

Saltwater Fund

Information Memorandum

Trustee

Quay Wholesale Fund Services Pty Ltd

ABN 55 647 044 602

AFSL No 528526

Investment Manager

CP Ventures Management Pty Ltd

ACN 610 928 919

Corporate Authorised Representative (Registration No. 1253421) of
Lazarus Securities Pty Ltd (AFSL No. 502758)

Issued

13 March 2024

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1. Notice to Potential Investors

This Information Memorandum (**IM** or **Memorandum**) is dated 13 March 2024 and relates to the offer of interests in the Saltwater Fund (**Trust**). Quay Wholesale Fund Services Pty Ltd (ABN 55 647 044 602, AFSL No 528526) (**Trustee**) is the trustee of the Trust and the issuer of this IM. The terms of your investment in the Units of the Trust (**Units**) are set out in the following key documents:

- The trust deed of the Trust dated 13 March 2024, as further amended from time to time (**Trust Deed**);
- This IM; and
- The application form accompanying this IM that is of the same date (**Application Form**).

The key documents outlined above (together, the **Transaction Documents**) must be read carefully before making a decision to invest in the Units of the Trust. Copies of the Transaction Documents will be provided to you upon request.

The Transaction Documents:

- Constitute your agreement with the Trustee to invest the amount specified in the Application Form;
- Describe the features, the associated risks and the costs of the Trust's investment strategy; and
- Set out some of the key terms of investing in the Trust and contains certain representations and warranties from you as an investor in the Trust.

Upon acceptance of your executed Application Form (including receipt of your cleared funds paid to our nominated account), monies will be held on deposit within the Trust in an account with an Australian Authorised Deposit-Taking Institution (**ADI**).

This IM is not a disclosure document under the *Corporations Act 2001* (Cth) (**Corporations Act**) and has been prepared for use by wholesale or professional investors only. This document is not required to be and has not been lodged with the Australian Securities and Investments Commission (**ASIC**), and neither ASIC nor any of its officers take any responsibility for the contents of the IM.

Your Decision to Invest

This IM is an important document which you should read before making a decision to acquire the Units. A document of this kind cannot however take into account your investment objectives, financial situation or particular needs, and nothing in this IM should be regarded as a recommendation by the Trustee or by any other person concerning an investment in the Trust. Having considered the information in the IM, you should obtain independent financial and taxation advice as to the suitability of an investment in the Units for you, having regard to your investment objectives, financial situation and particular needs.

Applications

This IM is available in paper form and in electronic form. If you wish to invest, you must complete the Application Form accompanying the IM and submit it as set out in accordance with the instructions set out in the Application Form.

Restrictions on Distribution of this IM

The offer to which this IM relates is only available to persons:

- receiving the IM in Australia; and
- who qualify as wholesale investors under s 761G and s 761GA of the Corporations Act.

The IM does not constitute an offer of the Trust in any place in which, or to any person to whom, it should not be lawful to make an offer of the Trust. The distribution of the IM in jurisdictions outside Australia may be restricted by law, and any person who resides outside Australia and who comes into possession of the IM should seek advice about it and observe any restrictions.

Updated Information

Updated information relating to this IM will be made available promptly. You can access this information at www.quayfund.com.au. Alternatively, you can request a paper copy of this information free by contacting the Trustee on 1300 114 980. The information that will be made available by way of updates is information which is subject to change from time to time and is not materially adverse to you. If a change in information is materially adverse to you, the Trustee will replace this IM or issue a supplementary IM.

Electronic IM

Investors who receive this IM in electronic form are entitled to obtain a paper copy of the IM, including the Application Form, without charge. Please contact the Trustee on 1300 114 980.

Definitions

Some expressions used in this IM are defined in the Glossary in section 10. Unless the context requires otherwise, words used in the IM have the meaning given in the Glossary.

2. Key Features

Key Features

Feature	Overview	Refer to Section
Trust	Saltwater Fund	4
Trust Structure	The Trust is an unlisted, unregistered Australian wholesale managed investment scheme.	4.1
Trustee	Quay Wholesale Fund Services Pty Ltd (ABN 55 647 044 602, AFSL No 528526)	3
Investment Manager	CP Ventures Management Pty Ltd (CP Ventures) (ACN 610 928 919), the Corporate Authorised Representative (Registration No. 1253421) of Lazarus Securities Pty Ltd (AFSL No. 502758)	3
Investment Objective	The investment objective of the Trust is to generate a consistent annual internal rate of return (IRR) of 30% over the life of the Trust by investing in a mixed portfolio of listed and unlisted high-growth technology companies.	4.2
Investment Strategy	The investments of the Trust will principally be unlisted high-growth technology companies globally at the pre-seed, seed and series A stage, micro and small-cap listed equities from major global equity markets, and secondaries in major technology companies. The companies will be in one of the verticals of the Fourth Industrial Revolution or supporting industries. Investments are expected to be made directly by the Trust.	4.3
Investment Manager Co-Investment	The Investment Manager, the Partners and/or their associates together intend to invest a minimum of AUD\$5 million in the Trust. This may be contributed as cash or in assets consistent with the Trust's investment objectives. There is no set time limit on the timing of this contribution, and will be conducted at the prevailing NAV.	4.4
Eligible Investors	Wholesale clients as defined in the Corporations Act.	5.1
Opening Date	7 August 2023	

Minimum initial investment and balance	The minimum initial investment amount for new investors is AUD\$50,000. The minimum holding balance is AUD\$25,000. The Trustee, in its sole and absolute discretion, may accept or reject all or any portion of any investment and reduce, increase or waive the minimum investment or minimum holding.	5.5
Maximum holding	No Unit holder, other than the Investment Manager, is permitted to hold more than 5% of the NAV, unless permitted by the Trustee.	5.6
Estimated return	30% IRR (before fees and expenses) per annum over the life of the Trust. This is a target only and there can be no guarantee that the Trust will achieve this rate of return.	4.2
Unit Prices	AUD\$1.00 per Unit during the Initial Offer Period. Following the Initial Offer Period, Unit prices will be calculated by the end-of-month NAV (net of fees and expenses) of the assets corresponding to the Units divided by the number of Units on issue. Prices for Transitional Units will be the relevant redemption price during the Exit Window.	5.3
Class of Units	As of the date of this IM, there will be three Classes of Units in the Trust: <ul style="list-style-type: none"> • Ordinary Units to be held by investors; • Trial Units; and • Manager Units to be held by the Investment Manager or its nominee. The offer under this IM is with respect to Ordinary Units and Trial Units only.	5.2
Investment Timeframe	Commences from the Opening Date with no end date. The Trustee and the Investment Manager recommend that you consider, with your financial adviser, the suggested investment period for the Trust for your own investment timeframe. You should review this regularly to ensure that the Trust continues to meet your investment needs.	5.4
How to invest in the Trust	Investors should complete the Application Form accompanying this IM and send the completed Application Form, together with any supporting documents to the Trustee. The Trustee has the right to reject any application or to accept only part of an application. Once lodged, an application may be cancelled only with the Trustee's approval. No cooling off period applies to wholesale clients as defined in the Corporations Act.	5.9

Redemptions	<p>Unit holders may request the Trustee to redeem all or some of their Units at the end of quarterly Exit Windows.</p> <p>Total net withdrawals will be capped at 5% of the total NAV per quarter. The redemption price will be the end-of-quarter net NAV less a 10% spread for Ordinary Units. Trial Units incur no spread.</p>	5.7
Trial Unit Conversion	<p>Trial Units are automatically converted to Ordinary Units at the end of 6 months if not redeemed by the Investor. Investor has the option to sell their Trial Units to the Investment Manager at the end of 6 months at the latest NAV less carry or for the price initially paid for investment, whichever is greater.</p>	
Distributions	<p>100% reinvestment rate. Distributions will be automatically reinvested to acquire new Units at the prevailing NAV. The Trustee may choose to distribute profits or capital at its sole discretion on a pro rata basis to Units held.</p>	5.8
Risks	<p>Like an investment of this type, there are risks associated with investing in the Trust. For information about the specific risks associated with the Trust, see section 6.</p>	6
Fees and Expenses	<p>There will be zero management fees paid to the Investment Manager. The Investment Manager will be rewarded purely on the basis of performance via Carried Interest. The Investment Manager will be entitled to receive the Carried Interest either in cash or as Manager Units, at the Investment Manager's election.</p> <p>The Trust will pay all the costs of its operation and management, including the organisational expenses, the fees and expenses payable to service providers and all expenses related to its investment program.</p>	7

3. Trust Management

Trustee

The Trustee is Quay Wholesale Fund Services Pty Ltd (ABN 55 647 044 602, AFSL No 528526) (**Quay**). Quay has been established as an independent provider of trustee services to wholesale funds. This leaves the investment decisions to an expert that can focus on deciding what investments are made on behalf of the Trust, whilst Quay takes care of the operational aspects of the Trust.

Quay's responsibilities and obligations as the trustee are governed by the Trust Deed, the Corporations Act and general trust law. As trustee of the Trust, Quay is solely responsible for the management of the Trust.

Quay has delegated the investment management functions to CP Ventures Management Pty Ltd (ABN 80 610 928 919) (**CP Ventures**) under an Investment Management Agreement (**IMA**). Quay reviews the Investment Manager on an ongoing basis to ensure that it is managing the investments of the Trust within the terms of the IMA.

Key Executives

John Ballhausen (Founder)

John was the former managing director of Rimcorp Property Limited (ABN 64 100 029 776) which was the responsible entity for three registered schemes with over \$100 million in funds under management. He has been a key person and/or a responsible manager on several Australian financial services licences.

Simon Lindsay (Founder)

Simon was the former managing director of Aurora Funds Management (ABN 69 092 626 885) which was the responsible entity for five registered schemes with over \$600 million in funds under management. He has also been a key person and/or a responsible manager on several Australian financial services licences.

Further biographical details are available on Quay's website www.quayfund.com.au.

The Trustee holds Australian Financial Services license number 528526 issued by ASIC, which authorises it to operate the Trust.

Investment Manager

The Investment Manager of the Trust is CP Ventures. The roles and responsibilities of CP Ventures is governed by the IMA and this IM.

CP Ventures will have the responsibility for sourcing, managing and realising the investments of the Trust. The tasks involved in performing these activities will include, but are not limited to:

- Sourcing opportunities;

- Screening and identifying high potential investment opportunities;
- Conducting or managing the necessary financial analysis and due diligence;
- Preparing investment recommendations in the form of an investment memorandum;
- Negotiating the purchase price, terms of the sale and purchase agreement, and shareholders' agreement (as relevant);
- Value adding on an ad hoc basis as required, including connections, advice and HR services;
- Monitoring operational and financial performance of portfolio companies;
- Optimising portfolio construction;
- Managing the Trust's liquidity levels to enable quarterly liquidity; and
- Developing and managing the process for the realisation of the Trust's investments.

CP Ventures' investment management team and Investment Committee consists of Emlyn Scott and Chris Sang.

CP Ventures' core investment management team is supported by a team of investment professionals and advisers experienced in the private equity and venture capital industries from tax and legal structuring to fund administration and compliance. The investment team will draw upon the experience, resources and administrative support of this broader team.

The team's detailed transactional experience, together with examples of their sector expertise, experience in deal sourcing, due diligence, investment execution, investee company management, investee company value creation, investment exits, investor relations, funds management, performance structures, legal and compliance are set out in their biographies below.

Key Executives

Emlyn Scott (Managing Partner and Investment Committee Member)

Emlyn Scott has over 30 years of financial and business development experience in Australia and Europe.

He is the co-founder and Managing Partner of venture capital firm, CP Ventures, which operates two funds. Both funds enjoy top quartile performance and Fund 1 is ranked by Preqin as one of the world's top performing funds in 2022 and 2023. He is personally one of the largest investors in the CP Funds.

He has made 51 early stage investments personally since 2012, in fast growing tech companies like Kami, A.Kin, MealMe, Segna, Skylark Labs, EnsuredIt, Reza and many more.

He is a founder and former Director of OpenMarkets Group, one of Australia's largest stockbroker digital trading platforms.

He was the CEO of the National Stock Exchange of Australia (NSX), Australia's second largest listing stock exchange, for four and a half years.

He was also Head of Business Development at LCH.Clearnet for equities and CFDs in London for nine years, the world's largest independent clearing house.

He has four finance related degrees: Chartered Financial Analyst (CFA), Masters Business Administration (MBA), Graduate Diploma in Applied Finance and Investment (GDAFI) and a Bachelor of Economics (BEc).

Emlyn has specialist knowledge in the financial and fintech sector, with experience covering startups through to IPO and beyond. The National Stock Exchange of Australia (NSX) is an ASX listed company, as well as a listing entity itself. The NSX had a specific focus on earlier stage high growth businesses.

Emlyn has experience at IPO level due diligence, continuous disclosure and extensive knowledge of business development, including growing NSX from less than 2% market share to nearly 15% market share of Australian listing volume.

He acted as an intrapreneur for LCH.Clearnet Ltd over 9 years in the equity and CFD (contracts for difference) space in London as head of business development. He was responsible for identifying, scoping, business case production, presenting and managing (as the accountable executive) many multi-million dollar projects for LCH.Clearnet Ltd over 9 years in London.

Prior to this he worked as an equity fund manager at Martin Currie in the UK, focused on UK and European equities and IPOs. He was responsible for target company due diligence and valuations, portfolio performance and risk analysis.

Prior to this he was at the Commonwealth Bank and Societe Generale, where he became the largest short-term interest rate options trader in Australia.

Qualifications

- Chartered Financial Analyst (CFA) - CFA Institute
- Masters of Business Administration (MBA) - Edinburgh University
- Graduate Diploma in Applied Finance and Investment (GDAFI) - FINSIA
- Bachelor of Economics (BEc) - triple major in Finance, Economics and Business Law - Edinburgh University
- RG146 licenced

Appointments

- Director, Skylark Labs Australia (wholly owned US subsidiary)
- Board Observer MGA Thermal (Hunter Region, Australia)
- Special Advisor, FundWA
- Advisor, LeadStory (Sydney, Australia)

Chris Sang (Managing Partner and Investment Committee Member)

Chris Sang has a track record of accomplishment and excellence over 30 years in the tech industry in Software Development & Delivery, Angel Investor, Advisor and Advisory Board Member.

He is a Managing Partner of venture capital firm, CP Ventures, which operates two funds. Both funds enjoy top quartile performance and Fund 1 is ranked by Preqin as one of the world's top performing funds in 2022 and 2023. He is personally one of the largest investors in the CP Funds.

Chris has had a diverse career in systems development & consulting with startups, SME and large-scale enterprises across the banking, insurance & auto-industry. Using his

extensive experience in IT he has applied this with vigour to finding and investing in some of the fastest growing early stage companies around the globe as well as advising his portfolio of investments.

Chris' corporate career commenced in Westpac's software development division. Highlights of his time spent at Westpac include building the first retail banking integration to the RBA system for both suspicious and cash transaction reporting in Australia. When he left Westpac in 1996, he had the responsibility of managing the systems support team for whole retail branch network (5000 branch end users).

He then left for Sancha Computer Services a boutique consulting house specialising in insurance where he consulted with Royal & Sun Alliance (R&SA). At R&SA he was on the technical founding team developing the Lenders Mortgage Insurance (LMI) product which was initially implemented at ANZ, RAMS and Westpac. Lenders mortgage insurance (LMI) provides protection to financial institutions against losses arising from borrower default on high loan-to-value (HLTV) residential mortgages.

Sancha was acquired by NASDAQ (TIER) listed Tier Technologies where Chris became a principal consultant and apart of the senior leadership team in Australia. Subsequently Tier Australia was acquired by ASX listed Oakton (ASX:OKN). In 2004, Chris left Oakton Consulting for Royal & Sun Alliance which was floated on the ASX as Promina Group and he became the Oracle Development Manager for the Corporate Services Division managing all financial system interfaces across the company.

His investments have appeared on numerous publicly recognized high growth unlisted investment lists including;

- Top 5 (No.1) Fastest Growing Series A startup of 2014 (US)
- 2 Companies in the Forbes top 50 Fintech Startups (globally) 2015
- 2 Companies in the Investopedia 8 Fastest Growing Tech Startups 2015
- 1 Company in the MatterMark top 10 growing startups (globally) 2015
- 3 Companies in Business Insiders 33 startups to watch (from VC investors globally) for 2017
- 2 companies on the H2 Ventures KPMG Fintech 100 2018
- Colombia's 1st unicorn 2018
- 3 companies on the Breakout List: High Potential and High Growth Companies for 2019
- 2 companies on the Forbes Fintech 50 for 2019
- 1 company on Forbes Next Billion Dollar Startups 2019
- 1 company on Business Insiders Top 21 clean-tech startups (globally) 2020
- 2 companies on the Forbes Fintech 50 for 2020
- 1 company on Latin America's Top 10 innovative companies of 2020
- Deloitte's Fastest 50 - The No 1. Fastest growing company/startup in New Zealand 2021
- Fast Company - (No.1) 10 most innovative consumer good companies 2022

Qualifications

- Diploma in Financial Markets - FINSIA (SIA Affiliate)

Appointments

- Chief Technology Officer, IITR (> \$25m million revenue)

- Director, SkyLark Labs Australia (wholly owned US subsidiary)
- Advisor – Umano (Sydney, Australia)
- Advisor – LeadStory (Sydney,Australia)
- Advisor Board Member – Social Status (Sydney, Australia)
- Syndicate Lead – AngelList (250+ US Limited Partners)
- Board Member (pending) Schalke Group

4. The Trust

4.1 **Trust Structure**

The Trust is an unlisted, unregistered managed investment scheme under the Corporations Act.

4.2 **Investment Objective**

The investment objective of the Trust is to generate a consistent, above-market annual internal rate of return (IRR) of 30% over the life of the Trust by investing in a mixed portfolio of listed and unlisted high-growth technology companies, while providing liquidity to investors during normal market conditions.

The performance of the Trust will also be benchmarked against the S&P 500 Index.

The Trust has been designed to overcome the many limitations of traditional venture capital structures, including high fees, conflicts, and illiquidity.

There can be no assurance that the investment objective of the Trust will be achieved.

4.3 **Investment Strategy**

The Trust seeks to achieve the investment objective by investing principally in unlisted high-growth technology companies globally at the pre-seed, seed and series A stage, micro and small-cap listed equities from major global equity markets, and secondaries in major technology companies. The companies will be in one of the verticals of the Fourth Industrial Revolution or supporting industries.

Investments are expected to be made directly by the Trust.

Asset allocation

The targeted asset allocations of the Trust are as follows:

Growth Assets	Target holding	Permitted range
Listed equities	50%	25%-75%
Unlisted companies	50%	25%-75%
Defensive assets		
Cash and term deposits	0%	0%-20%
High yielding stocks & yield ETFs	0%	0%-20%
	100%	100%

Note: The figures for the 'Target holding' and 'Permitted range' are indicative only and are intended as a

guide rather than fixed limits. The Investment Manager will adjust the portfolio with complete discretion to achieve the Trust's investment objectives.

The targeted asset allocation of 50% private and 50% listed companies is designed to provide:

- The opportunity for high returns from private company holdings;
- Diversification via different asset durations from early seed stage to listed growth stage; and
- Ample liquidity when required.

To ensure further liquidity, the Trust will maintain a small cash or high-yield ETF holding as well.

The Trust will aim to achieve the investment objective through regular bottom-up and top-down research to identify tech trends and investment opportunities, regular monitoring of the performance of the Trust's investments, re-balancing the Trust's investment portfolio due to changes in market conditions through asset sales and new investments as appropriate, and monitoring and controlling new investor interests in the trust to not expose the Trust to one or more investors that could disrupt the liquidity objective.

The Investment Manager intends to hold approximately 30 private companies and 10 public companies.

4.4 Investment Manager Co-Investment

The Investment Manager, the Partners and/or their associates together intend to invest a minimum of AUD\$5 million in the Trust. The amount of co-investment may grow over time and will depend on factors such as the velocity and growth of the Trust. As such, the Investment Manager may exceed the proposed co-investment amount.

The Investment Manager may choose to co-invest in the Trust by contributing either cash or with assets consistent with the Trust's investment objectives.

There is no set time limit on the timing of the co-investments by the Investment Manager.

Co-investments by the Investment Manager will be conducted at the prevailing NAV.

5. Investing in the Trust

5.1 Eligible Investors

The Trust is only available to wholesale clients, as defined in s 761G and s 761GA of the Corporations Act.

5.2 Class of Units

As of the date of this IM, there will be two Classes of Units in the Trust:

- ordinary Units to be held by investors in the Trust (**Ordinary Units**);
- trial Units to be held by investors in the Trust (**Trial Units**) on a trial basis with the right to sell the Trial Units to the Manager on the 6 month anniversary of investment at the price paid for the Units or the latest NAV less carry, whichever is greater; and
- manager Units to be held by the Investment Manager (or its nominee) (**Manager Units**).

The offer to which IM relates is with respect to Ordinary and Trial Units only. Only the Investment Manager or its nominee will ever hold the Manager Units. Furthermore, the Manager Units may not be sold or transferred to other Unit holders.

The Manager Units will have the same rights, obligations, and entitlements as Ordinary Units. However, the Manager Units will not be subject to:

- the 10% sell spread applicable on redemption of the Manager Units;
- the minimum initial investment, minimum holding, and the maximum holding, which would otherwise apply to Ordinary Units; and
- the restriction on net redemptions exceeding 5% of the NAV per quarter, or 10% of the NAV in the calendar year.

The purpose of the Manager Units is to facilitate the Investment Manager Co-Investment (see section 4.4) and to allow the Investment Manager to manage the liquidity and capital of the Trust.

If the Investment Manager acquires Ordinary or Trial Units from an existing Unit holder, the Units will automatically convert into the same number of Manager Units upon transfer.

The Trustee in its absolute discretion may issue new Classes of Units with different terms attached.

5.3 Application and Unit Price

During Initial Offer Period

As of the date of this IM and during the Initial Offer Period, the application price of Units is AUD\$1.00 per Unit.

The Initial Offer Period commences from 7 August 2023 and ends on a date mutually agreed between the Investment Manager and the Trustee.

After Initial Offer Period (excluding Transitional Units)

After the Initial Offer Period, the Unit price for each Unit Class will be calculated by dividing the end-of-month NAV (net of fees and expenses) for the assets corresponding to the Units of the relevant Class by the number of Units of the Class on issue.

Applications for new Units may be made at the end of each month in accordance with section 5.9.

Transitional Units

If an application for new Units by an existing Unit holder is made during an Exit Window whereby certain Unit holders wish to redeem their Units, the Trustee may, at its sole discretion, offer such Units (**Transitional Units**) to other existing Unit holders who wish to apply for new Units.

The application price for Transitional Units will be the applicable redemption price calculated for the purposes of any redemption request made during an Exit Window. This will allow investors to apply for the Transitional Units at a 10% discount as a result of the sell spread applied on redemptions.

Applications for Transitional Units will be accepted based on the order in which applications are received. Any application for Transitional Units not accepted in full or rejected will be considered for acceptance in the next Exit Window in the order they were received.

The Investment Manager may also apply for the Transitional Units, however priority will always be given to other Unit holders. The Investment Manager can only apply for the Transitional Units if there are no more applications for the Transitional Units from other Unit holders.

For the avoidance of any doubt, Transitional Units are not a separate Class of Units. Rather, Transitional Units are simply Ordinary Units available for purchase by existing Unit holders during an Exit Window.

5.4 Investment Timeframe

The Trust is intended to be an open-ended, evergreen fund and therefore has an indefinite investment timeframe. The Trust commences from the Opening Date.

The Trustee and the Investment Manager recommend that you consider, with your financial adviser, the suggested investment period for the Trust for your own investment timeframe. You should review this regularly to ensure that the Trust continues to meet your investment needs.

5.5 Minimum Initial Investment and Balance

The minimum initial investment amount is AUD\$50,000. Following the initial investment, investors may invest additional funds at the end of each month.

The minimum holding balance is AUD\$25,000.

The Trustee, in its sole and absolute discretion, may accept or reject all or any portion of any investment and reduce, increase or waive the minimum investment or minimum holding.

5.6 Maximum Holding

No Unit holder, other than the Investment Manager, is permitted to hold more than 5% of the NAV unless permitted by the Trustee.

This is to ensure that no one Unit holder can cause liquidity issues should they decide to redeem all of their holdings.

5.7 Redemptions

Unit holders may request the Trustee to redeem all or some of their Units at the end of each calendar quarter i.e. 31 March, 30 June, 30 September, and 31 December (**Exit Window**).

The redemption price for each Unit Class will be calculated by dividing the end-of-quarter NAV (net of fees and expenses) for the assets corresponding to the Units of the relevant Class by the number of Units of the Class on issue, less a sell spread of 10%.

The Trustee has sole discretion in determining whether to give effect to a redemption request. The Trustee may also, from time to time, choose to waive the sell spread with respect to any redemption request it receives.

Subject to certain restrictions and unless redemptions have been suspended, net redemption proceeds will be paid by Electronic Funds Transfer (at the expense of the redeeming Unitholder) of the redemption amount to the account designated by the Unitholder in the Application Form. Redemption proceeds will generally be paid within 30 calendar days of the relevant Redemption Date. Prospective Unitholders should be aware that the relevant redemption price will be based on unaudited accounts.

Limitation on Redemptions

The Trustee will not satisfy a redemption request if satisfying the redemption request will result in:

- (a) the aggregate number of Units being redeemed in that calendar quarter exceeding 5% of NAV since the beginning of that quarter; or
- (b) the aggregate number of Units being redeemed in that calendar year exceeding 10% of NAV since the beginning of that year.

For the avoidance of doubt, Transitional Unit sales (see section 5.3) are not included in the above 5% quarterly and 10% annual limitation on redemptions.

The Trustee may at its discretion waive some or all of the redemption restrictions set out above.

Furthermore, the Trustee may, in its discretion, suspend or postpone the payment of any redemption of Units or the calculation of the Trust's NAV:

- (a) during any period of extreme market conditions or absence of liquidity;
- (b) during any period in which there exists any state of affairs which constitutes a state of emergency as a result of which:
 - i) disposal of a part of the investments would not reasonably be practicable and might seriously prejudice the Trust and its Unitholders; or
 - ii) it is not reasonably practicable for the Trust and might seriously prejudice the Trust's ability to determine the NAV of a Unitholder's units;
- (c) if payments due on a redemption cannot, in the opinion of the Investment Manager, be affected at normal rates of exchange and without undue delay or adverse consequences to the Unit or the Unitholders; or
- (d) when a breakdown occurs in any of the means normally employed in ascertaining the prices of a substantial portion of the Trust's investments or when for any other reason the value of a substantial portion of the investments cannot reasonably or fairly be ascertained.

5.8 Distributions

The Trustee will automatically reinvest all distributions to Unit holders and issue new Units at the prevailing NAV (net of fees and expenses).

This is to ensure liquidity in the Trust and to also grow the assets under management (**AUM**).

The Trustee may choose to distribute profits or capital to Unit holders at its sole discretion on a pro rata basis to Units held.

5.9 How to Invest in the Trust

Investors should send completed Application Forms together with any supporting documents to the Investment Manager as soon as possible prior to the Subscription Day, to allow for the application and supporting documents to be reviewed and approved and investment funds to be received. If you need any help in considering whether the Trust is appropriate for you, or in completing the Application Form, please consult with professional financial advisors for your benefit.

To invest, simply complete the online Application Form via the Saltwater website at www.saltwaterfund.com. You will also be asked to provide certified identification document(s) and Accountant's Certificate (if relevant) during the online process.

Alternatively, you can complete the Application Form at the end of this IM and email it together with your certified identification documents and Accountant's Certificate (if relevant) to invest@saltwaterfund.com.
:

Payment methods and details are available with the Application Form.

All application money will be paid into the nominated Saltwater Fund account managed by the Trustee.

If we are unable to process an application because it is invalid (e.g. the Application Form is not signed), the transaction will not be processed and the application money will remain in the account until the correct documentation is received.

No third party payments are accepted and funds have to be received in the name of the Investor.

If correct documentation is not received within one month or the application has been rejected for any reason, the application money will be returned by Electronic Fund Transfer with no interest payable.

The Trustee has the right to reject any application or to accept only part of an application. Once lodged, an application may be cancelled only with the Trustee's approval.

No cooling off period applies to wholesale clients as defined in the Corporations Act.

5.10 Requests received by email

The Investment Manager will acknowledge receipt of any application or redemption request on behalf of the Trust, and in the event no acknowledgement is received from the Investment Manager within 5 days of submitting the request, the applicant should assume that the application or redemption request has not been received and they should contact the Investment Manager via email on invest@saltwaterfund.com to confirm the status of their request.

None of the Trust, the Trustee or the Investment Manager accepts any responsibility for any loss arising from the non-receipt or illegibility of any Application Form or additional Application Form (as the case may be) sent by email or for any loss caused in respect of any action taken as a consequence of such email believed in good faith to have originated from properly authorised persons.

6. Risks

An investment in the Trust entails substantial risk. The nature of the investments in the Trust involves certain risks including, but not limited to, those listed below and the Investment Manager of the Trust may utilise investment techniques which carry additional risks. Potential investors should carefully consider the following factors, among others, in determining whether an investment in the Trust is suitable for them.

The following list of risk factors does not purport to be a complete enumeration or explanation of all the risks involved in an investment in the Trust. Prospective investors are urged to consult their advisors before deciding to invest in the Trust.

6.1 **Risks associated with the Trust Structure**

No right to control. The Trustee of the Trust does not control the day-to-day operations, including investment and disposition decisions, of the Trust. The Trustee relies on the Investment Manager of the Trust to conduct and manage the affairs of the Trust.

Absence of regulatory oversight. The Trust is an unlisted and unregistered management investment scheme. Therefore, the Trust is not held to the stringent compliance standards imposed by the Corporations Act and ASIC which normally apply to registered management investment schemes. Accordingly, Unitholders of the Trust may not have the benefit of all the protections afforded to them by the securities laws of their home jurisdiction or other relevant jurisdictions.

Business and regulatory risks. Legal, tax and regulatory changes during the term of the Trust may adversely affect it. Changes in the regulation may adversely affect the value of the Trust's investments and consequently the value of the Trust. They may also adversely affect the Trust's ability to obtain the leverage it might otherwise have obtained or to pursue its trading strategies.

Dependence on key personnel. The investment performance of the Trust will be substantially dependent on the expertise of the Investment Manager, and their respective principals and employees. Thus, the departure for any reason of the key individuals who will be primarily responsible for managing the investment of the assets of the Trust may consequently have a materially adverse effect on the performance of the Trust.

Operating history. Past performance is not indicative of future results, and no representation is made in this regard. There can be no assurance that the Trust will achieve its investment objective.

6.2 Risks associated with the Investment Strategies undertaken by the Trust

Deal Flow and Competition. The Trust will compete with other funds, individual and institutional investors for the same or similar investment opportunities. In addition, the availability of investment opportunities is subject to change, and there is no assurance that the Trust will be able to identify opportunities that are sufficient to achieve its investment objective. As such, deal flow which meets the investment criteria of the Trust may not be available.

Concentration Risk. The Trust aims to maintain a diversified portfolio of unlisted investments and a concentrated portfolio of listed investments. The Trust will not invest more than 20% of the AUM in a single investment. No-one guarantees that the Trust will perform with any degree of non-correlation to an investor's other investments. The Trust may lack diversification by investing in only a few select investments, which increases the risk of loss in the event an investment decision does not move in the desired direction.

Investment Risk. No assurance of investment return can be given to investors. The return on investment will depend on the success of the Trust's specific investments which cannot accurately be forecast at the date of this IM. Returns to investors, if any, should not be expected in the short term or at regular intervals. Investors may not receive any return on their investment in the Trust and may lose the amount of capital invested in the Trust. Furthermore, investments in the Trust should be regarded as presenting a high level of risk. Investments should be considered only by sophisticated or professional investors able to sustain a loss of all or part of the sum invested and who do not require certain or predictable income flows or liquidity in their investments.

Conflict of Interest. CP Ventures and its affiliates expect to advise other clients and funds, whose accounts may purchase or sell similar investments as the Trust. In addition, CP Ventures and its affiliates may manage other funds that may purchase or sell similar investments as the Trust. In managing the investments of these funds, conflicts of interest may arise. The Trust and CP Ventures are represented by the same counsel. Therefore, the terms of this investment opportunity relating to those parties were not negotiated at arm's length. In addition, no independent due diligence has been conducted with respect to this investment opportunity. Other present and future activities of CP Ventures and its respective affiliates may give rise to additional conflicts of interest. In the event that a conflict of interest arises, CP Ventures will attempt to minimise or resolve such conflict, to the extent feasible, in a fair and equitable manner. Further, the investment structure may involve related parties.

Underlying Asset Risk. The Trust will invest in early-stage and expanding companies that may not have consistent sales or income. They may also have difficulty attracting management and employees with the right mix of skills and expertise, especially at the various stages in their life cycles when different abilities are required. These investees may have a high risk of business failure. It is possible that a proportion of these investments will fail and the Saltwater Fund will experience losses.

Co-investment Risk. The Trust may invest in non-controlling investments and/or co-investments that require decision making to be shared with other funds or investors, who may not have investment objectives that are consistent with those of the Trust.

Liquidity Risk. While the Trust aims to provide investors through quarterly Exit Windows, the Trust may be unable to accept certain redemption requests if the total number of Units to be redeemed will result in the aggregate number of Units being redeemed exceeding 5% of the NAV in any calendar quarter, or 10% of the NAV in a calendar year.

No Operating History. The Trust is a new enterprise with no operating history. There can be no assurances that the Trust's investment objective will be achieved. It is possible that an investor could suffer a complete loss as a result of an investment in the Trust.

Economic Conditions. Changes in economic conditions, including interest rates, inflation rates, government regulations, overall industry conditions, competition, political conditions and legislation can have a substantial effect on the investments that the Trust undertakes. Specific general economic conditions, such as a global financial crisis, and/or extreme volatility in global markets, due to such situations as a pandemic or global conflicts, could significantly impact the Trust.

6.3 Conflicts of interest

The Trustee and the Investment Manager of the Trust may, from time to time, act as director, promoter, manager, investment manager, investment adviser, registrar, transfer agent, trustee, custodian, broker, distributor or placing agent to, or be otherwise involved in, other collective investment schemes which have similar investment objectives to those of the Trust. Similarly, one or more of them may provide discretionary fund management or ancillary administration, custodian or brokerage services to investors with similar investment objectives to those of the Trust. Consequently, any of them may, in the course of their business, have potential conflicts of interests with the Trust.

Each will at all times have regard to its obligations to the Trust and will endeavour to resolve such conflicts fairly.

Investment Manager. The Investment Manager is a corporate authorised representative (No. 1253421) of Lazarus Securities Pty Ltd (ACN 610 367 416, AFSL No. 502758). The Investment Manager is not a related party of the Trustee. The contractual arrangements between the Trustee and the Investment Manager are negotiated at arm's length between the parties.

By investing in the Trust, Investors acknowledge that the Investment Manager is responsible for making investment decisions for the Trust and that they have made their own independent investigations to satisfy themselves of the benefit of becoming an Investor in the Trust.

Enforcement action procedures, if required, in the event of default of an Investment will be managed by the Investment Manager, in consultation with the Trustee.

Trustee. At all times so far as practicable the Trustee will have regard to its obligations to act in the best interests of the Trust and will seek to ensure that any conflict of interest is resolved fairly.

The Trustee may be a party to, or otherwise interested in, any transaction or arrangement with the Trust or in which the Trust is otherwise interested. The Trustee will not be liable to account to the Trust for any profit derived from such a transaction or arrangement provided the nature and extent of any material interest has been disclosed.

The Trustee may from time-to-time enter into transactions with related entities.

Save as disclosed in this IM, the Trustee has no interest, direct or indirect, in the promotion of, or in any assets which are proposed to be acquired, disposed of by or leased to, the Trust. Save as disclosed in this IM, the Trustee has no material interest in any contract or arrangement entered into by the Trust which is unusual in nature or conditions or significant in relation to the business of the Trust, nor has the Trustee had any such interest since the Trust was incorporated.

This list of risk factors does not purport to be complete. Nor does it purport to be an entire explanation of the risks involved in an investment in the Trust. A potential investor should read this IM in its entirety as well as consult with its own legal, tax and financial advisers before deciding to invest in the Trust.

7. Fees and Expenses

7.1 **Fees payable to the Investment Manager**

The Investment Manager will be engaged by the Trustee to provide the investment management services on the terms set out in the IMA. In return for positive NAV returns, the Investment Manager will be entitled to the carried interest, payable at the end of each quarter (**Carried Interest**).

The Carried Interest will be paid to the Investment Manager or its nominee in cash or Manager Units at the prevailing NAV at the election of the Investment Manager.

Other than the Carried Interest, no other management fees will be payable to the Investment Manager. The rate of Carried Interest will depend on the class of Units

Ordinary Units

From the date of this IM, the Carried Interest will be 30% of the portfolio gains from the previous net NAV, subject to a high water mark.

The Investment Manager has the discretion to waive or discount the Carried Interest amount and at the date of this IM, has indicated will waive 10% of its Carried Interest for the first 12 months of a new investment in the Fund and for existing Investors as at and from the date of this IM.

Trial Units

Trial Units have the same terms and conditions as the Ordinary Units except that:

- (i) Maximum investment of \$10,000 per Unitholder (unless agreed by the Manager)
- (ii) Trial units have an investment term of 6 months at which time the units will be automatically converted to Ordinary Units or redeemed;
- (iii) At 6 months:
 - (A) An Investor will have the option to sell the Trial Units to the Investment Manager at the price initially paid or at the latest NAV less carry, whichever is greater; Or
 - (B) **Convert their Trial Units to Ordinary Units at the greater of the initial investment amount or the prevailing NAV less carry;**
- (iv) Carried interest will be 50% of the portfolio gains (unless otherwise agreed by the manager).

7.2 **Fees payable to the Trustee**

The Trustee will receive the following fees, each payable by the Trust:

- (a) An establishment fee of \$7,500 (plus GST); and
- (b) A minimum annual fee of \$36,000 (plus GST) subject to annual adjustments for increases in annual CPI.

7.3 Expenses

Operating Expenses

The Trust will bear all expenses related to the operation of the Trust where those expenses are incurred and are recoverable under the Trust Deed. These include:

- i) fees and expenses of advisers and consultants;
- ii) indemnification expenses and the cost of insurance against potential indemnification liabilities;
- iii) legal, administrative, accounting, tax, audit and insurance expenses;
- iv) all taxes and corporate fees payable to governments or agencies;
- v) communication expenses with respect to investor services, including all expenses of meetings of unitholders and of preparing, printing and distributing financial statements and other reports, proxy forms, offering memoranda and similar documents; and
- vi) litigation or other extraordinary expenses.

To date, the Trust has not been charged, and has not incurred, any operating expenses in respect of the Trust, as those expenses have been paid directly by the Investment Manager of the Trust from management fees paid to it.

8. Taxation Information

Investors are strongly advised to seek professional tax advice prior to investing in the Trust. Investors must take sole responsibility for their investments in regard to any tax implications that may arise during the course of their investment.

The following information summarises some of the taxation and stamp duty issues you should consider before making an investment. The information is intended for use by Investors who hold Units in the Trust on capital account and who are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale. It should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ. The taxation of a unit trust investment such as Units in the Trust can be complex and may change over time. The comments below are current as at the date of preparation of this IM. Investors should be aware that the ultimate interpretation of taxation and stamp duty law rests with the Courts and that the law, and the way that the Federal Commissioner of Taxation or a Commission of State Revenue administers the law, may change at any time. Please consult your tax adviser about the specific implications relevant to your situation before making any investment decision.

This summary only deals with the Australian tax and stamp duty considerations of potential investors and does not deal with tax consequences in relation to other jurisdictions.

8.1 Tax position of the Trust

General

The Trust is an Australian resident trust for Australian tax purposes. Although the Trust holds authorised investments, it is intended that the Trustee will limit its activities to undertaking or controlling entities that undertake 'eligible investment businesses as described in section 102M of the Australian Income Tax Assessment Act 1936, as amended. On this basis, the Trust should not be a 'trading trust', and so should not be taxed as a company.

Generally, no Australian income tax will be payable by the Trustee on behalf of the Trust on the basis that the Investors in the Trust are presently entitled to all of the distributable income of the Trust for each income year or where the Trust is an Attribution Managed Investment Trust ('AMIT') (refer to "AMIT Regime" on page 30), Investors are attributed with all net taxable income each year (as relevant). In the case where the Trust makes a loss for Australian tax purposes, the Trust cannot distribute the loss to Investors in the Trust. However, subject to the Trust meeting certain conditions, the Trust may be able to recoup such losses against assessable income of the Trust in subsequent income years.

Deemed Capital Gains Tax (CGT) election

Eligible managed investment trusts (**MITs**) may make an irrevocable election to apply a deemed capital account treatment to gains and losses on the disposal of eligible investments (including equities and units in other trusts, but generally not derivatives and foreign exchange contracts). The election must be made

in respect of the first year a trust qualifies as a MIT, otherwise if a trust qualifies as a MIT and no election is made, deemed revenue account treatment applies. If the Trust makes the election for deemed capital account treatment, where the eligible investments of the Trust have been realised, the Trust income should generally be capital gains (unless the tax law provides otherwise). Capital losses must be offset against the 'grossed up' amount of discount capital gain.

Tax reform

Reforms to the taxation of trusts are generally ongoing. The Trustee will continue to monitor the progress of such developments and the impact on the Trust. However, given these developments may impact on the tax positions of the Trust and its Investors, it is strongly recommended that investors seek their own professional advice in relation to the potential impact of any reforms on their tax position.

Tax File Number (TFN) and Australian Business Number (ABN) withholding

It is not compulsory for an Investor to quote their TFN or ABN to the Trustee when acquiring units. If an Investor is making this investment in the course of a business or enterprise, the Investor may quote an ABN instead of a TFN. Failure by an Investor to quote an ABN or TFN or claim an exemption may cause the Trustee to withhold tax at the top marginal rate, which is currently 47% on distributions of income to the Investor. The Investor may be able to claim a credit in their tax return for any TFN or ABN tax withheld.

8.2 Tax position of Australian resident Investors

Investors should include in their assessable income their share of the Trust's net taxable income, calculated by reference to the portion of the Trust's income to which they are presently entitled to it. Alternatively, where the Trust is an AMIT you include the net taxable income attributed to you for a particular year in your tax return.

An Investor receives an entitlement to the Trust's distributable income for a financial year if they hold Units at the end of a distribution period, or if they redeem any Units during the financial year in which case their withdrawal proceeds may include a component of distributable income.

Distributions

The Trust's distribution is subject to the distribution policy of the relevant Unit Class in the Trust. If the Trust pays distributions, investors in the Trust will be provided with quarterly distribution statements (in January, April, July, and October each year) and taxation statements (generally in August each year) indicating the components of their distribution (or reinvestment), and any taxes withheld or deducted. Where the Trust is an AMIT, Investors will be provided with an AMIT Member Annual Statement (**AMMA Statement**) indicating the components attributed.

Distributions, reinvestments (or attributed amounts) from the Trust, if any, may include various components, the taxation treatment of which may differ. For example, in addition to investment income such as foreign income, distributions from the Trust may include dividends, a tax deferred component, a CGT concession component, as well as net capital gains (of which some part may be discount capital gains).

Any capital gains distributed (or attributed) by the Trust should be included in the calculation of your net capital gain or loss. In performing this calculation, any discounted capital gains distributed (or attributed) by the Trust should be 'grossed up' for the CGT concession component (i.e. the amount of discounted capital gains should be doubled). You may apply against the capital gain any current or prior year capital losses. You should then determine whether you are eligible to apply a CGT discount in respect of the remaining net capital gain (refer below under "Withdrawal and disposal of units").

Tax deferred distributions are generally distributions in excess of net taxable income (other than any CGT concession component). For CGT purposes, amounts of tax deferred distributions received from the Trust reduce the cost base of your Units in the Trust and therefore increases your capital gain or reduces your capital loss on disposal of those Units. Tax deferred distributions are generally not assessable to you unless the total tax deferred amount received from the Trust exceeds the cost base of your Units, at which point the excess is treated as a capital gain.

The Government has passed legislation to apply from the 2017 – 2018 income year providing that where discount capital gains are offset by capital losses of a trust, a distribution of a CGT concession component can result in a reduction in the cost base of Units held by Investors. The distribution of tax deferred amount or a CGT concession component may be treated differently under AMIT (refer to "AMIT Regime" on page 30 of this Information Memorandum).

Withdrawals and disposal of units

If you withdraw or transfer Units in the Trust, this may constitute a disposal for tax purposes. Investors should include any realised capital gain or loss on disposal of their Units in the Trust (together with any capital gains distributed or attributed by the Trust) in the calculation of their net capital gain or loss. A net capital gain will be included in assessable income. A net capital loss may only be offset against capital gains. If Investors do not have any capital gains, the capital loss may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

In calculating the taxable amount of a capital gain, a discount of one half for individuals and trusts or one third for complying superannuation entities may be allowed where Units in the Trust have been held for 12 months or more.

The calculation of an Investor's capital gain or loss may also be affected by any tax deferred distributions made by the Trust (refer above). In addition, where the Trust is an Attribution Managed Investment Trust, the Investor's cost base of units can also be increased in certain circumstances for the purposes of calculating a capital gain or loss (refer to "AMIT Regime" on page 30).

Where Units are held as part of a business of investing or for the purpose of profit making by sale, gains realised may constitute ordinary income and losses realised may constitute allowable deductions.

8.3 Tax position of non-resident Investors

Appropriate deductions of Australian withholding tax will be made from distributions (or amounts attributed) of certain Australian sourced income and gains to non-resident Investors. Non-resident investors may also be subject to tax on distributions in their country of residence (for tax purposes) and may be entitled to foreign tax credits under the tax laws of the relevant country.

It is expected that non-residents should generally not be subject to Australian income tax on any capital gains made on the disposal of Units in the Trust.

Broadly, a non-resident Investor in the Trust will be subject to income tax on any capital gains made on the disposal or withdrawal of Units if they, together with any associates, hold or had an option or right to hold 10% or more of the Units in the Trust at the time of disposal/withdrawal or throughout a period of 12 months during the two years prior to disposal/withdrawal, and the majority of the Trust's assets comprise taxable Australian real property.

In this regard, it is not expected that the Trust will hold taxable Australian real property.

A non-resident may also be subject to income tax on any capital gains made where the Units in the Trust have been held as part of the carrying on of a business through a permanent establishment in Australia.

However, if the non-resident holds their Units as part of a business of investing or for the purpose of profit making by sale, gains may be subject to Australian tax as ordinary income, subject to any treaty relief.

We recommend that non-resident investors consult their tax adviser regarding their tax implications, including the tax implications in the country in which they are resident for tax purposes.

8.4 Taxation of Financial Arrangements

The taxation of financial arrangements (TOFA) regime broadly contain rules that cover tax timing treatments for financial arrangements. There are a number of exclusions from TOFA. Investors should seek their own advice as to the possible application of the TOFA regime to their investment in the Trust.

8.5 AMIT Regime

The Government introduced into taxation law the new Attribution Managed Investment Trust (AMIT) regime effective for income year starting on or after 1 July 2016 (unless an election has been made to apply the regime earlier). An AMIT, in broad terms, is a managed investment trust (MIT) whose unitholders have clearly defined interests in relation to the income and capital of the trust and the trustee or Trustee of the MIT has made an irrevocable election to apply the regime.

The AMIT rules contain several provisions that will impact on the taxation treatment of the Trust. The key features of the new tax system will include:

- an attribution model for determining member tax liabilities, which also allows amounts to retain their tax character as they flow through a MIT to its unitholders;

- the ability to carry forward understatements and overstatements of taxable income, instead of re-issuing investor statements;
- deemed fixed trust treatment under the income tax law;
- upwards cost base adjustments to units to address double taxation; and
- legislative certainty about the treatment of tax deferred distributions.

Reforms to the taxation of trusts are generally ongoing. Investors should seek their own advice and monitor the progress of announcements and proposed legislative changes on the potential impact.

8.6 Goods and Services Tax

Goods and Services Tax ('GST') should not be payable on your investment(s) in the Trust. GST will apply to the fees and costs charged to the Trust. However, in respect of some of these fees, the Trust will usually be entitled to reduced input tax credits. The costs and fees payable in relation to your investment(s) in any of the Trust as stated in this IM are inclusive of GST. GST will not be applicable to the buy sell spread payable (if applicable) in relation to the Trust.

8.7 Stamp Duty

Stamp duty should not be payable on your investment(s) in the Trust.

9. Additional Information

9.1 **NAV Valuation Methodology**

Individual asset revaluations

The assets of the Trust consist of three main types:

- Unlisted equities - monthly revaluation;
- Listed equities - daily revaluation; and
- Cash and cash equivalents - daily revaluation.

All Saltwater assets - unlisted equities, listed equities and cash and cash equivalents - will be formally revalued at the end of each calendar month to set the NAV. The methodology for asset valuation is set out in the Saltwater Valuation Guide, which details the valuation process. The underlying aim of the valuation process is to calculate accurate and fair prices, which can be used to generate a NAV price that does not favour either the buyer or the seller of Units.

Assets with a readily available independent valuation such as listed equities, are valued using the formal end of day closing price.

For assets without a readily available independent valuation such as private unlisted equities, Saltwater adheres to a valuation based on the “Fair Value” methodology from the IPEV Valuation Guidelines.¹ These guidelines are widely accepted and used globally, and provide a consistent approach to valuation and reporting.

The guidelines are based on the fair value concept, which is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. They provide guidance on how to estimate fair value when market quotations are not readily available.

The guidelines cover a range of topics, including the overall valuation process, the selection and application of appropriate valuation methodologies, the treatment of specific issues such as control premiums or discounts for lack of marketability, and the need for consistent application of valuation policies.

Frequency of NAV calculation

The NAV will be calculated monthly, however an indicative unit price will be available to Unitholders via the Saltwater Investor Portal to reflect daily changes in the valuation of listed equities, foreign exchange changes, and cash equivalent asset changes. For the avoidance of doubt, this price is indicative only and the NAV of the Trust will be officially set on a monthly basis only.

Transacting at NAV

As an evergreen fund, the Investment Manager has the flexibility to buy and sell assets within the Trust without having to liquidate the entire Trust. This means that the Trust can continue to operate indefinitely,

¹ <https://www.privateequityvaluation.com/Valuation-Guidelines>

with new investors buying into the Trust and adding capital to the Trust, and existing investors selling their Units as needed, removing capital from the Trust.

New Unit buyers and existing Unit holders can purchase Units, subject to approval, at the end of any month at the set end-of-month NAV.

Existing Unit holders can elect to sell some or all of their Units at the end of each quarter (March, June, September & December) at the end-of-quarter NAV less a sell spread of 10%. Intending sellers must give the Trust at least 30 days' notice of their intention to sell. The Trust can process this sale at its complete discretion, as factors such as portfolio liquidity, market stress, total seller interest, etc. may affect the ability to process redemption requests.

Existing Unit holders can also elect to buy Units if there are sellers at the end-of-quarter NAV discounted by the seller fee, allowing existing Unit holders to acquire more Units at a discount.

Stressed market conditions

Valuing assets in stressed market conditions, especially illiquid private companies, is far more challenging.

Valuation spreads widen, depth decreases and prices fluctuate quickly and unexpectedly (i.e. high volatility).

There are a number of knock-on impacts of stressed market conditions, including:

- Difficulty setting NAV for new Unit buyers
- Difficulty setting NAV for Unit sellers
- Difficulty quoting NAV in general for Unit holders
- Difficulty maintaining liquidity for LPs wishing to sell
- Difficulty maintaining a balanced portfolio as target levels can be distorted materially

In these unusual, stressed situations the Investment Manager may have to take temporary actions so safeguard the Trust, such as halting or delaying redemptions.

9.2 Updated Information

Information in this IM may be subject to change from time to time. We may, at our discretion, inform you of changes. However, we do not undertake to keep you informed of any changes or additional information that may arise after you receive this IM.

You may request a paper copy of any updated information at any time, free of charge.

If you subscribe for Units in the Trust, updated information that arises after the commencement of the Trust (such as changes in the Classes and performance information) will be provided to you from time to time.

9.3 Reporting

Reports to investors will be provided at least on an annual basis. We will provide you with:

- Confirmation of all transactions in Units (including applications, redemptions and new units via reinvestment purchases); and
- An annual statement providing your account balance, transaction summary and net earnings.

We may also provide you with regularly quarterly updates and an annual tax statement if the Trust has paid a distribution during the financial year.

Every investor in the Trust will also have access to the Saltwater Investor Portal which provides instant access to investor information including:

- current and historic fund updates - usually provided quarterly;
- current and historic NAV of the Trust;
- benchmarked data showing the trust's performance relative to the S&P 500 Index benchmark;
- Unit holdings and transactions;
- Individual holdings values and performance;
- Portfolio company news;
- Personal tax information;
- Audited annual returns of the Trust;
- Annual individual fund statements - income statement, balance sheet, and statement of cash flows, as well as the Trust's financial performance, including returns, expenses, and fees; and
- Add and manage contact lists.

9.4 Privacy

We use personal information about you to administer your investment. If you do not give the Trustee such information we may reject your application. We will not tell anyone information that the Trust has about you unless:

- The law requires; or
- We consider that your financial adviser needs the information.

If you think our records are wrong or out of date (particularly address, e-mail or financial adviser) it is important that you contact us to ensure prompt correction.

Contact the Trustee in order to access the personal information we hold about you.

9.5 Anti-Money Laundering

In accordance with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (**AMLCTFA**), we are required to identify and verify the identity of new Investors (and in certain circumstances, existing Investors).

In order to do this, and as required by the AMLCTFA, we must collect certain information from you and verify this information by citing certain verifying documentation. If any information is required from you above that requested via the Application Form, we will contact you.

If you do not provide us with all information requested, we will not be able to process your application or issue Units to you.

We are obliged under the AMLCTFA to take and maintain copies of any information collected from you and, in certain circumstances, may be required to disclose your information to the Australian Transaction Reports and Analysis Centre (**AUSTRAC**) or other government bodies and we may not be permitted to inform you of any such disclosure.

The AMLCTFA also required us to submit certain reports to AUSTRAC. Your information may be required under the AMLCTFA to be included in such reports. In addition to this disclosure, the AMLCTFA permits us to provide your information to related entities and persons. Aside from disclosures permitted or required under the AMLCTFA, we will ensure that your information is kept confidential in accordance with any relevant legislation.

By applying for Units, you are acknowledging that we may, in our absolute discretion, not issue Units to you, cancel any Units previously issued to you, delay, block or freeze any transactions or redeem any Units issued to you if we believe it necessary in order to comply with our obligations under the AMLCTFA. In the above circumstances, we will not be liable to you for any resulting loss.

10. Glossary

Defined Term or other terms used in this IM	Definition
\$ or dollar	Refers to the Australian currency.
AFSL	Australian Financial Services licence.
Application Form	The application form accompanying this IM that is of the same date.
ASIC	Australian Securities and Investments Commission.
Carried Interest	A share of the positive returns to the NAV payable to the Investment Manager.
Class or Classes (as the context requires)	A class of Units issued by the Trustee pursuant to the Trust Deed.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Exit Window	The last day of each calendar quarter in which a redemption request may be made by a Unit holder.
FATCA and CRS	Foreign Account Tax Compliance Act and Common Reporting Standards.
GST	Goods and Services Tax.
IM	This Information Memorandum issued by Quay Wholesale Fund Services Pty Ltd dated 7 August 2023.
Initial Offer Period	The period commencing 7 August 2023 and ending on a date mutually agreed between the Investment Manager and the Trustee .
Investment Manager	CP Ventures Management Pty Ltd (ACN 610 928 919).
Investment Manager Co-Investment	The co-investment into the Trust made by the Investment Manager, the Partner, and/or their associate.
Partners	Each of Emlyn Scott and Chris Sang as partners of the Investment Manager.
Manager Unit	The Class of Units held by the Investment Manager or its nominee pursuant to the Trust Deed.
NAV	Net Asset Value.
Opening Date	7 August 2023
Ordinary Unit	The Class of Units comprising all the Units of the Trust excluding the Manager Units and the Trial Units.
Redemption Date	The last Business Day of each calendar quarter and/or such other day or days as the Trustee may determine, either generally or in any particular case, as defined in the Trust Deed.
Subscription Day	The last Business Day of each calendar month and/or such other day or days as the Trustee may determine, either generally or in any particular case.
Transitional Unit	Units subject to a redemption request during an Exit Window which are subsequently offered by the Trustee to existing Unit holders for purchase.
Trial Unit	A Unit in the Trust with the terms set out in clause 7.1
Trust	Saltwater Fund.
Trustee	Quay Wholesale Fund Services Pty Ltd (ABN 55 647 044 602).
Trust Deed	The trust deed of the Trust dated 15 June 2023 as amended from time to

	time.
Unit or Units	An undivided share in the beneficial interest in the Trust as provided in the Trust Deed.
Unitholder	A person registered as a holder of Units on the unit register maintained by the Trustee.

11. Directory

Trustee

Quay Wholesale Fund Services Pty Ltd
Suite 3701 Level 37, 1 Macquarie Place
Sydney NSW 2000
Phone: 1300 114 980
Email: enquiries@quayfund.com.au
www.quayfund.com.au

Investment Manager

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Legal

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Level 46, 100 Barangaroo Avenue
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Level 40, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

12. Application Form

This application form is part of the Information Memorandum ('IM') relating to the Saltwater Fund ("Fund") issued by Quay Wholesale Fund Services Pty Ltd (ABN 55 647 044 602, AFSL 528 526).

- The IM contains information about investing in Units in the Fund. You should read the IM before applying for units in the Fund.
- A person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the IM.
- Quay Wholesale Fund Services will provide you with a copy of the IM and the Application Form on request without charge by referring to the (Investment Manager) website at quayfund.com.au (If you make an error while completing your application form, do not use correction fluid. Cross out your mistakes and initial your changes).

Please tick one box below and complete the relevant sections of the Application Form.

INVESTOR TYPE	COMPLETE SECTIONS	PAGES
<input type="checkbox"/> Individual/Joint Investors/Sole Trader	Section 1, 5 & 6*	40, 47 - 50, 51 - 54
<input type="checkbox"/> Company	Section 4, 5 & 6*	44 - 46, 47 - 50, 51 - 54
<input type="checkbox"/> Trust/Superannuation Fund – Individual Responsible Entity	Sections 2, 3, 5 & 6*	41 - 42, 43, 47 - 50, 51 - 54
<input type="checkbox"/> Trust/Superannuation Fund – Corporate Responsible Entity	Sections 2, 4, 5 & 6*	41 - 42, 44 - 46, 47 - 50, 51 - 54

If none of the above categories are applicable (e.g. associations or partnerships), please contact Client Service for assistance on

**Section 6 is the Tax Status Declaration (including the Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) - Self Certification), please complete the relevant tax section.*

CERTIFYING A COPY OF AN ORIGINAL DOCUMENT

All documents must be provided in a certified copy format – in other words, a copy of the original document that has been certified by an eligible certifier.

A 'certified extract' means an extract that has been certified as a true copy of some of the information contained in a complete original document by one of the persons described below.

Please note that we require the copy which was actually signed by the certifier (i.e. the original penned signature of the certifier).

People who can certify documents or extracts are:

- A lawyer, being a person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described).
- A magistrate, a chief executive officer of a Commonwealth court or a judge, registrar or deputy registrar of a court.
- A Justice of the Peace.
- A notary public (for the purposes of the Statutory Declaration Regulations 1993).
- An agent of the Australian Postal Corporation (APC) who is in charge of, or a permanent employee of the APC with 2 or more years of continuous service who is employed in an office supplying postal services to the public.
- A police officer or an Australian consular officer or an Australian diplomatic officer (under the Consular Fees Act 1955).
- An officer or finance company officer with 2 or more continuous years of service with one or more financial institutions (under the Statutory Declaration Regulations 1993).
- An officer with, or authorised representative of, a holder of an Australian Financial Services License, having 2 or more continuous years of service with one or more licensees.
- A member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership.

1. INDIVIDUAL/JOINT INVESTORS/SOLE TRADER DETAILS

Complete this section if the Investor is investing in their own names, including as a sole trader.

Investor 1

Title	Date of Birth		
<input type="text"/>	<input type="text"/>		
Given Names	Surname		
<input type="text"/>	<input type="text"/>		
Tax File Number or Exemption Code	Country of Birth		
<input type="text"/>	<input type="text"/>		
Country of Residence for Tax Purposes (if not Australia)	Occupation		
<input type="text"/>	<input type="text"/>		
Residential Address (not a PO Box)	<input type="text"/>		
Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Mobile Number	Telephone		
<input type="text"/>	<input type="text"/>		
Email	<input type="text"/>		

Investors are encouraged to provide their email address so that they can receive a copy of the relevant reports. Certain reports will only be sent by email.

Investor 2 (only applicable for Joint Investors)

Title	Date of Birth		
<input type="text"/>	<input type="text"/>		
Given Names	Surname		
<input type="text"/>	<input type="text"/>		
Tax File Number or Exemption Code	Country of Birth		
<input type="text"/>	<input type="text"/>		
Country of Residence for Tax Purposes (if not Australia)	Occupation		
<input type="text"/>	<input type="text"/>		
Residential Address (not a PO Box)	<input type="text"/>		
Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Mobile Number	Telephone		
<input type="text"/>	<input type="text"/>		

If there are more than two individuals please provide details and attach to this Application Form.

SIGNING AUTHORITY (for applications with two or more individuals)

- ☐ Any one Investor to sign; or
☐ All Investors to sign

If no selection is made, all Investors will be required to sign.

Additional information for Sole Trader (only applicable if applying as a Sole Trader)

Full Business Name (if any)

Australian Business Number (if obtained)

Address of Principal Place of Business (not a PO Box). If same as residential address given above, mark 'As Above'.

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

2. TRUST/SUPERANNUATION FUND – DETAILS

Complete this section if the Investor is investing for, or on behalf of, a Trust/Superannuation Fund.

Full Name of Trust/Superannuation Fund

Country of Establishment

Country of Residence for Tax Purposes (if not Australia)

Tax File Number or Exemption Code

Australian Business Number (if any)

Full name of Settlor(s) (being the person(s) who settles the initial sum or assets to the Trust - applicable for Unregulated Trust only).

TYPE OF TRUST

(Please tick **ONE** box from the following list to indicate the type of Trust and provide the required information)

Type A: ☐ Regulated Trust (e.g. self-managed superannuation fund, registered managed investment scheme)

Name of Regulator (e.g. ASIC, APRA, ATO)

Registration/Licensing details

Type B: ☐ Foreign Superannuation Fund

Name of Regulator

Registration/Licensing details

Type C: ☐ Unregulated Trust

Trust Description (e.g. family, unit, charitable, discretionary, unregistered managed investment scheme)

Describe the class of beneficiaries below (e.g. unit holders, family members of named person, charitable purposes)

Provide the full names of all company and individual beneficiaries

Beneficiary 1 – Full Name

Beneficiary 4 – Full Name

Beneficiary 2 – Full Name

Beneficiary 5 – Full Name

Beneficiary 3 – Full Name

Beneficiary 6 – Full Name

If there are more than six beneficiaries please provide their full names on a separate page and attach to this Application Form.

INDIVIDUALS CONTROLLING THE TRUST

Beneficial Owner 1

Provide the names of the individuals that directly or indirectly control* the Trust. If this is confirmed to be the individual identified as the Trustee, they must be listed again below to confirm that they are the Trust's Beneficial Owners.

* includes control by acting as Trustee; or by means of trusts, agreements, arrangements, understandings and practices; or exercising control through the capacity to direct the Trustees; or the ability to appoint or remove the Trustees.

Given Names

Surname

Role (such as "Managing Director")

Residential Address (not a PO Box)

Date of Birth

Occupation

Beneficial Owner 2

Given Names

Surname

Role (such as managing director)

Residential Address (not a PO Box)

Date of Birth

Occupation

Beneficial Owner 3

Given Names

Surname

Role (such as “Managing Director”)

Residential Address (not a PO Box)

Date of Birth

Occupation

3. INDIVIDUAL TRUSTEE – DETAILS

Individual Trustee 1

Title

Date of Birth

Given Names

Surname

Country of Birth

Occupation

Residential Address (not a PO Box)

Suburb

State

Postcode

Country

Mobile Number

Telephone

Email

Investors are encouraged to provide their email address so that they can receive a copy of the relevant reports. Certain reports will only be sent by email.

Individual Trustee 2

Title

Date of Birth

Given Names

Surname

Country of Birth

Occupation

Residential Address (not a PO Box)

Suburb

State

Postcode

Country

Mobile Number

Telephone

Email

Investors are encouraged to provide their email address so that they can receive a copy of the relevant reports. Certain reports will only be sent by email.

4. COMPANY (INCLUDING CORPORATE TRUSTEE) – DETAILS

Complete this section if the Investor is investing for, or on behalf of, a company (including as the corporate Trustee for a trust/superannuation fund).

Full Company Name

Country of Formation, Incorporation or Registration

Country of Residence for Tax

Tax File Number or Exemption (Australian residents)

ACN/ABN (if registered in Australia)

Principal business activity

Name of Regulator (if licensed by an Australian Commonwealth, State or Territory statutory regulator)

Name of Two Directors and Date of Birth:

Director 1 – Full Name

Date of Birth

Director 2 – Full Name (if not a Sole Director Company)

Date of Birth

Registered Business Address in Australia or in Country of Formation

Suburb

State

Postcode

Country

Principal Place of Business (not a PO Box address)

Suburb

State

Postcode

Country

If an Australian Company, registration status with ASIC.

☐ Proprietary Company ☐ Public Company

If a Foreign Company, registration status with the relevant foreign registration body.

☐ Private/Proprietary Company ☐ Public Company ☐ Other – Please Specify

Name of Relevant Foreign Registration Body

Foreign Company Identification Number

Is the Company Listed?

☐ No ☐ Yes - Name of Market/Stock Exchange

If the company is **registered as a proprietary company by ASIC** or is a **private company registered by a foreign registration body**, please list the name of each director of the company.

Director 1 – Full Name

Director 2 – Full Name

Director 3 – Full Name

Director 4 – Full Name

Director 5 – Full Name

Director 6 – Full Name

If there are more than six directors please provide full names on a separate page and attach to this Application Form.

If the company is an **Australian proprietary** or a **foreign private company** which is NOT regulated, please provide details for each Beneficial Owner having more than 25 per cent of the company's issued share capital.

Beneficial Owner 1

Given Names

Surname

Date of Birth

Occupation

Residential Address (not a PO Box)

Suburb

State

Postcode

Country

Beneficial Owner 2

Given Names

Surname

Date of Birth

Occupation

Residential Address (not a PO Box)

Suburb

State

Postcode

Country

Beneficial Owner 3

Given Names

Surname

Date of Birth

Occupation

Residential Address (not a PO Box)

Suburb

State

Postcode

Country

INDIVIDUALS CONTROLLING THE COMPANY

If there are no individuals who meet the above requirements, provide the names of the individuals who directly or indirectly control* the company.

** includes exercising control through the capacity to determine decisions about financial or operating policies; or by means of trusts, agreements, arrangements, understanding & practices; voting rights of 25% or more; or power of veto. If no such person can be identified then the most senior managing official/s of the company (such as the managing director or directors who are authorised to sign on the company's behalf).*

Other Beneficial Owner 1

Given Names

Surname

Role (such as managing director)

Residential Address (not a PO Box)

Date of Birth

Occupation

Other Beneficial Owner 2

Given Names

Surname

Role (such as managing director)

Residential Address (not a PO Box)

Date of Birth

Occupation

Other Beneficial Owner 3

Given Names

Surname

Role (such as managing director)

Residential Address (not a PO Box)

Date of Birth

Occupation

CONTACT PERSON DETAILS

Given Names

Surname

Residential Address (not a PO Box)

Suburb

State

Postcode

Country

Mobile Number

Telephone

Email

Investors are encouraged to provide their email address so that they can receive a copy of the relevant reports. Certain reports will only be sent by email.

5. INVESTMENT DETAILS

Initial / Additional Investment Amount

Initial / Additional Investment Amount

Class of Unit

Source of funds being invested (tick most relevant option)

- ☐ Retirement income ☐ Employment income ☐ Business activities ☐ Sale of assets ☐ Inheritance/gift
☐ Financial investment ☐ Other _____

Nominated Account

Please note that the Nominated Account details you provide will be held on record and maintained to pay any future withdrawal proceeds and/or income distributions. The name of the Investor's Nominated Account must be the same as the Investor's name.

Australian Bank/Institution

Branch

Account Name

BSB

Account Number

Please deposit via EFT method below. All payments are to be made in Australian dollars.

☒ Electronic Funds Transfer or Direct Deposit

Bank Name	Westpac
Account Name	Quay Wholesale Fund Services Pty Ltd ATF Saltwater Fund
BSB Number	032135
Account Number	786692
Reference	Investor name

5.1 AML IDENTIFICATION DOCUMENTS

To comply with the AML identification requirements, we must collect certain information from prospective Investors supported by **original certified copies** of relevant identification documents for all Investors.

Please refer to page 39 for details of how to arrange certified copies. Please provide all documents in the proper format otherwise we may not be able to process an Application.

Group A - Individuals

For each **individual, joint investor, sole trader** and each **office holder** (including individual trustees) who has signed the Application Form, and each **beneficial owner** or **individuals** who **control the company or trusts** enclose an original certified copy of one of the following current documents:

- ☐ Driver's license that contains a photograph of the license/permit holder; or
- ☐ Passport that contains a photograph and signature of the passport holder; or
- ☐ An identity card issued by a State or Territory Government that includes a photo; or
- ☐ If you do not have one of the above documents, then ONE OF an Australian birth or citizenship certificate or DHS pension card PLUS one of either of the following showing the residential address and name of the investor: A notice issued by the ATO showing a debt payable by you no which is not more than 12 months old (please block out TFN) OR a utilities or local government notice for services to the address which is no more than 3 months old.

Group B - Trusts

For superannuation funds/regulated trusts or Government Superannuation Funds including SMSFs, Retail Funds and Registered Charitable Trusts, provide Group A verification documents for each individual Trustee, or Group D or E verification documents for the Corporate Trustee and Group A verification documents for each beneficial owner* of the Trust. For the Trust provide an original certified copy of the following document:

- ☐ Certified copy or certified extract of the Trust Deed/Constitution containing the signature page

**A beneficial owner of a trust is any individual who has a 25% or more interest in the trust or controls the trust. This includes the appointor (who can appoint or remove the trustees), the settlor of, and the beneficiaries with at least a 25% interest in, a trust.*

Group C - Other Trusts (unregulated)

For unregulated trusts provide Group A verification documents for each individual Trustee, or Group D or E verification documents for the Corporate Trustee and Group A verification documents for each beneficial owner* of the Trust. For the Trust provide an original certified copy of the following document:

- ☐ Certified copy or certified extract of the Trust Deed/Constitution containing the signature page

**A beneficial owner of a trust is any individual who has a 25% or more interest in the trust or controls the trust. This includes the appointor (who can appoint or remove the trustees), the settlor of, and the beneficiaries with at least a 25% interest in, a trust.*

Group D - Australian companies

For companies (including corporate Responsible Entities) provide Group A verification documents for each beneficial owner*, and for the Company provide an original certified copy of one of the following including the Company's full name, type (private or public) and ACN:

- ☐ An ASIC extract or the relevant foreign registration body (must show full name of company, name of registration body, company identification number, company address, full names of all directors and authorisers and their address, the full name and address of all ultimate beneficial owner's and the type of company – private or public); or
- ☐ A full company search issued in the previous 3 months; or
- ☐ A certificate of Company Registration (must show full name of company, name of registration body, company identification number, company address, full names of all directors and authorisers and their address, the full name and address of all ultimate beneficial owner's and the type of company – private or public); or
- ☐ If the company is listed, or is a majority owner of a listed company, on the ASX, provide details of the exchange and the ticker code; or
- ☐ A copy of information regarding the company's license or other information held by the relevant regulatory body e.g. AFSL, RSE, ACL etc.

**A beneficial owner of a company is anyone (either directly or indirectly) who can exercise 25% or more of the voting rights, including a power of veto, or who holds the position of senior managing official or equivalent.*

Group E - Foreign companies

Provide Group A verification documents for each beneficial owner* and for the Company provide one of the following including the Company's full name, type (private or public) and its ARBN or foreign regulator identification number:

- ☐ An ASIC extract or the relevant foreign registration body (must show full name of company, name of registration body, company identification number, company address, full names of all directors and authorisers and their address, the full name and address of all ultimate beneficial owner's and the type of company – private or public); or
- ☐ A certified copy of the company's articles of association or constitution; or
- ☐ A copy of a company search on the ASIC database or relevant foreign registration body.

**A beneficial owner of a company is anyone (either directly or indirectly) who can exercise 25% or more of the voting rights, including a power of veto, or who holds the position of senior managing official or equivalent.*

Group F - Agents and representatives

Each agent or authorised representative must provide one of the following*:

- ☐ If you are an Individual Agent or Representative – please provide the identification documents listed for individuals above; or
- ☐ If you are a Corporate Agent or Representative – please provide the identification documents listed above for companies.

**Agents and authorised representatives must also provide a certified copy of their authority to act for the investor e.g. the POA, guardianship order etc.*

5.2 AUTHORISED REPRESENTATIVE APPOINTMENT

Complete this section if an Investor wishes to appoint a person to act in a legal capacity as their authorised representative and to operate the investment in the Fund on their behalf. In general, an authorised representative can do everything an Investor can do with their investment, except appoint another authorised representative.

We may act on the sole instructions of the authorised representative until the Investor advises us in writing that the appointment of the authorised representative has been terminated. We may also terminate or vary an appointment of an authorised representative on giving an Investor 14 days prior notice.

If an authorised representative is a partnership or a company, any one of the partners or any Director of the company is individually deemed to have the powers of the authorised representative.

Documentation

Investors must attach a valid authority such as a Power of Attorney, guardianship order, grant of probate, appointment of bankruptcy trustee etc:

- ☐ The document is an original or certified copy
- ☐ The document is signed by the Investor or a court official
- ☐ The document is current and complete
- ☐ The document permits the attorney / agent / representative (you) to transact on behalf of the Investor
- ☐ If the document does not contain a sample of each attorney/agent/representative signature, please also provide a list containing the name and signature of each person so appointed.

Authorised representative details

Given Names

Surname

Signature of authorised representative

Date

5.3 DECLARATION AND SIGNATURES

I/we declare and agree each of the following:

- I/we have read and understood the Information Memorandum for the Fund dated 13 March 2024;
- This Subscription Agreement was detached from the Information Memorandum for the Fund;
- Upon allotment of units in the Fund, I/we agree to be bound by the terms of the Information Memorandum and the Constitution of the Fund, as amended from time to time;
- I/we understand that neither the repayment of capital nor the performance of the Fund is guaranteed by any person, including the Investment Manager;
- I am/we are a Wholesale Client;
- the details given in this Subscription Agreement and in the AML Supplement are true and correct and that I/we have the legal power to invest in accordance with this application;
- I/we authorise Trustee and Administrator to apply the TFN or ABN provided in this Subscription Agreement and authorise it to be applied to all future applications and redemptions for units in the Fund, including reinvestments, unless I/we advise Administrator otherwise;
- I/we have read the section of the Information Memorandum titled "Privacy" and agree that Trustee and Administrator may collect, use disclose and handle personal information in the manner set out in that section;
- I/we agree to indemnify the Trustee of the Fund, Administrator and any of its related bodies corporate against any loss, liability, damage, claim, cost or expense incurred as a result, directly or indirectly, of any of these declarations proving to be untrue or incorrect;
- In the case of joint applications, the joint applicants agree that unless otherwise expressly indicated on this Subscription Agreement, the units will be held as joint tenants and either investor is able to operate the account and bind the other investor for future transactions, including additional deposits and redemptions; and
- I/We agree to give further information or personal details to Trustee if required to meet its obligations under AML Laws or taxation legislation.

Should the Investor fail to provide any information or documentation requested of it, its application may be refused.

Signature 1*

Full Name

Date

Tick capacity (mandatory for companies):

- ☐ Individual/Joint Investor/Sole Trader
- ☐ Sole Director and Company Secretary
- ☐ Director
- ☐ Secretary

* Joint Investors must both sign.

* For Individual Trustee Trust/Superannuation Funds each individual Trustee must sign.

* For Corporate Trustee Trust/Superannuation Funds two Directors, a Director and Secretary or Sole Director must sign.

Signature 2*

Full Name

Date

Tick capacity (mandatory for companies):

- ☐ Individual/Joint Investor/Sole Trader
- ☐ Director
- ☐ Secretary

6. FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) & COMMON REPORTING STANDARD (CRS) TAX STATUS DECLARATION SELF-CERTIFICATION

Section I - Individuals

Please fill this Section I only if you are an individual. If you are an entity, please fill Section II.

This section is designed to collect the tax status of an individual where the individual has been identified as a potential taxpayer of a country other than Australia.

- Complete one form for each individual. Complete all applicable sections of this form in BLOCK LETTERS.
- Tax information must be collected from the individual.
- PLEASE NOTE: The individual may be treated as being a non-Australian taxpayer if the requested information is not provided.

1. Are you a US citizen or resident of the US for tax purposes?

- ☐ Yes: Provide your Taxpayer Identification Number (TIN) below. Continue to question 2

Investor 1 TIN

Investor 2 TIN

- ☐ No, continue to question 2

2. Are you a tax resident of Australia?

- ☐ Yes: skip to question 12

- ☐ No: continue to question 2.1

2.1 Are you a tax resident of any other country outside of Australia?

- ☐ Yes: Provide the details below and skip to question 12. If resident in more than one jurisdiction please include details for all jurisdictions.

	Country of Tax Residency	Tax Identification Number (TIN) or equivalent	Reason Code for No TIN
Investor 1	1		
	2		
	3		
Investor 2	1		
	2		
	3		

If TIN or equivalent is not provided, please provide reason from the following options:

- **Reason A:** The country/jurisdiction where the entity is resident does not issue TINs to its residents
- **Reason B:** The entity is otherwise unable to obtain a TIN or equivalent number (Please explain why the entity is unable to obtain a TIN in the below table if you have selected this reason)
- **Reason C:** No TIN is required. (Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by that jurisdiction)

If Reason B has been selected above, explain why you are not required to obtain a TIN

Investor 1

Investor 2

- ☐ No: Skip to question 12

Section II – Entities

Please fill this Section II only if you are an Entity. Complete one form for each Entity. An entity can be a company, trust, partnership, association, registered co-operative or government body. Tax information must be collected from an authorised representative of that Entity. If you are an individual, please fill Section I.

3. Are you an Australian Retirement Fund?

- ☐ Yes: Skip to question 12

- ☐ No: Continue to question 4

A. FATCA

4. Are you a US Person/Entity?

☐ Yes: Continue to question 5

☐ No: Skip to question 6

5. Are you a Specified US Person/Entity?

☐ Yes: Provide your Taxpayer Identification Number (TIN) below and skip to question 7

TIN

☐ No: Please indicate exemption type and skip to question 7

Type

6. Are you a Financial Institution for the purposes of FATCA?

☐ Yes: Provide your Global Intermediary Identification Number (GIIN) below, specify type of Entity and continue to question 7

GIIN

If you do not have a GIIN, please provide your FATCA status below and continue to question 7

☐ Excepted Financial Institution

☐ Exempt Beneficial Owner

☐ Deemed-Compliant FFI (other than a Sponsored FI or a Responsible Entity Documented Trust)

☐ Non-Participating FFI

☐ US Financial Institution

☐ Non-Reporting IGA FFI

Type

☐ Trustee Documented Trust. Please provide your Trustee's name and GIIN.

Trustee's Name

Trustee's GIIN

☐ Sponsored Financial Institution. Please provide the Sponsoring Entity's name and GIIN.

Sponsoring Entity's Name

Sponsoring Entity's GIIN

☐ Other. Describe the FATCA status in the box provided.

Details

☐ No: continue to question 7

B. CRS

7. Is the Entity a tax resident of any country outside of Australia?

- ☐ Yes: Provide the details below and continue to question 8. If resident in more than one jurisdiction please include details for all jurisdictions

Country of Tax Residency		Tax Identification Number (TIN) or equivalent	Reason Code for No TIN
1			
2			
3			

If TIN or equivalent is not provided, please provide reason from the following options:

- **Reason A:** The country/jurisdiction where the entity is resident does not issue TINs to its residents
- **Reason B:** The entity is otherwise unable to obtain a TIN or equivalent number (Please explain why the Entity is unable to obtain a TIN in the below table if you have selected this reason)
- **Reason C:** No TIN is required. (Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by that jurisdiction)

If Reason B has been selected above, explain why you are not required to obtain a TIN

- ☐ No: Continue to question 8

8. Are you a Financial Institution for the purposes of CRS?

- ☐ Yes: Specify the type of Financial Institution below and continue to question 9

☐ Reporting Financial Institution

☐ Non-Reporting Financial Institution: Specify the type of Non-Reporting Financial Institution below

☐ Trustee Documented Trust

☐ Other: Please specify

- ☐ No: Skip to question 10

9. Are you an Investment Entity or Financial Institution resident in a Non-Participating Jurisdiction for CRS purposes and managed by another Financial Institution?

- ☐ Yes: Skip to question 11

- ☐ No: Skip to question 12

C. Non-Financial Entities

10. Are you an Active Non-Financial Entity (Active NFE)?

- ☐ Yes: Specify the type of Active NFE below and skip to question 12

☐ Active NFE's include Entities where less than 50% of the Active NFE's gross income from the preceding calendar year is passive income (e.g. dividends, distribution, interests, royalties and rental income) and less than 50% of its assets during the preceding calendar year are assets held for the production of passive income

☐ Corporation that is a Publicly listed company, Majority owned subsidiary of a Publicly listed company, regularly traded or a related entity of a regularly traded corporation

☐ Governmental Entity, International Organisation or Central Bank

☐ Australian Registered Charity or Deceased Estate

☐ Other: Please specify

- ☐ No: You are a Passive Non-Financial Entity (Passive NFE). Continue to question 11

- ☐ No: You are a Foreign Charity. Continue to question 11

D. Controlling Persons

11. Does one or more of the following apply to you:

- Is any natural person that exercises control over you (for corporations, this would include directors or beneficial owners who ultimately own 25% or more of the share capital) a tax resident of any country outside of Australia?
- If you are a trust, is any natural person including Trustee, protector, beneficiary, settlor or any other natural person exercising ultimate effective control over the trust a tax resident of any country outside of Australia?

☐ Yes: Complete details below and continue to question 12

	Name	Date of Birth	Residential Address	Country of Tax Residence	TIN or equivalent	Reason Code if no TIN provided
1						
2						
3						

If there are more than 3 controlling persons, please list them on a separate piece of paper.

If TIN or equivalent is not provided, please provide reason from the following options:

- **Reason A:** The country/jurisdiction where the entity is resident does not issue TINs to its residents
- **Reason B:** The entity is otherwise unable to obtain a TIN or equivalent number (Please explain why the entity is unable to obtain a TIN in the below table if you have selected this reason)
- **Reason C:** No TIN is required. (Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by that jurisdiction)

If Reason B has been selected above, explain why you are not required to obtain a TIN

☐ No: Continue to question 12

E. Declaration

12. Signature

I declare that the information provided in this form is, to the best of my knowledge and belief, true, accurate and complete.

I acknowledge that the information contained in this form and information regarding the Unit Holder may be reported to the tax authorities of the country in which the units in this Fund is/are maintained and exchanged with tax authorities of another country or countries in which the Unit Holder may be tax resident where those countries (or tax authorities in those countries) have entered into Agreements to exchange financial account information.

I undertake to provide a suitably updated Self-Certification form within 30 days of any change in circumstances which causes the information contained in this section to become incorrect.

Investor 1 Signature

Name of authorised representative

Role (e.g. Director, Trustee, etc)

Name of entity/individual

Date

Investor 2 Signature

Name of authorised representative

Role (e.g. Director, Trustee, etc)

Name of entity/individual

Date

Email the original signed Application Form, original certified copies of the Investor's identification document(s) and Accountant's Certificate (if relevant) to us at the following email:

Email: invest@saltwaterfund.com