV has advised that an Information Request has been issued by Brisbane City Council on 12 June 2019 and answered by the Gardner Road SPV on 24 June 2019 and no further matters have been raised thereafter. and Based on feedback from the Gardner Road SPV's town planning consultants it is anticipated that the application will be assessed in the ordinary course.</li> <li>A development application was lodged on 21 May 2019.</li> </ul>
<p><b>Development Approval Risk</b></p> <p>There are risks associated with property development projects including in relation to obtaining a development approval and any resulting conditions.</p>	<ul style="list-style-type: none"> <li>Professional town planning consultants have been engaged by the Gardner Road SPV to advise in relation to the planning for the Property Development.</li> <li>SPV has advised that an Information Request has been issued by Brisbane City Council on 12 June 2019 and answered by the Gardner Road SPV on 24 June 2019 and no further matters have been raised thereafter. Based and based on feedback from the Gardner Road SPV's town planning consultants it is anticipated that the application will be assessed in the ordinary course.</li> <li>A development application was lodged on 21 May 2019.</li> </ul>
<p><b>Market Risk</b></p> <p>The Property Development is exposed to changes in the supply and demand for residential dwellings and the values of residential dwellings.</p>	<ul style="list-style-type: none"> <li>A marketing strategy has been developed for the marketing and sale of the allotments intended to be developed in the Property Development.</li> <li>Marketing is anticipated to commence prior to the construction of the development works, with allotments to be pre-sold subject to titles being created and then continue following completion of the development works and titling process.</li> </ul>
<p><b>Market and Site Sentiment</b></p> <p>The market for medium to large subdivision sites is considered to be at, or near its peak. The residential market throughout the growth corridors in South East Queensland is in part driven by interstate and foreign investment as opposed to purely local market fundamentals.</p>	<ul style="list-style-type: none"> <li>A marketing strategy has been developed for the marketing and sale of the allotments intended to be developed in the Property Development.</li> <li>Marketing is anticipated to commence prior to the construction of the development works, with allotments to be pre-sold subject to titles being created and then continue following completion of the development works and titling process.</li> <li>The marketing strategy for the residential allotments is intended to include a mix of direct selling to individual buyers and also selling to the local home builders, who on sell the allotments to their clients.</li> <li>It is proposed that the Gardner Road SPV will direct market allotments through a project web site, real estate marketing sites and other media campaigns.</li> </ul>
<p><b>Sales Risk</b></p> <p>The price achieved for the sale of the residential allotments intended to be developed from the Property may be insufficient to deliver the return on the notes.</p>	<ul style="list-style-type: none"> <li>A sales and marketing strategy has been developed by the Gardner Road SPV which includes a mix of direct selling to individual buyers and also selling to the local home builders, who on sell the allotments to their clients.</li> <li>It is anticipated that marketing of the allotments will commence prior to settlement of the purchase of the Property and will continue during development with allotments to be pre-sold subject to titles being created.</li> </ul>
<p><b>Settlement Risk</b></p> <p>Once allotments are sold there is a risk that buyers do not settle on their purchase. There are risks associated with the validity and enforceability of the sales contracts and satisfying foreign investment laws and regulations. The sale and marketing to foreign buyers is considered to be a higher settlement risk than to domestic owner occupiers due to the lending criteria applied to different categories of buyers.</p>	<ul style="list-style-type: none"> <li>The marketing strategy for the residential allotments is intended to include a mix of direct selling to individual buyers and also selling to the local home builders, who on sell the allotments to their clients.</li> <li>A law firm will be engaged to review and advise on the sale contracts and conveyancing process.</li> </ul>
<p><b>Development Costs Risk</b></p> <p>Budgeted development costs may be materially different to actual costs incurred by the Property Development.</p> <p>Cost overruns or changes to anticipated costs may result in additional equity or debt funds being required, which may dilute or extinguish returns to Unitholders.</p>	<ul style="list-style-type: none"> <li>Gardner Road SPV will engage professional engineering consultants to provide an opinion on costs for the Property Development. The Responsible Entity will only advance subscription money once it is satisfied with the opinion of the professional engineering consultants.</li> <li>It is anticipated that the civil contractor will enter into a fixed-time, fixed price construction contract with Gardner Road SPV to reduce the risk to the Property Development.</li> </ul>

<b>Additional Funding Risk</b> Should the development costs increase, further debt and/or equity may be required to complete the Property Development.	<ul style="list-style-type: none"> <li>Gardner Road SPV will engage professional engineering consultants to provide an opinion on costs for the Property Development. The Responsible Entity will only advance subscription money once it is satisfied with the opinion of the professional engineering consultants.</li> <li>It is anticipated that the civil contractor will enter into a fixed-time, fixed price construction contract with the Gardner Road SPV to reduce the risk to the Property Development.</li> </ul>
<b>Development Delay Risk</b> If development is delayed, then this may lead to increased interest costs, reduced returns to Unitholders and a delay in those returns.	<ul style="list-style-type: none"> <li>It is anticipated that the Gardner Road SPV will seek to avoid delay risks in its construction contract with the civil contractor by entering into a contract which is fixed-time and fixed-price however a delay in the settlement of the Property sales may have an adverse impact on the Project returns and ultimately the interest paid to Unitholders.</li> </ul>
<b>Property Development Debt Financing Risk</b> There are risks with raising the use of debt finance to fund part of the costs of delivering the Property Development. The use of debt funding can increase investment losses.  The Gardner Road SPV has not yet secured debt funding for the Property Development.	<ul style="list-style-type: none"> <li>A condition precedent to the Trust subscribing for the notes issued by Gardner Road SPV is that the Responsible Entity be satisfied with the basis on which development finance may be secured for the Property Development.</li> </ul>
<b>Interest Rate Risk</b> There are risks associated with increases in interest rates impacting the cost of anticipated borrowings over the term of the Property Development.	<ul style="list-style-type: none"> <li>A condition precedent to the Trust subscribing for the notes to be issued by Gardner Road SPV is that the Responsible Entity be satisfied with the terms and basis on which development finance may be secured for the Property Development.</li> </ul>
<b>Counterparty Risk</b> There are risks associated with counterparties fulfilling their obligations including the potential for disputes between the Gardner Road SPV and the manager.	<ul style="list-style-type: none"> <li>The principals of CFMG Land are experienced in managing the delivery of developments such as the Property Development and operating the Gardner Road SPV.</li> <li>The Responsible Entity will closely monitor the progress of the Property Development.</li> </ul>
<b>Conflict of Interest Risk</b> A number of related parties are providing services to the Property Development and receiving fees creating a potential for conflicts of interest.	<ul style="list-style-type: none"> <li>The Responsible Entity has a conflict of interest policy for dealing with conflicts of interest.</li> <li>Should an event of default arise under the subscription agreement and the Gardner Road SPV does not remedy that default then the Responsible Entity will and is required to take action to recover the money owed.</li> <li>Both the Responsible Entity and its directors have a statutory duty to place the interests of Unitholders above their own interests where there is a conflict.</li> <li>The Responsible Entity will keep both the Unitholders of the actions being taken.</li> </ul>
<b>Rectification Risk</b> Upon the completion of the Property Development, there are risks associated with defects in the residential allotments requiring rectification which may prove costly.	<ul style="list-style-type: none"> <li>Under the intended form of civil construction contract, the obligations of rectification works will rest with the contractor.</li> <li>The Gardner Road SPV is intended to have recourse to the contractors bank guarantees to use towards rectification costs should the contractor not meet its obligations.</li> </ul>
<b>Documentation Risk</b> The interlocking arrangements involved in the Property Development and arrangements between the Trust and the Gardner Road SPV are governed by a set of legal documents and contracts which include the Subscription Agreement and Corporate Project and Asset Management Agreement. The risk of dispute over the interpretation or enforceability of the documentation may have a materially negative impact on the Property Development and distributions under the Gardner Road Units.	<ul style="list-style-type: none"> <li>The Responsible Entity will engage professional advisers including in the fields of law to assist in interpreting the agreements.</li> </ul>

## TOWN PLANNING ASSESSMENT

Professional town planning consultants have been engaged by the Gardner Road SPV as the consulting town planners for the Property Development.

The directors of the Responsible Entity note:

- a. a development application for the proposed development was lodged with the Brisbane City Council on 21 May 2019;
- b. As part of the anticipated process of assessing the development application Brisbane City Council issued a Request for Information on 12 June 2019 seeking clarification of certain components of the proposal.
- c. The Gardner Road SPV's town planning consultants submitted a formal response to that Request on 24 June 2019 and in the absence of any further Requests being made by Council, the Gardner Road SPV's town planners expect the application to be assessed in the ordinary course.
- d. The statutory 'public notification period' during which Council can accept submissions relating to the development application was completed on 12 July 2019 with one submission being received.

The submission requested that in assessing the development application the Council give consideration to:

- Having the proposed retaining walls stepped;
  - Ensuring that all roads align with neighbouring development;
  - Conditions to ensure that construction noise and impacts are mitigated;
  - Conditions regarding appropriate sewer servicing.
- e. The Gardner Road SPV considers that all these items can be appropriately accommodated and Council has now moved to the decision stage under the Planning Act 2016 (Qld) within which the Council has 20 Business Days to issue its decision notice containing the conditions of the development approval.
  - f. whilst there is no guarantee that the development application will be approved by the Brisbane City Council, the directors consider the proposed development of the Property is consistent with the town planning scheme and that feedback from the Brisbane City Council officers is that the proposal is supported in principle; and

based on the statutory time frames for the Brisbane City Council to assess the development application that a decision to the application for development approval by the Gardner Road SPV can be expected by the end of September 2019.

## ENGINEERING ASSESSMENT

Professional engineering consultants will be engaged by the Gardner Road SPV to advise on the civil engineering, budgeted development costs, civil design and the servicing and development requirements for the Property.

The directors of the Responsible Entity are satisfied that in their opinion that there are existing services available to the Property or close to the Property to provide connections to storm water drainage, water and sewerage reticulation, electricity and telecommunications.

## RELATED PARTY ARRANGEMENTS

CFMG Land and the Gardner Road SPV are each related parties of the Responsible Entity as they share common directors with the Responsible Entity.

A common risk of related party transactions is that in the event of default, the Responsible Entity (or the Gardner Road SPV) may not enforce its rights against a related party. See sections 3, 8.19 and 8.20 of the PDS for information about our Conflicts Policy that governs the related party transactions we may enter.

Should an event of default arise under the subscription agreement and the Gardner Road SPV does not remedy that default the Responsible Entity will take action to recover the money owed. Both the Responsible Entity and its directors have a statutory duty to place the interests of Unitholders above their own interests where there is a conflict. The Responsible Entity will keep the Unitholders informed of the actions being taken.

The Responsible Entity has not sought member approval to transact with the Gardner Road SPV. The intended terms of the subscription agreement has been benchmarked to market and are in line with industry practice. On this basis, the directors of the Responsible Entity are satisfied the terms of the subscription agreement are on terms no less favourable than they would have been had the terms been negotiated between non-related entities dealing at arms length.

## CONSENTS

The following parties have given and not withdrawn their consent to be named in this SPDS in the form and context in which they are named:

- a. Gardner Road Pty Ltd A.C.N 632 054 249; and
- b. CFMG Land Limi ted ACN 127 663 414.

# Fees and costs update

## Additional explanation of fees and costs

The information below is in addition to the disclosures contained in clause 5.3 of the PDS.

### Indirect Costs Ratio

The Indirect Cost Ratio (**ICR**) for the Trust is the ratio of the Trust management costs that are not deducted directly from a Unitholder's account, divided by the Trust's total average net assets.

The ICR for this Offer is expected to be 9.46% Indirect costs are deducted from the assets of the Trust.

### Example of annual fees and costs for the Trust – for the first year

The table below replaces the table in clause 5.9 of the PDS.

EXAMPLE		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR
Contribution fees	Nil	For every \$50,000 you put in, you will be charged \$0.
<b>PLUS</b> Management Costs	9.46% p.a.	<b>And</b> , for every \$50,000 you have in the Trust you will be charged \$4,730 each year.
<b>EQUALS</b> cost of the Trust		If you had an investment of \$50,000 in the Trust at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of from  <b>\$4,730</b>  <b>What it costs you will depend on the investment option you choose and the fees you negotiate</b>

Note. The management costs above include the one-off 4.4% asset identification, capital raising and structuring fee which is charged only once at the commencement of the investment.

### Example of annual fees and costs for the Trust – for the second (and any subsequent) years

EXAMPLE		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR
Contribution fees	Nil	For every \$50,000 you put in, you will be charged \$0.
<b>PLUS</b> Management Costs	5.06% p.a.	<b>And</b> , for every \$50,000 you have in the Trust you will be charged \$2,530 each year.
<b>EQUALS</b> cost of the Trust		If you had an investment of \$50,000 in the Trust at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of from  <b>\$2,530</b>  <b>What it costs you will depend on the investment option you choose and the fees you negotiate</b>

### Example of annual fees and costs payable by the Gardner Road SPV to CFMG Land Limited

Under the Project and Company Management Agreement the Gardner Road SPV is required to pay CFMG Land a Project Management Fee calculated at 2.2% of the sales revenues from the sale of the finished allotments plus a Company and Asset Management Fee calculated at 3.3% of those sales revenues.

For a \$50,000 investment in the Trust (and assuming the maximum \$2,500,000 in Units are subscribed for in the Trust), you will be charged 3,066 in Project Management Fees and \$4,600 in Company Asset Management Fees over the life of the project. This projection is based on the total Project Management Fees and Company & Asset Management Fees calculated at 2.2% and 3.3% of a hypothetical total projected revenue of \$6,969,998 and assumes the maximum \$2,500,000 of Units are subscribed for under this Offer.

The above calculation also assumes the Gardner Road SPV does not raise any third party investment in addition to the \$2,500,000 investment by the Trust as contemplated under this offer.

# Taxation

The following is a general summary of the expected taxation consequences for Unitholders, in holding Units in the Trust. The Responsible Entity is not licensed to provide taxation advice and cannot provide advice to specific Unitholders, Unitholder should seek advice on the taxation consequence of their investment which takes into account their personal circumstances, from a suitably qualified adviser.

On the basis that the sole activity and income of the Trust will be the acquisition of interest bearing notes, the Trust will qualify as a ‘flow through’ trust for taxation purposes.

The notes to be issued by Gardner Road SPV to the Trust will qualify as debt instruments and the interest payable on those will retain that character for Australian income tax purposes.

Under the terms of the Constitution of the Trust, the Responsible Entity must distribute the ‘distributable income’ of the Trust to Unitholders each year. Accordingly where the Trust has recognised income in excess of expenses for a year Unitholders should have an entitlement to their respective share of the income at year end.

In such cases taxation will not be payable at the Trust level but rather each Australian Resident Unitholder will be subject to tax on their share of the net (taxable) income of the Trust, and will be required to include this in their own returns.

In the case of a unitholder that is not a resident of Australia the Trustee would normally be assessed on the non resident unitholders behalf in respect of the non resident unitholder share of the net (taxable) income. However, where the sole income of the trust is interest, the Trustee will instead deduct interest withholding tax at the rate of 10% from interest amounts as a final tax. Unitholders that are tax residents, or are otherwise subject to taxation in other countries, should seek specific advice from a qualified advisor on foreign taxation implications.

The Responsible Entity will provide Unitholders with a tax statement after the end of each financial year.

## Directors’ Assessment of the Property to be developed

Property Address	238 Gardner Road, Rochedale QLD 4123
‘As is’ or market valuation	\$3,500,000 (excluding GST)
‘Gross Realisation as if complete’	\$6,654,545 (excluding GST)
The Directors based on their experience in the property development business assess the Property to be worth approximately \$3.5 million (exclusive of GST).	



# Application Form

CFMG Equity and Income Funds Limited ACN 112 753 876, AFSL 291390

CFMG Land and Opportunity Fund ARSN 602 610 006 – Gardner Road Units

**Mayfair Lane**  
- ROCHEDALE ESTATE -

Please see next page for instructions on how to complete this application form

- ☐ Read the Product Disclosure Statement and the Supplementary Product Disclosure Statement before investing – it contains important investment information.
- ☐ Each unit will be issued at \$1.00.
- ☐ No units will be issued on receipt of an Application Form which was not attached to or accompanied by the Product Disclosure Statement and Supplementary Product Disclosure Statement or generated by software accessible by the same means as the Product Disclosure Statement and Supplementary Product Disclosure Statement.
- ☐ You agree to us using your personal information in the way the Product Disclosure Statement describes.

Units Applied for:  Price per unit:  Application money:

1.	Unitholder 1 - Mr/Mrs/Ms/Miss	Given Names	Surname	Date of Birth
	<input type="text"/>			<input type="text"/>
	Unitholder 2 - Mr/Mrs/Ms/Miss	Given Names	Surname	Date of Birth
	<input type="text"/>			<input type="text"/>
	Unitholder 3- Mr/Mrs/Ms/Miss	Given Names	Surname	Date of Birth
	<input type="text"/>			<input type="text"/>
	Unitholder 4 - Mr/Mrs/Ms/Miss	Given Names	Surname	Date of Birth
	<input type="text"/>			<input type="text"/>
	Trust/Trust/Superannuation or other incorporated bodies			Trust Details
	<input type="text"/>			
	Controllers of company Unitholder			
	<input type="text"/>			

2. Residential Address/Registered Office Address

Suburb/City	State	Postcode	Country (for company, insert country of incorporation)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Postal address (if different) - Unit/PO Box/House Number/Street Name

Telephone during business hours	Telephone after business hours	Email address
<input type="text"/>	<input type="text"/>	<input type="text"/>

3. Tax File/Australian Business Number(s)

Applicant 1: TFN or ABN or Exemption

Applicant 2: TFN or ABN or Exemption

Applicant 3: TFN or ABN or Exemption

Applicant 4: TFN or ABN or Exemption

4. All Distributions to be paid to the following Account::

Account Name

Account Number

BSB Number

Institution

Branch

5. Declaration

I/We agree to be bound by the terms of the Product Disclosure Statement and the Constitution of the Trust as amended from time to time. I/We warrant that I/we have received in Australia and read a copy of the Product Disclosure Statement accompanied by or attached to this Application Form.

Until notice is received by any one of the Applicants, the investment can be operated by any one of the signatories below. Delete if not applicable.

**Is the individual a US citizen or resident of the US for tax purposes?**

Yes ☐ If yes, provide the individual's US Taxpayer Identification Number (TIN):

No ☐

6. Applicant signature(s)

Director/as trustee for (If applicable)

Please print full name here

Date

Director/as trustee for (If applicable)

Please print full name here

Date

Director/as trustee for (If applicable)

Please print full name here

Date

Director/as trustee for (If applicable)

Please print full name here

Date

FOR OFFICE USE: Applicant's identity verified as per requirements of the Anti Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) (**AML/CTF Act**). The Responsible Entity reserves the right to withhold formal acceptance of an Application and to defer processing an Application unless and until sufficient identifying information for an Unitholder has been supplied to establish compliance with the AML/CTF Act and the Rules under the AML/CTF Act.

Amount \$ \_\_\_\_\_ Account No. \_\_\_\_\_ Units Issued: \_\_\_\_\_

# *How to complete the application form*

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- ☐ complete in BLOCK LETTERS
- ☐ if you make a mistake, cross it out and initial it - do not use correction fluid
- ☐ attach your 'not negotiable' cheque payable to:  
The Trust Company (Australia) Limited ACF CFMG Land and Opportunity Fund – Gardner Road Units
- ☐ send this form to:  
PO Box 663 FORTITUDE VALLEY QLD 4006
- ☐ EFT your application monies to:  
Account: The Trust Company (Australia) Limited ACF CFMG Land and Opportunity Fund – Gardner Road Units  
Bank: ANZ  
BSB: 012 003  
Account No: 838142889

## THESE INSTRUCTIONS ARE CROSS REFERENCED TO EACH SECTION OF THE FORM

### 1. UNITHOLDER NAME

- |                            |  |
|----------------------------|--|
| Individuals                | Give full name – not initials  |
| Person under the age of 18 | Use name(s) of parent(s) or guardian(s) e.g. John Smith <Sam Smith A/C>                            |
| Companies                  | Use company title e.g. John Smith Pty Limited as well as inserting ACN                             |
| Trusts                     | Use the name of the Trustee and name of Trust e.g. John Smith Pty Limited <Smith Family Trust A/C> |
| Superannuation Trusts      | Use the name of the Trustee and name of Trust e.g. John Smith Pty Limited <Smith Super Trust A/C>  |

If the Unitholder is acting as a trustee, ensure the full name of the trust or fund is included in the Unitholder's description. If the trust or fund is not Australian based, identify the country in which the trust or fund was established in 'Trust Details'.

In 'Trust Details' or in an accompanying page, also insert any ABN allocated to the trust or fund and add identifying wording to identify:

1. the ARSN, if the trust or fund is ASIC registered; or
2. if the trust or fund is an ATO Self Managed Superannuation Trust, and if so, insert 'SMSF'; or
3. if the trust or fund is regulated by APRA, and if so, write 'APRA Regulated' and the APRA registration number; or
4. if none of these categories apply, insert 'Other' and applicable descriptions, such as 'Family Discretionary Trust', 'Unit Trust' or 'Other'.

For the box headed 'Controllers of company Unitholder', please supply full names of shareholders who hold more than 25% of the shares in the Company, together with their percentage holding. This information is only needed for Australian proprietary limited companies. Attach a separate page if insufficient space.

If the company Unitholder is a foreign company, but is a majority owned subsidiary of an Australian listed company, insert in the box headed: 'Controllers of company Unitholder' – words of or to the effect of 'Controlled by listed Australian company'.

If a foreign company is the Unitholder, but the company is not registered with ASIC, specify on the form or on an accompanying page if it is a public or private company, its country of origin, any identifying number similar to an ACN or ARBN and its principal business address in its country of origin. If the Applicant is a foreign private company, supply the full name of every director on an accompanying page.

If the Applicant is an association, the full names of members of its board or governing committee need to be included on an accompanying page.

If the Applicant is a registered cooperative, the full names of its chairman, secretary or equivalent officer needs to be supplied on an accompanying page.

If the Applicant is a government body, it needs to supply the name of legislation creating its establishment, identifying whether it is Commonwealth, State or foreign legislation that creates its establishment.

## **2. RESIDENTIAL AND POSTAL ADDRESS AND CONTACT DETAILS**

Enter your residential or registered office address details. Please complete the postal address if your mail is delivered to a different address. If you state your email address, all reports may be sent to you by that means.

## **3. TAX FILE NUMBER (TFN)/AUSTRALIAN BUSINESS NUMBER (ABN)**

You are not required to give us your TFN or ABN. However if you do not quote either, we are required to withhold tax (at the highest marginal rate plus Medicare Levy) from Distributions paid to you. Collection of TFN's is authorised and their use and disclosure are strictly regulated by the tax laws and Privacy Act. By quoting your TFN or ABN you authorise us to apply it to your investment and its disclosure to the Tax Office.

## **4. DISTRIBUTIONS**

Distributions are automatically reinvested. However, if you would prefer them to be paid to you, you must complete the appropriate details at this item.

## **5. DECLARATION**

Please read the Declaration, indicate whether you are a citizen of the United States of America and sign at item 6.

## **6. SIGNATURE**

The Application Form should be signed and dated by all Unitholders. Companies would be expected to sign by two directors or by one director and the company secretary. In the case of a sole director company, when signing, add wording: 'Signed as sole director and sole secretary'.

For further details please contact the investor relations team at CFMG Capital:

PO Box 663  
Level 2, 117 McLachlan Street  
Fortitude Valley QLD 4006

P: 1800 155 526  
E: [investorrelations@cfmgcapital.com.au](mailto:investorrelations@cfmgcapital.com.au)  
W: [cfmgcapital.com.au](http://cfmgcapital.com.au)

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