



TiP Wealth

MARCH 2023

Information Memorandum Corinthian Balanced Fund

Trustee TIP Trustees Limited ACN 094 107 034

Manager TIP Wealth Investment Management Pty Ltd 663 832 746

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Important notice

This Information Memorandum (IM) is dated 30 March 2023 and is issued by TIP Trustees Limited ACN 094 107 034 (Trustee, we or us), which is the trustee of the Corinthian Balanced Fund (Fund). The purpose of this IM is to provide information for prospective Investors to decide whether they wish to invest in the Fund.

The Trustee holds AFS Licence no. 246621. The Trustee has appointed TIP Wealth Investment Management Pty Ltd ACN 633 832 746 (Manager) as the investment manager of the Fund. The Manager is an authorised representative [authorised representative number 1305319] of AFS Licensee 424494 (Licensee).

Wholesale investors only

This Offer is available to wholesale investors only. We will not issue Units to you unless we are satisfied you invest at least \$500,000 into the Fund, you meet the minimum asset (\$2.5 million of net assets) or income (\$250,000 of gross income for the last two financial years) requirements, or you otherwise satisfy us you are a wholesale client for the purposes of Chapter 7 of the Act (including being a professional investor within the meaning of the Act).

Foreign jurisdictions

This Offer is available to investors in Australia only. This IM does not constitute an offer in any jurisdiction other than Australia and the distribution of this IM outside of Australia may be restricted by law. If you come into possession of this IM in another jurisdiction you should seek your own advice and observe any such restrictions of the laws of that jurisdiction. We will take your return of a duly completed Application Form to constitute a representation and warranty by you that there has been no breach.

Not investment advice. Seek your own financial advice

We have prepared this IM without taking account of your investment objectives, financial situation or needs. This IM does not contain investment, legal, tax or immigration advice, nor is it a recommendation or opinion on the merits of investing in the Fund. You should seek professional advice and conduct your own investigation and analysis regarding the information contained in this IM. Investment in the Fund is speculative and may not be appropriate for you. You should consider the appropriateness of investing in the Fund having regard to your objectives, financial situation and needs.

Not a product disclosure statement (pds) or prospectus

The Fund is an unregistered managed investment scheme and the regulated fundraising requirements of the Act do not apply to the Offer. This IM is not a PDS within the meaning of the Act. Accordingly, this IM does not contain the same level of disclosure required for registered managed investment schemes that issue PDSs. We have prepared this IM on the express basis it does not purport to contain all of the information you may require to make an informed decision about whether or not to invest in the Fund.

You should read this IM carefully in full before investing. This IM must be read in conjunction with the Fund's Constitution for further information about your rights and obligations as an investor in the Fund and our rights and obligations as the trustee of the Fund. If there are inconsistencies between this IM and the Constitution, the Constitution will prevail.

Statements made in this IM are made at the date of this IM. Under no circumstance does the delivery of this IM at any time or the issue of any Units in the Fund create an implication the information contained in this IM is correct at any other time subsequent to such date.

Disclaimer

We do not guarantee the performance of the Fund, the repayment of capital or any income or capital return; and nor does the Manager or any of our respective directors, associates or advisors.

To the extent permitted by law, neither we nor our directors, associates and advisors, nor the Manager and its directors, associates and advisors, represent or warrant (expressly or impliedly) the information in this IM is complete, true and correct and not misleading or likely to be misleading, or are responsible or in any circumstance liable for any statement made in this IM. You should make your own enquiries to ascertain the accuracy of any information upon which you intend to rely.

There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. The actual outcomes are dependent on future events which may be radically different from those predicted for reasons outside our or the Manager's control. It is particularly important that you carefully consider the risk factors that could affect the performance of the Fund in light of your personal circumstances before making an investment decision.

Confidentiality

This IM is provided on a strictly confidential basis solely for your information and exclusive use to assess an investment in the Fund and may not be used for any other purpose. This IM may not be copied, reproduced, republished, posted, transmitted, distributed, disseminated or disclosed, in whole or in part, to any other person in any way without our prior written consent, which we may withhold in our absolute discretion. By accepting this IM, you agree you will comply with these confidentiality restrictions and acknowledge your compliance is a material inducement to us providing this IM to you.

Glossary and financial details

Capitalised terms are defined in the Glossary and all references to dollar amounts are to Australian Dollars [AUD], unless otherwise stated.

Directory

Trustee

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Registrar

TIP Trustees Limited
ACN 094 107 034
Level 12 / 431 King William Road
Adelaide, SA, 5000
Telephone: 1300 160 803
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Email: Funds@tipgroup.com.au

Key features

The following is a summary of the Offer and is not intended to be exhaustive. Refer to the relevant section of the IM for detailed information. You should read the IM in its entirety.

Overview		Refer to section
Fund	Corinthian Balanced Fund	3.1.
Trustee	TIP Trustees Limited ACN 094 107 034	1.1.
Manager	TIP Wealth Investment Management Pty Ltd ACN 633 832 746	1.2.
Fund structure	The Fund is an unregistered managed investment scheme, which was established by a trust deed dated 4 April 2023.	3.1.
Investment strategy	<p>To provide investors access to a diversified portfolio of income and growth investments including—</p> <ul style="list-style-type: none"> • Australian and international equities, leveraging the resources of the Conscious Investor® Fund, managed by Conscious Capital Limited • asset-backed corporate debt. • private equity investments managed by Teaminvest Private Group Limited and other private equity managers, and • Fixed interest investments such as bonds, mortgages, and secured notes. • Cash <p>The Fund may also execute contracts that provide an option or right but not an obligation over an asset as a way of managing investment risk. While often referred to as “derivatives” the Manager does not intend to buy, sell or hold marketed derivatives or options as part of the investment strategy.</p>	4.1.
Performance	The fund intends to pay a 4.5% income distribution per year and capital growth at CPI. Investors should note that past performance is not a guarantee of future performance.	4.1.
Intended Allocation	<p>10% - 50% in Australian and international equities, 5% - 70% in asset-backed commercial debt, fixed interest investments 0% -15% in private equity 5% - 15% in cash</p> <p>Investors should note that these are targeted allocations and that actual investment allocations within the Fund will vary over time based on market opportunities.</p>	4.1.
Component Investments	<p>A key strength of the Fund is the rigorous investment process of the underlying Fund Managers of each Component Investment. Further details of these investment processes are provided in the following sections:</p> <ul style="list-style-type: none"> • The Conscious Investor® • Teaminvest Private • Commercial Finance 	4.1.
Investment return objective	<p>The investment return objective of the Fund is greater than 4.5% income and growth in excess of CPI + 2% return per annum over a full economic cycle (8-10 years).</p> <p>The target return is not a forecast and is not guaranteed. The actual total return may rise or fall.</p>	3.4.

Overview		Refer to section
Who can invest?	This Offer is open only to Not for Profit, Deductible Gift Recipients or Public Ancillary funds who also qualify as wholesale investors as defined in the Act. See section 3.2 and the Application Form for further details.	3.2.
Unit price	The Unit price is calculated in accordance with the Constitution and is based on the value of the underlying assets of the Fund with an adjustment for any relevant Transaction Costs. The current Unit price is available by contacting the Registrar.	3.5.
Minimum investment amounts	Provided you qualify to invest in the Fund, you must make a minimum initial investment of \$500,000 to participate in the Fund (or such lower amount as we accept at our discretion). After the initial investment there is no minimum for further investments, however the Trustee may choose to reject part or all of an investment request.	3.4.
Allotment	Units will generally be issued monthly.	3.6.
Distributions	It is intended that distributions to Investors will be paid annually. The Manager believes the primary way Investors may benefit from their investment in the Fund will be through an increase in Unit price. The Fund does not currently offer a distribution reinvestment facility. Any distributions will be paid to your nominated bank account.	3.8.
Redemptions	You may request a redemption of some, or all of your Units invested in the Fund at the end of each month. To do this, you must provide at least 7 days notice to the Registrar of your application to redeem those Units from the Fund. Whilst we will do our best to complete any redemptions, the ability to redeem Units will be entirely dependent upon whether there is sufficient liquidity available. Redemptions are subject to the limitations set out under section 3.	3.11.
Risks	Like any investment of this type, there are risks associated with investing in the Fund. Distributions are not guaranteed, nor are any capital returns. For further information about the specific risks associated with the Fund, see section 8.	8.
Fees and costs	There are fees and costs (plus GST) payable in relation to the management of the Fund. See below for information.	9.
Tax	Please obtain your own independent tax advice before investing in the Fund.	10.

1. Management of the fund

1.1. About the Trustee

TIP Trustees Limited has experience as a corporate trustee and is a professional trustee.

TIP Trustees Limited is a member of the Teaminvest Private Group Limited (TIP) group. TIP is a listed Private Equity business that focuses on their noble purpose of transferring knowledge between generations. It seeks to:

- Assist successful business owners grow their business and enhance their legacy;
- Mentor the next generation of Australian business leaders; and
- Support Australian business by filling a missing piece in the funding landscape.

TIP Trustees Limited is the holder of AFS licence number 246621.

1.2. About the Manager

We have appointed TIP Wealth Investment Management Pty Ltd ACN 633 832 746 as the investment manager of the Fund.

TIP Wealth Investment Management Pty Ltd is an authorised representative of AFS licence 424494. The Manager has been authorised to distribute this IM.



2. The allocation committee

Other Teaminvest related entities include Conscious Capital, Commercial Finance and The Allocation Committee

The Allocation Committee is responsible for providing advice to the Manager on allocating the Fund's capital between the Component Investments. At this stage, the Fund Managers responsible for managing each of the Component Investments are:

- or Australian and international equities held in the Conscious Investor® Fund, Conscious Capital
- for asset-backed commercial debt, TeamInvest Private
- for Managed Investments, Teaminvest Private (through its subsidiary), and
- or Teaminvest Private Shares, the Allocation Committee.

The Allocation Committee comprises the members below.

2.1. Director of Research—John Price

John's career spans 40 years as a research mathematician with positions in major universities around the world. Since retiring from academia, John has been a director of a number of successful financial services companies including Teaminvest, Teaminvest Private and Conscious Capital.

After publishing two books and over 60 papers in peer-reviewed journals in mathematics, physics, and finance, John set a research objective to understand the best investment methods of Warren Buffett along with those of John Burr Williams, Peter Lynch and other leading investors.

He personally programmed, tested, and compared over 30 different stock-valuation methods in his search for the best of the best. This led to the development of Conscious Investor®, which his company has sold around the world for the past eleven years and which is now part of Teaminvest. It also provided the background and research for his acclaimed book *The Conscious Investor®* and the establishment of the Conscious Investor Fund. John is a founding director of Conscious Capital.

2.2. Andrew Coleman

Andrew is the Chief Executive Officer of Teaminvest Private. He has been with Teaminvest Private since its inception and is responsible for sourcing, structuring and overseeing investments.

Prior to joining Teaminvest Private, Andrew worked in Sydney as an investment banker for a top tier international investment bank. Andrew advised and assisted clients on significant corporate deals in Australia and internationally with a specific focus on mergers and acquisitions and capital raising activity.

He is also a co-author of *Relative Performance Incentives and Price Bubbles in Experimental Asset Markets* published in the *Southern Economic Journal*.

2.3. Howard Coleman

Howard has over 40 years' experience as a founder and CEO in the areas of consumer finance, education, language and mathematics in Australia, South Africa and the UK. His extensive background and experience are invaluable for assessing the strengths and weaknesses of companies. This particularly applies to identifying their future risks and the ability and strategies of the board and senior management to deal with them.

2. The allocation committee

Howard is a graduate of the Harvard Business School Owner/President Management Program and completed the Australian Institute of Company Directors' program for company directors. He is a director of a number of companies and has won many business awards including the prestigious Speaker of The Year Award from The Executive Connection. Howard regularly appeared as a guest commentator on Sky Business and is a founding director of Teaminvest, Teaminvest Private and Conscious Capital.

2.4. Neil Parker

Neil is the Managing Director of Bridgepoint Group, a financial advisory practice specialising in assisting medium sized businesses achieve their growth and succession objectives.

He has been consulting to private businesses with respect to overall strategy and growth, planning and implementation, shareholder value, exit strategy and execution for more than 20 years. Neil is a Fellow of the Institute of Chartered Accountants in Australia and a member of the Australian Institute of Company Directors.

2.5. Mark Puterflam

Mark Puterflam is the Executive Director of EM Commercial Finance.

Mark has degrees in Commerce and Law and is a Chartered Accountant. He has more than 20 years of banking and finance experience spanning the institutional and government sectors through to corporate and business banking and asset-based lending to the SME sector. Mark began his career in banking with Lloyds Bank as an Associate Director in Corporate and Institutional Banking. In the mid-2000s he headed up GE Capital's Structured Asset Finance business in Australia and then led GE Capital Australia's Capital Markets/Syndications business. Prior to co-founding EM Commercial Finance, Mark was consulting to a range of businesses, assisting them to obtain equipment financing, working capital finance, and acquisition financing.

2.6. James Rosenberg

James is an equity partner of E.L. & C. Baillieu, Australia's oldest independently owned financial advisory firm. During an equity markets career in excess of 25 years, he has worked at Ord Minnett Limited, Citigroup Pty Limited and Macquarie Group Limited. His clients tend to be high net wealth families who view themselves as custodians of multi-generational wealth.

Prior to working in financial markets, James worked in the private industry as Financial Controller of an ophthalmic industry supplier. James is Chairman of the not-for-profit Spirit of Australia Foundation and is an enthusiastic photographer.

2.7. Phillip Hart

Phillip is the Executive Director of Diversified Growth Management Pty Ltd. He joined the Manager in 2016 and is responsible for managing the sales, investor liaison and administration of the Fund.

Phillip has thirty years' experience in institutional funds management and financial markets. Prior to joining Diversified Growth Management Pty Ltd, he held roles including Head of Institutional at Hunter Hall Investment Management Limited and Senior Business Development Manager (Institutional) at Legg Mason Asset Management Australia Limited. Phillip also served thirteen years as an officer in the Royal Australian Navy.

He has a Master of Business Administration from the University of Adelaide.

3. Fund overview

3.1. Fund structure

The Fund is an existing unregistered managed investment scheme structured as a unit trust that offers you the opportunity to invest in Australian and international equities, high yield asset-backed commercial debt, private equity investments in small to medium-sized Australian businesses and a direct holding in Teaminvest Private Shares.

- The Fund was established by a trust deed dated 4 April 2023.
- We do not intend to register the Fund with ASIC as a registered managed investment scheme or to list the Fund on a secondary market such as the ASX.
- Investment in the Fund is governed by the Constitution and the general law of Australia. Please see below for a summary of Investors' rights and obligations under the Constitution.

3.2. Wholesale investors only

- This Offer is available to wholesale investors only. We will not issue Units to you unless we are satisfied you either:
 - A trust, company, incorporated association or person registered as a Not-for-Profit, Deductible Gift Recipient, Public Ancillary Fund, Private Ancillary fund or otherwise described charitable or benevolent institution.
 - invest at least \$500,000 into the Fund;
 - meet the minimum asset (\$2.5 million of net assets) test;
 - meet the income (\$250,000 of gross income for the last two financial years) test; or
 - otherwise satisfy us you are a wholesale client for the purposes of Chapter 7 of the Act (including being a professional investor within the meaning of the Act).

3.3. Investment return objective

- The investment return objective of the Fund is to distribute 4.5% per annum and achieve greater than CPI + 2% net of operating costs over a full economic cycle (8-10 years).
- The investment return objective is not a forecast, and the Fund may not be successful in meeting its objective. Returns are not guaranteed, nor is the return of capital.

3.4. Minimum investment amounts

- Provided you qualify to invest in the Fund, you must make a minimum initial investment of \$500,000 (or such lower amount as we accept at our discretion). After the initial investment there is no minimum for further investments, however the Fund may choose to reject part or all of an investment request.

3. Fund overview

3.5. Unit Price

The Unit price is calculated in accordance with the Constitution and is based on the value of the underlying assets of the Fund.

The issue price is calculated as follows:

$$\frac{\text{NAV} + \text{Transaction Costs}}{\text{Number of Units on Issue}}$$

The redemption price is calculated as follows:

$$\frac{\text{NAV} - \text{Transaction Costs}}{\text{Number of Units on Issue}}$$

The current Unit price is available by contacting the Registrar.

3.6. Issue of Units

Units will be issued monthly, after both the Application Form and Application Money have been received from each applicant and accepted by the Registrar on behalf of the Trustee.

If the Trustee does not receive the Application Money in cleared funds and/or is not satisfied that it has received all relevant information required to process the Application Form, then the Trustee may refuse to accept a prospective Investor's application. Confirmation of an investment will generally be issued within five Business Days of the investment being processed.

3.7. Classes of Units

The Units offered under this IM are ordinary units in the Fund.

The Trustee may issue new classes of Units in the Fund at any time and these different classes may have different terms and rights attached to them, such as different fees, investment amounts, returns and redemption rights.

3.8. Distributions

As an Investor and holder of Units you are entitled to participate in income generated by the Fund's assets. If payable, distributions will be paid to your nominated account.

Distributions of at least 4% must be paid even if the distribution requires selling assets.

3.9. Investor Meetings

Investors with more than \$10 million in units will be entitled to meet with The Manager every quarter to discuss the specific investments held within the Fund. The Manager may agree to meet more frequently if requested.

3.10. Valuation of Component Investments

The Fund relies on the managers of the Component Investments to report the value of their investments to the Fund. This means that the value of the Fund's holdings at any time are—

- The listed asset trading price as stated on the ASX, FTSE, NYSE or similar.
- for Teaminvest Private, the value of entitlements confirmed by a third party professional valuer; and
- for fixed interest assets the stated dollar value provided by the issuer.

3. Fund overview

3.11. Redemptions

You may redeem some or all of your Units at the end of each month. You must provide at least 7 days notice to redeem those Units from the Fund. Redemptions are dependent upon whether there is sufficient liquidity available. There is no guarantee your redemption request will be satisfied in whole or in part. To make a redemption request, complete a redemption request form available at <http://www.oneregistryservices.com.au/investors> and send it to the Registrar.

The Fund aims to pay any redemptions within 25 Business Days after the end of the quarter.

Redemption proceeds will be electronically transferred to your nominated bank account.

3.12. Mechanisms to preserve Investors' funds

In order to protect the interests of all Investors, total redemptions from all Investors will be limited to 20% of the total value of the Fund in any quarter. In the event that the total of redemption requests received from Investors for a quarter is more than 20% of the value of the Fund, a pro-rata reduction will be applied to each redemption request to keep the total redemptions within the cap.

In addition to the cap, at times, it may be necessary for the Trustee to defer or even reject a redemption request. Such a deferral or rejection can be imposed at the absolute discretion of the Trustee and is intended to preserve the value of the Fund for all remaining Investors. Circumstances that could give rise to a deferral or rejection include where satisfying a redemption would result in:

- breach of law or regulation;
- breach of a limitation of trade imposed by an exchange or government authority;
- insufficient cash being retained by the Fund so as to satisfy other liabilities;
- requiring a sale of the Fund's assets at such terms or price that would not be in the interest of other Investors; or
- any other result which the Trustee believes in its discretion would be detrimental to the Fund.

3.13. Transfer of Units

There will not be any established secondary market for the sale of Units. If you want to sell your Units, we may endeavour to assist you; however, we are not required to do so. We may, at our discretion, refuse to register any transfer of Units.

3.14. Borrowings

The Fund will not borrow without issuing a supplementary Investor Memorandum outlining the purpose of the borrowings and gaining the consent of unit holders through a simple majority.

An example of where the fund would borrow maybe if the Investment Manager instructed the Trustee to undertake a real property development.

4. Investment overview

4.1. Overview

The Fund is an open-ended wholesale fund, To provide investors access to a diversified portfolio of income and growth investments, including—

- Australian and international equities, leveraging the resources of the Conscious Investor® Fund, managed by Conscious Capital Limited – Typically limited to the ASX 300, Dow Jones Industrial Index and Nasdaq markets.
- Asset-backed corporate debt.
- Private equity investments managed by Teaminvest Private Group Limited and other private equity managers, and
- Fixed interest investments such as bonds, mortgages, and secured notes.
- Cash

The Fund may also execute contracts that provide an option or right but not an obligation over an asset as a way of managing investment risk. While often referred to as “derivatives” the Manager does not intend to buy, sell or hold marketed derivatives or options as part of the investment strategy. An example of such an arrangement may be a commercial loan offered to a borrower where security is taken over shares in a company in addition to real property. In this case the Manager would have the right but not the obligation to accept the shares as repayment at the agreed strike price.

The fund allocation is expected to be

- 10% - 50% in Australian and international equities,
- 5% - 70% in asset-backed commercial debt, fixed interest investments
- 0% -15% in private equity
- 5% - 15% in cash

Investors should note that these are targeted allocations and that actual investment allocations within the Fund will vary over time-based on market opportunities.

The fund intends to pay a 4.5% income distribution per year and capital growth at CPI.

Investors should note that past performance is not a guarantee of future performance.

4.2. Rigorous Approach

The Fund has specifically chosen to invest in the Component Investments due to the rigorous approach to investing taken by the Fund Managers.

Detailed information about each Fund Manager's investment process is contained later in this document, but all three require potential investments to pass through rigorous selection hurdles. Each Fund Manager uses the Teaminvest investment methodology, a powerful approach to investing that analyses the commercial features of each business along with its board and senior management.

The investment methodology doesn't just look at whether an investment can be profitable but also seeks to understand how and why a business makes money and to identify risks that could endanger future revenue and profit.

Investors should note that certain members of the Fund's Allocation Committee are related parties of the Fund Managers.

4. Investment overview

More about this can be found in 'Related party risks' below.

4.3. Wisdom and Networks

Collectively, the Manager and Fund Managers have access to an investor group comprised of approximately 540 high-net-worth investors. This investor group is encouraged to contribute to the selection of investments (via the Teaminvest investment process) and their ongoing management (via board positions, where considered appropriate by the Fund Managers).

Through its relationship with the Fund Managers the Manager has potential access to the knowledge and networks of the broader investor group.

4.4. Exclusive Access

Directly investing in private equity or commercial debt and accessing investment research such as the Conscious Investor® Fund may require Investors to pay substantial annual fees, require a significant time commitment and require a large investment.

By joining the Fund, Investors can access a diversified portfolio of investments and access the intellectual property of TeamInvest Private Group, Conscious Investor® and related companies without paying the base fees, time commitments and joining requirements.

5. Conscious Investor[®] fund

As stated in the Conscious Investor[®] Fund Information Memorandum, ***“The Conscious Investor[®] Fund is a wholesale fund focused on finding long-term value through investing in quality businesses. Conscious Capital is the trustee and investment manager of the Conscious Investor[®] Fund. Its rigorous approach is scientific and conservative. The Fund invests in quality investments in Australian and overseas listed securities as well as selected unlisted investments.”***

Conscious Capital was established in 2012. Conscious Investor[®], the software that provides the analytical basis for the Conscious Investor[®] Fund, was first released in 2001 and has been in continuous operation since.

The main goal of Conscious Investor[®] Fund is, quite simply, to find suitable investments that have a sufficient likelihood of growing their earnings per share and dividends per share year after year.

In addition to extensive financial analysis using its proprietary Conscious Investor[®] software to select investments, Conscious Investor[®] Fund's allocation team undertakes detailed business analysis based on questions such as:

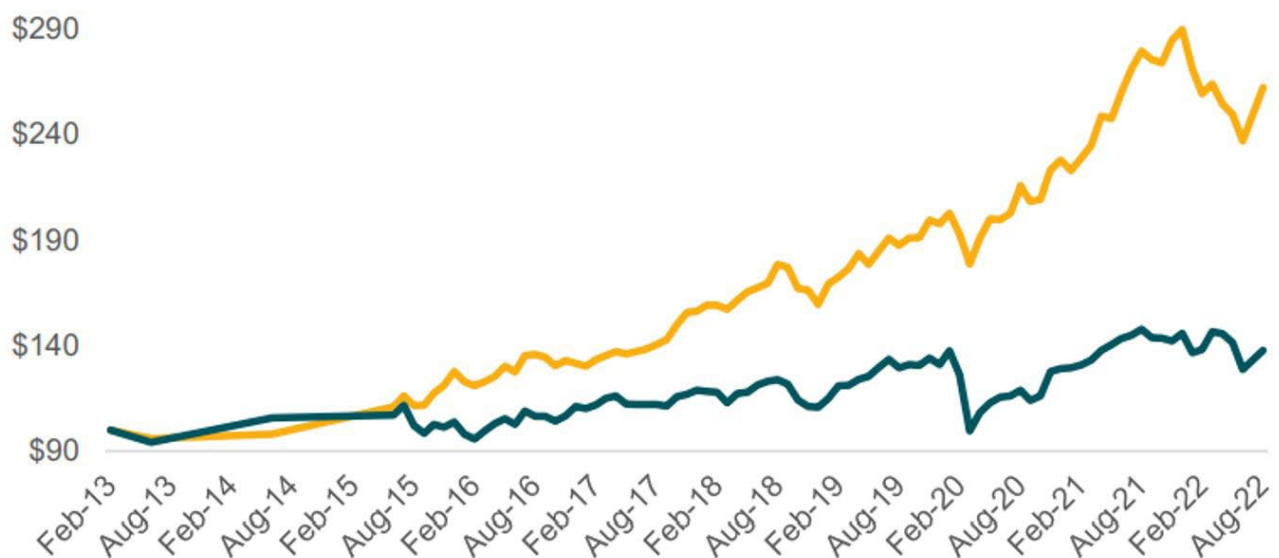
How does the company make money? Is it like a castle with deep 'economic' moats? What are the risks facing the business? What is their likelihood of occurring and their resulting damage if they did? What do we know about the board and management? Are their shareholders focused with substantial investments in their own company? Is the remuneration designed to motivate management to create shareholder value or does it simply reward business as usual?

The final selections are based on confidence in future total shareholder return. In other words, dollar value, and not just market speculation or vague notions of 'value'.

5. Conscious Investor® fund

5.1. Performances

Net Portfolio Index vs ASX200 Accumulation Index



Source: *Conscious Capital.*

In the period from February 2013 to March 2022, Conscious Investor® Fund, after fees and with distributions reinvested, grew by 163.44%. The chart above shows the growth of \$100 invested in the Conscious Investor® Fund over this period.

The Conscious Investor® Fund uses a three-stage investment process in order to identify quality listed equity investments.

1. Conscious Investor® for quantitative analysis
2. Teaminvest investment methodology for quantitative analysis
3. Pricing and Margins of Safety

The Australian Securities Exchange contains over 2,000 companies and yet is dwarfed by the major global exchanges. Investors seeking to identify quality businesses therefore need a process to narrow the thousands of potential listed company options down to a reasonably sized portfolio of selected businesses.

5.2. Quantitative Analysis

For Conscious Investor® Fund, quantitative analysis of potential listed companies is performed using proprietary software– Conscious Investor®. Conscious Investor® is a tool developed by Dr John Price to scan stock exchanges for companies that display the quantitative elements of long-term investments. The companies must pass filters for levels of stable and growing sales and profit, debt, return on equity, interest coverage and capital structures.

5. Conscious Investor® fund

By analysing a graduated checklist of over 100 criteria in real time, Conscious Investor® is able to 'winnow the field' – the first step to identifying investments with a proven track record of success and good prospects of this continuing.

5.3. Teaminvest Investment Methodology

After the Conscious Investor® software has whittled down the pack, it is important to apply qualitative analysis. Like any blunt mathematical tool, Conscious Investor® is unable to ask three of the most important questions in investing:

- What barriers to entry or competitive advantages does this business have to ensure it will be profitable over the long term?
- What are the risks to its long- term profitability?
- Are management honest, open and acting in the best interests of shareholders?

This is where the Teaminvest Investment Methodology comes into its own.

Developed in 2007, the Teaminvest Investment Methodology seeks quality stable businesses by identifying and weighing their risks, assessing the strength of their competitive advantages, and considering if the board and senior management act honestly and responsibly. It provides critical benchmarks for each business by ranking and scoring its advantages (or "moats") in terms of their depth and durability and its risks in terms of their likelihood and impact.

The Conscious Investor® Fund utilises the wider Teaminvest community to help analyse potential investments. As of March 2020, there are approximately 450 high net worth investors around the country who contribute to the Teaminvest knowledge base.

5.4. Pricing and Margins of Safety

In order to be considered as a potential investment, a company must pass both the quantitative and qualitative parts of the Conscious Investor® Fund investing methodology.

Should a company pass these analytical filters, it is important that the Fund acquires its stake at a reasonable price. Using the combined business moats and risks identified in the investing methodology, Conscious Investor® Fund's capital allocation team sets a target risk-adjusted rate of return and then seeks to acquire shares when their price delivers this under a margin of safety. It is as much art as science because any future return is driven by future results. In order to maximise investor returns, the Conscious Investor® Fund targets 80% positive outcomes; in other words, they set their acquisition price at a level that aims to achieve their required rate of return in 80% of possible future scenarios.

Success is not guaranteed, but this combination of quantitative analysis, qualitative analysis, and patient pricing has delivered significant performance above the ASX200 to the end of December 2021.

5.5. Liquidity of the Conscious Investor® Fund

The Conscious Investor® Fund is a relatively liquid Component Investment. This is because it is predominantly invested in Australian and international listed equities. The fund will mirror the Conscious Investor Fund and not invest directly. Typically listed equities can be sold within 3 days.



6. Teaminvest Private

6.1. Overview

Teaminvest Private is an ASX-listed specialist private equity firm that invests in small to medium-sized Australian businesses. Teaminvest Private trades under the ASX code “TIP”.

To achieve its goals, Teaminvest Private employs a combination of a value-investment strategy based on the work of Benjamin Graham and Warren Buffett, and the engagement of Selected Shareholders (described below) across multiple levels of the business.

6.2. Portfolio Companies

Teaminvest Private acquires, manages and ultimately may divest ownership of privately-owned Australian businesses (each a Portfolio Company).

As at the date of this Information Memorandum, Teaminvest Private owns 100% of ten portfolio companies, controls three others and has substantial minority interests in four other portfolio companies. Teaminvest Private also owns a private equity management firm which, as at the date of this Information Memorandum, manages investments in a number of private equity vehicles (each a Managed Investment). Teaminvest Private does not own any equity in any of the Managed Investments.

As an ASX-listed entity, Teaminvest Private is subject to regular reporting requirements and continuous disclosure obligations. Teaminvest Private’s ASX announcements can be found at <https://www.asx.com.au/asx/statistics/announcements.do> under the ASX code “TIP”.

6.3. Investment philosophy

Teaminvest Private looks to invest in private Australian SMEs with significant, long-lasting “moats”, and quantifiable and manageable risks.

A moat is a characteristic that either provides a barrier to entry against competitors or enables the business to extract greater value from customers. They call these strengths “moats” to distinguish them from the more common investment term “sustainable competitive advantage” as often a moat is not unique to a single business.

To implement its investment strategy, Teaminvest Private has a five-stage investment process that draws on the collective input of Selected Shareholders. In Teaminvest Private’s view, this enables better ‘sorting of the wheat from the chaff’ and ensures that once a great portfolio company is identified, Teaminvest Private adds value to deliver investor returns.

6.4. Patient capital

Unlike major banks or other financiers, Teaminvest Private provides a mix of equity and debt investments that have a long-term investment horizon. Teaminvest Private offers patient capital and strategic guidance. This means that Teaminvest Private does not look for quick wins, but rather investments where they can help mentor management to grow the business successfully for many years.

It is this blend of strategic capital and mentorship that they believe is the key mix required to help SMEs solve the twin problems of capital access and mentorship.

6.5. Selected Shareholders

A unique feature of Teaminvest Private’s business model is “Selected Shareholders”. Selected Shareholders are shareholders in Teaminvest Private who have been appointed to participate in the investment process including initial screening, due diligence, ongoing governance and portfolio company mentorship.

Selected Shareholders help foster the transfer of knowledge between generations, provide a way for Teaminvest Private shareholders to actively engage in Teaminvest Private and remain mentally stimulated, and provide portfolio companies with access to strategic advisers and mentors that would otherwise be inaccessible. It helps make better investment decisions, get better returns from investments, and bridge the SME funding and knowledge gap.

6. Teaminvest Private

6.6. Ongoing management

Successfully managing Teaminvest Private's investment in a portfolio company is as important as making the decision to invest.

The ongoing management of our investments is handled—

- on a day-to-day basis, in respect of business operations, by the management team of the portfolio company;
- at an individual portfolio company level, in respect of capital oversight and strategic planning level, by the board of the portfolio company; and
- at a strategic Teaminvest Private level, by the Strategy Committee in conjunction with Teaminvest Private's board and management.

Teaminvest Private usually invests in companies where the existing management intends to remain in place and the daily operations will not change substantially post investment. This ensures that the already successful business practices are continued.

6.7. How the fund accesses Teaminvest Private

The Fund may invest in a special purpose vehicle (a private equity vehicle managed by Teaminvest Private).

6.8. Liquidity of Teaminvest Special Purpose Vehicles

Investments in Special Purpose Vehicles are not liquid as these are not listed.

7. Commercial finance

7.1. Introduction

The Fund may, through a related party or independent partner subscribe to or invest in debt products, principally secured loans and asset backed loans, to Australian businesses to commercial customers (borrowers).

These credit facilities may include senior or subordinated construction finance, commercial property loans or other types of credit.

7.2. Lending and Financing Structures

EMCF and Unley Capital Partners are related party (either wholly or partially owned) companies who offer eligible subscribers the opportunity to purchase secured Loan Notes issued by its special purpose vehicles. Funds sourced from the subscribers/noteholders are on-lent to commercial borrowers, or to other non-bank finance companies ("non-bank fc"). Any security interest which the special purpose vehicle takes is for the ultimate benefit of the noteholders.

1. Loans to an SME business, are secured by taking a registered security interest over an asset or assets of the borrower) and/or the cashflow of the business to secure the repayment of the loan.
2. Partners may lend to an SME business on a senior secured basis in which case it has a first ranking security interest in the assets of the SME business, or it may lend on a junior/subordinated basis in which case the security interest ranks behind the security interest of the senior secured lender.
3. Where partners lend funds borrowed from the noteholders to a non-bank fc, for the non-bank fc to on-lend those funds to SME borrowers, partners secure their loan by taking security over the non-bank fc and obtains security over underlying assets of the non-bank finance company entity.
4. Funds provided by noteholders which are invested in junior debt by our lending partners are paid a higher rate of interest than funds which are invested as senior debt in the particular transaction, to reflect the different level of risk that each lender (junior and senior) is taking.
5. In addition to the above the fund may also participate in syndicated private debt investment opportunities offered by third party arrangers. The underlying borrowers are likely to be mid-market corporates, non-bank financial groups, property or infrastructure groups. The investments may be in senior secured, senior unsecured, or junior/subordinated debt. The syndicated private debt market offers the fund opportunities to lend to larger borrowers, and the funds investments are participations alongside family offices, high net-worth individuals, and credit funds.

7. Commercial finance

7.3. Investment Process

Where the Fund provides secured loans to SME borrowers or provides loans to a non-bank fc which provides loans to SME borrowers, the investment process has four steps.

1. The Fund completes its own investigation and analysis to gain an understanding of the assets for which borrowers require financing, and to understand the types of customers to whom financing would be provided.
2. The Fund considers the security available and considers the nature of the assets being financed, and the value that the asset offers should a borrower default. The Fund will also consider whether there are other means to minimise or reduce risk, such as through insurance, creation of a loss provision reserve, or by negotiating a right to sell assets back to the vendor of the asset.
3. If the structure is suited to the incorporation of senior and junior debt providers, The Fund considers whether it would be appropriate for it to participate as a provider of junior or senior debt. It will consider whether the level of risk associated with each is acceptable, and whether the return is appropriate for the level of risk.
4. The fourth and final step in the investment process involves assessing the borrower to whom The Fund is considering lending. Specific credit information is obtained from each potential borrower, and The Fund assesses the borrower's capacity and likelihood to repay the loan together with any other pertinent information.

It should be noted that investments made by The Fund are supported by asset backed loans, however there is no guarantee by any party that the borrower will be able to repay their loan.

7.4. Equity Participation Schemes

The Manager may enter into Equity Participation Schemes [EPS] which have similar characteristics to commercial finance but do not charge any interest.

In these arrangements the Fund acquires the asset and enters into an arrangement with a buyer who agrees to purchase the asset from the Fund over time at an agreed price. The earnings from the asset are split proportionally between the Fund and the purchaser. The purchaser is contractually required to purchase the asset of the EPS over time and in the event that they fail to do so the Fund is entitled to sell the asset on market to recover their investment. While the characteristics of these arrangements appear similar to a commercial loan they do not charge any interest.

The Fund will not enter into EPS with individual persons but may purchase housing or accommodation facilities where the buyer is a commercial enterprise or not-for-profit.

7.5. Commercial debt liquidity

Asset-backed loans are illiquid investments with typical maturity terms of twelve months to three years. The Manager may enter into long term arrangements (ten years or more) where a borrower enters into a principal and interest payment arrangement.

8. Risks

Like any investment, there are risks associated with investing in the Fund. There are a number of risk factors that could affect the performance of the Fund and the repayment of your capital. Many risk factors fall outside of our and the Manager's control and cannot be completely mitigated.

The following is a non-exhaustive list of the main risks associated with investment in the Fund. You should consider and weigh them up carefully and make your own assessment as to whether you are comfortable with them.

Distributions are not guaranteed, and neither is the return of your capital.

8.1. Business risks

There is a chance that an investment is not as successful in its business operations as anticipated.

For the underlying investments, business risk can manifest in a number of ways including failure to achieve the desired rate of return, loss of capital or an inability to repay a loan.

Some business risks include:

- The Conscious Investor® strategy may invest in companies that fail to achieve their desired rate of return
- The Conscious Investor® strategy may invest in companies that may lose money and thus suffer a substantial (or even total) drop in value
- Teaminvest Private may invest in companies that fail to achieve their desired profitability hurdles, resulting in below expected dividends and capital growth
- Teaminvest Private may invest in a business that loses some or all of the investment either via the company shrinking or even collapsing
- Teaminvest Private may be unable to exit its investments in portfolio companies at a price which reflects its value
- The direct shares held in Teaminvest Private by the Fund may fail to achieve their desired rate of return
- The Fund may lend funds to a Borrower who does not repay them, or only repays a portion, or repays the principle but not all the interest
- The Fund may not be able to sell the underlying asset recovered from a defaulting borrower, or may sell it at a price that does not recover all of the outstanding funds

All three strategies focus on quality companies with a proven track record of stable business growth in sales and earnings which show good prospects for this continuing. They actively seek companies where they believe the board and senior management are honest, rational, and act in the best interests of shareholders. However, there is a risk that despite careful investment selection, one or both of these are not achieved.

8.2. Market risks

There is a chance that an investment is made in a successful business but the share price, exit value or market value of the investment does not properly reflect this. The Fund may be exposed to certain markets that are subject to inefficiency, volatility, unpredictability or political instability, all of which could cause loss of capital. Unit prices may be impacted by market movements and changes to the political and economic climate. We call this market risk.

For our underlying investments market risk can manifest itself in a number of ways including the failure of a share price to reflect the quality of the underlying investment, failure of a private business to find an acquirer at an appropriate price or failure of a debt instrument to trade at its market value.

8. Risks

Some market risks include:

- Share prices may not properly reflect the quality of the underlying investments in a reasonable time
- Private businesses may not be able to find a buyer at an appropriate exit price, or even a buyer at all
- Market prices of debt instruments may not reflect their underlying value
- Market volatility may prevent an investment from being realised at an appropriate price or in a reasonable time
- Interest rates may move, reducing the value of investments
- Foreign exchange rates relating to international securities held by the Conscious Investor® Fund or income and expenses related to Teaminvest Private or EM Commercial Finance may move, reducing or even removing potential investment gains

Market risks are particularly hard to predict as markets are often imperfect and irrational. Forces outside a company such as market sentiment can have a dramatic impact on the share price of a company, exit price of a private equity investment or market value of a debt, despite the success of the underlying business. Put another way, markets may be slow in reflecting the quality within a company and may not ever reflect it.

8.3. Structural risks

There are risks associated with the implementation of the investment process both at the Fund and Component Investment level. We call this structural risk.

Investing through a fund rather than directly brings risks.

Some examples of structural risk include:

- Liquidity (in particular, the investments made by Teaminvest Private and commercial debt)
- Investment in a limited number of underlying companies (concentration risk)
- Change in Manager or Trustee
- Change of Management or Allocation Committee
- The Fund or a Component Investment could be wound up
- Changes to key relationships
- Disputes amongst key personnel
- Someone involved with the Fund (even remotely) may not meet their obligations or perform as expected, for example a custodian, bank, employee or a counterparty
- Assets may be lost, not recorded properly or misappropriated
- Insurers may not pay when expected or insurance may be inadequate
- Investing in the Fund may give inferior results compared to investing directly; for example, direct investment may avoid the impact of other investors coming and going and may enable you to manage your tax situation better.

All of these structural risks apply equally to the Fund and the Component Investments.

8. Risks

8.4. Credit risk

Credit risk is the risk that a borrower financed by The Fund may not meet their repayment obligations in full, on time, repay the interest and principal outstanding or, in the event that an asset is repossessed, the asset may not be able to be sold for a value sufficient to recoup any outstanding amounts.

Changes in the underlying credit worthiness of any loans could result in costs or losses

8.5. Operational risk

Disruptions to administrative procedures or operational controls of the Fund or any of the Fund's assets or their respective service providers may challenge the day-to-day operations of the Fund or the Fund's assets. Adverse impacts may arise internally through human error, technology or infrastructure changes, or through external events such as regulatory changes.

8.6. Liquidity risk

We aim to meet all redemption requests promptly.

However, there may be delays, as selling investments is not always possible, practicable or consistent with the best interests of investors. To meet redemption requests, we require our Fund Managers to also be able to meet our redemption requests. This may not always be possible.

In addition, investments in unlisted companies and unlisted debt instruments may bring an increased measure of illiquidity and/or risk that investment may not be realised for a higher price due to liquidity limitations.

The Constitution of the Fund specifies circumstances where there could be a delay or even an inability to meet redemption requests. It is also possible that meeting redemption requests may cause investments to be realised at suboptimal prices.

8.7. Investment conflict risk

There is the potential for a conflict of interest between the Fund, the Fund Managers and/or other investors in the component funds.

The Fund has agreed to be bound by the priority and conflict of interest rules of the Component Investments in which it invests. Broadly these operate on a 'first in, best dressed' policy, subject to certain concentration rules.

These priority and conflict of interest rules have the potential to result in the Fund being unable to receive its full desired allocation, or even any allocation at all, in a specific underlying Component Investment.

There is also the potential for a conflict of interest between the Fund and the members of the Allocation Committee who are related parties with the Fund Managers and/or Component Investments. This may result in allocations between the Component Investments which are skewed from that which may be in the best interests of the Fund. The Manager and the members of the Allocation Committee seek to manage this potential conflict of interest by having a number of Allocation Committee members who are otherwise unconnected from the Fund Managers and/or Component Investments. Conflicted members will abstain from decisions where appropriate.

8. Risks

8.8. Related party risk

Investors should be aware that there is potential for related party risk. This may arise from the fact that certain members of the Allocation Committee are related parties of the component investments. Specifically:

- Dr John Price is a Director and significant shareholder of Conscious Capital, the manager and trustee of the Conscious Investor® Fund.
- Andrew Coleman is a Director, CEO and significant shareholder of Teaminvest Private. He is also related to Howard Coleman.
- Howard Coleman is a Director of Teaminvest Private. He is a significant shareholder of Teaminvest Private, Conscious Capital and EM Finance Corporation which is a 50% shareholder of EMCF. He is also related to Andrew Coleman.
- Mark Puterflam is a significant shareholder of EM Commercial Finance.

The Fund addresses these risks through a Board/Committee Conflict Policy and a Securities Trading Policy. These policies seek to pursue ASX best practice governance rules. Investors may request copies of these policies should they wish to review them.

8.9. Concentration risk

Where the Fund has exposure to one asset type or a particular investee entity, this is considered to be concentration risk.

8.10. Counterparty and service providers' risk

The Fund is exposed to counterparty risk. This is the risk of loss caused by another party (such as the Trustee or the Manager) defaulting on its financial obligations, or failing to perform its contractual obligations, whether due to insolvency, bankruptcy or other causes. Where these parties become insolvent, the Fund will generally rank equally with general unsecured creditors of such parties. The failure of such counterparties could cause significant losses to the Fund and could cause delays in the repatriation (where possible) of the Fund's assets and the payment of redemptions.

The Trustee will, where practicable, typically seek counterparties and service providers who are reputable and have a reasonable expectation of not defaulting, although these risks cannot be eliminated

8.11. Due diligence risk

In all investments there exists a risk that material items that could affect the performance of individual investments are not identified during the investment analysis process and that these risks are not mitigated by the Manager.

8.12. Manager strategy risk

There is a risk that the Manager or the Manager's investment strategy will not achieve its performance objectives or produce returns that compare favourably against its peers. Many factors can negatively impact the Manager's ability to generate acceptable returns e.g., loss of key staff.

The Manager may adopt the investment, trading and risk management strategies and methods it determines are most appropriate in the market circumstances. However, there can be no assurance that these strategies will be successful, and you may lose all or a substantial proportion of your investment in the Fund. The Manager may employ additional strategies or change strategies for the Fund following an assessment of market and other conditions and investment opportunities available to the Fund.

In addition, the Fund may find that it is not able to execute on its intended investment strategy due to lower than expected availability of opportunities to invest in the Component Investments.

8. Risks

8.13. Taxation risk

Changes to tax law and policy (including any changes in relation to how income of the Fund is taxed or to the deductibility of expenses or stamp duty law) might adversely impact the Fund and your returns. You should obtain independent tax advice in respect of an investment in the Fund.

8.14. Currency risk

The Fund is denominated in Australian dollars. All income and capital distributions to you will be made in Australian dollars. You should consider the effects of fluctuations in exchange rates between Australian dollars and other foreign currencies.

8.15. Regulatory and economic risk

There is the risk that the value of an investment may be affected by changes in domestic or international policies, regulations or laws (including taxation laws). There is also a risk that a downturn in domestic or international economic conditions may adversely affect investments.

These factors are outside the control of the Trustee and the Manager, but they may have a negative impact upon the operation and performance of the Fund.

Some regulatory changes which could adversely affect the value of investments may include those which—

- affect the operation of a company in which the Conscious Investor® Fund or Teaminvest Private are invested.
- effect the operation of an entity to which EM Commercial Finance is a lender.
- alter lending practices and may adversely affect EM Commercial Finance.
- alter how financial services are provided and adversely affect the Fund, the Manager or any of the Fund Managers.
- change how the tax treatment of the Fund and or Investors, including taxes which adversely impact the return to investors of the Fund or any of the Component Investments.

8.16. General investment risks

In addition to the specific risks identified above, there are also other more general risks that can affect the value of an investment in the Fund. These include the following:

- The state of the Australian and world economies.
- Interest rate fluctuations.
- Legislative and regulatory changes (which may or may not have a retrospective effect) including taxation and accounting issues.
- Inflation.
- Negative consumer sentiment which may keep the value of assets depressed.
- Natural disasters and man-made disasters beyond our or the Manager's control.
- The illiquidity and cost of capital markets.

The Fund may be exposed to speculative investments via its Component Investments with increased levels of investment risk. Other factors, such as interest rates may affect particular investments and consequently, the value of Units may fall or the distributions from the Fund may be lower than expected or there may be no distributions.

There are no assurances that the Trustee or Manager will anticipate these developments and neither the Trustee, the Manager, nor any other person guarantees the performance of the Fund or the repayment of capital.

8. Risks

8.17. Social and health risks [e.g., COVID-19]

As at the date of this IM, the outbreak of what is now known as the COVID-19 pandemic has continued to spread, resulting in significant volatility within the Australian and global economies as well as Government imposed social distancing practices and business shutdowns.

The risks described in this Section 8 may be exacerbated by COVID-19, and any number of unknown risks may arise as a result of COVID-19, which may adversely impact the Fund and distributions to Investors.



9. Fees and costs

9.1. Trustee Fees

The trustee has agreed to waive all trustee fees and will recover third-party expenses only, refer to 9.11 for more information.

9.2. Management fee

The Investment Manager Agrees to waive all management fees and will recover third-party expenses only, refer to 9.11 for more information. Board members agree to donate their time and will not be paid to administer the fund outside of allowable performance fees.

9.3. Performance fee

The Manager is entitled to a performance fee where the performance of the Fund exceeds a hurdle (calculated on a per Unit basis, pre-tax position of Investors). This fee is calculated as follows:

$$\text{Performance Fee} = (\text{Fund Performance less NAV Hurdle}) \times 20\%$$

Where:

- Fund Performance means the aggregate of NAV per Unit and Unit Distributions.
- NAV per Unit means NAV calculated on a per Unit basis and as on the last day of the Performance Period.
- Unit Distributions means the sum of distributions made by the Fund during the Performance Period, calculated on a per Unit basis.
- Performance Period means each three-month period, ending on 31 March, 30 June, 30 September and 31 December.
- NAV Hurdle means NAV had all the assets of the Fund been initially invested in a compounding bond, calculated at 6% per annum on a per Unit basis.

The Performance Fee is payable in arrears from the assets of the Fund.

9. Fees and costs

9.4. NAV Hurdle calculations

The NAV Hurdle [per Unit] for the first ten years of the Fund is set out in the table below, based on a compounding rate of 6% per annum and calculated on a six-monthly basis. This is what could have been achieved had all the assets of the Fund initially been invested in a 6% per annum compounding bond:

Distribution Period	NAV Hurdle [per Unit]
Inception	\$1.0000
6 months	\$1.0296
12 months	\$1.0600
18 months	\$1.0913
24 months	\$1.1236
30 months	\$1.1568
36 months	\$1.1910
42 months	\$1.2262
48 months	\$1.2625
54 months	\$1.2998
60 months	\$1.3382
66 months	\$1.3778
72 months	\$1.4185
78 months	\$1.4605
84 months	\$1.5036
90 months	\$1.5481
96 months	\$1.5938
102 months	\$1.6410
108 months	\$1.6895
114 months	\$1.7394
120 months	\$1.7908

9.5. Lending arrangement fees

The Fund does not pay fees to Partners for origination, administration or management of the investments made by those funding partners. The Fund will normally charge a line fee to its borrower and will charge the borrower a premium over the interest rate that is paid to the Fund on the notes. The line fee and premium are intended to cover The Managers cost to originate, administer, and manage the loans for the benefit of the noteholders.

9.6. Trustee removal fee

The Trustee waives the right to recover any fees excluding third party expenses should the arrangement be terminated.

9.7. Administrator and Registrar removal fees

The Administrator and the Registrar may be entitled to be paid removal fees if their appointments are terminated within four years of the date of their appointment, in accordance with the relevant service agreements.

9. Fees and costs

9.8. Manager removal fee

The Manager waives the right to recover any fees excluding third party expenses should the arrangement be terminated.

9.9. Operating costs and expenses

The Trustee and the Manager are entitled to be paid or reimbursed for operating costs and expenses associated with the operation of the Fund, such as the costs associated with the administration or distribution of income, the Administrator's fee, the Registrar's fee, fees to other service providers and other expenses properly incurred in connection with performing their duties and obligations in the day-to-day operation of the Fund.

The Fund and the Manager have incurred costs and expenses associated with the establishment of the fund and the issue of this IM, including legal costs. These costs and expenses will/have to be paid for out of the assets of the Fund.

9.10. Fee changes

The Constitution allows for higher fees to be charged than those detailed and specifies circumstances where additional fees may be charged. We will provide Investors with at least 30 days' written notice of any such fee imposition or increase.

9.11. Waiver, deferral or rebate of fees

We and the Manager may, in our absolute discretion, accept lower fees and expenses than we are entitled to receive, or may defer payment of those fees and expenses for any time. If payment is deferred, then the fee will accrue until paid. In addition, we and the Manager may waive, negotiate or rebate our fees, for example, in the case of a large investment amount.

9.12. Goods and services tax

Unless otherwise stated, all fees quoted in this IM are quoted exclusive of GST.

The Fund may not be entitled to claim a full input tax credit in all instances.

10. Taxation information

We do not provide financial or tax advice, and nor does the Manager. We have not obtained taxation advice specific to the Offer, and nor has the Manager. As such, this IM does not address taxation issues which may be relevant to you. You must take full and sole responsibility for your investment in the Fund, the associated taxation implications arising from your investment and any changes in those taxation implications during the course of your investment.

Before investing in the Fund, you should obtain your own independent tax advice, which takes into account your own circumstances. In particular, you should seek advice on income tax and interest withholding tax liabilities arising out of the investment.



11. Additional information

11.1. Summary of material documents

The following is a summary of material documents relevant to the Fund. You should consider whether it is necessary to obtain independent advice on any of the documents.

- **Constitution**

The Constitution is an important document and before deciding whether to invest in the Fund, investors may choose to read the Constitution in full.

The Constitution is the primary document governing the relationship between the Investors and the Trustee. It contains extensive provisions about the legal obligations of the parties and the rights and powers of each.

Subject to the Constitution, as an Investor you have the following rights:

- The right to share in any distributions.
- The right to attend and vote at meetings of Investors.
- The right to participate in the proceeds of winding up of the Fund.

Generally speaking, the liability of Investors in relation to their Units is limited to the amount unpaid on their Units. Each Unit confers a proportional beneficial interest in the Fund and does not carry any entitlement to any particular part of the Fund's assets or to partake in the management or operation of the Fund (other than through meetings of Investors). The Constitution contains provisions about convening and conducting meetings of Investors.

The Constitution may be amended from time to time in accordance with the terms of the Constitution.

The Trustee may retire on not less than 14 days' notice to Investors and may appoint in writing another person to be the trustee effective from the retirement of the Trustee. The Trustee is released from all obligations and liabilities in relation to the Fund arising after it retires as, or otherwise ceases to be, trustee of the Fund.

A copy of the Constitution is available free of charge - <https://www.tipgroup.com.au/investor-centre>

Investment Management Agreement

The Trustee has appointed the Manager to provide investment management services to the Fund pursuant to an Investment Management Agreement.

The Investment Management Agreement will remain in force until the Fund is wound up, unless the agreement is terminated earlier in accordance with its provisions. For example, the agreement can be terminated by the Trustee if the Manager is in material breach of the agreement, and that breach has not been remedied after a certain time. There are also provisions allowing us to terminate if, for example, the Manager becomes insolvent.

11.2. Manager's authorised representative appointment

The Manager has been appointed as an authorised representative of the Licensee and holds authorised representative number 1278755.

11. Additional information

11.3. Reporting

Our reporting will comprise the following:

- Periodic performance update reports, at the discretion of the Trustee.
- An annual income distribution statement detailing any distributions paid to you, including an annual tax statement detailing information required for inclusion in your annual income tax return.

Annual financial reports of the Fund will be made available if requested.

11.4. Related party transactions

We may from time-to-time face conflicts between our duties to the Fund as trustee, our duties to other funds we manage and our own interests. We will manage any conflicts in accordance with our conflicts of interest policy, the Constitution, ASIC policy and the law.

The Manager is not a related party to us. The contractual arrangements between us and the Manager are negotiated at arm's length.

We may from time to time enter into transactions with related entities. All transactions will be affected at market rates or at no charge.

We have appointed the Administrator, an associated company, to provide fund accounting and taxation services to the Fund pursuant to an administration agreement under which the Administrator provides administration services for day-to-day operations of the Fund. These services include fund accounting, Unit pricing, reporting and preparation of statutory accounts. We have appointed the Registrar, a related party, for unit registry services in respect of the Fund. We have appointed these parties in consultation with, and with agreement from, the Manager.

11.5. Conflicting Investor interests

Investors may have conflicting investment, tax, and other interests with respect to their investments in the Fund, including conflicts relating to the structuring of acquisitions and disposals of the Fund's assets. Conflicts may arise in connection with decisions made by us or the Manager regarding an investment that may be more beneficial to one Investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments we and the Manager may consider the investment and tax objectives of the Fund and its Investors as a whole, not the investment, tax, or other objectives of any Investor individually.

11.6. No-cooling off rights

There are no cooling-off rights or cooling-off periods that apply in respect of your investment in the Fund. Once lodged, applications cannot generally be withdrawn.

11.7. Privacy

We collect personal information about you from your Application Form. We use this information primarily so we can verify your identity and establish your investment in the Fund. We will also collect and may use and disclose your personal information to process your application and manage your investment, comply with our obligations under applicable laws and regulations and improve our products and services. We may also use your information to provide you with details of future investment offers made by us or the Manager.

11. Additional information

If you do not provide us with all the personal information we request, then we may be unable to establish and manage your investment in the Fund. The types of organisations to which we may disclose your personal information include the Manager and its related parties, external parties which provide services in relation to the Fund (e.g. custodial and registry service providers and providers of printing and postal services), government authorities when, and to the extent, required by law, and our professional advisors (including legal and accounting firms, auditors, consultants and other advisors).

Under the Privacy Act 1988 [Cth], you are entitled to access the personal information we hold about you, except in limited circumstances. You also have the right to ask us to correct information about you, which is inaccurate, incomplete or out of date.

Please contact us if you have any questions about how we handle your personal information, or if you wish to access the personal information, we hold about you.

11.7. Anti-money laundering law

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 [Cth] requires us to verify the identity of an Investor and any underlying beneficial owner of Units in the Fund and the source of any payment. You will be required to provide the identification information set out in the Application Form. We will not issue you with Units unless satisfactory identification documents are provided.

We reserve the right to reject any application where such documents are not provided to us prior to, or accompanying, your application or if we believe on reasonable grounds that processing the application may breach any law in Australia or any other country. We will incur no liability to you if we do so.

11.8. Foreign Account Tax Compliance Act [FATCA]

FATCA is United States [US] tax legislation that enables the US Internal Revenue Service [IRS] to identify and collect tax from US residents that invest in assets through non-US entities. If you are a US resident for tax purposes, you should note that the Fund is or is expected to be a 'Foreign Financial Institution' under FATCA and it intends to comply with relevant FATCA obligations, as determined by either the FATCA regulations or any intergovernmental agreement [IGA] entered into by Australia and the US for the purposes of implementing FATCA. Under these obligations, the Fund will have to obtain and disclose information about certain Investors to the Australian Taxation Office. In order for the Fund to comply with relevant obligations, we will also request that you provide certain information about yourself, including your US Taxpayer Identification Number [TIN]. We will only use such information for this purpose from the date the Fund is required to do so.

11.9. Common Reporting Standard [CRS]

- CRS is the single global standard set by the Organisation for Economic Co-operation and Development [OECD] for the automatic exchange of information with revenue authorities for tax non-residents that invest in certain financial accounts. The standard covers both the identification of tax non-residents and reporting on the applicable financial accounts. We will be a 'Reporting Financial Institution' under CRS and intend to comply with our CRS obligations under any relevant Australian laws and regulations, including obtaining and disclosing information about certain investors to the ATO or other foreign tax authorities as required. To facilitate these disclosures, Investors will be required to provide certain information such as that relating to their country of tax residence and their relevant taxpayer identification number (if applicable).

11. Additional information

11.10. Up-to-date information

Certain information in this IM may change from time to time. This includes but is not limited to potential changes which we have identified. Where we indicate to you that we will give notice of such changes, or where the updated information includes no materially adverse information, we will publish the updated information on our website, www.tipgroup.com.au

A copy of the updated information will be available free of charge upon request by contacting the Trustee or the Manager.

11.11. Complaints and contacting us

We have a system for dealing with any complaints you may have as an Investor. If you have a complaint, then please contact us at:

Telephone: 1300 160 803

Email: complaints@tipgroup.com.au

TIP Trustee

Post: GPO Box 639 Adelaide SA 5001



12. Glossary

Act	Corporations Act 2001 [Cth] for the time being in force together with the regulations of the Corporations Act 2001 [Cth].
Administrator	TIP Trustees
AFS	Australian Financial Services.
Allocation Committee	The committee tasked with advising the Manager on allocating the Fund's capital between the Component Investments.
Application Form	The application form to invest in the Fund.
Application Money	The money paid by an applicant for Units.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691 or the market it operates [Australian Securities Exchange], as the context requires.
Business Day	A day on which banks are open for business in Sydney, except a Saturday, Sunday or public holiday.
Component Investment	Each component investment of the Fund, being— <ul style="list-style-type: none"> • Australian and international equities through the Conscious Investor® Fund • high yield, asset-backed commercial debt • private equity investments, and
Conscious Capital	Conscious Capital Limited ABN 82 092 462 881.
Conscious Investor®	Stock-valuation software developed by John Price.
Constitution	The constitution of the Fund, as amended from time to time.
CPI	Consumer Price Index
Fund	Corinthian Balanced Fund.
Fund Managers	Each of the Teaminvest related entities responsible for managing the Component Investments, being: <ul style="list-style-type: none"> • for Australian and international equities held by the Conscious Investor® Fund, Conscious Capital • for asset-backed commercial debt, EMCF, and • for private equity investments in small to medium-sized Australian businesses and Teaminvest Private Shares, Teaminvest Private.
Fund Performance	The aggregate of NAV per Unit and Unit Distributions.
GAV	The gross asset value of the Fund as calculated in accordance with the Constitution.
GST	Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999, as amended from time to time.
IM	This information memorandum dated 30 March 2023.
Investment Management Agreement	The investment management agreement between us and the Manager, as amended from time to time.
Investor	A person who has acquired, or will acquire, Units.
Licensee	Teaminvest Pty Ltd ACN 133 389 910, AFS licence no. 334339.
Managed Investment	An investment in a private equity vehicle managed by a wholly owned subsidiary of Teaminvest Private. There are currently three Managed Investments [2 x TIP TOFS Trusts and TIP Automation Group Trust].
Manager	TIP Wealth Investment Management Pty Ltd ACN 633 832 746, authorised representative number 1305319].
NAV	The net asset value of the Fund as calculated in accordance with the Constitution, less any associated liabilities.

12. Glossary

NAV Hurdle	A calculation of NAV had all the assets of the Fund initially been invested in a compounding bond, calculated at 6% per annum on a per Unit basis.
NAV per Unit	The NAV of the Fund, calculated on a per Unit basis and as on the last day of the Performance Period.
Number of Units on Issue	The number of units on issue in the Fund immediately prior to the issuance of new units
Offer	The offer under this IM to acquire Units.
Performance Fee	The fee payable to the Manager for the management of the Fund where the Fund Performance exceeds the NAV Hurdle during a Performance Period.
Performance Period	Each three-month period, ending on 31 March, 30 June, 30 September and 31 December.
Registrar	TIP Trustees
Selected Shareholders	Shareholders in Teaminvest Private who have been appointed to participate in the investment process, including initial screening, due diligence, ongoing governance and portfolio company mentorship.
SME	Small to medium enterprise.
Teaminvest	Teaminvest Pty Ltd [ACN 133 389 910, AFSL 334339] and the private membership organisation operated by it.
Teaminvest Private	Teaminvest Private Group Limited ACN 629 045 736, an ASX-listed entity which trades under the ASX code "TIP".
Teaminvest Private Shares	Ordinary shares representing share capital of Teaminvest Private, as issued to and held by the Trustee or its appointed custodian on behalf of the Fund.
Transaction Costs	The Trustee's estimate of the total costs which would be incurred if all the investments were to be acquired.
Trustee, we, our, us	TIP Trustees Limited ACN 094 107 034, AFS licence number 246621.
Unit	An ordinary unit in the Fund.
Unit Distributions	The sum of distributions made by the Fund during the Performance Period, calculated on a per Unit basis.

13. How to invest?

13.1. Before completing the Application Form you should read this IM carefully.

Please pay particular attention to all of the risk factors listed in this IM. The risks should be considered in light of your own investment situation.

Where appropriate, you should also consult a financial, taxation or other professional advisor before deciding whether to invest in the Fund.

The Application Form is provided separately. Please contact the Registrar on 1300 160 803 or Applications@tipgroup.com.au

13.2. How to invest

For an application to be considered, you must complete and return your Application Form and pay your Application Money. \ The minimum initial investment in the Fund is \$500,000 (or such lower amount as we accept in our discretion) from a wholesale client (within the meaning of the Act).

You are requested to provide your Tax File Number (TFN), Australian Business Number (ABN) or exemption code, and failure to quote an ABN or TFN will result in tax being withheld by us on distributions paid to you at the highest marginal tax rate plus Medicare levy. It is not compulsory for you to quote your TFN or ABN.

We have the sole discretion whether to accept or reject an application. If your application is rejected, wholly or in part, then we will notify you in writing and arrange for return of your Application Money to you. Interest will not be paid to you on your Application Money. If your application to invest in the Fund is accepted, then interest earned on your Application Money will be retained by us. If your application to invest in the Fund is not accepted, then your Application Money will be returned to you (without interest).

By sending a completed Application Form, you are making an irrevocable offer to become an Investor in the Fund and you are agreeing to be legally bound by the Constitution and the terms of the IM. No cooling-off rights apply to an investment in the Fund.

13.3. Application Form instructions

Only legal entities are allowed to invest in the Fund. Applications must be in the name(s) of (a) natural person(s), companies or other legal entities acceptable to us. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title shown below.

The Application Form should be signed by the applicant. If a joint holding, all applicants should sign. If signed by the applicant's attorney, a certified copy of the power of attorney must be attached to the Application Form. If executed by a company, then the form must be executed in accordance with the applicant's constitution and the Act.

Type of investor	Correct form	Incorrect form
Individual	Mr John David Smith	J D Smith
Company	JDS Pty Ltd	JDS P/L or JDS Co
Trusts	My John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased estates	Mr Michael Peter Smith <Est Late John Smith A/C>	John Smith [deceased]
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/unincorporated bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation funds	John Smith Pty Limited <J Smith Super Trust A/C>	John Smith Superannuation Trust



TiP Wealth