



Trim Capital Select Mortgage Fund

Information Memorandum

Issued by Trim Capital Pty Ltd ACN 652 971 750

Version 1.0

Dated 24 September 2024

Disclaimer

This Information Memorandum is designed to help you decide if the Trim Capital Select Mortgage Fund (the **Fund**) is the right investment for you.

Trim Capital Management Pty Ltd ACN 671 562 762 (**Trim**) is the trustee and manager of the Fund (**Trustee** and **Manager**). The Trustee does not have an Australian Financial Services Licence (**AFSL**). Trim Capital Pty Ltd (ACN 652 971 750) (**Trim Capital**), which is the holder of an AFSL (AFSL No. 526147), is the issuer of this Information Memorandum. The Trustee has entered into an intermediary authorisation arrangement for the purposes of section 911A(2)(b) of the Corporations Act 2001 (Cth) (**Corporations Act**). Under that arrangement, the Trustee will issue units in the Fund (**Units**) in accordance with offer to arrange for the issue of the Units on the terms of this Information Memorandum. The Trustee is a Corporate Authorised Representative, CAR 001307969 of Trim Capital.

No person other than Trim Capital has caused or authorised the issue of this Information Memorandum or takes any responsibility for the preparation of this Information Memorandum or the establishment of the Fund.

Investments in the Fund will be by invitation only. This Information Memorandum and the offer to which this Information Memorandum relates is only available if you are, and by accepting this Information Memorandum you are representing that you are, a Wholesale Client (**Eligible Investor**). This Information Memorandum is not a prospectus or product disclosure document under the *Corporations Act 2001* (Cth) (**Corporations Act**) and is not required to be and has not been lodged with the Australian Securities and Investments Commission (**ASIC**) under the Corporations Act.

Interests in the Fund will primarily be issued as units in the Fund (**Units**). The Fund's trust deed (**Trust Deed**) provides for different Classes of Units (**Classes**). Under the Trust Deed, the different Classes may have different rights and obligations. The performance of different Classes may also differ depending on the investments of that Class. Holders of different Classes will be treated fairly.

Holders of Units (**Unit Holders**) are not entitled to cooling off rights under the Corporations Act or any other legislation. Please contact the Trustee if you have any queries in relation to cooling off rights. Neither the Trustee nor Trim Capital is obliged to accept applications and reserves absolute discretion in limiting or refusing any application.

This Information Memorandum contains a non-exhaustive summary of certain proposed features of the Fund.

No person guarantees the performance of, or rate of return from, the Fund nor the repayment of capital from the Fund. An investment in the Fund is not a deposit with, nor another liability of, Trim Capital, the Trustee or any of their related bodies corporate, associates, directors, officers, employees and advisers (**Relevant Persons**), nor any other person. Investment in the Fund is subject to investment risks, including possible delays in repayment and loss of income and capital invested and is suitable only for potential investors who do not require immediate liquidity for their investments. Prospective investors should only consider investing if they fully understand and are willing to assume the risks involved in the Fund's investment program. Please see Section 5 for further details on the risks of investing in the Fund.

To the maximum extent permitted by law and subject to the Trust Deed, the Relevant Persons do not provide any representations or warranties in relation to this Information Memorandum or the Fund and disclaim all responsibility in relation to the Information Memorandum and the Fund. No Relevant Person makes any representation or warranty as to the accuracy or truth of the contents of this Information Memorandum.

This Information Memorandum supersedes all previous representations (including presentations, brochures and information memoranda) in relation to the Fund and the offer in this Information Memorandum. Trim Capital and the Trustee reserve the right to modify, withdraw, reject or cancel any offering made pursuant to this Information Memorandum at any time prior to accepting any application. This includes the right to close the offer at any time, accept late applications, increase or decrease the size or timing of the offer in its sole discretion.

Any information or representations not contained in this Information Memorandum may not be relied upon as having been authorised by Trim Capital or the Trustee (as applicable) and should be disregarded.

Any forward-looking statements in this Information Memorandum (including statements of intention, projections and expectations of investment opportunities and rates of return) are made only at the date of this Information Memorandum based on current expectations and beliefs but involve risks, contingencies, uncertainties and other factors beyond the control of Trim Capital and the Trustee which may cause actual outcomes to be materially different. Assumptions underlying such statements involve judgements which may be difficult to accurately predict. Therefore, such forward looking statements included in this Information Memorandum may prove to be inaccurate and should not be relied upon as indicative of future matters.

This Information Memorandum is not intended to be a recommendation by any Relevant Person to invest in the Fund. Recipients should read this Information Memorandum in its entirety and seek independent advice from their financial, tax and other professional advisers before applying to subscribe for Units. The information provided in this Information Memorandum is general information only and does not take into account the personal objectives, financial situation or needs of any persons. Prospective investors should read this Information Memorandum carefully and conduct and rely on their own investigation of the Fund and consider whether investing in the Fund is suitable to their individual circumstances before making an investment decision based on this Information Memorandum. Potential investors are not to construe the contents of this Information Memorandum as legal, financial or tax advice.

The Trust Deed (which is available on request from the Trustee) should be considered in conjunction with this Information Memorandum. To the extent of any inconsistency between this Information Memorandum and the Trust Deed, the Trust Deed will prevail.

Australian Goods & Services Tax (GST)

Unless otherwise stated, fees and costs disclosed in this Information Memorandum are exclusive of Australian GST.

Australian dollars

All amounts in this Information Memorandum are given in Australian dollars unless specified otherwise.

Updated information

Information in this Information Memorandum, as well as the terms and conditions of the offer or the Fund, may be changed from time to time. This Information Memorandum is current as at the date of issue and neither the Trustee nor Trim Capital has any obligation to update the contents of this Information Memorandum.

Capitalised terms are used throughout this Information Memorandum. Please see Section 10 for the glossary of defined terms.

Selling restrictions

This Information Memorandum does not constitute an offer or invitation in any place or to any person in or outside of Australia where it would be unlawful to make such an offer or invitation. No public offer of Units will be made in any country.

This document may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding or distribution, in whole or part, is unauthorised. Failure to comply with this directive may result in violation of laws of other jurisdictions.

Supplementary Information Memorandum

Trim Capital and/or the Trustee may issue a Supplementary Information Memorandum in relation to specific classes of Units, to supplement any relevant information in this Information Memorandum.

Any Supplementary Information Memorandum should be read together with this Information Memorandum before making a decision to acquire Units.

Contents

1. Executive Summary.....	6
2. Key Features of The Fund	7
3. About the Fund	9
4. Investment Strategy – Loan Trust	12
5. Key Risks of Investing in the Fund.....	18
6. Fees	22
7. Investment in the Fund	24
8. How managed investment schemes are taxed.....	27
9. Additional Information.....	28
10. Glossary.....	32

1. Executive Summary

Introduction

Trim Capital is pleased to arrange for investors to invest in the Trim Capital Select Mortgage Fund (**Fund**). The Fund is a contributory mortgage fund which allows investors to choose which loans they wish to invest in. The loans are secured over real property, predominantly Australian residential property. Other security types may include industrial, office, retail, hotels, and agricultural land. The loans feature repayment of principal and accumulated interest together at maturity and are typically under 24 months in tenure.

The Fund serves business borrowers who may not conform to the credit underwriting and serviceability requirements of major Australian banks. Typically, these borrowers have assets to provide security and may not be able to demonstrate regular cashflow in a structure which is computable to traditional lenders' rigid processes.

2. Key Features of The Fund

Structure

The Fund is an unregistered Australian managed investment scheme structured as a unit trust. The Fund has two sub-trusts, the Trim Capital Select Cash trust (**Cash Trust**) and the Trim Capital Select Loan Trust (**Loan Trust**).

- The **Cash Trust** invests in at call bank deposits, that is deposits with institutions holding an Authorised Deposit Institution licence issued by the Australian Prudential Regulatory Authority. The Fund will issue you Cash Units which provide you with returns and risks based on the investment returns of the Cash Trust.
- The **Loan Trust** invests in Loans and for each Loan will issue Loan Class units and Manager Class units to the Fund corresponding to the specific Loan. The Fund will issue you Loan Class Units which gives you returns and risks based on the specific Loan associated with the Loan Class Units.
- On repayment of a Loan by a borrower to the Loan Trust, your Loan Class Units will be automatically converted into Cash Units based on the value of your Loan Class Units.
- You may redeem some or all of your Cash Units - see section 7 for more details.
- You may not redeem any of your Loan Class Units. These can only be converted by the Fund into Cash Units following repayment of the Loan associated with your Loan Class Units.

Details of each **Loan Class** (i.e. each mortgage investment) will be provided in a **Supplementary Information Memorandum**.

Trustee and Manager

Trim Capital Management Pty Ltd ACN 671 562 762 is the trustee and investment manager ('Manager') of the Trim Capital Select Mortgage Fund (**Fund**). The Manager is responsible for the day to day management of the Fund.

Eligible Investors

The offer is only open to investors who are Wholesale Clients (**Eligible Investor**).

Minimum Investment

Investors must invest a minimum amount of AUD \$500,000 (**Minimum Investment Amount**), unless otherwise agreed by the Trustee. The Trustee may vary the Minimum Investment Amount in its absolute discretion and without prior notice to other existing or prospective investors.

Investor Reporting

Investors will receive the following information regarding their Fund investment:

- Receipt of funds notification;
- Distribution statements; and

- Financial reports for a financial year.

This information will be provided electronically.

Applications

This Information Memorandum is the first part of a two-part application process, allowing for the investment in the Cash Units. You will be subsequently provided with separate documents being the Supplementary Information Memorandum for each Loan Class.

An application for Cash Units can be made by signing the Application Form in the Information Memorandum and delivering it and the application funds to the Administrator.

An application for transferring from Cash Units into Loan Class Units can be made by signing the Supplementary Application Form in the Supplementary Information Memorandum and delivering it to the Administrator.

The initial offer price of Units is \$1.00 per unit.

Administrator

The Administrator is Trim Capital Management or such other administrator appointed by the Fund from time to time. Certain functions may be delegated by the Administrator to service providers.

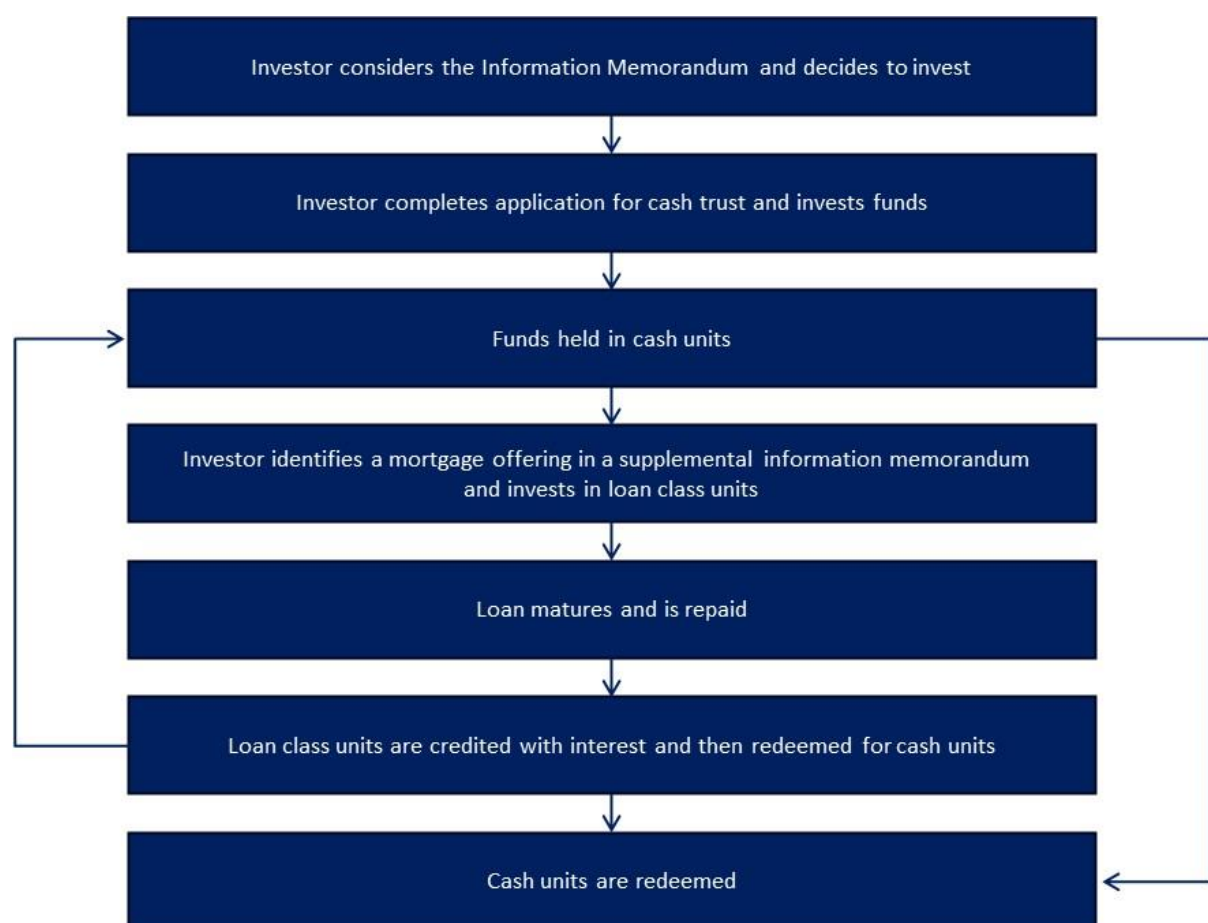
3. About the Fund

The Fund offers you the opportunity to choose the mortgage investments in which you invest. You select which mortgage investment suits you, based on information about the mortgage investment, its term and interest rate, the security property and the borrower. You receive the benefits and the rights that attach to the mortgage investment that you select and are exposed to its specific risks. You are not required to fund the full loan amount.

The Loan Trust will hold the Funds' mortgage investments. Each Loan Tranche will hold a specific mortgage investment.

Upon repayment by a borrower of a mortgage loan your Loan Class Units will be automatically converted into Cash Units for withdrawal or re-investment into open Loan Classes at your election.

Figure: Investment process



Source: Trim Capital

This Information Memorandum is the first part of a two-part disclosure process, and you will be subsequently provided with a separate document called a Supplementary Information Memorandum for a specific Loan. The Supplementary Information Memorandum supplements the information contained in this Information Memorandum and will provide you with information about the specific Tranche you select, with details of the underlying mortgage asset such as the location, the property, the interest rate and the term of the investment.

You should consider the information in this Information Memorandum before deciding to invest in the Fund and in the Supplementary Information Memorandum before deciding to convert Cash Units into Loan Class Units.

The rates of return are not guaranteed and are determined by the performance of the investment you select as disclosed in the Supplementary Information Memorandum.

Loan Trust

Investment objective and strategy

The Fund seeks to provide specified rates of return over a set period to investors, by investing in mortgages secured by Australian real estate assets.

The Trim Capital Select Mortgage Fund has a strong focus on pursuing a strategy with less volatility than traditional direct property investments. The Fund is suitable for investors who are seeking risk adjusted returns, underpinned by security over real property assets and who have a medium-term investment horizon.

Underlying Investments

As a contributory mortgage fund, investors can select opportunities which satisfy their investment goals and risk appetite, including loan to valuation ratio, geography, security type, specified return and duration.

The fund will focus on sourcing residential real estate mortgage opportunities, however may source commercial, retail, industrial or agricultural opportunities. Whilst the Fund will focus on real estate in major Australian metropolitan capital cities, the Fund can also invest in real estate in other urban areas and regional centres.

The Fund will invest in loans predominately secured by first-ranked mortgages secured by Australian real estate assets. Some second ranking mortgages with attractive attributes may also be offered.

You select which mortgage investment suits you, based on information about the mortgage investment, its term and interest rate, the security property and the borrower set out in the Supplementary Information Memorandum for the Loan Class Units associated with the particular Loan.

The Manager's team undertakes an extensive origination process for all Loans and provides ongoing management for the term of the investment.

Investment Term

The investment term for each Loan Class will be set out in the Supplementary Information Memorandum for that Loan Class. The usual term is between 12-24 months.

Liquidity

Liquidity is dependent on the borrowers repaying the Loans on the due date, and Unit Holders are only entitled to withdraw from the Fund through their Cash Units once the Loan or the relevant Loan Class Units have been repaid by the borrower.

Distributions

As the mortgages offered are “bullet” mortgages, distributions occur upon repayment of the Loan.

Cash Trust

The only assets referable to the Cash Trust will be cash and basic deposit products and may include bank accounts and term deposits with Authorised Deposit-Taking Institutions (ADIs).

The Fund may make these investments itself directly, or indirectly through investing in other funds which invest in these types of assets.

4. Investment Strategy – Loan Trust

Investment Background

The Fund serves business borrowers who may not conform to the credit underwriting and serviceability requirements of major Australian banks. Typically, these borrowers have assets to provide security who may not be able to demonstrate regular cashflow in a structure which is computable to traditional lenders' rigid processes.

Non-bank lenders such as the Trim Capital Select Mortgage Fund, unlike Authorised Deposit Taking Institutions (e.g. Banks), are not required to meet APRA's expectations for residential mortgage lending, including Serviceability Assessments of borrowers.

The Trim Capital Select Mortgage Fund will service business borrowers with assets to provide security and a clear exit strategy to meet the loan obligations.

Specified Investment Return

Returns are specific to each individual Loan. The return is only whilst you hold Loan Class Units. Monies held in Cash Units will earn interest at the relevant bank's prevailing at-call rate.

Each investment typically aims to provide investors with a **total return of 7-11%** (annualised, and after all fees and costs). Individual returns will vary according to the risk characteristic of the underlying Loan Class selected.

There is no guarantee of the investment result, the return of capital, or the amounts payable to Unit Holders, and there are risks associated with an investment in the Fund. These risks are explained in Section 5 in this Information Memorandum.

Strong Investment Pipeline

Trim has extensive transaction sourcing capabilities and networks. This ability has been demonstrated using existing relationships with borrowers as well as brokers.

Trim also has access to an extensive established portfolio of quality loans from its related parties and third-party sources. Trim prides itself on its origination capability and the quality and quantity of opportunities this will deliver for the Fund.

Our team has decades of cumulative experience in real estate investment and financial analysis are exceptionally suited to underwriting the loans we make. Since 2020 we have applied this approach with our own capital, originating over \$37 million in loans with no loss of capital. Given the success of this strategy and the insatiable demand for capital we are witnessing, we are now opening it to wholesale investors.

Investment Profile

The Fund intends to provide strong relative value by providing loans secured over established real property, predominantly Australian residential property. Other security types may include industrial, office, retail, hotels, and agricultural land. The loans feature repayment of principal and accumulated interest together at maturity and are typically under 24 months in tenor.

Prior to commitment from the Fund, loans will generally have to meet the following guidelines in each Tranche:

Loan Guidelines

<i>Borrower</i>	<p>The assessment process will consider a Borrower's credit worthiness, character and competency to properly manage their business affairs and the security (i.e., Mortgage and if applicable Security interest(s) they can offer in respect of the Loan). This may be:</p> <ul style="list-style-type: none"> • Small businesses • Corporate businesses • Professionals and high net worth individuals
<i>Purpose</i>	<p>Loan proceeds may be used for purposes including:</p> <ul style="list-style-type: none"> • Acquisition of assets (including property and equipment) • Refinance existing lending facilities (which may include the refinancing of Business Loans made by the Manager or by its related or associated parties) • Access equity in property asset for any worthwhile purpose including payment of tax debt • Short-term business cash flow requirements • Seeking Bridging Finance when repositioning their asset portfolios. <p>Loans must be used for commercial and business purposes only and may not be used for consumer purposes.</p>
<i>Security</i>	<p>Loans are secured by registered, predominately first mortgages over real estate. Acceptable property against which the Fund secures Loans may be residential, commercial, retail, industrial, or agricultural land.</p> <ul style="list-style-type: none"> • A Loan Tranche may invest in a second ranking mortgage. • A Loan Tranche may invest in land finance, bridging finance and other forms of property financing. • The Loan Trust is not permitted to invest in construction finance.

<i>Security location</i>	It is anticipated security will be primarily located in the eastern seaboard capital cities, however properties or businesses for which the Fund advances Loans may be located anywhere in Australia.
<i>Maximum loan to value ratio</i>	Each loan cannot exceed 80% loan to value ratio.
<i>Loan Size</i>	Minimum \$100,000 per transaction. Maximum loan value is \$25 million per transaction
<i>Loan tenor</i>	Typically 12-24 months. The Manager may extend the term of the loan.
<i>Insurance</i>	Adequate insurance over the mortgage security must be in place and the interest of the trustee of the Loan Trust will be noted as mortgagee on the relevant policies.
<i>Independent Valuations</i>	An acceptable valuation on a property being offered as security is to be provided by an independent, qualified and registered valuer prior to advancing loan funds.
<i>No Consumer Loans</i>	The Fund will not provide loans which fall under the National Consumer Credit Protection Act 2009.

The Fund will not hedge interest rates or invest in any derivatives. The interest rates charged to a particular Borrower in a Loan Tranche reflect a blend of economic conditions, interest rates charged by other mortgage providers, and the risks associated with the Borrower or the nature of the security provided.

The Fund may provide mezzanine finance or second ranking mortgages secured over the real estate. The Fund will generally only provide mezzanine finance where the terms and conditions are considered to be favourable by the Manager (e.g. secure borrowers with an acceptable rate of return).

Manager Co-Investment

In each loan, Trim Capital (or related entity) may commit capital alongside you in a subordinated position to ensure manager alignment. This position underscores our belief in both the strategy and our execution as the investment manager.

Each Loan Tranche within the Fund comprises of an Loan Class, and a Manager Class. The Manager Class is subordinated to the Loan Class in relation to capital returns and income distributions, providing first-loss protection and income prioritisation to investors. The Manager Class for each Loan Tranche will be specified in the Supplementary Information Memorandum and will vary based on loan characteristics, up to 20% of the Loan Value.

This position underscores Manager's belief in both the Fund's strategy, and its ability to execute as the investment manager.

Figure: Additional buffer to investors provided by Manager Class units



Source: Trim Capital

The above diagram is intended for demonstration purposes only. The LVR spread proportioned between Manager Class and Loan Class may vary from investment to investment and is specified in the Supplementary Information Memorandum.

At the expiry of a Loan, when the underlying loan matures or default is rectified, net available proceeds of the repayment of the Loan will be distributed according to the following priorities:

1. Payment of any liabilities that have priority at law.
2. Payment of the Trustee and the Manager's out of pocket expenses incurred in the proper performance of its duties.
3. Payment of Loan Class's Issue Price.
4. Payment of Loan Class's units specified return.
5. Payment of Manager Class's Issue Price.
6. Payment of Manager Class's units return.

The subordination of the Manager Class's issue price and units return provides investors with protection to provide confidence that they will receive their specified return.

Defaults

Loan Defaults may occur both when the Borrower does not make an interest payment, as well as where the Borrower has not otherwise complied with a term of the underlying Security Documents.

If the loan enters default, a higher rate of return (**Default Rate**) may become payable to the Loan Trust and some or all of the Default Rate will be distributed to Unit Holders. Details of the **Default Rate** for each Loan Class will be provided in a **Supplementary Information Memorandum**

Credit Assessment of Loans

The Manager's role includes credit assessment of loans.

To ensure the quality of the Fund's underlying loan assets, the Manager conducts a credit assessment of every Loan accepted into the Fund or renewed. The Manager may also take other factors into account, and if so, this will be disclosed to Unit Holders in the relevant Supplementary Information Memorandum. For every Loan, the Manager takes into account the following:

Borrower Character: Assessment whether the borrower is a good credit prospect by reviewing the borrower's previous conduct. This may involve consideration of issues such as, but not limited to, the borrower's credit history, loan payment and/or repayment history, net asset position relative to stage of life, current employment and stability of employment and residence.

Capital: Restrictions on the maximum permissible loan to valuation ratios ('LVR'). This limits the Fund's exposure to a loan and requires that the borrower source any additional funds required. To ensure that we have sufficient security, we control LVRs on a loan by loan basis. Except as disclosed in a Supplementary Information Memorandum, we will lend no more than 80% of the value of the security property.

Security: In all cases, the Manager will obtain a registered mortgage over a property to support each and every loan accepted into the Fund. The maximum loan size is \$25 million in all areas.

The Manager only lends against established properties classified as residential, commercial, retail or industrial. The Manager will obtain, where required, a certificate of currency for property insurance policy adequately covering any improvements on the security property.

In addition to the registered mortgage, the Manager may obtain additional collateral, such as personal guarantees, general security agreements (company charges) and directors' guarantees.

Borrower Strategy: The manager will verify the borrower's ability to meet their obligations under the loan by verifying the exit strategy at the conclusion of the loan, which may include saleability of the security property, the expected value of the asset and the ability of the Borrower to refinance.

Conditions: By placing conditions on an offer of finance, we provide additional protection to Investors' interests in a loan. For example, we can require that a guarantor obtain independent legal advice, the borrower obtains an independent valuation of security offered or that the borrower use part of a loan advance to repay other debts. These conditions are applied on a case by case basis.

From time to time we will offer loans outside these parameters. Acceptance of these loans will be disclosed to Unit Holders in the relevant Supplementary Information Memorandum associated with the particular Loan.

Loan Renewals

As investments mature and capital is released from the Loan Class, your money will be placed into the Cash Trust, and will be available for you to withdrawal or to invest in another loan.

If an individual borrower seeks to renew a loan in which you are invested for a further term, the loan will be re-submitted to the Loan Class Unit Holder by way of another Supplementary Information Memorandum for your consideration and approval. Provision of the Supplementary Information Memorandum to Unit Holders will generally occur prior to maturity but it is dependent on completion of our credit assessment. There will be no obligation on you to approve the renewed loan and if you do not so approve, your Loan Class Units will be converted into Cash Units, which are then available for redemption by you, subject to discharge, refinance of the loan by the borrower, or location of a replacement Unit Holder. If a Borrower is unable to repay the loan at maturity, we will take the appropriate action to protect your interests. This may include legal action, informal loan extensions and any other action we deem necessary. At all times we will keep you informed.

Lending Committee

The Manager has formed a Lending Committee. This committee requires a unanimous resolution for a transaction to be approved for investment by the Fund. The Lending Committee will also have the ability to review and change the terms, conditions and pricing of any proposed transaction.

The Lending Committee has a wealth of knowledge spread across the investment, risk, operations and distribution functions of the business.

5. Key Risks of Investing in the Fund

It is important potential investors understand the possible risks that can affect their investment. All investments are subject to risk and therefore may impact contributed capital or specified returns. None of the Trustee, the Manager or any of their respective affiliates, guarantee any level of return to Unit Holders or gives an assurance that the Fund will achieve its return objectives in a timely manner.

Applicants should also be aware that an investment in the Fund may carry risks additional to those generally associated with investing. Potential investors should obtain independent advice from their financial, tax and other professional advisers before applying to subscribe for Units.

While not exhaustive, the following risks should be considered prior to any investment:

Investment liquidity risk

An investment in the Fund is designed to be held until at least the loan maturity date specified in the Supplementary Information Memorandum. Once an investor has subscribed for Units in an Loan Class, Units generally cannot be redeemed unless the Loan is paid out by the Borrower. Before investing, investors should therefore carefully consider the fixed term nature of an investment in the Fund on the basis that their investment will not generally be available for redemption until the Loan term.

Credit risk

Credit risk is the risk that the asset in the Loan Tranche will decline in price or fail to pay interest or principal when due because the credit counterparty or Borrower experiences a decline in its financial status. Losses may occur because the value of the asset is affected by the creditworthiness of the Borrower and by other economic and industry conditions.

Default risk

The Fund will invest primarily in loans related to established real estate. Default risk is the risk that an approved counterparty defaults on their obligations. For example, failing to make a payment due or to return the principal. To mitigate counterparty risk of loan arrangements, loans will only be entered into with approved counterparties which the Manager will assess using risk control parameters and eligibility criteria. Security over the property will be taken.

Counterparty and operational risk

The repayment of capital from the Fund is not guaranteed. This means you could lose some or all of your investment in the Fund. Counterparties to the Trustee may default on a repayment obligation to the Trustee. The ability of a counterparty to meet their contractual obligations is linked to its financial wellbeing (that is, counterparty risk) and the effectiveness of its internal systems, processes and procedures (that is, operational risk). If a counterparty defaults under their respective contractual arrangements, there is no guarantee all of the principal and interest owing by the counterparty will be recovered.

Security risk

There is no guarantee that where there is a default by a Borrower on the Fund's underlying debt, the security held by the Fund will be sufficient or effective to cover any losses incurred as a result of the default. Where such security is insufficient or ineffective, this may result in a diminished return on Loan Class units for investors.

Enforcement risk

If a Borrower defaults, the Fund may have to enforce its security to recover the Loan and any unpaid interest. Consequently, any enforcement delay may result in the Fund temporarily having insufficient money to pay all distributions relating to that Loan.

Junior Lender risk

For Loan Tranches that invest in a second ranking mortgage over the secured property (which ranks in priority behind a senior lender), the Manager's ability to recover the amount owing will be affected by the actions of the senior lender in the event of a default by the Borrower. Generally, the senior lender will have the right to take possession of, and deal with, the secured property and assets of the Borrower if various covenants of the senior lender's loan facility are not met. As a Loan's security may rank behind that of the senior lender, if the Borrower defaults under any of the Loans and the senior lender exercises its security, the Manager will not have day-to-day control over the Borrower's assets. This will generally mean that the Trustee or the Manager cannot exercise the Loan's security until the senior lender has been paid in full.

Pre-paid and capitalised interest risk

A Loan Tranche may capitalise interest payments on Loans, by including the interest payable on the Loan in the original loan amount. This is often referred to as 'pre-paid interest'. The interest is therefore not funded out of the Borrower's ongoing cash-flow. Therefore, there is a risk the profit that the Borrower achieves out of the sale of the property may not be sufficient to repay the total Loan. This includes both principal and interest. The Fund may also capitalise interest where a Loan falls into arrears. This means the total amount owed by the Borrower will increase as the Borrower fails to make the required payments under the Loan. The Loan will still be regarded by the Fund as being in arrears.

Regulatory risk

There may be changes in laws, regulations, government policies, taxation laws, generally accepted accounting policies or changes in their interpretation. These changes may adversely impact the Fund, Unit Holders or investments of the Fund. The Trustee reserve the right to take steps to limit or prevent any adverse effects of such changes, including altering its investments or, if possible, restructuring the Fund.

Market risk

Market risk is the risk that a general downturn in economic conditions, whether they be global, domestic, or local, adversely affects the Fund. Economic risk may impact on a Borrower's ability to

repay loans, the value of underlying security properties, and the value of other investments held. Investment returns are therefore influenced by the performance of the market and of the economy.

Procurement and documentation risk

This includes risk associated with inadequate or incomplete documentation. An extensive review of all documentation will take place from both a commercial and legal standing.

Indemnity risk

The Fund will indemnify the Trustee against claims, liabilities, costs and expenses incurred by it through its activities on behalf of the Fund or the Unit Holders. This indemnity will only apply where the Trustee acts in good faith and without gross negligence.

Distributions risk

Distributions will be made by the Fund in accordance with the Trust Deed and the Trustee's absolute discretion, taking into account the short-term cash flow requirements of the Fund. Monies available for distribution may first be paid out or retained to meet any other liabilities or obligations of the Fund. Distributions may be made in specie, rather than in cash.

Concentration risk

Each Loan Class is limited to one Loan within the geography and property sector.

Fund risk

These are risks specific to managed funds. Risks include that the Fund could terminate, the fees and expenses of the Fund could change, the Trustee may be replaced, and the Manager may be replaced as manager of the Fund.

Tax risk

Australia is a high tax jurisdiction with complex tax laws. An investment in the Fund may give rise to a variety of complex tax issues for Unit Holders, some of which may relate to special rules applicable to certain types of investors. Prospective investors are urged to consult their own tax advisers with reference to their specific situations concerning an investment in the Fund.

Foreign investment restrictions

The Foreign Investment Review Board policy and legislation may prevent certain persons or entities from investing in the Fund.

Property location and condition

In general, the location, age, construction quality and design of the properties may affect the value of the properties. The characteristics of the area or market in which the properties are located may change over time.

Legal risks

The risks associated with the individual property and associated legal obligations. These risks will generally be reviewed by the Trustee and appropriate legal consultants.

6. Fees

Management Fee

Nil

Performance Fee

Nil

Management Units

The Manager is entitled to a return on its Management Units of the whole amount by which the return of each Tranche exceeds the specified Loan Class return (after other fees and expenses and exclusive of any GST). That is, the Manager only receives a return after the Unit Holder receives the specified return.

Transaction Costs

Transaction costs incurred in the acquisition or disposal of the assets of the Fund such as transaction fees, taxes and stamp duty will generally be paid for out of the Fund.

Expenses Recovery

The Trust Deed permits certain expenses to be recovered directly from Trust property. Normal expenses include administrator's fees, registry costs, audit, accounting fees, tax consulting fees, postage and printing costs. These normal expenses are deducted from the Fund.

The Trustee is also entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of Unit Holder meetings, defending legal proceedings, special valuation of assets and the costs of terminating the Fund. These expenses are not generally incurred during the day-to-day operation of the Fund and are not necessarily incurred in any year. Abnormal expenses, if any, are deducted from the Fund.

Set-Up Expenses

The Borrower will bear all legal, accounting, consulting, filing and other out-of-pocket fees and expenses incurred in connection with setting up each Tranche. The set-up expenses for a Tranche is provided in the relevant Supplementary Information Memorandum.

Related Party Transactions

In the management of the Fund, Manager may enter into other agreements with related parties. For example, the Manager or other related entities may earn fees from up front and ongoing fees paid by borrower.

All related party transactions are conducted on arm's length terms. Any conflict of interest or potential conflict of interest is managed in accordance with the Manager's internal conflict of interest policy.

Related Party transactions may include:

- Purchase of Mortgage Assets from Manager or Manager related parties.
- Sale of Mortgage Assets from the Fund to Manager related parties.
- Investment of Cash Class funds in Manager related parties products.

Transfer Fees

The Trustee may charge an investor the costs incurred by the Trustee in relation to approving and administering a transfer of units from one unitholder to another. .

Borrower Fees

Once a Loan is approved an establishment fee typically being 1.0% - 2.5% (plus GST) of the loan amount with no maximum fee, may be paid to the Manager by the Borrower when it originates a loan. The fee reimburses the Manager for time taken to analyse the Borrower and the loan purpose, obtain all the necessary financial information, and undertake credit assessment and due diligence inquiries and instruct solicitors.

Investors pay no establishment fees. Any fees are paid direct by the Borrower to the Manager.

7. Investment in the Fund

Applications

To invest in the Fund, you must complete the Application Form for this Information Memorandum (and provide the required customer identification material listed in that form). To invest in a Loan Class also complete an application form that forms part of the Supplementary Information Memorandum. Application monies must be denominated in Australian dollars only. Application monies are to be transferred by electronic funds transfer (EFT) from an eligible Australian or overseas bank. Please make sure you carefully read and understand the terms of the Application Form.

The Trustee is not obliged to accept an application and may reject any application without giving reasons.

Minimum Initial Amount

The initial Minimum Investment Amount is \$500,000. The Trustee may vary the Minimum Investment Amount in its absolute discretion and without prior notice to other existing or prospective investors.

Issue Price

The issue price of Units to be issued will be \$1.00 per unit as set out in the Trust Deed unless otherwise determined by the Trustee.

Issue Date

The Issue Date for a Class of units will be determined by the Trustee and advised after the Application Form has been received. Usually the Issue Date will be the first business day of the following month after cleared funds have been received.

Processing

To be issued Units, investors must provide the Administrator with the completed Application Form, supporting material and application money in cleared funds.

The Administrator will acknowledge receipt of any application on behalf of the Fund. In the event no acknowledgement is received from the Administrator within five (5) days of submitting the application, the applicant should assume that the application has not been received and they should contact the Administrator via email or telephone to confirm the status of their request.

None of the Trustee, the Manager or the Administrator accepts responsibility for any loss arising from the non-receipt or illegibility of any application or for any loss caused in respect of any action taken as a consequence of such non-receipt or illegibility of any application.

Redemptions

Redemptions are not available to Unit Holders during the agreed term of each Loan Class and the Trustee is under no obligation to process a redemption request from a Unit Holder during the agreed term of a Loan Class.

Redemptions are only available from the Cash Trust. Redemption requests are to be made online using the appropriate form available via our website. Under normal conditions, we will seek to process redemptions from the Cash Trust within 4 business hours of redemption receipt, which may be the next business day. If PayID details have been provided, we will attempt to process the redemption in real-time using the New Payments Platform if it is available. If PayID details have not been provided or the New Payments Platform is unavailable we will conduct an EFT funds transfer, which could take up to an additional 3 business days for our banking providers to process. The minimum redemption amount is the smaller of \$100,000 or your balance in Cash Units.

Redemptions may be delayed by the Trustee in accordance with the Trust Deed.

Distributions

Distributions to Unit Holders of net income is intended to be pre-paid or during the term of the loan, at a fixed or variable rate. The type of distribution will be identified in the Supplementary Information Memorandum. Distributions are dependent on the borrower making the payments required under the loan.

Transfers

The Trustee may, at its absolute discretion, consider and approve transfer requests from Unit Holders who need, through unforeseen and exceptional circumstances, to transfer part or the whole of their investment to a third party. A transfer request can be given to the Trustee by email or in writing and is subject to the transfer requirements in the Trust Deed of the Fund and the Trustee's transfer policies. The transfer would only be considered if a Substitute Unit Holder is available. An authorised transfer in such an instance will be subject to payment of the Trustee's cost in association with the transfer. Please refer to Section 5 in this Information Memorandum.

None of the Trustee, the Manager or the Administrator accepts responsibility for any loss arising from the non-receipt or illegibility of any transfer request sent by email, or for any loss caused in respect of any action taken as a consequence of such non-receipt or illegibility of any transfer request.

Valuations

Internal Valuations

The Fund's assets will generally be valued quarterly, in accordance with the Australian equivalent of the International Financial Reporting Standards.

The Net Asset Value of the Fund is calculated by deducting from the aggregate value of the assets of the Fund all liabilities such as accrued fees and other costs, and provisions relating to the Fund. Fees and other costs, are accrued on a daily basis, but normally booked in the Fund's accounts monthly.

From the Net Asset Value the value of each Loan Tranche and the relevant Loan Class and Manager Class units is then calculated.

External Valuations

For all security properties, we obtain an independent valuation both at initial approval and at renewal (generally no more than three months old at the first loan advance, although the Trust Deed permits the use of a valuation made six months before advance). These valuations are conducted by a qualified and registered valuer who is independent both of the borrower and the Trustee and who adheres to an industry code of conduct. The exception to this is that, in some cases, we may rely on the valuation stipulated in the most recent municipal rates notice if the value of the loan is to be 40% or less of the municipal rates notice valuation.

In some instances, where collateral security is sought, a charge may be registered on a property where a valuation has not been obtained. The collateral security may be secured by a charge such as a caveat or first or subsequent ranking mortgage (which may or may not be registered).

8. How managed investment schemes are taxed

Investors should seek their own taxation advice about making an investment in the Fund. Taxation can differ by the type of legal entity used by an investor.

9. Additional Information

Investor Reporting

Unit Holders will be provided with the reports set out in the table below. Unit Holders will also receive confirmations of their Unit applications and redemptions. Unit Holders may ask the Manager for additional information as reasonably required, although the Manager may not always be able to satisfy such requests.

Report Timing

<i>Receipt of funds notification</i>	Provided within 10 Business Days of the invested monies.
<i>Distribution statements</i>	Provided within 10 Business Days of the payment of each distribution.
<i>Financial accounts for a financial year</i>	Provided to each Unit Holder within 120 days after the end of the financial year.

Compulsory Withdrawals

Unit Holders' Units may be compulsory redeemed under, and in accordance with, the Trust Deed where for example:

- Units are held in breach of prohibitions contained in the Trust Deed;
- Units are held in circumstances which might result in a violation of an applicable law (including by the Fund, Trustee or Manager) or subject the Fund to taxation or otherwise adversely affect the Fund, Trustee, Manager or Unit Holders in any material respect; or
- the Unit Holder made a misrepresentation in acquiring its Units.

Further Information

A non-exhaustive summary of some of the key terms of the offer and the Trust Deed has been set out in this Information Memorandum. For further information about the Fund, or to request a copy of the Trust Deed, please contact the Manager.

Offer Changes

The Trustee reserve the right to cancel the offer in relation to the Fund and return application monies (without interest) for whatever reason, as well as to update or change the terms of the offer.

Conflicts of Interest

The Trustee or any of its associates may, from time to time:

- hold Units;
- represent or act for, or contract with, their affiliates and associates or Unit Holders;
- deal in any capacity with the Trustee or with any related body corporate or associate of the Trustee or with any trust. The Manager is also the Trustee and the Fund may invest in loans to established real estate which was developed by strategic partners and related parties of the Trustee.
- invest in and deal in any capacity, with the same investments as that of the Fund, on similar or different terms;
- act in various capacities in relation to, or be otherwise involved in (such as by way of investment), other business activities that may be in competition with the interests of Unit Holders;
- recommend that investments be purchased or sold on behalf of the Fund, regardless of whether at the same time it may buy, sell or recommend, in the same or in a contrary manner, the purchase or sale of identical investments in relation to itself or other clients;
- deal in any investment regardless of whether that dealing is inconsistent with the dealing of the Fund;
- act in any capacity in relation to any other trusts, including subscribing for units in other trusts on behalf of Unit Holders;
- arrange, advise, consult, manage or act in any other capacity including as trustee of another trust or in connection with investment management arrangements, investment or advisory mandates and/or other similar arrangements (including, without limitation, where such capacities, arrangements or mandates involve activities similar to the Trust);
- appoint any agents and use brokers, custodians and clearing houses and other persons, including related parties, for the purposes of it meeting its obligations and responsibilities in respect of the Fund;
- acquire or dispose of trust property to associates of the Trustee at the price and in the manner contemplated by this Information Memorandum or the Trust Deed; or
- receive and retain profits or benefits of any nature in connection with the Fund, including buying or selling trust property from or to itself in another capacity, and may do so without being liable to account to Unit Holders.

Anti-Money Laundering

The Trustee is required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth) (**AML/CTF Law**). This means the Trustee will require you to provide personal information and documentation in relation to your identity when you invest in the Fund. The Trustee may need to obtain additional information and documentation from you to process your application or subsequent transactions, or at other stages during your investment.

- The Trustee may need to identify:
- Unit Holder prior to issuing Units. The Trustee will not issue Units until all relevant information has been received and your identity has been satisfactorily verified;
- your estate – if you die while you are the owner of Units, the Trustee may need to identify your legal personal representative prior to redeeming Units or transferring ownership; and
- anyone acting on your behalf, including your power of attorney.

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

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

In order to comply with AML/CTF Law, the Trustee may be required to disclose information that the Trustee holds about you or any beneficial owner of investments to third parties, including their related bodies corporate or relevant regulators of AML/CTF Law.

Privacy

The Application Form accompanying this Information Memorandum requires you to provide personal information. The Trustee and service providers to the Trustee may collect, hold and use your personal information in order to assess your application, service your needs as a Unit Holder, provide facilities and services to you, the Trustee or the Fund and for other purposes permitted under the *Privacy Act 1998* (Cth).

Tax and company law may also require some of the information to be collected in connection with your application. If you do not provide the information requested, or provide incomplete or inaccurate information, your application may not be processed efficiently, or at all. Your information may also be disclosed to your financial adviser (if any) and to the Trustee's agents and their service providers on the basis that they deal with such information in accordance with the Trustee's privacy policy respectively.

Your personal information may also be used to monitor and evaluate products and services or to inform you about other investment opportunities. Please contact the Trustee if you do not want your personal information to be used for this purpose or have any concerns about the completeness or accuracy of the information you provided. You may also request a copy of your personal information held by the Trustee.

Administrator

The Trustee conducts the administration of the fund, and may enter into Administration Agreements with service providers to assist in the administration of the fund.

The Trustee provides the following administrative services including:

- processing of the issue, transfer and redemption of shares/units;
- maintenance of the Fund's Register of investors;
- maintaining the Fund's financial books and records so far as may be necessary to give a complete record of all transactions carried out by the Fund;
- performing anti-money laundering procedures in respect of investors and prospective investors in the Fund (provided that the Trustee shall ultimately be responsible for ensuring appropriate compliance with all relevant anti-money laundering obligations); and
- performing such other services as may be agreed in connection with the administration of the Fund as agreed between the Fund and the Trustee and the Administrator.

Service providers have no supervisory role in relation to the operation of the Fund and have no liability or responsibility to a unit holder for any act done or omission made in accordance with any agreement with the Trustee.

Tax Information Sharing Obligations

As a result of the signing of the intergovernmental agreement between the Australian and United States (**US**) governments in relation to compliance with the Foreign Account Tax Compliance Act ('FATCA'), a US statute, the Trustee is required to collect and report information about investors who are US tax residents or entities that invest on behalf of US tax residents to the Australian Taxation Office (**ATO**). This information may be forwarded by the ATO onto the US Internal Revenue Service. To assist us in complying with these obligations, we will require certain information from you when completing the Application Form attached to this Information Memorandum.

The OECD Common Reporting Standard (**CRS**) is a global standard for the collection, reporting and exchange of financial account information on foreign tax residents. The CRS requires the Fund to collect certain information about an investor's tax residence. If an investor is a tax resident of any country outside Australia, the Fund may be required to pass certain information about the investor (including account-related information) to the ATO. The ATO may then exchange this information with the tax authorities of another jurisdiction or jurisdictions, pursuant to intergovernmental agreements to exchange financial account information. Although the CRS does not involve any withholding tax obligations, please be aware that the Fund may use an investor's personal information to comply with the CRS obligations and may contact an investor if additional information is required.

Contact Details

Trustee

Trim Capital Management Pty Ltd ACN 671 562 762

Address Level 18, 56 Pitt Street, SYDNEY NSW 2000

Telephone (02) 9136 2375

Email info@trimcapital.com.au

Website www.trimcapital.com.au

10. Glossary

Term Definition

<i>\$</i>	means Australian dollars
<i>ABN</i>	means Australian business number that is a single identifier used to deal with the Australian Taxation Office and other Australian Government agencies
<i>Administrator</i>	means Trim Capital Management Pty Ltd ACN 671 562 762
<i>AFSL</i>	means Australian financial services licence
<i>Application Form</i>	means the application form in respect of the Fund attached to this Information Memorandum.
<i>APRA</i>	means Australian Prudential Regulation Authority
<i>ASIC</i>	means Australian Securities and Investments Commission
<i>Borrower</i>	means the borrower under a given Loan
<i>Business Day</i>	means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney.
<i>CAR</i>	means Corporate Authorised Representative
<i>Class</i>	means a class of Units in the Fund to which debt assets are allocated separately from other classes
<i>Loan Class</i>	an Loan Class receives a return specified in the respective Supplementary Information Memorandum, subject to the risks outlined in this Information Memorandum.
<i>Manager Class</i>	means the Manager Class Units in the Fund. These are subordinated to Loan Class Units and Cash Units and provide first-loss protection and income prioritisation to investors. The Manager Class for each Loan Tranche will be specified in the Supplementary Information Memorandum and will vary based on loan characteristics, up to 20% of the Loan Value.
<i>Corporations Act</i>	means <i>Corporations Act 2001 (Cth)</i>
<i>Dealing Date</i>	means the date that transfers will take place which will be one Business Day after the month end from when a transfer request approved by the Trustee
<i>Eligible Investor</i>	means a person who is a Wholesale Client

<i>Fund</i>	means the Trim Capital Select Mortgage Fund
<i>GST</i>	means goods and services tax
<i>Issue Date</i>	means the date that Units in a new Loan Class are issued as determined by the Trustee. Usually one business day after month end from when a fully completed Application Form is received.
<i>Loan</i>	means a loan granted by the Fund to a Borrower in which investors may choose to invest in accordance with the terms of this Information Memorandum
<i>Loan Tranche</i>	means a loan which has been unitised into Loan Class and Manager Class units, separately from other Tranches
<i>Manager</i>	means Trim Capital Management Pty Ltd ACN 671 562 762
<i>Information Memorandum</i>	means this Information Memorandum dated 24 September 2024 as amended from time to time
<i>Minimum Investment Amount</i>	means the minimum investment amount of \$500,000 to be committed by the investor upon subscription unless a lesser amount is determined by the Trustee.
<i>Net Asset Value</i>	means the Value of assets of the Class less the liabilities of the Class of units
<i>Supplementary Information Memorandum</i>	means a supplementary information memorandum in respect of a particular Loan Class.
<i>Tranche</i>	means a Loan to which a Loan Class and a Manager Class of Units in the Fund have been allocated separately from other Tranches
<i>Trustee</i>	means Trim Capital Management Pty Ltd ACN 671 562 762
<i>Units</i>	means the units in the Fund issued by the Trustee in accordance with the Trust Deed
<i>Unit Price</i>	means the Unit Price for the relevant Class is the net asset value of the Class divided by the number of units in the relevant Class as determined by the Trustee. The Unit Price will be calculated to two decimal places.
<i>Unit Holder</i>	means a holder of Units in the Fund
<i>Wholesale Client</i>	has the meaning given to that term in the Corporations Act