MONARK
Realising the remarkable

Monark Prime Credit Fund

Information Memorandum

SEPTEMBER 2026

Disclaimer and Important Information

This Information Memorandum has been prepared by Monark Securities Pty Ltd ACN 635 529 412 (**Trustee**) (AFSL No. 519884). The manager of the Fund is Monark Secured Debt Management Pty Ltd ACN 620 206 911 (**Manager**) and is an authorised representative of the Trustee. Monark Property Partners Pty Ltd ACN 160 949 691 (**Monark**) sources credit opportunities for the Fund and controls the Trustee and Manager.

Purpose of this Document

This Information Memorandum (**Fund IM**) is intended for the exclusive use of potential investors in the Monark Prime Credit Fund (the **Recipients**) for the purpose of evaluating the opportunity to invest in the Fund and may not be reproduced, used, or given to any other person, in whole or in part, for any purpose other than the purpose for which it is intended. By accepting and not returning this Fund IM, Recipients accept and agree to the conditions set out under the heading Confidentiality and Non-disclosure below. If these conditions are not acceptable, this Fund IM must be returned to the Trustee immediately.

This Fund IM is solely for information purposes and does not constitute a product disclosure statement or disclosure document as defined under the *Corporations Act 2001* (Cth) (**Corporations Act**).

The issue of Units in the Fund does not require the giving of a product disclosure statement under Part 7.9 Division 2 of the Corporations Act. The Fund is not, and is not required to be, a registered managed investment scheme under the Corporations Act.

This Fund IM does not constitute an offer to sell or the solicitation of an offer to buy any securities or other financial products other than Units in the Fund.

Recipients should read this Fund IM in its entirety.

Wholesale Clients Only

This Fund IM is not intended for use by any person that does not qualify as a Wholesale Client for the purposes of the Corporations Act.

This Fund IM is not intended for use by any person outside Australia.

General and Not Specific Advice

The information contained in this document does not purport to be all-inclusive nor does it contain all of the information that Recipients may wish to consider prior to investing in the Fund.

This Fund IM contains general information only and has been prepared without taking into account the objectives, financial situation or needs of any particular person.

In all cases, Recipients should conduct their own investigation and analysis of the Fund and the information set out in this Fund IM. In addition, Recipients should seek independent professional advice as to the financial, taxation and other implications of investing in the Fund and the information contained in this Fund IM. None of the Trustee, the Manager, Monark or any of their respective related entities, directors, officers, employees, or associates (together the **Monark Group**) make any representation or warranty as to the accuracy or completeness of the information in this Fund IM.

No Warranty and No Reliance

The Monark Group makes no representation or warranty, express or implied, and assumes no liability in respect of the authenticity, origin, validity, completeness, reasonableness, or accuracy of, or for any errors in or omissions from, the information, statements, forecasts, historical information, estimates, target returns, projections, opinions, and comments contained herein, all of which may contain subjective considerations.

The Monark Group (to the maximum extent permitted by law):

1. disclaims all liability in connection with this Fund IM (including any responsibility for any errors or omissions in the financial calculations set out in this Fund IM) or any other written or oral communications transmitted to Recipients in connection with the Fund;
2. accepts no liability whatsoever for any loss, damage, costs, or expenses incurred or suffered arising in connection with this Fund IM; and
3. does not represent that:
   a. all information that is relevant to the offer or the acquisition of Units has been provided in this Fund IM; or
   b. all information provided under this Fund IM is accurate, correct, or complete, or does not contain misleading or deceptive statements.

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

Except where expressly disclosed, the information contained in this Fund IM has not been independently verified or independently audited.

Foreign Jurisdictions

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

It is the responsibility of any person located in a jurisdiction other than Australia to ensure compliance with all laws of any country relevant to the offer. The completion and submission of an Application Form will be taken to constitute a representation and warranty that there has been no breach of any relevant laws and that all approvals and consents have been obtained.

Financial Information and Forecasts

All projections, forecasts, estimates, target returns and calculations (**Forward-looking Statements**) in this Fund IM are for illustrative purposes only using assumptions described herein. The calculations are based on certain assumptions, which may not be realised. In addition, such Forward-looking Statements involve a number of risks and uncertainties. Actual results may be materially affected by changes in economic, taxation and other circumstances. The factors that could cause actual results to differ materially from the Forward-looking Statements include, among other things, changes in interest rates, changes in general economic conditions, changes in the property market and the supply and demand for commercial property.

The reliance that Recipients place upon the Forward-looking Statements in this Fund IM are a matter for their own commercial judgment. No representation or warranty is made that any Forward-looking Statements in this Fund IM are accurate or will be achieved.

No performance guarantee

None of the Trustee or the Monark Group or their officers, employees, related parties, associates, consultants, advisors and agents, or any other person, guarantees the performance or success of the Fund, the repayment of capital invested in the Fund by a Recipient, any particular rate of return on investments in the Fund or (where information about tax is provided) any particular tax treatment.

There can be no assurance that the Fund will achieve results that are comparable to the track record of the Trustee or the Monark Group, or that the Fund's investment objectives will be achieved.

An investment in the Fund does not represent a deposit with, or a liability of, the Trustee or the Monark Group or any of their associates. The Trustee is not authorised under the *Banking Act 1959* (Cth) and is not supervised by APRA, and investments in the Fund are not covered by the depositor protection provisions available to depositors that make a deposit with an Australian authorised deposit-taking institution (ADI) under that Act.

Confidentiality and Non-disclosure

This Fund IM and its contents are proprietary and confidential to the Monark Group. This Fund IM and its contents, and any information that is made available in connection with further inquiries, must be held by Recipients in complete confidence and not used for any purpose other than to consider whether to invest in the Fund. This Fund IM must not be copied nor have its contents disclosed by Recipients to any other person other than employees or professional advisors of Recipients and then only for the sole purpose of Recipients considering and taking advice as to whether to invest in the Fund.

Risks

Investment in the Fund is subject to certain risks including the loss of part or all of the amount invested and possible delays in repayment. The risks associated with an investment in the Fund are different to a cash deposit or investment in an ADI.

Recipients should carefully consider the risks set out in section 2.10 of this Fund IM, and other risks, before deciding whether to invest in the Fund.

Offer Changes

The Trustee reserves the right to update or change the terms of the offer or cancel the establishment of the Fund and return the Investors' investment amount (without interest) for whatever reason.

Applications

Recipients seeking to invest in the Fund must complete and submit the online Application Form, a link to which will be provided on request by Monark Investor Relations when the Fund is open to new investment.

The Trustee reserves the right to accept and/or reject applications in its absolute discretion.

Trustee limitation of liability

Except in certain circumstances prescribed by law, the Trustee enters into transactions in respect of the Fund in its capacity as trustee of the Fund only, not in its own capacity, and its liability in relation to those transactions is limited to the assets of the Fund.

No cooling-off rights

No cooling-off period applies to the issue of Units.

Updated information

Information in this Fund IM may change. Updated information regarding this Fund IM may be made available by the Trustee; however, the Trustee is not required to, and may not, update, supplement or replace this Fund IM.

Summary of key documents only

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

Key Date

This Fund IM is dated 1 September 2026.

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Letter from the CEO

Dear Investor

I am delighted to invite you to invest in the Monark Prime Credit Fund (**Fund**).

As its name suggests, the Fund's overriding priority is to safeguard Investor capital and then to maximise returns. It will invest only in senior debt facilities, originated by Monark Property Partners Pty Ltd (**Monark**), which are secured by first-ranking registered mortgages over Australian property.

Monark chooses carefully where to invest, preferring to focus on the 'middle property market' – mid-sized developments in selected, premium geographical areas. This sector is characterised by firm pricing and limited volatility, characteristics that present us with high quality collateral with which to secure our facilities.

We believe that the Fund's current return of 8.6% per annum (as at the date of this document) represents an exceptional risk-adjusted return which allows Investors the potential to receive a strong yield at what we believe to be a prudent risk.

Since its inception in 2013, Monark has committed over $2.0 billion of capital across 298 property investments with a gross realisable value of $6.7 billion. Our experience, discipline and a naturally cautious approach has resulted in an unblemished track record with 100% preservation of investor capital. This is an achievement of which we are both proud and determined to maintain.

Several more compelling reasons to invest in the Fund include:

- expected stable, consistent investment experience generally uncorrelated with volatile investment markets;
- expected stable and regular monthly income distributions;
- a conservative loan-to-value ratio (with a maximum weighted average LVR of 65% over the Fund) providing substantial protection against investment loss;
- an opportunity to invest with one of Australia's most respected and substantial family offices on the same terms; and
- an intention to facilitate limited liquidity where Investors seek to exit.

In order to ensure minimal cash-drag and an optimum yield for Investors, the Fund will only open as and when liquidity is required to fund transactions.

Should you wish to discuss the Fund or Monark in general, please do not hesitate to contact me, my joint Executive Director, Adam Slade-Jacobson, or my colleagues Dani Peer, Marina Shnaider, Gini Li, and Shallan Donohoe. Our contact details appear on the last page of this document.

Yours sincerely

Michael Kark

Michael Kark
CEO and Executive Director
Monark Property Partners

Executive Summary

About Monark

*Monark Property Partners Pty Ltd (**Monark**) is a real estate financier and investor known for its disciplined, cautious, and patient approach to investing.*

Monark was established in 2013 as a joint venture between Bori Liberman's Family Office (**Jagen**), and Michael Kark and Adam Slade-Jacobson (Monark's Executive Directors), with the vision of bringing quality property projects to life through innovative funding solutions which generate great outcomes for both our development and funding partners.

Monark chooses carefully where to invest, preferring to focus on the 'middle property market' – mid-sized developments in selected, premium geographical areas. This market has proven to be more resilient than other sectors with less volatile pricing providing stronger security.

To date Monark has committed over $2.0 billion of capital across 298 property investments with a gross realisable value of $6.7 billion. Monark's disciplined, cautious, and patient approach has resulted in an unblemished investment track record whilst providing significant risk-adjusted returns for investors.

About the Monark Prime Credit Fund

The Monark Prime Credit Fund (**Fund**) is a diversified portfolio of secured private debt facilities originated by Monark. Each Facility is secured by a first-ranking registered mortgage on Australian property. Our overriding priority is to safeguard Investor capital and then to maximise returns.

The Fund is open-ended. Facility repayments will be redeployed in the Fund thereby providing Investors with ongoing access to Monark's highly regarded secured private debt opportunities. It is expected that Investors will receive monthly income distributions reflecting both received and accrued interest. However, given interest is generally capitalising, distributions will be funded from all available cash in the Fund.

Other key benefits offered by the Fund include:

- Partnering with an experienced, established real estate financier and investor with an unblemished track record.
- Conservative loan-to-value ratio (with a maximum weighted average loan to value ratio (**LVR**) of 65% over the Fund) providing substantial protection against investment loss.
- Expected stable and consistent investment returns, generally uncorrelated with volatile investment markets.
- Investor alignment with material investment in the Fund made by Monark shareholders and executives on the same terms, and in the same Unit class, as other Investors.
- Basic 0.5% per annum administration fee with no entry, exit or performance fees.
- Preferred access to Monark's highly sought-after direct investment opportunities (those not taken up by the Fund).
- An intention to facilitate limited liquidity where Investors seek to exit.

1. The Case for Investing in Secured Private Debt

The Fund invests in a diversified portfolio of secured private debt facilities. Secured private debt is an established and highly sought-after asset class that continues to attract strong investment inflows.

As the name suggests, there are three parts to the investment:

Secured

Each debt Facility is secured against one or more assets with ascertainable value. This is the investor's 'plan B', a 'safety net' if the original investment thesis fails. If the Facility's counterparty – the Borrower – cannot repay the principal and interest, the lender can seek to recover the balance owing via the proceeds from the sale of the security. Whilst security can take many forms, the security supporting each Facility in the Fund is particularly strong, being a first-ranking registered mortgage on Australian property.

Private

The Fund facilities are not listed on any financial market. They are originated by Monark for the benefit of Monark investors and cannot be accessed other than through the Fund, or in some cases offered by Monark as direct investments. Whilst being private and unlisted does impact on the investments' liquidity, there is a substantial benefit in that the investment ordinarily experiences little-to-no volatility. Secured private debt tends to offer investors a smooth and stable investment experience.

More so, investors are rewarded for the illiquid nature of the asset class with yields usually well in excess of those available from listed securities with arguably similar risk profiles. This benefit is called the 'illiquidity risk premium'.

Debt

Most debt facilities have two particularly attractive qualities – protection against first loss and a degree of predictability.

With regards to first loss, unlike equity investments, investing in debt does not generally expose investors to first loss. This means that the rights of the debt investor are always ahead of the equity investor. So, should the asset against which the debt is secured lose value, this loss will first be borne by equity investors. The degree to which this loss is absorbed by equity investors is governed by the Facility's 'loan-to-value' ratio. An example will clarify this point.

> *A loan is extended to a Borrower as a secured private debt facility. The loan is for $6.5M and the secured asset is valued at $10M. The loan-to-value ratio is therefore 65%.*
>
> *Now assume the secured asset loses 20% of its value. The loss to equity investors is approximately 57% ($2M loss over $3.5M equity). The loss to the secured private debt investor is zero. Should the Borrower fail to repay their loan, the secured asset should be able to realise $8M. The proceeds easily cover the $6.5M extended.*

With regards to predictability, most debt arrangements (certainly all secured private debt facilities in the Fund) are defined by a contract. The term of the loan, the interest rate charged, the nature of the security, and many other factors governing the Borrower's obligations are clearly stated. This provides a degree of certainty absent from most other investments.

The combination of stable security, strong yield, safety, and certainty has made secured private debt a highly sought-after investment.

2. More About the Fund

2.1. Key Features of the Fund

- Partnering with an experienced, established real estate financier and investor with an unblemished track record.
- Strong cash yield – current return of 8.6% per annum (as at the date of this document).
- Expected stable and consistent investment returns generally uncorrelated with volatile investment markets.
- Expected stable and regular monthly income distributions paying both received and accrued interest.
- The Fund is open-ended. Facility repayments will be redeployed in the Fund thereby providing Investors with ongoing access to Monark's highly regarded secured private debt opportunities.
- Returns provided by a diversified portfolio of first-ranking registered private debt Facilities with Australian property as collateral.
- Investment focus in the Australian 'middle property market' – mid-sized developments in selected, premium geographical areas that have historically shown limited volatility and reduced exit risk.
- Conservative loan-to-value ratio (with a maximum weighted average LVR of 65% over the Fund) providing substantial protection against investment loss.
- Investor alignment with a material investment in the Fund made by Monark's shareholders and executives on the same terms, and in the same Unit class, as other Investors.
- Opportunity to invest with one of Australia's most respected and substantial family offices on the same terms.
- Basic 0.5% per annum administration fee with no entry, exit or performance fees.
- Preferred access to Monark's highly sought-after direct investment opportunities.
- An intention to facilitate limited liquidity where Investors seek to exit.
- Awarded 'Approved' rating by independent research house BondAdviser.

2.2. Fund Summary

Fund	Monark Prime Credit Fund (**Fund**).
Fund Structure	The Fund is an open-ended unlisted unit trust that is an unregistered managed investment scheme. The size of the Fund will comprise all units issued (**Units**), however there will not be an overall target size for the Fund. The Fund will open for subscriptions (**Round Offerings**) at designated time periods over the life of the Fund.
Trustee	The Trustee of the Fund is Monark Securities Pty Ltd ACN 635 529 412 AFSL No. 519884 (**Trustee**). The Trustee is responsible for the operations of, the issuing of Units in, and the acquisition of assets for, the Fund.
Manager	The Manager is Monark Secured Debt Management Pty Ltd ACN 620 206 911, as corporate authorised representative of the Trustee (**Manager**). The Manager is appointed by the Trustee to provide day-to-day management services for the Fund, pursuant to the Investment Management Agreement.
Monark	Monark Property Partners Pty Ltd ACN 160 949 691. Monark sources credit opportunities for the Fund. The Trustee and Manager are related parties of Monark.
Investment Mandate	The Fund will provide debt loan facilities (**Facilities**) to special purpose vehicles (**SPV**) established by Monark (each a **Monark Lending Entity**) for the SPV to provide Facilities to third party borrowers (**Borrowers**). The Facilities generally relate to debt financing opportunities within the property sector (eg purchase of land, construction loans, residual stock loans, term loans, etc). All Facilities will be secured by first-ranking registered mortgages over Australian real estate. The Facilities will usually be advanced by each Monark Lending Entity for terms not exceeding 36 months (i.e., all capital and accrued interest should be repaid within this timeframe) and may include Facilities that are advanced for the purpose of settling the acquisition of development sites and/or funding the construction of development assets. The Fund will invest in Facilities secured by Australian real estate, predominantly in areas located in metropolitan Victoria, New South Wales, and Queensland. The Fund will not ordinarily exceed a weighted average LVR of 65%. Monark may exceed the 65% threshold LVR if it considers this to be in the best interests of Investors. Monark will seek to return the Fund LVR to the threshold as soon as reasonably practicable. A maximum of 25% of capital raised by the Fund will be invested in any one Facility. However, there are no investment limits based on the 'type' or 'class' of the Facility.
Investments	Only investments that fall within the Fund's investment mandate will be made by the Trustee. The Fund investments will be made referrable to all Units issued within the Fund for the purposes of calculating the requisite income returns to be paid to Investors holding Units, i.e., the Fund is a pooled investment fund.

Term & Redemptions	The Fund is an open-ended fund and will have a maximum term (approximately 80 years). Whilst an investment in the Fund should be considered illiquid (as redemptions are subject to the Trustee's discretion based on the needs of the Fund) the Trustee will endeavour to make available a limited redemption facility as outlined below. The Trustee will usually open the Fund for redemption requests on the last business day of each quarter (**Redemption Date**), provided that the request is received by the Trustee at least 90 days prior to the Redemption Date. The Trustee intends to make available an amount of around 10% of the Fund's capital to be redeemed in a given calendar year. Units in respect of a Redemption Date are intended to be redeemed progressively, as capital becomes available in the Fund including by way of principal repayments of loans, subscriptions of additional Units, the selldown of loans or drawing on the Fund's access to a line of credit (which is maintained by Monark for the purpose of meeting short term liquidity needs). It is intended that all Investors participating in the redemption of Units in respect of a Redemption Date will have their Units redeemed on a proportionate basis (where there are insufficient funds to redeem all requested Units). Investors will be deemed to have made redemption requests for the next Redemption Dates in respect of outstanding amounts that could not be redeemed on the previous Redemption Date until the original redemption request is satisfied in full. The redemption of Units requested by Investors from previous Redemption Dates will take priority over other Investors that have made redemption requests for a particular Redemption Date. The period for the payment of redemptions will be subject to the liquidity of the Fund. The Trustee may in its discretion allow redemptions at other times and with longer or shorter notice periods. If the request is received after the deadline for receipt of requests for any particular Redemption Date, it will be treated as a request for redemption on the next relevant Redemption Date. The Trustee may suspend redemptions at its discretion including where the Trustee determines that doing so would be in the best interests of the Fund as a whole.
Minimum Investment	The minimum investment an Investor may make to the Fund is $250,000. This amount may be varied by the Trustee in its absolute discretion. The initial issue price of Units will be $1 per Unit. The issue price of Units for subsequent issues of Units will be based on the net asset value of the Fund.
Income Entitlements	Investors that hold Units will be entitled to income returns calculated with reference to the performance of the Fund, along with all other Investors holding Units. Income returns referable to Fund investments will be distributed to all Investors holding Units on a pro-rata basis, considering the number of days the Investor has held such Units (days' basis distribution).

Income Distributions	The Trustee anticipates making income distributions at the end of each month (**Distribution Date**), which will be made up of Investors' proportionate share of received and accrued income – to the extent that the Trustee is confident in the ultimate payment of the accrued income - net of fees and costs. Income distribution payments in respect of a Distribution Date will usually be made on the 20th day of the following month (and where the 20th day of that month is not a business day, then the next occurring business day), and will be made by direct credit to an Investor's nominated account with a financial institution. The Fund's Trust Deed allows the Trustee to offer distribution reinvestment, and the Trustee may offer this feature at its discretion. These distributions will usually be made prior to the repayment of redemptions. The Trustee reserves the right to withhold certain amounts from an income distribution if the Trustee believes that doing so would be in the best interest of Investors and the Fund as a whole. Generally, the Trustee intends to distribute all net income - received and accrued - to Investors in a particular financial year. Income distributions are dependent on Borrowers meeting their obligations under the documentation for Facilities and returns under other investments (if any). None of the Trustee, Manager or Monark, or their related parties, officers, employees, consultants, advisors, or agents guarantees the payment of, or amount of, any distribution.
Capital Entitlements	Investors will be entitled to a proportionate share of subscribed capital in the Fund, based on the number of Units held. Where capital represents accrued income, these amounts will be distributed on the same basis as income entitlements on a days' basis distribution (outlined above). Other than accrued income entitlements, the Trustee will not ordinarily seek to distribute capital other than in respect of a redemption request (as outlined above), though reserves the right to do so if it considers doing so to be in the best interest of Investors as a whole.
Senior Debt Investment Committee	Monark has a Senior Debt Investment Committee and a Subordinated Debt Investment Committee. The Senior Debt Investment Committee is responsible for representing the interests of Investors in the Fund. The Senior Debt Investment Committee comprises of Michael Kark (CEO of Monark), John Byrne, and Nick Quince (independent members). The Senior Debt Investment Committee will: (a) evaluate the risk-return profile of each investment opportunity; (b) make investment recommendations to the Manager; (c) regularly review the performance of the Fund's investments; and (d) opine on any conflict of interest matters which may arise from time to time. The composition of the Senior Debt Investment Committee may change over time. Each Facility must be approved by the Investment Committees, which requires a unanimous vote. Voting is conducted by each Investment Committee separately. Any member of the Investment Committees with an interest in the Facility must abstain from voting.

Fees	The Fund will pay the Manager the following fees (exclusive of GST):	
	Administration fee	0.5% per annum of drawn capital, payable monthly in arrears by the Trustee to the Manager.
	Monark will also be entitled to the following amounts (exclusive of GST) in respect of the Facility Agreement:	
	Establishment fee	Typically 1.0% of the facility limit in the Facility Agreement, however, this amount may vary between Facility Agreements. This fee is paid by the Borrower to Monark as compensation for all costs associated with the analysis of the investment opportunity and documentation of the funding arrangement (eg expenses associated with the due diligence process and legal fees). The establishment fee is not paid by the Fund.
	Interest margin	Monark Lending Entities, and therefore Monark, will receive an interest margin equal to the difference between the interest rate charged to the Borrower under the Facility Agreement and the interest rate received by the Fund under the Participation Loan Agreement. This margin is typically in the range of 1.0% to 2.0%. The interest margin is subordinated to the Fund's receipt of its full entitlements from repayment of the facility. To the extent default interest (ie a higher rate of interest) is payable under the Facility Agreement, and then under the Participation Loan Agreement, default interest over and above the borrower rate (ie the lower rate of interest) will be shared equally between the Fund and Monark.
	Other fees	Monark, and/or any of its related parties, may receive other fees associated with the management of each Facility into which the Fund invests (for example, a loan management fee). These costs include a loan management fee of between $1,500 and $2,000 per month and extension fees of 0.50% to 0.75% of the facility limit. These costs are paid by the Borrower, not the Fund, and will be retained by Monark.
Costs	The Trustee, Manager, Monark, or their related entities will be reimbursed for all costs properly incurred in order to operate the Fund which are to be paid out of the called funds from Investors at the Trustee's discretion and/or from realised investments before payments are made to Investors. These costs include, but are not limited to, accounting and taxation advice, legal costs, and out-of-pocket expenses. The Trustee, Manager and/or Monark are not entitled to recover any internal overhead costs or expenses, nor any expenses associated with the establishment of the Fund.	

Changes to and Waiver, Deferral, or Rebate of Fees	The Trustee may change the fees and expenses charged to Investors by giving at least one month's written notice to Investors, subject to any fee limits in the Trust Deed. The Trustee, Manager, or Monark may, in their absolute discretion, accept lower fees and expenses than they are entitled to receive, or may defer payment of those fees and expenses for any time. If payment is deferred, then the fee will accrue until paid. In addition, the Trustee, Manager, or Monark may, in their absolute discretion, waive, negotiate, or rebate their fees to an Investor.
Investor Eligibility	Investment in the Fund will only be available to 'Wholesale Clients' within the definition of the Corporations Act.
Unit Transfers	Units in the Fund may be transferred by completing and returning a transfer form, available from Monark Investor Relations on request. The form is required to be completed by both the current and new Unit Holder. Transferring Units may have tax implications and Investors should consult their taxation advisor before arranging any transfer of Units. The Trustee may in its discretion refuse to register any transfer of Units and is not required to give any reasons.
Participation Loans	Subject to any alternative investment structure agreed to by the Trustee, the Fund will advance loans to each Monark Lending Entity under the terms of a Participation Loan Agreement. Each Monark Lending Entity will in turn enter into Facility Agreements, with each Borrower, and will hold the relevant security (e.g., a registered mortgage). The Fund's right to receive moneys from a Monark Lending Entity is restricted to the Fund's pro-rata entitlements to the amount actually recovered from that particular Borrower.
Communication and Reporting Obligations	Investors will receive: ▪ A holding statement showing current Unit holding and Unit price on initial investment, subsequent top ups, redemptions, and Unit transfers, ▪ A monthly report on the Fund's performance, ▪ A monthly distribution statement, and ▪ An annual tax statement.
Trust Deed	The Trust Deed governs the terms of an investment in the Fund. Through execution of the Application Form, Investors accede to, and accept the terms of, the Trust Deed. A copy of the Trust Deed is available upon request. When the Trustee determines that new Fund Units can be issued, Investors will be invited to complete an Application Form and be issued Units.
Conflict of Interest	The Trustee will not make any investment in which a conflict of interest or potential conflict of interest has been identified without the prior unanimous approval of the Senior Debt Investment Committee and subject always to its Conflicts of Interest Policy.
Fund Tax Advisors	Pitcher Partners Advisors Proprietary Limited
Fund Auditors	Moore Australia
Fund Legal Advisors	Hall & Wilcox

2.3. Application Process

The Fund will accept new investments as and when it requires liquidity. Otherwise, it will remain closed redeploying Facility repayments into new Facilities.

Investors wishing to invest in the Fund should contact Monark Investor Relations providing details for the amount they wish to invest and their investment entity.

On being notified that the Fund is open and that your request has been accepted, the Monark Investor Relations team will provide a link to our online Application Form and assist with the completion of the application process.

On completion of the application process, you will receive a formal statement confirming your investment amount and Units issued.

2.4. Term

Under the Trust Deed, there is no specific term of the Fund (except where required by law). Other than as required by law, the Trust Deed does not require the Fund to come to an end at a specified time. The Trustee may, however, terminate the Fund at any time by notice in writing to Investors.

The Fund is an open-ended unit trust, meaning that the Trustee will continuously issue and redeem Units on terms set out in the Trust Deed and this Information Memorandum (as amended or replaced from time to time).

2.5. Unit Pricing

The initial issue price of Units under the Fund IM will be $1.00 per Unit unless otherwise determined by the Trustee. The issue price of Units for subsequent issues of Units will be based on the net asset value of the Fund. The Fund will use a unit day pricing mechanism which means that Investors will be entitled to distributions based on the number of days they have held Units in each distribution period. Accordingly, the issue price of a Unit will exclude income that has accrued in the Fund prior to the issue of Units.

When investments are withdrawn from the Fund via a redemption that has been accepted by the Trustee, they are redeemed at the relevant Unit redemption price for the Fund. The redemption price is calculated by taking the net asset value per Unit minus the sell spread.

While the Trust Deed permits the Trustee to charge a buy/sell spread on applications and redemptions, the Trustee does not currently intend to do so for the term of the Fund.

The ongoing Unit price is calculated by dividing the net asset value (determined by the net market valuation of assets owned excluding accrued income of the Fund, less all liabilities held, including fees, provisions, and accrued expenses in accordance with the Trust Deed) divided by the number of Units on issue. The Unit price can be determined at any time at the Trustee's discretion.

The Trustee expects the Unit price to remain the same as the issue price of the Unit, unless a loan is impaired (that is, there is a risk of income or capital loss), or a sell spread is charged on redemption.

2.6. Valuations

Loans will be valued at their face value unless they are impaired.

The Facility Agreements are secured by registered first mortgage over the property assets to which they relate (**Security Asset**). An independent valuation is obtained on the Security Asset prior to the making of the loan to the Borrower. The land is valued on an 'as is' basis, whereas improvements made on the land are valued on an 'as if complete' basis.

Monark may request a new independent valuation at its discretion and will do so if it reasonably believes there has been a material devaluation in the Security Asset. Security Assets will not be revalued if there is no reason to believe there has been a material change in the value of the asset.

Monark has a small panel of independent valuers that have been selected due to their competence and experience. When selecting independent valuers for its panel, Monark typically has regard to the firm's professional credentials, relevant sector experience, independence, professional indemnity insurance coverage, and experience acting for institutional lenders or financiers. Independent valuers are required to provide Monark with confirmation that the valuation reports are assignable and can be relied on by Monark.

2.7. Reinvestment of Monthly Distributions

The Fund's Trust Deed provides for distribution reinvestment. The distribution reinvestment facility is currently available to Unit Holders. Unit Holders can change their election regarding distribution reinvestment via their investor portal at Registry Direct.

On the last business day of each month, the Trustee will extract a report highlighting all Unit Holders who have elected to opt into the distribution reinvestment facility, for the purposes of paying the distribution in respect of the Distribution Date for that month. Unit Holders who amend their election between a Distribution Date and the payment of the distribution for that Distribution Date will only have their election actioned in respect of the Distribution Date for the following month.

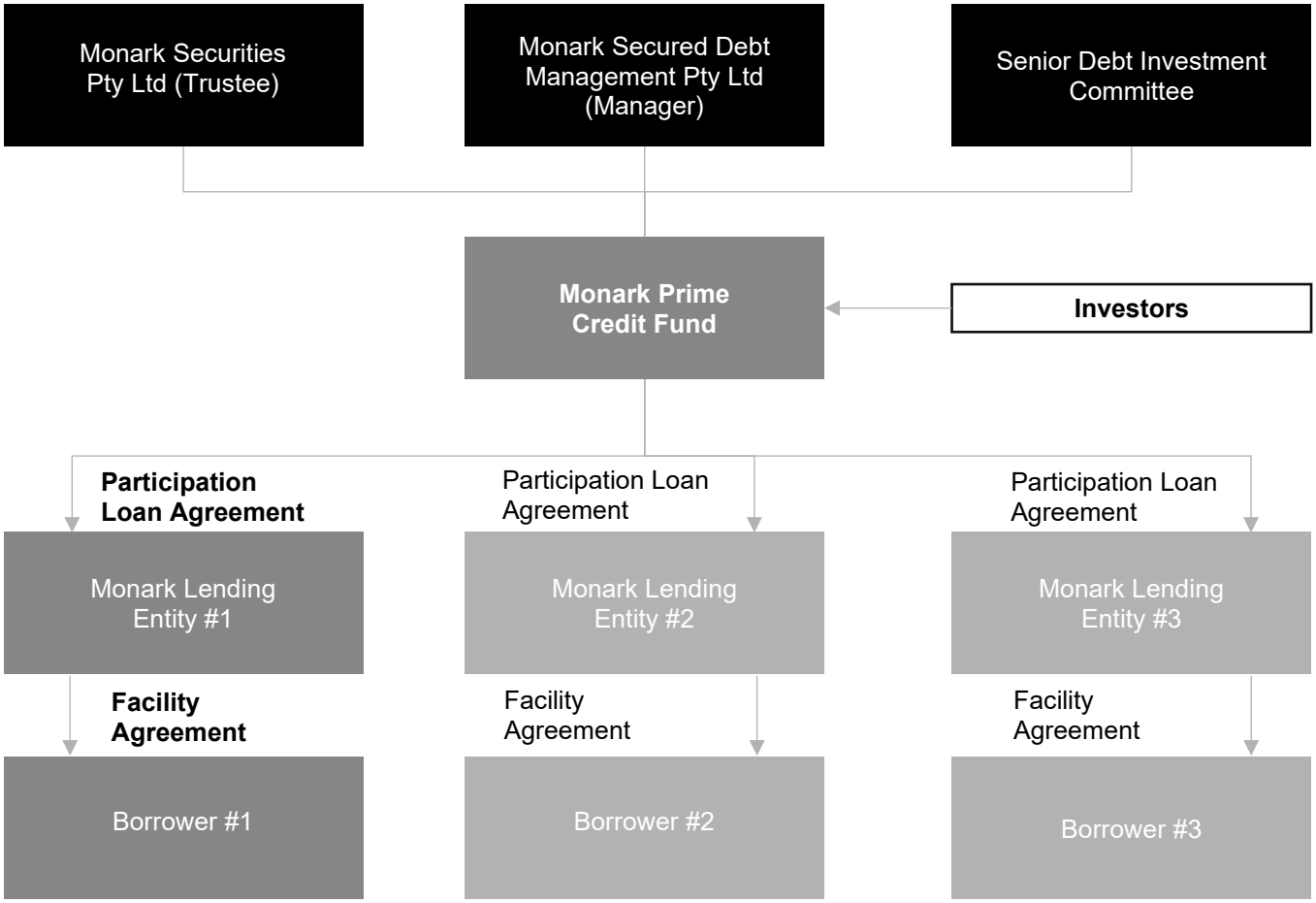
If investing Units through a third party (e.g., a pooled investment platform), Unit Holders should check reinvestment eligibility requirements directly with the platform provider.

2.8. Other Classes of Units

The Fund's Trust Deed provides for the issue of other classes of Units on different terms which may include preferential rights.

2.9. Structure

The Fund is an unlisted, open-ended unregistered unit trust established under, and governed by, Australian law. The Fund is not required to be registered with ASIC.



Monark Securities Pty Ltd (Trustee)	The Trustee is responsible for ensuring that the Fund is managed in accordance with this Information Memorandum and the Trust Deed.
Monark Secured Debt Management Pty Ltd (Manager)	The Manager is responsible for the ongoing management of the Fund. Important responsibilities include engaging with the Senior Debt Investment Committee to select appropriate secured private debt facilities into which to invest, engaging with Monark's property specialists to confirm each Facility is performing as expected, providing ongoing communication to each Investor, ensuring all compliance obligations of the Fund are fulfilled; and ensuring all administrative requirements – such as the Unit Holder registry – are complete, accurate and current.
Senior Debt Investment Committee	The Senior Debt Investment Committee is a select group of Monark executives and external members with deep property and business experience who advise the Manager on the composition of the Fund's portfolio and investment decisions. Please refer to section 2.2 of the Fund IM for further details.
Lending Entities and Borrowers	Each secured private debt Facility is contained within a discrete SPV. This is to ringfence any issues arising with a particular Facility. The Borrower enters into a Facility Agreement with the SPV, and the Fund lends to the SPV, the terms of which are governed by the Participation Loan Agreement.

2.10. Redemption Process

Whilst an investment in the Fund should be considered illiquid (as redemptions are subject to the Trustee's discretion based on the needs of the Fund) the Trustee will endeavour to make available a limited redemption facility as outlined in section 2.2 above.

Investors wishing to make a partial or full redemption are required to complete a Redemption Request Form and submit this to the Trustee with at least 90 days' notice. The Trustee, however, is not obliged to accept a redemption request.

On receipt and acceptance of the Redemption Request Form, the Trustee will endeavour to redeem Investors' Units subject to available liquidity on a quarterly basis and pro rata with all other Investors who have also submitted.

However, the Trustee may at any time suspend the redemption of Units (where the Trustee has decided to accept or process redemption requests) in certain circumstances set out in the Trust Deed.

If the redemption request has been accepted and processed, the Trustee will usually pay the redemption proceeds within 30 days of the date of the redemption of the relevant Units.

The Trustee may in its absolute discretion at its election, on reasonable notice to a Unit Holder, redeem all or a portion of Units held by such Unit Holder in certain circumstances set out in the Trust Deed.

The redemption price of Units will be based on the net asset value of the Fund. The redemption price will generally be $1.00, plus any pro rata accrued interest, unless the net asset value of the Fund is decreased due to a reduction in the value of loans (such as due to impairment of loans or capital loss in respect of loans).

2.11. Key Risks

Key risks relating to an investment in the Fund include:

Market Risk	**Description**	The Fund's performance may be impacted by market forces affecting investments in the Fund including a downturn in the property market.
	Mitigants	Monark lends to competent developers and, where applicable, ensures sufficient presales are achieved. Facilities will be subject to LVRs and other covenants to ensure that there is sufficient security to withstand a downturn in the property market.
General Investment Risk	**Description**	An investment in the Fund involves investment risk. For example, the value of a Unit Holder's investment in the Fund may rise or fall, investment returns may fluctuate, distributions may or may not be paid and a Unit Holder's capital may or may not be returned.
	Mitigants	While the Manager is unable to eliminate all investment risks, it aims to reduce the impact of risk through its established management procedures such as its lending approval processes and investment selection criteria.
Default Risk	**Description**	Investments made by the Fund may become non-performing for a variety of reasons including, but not limited to, non-payment of principal or interest, or breaches of a Facility Agreement by a Borrower. A Facility will be in 'default' where: ▪ The definition of 'default' under the Facility Agreement documentation is legally satisfied; **and** ▪ Monark has exercised or enforced its rights under the Facility Agreement documentation (eg charging default interest, applying for possession of the Security Asset, etc). Monark does not consider an extension to the term of a Facility Agreement to be a 'default'.
	Mitigants	Monark ensures robust legal documentation is exchanged prior to drawdown of a Facility. Monark regularly reviews and manages all Facilities and, in relation to construction projects, attends monthly project control group meetings to identify and address any issues. Where the term of a Facility Agreement is to be extended, Monark generally requires the Borrower to repay amounts so the original LVR is not exceeded. A new independent valuation of the Security Asset may also be required. In the event that a Facility is in default, Monark will work with the Borrowers to ensure that a Facility is repaid, safeguarding the Fund's returns, which may involve a range of work-out options or requesting additional security. Any amendment to the Facility Agreement or action by Monark must be reviewed and approved by the Senior Debt Investment Committee.

Due Diligence Risk	**Description**	Monark relies on the integrity of the Borrower and its internal processes when undertaking due diligence. The information provided may subsequently be proven to be incorrect or incomplete.
	Mitigants	Monark's in-house analysts together with a panel of consultants are engaged to undertake detailed due diligence and to prepare a credit paper on an investment opportunity. The credit paper is designed to identify and assess the risk profile of the investment opportunity and evaluate the experience of the Borrower. The Senior Debt Investment Committee utilises its extensive experience when reviewing credit papers and considers whether to approve an investment opportunity.
Returns Risk	**Description**	The Fund is designed for investors seeking a return greater than the interest paid on basic deposit and saving products offered by a bank or other deposit taking institutions. However, as a general rule, higher potential returns have higher levels of uncertainty (higher risk) than investments with lower potential returns and low levels of uncertainty (lower risk). The Fund may not be successful in meeting this objective. None of the Trustee, Manager, Monark, any other members of the Monark Group or any other person or entity guarantees any income or capital return for the Fund.
	Mitigants	Monark is an experienced financier and has delivered exceptional returns while at all times demonstrating a pristine track record of managing and returning investor capital.
Security Risk	**Description**	In the event of a default under a Facility, the value of the Fund's investment in that Facility may exceed the value of the amount recovered by accessing the underlying security. The value of underlying security may have decreased due to changes in the market, general economic conditions, or other reasons. In addition, the Fund will not have a direct interest in the underlying security of each Facility and the remedies that the Fund has against a Monark Lending Entity may be limited.
	Mitigants	Facilities will be subject to lending covenants to ensure that there is sufficient security to withstand a decrease in the value of a security. While the Fund will not have a direct interest in the underlying security, each Monark Lending Entity must act in accordance with the terms of the Participation Loan Agreement to which the Fund invests. In addition, directors of the Monark Lending Entities are the Directors of the Trustee and Manager, whose reputation and duties require them to act in the best interest of the Investors and whose interests are aligned with Investors in the Fund by virtue of their investment alongside the Fund.

Security Enforcement Risk	**Description**	There are risks that a security given in respect of a Facility: ▪ may not be enforceable at law; ▪ taking recovery or enforcement action may involve protracted legal processes; ▪ selling a security property may take a significant amount of time, including on account of poor market conditions; ▪ selling a security property results in additional costs being incurred relating to the sale, such as real estate agent's fees, legal fees and potentially also taxes, which in turn reduce the amounts that could be distributed to Unit Holders; or ▪ the net sale proceeds received in respect of the enforcement of a security would not be sufficient to cover capital and income repayment obligations to the Trustee under the loan.
	Mitigants	The Fund seeks to manage these risks by: ▪ obtaining property valuations from reputable valuers before a loan is made; ▪ ensuring that all loan documentation is reviewed by experienced legal counsel; ▪ in respect of each loan, ensuring the Borrower invests a sufficient amount of their own equity into the property development or other real estate investment; ▪ setting loan-to-valuation limits in respect of each loan; and ▪ managing loans throughout the course of their term. It is possible the Trustee will undertake a further capital raising to raise the capital required to pay for the expenses associated with enforcing the loan.
Risks Associated with Interest Capitalisation	**Description**	The Manager may agree to a loan where interest payments on the loan are capitalised, particularly in relation to a construction or property development loan. This is sometimes referred to as 'prepaid interest'. Prepaid or capitalised interest is not funded out of the Borrower's ongoing cash flow and is instead paid out of the proceeds from the sale of the security property. Where interest is capitalised, there is a risk that the proceeds that the Borrower achieves out of the sale of the security property may not be sufficient to repay the total loan, which includes both principal and interest. The Fund may also capitalise interest where a Facility falls into arrears. This means that the total amount owed by the Borrower increases as the Borrower fails to make the required payments under the loan. The loan is still regarded by the Trustee as being in arrears. Increased liabilities under a loan increase the risk of default by the Borrower.
	Mitigants	The Fund will manage this risk by ensuring that loan-to-valuation ratios, and other lending parameters and conditions, are adjusted to reflect the interest capitalisation feature. The Fund will manage the risk associated with a capitalising loan in arrears by managing loans through the course of their term.

Concentration Risk	**Description**	The Fund invests only in Facilities secured against Australian property and offers minimal sector diversification for Investors.
	Mitigants	The Fund aims to invest in Facilities diversified by project type, geography, and Borrower.
Key Person Risk	**Description**	The departure of key persons of the Trustee, Manager, Monark and/or Senior Debt Investment Committee may impact the Fund's investments and achievement of the targeted returns.
	Mitigants	The Executive Directors are shareholders of Monark. In addition, the Executive Directors will personally invest in the Fund, creating an alignment of interests with those of the Investors.
Control Risk	**Description**	Investors will not be able to control or participate in the day-to-day operations of the Fund, make investment or other decisions on behalf of the Fund, or have any role in transactions involving the Fund.
	Mitigants	Monark is an experienced financier, and all investments are governed by the Senior Debt Investment Committee, who is experienced in assessing and managing investment opportunities.
Liquidity Risk	**Description**	The underlying assets of the Fund are the Facilities, which are inherently illiquid in nature. Further, where interest payable on the Facility Agreements is capitalised, this reduces progressive cash flows to the Fund. Investment in the Fund should be considered as illiquid as the Trustee maintains discretion to reject redemption requests based on the needs of the Fund. Interests in the Fund are also not easily redeemable or transferable to third parties. The limited liquidity feature offered to Investors is dependent on the ability of the Trustee and Manager to properly manage the liquidity and cashflow of the Fund.
	Mitigants	The Fund will endeavour to invest in Facilities that vary in maturity so that there are sufficient proceeds to allow for monthly distributions. While the underlying assets of the Fund are generally illiquid, the Trustee aims to make available an amount of up to 10% of the Fund's capital, each calendar year, to meet redemption requests (see section 2.2). Despite this, Investors should be aware that there is no guarantee that the Trustee will be able to make such an amount available. The Trustee intends to retain a cash reserve at all times in order to meet redemption requests and to take advantage of potential investment opportunities.
Capital Deployment Risk	**Description**	Capital deployed by the Fund will depend on the opportunities available to be originated by Monark and market conditions. If the Fund is unable to deploy funds as anticipated, Investors' returns may be impacted.
	Mitigants	Monark has established strong relationships with Borrowers and has a proven track record of securing significant investment opportunities. The Fund will have a first right to invest in all Monark's senior-secured private debt transactions.

Legal, Regulatory and Compliance Risk	**Description**	Changes in government legislation, regulation and policies generally could materially adversely affect the operating results of the Fund. The operation of a funds management business in Australia is subject to significant regulation by Australian government authorities including without limitation ASIC, the Australian Transactions Reporting and Analysis Centre, the Foreign Investment Review Board and the Australian Competition and Consumer Commission. There is a risk that the Fund may not comply at all times with its various obligations under government regulations and policies and this may result in the loss of authorisations under the AFSL held by the Trustee thereby preventing the continued operation of the Fund. Furthermore, legal risks arise where contracts used by the Fund to provide Facilities or other investments are found to be defective or unenforceable against counterparties.
	Mitigants	Although unable to predict future policy changes, the Trustee intends to manage this risk by monitoring and reacting to any potential regulatory and policy changes. Additionally, to manage contracts risks, the Trustee and Monark will ensure that a reputable legal practitioner is engaged to prepare and finalise legal agreements.
Tax Risk	**Description**	Tax and duty laws, and the regulatory interpretation or enforcement of them, can change and changes can be adverse. Investors should consider their own circumstances before investing.
	Mitigants	Although unable to predict future policy changes, Monark intends to manage this risk by monitoring and reacting to any potential regulatory and policy changes.
Cyber Risk and Exposure	**Description**	Information technology systems may include the storage of information concerning an Investor's identity, financial interests or other personal details provided to the Trustee in connection with their investment in the Fund. In the event serious harm is a likely outcome of a breach of the Trustee's information technology systems, the Trustee, or Manager (as may be required) will notify the affected individuals and recommend steps that ought to be taken in response to the breach. The Trustee may also be required to notify a government or regulatory authority as required by law.
	Mitigants	The Trustee has implemented technologies, process, and practices designed to protect its networks, devices, programs, and data (or information systems); however, these systems may still be subjected to malicious attack, damage, or unauthorised access.

Valuation Risk	**Description**	This is the risk that the valuation of the security property for a Facility may be inaccurate or not accurately reflect its true value at the time of making the loan, or at any other time, so that the amount realised on the sale of a security property as a result of the Trustee taking enforcement action is less than would have been expected had the valuation been correct or may not cover the amount lent to the Borrower. There is also the risk that a valuer who provides an inaccurate valuation does not have or no longer has adequate professional indemnity insurance to cover the valuation on which the lender relies. In the event that the valuations obtained by purchasers to secure finance are below the purchase price, this may adversely impact their ability to sell the security property.
	Mitigants	The Fund seeks to manage this risk by instructing only reputable valuers and ensuring that they use generally accepted valuation methodologies.
Change in the Credit Market	**Description**	Credit may become more readily available from banks and other financiers making it easier for Borrowers to obtain and/or refinance their existing Facilities.
	Mitigants	Regulatory changes in the Australian property lending market, such as the capital holding requirements under Basel III, are making it increasingly more difficult for banks to relax lending standards.
Conflict Risk	**Description**	In circumstances where Monark has provided financial accommodation to a Borrower, participation by the Fund may present a conflict of interest or potential conflict of interest.
	Mitigants	The Trustee is not permitted to invest in any transaction where there is a conflict of interest or potential conflict of interest, without the prior unanimous approval of the Senior Debt Investment Committee and subject always to the Conflicts of Interest Policy.
Construction and Development Risk	**Description**	Where Facility or investment proceeds are used for property construction projects, specific risks include the risk that construction costs can exceed expected costs and the Borrower may be unable to complete the projects unless the Borrower can obtain further funds. There is also a risk that the completion of a development project could be delayed. This may result in capital and income returns to Investors also being delayed. The long-term nature of construction and development projects means that there are a number of unique risks when lending into these projects.
	Mitigants	Monark will manage this risk and its elements by carefully managing the loans and project selection process when making loans into a construction facility. Monark will ordinarily require a developer to include a contingency on total construction costs.

Forecasting Risk	**Description**	The estimated costs of a development project and estimated realisation value for a development project are forecasts only. The costs may be more than estimated and the realisation value may be less than estimated, this may result in lower or no returns to Investors as a result of a default by a project developer. Due to various risks and uncertainties, including those set out in this Fund IM, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in any Forward-looking Statements. Actual events are difficult to project and often depend on factors that are beyond the control of the Trustee, Monark, and their advisors.
	Mitigants	Monark has leveraged its experience in respect of developments to ensure that it has taken into account as many variables with respect to forecasting as possible before adding a particular Facility into the investments of the Fund. As set out elsewhere in this Fund IM, the Manager intends to take a conservative approach to investment for the Fund.
Planning Risk	**Description**	It may be more difficult than anticipated, or even impossible, to obtain the requisite government or regulatory approvals and permits for a development project and this may increase costs and cause delays to a development project. In addition, a requirement of a government or semi-government department or authority (including relating to environmental, archaeological, planning or servicing issues) may result in a reduced yield or delay in the property development projects which may impact on the ability of the property development projects to generate a profit.
	Mitigants	Monark intends to only offer a development Facility where planning has been approved, or where there are good prospects of approval.
Competition	**Description**	Other participants may enter the property finance market making it harder for Monark to source opportunities and invest in Facilities that meet the Fund's investment criteria.
	Mitigants	Monark has established strong relationships with Borrowers and has a proven track record of securing significant investment opportunities.

2.12. Other Risks

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

We strongly recommend that Investors obtain independent financial advice before investing in the Fund.

3. More About Monark

3.1. About Monark

Monark is a real estate financier and investor known for its disciplined, cautious, and patient approach to investing money.

Monark was established in 2013 as a joint venture between Bori Liberman's Family Office (Jagen), and Michael Kark and Adam Slade-Jacobson (Monark's Executive Directors), with the vision of bringing quality property projects to life through innovative funding solutions which generate great outcomes for both our development and funding partners.

To date Monark has committed over $2.0 billion of capital across 298 property investments with a gross realisable value of $6.7 billion. Monark's disciplined, cautious, and patient approach has resulted in an unblemished investment track record whilst providing significant risk-adjusted returns for investors.

3.2. About the Trustee

The Trustee is Monark Securities Pty Ltd ACN 635 529 412 AFSL No. 519884.

The Trustee is a related party of Monark and part of the Monark Group.

The Trustee will be the lender on the record in respect of each Facility to the Special Purpose Vehicles.

3.3. Governance and Compliance

As the trustee of the Fund, the Trustee is in charge of the overall operation and management of the Fund. The Trustee will be guided by the investment mandate of the Fund, the Fund's governing Trust Deed, and by Trustee's duties under general law.

Under the Trust Deed, the Trustee is indemnified out of the Fund property for any cost incurred by it, to the fullest extent permitted by law.

Monark has established the following Board and Committees for the purpose of maintaining a comprehensive and rigorous framework for Fund governance:

Board of Directors: Meets quarterly and comprises two executive directors and two non-executive directors (**NEDs**). The NEDs primarily represent the interests of the Liberman family who (combined with their associates) hold a 50% shareholding in Monark.

Senior Debt Investment Committee:

- The Senior Debt Investment Committee currently comprises one Monark executive and two independent members (all experienced property professionals). It must opine on and unanimously approve all Facilities prior to their funding. The Senior Debt Investment Committee usually meets on a weekly basis unless there are no new transactions to approve.
- The Senior Debt Investment Committee also meets on a quarterly basis for the purpose of conducting a 'Portfolio Review'. This involves reviewing all current Facilities, requesting further information or suggesting a particular course of action.

Liquidity Committee: The Liquidity Committee meets on a weekly basis to consider the liquidity flows in the Fund. The Liquidity Committee seeks to manage the amount of liquidity in the Fund to minimise cash drag having regard to cashflows of the Fund. The Liquidity Committee aims to ensure there is sufficient liquidity to meet commitments, redemption requests, and Fund distributions.

3.4. About the Manager

The Manager is Monark Secured Debt Management Pty Ltd ACN 620 206 911 and has been appointed a corporate authorised representative of the Trustee.

The Manager is also a related party of Monark and part of the Monark Group.

The Manager has entered into an Investment Management Agreement with the Trustee, under which it has been appointed as the investment manager of the Fund and as such is responsible for managing the investments of the Fund. The Manager may only be removed in accordance with the terms of the Investment Management Agreement between the Trustee and the Manager.

3.5. Why Invest with Monark Property Partners?

There are several compelling reasons why sophisticated and discerning investors choose Monark as a trusted partner to manage, protect and grow their wealth.

The Bori Liberman Family Connection

When you invest in the Fund, you are investing with one of Australia's most respected and substantial multigenerational family offices, Jagen. Investors invest on the same terms as the substantial cornerstone and ongoing investments made by Jagen.

A Focused and Experienced Management Team

Monark's executives and senior management team are experienced in assessing and funding Australian real estate development. This disciplined focus has allowed us to develop deep and relevant expertise and establish key strategic relationships. Two important prerequisites for success.

A Carefully Chosen Investment Market

Monark chooses carefully where to invest, preferring to focus on the 'middle property market' – mid-sized developments in selected, premium geographical areas. This market has proven to be more resilient than other sectors, with less volatile pricing providing stronger security. The market's typical firmer end-product demand reduces exit risk. It is in this market that our management team has deep knowledge and considerable experience.

Substantial Reach

Monark's substantial reach, network and strong partnerships provide a regular flow of potential investment opportunities. Each opportunity is filtered and carefully assessed by our highly regarded research team applying our bespoke due diligence process.

We are Genuine Partners with Our Investors

Monark shareholders, executives and management invest in the Fund on the same terms as all other Investors. We believe that this is an important alignment of interests. Our money is at risk with your money.

We are Genuine Partners with our Borrowers

Property development is subject to many vagaries – planning, weather, materials, trades' availability and more. We behave as partners, understanding the challenges of our Borrowers and then working on mutually acceptable solutions to ensure a good outcome for both parties.

No Pressure to Invest

There is no pressure to invest. We are a privately owned business with a tight group of patient shareholders. We are intentionally not the biggest firm. We maintain a lean staff count and a conservative overhead structure. We prefer to maintain our funds – including the Fund – at a manageable size and cherry pick opportunities as and when they present themselves, only supporting transactions with which we have the greatest confidence.

Monitoring Each Facility

When we do choose to invest, we closely monitor each Facility we originate. We conduct regular site visits and meetings with both the sponsor and their professional advisors to confirm our original thesis - or adjust if required - to ensure a positive outcome.

We've Left the Most Important Reason for Last: Monark's TICA

TICA is the acronym for Monark's guiding principles, principles that help define the organisation's internal conduct as well as its relationship with its investors, business partners, and shareholders.

These principles describe the way in which all employees in all areas of Monark behave, interact, and work together. Values drive behaviour which determines our culture. They describe the "way we do things at Monark".

Unpacking TICA…

Trustworthy

We believe that trust is the core pillar of our business, a quality that will lead to staff, investors and business partners choosing Monark. Trust is earned by consistently delivering on our commitments and promises.

Innovative

We look to think laterally, creatively, and independently, always seeking the best outcome for our borrower and investor partners.

Collaborative

We believe the sum is greater than the parts. That leveraging off each other's knowledge, experience, and expertise will position us to provide optimum outcomes.

Accountable

We believe that delivering on our commitments is a key element of the Monark point of difference.

Our disciplined, cautious, and patient approach has resulted in an unblemished track record providing significant risk-adjusted returns for our investors.

3.6. Our Investment Process

Monark adopts a seven-step investment process.

Step 1
Origination

From a significant number of opportunities, Monark filters and selects those with a superior risk-return proposition for further analysis.

Once a potential transaction has been assessed as meeting our risk-return criteria, we send the Borrower a formal mandate letter setting out the proposed terms of the Facility for their consideration and acceptance.

Step 2
Due Diligence

In-house analysts together with a panel of external consultants undertake detailed due diligence on the prospective opportunity.

Step 3
Credit Approval

A detailed credit paper containing details of the prospective opportunity and a risk assessment is provided to the Senior Debt Investment Committee.

The Senior Debt Investment Committee meets to consider the prospective opportunity (including any conflicts or related party transactions). If approved by unanimous vote, credit terms are issued for the Borrower's review and formal acceptance.

Step 4
Fund Approval

The Facility is considered by the Manager from a Fund portfolio perspective including its risk profile, its contribution to the Fund's objectives, its alignment with the Fund's current portfolio and its compliance with the Fund's mandate. The Fund has a first right to invest in any Facility (noting Monark only operates one first mortgage credit fund).

Step 5
Closing and Funding

The legal documentation will be finalised by Monark's lawyers. Once the Facility's conditions have been satisfied, the Trustee will invest in the Facility on behalf of the Fund.

Step 6
Active Asset Management

Monark closely monitors each Facility we originate. We conduct regular site visits and meetings with both the sponsor and their professional advisors to confirm our original thesis - or adjust if required - to ensure a positive outcome. Monark implements the following processes to manage credit risk:

- Monthly maturity review to identify which transactions are approaching the end of their contractual term and considering what action (if any) is required.
- Quarterly 'Portfolio Reviews' by the Senior Debt Investment Committee (see section 3.3).
- Regular project control group meetings comprising of Monark's Execution Team, Monark's in-house registered builder or Director of Construction Risk meet with the project's builder and other key consultants.

Step 7
Repayment

Repaid Facilities will be retained in the Fund and redeployed into new Facilities.

3.7. Monark's Track Record

Monark has a pristine track record of managing and returning investor capital on all transactions as well as achieving its targeted investment returns.

Since 2013, Monark has originated 186 senior debt, 63 mezzanine debt and 49 preferred loan Facilities providing total funding of $2.0 billion for property with a gross realisable value of $6.7 billion. At all times Monark has maintained a track record for capital preservation of 100% on completed transactions.

3.8. Examples of Facilities

A selection of Monark's past and current (as at the date of this Information Memorandum) Facilities is highlighted below. These are typical of the Facilities into which the Fund is expected to invest.

Hampton Hill, Hampton VIC

Type	Senior Debt Facility
Purpose	Residential Construction
Description	30 boutique apartments and ground floor retail over 60 basement car parks, designed by renowned architect, Woods Bagot.

Boxshall Street, Brighton VIC

Type	Senior Debt Facility
Purpose	Residential Construction
Description	15 luxury apartments and four retail shops on a corner site in the blue-ribbon suburb of Brighton, offering views over the Town Hall and gardens.

Larnook, Armadale VIC

Type	Senior Debt Facility
Purpose	Residential Construction
Description	11 luxury apartments over four levels and basement carparking, located on a corner site in the blue-ribbon suburb of Armadale.

Harli Estate, Cranbourne VIC

Type	Senior Debt Facility
Purpose	Land Subdivision
Description	Collaboration between the developer and the Natural Resources Conservation League to deliver an environmentally sustainable land subdivision project comprising 181 lots on a 9.2 ha infill site.

3.9. Our People

Directors and Executives

Michael Kark

CEO and Executive Director
Investment Committee Member

Michael is a co-founder of Monark and is primarily responsible for setting the strategic direction, executing deals, raising capital and overseeing transaction management. Michael has over 22 years of experience in property finance and a strong track record of managing third party capital. Michael was previously Head of Development Asset Finance for a boutique property financier and also spent eight years within the property division of an international investment bank.

Adam Slade-Jacobson

Chief Investment Officer
Executive Director

Adam is co-founder and CIO of Monark and is primarily responsible for driving new business opportunities, managing key stakeholder relationships, as well supporting capital raisings. Adam commenced his career in commercial real estate (CRE) debt in 1997 and has developed an extensive network and deep industry relationships across the Australian property landscape. Entering his third decade, Adam is considered an industry finance expert with an in-depth knowledge across both debt and equity transactions.

Justin Liberman

Executive Director, Jagen

Justin is Principal and Executive Director at Jagen, a family office with a long history of investments across all major sectors and joint venture partner of Monark. Jagen has a long history and is active in real estate as well as all stages of venture, growth and private equity investing. Justin also co-founded Square Peg Capital, a venture capital and private equity company that partners with outstanding entrepreneurs to solve big problems in a unique and differentiated way. Justin holds a Bachelor of Laws and a Bachelor of Economics from Monash University.

Barry Brott

Non-Executive Director
Advisory Board Member

Barry works closely with Monark management on all aspects of the business. In addition to being a co-founding partner of Square Peg Capital—a venture capital and private equity company—Barry is the Investment Manager at Jagen, which he joined in 2006. Prior to joining Jagen, Barry headed corporate development and strategy at MYOB Limited and worked in corporate development at Village Roadshow Limited. Prior to his corporate roles, Barry held advisory positions at Merrill Lynch and the corporate finance and tax divisions of KPMG.

David Liberman

Non-Executive Director

David Liberman represents Jagen, a Melbourne-based family office, on Monark's Board. He joined Jagen in 2006 as an Investment Manager, with a focus on venture and private equity. David has led Jagen's investments in Merricks Capital, AE Capital, APositive, Compare Club, TryBooking and Vivi, among other fintech and private business opportunities. Previously, David was a Partner at Square Peg Capital and held founding and executive technology roles, including as a founding team member of Iress (ASX: IRE) and CTO across several tech product and services companies. David holds a Bachelor of Science (Computer Science – double major) from Monash University.

Dani Peer

Head of Capital

Dani leads Monark Funds Management, the business unit responsible for the development of investment product, the raising of capital required, ongoing fund management, and investor engagement and communication. He is a respected financial services professional with a 30-year track record in both wealth management and non-bank lending, holding senior management and executive roles at Zurich Financial Services, National Australia Bank, and Wingate.

Sam Mitchell

Chief Financial Officer

Sam manages the Monark Group's regulatory, compliance, finance and treasury functions and maintains an eye for detail over all transactions. Sam has over 20 years' experience in the asset management sector. Prior to joining Monark, Sam was a client director in the Business Advisory and Assurance division of Pitcher Partners and spent eight years working in New York with a large U.S.-based accounting firm, servicing a range of financial services clients. Sam is a qualified Chartered Accountant and member of the Institute of Chartered Accountants of Australia and New Zealand.

Ali Hemmat

Director, Strategy & Operations

Ali Hemmat is Director of Strategy & Operations at Monark Property Partners, responsible for shaping organisational priorities and supporting investment outcomes through strategy, innovation, and disciplined execution.

He brings more than a decade of experience across consulting and corporate roles, including KPMG Australia in Customer & Operations Strategy with large organisations and C-suite executives, and Qantas Loyalty in Market, Financial & Commercial Strategy, where he led large-scale strategic initiatives.

Ali holds an MBA, an Advanced Diploma in Analytics from Harvard Business School, and a Bachelor of Commerce from Deakin University. He is also a CFA candidate and a provisional CA member.

Independent Advisors

Matthew Chun

Advisory Board Member
Subordinated Debt Investment Committee Member

Matthew Chun has over 30 years of experience in all facets of property ownership, development and funds management gained through various senior executive and Chief Executive Officer roles of ASX listed companies.

He is the Executive General Manager of Finance, Broadcast and Infrastructure at the Australian Football League (AFL) where he is ultimately responsible for the financial performance of the AFL and the 18 clubs in addition to managing the Broadcast contract and all infrastructure projects which includes the AFL's largest asset Marvel Stadium.

Matthew also holds a number of non-executive Board roles and is co-founder of Springwood Living Group which is an owner and developer of retirement village assets.

David Tonks

Subordinated Debt Investment Committee Member

David Tonks is an Investment Committee member at Monark and a real estate investment professional with more than 30 years' experience in Australian property, banking and finance. He brings strengths in investment management, asset management and financial modelling, supported by a pragmatic, risk aware approach.

David is also Director and Founder of Castledon Partners, a private real estate investment firm that sources, secures and manages commercial assets in Australia's major cities for domestic and Asia based investors.

He holds an Executive MBA from the Australian Graduate School of Management, UNSW, and a Bachelor of Business (Property) from RMIT University.

John Byrne

Investment Committee Member

As an independent investment committee member John Byrne brings 30 years of wide-ranging experience in the property development space in Australia, from equity capital and private credit investments to hands-on delivery of complex property projects.

Informed by senior roles at Capital Finance and Investec, John brings extensive experience in negotiating and executing capital transactions and managing sizeable portfolios, across the capital stack, as well as developing property assets across the entire project lifecycle, from inception to completion.

As a Director of Capstone Property, John advises on project strategy, capital structuring, repositioning assets and oversees management of project specific investments.

Nick Quince

Senior Debt Investment Committee Member

Nick is a member of Monark's Investment Committee and Chief Financial Officer at Jagen, a Melbourne-based family office. He brings over 20 years' experience in financial management, investment and asset strategy across property, private credit and automotive sectors.

Nick previously held senior leadership roles with Lei Shing Hong, where he served as Chief Financial Officer and Company Director across its Australian property and credit platforms, leading acquisitions, financing initiatives and asset optimisation strategies. He also worked in transaction services at KPMG and held senior finance roles at Mercedes-Benz Australia.

Nick holds degrees in Commerce and Economics from Monash University and is a Chartered Accountant and a member of the AICD.

Peter Hutchins

Advisory Board Member

Peter is the Chief Executive of Charter Keck Cramer, a company he transformed from a modest Melbourne-based valuation practice to a diversified independent property advisory firm with offices across Australia and in Singapore. In his role as Chief Executive, Peter brings more than three decades' experience and a deep connection to the property industry coalface. Articulate, strategically minded and solutions driven, his nationwide and sector-wide knowledge is a constant source of incisive decision support.

Funding Origination, Execution and Oversight

Christopher D'Angelo

Director, Investments (VIC)

Chris is responsible for leading investments. He brings a highly analytical and commercially grounded approach to originating and structuring transactions, underpinned by deep technical expertise in finance and accounting. Chris has over 20 years of real estate investment and management experience throughout Australia, Canada, and the United States. Chris is a Chartered Professional Accountant (CPA) and member of the Chartered Professional Accountants of Canada. He holds a Bachelor of Commerce (Finance) and Graduate Certificate of Management Accounting from Concordia University, Canada.

Paul McIntyre

Director, Construction Risk

Paul is responsible for construction risk management including detailed project analysis and on-site construction monitoring with a controlled and procedural approach. Paul has been involved in the construction industry in Australia and the United States for over 25 years across different sectors. Prior to joining Monark Paul has held senior roles in two ASX listed construction companies and more recently completed development projects independently. Paul provides Development and Project Management consulting services and holds domestic and commercial building registrations.

Ashley Hartman

General Counsel & Company Secretary

Ashley is responsible for providing legal guidance across all transactions and provides operational efficiencies to workflows. She has over 15 years of experience extending across a broad range of industry sectors, with a focus on finance, property and general corporate law. Prior to joining Monark Ashley worked for Wingate, Lander & Rodgers and Ashurst. Ashley holds a Bachelor of Laws (LLB) (Hons) and Bachelor of Arts (BA) from Monash University.

Amit Sharma

Director, Execution

Amit is responsible for analysing the risk and return parameters and managing the transaction throughout the investment cycle in a diligent and insightful manner. Amit has over 20 years of real estate investment experience having worked for over 10 years in J.P. Morgan and Morgan Stanley's real estate investment outfits in India with ~US$ 350 million in investments and assets under management. Amit is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of India.

Jake Potter

Associate Director, Execution

Jake is responsible for evaluating and executing investment opportunities. Prior to Monark, Jake worked in project finance (infrastructure/renewable energy) and corporate finance. Jake holds a Bachelor of Business from RMIT University (Distinction) and is a CFA Charterholder.

Daniel Koh

Senior Associate, Execution

Daniel is responsible for financial modelling, transaction analysis and the execution of investment opportunities. Prior to joining Monark, he was a Senior Consultant within EY-Parthenon's Valuation, Modelling and Economics team, specialising in financial and decision modelling across real estate, infrastructure and corporate transactions. Daniel is a Chartered Accountant (CA ANZ) and holds a Bachelor of Commerce from Monash University.

Capital

Marina Shnaider

Director, Private Capital | VIC

Marina is responsible for fostering deeper relationships with our investor partners and growing the Monark investor cohort. She has over 20 years' experience working across wealth & finance businesses. Prior to joining Monark, Marina worked for Wingate, NAB, ANZ and PWC. Marina holds Bachelor of Commerce and Bachelor of Business Systems degrees from Monash University as well as a Diploma in Financial Services.

Gini Li

Director, Private Capital | NSW

Gini has over a decade of experience in commercial property and business development, working in New York, Los Angeles, Hong Kong, and Sydney. She is uniquely experienced across multiple facets of property – in debt origination, commercial brokerage, and funds management. Deeply curious and empathetic, Gini approaches new challenges with energy and a desire to craft win-win strategies. Gini graduated with distinction from Duke University, where she majored in Political Science, minored in French, and obtained a certificate in Markets and Management.

Investor Relations

Kate Mullens

Investor Relations Manager

Kate is primarily responsible for investor reporting and communications, ensuring information is delivered accurately and in a timely manner. Having been with Monark for a decade, she plays an integral role in supporting investors throughout the investment lifecycle.

Kate brings extensive experience across the property industry, spanning commercial lending with Bank of Melbourne, banking and finance law with Mallesons Stephen Jaques, and the property development and management sectors. Prior to joining Monark, she spent ten years with JGL Investments, where she managed domestic and international audit and reporting requirements for external stakeholders.

Amanda Bagnato

Associate | Investor Relations

Amanda supports Monark's investor relations function, including the onboarding and compliance procedures for new investors. She brings over 20 years' experience in administration and stakeholder service across a range of sectors including healthcare, education and government.

Prior to joining Monark, Amanda held roles at Austin Health, Swinburne University and the Department of Human Services, with a focus on executive support, operational efficiency and process management. Amanda has studied a Bachelor of Business Management from Queensland University of Technology and has completed further study in linguistics and fundraising.

Marketing, Finance and Administration

Karin Forster

Marketing & Communications Executive

Karin is responsible for developing and implementing Monark's brand, marketing, and client experience strategies to strengthen relationships and share the Monark story. Karin has over 20 years' experience across varied industries. Karin holds a Master of Communication (Advertising) with Distinction from RMIT University and is an AMI Certified Practising Marketer.

Rachel Tan

Senior Accountant

Rachel is responsible for day-to day financial and accounting operations, periodic management and financial reporting, and statutory compliance. Prior to joining Monark, Rachel worked for Kane Constructions. She is a Certified Practising Accountant (CPA) and holds a Master of Practising Accounting.

Sigrun Klatte

Office Manager

Sigrun is responsible for the ongoing management and day to day activities of our Melbourne office. Prior to joining Monark, Sigrun worked at a private language school in Switzerland, as the School's Head Administrator. Sigrun has spent the past 16 years working in various administrative and assistant positions in Germany, the UK, France, and Australia. Sigrun holds a master's degree in English and History from TU Dresden and San Francisco State University.

4. Taxation

4.1. Tax Summary

The following provides a summary of the general tax implications for an investment by an Australian resident individual Unit Holder who holds their Units on capital account. Each Unit Holder's taxation position will depend on their individual circumstances and accordingly this summary is necessarily general in nature.

This summary is based on the taxation laws as at the date of this Fund IM. Investing in an unregistered MIS (**MIS**) is likely to have tax consequences. However, it is noted that taxation laws can change at any time, which may have adverse taxation consequences for Unit Holders concerned.

Each Unit Holder must take full and sole responsibility for the associated taxation implications arising from an investment in the Fund including any change in the taxation implications arising during the term of their investment. It is recommended that Unit Holders obtain their own professional and independent taxation advice before investing in the Fund.

4.2. Income Tax Provisions

Provisions that Apply

The income tax treatment of the Fund and its Unit Holders will depend on whether the Trustee elects, and is eligible, to apply the Attribution Managed Investment Trust (**AMIT**) provisions. The AMIT provisions are an elective income tax regime for qualifying managed investment trusts (**MIT**) that provide for flow-through taxation to Unit Holders. Where the AMIT provisions do not apply, the ordinary trust taxation provisions will apply to the Fund.

The Trustee has previously made an irrevocable election to apply the new AMIT provisions. The application of the AMIT regime is dependent on the Fund meeting the criteria each income year. The Trustee believes it qualifies and will continue to qualify for the regime. Accordingly, the section below outlines the income tax treatment where the AMIT provisions will apply to the Fund and its Unit Holders. The Trustee will provide an update to the extent that the Fund does not qualify for the AMIT provisions in any income year.

Income Tax Treatment of the Fund

Where the AMIT provisions apply to the Fund, the Fund will effectively be treated as a flow-through vehicle for income tax purposes irrespective of whether income or capital is distributed to Unit Holders. The Trustee should not be liable to pay Australian income tax on the taxable income derived by the Fund. This is on the condition that the Fund will not be taxed as a company under the public trading trust provisions (discussed below).

Income Tax Treatment of Unit Holders

The AMIT provisions require the taxable income of the Fund to be attributed to Unit Holders on a fair and reasonable basis, having regard to their income and capital entitlements in accordance with the constituent documents. The Trustee will seek to allocate taxable income having regard to the Units held by Unit Holders, entitlements to income and capital, as well as cash distributions made to such Unit Holders during the relevant period. Under the AMIT provisions, a Unit Holder may be taxable on their share of the Fund's taxable income prior to receiving distributions from the Fund.

Tax Deferred Distributions

Under the AMIT provisions, a Unit Holder's cost base in their Units held is increased where taxable income is allocated to them (inclusive of any tax-free component of a discount capital gain). The cost base is decreased where cash distribution entitlements are made to the Unit Holder in respect of their Units, irrespective of whether the amounts distributed are classified as income or capital. Additional reductions are made for certain tax offsets (such as the franking credit tax offset and foreign income tax offset). The net annual tax cost base adjustment amount will be detailed in an AMMA tax statement, which will be sent annually to each Unit Holder after year-end.

4.3. Public Trading Trust Provisions

It is noted that a unit trust that is a public trust can be taxed as a company where it carries on (or controls another entity that carries on) trading activities other than eligible investment business activities (**the public trading trust provisions**).

While the Fund may satisfy the definition of being a public unit trust, the Trustee intends to limit the activities of the Fund to eligible investment business activities (i.e., investing in loans) so that the public trading trust provisions do not apply to the Fund. Furthermore, the Trustee will seek to ensure it does not control entities that carry on trading activities.

Accruals Taxation

It is possible that the Fund may derive assessable income prior to those amounts being received by the Fund or distributed to Unit Holders. Accordingly, Unit Holders may be required to include amounts in their taxable income prior to receiving a distribution of those amounts from the Fund.

Tax Losses

Where the Fund incurs a tax loss, these do not flow-through the Fund to Unit Holders. However, provided that the requirements of the trust loss provisions are satisfied, the Fund may be able to carry forward those tax losses to offset them against assessable income derived in a future income year.

Distribution Reinvestment

Unit Holders may choose to reinvest their distributions as additional Units in the Fund. Where the Unit Holder makes such a choice, the Unit Holder may still be assessed on the amount of the distribution applied to the reinvestment. Unit Holders who have invested through a third party (e.g., a pooled investment platform) should check reinvestment eligibility requirements directly with the platform provider.

4.4. Disposal of Units

To the extent that a Unit Holder disposes of their Units (e.g., by way of a transfer or withdrawal) a gain or loss may arise. A Unit Holder that holds their Units on capital account (rather than revenue account) will derive a capital gain or incur a capital loss. The capital gain or loss is to be determined by comparing the capital proceeds received in respect of the disposal, to the tax cost base of the Units (taking into account adjustments from tax-deferred distributions (if any) as outlined in the AMMA provided to Unit Holders (see below)).

4.5. Non-Resident Investors

The taxation implications of Unit Holders that are not Australian resident for tax purposes (**non-resident Unit Holders**) are not considered as part of the Fund IM. However, this section provides a general outline of the Australian income tax withholding requirements of the Fund and a general comment on whether Units in the Fund are likely to constitute taxable Australian property.

Where a Unit Holder is a non-resident Unit Holder or provides details to the Fund that indicate that they are residing outside of Australia for tax purposes, withholding tax may be deducted from distributions at the applicable rate. The rates may vary according to whether the Fund qualifies as a Withholding MIT, the residency or address of the Unit Holder and the components of the distribution (e.g., interest, line fees, etc). Non-resident Unit Holders may also be subject to tax in the country of their residence (but may also obtain a credit for Australian withholding tax paid). Where withholding tax is paid by the Trustee in relation to a Unit Holder and it is not a final tax, non-resident Unit Holders may be required to lodge an Australian income tax return.

Based on the assets to be held by the Fund (i.e., investments in loans), the Trustee does not believe that the Units will constitute taxable Australian property.

4.6. Annual Reporting

The Fund will be required to provide distribution information (including tax components) to the ATO on an annual basis by lodging the Annual Investment Income Report (**AIIR**).

Where the Fund is an AMIT, the Fund will be required to provide an annual tax distribution statement in the form of an AMMA statement that complies with the ATO guidelines. The AMMA will reconcile the cash distribution with the taxable distribution for the income year. The AMMA will also provide details on the net tax cost base adjustment for the income year.

4.7. Tax File Number (TFN) and Australian Business Number (ABN)

As the Fund will be an investment body for income tax purposes, the Fund will be required to obtain a Tax File Number (**TFN**) or Australian Business Number (**ABN**) in certain cases from its Unit Holders.

It is not compulsory for a Trust's Unit Holder to quote a TFN, claim a valid exemption for providing a TFN, or (in certain circumstances) provide an ABN. However, failure to obtain an appropriate TFN or ABN from Unit Holders will result in the Trust being required to withhold at the top marginal rate (currently 47%) with respect to distributions to the Unit Holder (which may be creditable in their tax return).

4.8. Goods and Services Tax (GST)

The acquisition and disposal of Units in the Fund by the Fund's Unit Holders should not be subject to GST. However, GST may apply if fees are charged to the Fund by the Trustee or the Manager. In such a case, the Fund may be eligible to claim a Reduced Input Taxed Credit of either 75 per cent or 55 per cent of the GST paid on some of the fees charged to the Fund, depending on the type of fee.

4.9. Stamp Duty

The issue, redemption, transfer or any other arrangement involving a change in the unitholding of the unit trust may result in stamp duty consequences. Unit Holders should confirm the duty consequences of their dealings in Units with their taxation advisers.

4.10. Foreign Account Tax Compliance Act (FATCA)

In compliance with the U.S income tax laws commonly referred to as the Foreign Account Tax Compliance Act (**FATCA**) and the Intergovernmental Agreement signed with the Australian Government in relation to FATCA, the Fund will be required to provide information to the ATO in relation to: (a) Unit Holders that are US citizens or residents; (b) entities controlled by US persons; and (c) financial institutions that do not comply with FATCA.

The Fund has registered for FATCA purposes and will conduct appropriate due diligence (as required). Where the Fund's Unit Holders do not provide appropriate information to the Fund, the Fund will also be required to report those accounts to the ATO.

4.11. Common Reporting Standard (CRS)

The Common Reporting Standard (**CRS**) is the single global standard for the collection, reporting and exchange of financial account information of non-residents, which applies to calendar years ending after 1 July 2017. The CRS is similar to FATCA, whereby the Trustee will need to collect and report similar financial account information of all non-residents to the ATO. The ATO may exchange this information with the participating foreign tax authorities of those non-residents.

5. Additional Information

5.1. Conflicts of Interest Policy

Monark has a Conflicts of Interest Policy which establishes a formal process for the assessment and resolution of actual and potential conflicts of interest. This policy was introduced to ensure that the interests of our investors remain at the centre of our thinking and that any conflict of interest is resolved in a consistent, objective, and fair manner.

Actual, perceived or potential conflicts of interest may exist between the interests of the Trustee, the interests of the Investors and the investors of different Monark funds. For example, a conflict may arise in the following circumstances:

- where Monark invests in multiple positions in the same capital stack and represents more than one set of Investors (i.e. Investors in different Monark funds);
- where Monark is required to determine whether a loan is in default and Monark is entitled to receive default interest; and
- where an employee or officer co-invests with a fund or has a financial interest in entities transacting with the fund.

These issues will be dealt with in accordance with the Conflicts of Interest Policy.

Our Conflicts of Interest policy is available for review on request.

Further, there may be related party transactions and investments in respect of the Fund (see section 5.2 for more information).

5.2. Related Party Investments and Transactions

The Trustee, Manager, the Monark Lending Entities and Monark are related parties.

Related parties of Monark, the Monark Lending Entities, the Trustee and Manager, including employees, family, friends, and associated affiliates, may invest in the Fund on the same terms as other Investors in the Fund. For example, the two Non Executive Directors (**NEDs**) on the Board of Directors (representing the interests of the Liberman Family) have substantial investments in the Fund as well as other Monark private debt facilities. The NEDs hold Units on the same terms as all other Investors.

The Fund generally provides limited recourse loans to Monark Lending Entities established by Monark under the terms of a Participation Loan Agreement. The Monark Lending Entity then uses these funds to provide debt facilities to Borrowers. Under the Participation Loan Agreement, the Monark Lending Entity is required to pay interest to the Fund.

Monark or its related parties retain fees payable by a Borrower and/or any interest margin payable by a Borrower under a Facility.

Under the Trust Deed, the Trustee may appoint any of its related entities to provide services and to perform functions in relation to the Fund, including acting as its delegate. The Trustee may also enter into financial or other transactions with related entities in relation to the assets of the Fund and may sell assets or purchase assets from a related entity. These arrangements will be based on arm’s length commercial terms.

The Trustee, Manager and Monark or their related parties may be paid a fee for work performed in connection with the Fund in its personal capacity and not in its capacity as the trustee of the Fund. The Trustee may retain these fees for its own purposes and is not required to account for them to the Fund or to Investors.

The Trustee and its related parties may engage in related party transactions provided those transactions are in the best interests of Unit holders.

Related party transactions and investments will be managed in accordance with Monark’s Related Party Transaction Policy. Our Related Party Transaction Policy is available for review on request.

5.3. Co-investments

The Fund will have a first right to invest in all Monark senior-secured private debt transactions. However, third parties, including existing investors, may be invited to co-invest in a Facility alongside the Fund where additional funding is required or Monark reasonably considers such offer to be in the best interests of Investors. Co-investments in a Facility may be on differential or more favourable terms that those provided to the Fund.

5.4. Trust Deed

The Fund's Trust Deed (in addition to the general law) sets out the terms and conditions under which the Fund operates, as well as many of the rights, liabilities, duties and obligations of Investors and the Trustee. Your rights, duties, and obligations as a holder of Units are governed by the Trust Deed and the general law relating to trusts. These rights include the right to attend Unit Holder meetings, to make redemption requests, receive and reinvest distributions, and participate in proceeds of the termination and winding up of the Fund.

Some key terms of the Trust Deed are described below, but it does not summarise all of the provisions. Other terms have been described elsewhere in this Fund IM, including in relation to the nature of an Investor's interest in the Fund's assets, applications and redemptions of Units, Unit pricing, transfers of Units, distributions, and Trustee fees.

Investors should refer to the Trust Deed for the detail of the provisions. A potential Investor, and a Unit Holder, may obtain a copy of the Trust Deed on request to the Trustee.

5.5. Transfers of Units and Security over Units

A Unit Holder may transfer Units in the manner as the Trustee from time to time prescribes but must not do so without the express written consent of the Trustee (which may be withheld in its absolute discretion).

5.6. Trustee's Role, Obligations, and Rights

The Trustee's duties and obligations to Investors are imposed, and functions and powers conferred, by the Trust Deed, the Corporations Act (where relevant) and general law.

Examples of the Trustee's powers include acquiring and disposing of the Fund's assets, entering into agreements, operating accounts, and raising money.

A Unit Holder may not create any encumbrance or other security interest over a Unit without the consent of the Trustee.

Under the Trust Deed, the Trustee has (among other things) a broad power of investment, an entitlement to be paid the specified fees out of the Fund's assets, a right to pay out of the Fund's assets fees and costs incurred by the Trustee in the performance of its duties (including payment of the fees and costs of Monark under the Investment Management Agreement, and other Fund expenses such as in connection with custody, administration, valuation and dealing of Fund assets), and (subject to limitations operating by law) a right to be indemnified out of the Fund's assets for any fees or costs incurred by it, in its own capacity or through an agent, manager, advisor or delegate.

5.7. Trustee's Indemnity and Limitation of Liability

The Trustee, as the trustee of the Fund, has to the fullest extent permitted by law, a right to be indemnified out of the Fund's assets for any cost, expense liability incurred by it, in its own capacity or through an agent, manager, advisor or delegate.

To the fullest extent permitted by law, the Trustee is not liable in contract, tort or otherwise to any future trustee, any Unit Holder or any other person.

5.8. Liability of Unit Holders

Generally, the liability of Unit Holders is limited to the amount unpaid (if any) of the issue price of the Units they hold.

5.9. Trustee's Retirement and Removal

The Trustee may retire as trustee of the Fund effective on the appointment of a replacement trustee, by giving notice to the Unit Holders.

The Trustee must retire as trustee of the Fund when required by law or directed to retire by a special resolution provided that Unit Holders holding in aggregate at least 75% of all Units on issue vote (in person or by proxy) on the resolution and provided that the Trustee must not retire until a replacement trustee is appointed.

5.10. Termination of the Fund

The Trustee at any time may terminate the Fund by written notice to the Unit Holders with effect from the termination date specified in the notice.

The Unit Holders may at any time terminate the Fund by special resolution provided that Unit Holders holding in aggregate at least 75% of all Units on issue vote (in person or by proxy) on the resolution.

5.11. Amending the Trust Deed

The Trustee may amend the Trust Deed, however, where the Trustee proposes to:

(a) amend or replace the Trust Deed (**Proposed Change**); and

(b) the Trustee reasonably considers the Proposed Change will materially adversely affect Unit Holders' rights,

the Proposed Change must be approved by the Unit Holders by special resolution.

5.12. Investment Management Agreement

The Trustee and Manager have entered into an investment management agreement (**IMA**). Under the terms of the IMA:

(a) the Trustee appoints the Manager to promote and distribute the Fund, source investments for the Fund and manage the investments of the Fund;

(b) the Trustee agrees with the Manager to manage the Fund in accordance with relevant laws and the terms of the Trust Deed;

(c) the Manager agrees to provide regular reporting to the Trustee and be subject to the regular monitoring of the Trustee. The Manager also agrees to provide proper instructions for the making of investments in the Fund;

(d) the fees and expenses payable to the Manager and Trustee are specified; and

(e) terms are set out for the termination of the IMA including where either party has breached the IMA or becomes insolvent, or on notice after the minimum appointment period for the Trustee has been satisfied.

5.13. Reporting

Investors will receive:

- A monthly report on the Fund's performance,
- A monthly distribution statement,
- A holding statement showing current Unit holding and Unit price on initial investment, subsequent top ups, redemptions, and Unit transfers, and
- An annual tax statement.

When reporting to Investors, Monark will provide LVR details at the Fund level (including cash).

Investors may not disclose information contained in any report without the consent of the Trustee or as required by law.

5.14. Wholesale Clients

Only Wholesale Clients may apply for and hold Units.

Generally, an Investor is a 'wholesale client' for the purposes of the Corporations Act where any one of the following applies:

(a) the Investor's investment is $500,000 or more;

(b) the Investor provides an accountant's certificate stating that the Investor has net assets of at least $2.5 million or has earned at least $250,000 in each of the last two financial years;

(c) the Investor is a 'professional investor' (including those that hold an AFSL, are APRA regulated or have or control at least $10 million worth of assets); or

(d) we are satisfied on reasonable grounds that the Investor has suitable previous experience in financial products, subject to certain conditions.

5.15. Privacy

Investors in the Fund will be required to provide the Trustee and/or Manager personal information. The *Privacy Act 1988* (Cth) governs the use of a person's personal information and sets out principles governing the way organisations are required to treat personal information. The Trustee and/or Manager will collect information about each Investor subscribing to the Fund. If the Trustee and/or Manager is obliged to do so by law, Investors' personal information will be passed on to other parties strictly in accordance with legal requirements. Once personal information is no longer needed for the records of the Fund, the Trustee and/or Manager will destroy or redact the information.

By completing and submitting the online Application Form, each Investor agrees that the Trustee and/or Manager may use the information provided for the purposes set out in this statement and may disclose it for those purposes to the Trustee, the Manager and related bodies corporate, agents, contractors, and third-party service providers, including professional advisors and any applicable regulatory authority.

If an Investor does not provide all of the information required by the Trustee in connection with an investment in the Fund, the Trustee may not be able to process applications and/or provide Investors with the full benefit of investing in the Fund.

The Trustee and Monark may use personal information collected from Investors to inform them about other opportunities from Monark and its related entities.

Investors have the right to gain access to the information that the Fund holds about them subject to certain exemptions at law. Access requests must be provided in writing to the Trustee and a fee may be charged for such access.

Our Privacy Policy is available on our website.

5.16. Anti-Money Laundering

The Trustee and Manager are required to comply with the *Anti-Money Laundering and Counter Terrorism Financing Act 2006* (Cth) (**AML Act**). Accordingly, the Trustee and/or Manager requires the Investor to provide information and documentation substantiating its personal identity. The Trustee and/or Manager may need to obtain additional information and documentation to process an Investors' application or at any other time during the life of the Fund.

If the Trustee and/or Manager is concerned that a request or transaction may breach any obligation of or cause the Trustee and/or Manager to commit or participate in an offence under, the AML Act, the Trustee and/or Manager may decide to delay or refuse any request or transaction (including payment of distributions), including by suspending the issue or redemption of Units.

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

5.17. Electronic Instructions

Investors can provide instructions on their account and investment to the Trustee by email, subject to the Trustee's discretion to require original documentation.

The Trustee (and its related parties, officers, employees, consultants, advisors, and agents) will not be responsible for any loss or delay that results from a transmission not being received by the Trustee and will only process electronic instructions received in full and signed by authorised signatories of the Investor.

Only instructions received from an Investor, or a person authorised by the Investor will be accepted by the Trustee. Investors must comply with any security or verification procedures required by the Trustee from time to time.

The Trustee and its related parties, officers, employees, consultants, advisors, and agents will assume that any instruction received in respect of an Investor's investment has been authorised by the Investor, and the Trustee and its related parties, officers, employees, consultants, advisors, and agents will not investigate or confirm that authority (unless the Trustee is actually aware that the instruction was not authorised).

The Trustee may refuse to act on any instruction until the validity of the instructions have been confirmed, and the Trustee (and its related parties, officers, employees, consultants, advisors, and agents) will not have any liability to the Investor or any other person for any consequences resulting from not acting on the instruction.

If an Investor chooses to provide electronic instructions, the Investor releases the Trustee and its related parties, officers, employees, consultants, advisors and agents from any claims and indemnifies those parties against all costs, expenses, losses, liabilities or claims arising from any payment or action those parties make based on instructions (even if not genuine) that any of those parties receive and which they reasonably believe are genuine, including as a result of gross negligence or wilful default by any of those parties.

Each Investor also agrees that neither the Investor, nor anyone claiming through the Investor, has any claim against the Trustee and its related parties, officers, employees, consultants, advisors, and agents in relation to acting on instructions received (authorised by the Investor or otherwise).

Investors should be aware that there is a risk that fraudulent requests can be made by someone who has access to an Investor's account information.

The Trustee may vary the conditions of service of any communications at any time by providing notice, either in writing, by email or other electronic communication.

6. Key Service Providers

Auditor	Moore Australia
Tax Advisors	Pitcher Partners Advisors Proprietary Limited
Legal Advisors	Hall & Wilcox

7. Contact Details

Trustee

Name	Monark Securities Pty Ltd
ACN	635 529 412
Address	Level 2, 390 Malvern Road, Prahran VIC 3181
Telephone	+61 3 8571 1710
Website	www.monarkpartners.com.au

Manager

Name	Monark Secured Debt Management Pty Ltd
ACN	620 206 911
Address	Level 2, 390 Malvern Road, Prahran VIC 3181
Telephone	+61 3 8571 1710
Website	www.monarkpartners.com.au

Annexure 1 – Glossary of Terms

Term	Definition
AFSL	Australian Finance Services Licence
AML Act	*Anti-Money Laundering and Counter Terrorism Financing Act 2006* (Cth)
Application Form	The detailed form containing the information required by the Trustee to accept investments in the Fund
'Approved' rating by BondAdviser	This term is defined by reference to the definition used by BondAdviser. Specifically, it indicates that their research allows them 'to conclude that the fund manager, governance structure, policies and procedures appear to be sound and capable of managing the fund adequately to target its benchmark.'
ATO	Australian Taxation Office
Borrowers	Third party Borrowers
Conflicts of Interest Policy	The policy maintained by the Trustee and the Manager in relation to managing potential conflicts of interest that may arise from time to time during the term of the Fund
Corporations Act	*Corporations Act 2001* (Cth)
Distribution Date	The date on which the Trustee makes income distributions
Executive Directors	Michael Kark and Adam Slade-Jacobson
Facility	A debt loan facility to be advanced by a Monark Lending Entity to a Borrower
Facility Agreement	The legal agreement between each Monark Lending Entity and each Borrower containing the terms of a Facility
FATCA	*Foreign Account Tax Compliance Act* (Cth)
Forward-looking Statements	All projections, forecasts, estimates, target returns and calculations
Fund	Monark Prime Credit Fund
Fund IM	Monark Prime Credit Fund Information Memorandum
Investment Management Agreement	The Investment Management Agreement between the Trustee and the Manager
Investor/Unit Holder	A person or entity that holds Units
Jagen	Jagen Pty Ltd, being the family office of Bori Liberman
LVR	Loan to Value Ratio, being the current loan amount (plus all interest expected to be accrued over the term) under the Facility Agreement divided by the value of the Security Asset (ie 'as is' value of land or the 'as if complete' value of development assets) if calculated for a specific Facility, or the aggregate loan amounts (plus all interest expected to be accrued over the term) under all Facility Agreements divided by the total value of the assets of the Fund if calculated on a Fund basis.
Manager	Monark Secured Debt Management Pty Ltd ACN 620 206 911, as Corporate Authorised Representative of Monark Securities Pty Ltd ACN 635 529 412 AFSL No. 519884
Monark	Monark Property Partners Pty Ltd ACN 160 949 691

Term	Definition
Monark Group	Monark or any of its respective related entities, directors, officers, employees, or associates
Monark Lending Entity	A special purpose vehicle established by Monark to invest in a single Facility
NED	Non-executive director
Participation Loan Agreement	A loan agreement under which the Fund will advance funds, on an unsecured basis, to each Monark Lending Entity, and under which each Monark Lending Entity must pay an agreed return to the Fund when a Facility is repaid
Recipients	Potential Investors who receive this Fund IM
Redemption Date	The date that the Trustee opens the Fund for redemption requests
RITCs	Reduced input tax credits
Security Asset	A property asset which secures the obligations under a Facility Agreement
Senior Debt Facility	A Facility secured by a first-ranking mortgage
Senior Debt Investment Committee	The Senior Debt Investment Committee of the Fund, comprising Michael Kark (CEO of Monark), John Byrne, and Nick Quince (independent members)
SPV	A special purpose vehicle which enters into a Facility Agreement with a Borrower
Trustee	Monark Securities Pty Ltd ACN 635 529 412 AFSL No. 519884
Trust Deed	The trust deed of the Fund
Unit	Units in the Fund

MONARK
Realising the remarkable

Contact

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