



## **ASCENT FIRST MORTGAGE FUND**

ARSN 091 921 827

A high-yielding, fixed term investment providing regular income

PRODUCT DISCLOSURE STATEMENT | Dated 21st October 2021

Ascent Funds Management Limited | ABN 40 089 245 330 | AFSL 234 763



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## IMPORTANT NOTICE

Ascent Funds Management Limited ABN 40 089 245 330 AFSL No. 234 763 ('Ascent', 'Responsible Entity' or 'Manager') is the issuer of this Product Disclosure Statement (PDS) dated 21st October 2021.

Neither the Responsible Entity, nor its associates, directors nor related parties guarantee the performance or success of the investment, the repayment of capital, or any particular rate of capital or income return.

Applications for an investment in the Ascent First Mortgage Fund ARSN 091 921 827 ('the Fund') may only proceed on an Application Form attached to this PDS or in its paper copy form as downloaded in its entirety from [www.ascentfin.com.au](http://www.ascentfin.com.au)

Investment in the Fund is likely to be illiquid. Investors should carefully read the "Other Information" section on page 13 of this PDS for information regarding the ability to withdraw their money.

The offer under this PDS is available to persons receiving it within Australia. The distribution of the PDS in jurisdictions outside Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. This PDS does not constitute an offer to any persons to whom or in any place in which it would be illegal to make that offer.

No person is authorised to provide any information or to make any statement in connection with the offer described in the PDS, which is not included in this PDS.

This PDS does not take into account the investment objectives, financial situation and particular needs of any potential investor. Accordingly, before you invest you should read this PDS, any supplementary PDS and Target Market Determination (TMD) in full. We also recommend that before making a decision to invest in the Fund you should consult a licensed financial adviser or other professional adviser.

This PDS contains important information and you should read it carefully in its entirety and, if required, obtain independent legal and financial advice.

## FROM THE MANAGER

**“The Fund is designed to provide investors with a high-yielding, fixed term investment, through participation in First Mortgages advanced to borrowers. The First Mortgages are in turn secured by Real Property.”**

Dear Investor,

I am pleased to introduce you to the Ascent First Mortgage Fund (‘the Fund’).

The Fund is designed to provide investors with a high-yielding, fixed term investment, through participation in First Mortgages advanced to borrowers. The First Mortgages are in turn secured by Real Property.

The Fund is well-suited to a range of investors, but particularly those who are seeking regular and relatively high income from their investment.

We believe that the Fund offers a number of important benefits, including:

- competitive rates of return
- provision of a regular income stream with income payments made to you monthly
- your money is directed into short term First Mortgages, with terms no greater than three years
- you hold a beneficial interest in the First Mortgage in which you invest
- there are no entry or ongoing fees
- there are no exit fees so long as you keep your money invested in the Fund for the term of the First Mortgage in which you participate (exit fees may apply if you withdraw your money prior to the completion of the First Mortgage term)
- our lending criteria is strict and stringently followed, helping to minimise the risk of a non-performing First Mortgage
- the minimum investment in the Fund is only \$5,000; however, you can invest as much as you wish above this amount

The management team at Ascent Funds Management Limited possess many years of experience in managing mortgage funds of this type and are committed to managing the Fund in a risk-controlled environment.

Our website at [www.ascentfin.com.au](http://www.ascentfin.com.au) offers further information about the Fund and if you have any questions, you can phone the Investment Manager on (03) 8676 0244.

I look forward to welcoming you as an investor in the Fund.

*Yours faithfully,*



Robert John Smith  
Executive Director



## BENCHMARKS

### What Is a Contributory Mortgage Investment?

The Fund offers investment in specific First Mortgage loans, which are secured by registered first mortgages over legal interests in Real Property in Australia. Each First Mortgage approved by the Manager is a sub-scheme and is separate from other First Mortgages in the Fund. The mortgages are registered in the name of the Manager as Responsible Entity for the Fund and the Manager holds the mortgage on trust for the investors in that specific First Mortgage. Each investor may contribute their funds to one or more First Mortgages.

As the Fund is not a “pooled fund”, your entitlement to income or capital is based only on your investment in a specific First Mortgage and you have no right to the income or capital of other First Mortgages in the Fund.

### BENCHMARK DISCLOSURE

Under ASIC Regulatory Guide 45, ASIC requires Responsible Entities of mortgage schemes to provide disclosure against the following 8 benchmarks on an ‘if not, why not’ basis. The purpose of disclosing against the benchmarks is to help investors understand and assess investment in mortgage funds.

### BENCHMARKS

#### BENCHMARK 1: Liquidity

For a **pooled** mortgage scheme, the Responsible Entity has cash flow estimates for the scheme that:

- (a) Demonstrate the scheme’s capacity to meet its expenses, liabilities and other cash flow needs for the next 12 months;
- (b) Are updated at least every 3 months and reflect any material changes; and
- (c) Are approved by the Directors of the Responsible Entity at least every three months.

*Manager’s Response: This benchmark is not applicable to the Fund.*

The Fund is NOT a pooled mortgage scheme. The Manager is the Responsible Entity of a contributory mortgage Fund and therefore is not required to comply with this benchmark. However, the Manager does prepare such cash flows as are required to be prepared under the financial requirements that apply to the Manager’s AFS Licence.

#### BENCHMARK 2: Scheme borrowing

The Responsible Entity does not have current borrowings and does not intend to borrow on behalf of the Fund.

*Manager’s Response: This benchmark is met.*

The Manager does not borrow in respect of the Fund or use Fund Property as security.

#### BENCHMARK 3: Loan portfolio and diversification

For a **pooled** mortgage scheme,

- (a) The scheme holds a portfolio of assets diversified by size, borrower, class of borrower activity and geographic region;
- (b) The scheme has no single asset in the scheme portfolio that exceeds 5% of the total scheme assets;
- (c) The scheme has no single borrower who exceeds 5% of the scheme assets; and
- (d) All loans made by the Fund are secured by first mortgages over real property (including registered leasehold title).

*Manager’s Response: This benchmark is not applicable to the Fund.*

The Fund is NOT a pooled mortgage scheme. The Manager is the Responsible Entity of a contributory mortgage Fund and is not required to comply with this benchmark.

As specified in this PDS, specific details of the First Mortgages into which your funds are invested are provided to you in a Summary of Mortgage once your funds are invested. Upon receipt of the Summary of Mortgage you have the right to withdraw from the First Mortgage during the 14 day cooling off period.

## BENCHMARKS CONT.

<p><b>BENCHMARK 4:</b> Related party transactions</p>	<p>The Responsible Entity does not lend to related parties of the Responsible Entity or to the scheme's investment manager.</p> <p><i>Manager's Response: This benchmark is met.</i></p> <p>There are no First Mortgage loans to related parties in the Fund.</p> <p>The Fund's investment manager is an employee of the Manager and employees are prohibited from borrowing from the Fund.</p>
<p><b>BENCHMARK 5:</b> Valuation policy</p>	<p>In relation to valuations for the Fund's mortgage assets and their security property, the board of the Responsible Entity requires:</p> <ul style="list-style-type: none"> <li>(a) a valuer to be a member of an appropriate professional body in the jurisdiction in which the relevant property is located;</li> <li>(b) a valuer to be independent;</li> <li>(c) procedures to be followed for dealing with any conflict of interest;</li> <li>(d) the rotation and diversity of valuers; and</li> <li>(e) in relation to security property for a loan, an independent valuation to be obtained:             <ul style="list-style-type: none"> <li>(i) before the issue of a loan and on renewal:                 <ul style="list-style-type: none"> <li>A. for development property, on both an "as is" and "as if complete" basis; and</li> <li>B. for all other property, on an "as is" basis; and</li> </ul> </li> <li>(ii) within two months after the directors form a view that there is a likelihood that a decrease in the value of security property may have caused a material breach of a loan covenant.</li> </ul> </li> </ul> <p><i>Manager's Response: This benchmark is met.</i></p> <p>Further information is provided on pages 10 of this PDS.</p> <ul style="list-style-type: none"> <li>(a) The Manager ensures that its panel valuers are members of a recognised state or territory registration regime. The Manager further requires all valuations to be carried out in accordance with the standards of the Australian Property Institute and a statement to this effect is required to be included in all valuation reports. All panel valuers are required to hold relevant professional indemnity insurance;</li> <li>(b) All appointed valuers are independent of the Manager;</li> <li>(c) There are procedures dealing with potential conflicts of interest included in the Manager's standing instructions to valuers. All valuation reports must state the valuer and/or the valuation firm does not have any interest or association with the property owner;</li> <li>(d) Valuers on the panel are appointed on a case by case basis to do valuations based on expertise and skill for the particular property being offered as security; and</li> <li>(e) The Manager obtains valuation reports on an "as is" basis for all First Mortgages. The Manager does not provide cost to complete construction loans.</li> </ul>

## BENCHMARKS CONT.

<b>BENCHMARK 7:</b> Distribution practices	<p>The Responsible Entity will not pay current distributions from scheme borrowings.</p> <p><i>Manager's Response: This benchmark is met.</i></p> <p>The Fund does not have borrowings.</p> <p>As stated on page 8 of this PDS, income distribution to investors is paid within 10 business days after the corresponding interest payment has been received from the borrower.</p> <p>Interest distribution is therefore dependent on the borrower making a payment of interest on the First Mortgage.</p>
<b>BENCHMARK 8:</b> Withdrawal arrangements	<p>For non-liquid schemes, the Responsible Entity intends to make withdrawal offers to investors at least quarterly.</p> <p><i>Manager's Response: This benchmark is not met.</i></p> <p>As stated on pages 13 of this PDS, while your funds are held in the Fund's Trust Account you are able to withdraw your funds at any time with 2 business days notice in writing.</p> <p>First Mortgages are illiquid in nature and, as such, withdrawals are not generally permitted. Once funds have been invested into a First Mortgage i.e., after you receive the Summary of Mortgage detailing the terms of the First Mortgage and subsequent to the 14 day cooling off period (in which period you have the right to decline the investment) expiring, there is no right to withdraw. Upon repayment of the First Mortgage by the borrower (either at the due date or upon early repayment) you may withdraw the amount you invested in the First Mortgage.</p> <p>The Manager has the discretion to allow for withdrawal of your investment outside of the due date for repayment of the First Mortgage where the loan is not in default. This discretion will only be exercised where the following circumstances exist:</p> <ul style="list-style-type: none"><li>(a) the First Mortgage is not in default;</li><li>(b) the Manager arranges a replacement investor who consents to invest their funds into the First Mortgage; and</li><li>(c) the replacement investor completes all necessary paperwork and returns this to the Manager.</li></ul> <p>The Manager's approach to extensions or variations is discussed on page 9 of this PDS. Prior to the due date of the First Mortgage, the Manager will contact the borrower to ascertain if the First Mortgage is to be repaid, varied or extended for a new term. If the borrower wishes to vary the amount and or extend the term of the First Mortgage, the Manager is authorized on your behalf to negotiate a variation of the First Mortgage provided the borrower meets the Manager's lending criteria. If the term is extended by more than 6 months the Manager must obtain a new valuation to ensure the varied First Mortgage loan to value ratio remains within 66.67% of the property value.</p> <p>Upon settlement of the variation or extension of the First Mortgage, all investors in the First Mortgage will receive a new Summary of Mortgage detailing the new property valuation amount. Investors will be given 14 days to decide if they do not wish to participate in the renegotiated First Mortgage. If the investor decides not to participate in the varied First Mortgage then they may withdraw their funds.</p> <p>Please note that due to the process involved in confirming the borrower's intention in respect of a maturing First Mortgage, there may be a delay between the due date for repayment of the First Mortgage and settlement of the extension or variation of the First Mortgage; however, the maturing First Mortgage remains in place and interest continues to be payable by the borrower during this period.</p>

## KEY FEATURES

<b>What is the Fund's investment objective?</b>	To provide a high-yielding, fixed term investment that delivers regular income.
<b>Where is my money invested?</b>	Your money is invested in First Mortgages, with Real Property as security. First Mortgages shall not be for amounts greater than: <ul style="list-style-type: none"> <li>• 66.67% of the valuation of the secured property, or</li> <li>• where the First Mortgage is secured in full by a person authorised to insure First Mortgages under a relevant state or territory law, 75% of the valuation of the secured property.</li> </ul>
<b>What rate of interest does my money earn?</b>	The rate of interest that your money earns will depend on the particular First Mortgages that you are participating in, which are detailed in each Summary of Mortgage. Generally, the rate of interest will be approximately 4-5% pa above the Reserve Bank of Australia's (RBA's) official cash rate applicable at the time the First Mortgage is offered. First Mortgage interest rates maybe either fixed or variable for the term of the First Mortgage. If the First Mortgage interest rate is variable, the rate of interest will increase or decrease in line with RBA official cash rate movement.
<b>When is interest paid to me?</b>	Interest is paid to you monthly. However, the timing of interest payments will depend on the borrower's payment of interest upon the First Mortgage that your money is invested in. You can choose to have interest payments paid directly into your bank account or reinvested in the Fund.
<b>Who manages the Fund?</b>	The Fund is managed by Ascent Funds Management Limited ABN 40 089 245 330, Australian Financial Services Licence (AFSL) No. 234 763
<b>Who can invest?</b>	Resident Australian individuals over 18 years of age, partnerships, companies, superannuation funds, pension funds, clubs and other non-profit organisations can invest in the Fund.
<b>What is the minimum and maximum investment?</b>	The minimum investment is \$5,000 (unless otherwise agreed by the Manager). There is no maximum investment limit.
<b>What is the term of my investment?</b>	The length of your investment will vary between three months and three years and will depend on the term of the First Mortgages in which your money is invested. Once your money is invested in a First Mortgage, it should be regarded as a fixed term investment.
<b>What are the fees?</b>	Fees are generally nil (please see the "Fees and other costs" section on page 16 for further information).
<b>Can I withdraw my money?</b>	Under cooling-off provisions, you can withdraw your investment within 14 days of the Manager receiving your investment application without incurring a withdrawal fee.



## INVESTING IN THE FUND

The Ascent First Mortgage Fund ('the Fund') offers you the opportunity to invest in one or more First Mortgages, secured by Real Property throughout Australia. The Fund is tailored towards investors who require higher returns than those offered by term deposits with a short to medium investment timeframe of up to three years. Over time, you can build a diversified portfolio of First Mortgages to assist you meet your income requirements.

### INVESTMENT OBJECTIVE

The Fund's investment objective is to provide a high-yielding, fixed term investment that delivers regular income.

### THE APPLICATION PROCESS

Investment in the Fund is a two-stage process.

#### Stage 1

Stage 1 involves completing the Application Form in this PDS and forwarding it to us with a cheque or by electronic funds transfer for the amount of your investment.

The minimum investment in the Fund is \$5,000 and thereafter in \$1,000 increments. There is no maximum investment amount.

Upon receipt of cleared funds, we deposit your investment monies in the Fund's Trust Account.

#### Stage 2

Stage 2 involves us offering you a First Mortgage in which to participate.

First Mortgages are approved by the Manager, based on our lending criteria (please see the "Lending criteria" section on page 9). We will then place your money in the next available First Mortgage. Placement is on a first in, first out basis from monies held in the Fund's Trust Account.

Once the First Mortgage has settled (that is, money has been advanced to the borrower), you will be sent a Summary of Mortgage for each First Mortgage in which your money has been invested. The Summary of Mortgage details essential terms of the First Mortgage, including:

- the name and address of the borrower
- total money advanced
- amount of money contributed by you

- due date for repayment of the First Mortgage
- interest rate and due dates for payment of interest
- address and value of the secured property, and
- details of the insurance cover on the secured property.

Upon you receiving the Summary of Mortgage, the investment is deemed to be approved by you for the term of the First Mortgage, unless you advise us that you do not wish to participate in the First Mortgage within 14 days (please see the "Withdrawal of money" section on page 13).

### INTEREST RATES AND INCOME PAYMENTS

Interest rates are negotiated by the Manager with each borrower prior to the approval of the First Mortgage.

The interest rate you receive for your investment depends entirely on the terms of the First Mortgage in which you invest and it is detailed in your Summary of Mortgage. Generally, the rate of interest will be approximately 4-5% pa above the RBA Cash Rate applicable at the time the First Mortgage is offered.

The interest rate may be fixed or variable, depending on the terms of the First Mortgage

When interest is payable:

- monthly, borrowers must pay interest to the Manager on or before 15th day of each month; or
- in advance for the term of the First Mortgage, borrowers must pay interest to the Manager on the settlement of the First Mortgage.

Interest is then paid to you by direct credit into your nominated bank account within 10 business days of the interest payment dates.

Where borrowers do not pay interest on the interest payment date, interest will be paid to you within two business days of receipt of cleared funds from the borrower. Where the default is not corrected within seven business days, penalty interest is charged to the borrower. The default interest rate is detailed in your Summary of Mortgage and is usually 4% pa higher than the normal rate of interest charged to the borrower. Upon collection from the borrower, the default interest is paid to you.

The Manager does not make forecasts in respect of distributions to investors.



## INVESTING IN THE FUND CONT.

### TERM OF YOUR INVESTMENT

The term of your investment will depend upon the term of the First Mortgage in which you have invested. This will be somewhere between three months and three years.

During the month before the First Mortgage becomes due, the Manager will contact the borrower to arrange repayment, variation or extension of the First Mortgage.

If the First Mortgage is to be repaid, we will notify you within two business days of the repayment taking place. The amount that you have contributed to that First Mortgage will be returned to the Fund's Trust Account. You may:

- withdraw this money from the Fund, or
- leave it in the Fund's Trust Account pending allocation to the next available First Mortgage.

The Manager is authorised on your behalf to negotiate an extension to the term and or an increase in the monies advanced (variation) of a maturing First Mortgage.

If the borrower wishes to vary or extend the term of the First Mortgage for a period greater than 6 months, the Manager will assess the borrowers circumstances including past payment history and obtain a new property valuation before approving the variation.

Where there is a delay in either repayment, variation or extension of the First Mortgage, caused by a delayed property settlement, refinance or obtaining a new valuation, the Manager may extend the First Mortgage on a monthly basis for up to 6 months, providing the borrower continues to pay interest each month.

Upon settlement of the variation of the renegotiated First Mortgage the Manager will provide you with a new Summary of Mortgage containing the new valuation information. You will be given 14 days to decide if you do not wish to participate in the variation of First Mortgage. Otherwise, your money will remain invested according to the terms contained in the new Summary of Mortgage.

### EARLY REPAYMENT OF FIRST MORTGAGE

If a borrower repays all or part of a First Mortgage at any time, they may be required to pay the early repayment penalty as specified in the Summary of Mortgage.

### HOW TO INVEST

Applications to invest may only proceed on an Application Form contained in this PDS (please see the "How to invest" section on page 19).

### LENDING CRITERIA

The criteria upon which the Manager lends your money to borrowers is set by the Manager's AFSL, the Fund's Constitution and other parameters as determined by the Manager.

The lending criteria set by the Manager's AFSL and the Fund's Constitution are:

- First Mortgages must be secured by Real Property
- the maximum loan to valuation ratio is
  - 66.67% of the valuation of the secured property, or
  - where the First Mortgage is secured in full by a person authorised to insure First Mortgages under a relevant State or Territory law, 75% of the valuation of the secured property
- the minimum term is three months and the maximum term is three years; however, First Mortgages may be varied or extended at the end of the term for a further term. A new valuation is required if the term is to be extended beyond 6 months.

Other parameters that the Manager currently includes in its lending criteria are as follows:

- usually, the maximum First Mortgage amount is \$4 million, however, higher amounts may be considered by the Manager
- borrowers are required to provide satisfactory evidence of their ability to service the proposed terms and conditions of the First Mortgage
- satisfactory bankruptcy and company searches of the borrowers and guarantors
- Building replacement insurance is required and the insurer is required to note the interest of the Manager on the policy.

Under no circumstances will the principal sum lent exceed 66.67% of the "as is" market valuation (as at the date of valuation) of the property securing the First Mortgage. Consequently, none of the Fund's First Mortgages exceed ASIC benchmarks, which permit loans of up to 80% of the latest market valuation.

These parameters vary from time to time depending on the Manager's views as to market conditions, property market cycles and other micro and macroeconomic conditions. They may be changed by the Manager without providing notification to you.

For further information on the Fund's lending criteria, please contact the Manager.

## INVESTING IN THE FUND CONT.

### SUITABLE SECURITY

Real Property that the Manager considers to be suitable security for First Mortgages are residential, commercial and industrial properties situated in Melbourne, Sydney, Brisbane or other major regional centres with a population of more than 25,000 people in Victoria, New South Wales and Queensland. Smaller regional centres may also be considered on a case by case basis.

Specialised freehold real estate security such as hotels, motels, reception centres and child care centres may be considered by the Manager on a case by case basis.

Real Property security for cost to complete construction First Mortgages are considered unsuitable security.

For further information on the Manager's view as to what constitutes suitable security, please contact the Manager.

### SETTLEMENT OF FIRST MORTGAGES

Before settling First Mortgages and lending money to borrowers, the Manager:

- instructs a suitable independent certified valuer to conduct a valuation of the property which the borrower proposes to use as security for the First Mortgage. The valuer's report will cover the marketability of the property and any known matters which could affect the value of the property including title particulars, land description, local authority zoning and all restrictions, site details, improvement description, general comments, sales evidence, rental valuation, insurance value and a break up of land and improvement values. Valuers must adhere to the Mortgage Valuation Standard for both residential and commercial properties as set out by the Australian Property Institute.
- receives a certificate of currency of replacement insurance from an acceptable insurance company in respect of buildings or improvements on a property which is to secure a First Mortgage. The certificate of currency must note the interest of the Manager.
- Instructs the Managers solicitor to prepare the appropriate security documentation (mortgage, loan agreement and guarantee) for the borrower and guarantors (if applicable) to execute. Prior to settlement the Managers solicitor will certify the security documents have been executed correctly and are enforceable.

### VALUATION POLICY

#### including PROPERTY REVALUATIONS

Without exception, the Manager obtains a valuation of the Real Property forming the security for the First Mortgage in which you are investing.

The valuation must not be more than 3 months old at the date of settlement of the First Mortgage.

Additionally, from time to time the Manager may have mortgaged properties revalued whenever it considers that a significant change in market conditions may have affected property values.

All properties are valued on an 'as is' basis by independent registered valuers, who are briefed to include a statement in their valuation report confirming the valuation complies with all relevant industry codes and standards.

All valuation reports must state the valuer and/or the valuation firm does not have any interest or association with the property owner.

Valuation information will be provided to you in the Summary of Mortgage document.

Upon the request of the borrower, the Manager may increase a borrower's mortgage or extend the term of a borrowers First Mortgage.

If the term of a borrower's First Mortgage is extended beyond 6 months the Manager must obtain a new valuation prior to granting the extension.

You may obtain a copy of the Managers valuation policy by phoning the Investment Manager on 03 8676 0224.

### MANAGING DEFAULTS

If a borrower fails to pay interest on the due date, investors are notified of the default and the proposed action to be taken by the Manager.

Where the default is not corrected within 7 days, penalty interest is charged to the borrower.

If the borrower does not pay the penalty interest, the Manager will instruct solicitors to take appropriate legal action to enforce the First Mortgage. This may include seeking a Court Order for possession of the property and the subsequent sale of the property to recover investors' money and interest.

If for any reason whatsoever there are insufficient net sale proceeds (after payment of the Managers selling costs, recoverable disbursements and any other fees) for repayment of your investment capital in full, then the funds will be distributed on a pro-rata basis to each investor in the First Mortgage.

If appropriate, the Manager may enforce further legal action against the borrower and/or guarantor/s to recover the shortfall.

Any further funds recovered will be distributed on a pro-rata basis to each investor in the First Mortgage.

The Manager does not guarantee the repayment of capital or of interest (including penalty interest) by the borrower.



## RISKS

A degree of risk applies to all types of investments. As investing in First Mortgages involves exposing your investment to a range of risks it is important that you understand:

- the risks involved in investing in First Mortgages;
- how these risks compare with the risks of other investments;
- how comfortable you are in exposing your investment to risk;
- the extent to which First Mortgages fit into your overall financial plan; and
- None of the Manager, its associates, directors nor related parties guarantee the repayment of capital or any particular amount of interest or the interest payment by the borrower.

Careful consideration should be given to the following risk factors, as well as other information in this PDS.

### RISK FACTORS AFFECTING THE FUND

- Market risk

Market risk is the risk that negative movements in the property market may impact on the capacity to fully recover the amount owing on a First Mortgage if a default occurs. We aim to manage this risk by using highly experienced staff who closely monitor the ongoing First Mortgage portfolio to ensure continued compliance with our lending criteria. It is also managed within the First Mortgage approval process when the maximum loan to valuation ratio is determined.

- Liquidity risk

Liquidity is a measure of a Fund's ability to meet its short-term commitments.

Unlike listed mortgage schemes which provide investors with a shared interest in a pool of mortgages, the Fund provides investors the opportunity to invest in specific First Mortgages secured by real property. ASIC has defined this type of scheme as a "contributory mortgage scheme" which is exempt from disclosure in respect of the Liquidity benchmark.

Liquidity risk is the risk that First Mortgages are not actively traded and therefore may not be readily convertible to cash without some loss of capital through early repayment fees.

- Scheme borrowing

The Fund does not borrow to fund its operations or to fund distributions. It has a strict policy of not borrowing against its assets.

- Investment manager risk

Investment manager risk exists in all managed investments and refers to the possibility, amongst other things, that the Manager may fail to anticipate market movements or manage investment risks.

- Diversification risk

It is the Manager's policy to allocate your funds in a number of different First Mortgages, unless you specifically request otherwise. You will be provided with a Summary of Mortgage for each First Mortgage in which your money is invested. The Summary of Mortgage will allow you to assess the First Mortgage and your level of investment therein.

Subject to the minimum investment of \$5,000 in the Fund, you choose your own level of portfolio diversification across the Fund's First Mortgages.

Diversification risk is the risk that First Mortgages approved by you may not be sufficiently diversified.

- Credit risk

Credit risk is the risk that a borrower or a guarantor to a First Mortgage may not meet their obligations in full and/or on time to pay interest and repay principle or other financial obligations.

### Related Party Transactions

The Fund does not lend to related parties or employees of the Manager.

Any investments in the Fund from related parties are received and processed on the same commercial terms and conditions as similar investments from non-related parties.

All investors and borrowers are subject to government regulated identification procedures and internal conflict of interest checks which form part of the Manager's documented compliance policy.

- Documentation risk

Documentation risk is the risk that a deficiency in documentation could, in certain circumstances, adversely affect the return on an investment. We minimise this risk by ensuring that we only deal with independent valuers and solicitors that have adequate professional indemnity insurance and provide a certificate of currency of cover.

- Economic risk

Economic risk is the risk that a downturn in general economic conditions either inside or outside Australia may adversely affect investments.

- Income risk

Income risk is the risk that rising interest rates will result in a fixed level of income paid to you during the term of the First Mortgage being less than if you had invested with a variable interest rate. We manage this risk by including a right to increase the interest rate in all variable interest rate First Mortgages.

- Regulatory risk

Regulatory risk is the risk that the value of some investments may be adversely affected by changes in government policies, regulations and taxation laws. These are not factors that we are able to influence.

## RISKS CONT.

### RISK MANAGEMENT STRATEGIES

The Manager has established and applies the following risk management strategies to help alleviate many of the risks outlined previously:

- day to day management of the Fund is undertaken by appropriately trained and experienced staff
- using only certified independent valuers to value property which is to secure the First Mortgage
- maximum First Mortgage terms of three years
- new valuation of the security property prior to variation or extension of a maturing First Mortgage for a new term of more than 6 months
- prudent loan to valuation ratio policies. The maximum loan to valuation ratio is 66.67% of the valuation of the secured property or where the First Mortgage is secured in full by a person authorised to insure First Mortgages under a relevant State or Territory law, 75% of the valuation of the secured property
- replacement insurance for any buildings or improvements on a property which is to secure a First Mortgage
- the Manager's interest as mortgagee is noted on any insurance policy
- timely responses to any defaults
- The Fund is audited by an independent auditor (registered with ASIC) half yearly and the Manager yearly
- The Fund's compliance plan is audited by a separate independent auditor (registered with ASIC) yearly

These risk management strategies assist in reducing risks to capital and income loss but do not completely remove the possibility of loss.



## OTHER INFORMATION

### THE FUND

The Ascent First Mortgage Fund is a registered managed investment scheme ARSN 091 921 827.

### THE RESPONSIBLE ENTITY AND MANAGER

The Fund's Responsible Entity and Manager is Ascent Funds Management Limited ABN 40 089 245 330, AFSL No. 234 763.

The Manager's Directors possess a variety of relevant skills and experience to oversee the performance of the Fund. The Directors are:

#### **MALCOLM BURRELL**

**Master of Laws (London School of Economics and Political Science), Bachelor of Laws, Bachelor of Jurisprudence**

Malcolm Burrell graduated in 1980 with a Bachelor of Laws and a Bachelor of Jurisprudence from Monash University. Malcolm later obtained a Master of Laws at the London School of Economics and Science in 1985 and is a member of the Law Institute of Victoria.

Malcolm has delivered legal services for over 40 years, variously through a well known country Victorian legal practice and subsequently in Melbourne to a broad range of individuals, clients of other legal practices, financial advisers and trustee companies.

In more recent years his work has focused in the areas of Wills, Estate planning, Deceased estates and trusts.

Malcolm is the Fund's Compliance Officer.

#### **ROBERT JOHN SMITH**

**Diploma of Finance and Mortgage Broking Management.**

John Smith has over twenty-six years direct experience in managing mortgage funds such as the one offered under this PDS and its predecessor. As Executive Director of the Manager, he is responsible for all matters relating to the day-to-day running and management of the Fund, including supervising applications and loan settlements.

Previously, John worked for several leading finance and banking groups in senior management positions.

#### **DAVID RODDA**

**Bachelor of Laws, Bachelor of Arts**

David Rodda graduated with a Bachelor of Laws and a Bachelor of Arts in 1988 from Melbourne University and was admitted to practice in 1992.

David has been a partner of the law firm Quinert Rodda & Associates since June 2009, responsible for corporate and commercial law. David has extensive experience in the area of commercial law, with an emphasis on Managed Investment Act Funds, commercial leasing, franchising, corporate governance,

Corporations Act compliance, intellectual property and information technology law.

David is the Manager's ASIC Compliance Officer.

### CONSIDERATION OF LABOUR STANDARDS OR ENVIRONMENTAL, SOCIAL OR ETHICAL ISSUES

The Manager does not take into account labour standards or environmental, social or ethical issues for the purpose of selecting, retaining or realising interests in the Fund.

### COOLING-OFF PERIOD

A 14 day cooling-off period applies to any new investment in the Fund. You may withdraw your investment within 14 days of investing in the Fund by notifying the Manager in writing. No withdrawal fees apply in the event your money is withdrawn during the cooling-off period.

### WITHDRAWAL OF MONEY

Upon investment, your funds will be held in the Fund's trust account pending allocation to a First Mortgage and may be withdrawn at any time, prior to allocation to a First Mortgage, upon written request to the Manager. All unallocated funds are held in the Fund's trust account with an Australian bank.

The Fund offers investments in First Mortgages for a fixed term. The term of your investment will depend on the term of the First Mortgage in which you have invested, which will be specified in your Summary of Mortgage.

When the term of your First Mortgage ends, the Manager will contact the borrower who may elect to either repay, vary or extend the term of the First Mortgage.

If the borrower repays the First Mortgage, you may withdraw your money from the Fund or leave it in the Fund's trust account pending allocation to the next available First Mortgage.

If the Manager agrees to vary or extend the First Mortgage, (which is subject to the Manager's approval being granted in accordance with the Lending Criteria and Valuation Policy described above), you will be provided with a new Summary of Mortgage and given 14 days to decide if you do not wish to participate in the varied First Mortgage.

In limited circumstances your funds may be permitted to be withdrawn prior to the expiration of the term or repayment of the First Mortgage, where the First Mortgage is not in default. Investors wishing to withdraw in these circumstances must submit a written request to the Manager, the approval of which is subject to the discretion of the Manager and the availability of replacement funds from a replacement investor. The Manager cannot guarantee this and is under no obligation to do so.

You may be liable for costs associated with the withdrawal of money including any interest adjustment made by the Manager as a consequence of finding a replacement investor. A withdrawal fee of \$150 may also be charged.

## OTHER INFORMATION CONT.

### NET TANGIBLE ASSETS

As at the date of this PDS, the Manager meets the net tangible assets requirements stipulated by ASIC for licences of this type.

### ELECTRONIC PDS

This PDS may be accessed electronically at [www.ascentfin.com.au](http://www.ascentfin.com.au)

Any person reviewing the PDS electronically may request a paper copy of the PDS (and attached Application Form) from the Manager free of charge. The Application Form may only be distributed attached to a complete and unaltered copy of the PDS or Supplementary PDS.

### ELECTRONIC TMD

The Managers TMD may be accessed electronically at [www.ascentfin.com.au](http://www.ascentfin.com.au)

Any person reviewing the TMD may contact the Manager and request a paper copy free of charge.

### PRIVACY

The Manager takes your privacy seriously. Information collected by us will be only used to record your investments with us, to enable us to communicate with you and to pay interest to you. We take reasonable measures to ensure the confidentiality and security of your personal information. You may request us to tell you what personal information we hold about you and to correct any errors.

### TAX FILE NUMBERS

Collection of Tax File Numbers (TFNs) is authorised and their use and disclosure are strictly regulated by tax law and the Privacy Act. Quotation is not compulsory, but tax may be taken out of your interest income if you do not quote your TFN or claim an exemption. If you quote your TFN or claim an exemption this will automatically be applied to future investments in the Fund unless, at the time of making the future investment, you state or include an alternative TFN or exemption claim, or state that you do not wish to quote a TFN or to claim a previously claimed exemption.

For existing investors not wanting their previously quoted TFN or exemption claim to be re-used in respect of an Application made on the attached form, please insert an alternate TFN or exemption category or write "not quoted".

For information about the use of TFN's or exemptions, please contact the Australian Taxation Office.

### COMPLAINTS

The Fund's Constitution establishes a procedure to resolve in good faith any complaints by investors.

Initial complaints should be directed in writing to the Complaints Officer as follows:

Mr Malcolm Burrell, The Complaints Officer,  
Ascent First Mortgage Fund, Level 18, 350 Queen Street,  
Melbourne, VIC 3000.

We will respond to your complaint within 28 days.

The Manager is also a member of the Australian Financial Complaints Authority, an external complaints resolution scheme. If you are dissatisfied with our response to your complaint, you may address your complaint to:

Australian Financial Complaints Authority,  
GPO Box 3,  
Melbourne, VIC 3001.  
Freecall: 1800 931 678  
Email: [infor@afca.org.au](mailto:infor@afca.org.au)

### Fund Documents

#### THE FUND CONSTITUTION

The Fund Constitution and the Corporations Act largely govern the rights and entitlements of an investor in the Fund and are binding upon the investors and the Manager. The Fund Constitution is a legal agreement between the Manager and the investors (from time to time) of the Fund.

The Fund Constitution amounts to a declaration of trust for the benefit of the investors by the Manager in relation to all investors funds (and any other Fund property) the Manager holds on an investors behalf. The following is a non-exhaustive list of the matters described in the Fund Constitution:

- (a) the consideration required to be provided by an investor to acquire an interest in the Fund;
- (b) a summary of the Fund activities including withdrawal of investor funds;
- (c) operation of a Sub Scheme or First Mortgage;
- (d) powers of the Manager to deal with Fund Property;
- (e) the complaints handling provisions available to investors in the Fund;
- (f) provisions dealing with the winding-up of the Fund; and
- (g) the rights of the Manager to be indemnified from the Fund Property.



## OTHER INFORMATION CONT.

### THE COMPLIANCE PLAN

The Compliance Plan describes the measures the Manager applies in operating the Fund to ensure compliance with the Corporations Act, the AFS Licence and the Fund Constitution, including arrangements for:

- (a) ensuring all Fund property is clearly identified as Fund property and held separately from the security held by the Manager;
- (b) administration and operation of the compliance committee;
- (c) functions of the compliance officer;
- (d) ensuring the Fund property is valued at regular intervals and continual review of selected valuers and valuation processes;
- (e) ensuring that the Compliance Plan is audited pursuant to the Corporations Act;
- (f) ensuring that adequate records of the Funds operations are kept;
- (g) staff familiarity and continuous training in relation to the Compliance Plan;
- (h) complaints and dispute resolution procedures.
- (i) any other matters required pursuant to the Corporations Act.

As required by the Corporations Act, the Manager has engaged Auditors to audit compliance by the Manager with the Compliance Plan in accordance with the Corporations Act.

### DOCUMENTS AVAILABLE FOR INSPECTION

The Manager is required to operate within the strict investment requirements detailed in this PDS, the Fund's Constitution and the Corporations Act.

Copies of the Manager's AFSL, the Fund's Constitution and the Manager's Compliance Plan are available for inspection by prior appointment at the office of the Manager during ordinary business hours. These documents articulate the rights of investors and the terms and conditions of investment.

The Fund's financial accounts and statements are audited twice each year by an independent auditor and may be inspected by prior appointment at the office of the Manager. A compliance audit is conducted annually by a different independent auditor and may be inspected by prior appointment at the office of the Manager.

## FEES AND OTHER COSTS

### CONSUMER ADVISORY WARNING

The warning below is required by law. The fees and other costs associated with investing in the Fund are described in this section.

#### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Fund or your financial adviser.

#### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website [www.fido.asic.gov.au](http://www.fido.asic.gov.au) has a managed investment fee calculator to help you check out different fee options.

This section of the PDS shows fees and other costs that you may be charged. These fees and costs may be deducted from your money or from the returns on your investment or from the Fund's assets as a whole. Taxes are outlined in another section of this PDS. You should read all of the information about fees and charges, as it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the Fund.</b>		
<b>Establishment fee:</b> The fee to open your investment.	Nil.	Not applicable.
<b>Contribution fee:</b> The fee on each amount contributed to your investment.	Nil.	Not applicable.
<b>Withdrawal fee:</b> The fee on each amount you take out of your investment.	Nil. Except in the case where you withdraw your funds prior to the term of the investment. Early withdrawal is only allowed at the Manager's discretion and is subject to the availability of replacement funds. If allowed you may be charged a fee of \$150 inclusive of GST. <sup>1</sup>	Payable upon early withdrawal of investment money and is deducted from the amount to be withdrawn.
<b>Termination fee:</b> The fee to close your investment.	Nil.	Not applicable.
<b>Management Costs:</b>		
The fees and costs for managing your investment.	Nil. Please refer to the "Additional explanation information of fees and costs" on page 17 for information about fees payable by borrowers.	Not applicable.
<b>Service Fees:</b>		
Investment switching fee: The fee for changing investment options.	Nil.	Not applicable.

<sup>1</sup> You may also be liable for costs associated with any interest adjustment made by the Manager as a consequence of finding a replacement investor.



## FEES AND OTHER COSTS CONT.

### ADDITIONAL EXPLANATION OF FEES AND COSTS

#### Management costs – expense recoveries

Under the Constitution, the Manager is entitled to recover all expenses incurred in the proper performance of its duties in respect of the Fund. They may include such things as the management fee, normal operating expenses, and abnormal expenses. The Manager will pay these expenses out of its own funds and provide 30 days notice of any change to this arrangement.

#### Taxation

Please refer to the “Taxation” section on page 18.

If the Manager is required to pay GST on the supply of any goods or services made in connection with the Fund or in relation to its fees or expenses, it may recover an amount equal to the GST from the assets of the Fund to the extent allowable under the Constitution.

#### Borrowers’ fees

The Manager is entitled to fees payable by a borrower. These fees will vary from case to case.

#### Commissions

Commission may on occasion be paid to outside parties for the referral of subsequent investors. This fee will be up to 0.25% of the amount invested. For example, the commission on a \$5,000 investment may be up to \$12.50. These commissions are paid by the Manager out of its own resources and are not charged to investors.

### EXAMPLE OF ANNUAL FEES AND COSTS FOR THE FUND

The table below gives an example of how fees and costs in the Fund can affect your investment over a one year period assuming a \$50,000 investment. You should use this table to compare this product with other managed investment products.

	Amount	Dollar value
Contribution fee	Nil.	For every \$50,000 you put in, you will not be charged a contribution fee.
Plus Management Costs	Nil.	And, for every \$50,000 you have in the Fund you will be not be charged with management costs.
Equals Cost of the Fund		If you had an investment of \$50,000 at the beginning of the year, you will be charged fees of: Nil. <sup>2</sup>

<sup>2</sup>Additional fees may apply: an early withdrawal fee of \$150 is payable in the case where you withdraw your funds prior to the term of the investment, and you may also be liable for costs associated with any interest adjustment made by the Manager as a consequence of finding a replacement investor.

## TAXATION

The Australian taxation consequences of any investment in the Fund will depend upon an investor's particular circumstances. For investors who are Australian residents, all income will form part of their assessable taxable income.

Tax is not paid or deducted from an investor by the Fund's Manager, where the investor quotes a Tax File Number (TFN). If a TFN is not quoted, the Manager will deduct tax at the highest marginal rate of tax from the income earned and such tax is remitted to the Australian Taxation Office with the net income paid or credited to the investor. Any tax deducted is available as a credit in the investor's income tax return for the respective year.

It is an obligation of investors to make their own enquiries concerning the taxation consequences of an investment in the Fund. If in doubt as to taxation matters, investors should consult their own financial adviser or accountant before investing in the Fund.

## DEFINITIONS

<b>ABN</b>	Australian Business Number
<b>ARSN</b>	Australian Registered Fund Number. The ARSN is a unique identifier issued to managed investment schemes by ASIC
<b>ASIC</b>	Australian Securities and Investments Commission
<b>Application</b>	An application for an investment in the Fund under this PDS
<b>Application Form</b>	The application form(s) attached to this PDS
<b>Ascent</b>	Ascent Funds Management Limited ABN 40 089 245 330 AFSL No. 234 763
<b>Constitution</b>	The constitution of the Fund (as amended from time to time) which has been lodged with ASIC
<b>Corporations Act</b>	The Corporations Act 2001 (Cth) as amended and associated regulations
<b>First Mortgage</b>	Money or monies advanced to a borrower in the form of a loan, with Real Property pledged as security for the repayment of the loan
<b>Fund</b>	The Ascent First Mortgage Fund ARSN 091 921 827 a contributory mortgage scheme
<b>Manager</b>	Ascent Funds Management Limited ABN 40 089 245 330 AFSL No. 234 763
<b>PDS</b>	This Product Disclosure Statement dated 21st October 2021, as modified or varied by any supplementary PDS made by the Fund and lodged with ASIC from time to time and any electronic copy of this PDS, and any supplementary PDS
<b>RBA</b>	The Reserve Bank of Australia
<b>RBA Cash Rate</b>	The RBA official rate of interest
<b>Real Property</b>	Land or real estate pledged as security for the loan
<b>Related Party</b>	The Manager, Directors and Shareholders of the Responsible Entity
<b>Responsible Entity</b>	Ascent Funds Management Limited ABN 40 089 245 330 AFSL No. 234 763
<b>Secured Property</b>	The real property over which a First Mortgage is registered to secure the advance made pursuant to the First Mortgage
<b>Summary of Mortgage</b>	The formal correspondence issued by the Manager that sets out in summary format the key particulars of the First Mortgage that an investor has invested in
<b>TMD</b>	Target Market Distribution document
<b>Trust Account</b>	The Fund's interest bearing account held with an Australian bank



## HOW TO INVEST

Please read the PDS and TMD before completing the application form on the following pages.

Complete all relevant sections of the application form using BLOCK LETTERS. Any changes to the form will render the form invalid. Further particulars and the correct forms of registrable names to use on the application form are shown on the next page. If you have any questions concerning any part of the application form please call our Investment Manager on (03) 8676 0244.

### STEPS TO COMPLETE

1. Insert the amount that you wish to invest in the Fund. The minimum investment in the Fund is \$5,000 and thereafter in \$1,000 increments. There is no maximum investment amount.

Complete the cheque details as requested. Your cheque must be in Australian currency drawn on an Australian bank. Your cheque must be crossed "Not Negotiable".

**Make your cheque payable to "Ascent First Mortgage Fund".**

Cheques will be deposited on the day of receipt. Sufficient cleared funds should be held in your account, as cheques returned unpaid will result in your application being rejected. Attach your cheque to the application form.

**You may directly credit the Fund's trust account, please contact The Manager for bank account details.**

2. Write the full name of the applicant. This must be either your own name or the name of a company. Up to three joint applicants may invest. Applications using the wrong form of name will be rejected. Natural person applicants must be at least 18 years of age.
3. Enter your postal address for all correspondence. All communication to you from Ascent will be mailed to the person(s) and address as shown. For joint applicants only one address can be entered. Company investors, please provide a contact name.

4. Enter your telephone number(s), area code and contact name in case we need to contact you in relation to your application.
5. Enter your Tax File Number (TFN) or exemption category. Where applicable, please enter the TFN for each joint Applicant. Collection of TFNs is authorised by taxation law. Quotation of your TFN is not compulsory and will not affect your application; however, if you do not quote your TFN, tax will be deducted from your interest distributions at the top marginal tax rate plus the Medicare levy.
6. Indicate whether you would like the interest from your funds held in the Fund's Trust Account (if any interest is received by the trust account), and the interest from your First Mortgages, is to be reinvested or paid into an account of your choice. If you want interest to be paid into a bank account, please provide the account details.
7. Sign the application form. It must be signed by the applicant(s) personally or, for a company, by the sole director/ secretary, two directors or a director and secretary, or in either case, by an attorney. If your application form is signed by an attorney, a copy of the power of attorney is required to be lodged with the Manager. Joint applicants must each sign the application form.
8. Send your completed application form together with your cheque (either delivered or mailed) to:

The Manager  
Ascent First Mortgage Fund  
Level 18, 350 Queen Street  
Melbourne VIC 3000



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# APPLICATION FORM

PRODUCT DISCLOSURE STATEMENT DATED 21ST OCTOBER 2021

## A. Application amount

I/We lodge full application money of:

AUD\$ , , .00

*Minimum application amount is \$5,000 followed by increments of \$1,000 unless the Manager agrees otherwise.*

## B. Full name of applicant(s)

Mr Mrs Ms Miss Applicant 1– Given Name(s) or Company Name Surname

<input type="text"/>	<input type="text"/>
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Mr Mrs Ms Miss Joint Applicant 2– Given Name(s) or Company Name Surname

<input type="text"/>	<input type="text"/>
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Mr Mrs Ms Miss Joint Applicant 3– Given Name(s) or Company Name Surname

<input type="text"/>	<input type="text"/>
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Trust / Superannuation Fund

<input type="text"/>
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## C. Tax file number or exemption code

Applicant 1

<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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Company

<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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Joint Applicant 2

<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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Trust / Superannuation Fund

<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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Joint Applicant 3

<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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## D. Postal address

Number and Street

<input type="text"/>
----------------------

Suburb/City or Town

<input type="text"/>
----------------------

State

<input type="text"/>
----------------------

Postcode

<input type="text"/>
----------------------

Home Telephone

( <input type="text"/> ) <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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Work Telephone

( <input type="text"/> ) <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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Contact Name

<input type="text"/>
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Email

<input type="text"/>
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## E. Cheque details

**Important** – Please make cheques payable to ‘Ascent First Mortgage Fund’ and crossed ‘not negotiable’. Send your cheque to ‘The Manager, Ascent First Mortgage Fund, Level 18, 350 Queen Street, Melbourne, Victoria 3000’ together with this application form.

Drawer

<input type="text"/>
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Bank

<input type="text"/>
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Branch

<input type="text"/>
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\$

<input type="text"/>
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<input type="text"/>
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<input type="text"/>
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<input type="text"/>
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**Total must equal amount in AUD** \$

*Please turn over*

**F. Interest payment options**

Interest from First Mortgages to be (please tick):

Interest from the Fund's Trust Account to be (please tick):

reinvested, or

reinvested, or

paid back to the bank account detailed below

paid back to the bank account detailed below

You can change these directions at any time by notice in writing to the Manager.

If you do not make a selection, your interest will be reinvested.

Please pay interest into the following bank account:

Bank Name	BSB Number
<input type="text"/>	<input type="text"/>
Account Name	Account Number
<input type="text"/>	<input type="text"/>

**H. Declaration and signing**

By lodging this application form, you agree:

- you have read the PDS and TMD to which this application form is attached;
- by signing this form, you will be bound by the Constitution of the Fund; and
- we may accept or reject this application in whole or in part.

Further, by lodging this application form, you acknowledge:

- you have had the opportunity to seek independent professional advice regarding the legal, tax and financial implications of subscribing to the Fund;
- you have not relied on any statements or representations made by anybody (including Ascent or its officers, employees or agents) prior to applying, other than those representations made in this PDS; and
- you have made an offer to become an Investor in the Fund and that offer cannot be revoked.

By lodging this application form, you also represent and warrant that you are in compliance with all laws of jurisdictions outside the Commonwealth of Australia relevant to this application, and you are not a foreign investor.

**Individual or joint applicants:**

Signature of Applicant 1

Signature of Applicant 2

Signature of Applicant 3

Date

**Company applicants:**

Common seal (if required)

Signature of Director

Signature of Director / Secretary

**IMPORTANT NOTICE**

- A person who gives another person access to this application form must, at the same time and by the same means, give the other person access to the PDS and TMD.
- You should read the PDS and TMD in full before completing this application form because the PDS and TMD contains important information about the Fund and investment in the Fund.





**Ascent Funds Management Limited**

Level 18, 350 Queen Street  
Melbourne Victoria 3000

T: 03 86 76 0244  
F: 03 8676 0275

E: [enquiries@ascentfin.com.au](mailto:enquiries@ascentfin.com.au)  
W: [www.ascentfin.com.au](http://www.ascentfin.com.au)