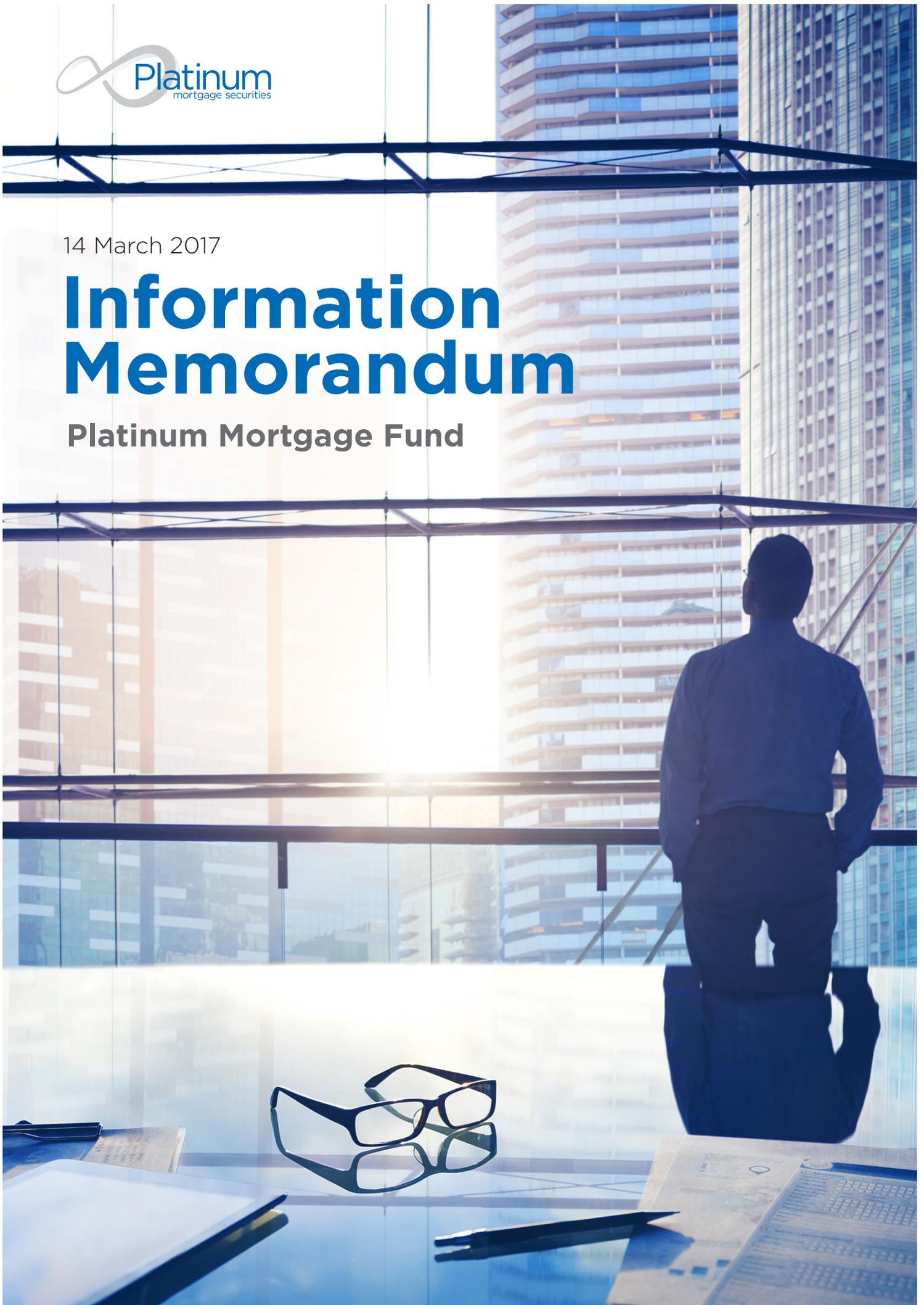




14 March 2017

Information Memorandum

Platinum Mortgage Fund





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01 Important information

This Information Memorandum ('IM'), dated 14 March 2017, is issued by Platinum Mortgage Securities Pty Ltd (ACN: 104 911 159 AFSL number: 329004) ('Trustee' or 'Platinum') in relation to the offer by the Trustee of units ('Units') in the Platinum Mortgage Fund ('Fund'). The Trustee has been appointed as the manager of the Fund.

1.1 Disclaimer

No person other than the Trustee has caused or authorised the issue of this IM, or takes any responsibility for the preparation of the IM or the establishment of the Fund.

a. The Offer

Investments in the Fund will be by invitation only. The Trustee is not obliged to accept applications and reserves absolute discretion in refusing any application.

b. Wholesale Investors Only

This IM can only be offered to and accepted by Wholesale Investors as defined under the Corporations Act 2001 (Cth) ('Corporations Act'). This IM is not a prospectus/product disclosure document and has not been lodged with the Australian Securities and Investments Commission ('ASIC') under the Corporations Act. This IM contains a non-exhaustive summary of certain proposed features of the Fund.

c. Performance Not Guaranteed

The Trustee or Fund does not guarantee the rate of return from the Fund nor the repayment of capital from the Fund. An investment in the Fund is not a deposit with, nor another liability of, the Trustee or any of their related bodies corporate, associates, directors, officers and employees, nor any other person. Investment in the Fund is subject to investment risks, including possible delays in repayment and loss of income and capital invested. The fund is suitable only for potential investors who do not require immediate liquidity for their investments. Prospective Investors should only consider investing if they fully understand and accept the risks involved.

Any forward looking statements in this IM (eg statements of intentions, statistics, projections and rates of return) are based on current expectations and beliefs however do involve risks, contingencies, uncertainties and other factors beyond the control of the Trustee which may cause actual outcomes to be materially different. Assumptions underlying such statements involve judgements which may be difficult to accurately predict. Therefore, such forward looking statements in this IM may be inaccurate and should not be relied upon as indicative of future matters.

d. Fund Documents

To the maximum extent permitted by law, and subject to the Fund Trust Deed ('Trust Deed'), neither the Trustee nor any related party, officer, director, adviser or associate

of the respective entities provides any representations or warranties in relation to this IM or the Fund and disclaims all responsibility in relation to the IM and the Fund. The Trustee does not make any representation or warranty as to the accuracy or truth of the contents of this IM. Any information or representations not contained in this IM may not be relied upon as having been authorised by the Trustee (as applicable) and should be disregarded.

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

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

Information in this IM, as well as the terms of the Sub-Funds, may be changed from time to time. This IM is current as at the date of issue and the Trustee has no obligation to update the contents of this IM.

e. No Advice Warning

The information provided in this document does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you should first consult with your financial adviser to consider the appropriateness of the Fund, having regard to your needs, financial circumstances and objectives.

f. Jurisdiction Restrictions

This IM is only intended for you if you are within Australia when you receive it. No offer or invitation is made by this IM, directly or indirectly, in any other jurisdiction where the offer or invitation could breach the applicable laws or require this or any other document to be lodged or registered.

The distribution of this IM in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this IM should seek advice on and observe any such restrictions. Failure to do so may constitute a violation of applicable securities law. The offer contained in this IM in electronic form is available only to persons receiving this IM in electronic form within Australia.

g. No Cooling-off Period

Holders of units ('Unitholders' or 'Members') are not entitled to cooling-off rights under the Corporations Act.

02 Introduction

Platinum Mortgage Securities Pty Ltd ('Platinum') (ACN: 104 911 159; AFSL: 329004) is a wholly owned subsidiary of Quantum Asset Management Pty Ltd (collectively known as the Quantum Group), which was established in 2001 as a specialist in mortgage-secured finance. The Group operates in niche market segments offering:

- short to medium term property secured finance to borrowers that require funding for business

or investment purposes; and

- short to medium term investment opportunities for its Members to receive premium returns on their investments secured by a registered mortgage over real property.

The Directors of Platinum would like to invite you to invest in the Platinum Mortgage Fund ('Fund') which is an unregistered Australian managed investment scheme structured as a unit trust.



03 What are the key features of the investment opportunity?

Features & Benefits	Description
Investment Objective	The Fund seeks to preserve capital and provide Members with attractive regular returns secured by registered mortgages over real property and where appropriate, supporting security which may include second ranking mortgages and corporate guarantees. The fixed interest return to a Member is derived from the fixed interest charged to a Borrower.
Investment Strategy	Select Mortgage Investment opportunities are presented to Registered Investors by way of a Sub-Fund Information Memorandum ('SIM') which details the Security Property and the individual risk and return profile of that specific investment. Registered Investors select which specific Mortgage Investment they wish to invest in.
Type of Investment	The Fund is a contributory mortgage scheme, which allows Registered Investors to choose their Mortgage Investment and portfolio structure as opposed to a pooled mortgage fund where the Trustee or Manager decides where to invest your money. Investment monies in the Fund are used to fund short term, property secured commercial loans.
Distribution Rates	Starting from 8% per annum (this rate is dependent on the particular Sub-Fund and disclosed in the relevant SIM).
Distribution frequency	Deposited monthly into your nominated bank account (subject to the Borrower paying interest on time).
Minimum Investment	\$25,000 and in multiples of \$1,000 thereafter.
Investment Term	Ranging from 6 months to 24 months (this term is dependent on the particular Sub-Fund and disclosed in the relevant SIM).
Loan to Value Ratio ('LVR')	Maximum LVR of 75% of an independent property valuation. Conservative LVRs are set to provide security for your investment - although there is no a guarantee of the return of capital. Where a Borrower is unable to repay the loan, the Security Property can be sold in order to return investment funds to Members (subject to the sale proceeds being sufficient).
Diversification	Mortgage Investments can represent a useful means of portfolio diversification as their performance is not closely correlated to other asset classes. Members are able to spread/diversify investments across multiple Sub-Funds with different property types, locations, returns and terms.

03 What are the key features of the investment opportunity?

Features & Benefits	Description
Fees and Taxes	<p>There are no hidden costs, or entry or exit fees (however, early exit fees apply). All costs associated with the establishment and management of the investment are paid by the Borrower.</p> <p>Distributions from the Fund are made pre-tax and members will be responsible for the payment of any tax associated with this income. The Fund will provide an annual income statement to Members.</p>
Suitability	<p>For those seeking high yield fixed-interest returns, or exposure to an alternative credit type, as well as those looking for exposure to investments secured by property without physically purchasing a property.</p>
Member Communications	<p>Members are entitled to receive:</p> <ol style="list-style-type: none">1. confirmation of all investments and redemptions;2. monthly statement of account holdings and interest payments;3. annual taxation statement of your Distributions from the Fund; and4. upon request, the annual financial statements of the Fund.
Withdrawal from the Fund	<p>Once money has been allocated to a Sub-Fund, Members are committed to the Mortgage Investment until it is repaid (unless a substitute Member can be found which is not guaranteed and at the discretion of the Trustee). There is no cooling-off period after Members' money has been allocated to a Sub-Fund.</p>



04 How does the Fund work?

The Fund works by lending money to Borrowers for business or investment purposes with the obligations of those Borrowers to repay the principal together with interest and costs. The majority of loans will be secured by a registered first mortgage over real property ('Security Property') provided by either the Borrowers and/or Guarantors of the loan. In certain circumstances, there will be opportunities for the Fund to structure loans over registered first and second or subsequent mortgages, or simply registered second or subsequent mortgages. Specific details of the registered mortgages will be disclosed in the SIM.

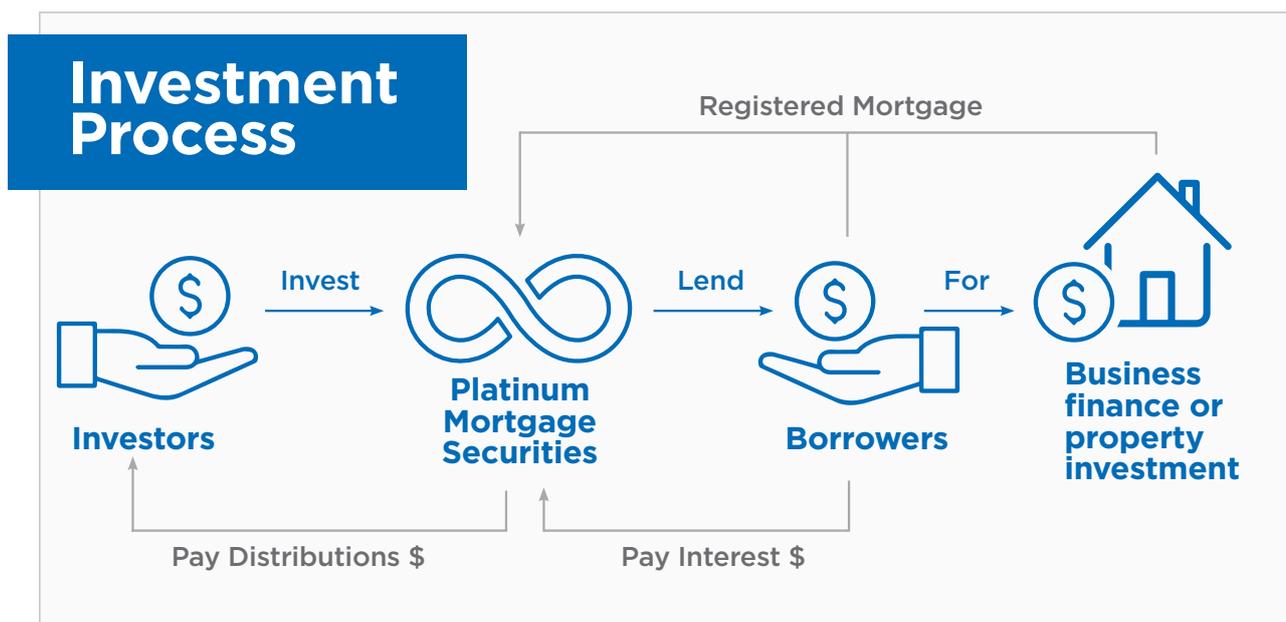
Members derive income from the capital they invest through the receipt of Distributions which are funded from interest payments made by the Borrower. Platinum as the Fund Manager

collects interest payments from the Borrower and disburses these to Members. Once the loan has matured, the loan balance is repaid, mortgages are discharged and investment monies are returned to Members.

In the event of default by the Borrower, Members are expected to be repaid from the sale proceeds of the Security Property, and/or the enforcement against Borrowers and Guarantors.

The product being disclosed in this IM is, in general terms an interest in a Sub-Fund operated and established by Platinum under the umbrella of the Fund.

Each loan is financed by Member monies and is referred to as a 'Sub-Fund'.



4.1. Sub-Funds

This IM sets out only generic details about the product. Specific disclosure about particular Sub-Fund and Mortgage Investments are set out in a SIM for each Sub-Fund. Prior to investing, please ensure you refer to the latest version of the IM and SIM.

The Fund is comprised of multiple Sub-Funds and investors of the Fund are referred to as 'Members' or 'Unitholders' in particular Sub-Funds.

Members' contributions to a particular Mortgage Investment are, to the maximum

extent permitted by law, quarantined within the relevant Sub-Fund so that Members in each Sub-Fund do not have recourse to the property held in other Sub-Funds.

A particular Mortgage Investment involves a loan to a Borrower (or a group of co-Borrowers). When Members invest in a Sub-Fund, they are contributing funds to a loan secured by a registered mortgage. The relevant SIM discloses information specific to that Mortgage Investment.

Platinum can (and usually does) accept multiple Members into each Sub-Fund. Each Member

04 How does the Fund work?

contributes directly to the total sum invested in each Mortgage Investment and receives an equivalent legal or beneficial interest in that Mortgage Investment. ASIC refers to this Fund as a 'contributory mortgage scheme'.

Upon allocation of monies to a Sub-Fund, there is no Cooling-off Period and Members have no right to withdraw from a Sub-Fund until the relevant Mortgage Investment is repaid, or a substitute Member can be found (which is not guaranteed and at the discretion of the Trustee).

Platinum is the Trustee of each Sub-Fund and the issuer of the Units which are offered under this IM and the relevant SIM.

Members will receive monthly statements of their interest distributions and account holdings within each Sub-Fund. Members will also receive an annual tax statement. Platinum will not issue physical Unitholder certificates to Members but a register of members will be retained.

4.2. Unit Pricing

Platinum has implemented a fixed Unit pricing policy which provides that investments will be

valued at cost. Thus, every Unit in a Sub-Fund will be valued at \$1.00 and every dollar invested will buy 1 Unit.

There is no capital appreciation element in this investment and as such Unit prices cannot go above \$1.00. Capital loss can occur if the Borrower defaults and the monies recuperated are less than those allocated. Income is only generated in the form of interest distributions paid to Members.

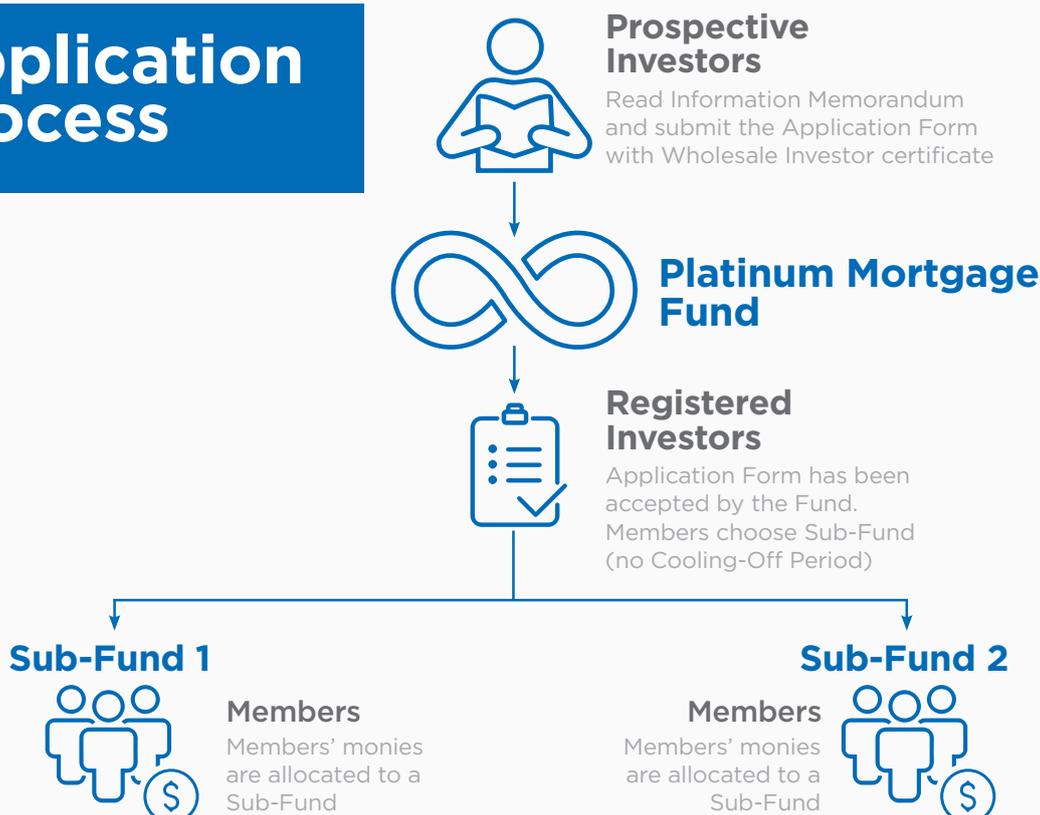
4.3. Currency

All financial amounts shown in this IM, and in any SIM are expressed in Australian dollars, unless otherwise stated.

4.4. Security

The majority of securities held under this Fund will be first ranking mortgage over real property in Australia. Furthermore, there will be opportunities for Platinum to structure loans over registered first and second or subsequent mortgages, or simply registered second or subsequent mortgages. Platinum will calculate the LVR based on the type(s) of mortgage used for a loan which will be specified in each SIM.

Application Process



05 What is the investment strategy?

5.1. Strong market opportunity

The Commercial Real Estate ('CRE') debt market has significantly changed since the Global Financial Crisis ('GFC') in 2008 which went through an unprecedented contraction of capital, international institutions leave Australia, and consolidation within the major banks ('banks') and financial services sector. Banks were able to capitalise on the favourable CRE debt market conditions and their exposures to Australian CRE debt market grew rapidly, resulting in inadequate portfolio diversification.

To address the risk related to the concentration of investment in CRE, the industry regulator, the Australian Prudential Regulation Authority ('APRA'), made changes to the law that required banks to either raise additional equity to meet capital requirements or limit their exposure to domestic CRE debt. This has led to a recent decline in CRE debt funding by the banks and potentially creditworthy loans are being rejected by banks due simply to the limits on increasing their exposures and/or high cost of meeting capital requirements.

A combination of persistently strong demand for funding and a diminishing supply of capital provided by the banks has increased the cost of borrowing. Therefore, CRE debt provides Platinum with significant opportunities to offer premium returns for its Members for quality loans secured against CRE assets mainly on a first mortgage basis with standard terms and conditions.

Overall, the favourable factors for Platinum and its Members include:

Diminished competition for debt finance.

Australia is one of the safest foreign investment (D&B's Global Risk Indicator).

Strong property market in Australia.

Strong demand for debt finance.

Demand for property due to population growth in Australia.

Stable Australian economy.

5.2. Lending Parameters

Parameter	Comment
Type of Loan	All Mortgage Investments must be secured by registered mortgages over real property in Australia.
Loan to Value Ratio ('LVR')	<p>LVRs will be set out in the individual SIMs. Platinum will apply different maximum ratios to the following types of property:</p> <ul style="list-style-type: none"> • Land (residential/commercial): 60% • Development (residential/commercial): 67% 'as if complete' basis • Residential and residential investment: 75% • Commercial property: 70% <p>Note that LVRs are covenants between Platinum and the Borrowers for the Members' benefit. These do not constrain Platinum on behalf of the Fund advancing or expending funds in excess of the LVR, where to do so, is in the best interest of Members (for instance to complete a project so as to permit optimal realisation of the Security Property).</p>

05 What is the investment strategy?

Parameter	Comment
Independent Valuers	Independent valuations are obtained for Security Properties on each loan.
Security	All loans will be secured by registered first, second, and/or subsequent mortgages over real estate in Australia in combination with PPSR, and/or personal guarantees, and/or corporate guarantees. Second mortgages over real estate may also be taken as supporting securities.
Target Loan Size	\$500,000 to \$10,000,000 or as specified in the SIM
Target Loan Term	6 – 24 months
Lending Rate	<p>The SIM will provide two Lending Rates:</p> <ol style="list-style-type: none"> 1. Lower Rate: The Borrower will pay a discount rate if and for as long as they comply with the terms of the loan. This is the expected distribution rate paid to a Member; and 2. Higher Rate: The Borrower is obligated to pay this rate if they default on a payment (commonly known as the Default Rate). <p>In the event of a default, the difference between the Lower Rate and the Higher Rate may be evenly split with Members.</p>
Geography	Security property may be located in any geographic region within Australia.
Purpose	<p>The loans will be advanced predominantly for:</p> <ul style="list-style-type: none"> • Working capital; • Debt consolidation; • Business restructure; • Equity release; • ATO debt; • Residential land subdivision; • Commercial developments; or • Any other purpose disclosed in the SIM.
Credit Assessment	Security Properties are typically within the capital cities and major regional cities in Australia and will be driven by market demand and decisions made based on prudent lending principals including independent valuations.
Lending Committee	<p>The type of property, and risks associated with the property type, will be clearly outlined in the relevant SIM.</p> <p>Platinum will conduct a credit assessment of every loan accepted into the Fund through the function of the Lending Committee.</p> <p>Each loan is assessed by the Credit Manager and approved by the Lending Committee consisting of at least one Director of Platinum.</p>
Exclusions	Any lending that is governed by the National Consumer Credit Protection Act 2009 (Cth) (eg providing credit for personal, domestic or household purposes).

05 What is the investment strategy?

5.3. Proven track record and strong investment pipeline

Platinum and the Quantum Group has a strong track record in sourcing quality loans, and engages in strategic marketing to establish long term working relationships with its network of brokers and referrers. These efforts have resulted in Platinum dealing in and settling a wide range of loans for investment, business, standard property, and development purposes. Testament to the quality of relationships and integrity of process lies in the high number of repeat Borrowers and steady flow of business referrals.

Platinum and the Quantum Group have successfully originated and managed in excess of \$125 million in senior debt and structured finance since 2013.

5.4. Lending process

5.4.1. Loan application and assessment

Platinum has implemented a Lending Policy which requires a thorough assessment of all loan applications. As an overview, all loan applications are first screened by the Business Development Executive before consulting with the Credit Manager. If the loan application meets the assessment criteria, the Credit Manager will then prepare a submission to the Lending Committee for review and approval based on the following criteria:

- The Borrower's background which includes credit history and/or current financial position;
- The Security Property's attributes such as the type of property, location, valuations, leases, quality of asset, current encumbrances, and local planning laws (if applicable); and



05 What is the investment strategy?

Loan Application and Approval Process



- Other factors such as the proposed gearing levels, current and expected market conditions, Borrower's exit strategies, and Borrower's skills and experience (for business loans).

5.4.2. Development loan

In the case of Development Loans the Lending Committee may request additional documents in support of the loan application, including:

- valuations based on current value (generally land only) and value at completion of project (or 'as is' and 'as if complete' valuations);
- a budget and cash flow forecast for the project;
- a profile of the proposed builder/civil contractor;
- a copy of the executed building contract/civil works contract; and
- copies of pre-sale contracts (if available).

5.4.3 First, second and subsequent ranking mortgages

Most Sub-Funds involve a first ranking mortgage as primary security for the loan. This means that if the Security Property is sold, the full proceeds (after statutory deductions) are paid in satisfaction of the debt to the Sub-Fund, rather than to any other creditor. Second or subsequent ranking mortgages may be taken.

In some instances, subsequent mortgages may be registered over other property as supplementary security. Typically, no reliance for the LVR calculation is placed on these mortgages.

5.5. Loan management

5.5.1. Loan extension

Platinum may grant an extension of a loan term to a Borrower for a period of up to six months without re-issuing a SIM. If the extension is for a term longer than six months:

- a SIM will be re-issued to Members; and
- The Lending Committee will determine if an updated valuation is required.

Where a Member does not wish to participate in the further extension, Platinum will attempt to replace the Member. If a substitute Member cannot be found, the Member will remain in the Sub-Fund.

5.5.2. Substitution of Security Properties

Platinum may consider the substitution of the Borrower's security for another security on the basis that it does not adversely impact the structure of the existing loan including the LVR. The management of this process is governed by the Lending Policy.

5.5.3. Valuation policy

All valuations will be completed by a qualified valuer who is independent and registered with a professional body. Valuations will be made on an 'as is' basis, or on an 'as if complete' basis for development property.

Platinum will only use valuations that are less than three months old from the first date of the loan being approved by Platinum. A new valuation may be required if the Directors form



05 What is the investment strategy?

a view that the value of a Security Property has decreased sufficiently to cause a material breach of a loan covenant.

5.5.4. Distribution practices

Distributions are paid to Members from the following sources: Prepaid Interest; interest bond; interest and capital payments made by the Borrowers; Income Support; proceeds of the sale of Security Property; and proceeds from enforcement against Guarantors and Borrowers.

If, from all viable sources, there are insufficient funds to:

- a. pay any prior ranking charge (eg a higher ranking mortgage or Land Tax);
- b. pay all Management Costs and Disbursements;
- c. return Member's capital investment; and
- d. pay Members' Distributions.

then the available monies will be applied in the above order (first a, then b, then c then d). Consequently, Members may suffer a shortfall on the payment of Distributions and/or the return of capital ('Impairment').

5.5.5. Management of loans in default

Platinum will determine if a loan is in default and will follow its well-established and tested procedures to rectify the default as early as possible. When a loan is deemed to be in default, it will be reported and circulated to the Board, and Members will be notified.

Where a Borrower defaults by non-payment of either interest or capital, and does not remedy this situation, Platinum will institute rapid and effective actions to pursue recovery of arrears of income and capital. These include arranging the issue and service of default notices and other notices of demand, taking possession of the Security Property, exercising the power of sale pursuant to the mortgage and otherwise dealing with the Security Property and collateral security, such as enforcing guarantees, to protect Member interests.

5.5.5.1. Implications for Members

Members of a loan in default will be notified via email, and communication relating to the default will continue until it is rectified or resolved. Members of a defaulting loan are not entitled

to receive interest Distributions. However, in the event of a loan in default, and Income Support is not provided to Members, interest will accrue to Members at the Lower Rate plus half of the differential between the Lower Rate and the Higher Rate (the other half is accrued to Platinum for managing the defaulting loan) and will be paid to Members if recovered upon the sale of the Security Property.

Temporary Income Support may be made payable to the Members in the defaulting loan as described in section 5.5.6: *Income Support*.

Members will not be able to substitute their investment in a defaulting loan with another Member of the Fund or any other investor, unless all notifications of the default have been disclosed to the substituting Member or any other investor and they consent to the investment. Substitutions will be approved at the discretion of the Trustee.

5.5.6. Income Support

In the event of a payment default by a Borrower, Platinum or parties related to Platinum, may at their discretion, provide Income Support to Members by providing cash flow to the Borrower (via the Fund) to make interest payments. The provider of Income Support will be entitled to the differential between the Lower and Higher interest rate paid by the Borrower. Where Income Support is provided in a defaulting loan, Members will not be entitled to the shared default interest rate.

In the event of a recovery of funds, the provider of Income Support will rank behind Members in priority of distribution.

5.5.7. Syndicated lending

Platinum may enter into a syndication with third parties to co-fund loans on a 'pari-pasu' basis. The syndication arrangement may involve:

- a. The co-funder's interest being registered against the Security Property (eg the interest may be listed on the certificate of title); and
- b. The Fund co-investing in a loan managed by an unrelated third party.

Platinum will use a syndication deed to regulate and protect interest of its Members in relation to their rights as the co-funder.

05 What is the investment strategy?

5.5.8. Recovery actions

Platinum will pay for legal costs to pursue recovery action. These costs are reimbursable to Platinum.

In taking enforcement action, Platinum will act decisively and commercially to recover all monies owing under the loan. This may involve:

a. Recovery from the Security Property

- i. Taking legal proceedings to obtain possession;
- ii. Taking possession;
- iii. Conducting building and improvement works on the property if appropriate; and/or
- iv. Selling the property.

b. Recovery from Borrowers and Guarantors

Platinum will generally seek judgment against Borrowers and/or Guarantors if it is necessary

to commence proceedings for possession. However, Borrowers and Guarantors are generally only bankrupted if it is deemed commercially viable to do so.

c. Recovery from third parties

If there are good prospects of success, Platinum may commence proceedings against valuers, quantity surveyors, brokers or any other liable party.

06 What is the investment process?

6.1. Choosing a Sub-Fund

When a Mortgage Investment is approved by the Fund, a SIM is provided to Registered Investors and Members which contains information specific to the proposed Sub-Fund, including the:

- a. purpose of the loan;
- b. details of the Borrower(s) and Guarantor(s);
- c. total amount of the loan, and its drawdown profile if relevant;
- d. loan to value ratio;
- e. term of the loan;
- f. interest rates payable by the Borrower;
- g. Distribution Rate and payment dates;
- h. details of the address and type of the Security Property;
- i. value of the Security Property as certified by an approved valuer and the basis of valuation;
- j. details of any other prior borrowings on the Security Property;
- k. Borrower's strategy for repaying the loan; and
- l. any other information which Platinum considers should be provided to help you assess the risk involved.

You can choose the Sub-Fund(s) you wish to invest in by completing the Application Form at the back of each SIM. Please note that Platinum

does not guarantee a Sub-Fund offered will remain available for any length of time.

6.2. Allocation of your monies to the Sub-Fund

When you forward monies to Platinum, and prior to it being allocated to a Sub-Fund, it will be deposited into the Investor Application Trust Account. If your money has not been allocated to a Sub-Fund within three months, Platinum will return it to you unless you have instructed us otherwise. Furthermore, whilst your monies are held in the Investor Application Trust Account you have the right to withdraw your money at any time with two business days' notice. No interest will be earned on your monies while it is in the Investor Application Trust Account.

6.3. Security documents

Before any loan is advanced to a Borrower, the Borrower (and Guarantors) are required to execute security documents including a mortgage, a loan agreement, a deed of charge, a deed of guarantee, and a personal security agreement. Other security documents may be obtained where deemed necessary. These documents regulate the terms and conditions of the Mortgage Investment as between Platinum (on behalf of the Sub-Fund) and the Borrower.

06 What is the investment process?

Every Borrower and Guarantor is required to obtain independent legal advice prior to executing the security documents to reduce the risks of legal defences in the event of litigation.

6.4. Drawdown on standard loans

Once Platinum is satisfied that all conditions precedent have been fulfilled, Platinum will arrange for all or part of the loan funds to be transferred to the Borrower.

6.5. Drawdown on Development Loans (Committed Capital)

Where the loan involves funding a property development, the funds are not advanced all at once. Instead they are advanced progressively, as required to fund the construction. The first advance usually funds the purchase of, or refinances, the development site. The subsequent advances are progress payments for construction of the development.

Platinum may raise the funds for Development Loans progressively, through multiple draws under one SIM. Generally, a single SIM will be distributed to Members that provides details of the development, and includes a schedule of the estimated amounts and timing of future funding requirements ('draws'). By consenting to a development SIM, Members will commit their funding for each of the draws identified in the SIM at inception of the loan ('Committed Capital'). Platinum will from time to time, by giving five (5) Business Days' prior written notice call on Members to contribute part or all of their unpaid Committed Capital to fund each progress draw as identified in the SIM.

If a Member fails to comply with a Capital Call:

- Platinum may give the Member a notice requiring the Member to pay the unpaid Capital Call (Default Notice); and
- if the Member has not complied with the Default Notice within the time set out in the Default Notice the previously paid up Units of the Member shall rank in priority behind the Units of all contributing members in accordance with the Fund constitution; and
- the Member shall be liable to pay interest on the unpaid Capital Call at the prevailing Distribution Rate.

In some circumstances, additional money may be required to meet progress payments of a development. In this instance, an updated SIM seeking additional contributions may be distributed to current Members of the Sub-Fund as well as Prospective Investors and Registered Investors. This means that some Members join the Sub-Fund from the beginning, while others join part of the way through. Nevertheless, in the ordinary course of a Development Loan, all Members receive the same Distribution Rate, and are otherwise treated the same.

Please note: There may be circumstances when the Members in different tranches are treated differently. For risks associated with Development Loans please see section 9: *What are the Risks and Mitigants?*

6.6. Interest on standard loans

The repayment profile is set out in each SIM. The majority of loans originated by Platinum will target a monthly interest payment by the borrower.

6.7. Capitalised Interest on standard loans

Some Sub-Funds involve Capitalised Interest. This means that a portion of the loan principal is financed by Members and retained in the Borrower's Trust Account to meet the Borrower's interest obligations. The interest earned on the balance in the Borrower's Trust Account is retained by Platinum to meet Management Costs. Where interest on the loan is capitalised this will be disclosed in the SIM.

6.8. Interest on Development Loans

Development Loans will generally require all interest to be capitalised over the term of the loan. The total amount of interest to be capitalised is included in the approved loan principal. Interest is calculated on the outstanding balance on a monthly basis.

6.9. Distributions

The Distribution Rate payable depends on the particular Sub-Fund invested in and is disclosed in the SIM. Distributions are generally paid (subject to payment by the Borrower) monthly in arrears, within 14 days from the end of the

06 What is the investment process?

monthly billing cycle that relates to a Mortgage Investment. Payments are made by electronic transfer, into the bank account nominated on your Fund Application Form.

6.10. Discharge

Platinum will discharge the Borrower, Guarantors and Security Property upon repayment of all monies owing under the loan. All monies received will be banked into the Investor Application Trust Account. From there it will then be used to pay Management Costs, return Members' capital, and outstanding Distributions.

6.11. Grant of authority in relation to Mortgage Investment

Each Member of a Sub-Fund, for the convenience of management and administration, gives to each of Platinum and any director, officer, attorney or substitute nominated by the Fund Manager (each severally an 'Attorney') an irrevocable authority to execute on behalf of the Member from time to time documents relating to the registration, discharge and enforcement of the Mortgage Investment and any other dealing the Attorney

reasonably considers necessary, including the granting of any consent. This authority granted by each Member of a Sub-Fund provides the Attorney with the power to:

- a. do everything which in the reasonable opinion of the Attorney is necessary or expedient to enable the exercise of any power or right of the Member of the Fund in relation to the Mortgage Investment;
- b. complete any mortgage and any other security document provided by the Borrower;
- c. execute any mortgage and all other documents requiring execution by the Fund Manager as mortgagee; and
- d. if there is an event of default by the Borrower in relation to the Mortgage Investment, exercise any power of sale or other remedies of the Member of the Fund pursuant to any mortgage and any other security document provided by the Borrower.

Each Member indemnifies and must keep the Attorney indemnified against any liability, loss, cost, expense or damage arising from the lawful exercise of any right by the Attorney under the authority granted by that Member.



07 What are the fees?

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from Sub-Fund assets. You should read all the information about fees and costs because it is important to understand the impact of these on your investment.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Fund		
Establishment - fee to open your investment	Nil	N/A
Contribution fee – on amounts contributed	Nil	N/A
Early Withdrawal fee – When a member elects to redeem funds invested in a Sub-Fund prior to its maturity date (subject to approval by the Fund Manager)	2.5% of the amount redeemed (with a minimum of \$250.00)	Deducted from the Member's investment balance at the time of withdrawal
Exit fee – to have your investment repaid	Nil	N/A
Fees for managing your investment		
Management fees and costs – for managing your investment	<p>i. Other than in the circumstances set out in section 7.1: <i>Additional explanation of fees and costs</i> below, there are no fees and costs charged to investors for managing their investment.</p> <p>ii. No interest or Distributions are accrued or payable to you on monies whilst these are in the Investor Application Trust Account. Any earnings here will be retained by the Fund and contributed towards the Management Costs.</p>	As applicable
Service fees		
Switching fee – for changing investment options	Nil	N/A

07 What are the fees?

7.1. Additional explanation of fees and costs

7.1.1. Management Costs

Management Costs are amounts deducted from the income and assets of a Sub-Fund by Platinum. The importance of the level of Management Costs to your investment depends on the final outcome of the Sub-Fund:

- a. If the Borrower does not default (pays all interest and fees due and repays the principal on time) then the amount of the Management Costs will not affect your investment. You will receive the return of your capital, plus the Distribution rate specified in the SIM.
- b. If the Borrower defaults and after the Security Property is sold, and all other viable avenues for recovery have been exhausted, there remain insufficient funds to:
 - i. Pay any prior ranking charge (eg Land Tax);
 - ii. Pay all the Management Costs and Disbursements;
 - iii. Return the Members' capital to them; and
 - iv. Pay Members in the Sub-Fund the Distributions that otherwise would have been paid;

then Members will only receive a pro rata portion of the funds remaining after Management Costs and Disbursements have been paid.

The components of the Management Costs are:

- a. A Loan Origination Quota of up to 4% of the loan amount (\$40 per \$1,000 of the loan amount). This may be wholly or partly paid by a Borrower from the loan amount; and
- b. A Mortgage Documentation Fee of up to 1% of the loan amount (\$10 per \$1,000 of the loan amount). This will only be charged if paid by the Borrower; and
- c. A Management Quota of up to 4% of the loan amount (\$40 per \$1,000 of the loan amount). This may be wholly or partly paid from the loan amount. This quota is payable to the Trustee regardless of whether the Borrower defaults on the payment of interest; and

- d. A Loan Extension Quota of up to 2% of the loan amount (up to \$20 per \$1,000 of a loan amount); and
- e. A Loan Default Quota equal to 50% of the difference between the Lower and Higher rates (discount and default rates) of interest payable by the Borrower. So if the Lower Rate was 10% and the Higher Rate was 15% then the quota would be 2.5% (or \$25 per \$1,000 of the loan amount) and the Member earns the balance of 2.5%. This fee is deducted only where the Higher Rate is recovered; and
- f. An Exit Quota as set out in each SIM. This is a specific risk fee which may vary for each SIM.
- g. A Default Management Quota chargeable when a Mortgage Investment is in default. At the option of the Fund Manager for a particular Sub-Fund, this quota is deducted only where the Higher Rate is recovered and is calculated as either:
 - i. 1% per annum of the principal amount (\$10 per \$1,000 of the loan amount); or
 - ii. on a time costed basis, with time spent by a director of Platinum charged at \$500 per hour and time spent by an employee of Platinum charged at 0.3% of the employee's gross income when the work commenced. For example, if the employee earned \$85,000 per annum gross (excluding superannuation, workers comp and payroll tax, but including income tax) then the rate would be \$255 per hour. Work will be billed using a minimum six-minute unit and in multiples of six minute units thereafter; and
- h. All other Incidental Quota charged to the Borrower (eg title production fees, drawdown fees, and registration fees); and
- i. Any Accrued Interest earned on the Investor Application Trust Account – as described below.

7.1.2. Disbursements

Disbursements are monies that Platinum pays from a Sub-Fund's assets to preserve or enhance the Security Property of the Sub-Fund, or pursue avenues of recovery of money on behalf of the Sub-Fund. They include interest

07 What are the fees?

and fees on loans, fees paid to accountants, lawyers, engineers, builders, contractors, government, the cost of building material and works, and any other payment, to any other party that is not Platinum or its subsidiary. Where a loan is in default, these amounts can be as significant, if not more significant, than Management Costs in determining the money the Member will recover.

7.1.3. Accrued interest

There may be circumstances where you have deposited monies into the Investor Application Trust Account and these monies are not allocated immediately to a Sub-Fund (eg due to unforeseen delay in the settlement of a Mortgage Investment). During this period, monies in the Investor Application Trust Account may accrue interest and this interest will not be paid to you. Any earnings here will be retained by the Fund.

Please note:

- a. Platinum reserves the right to waive or defer payment of its fees and expenses.
- b. Platinum reserves the right to change these fees and expense recovery arrangements and will give Members at least 30 days' notice of any proposed change.

7.2. GST and stamp duty

All fees stated in this IM include (if applicable) GST less any reduced input tax credits, and stamp duty.

Government taxes such as stamp duties and GST will be applied to your account as appropriate. Unless otherwise stated, fees and costs disclosed above are inclusive of the net effect of GST if applicable (ie 10% GST less any input tax credits or reduced input tax credits available to the Fund).

7.3. Referral fees

If a Prospective Investor is referred to Platinum by another party, Platinum may, from its own funds, pay that party a referral fee, subject to the requirements of the law. The fee may be in the form of an upfront payment. This fee will be disclosed to you in a Referrer Statement document. The party will need to provide you this Referrer Statement document and obtain your consent and signature before any referral fees can be paid.

08 What are the tax implications?

The tax information in this IM is of a general nature. Members are advised to seek their own tax advice in relation to an investment in the Fund as taxation treatments may differ according to individual circumstances and may change from time to time.

8.1. Tax on the Member and Fund

The Fund is not liable to pay tax since all income from the Fund are distributed to its Members. Therefore, Members are responsible for their own tax liability relating to the Distributions received from each Sub-Fund and Platinum does not pay tax on behalf of its Members.

If for any reason there is distributable income in the Fund and no Members are entitled to it, the

Fund will be liable to pay tax in accordance with the relevant tax laws.

8.2. Tax File Number

The Fund Application Form requests that Prospective Investors supply their Tax File Number ('TFN'). If a TFN is not supplied, or appropriate TFN exemption information is not provided, tax will be withheld from Distributions at the highest marginal rate. In the case of a Prospective Investor applying for Units in the course of carrying on an enterprise, it may be appropriate to quote an Australian Business Number ('ABN'). You should seek expert advice if you think this situation applies to you.

08 What are the tax implications?

8.3. Goods and Services Tax

No GST is payable on any Application for Units or on the sale of Units.

8.4. Foreign Account Tax Compliance Act

Under the Foreign Account Tax Compliance Act ('FATCA'), Platinum is required to identify and report customers who may be US residents for taxation purposes to the Australian Taxation Office ('ATO').

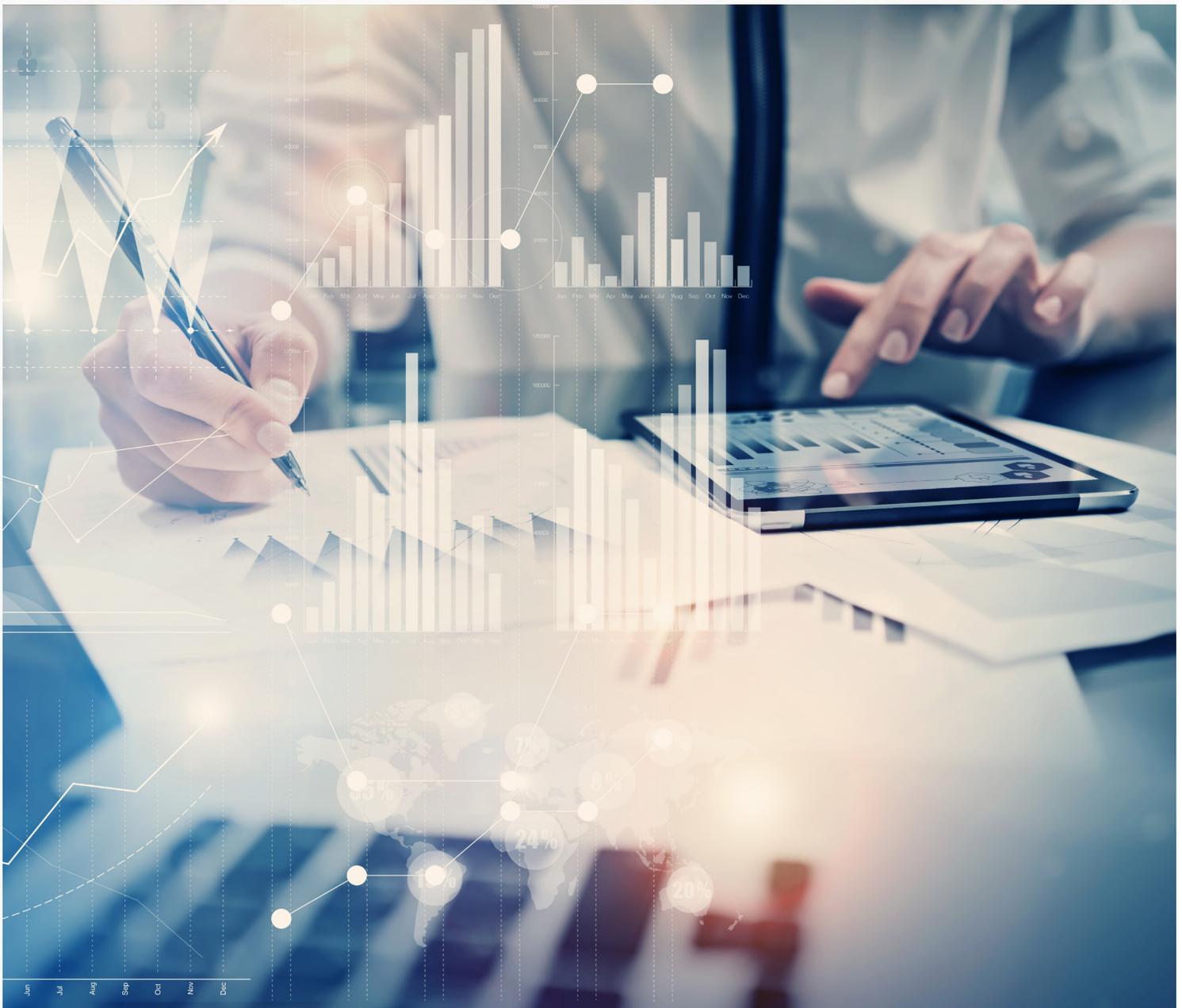
If you are a US citizen or a US resident for taxation purposes, you must disclose this when you join the Fund. This applies to (i) Personal customers who are US citizens or residents for

taxation purposes and (ii) Business customers where either the entity or its controlling person(s) are US citizens or residents for taxation purposes.

More information about FATCA can be obtained from the ATO, the US Internal Revenue Service, or your adviser.

8.5. Common Reporting Standards

The Common Reporting Standard is the single global standard for the collection, reporting and exchange of financial account information on foreign tax residents. Under it, banks and other financial institutions, such as Platinum, are required to collect and report to the ATO financial account information on non-residents.



09 What are the risks and mitigants?

It is important to understand that Platinum, and its employees, attorneys and associated entities cannot and do not guarantee the performance of the investments of the Fund or the repayment of capital invested.

There are specific and general risks associated with an investment in this Fund that can impact on the repayment of capital invested and the interest returns earned on that capital.

The major risks to capital and return are, primarily, the Borrower's ability to repay their loan and secondarily, in the event of default, the value of Security Properties underlying a loan.

Platinum considers that the categories of risk that Members should take into consideration when assessing the suitability of investments in the Fund include the following:

Risks	Description	Mitigants
<p>a. Investment Liquidity Risks</p>	<p>An investment in the Sub-Fund is designed to be held for the term of each loan. Members cannot redeem their money once it has been allocated to a Sub-Fund. There are also no cooling-off periods.</p>	<p>The period of investment for each Sub-Fund will be clearly stated in the SIM. Members are required to read the SIM and return the SIM Application Form before investment monies are accepted in the Sub-Fund. The Trustee may, in its absolute discretion, attempt to find a new Member to substitute the existing Member.</p>
<p>b. Credit and Default Risks</p>	<p>Borrowers and Guarantors may experience business or personal financial difficulties that may render them poor credit risks. If the Borrowers and Guarantors becomes insolvent or under external administration, the loan will go into default, payment of Distributions to Members may cease and the recoverability of capital will depend on how much can be realised from selling the Security Property and pursuing the Borrower and Guarantors.</p>	<p>Platinum strictly follows its Lending Policy, as amended from time to time, which require:</p> <ul style="list-style-type: none"> • Borrowers to undergo a credit history and financial position check; • The Credit Manager to use qualified valuers and set loans at conservative LVRs; and • Only acceptable properties are used as security for the loan. <p>Loans are actively managed through their term, particularly if a mortgage goes into arrears or default.</p>
<p>c. Borrower and Guarantor Risk</p>	<p>The ability of a Borrower and Guarantor to meet their loan repayments is connected to how well they manage their finances and/or business.</p>	<p>Please refer to the mitigants above for Credit and Default Risks.</p>
<p>d. Market Risks</p>	<p>A general downturn in economic conditions in the global, domestic, or local market, may adversely</p>	<p>Please refer to the mitigants above for Credit and Default Risks.</p>

09 What are the risks and mitigants?

Risks	Description	Mitigants
	<p>affect your investment, the Borrower's ability to repay their loan, as well as the value of the underlying security properties and on the value of other investments held.</p>	
<p>e. Security Risk</p>	<p>In addition to the Market Risks, the value of commercial properties is underpinned by their tenants. If a major tenant does not renew its lease, or becomes insolvent, the market value of the property can be reduced. Even the value of residential investment property can be significantly affected by failure to obtain tenants at rent levels upon which the valuation was based.</p>	<p>Please refer to the mitigants above for Credit and Default Risks.</p>
<p>f. Regulatory Risk</p>	<p>Any changes in laws, regulations, government policies, and the court's interpretation of the law may adversely impact the Fund, Members or investments of the Fund.</p>	<p>Members should seek legal advice to understand the regulatory risks that may impact their investments before investing in the Fund.</p>
<p>g. Operational Risks</p>	<p>An investment in the Fund is subject to the risk of loss arising from the Trustee's or Manager's business systems and processes, technology, human resources, and other matters which may directly or indirectly impact on its operations.</p>	<p>The Trustee and Manager have risk and compliance management policies in place to ensure adequate controls are in place for its operations (eg continuous staff training, back-up of IT systems, and reviews/testing undertaken by external risk and compliance consultants and registered auditors).</p>
<p>h. Manager Risk</p>	<p>The Manager cannot guarantee the performance of the Fund or a positive return on Members' investments.</p>	<p>Please refer to the mitigants above for Operational Risks.</p>
<p>i. Trustee Risk</p>	<p>Units are issued by the Trustee and the return of an investment in the Fund is dependent on the performance of the Trustee and its ability to meet its obligations under the Trust Deed. The performance of an investment in the Fund will be</p>	<p>Please refer to the mitigants above for Operational Risks.</p>

09 What are the risks and mitigants?

Risks	Description	Mitigants
	<p>adversely impacted if the Trustee is wound up, becomes insolvent, or is unable to meet its obligations under the Trust Deed.</p>	
<p>j. Indemnity Risk</p>	<p>The Fund indemnifies the Trustee against claims, liabilities, costs and expenses incurred by it as a result of the Trustee’s activities on behalf of the Fund or Members – except where the Trustee has committed fraud, negligence, or breach of trust in relation to the Fund.</p>	<p>Please refer to the mitigants above for Operational Risks.</p>
<p>k. Key Person Risk</p>	<p>The departure of ‘key persons’ may impact the ability of the Manager to implement the Fund’s investment strategy.</p>	<p>The Manager has succession plans in place to ensure that the Fund is not impacted with the movement of key persons.</p>
<p>l. Valuation Risk</p>	<p>A valuer may not properly or accurately value a Security Property. This can occur if the wrong methodology is used, if the comparable properties prove not to be comparable, or if assumptions and data about the property the valuer relies on (including data from quantity surveyors) are false. If the valuation is defective then part of the loan may be effectively unsecured, meaning that in the event of default there may be an Impairment.</p>	<p>Platinum only uses independent registered valuers that are on Platinum’s Approved Valuer list. These valuers must carry appropriate levels of Professional Indemnity insurance and produce reports on a current market value basis.</p>
<p>m. Tax Risk</p>	<p>Australia has complex tax law which may affect the Member’s investment in this Fund and overall financial position.</p>	<p>Members should consult tax advisers with specific reference to your own situation concerning an investment in this Fund before investing in this Fund.</p>
<p>n. Co-investment Risk</p>	<p>From time to time, the Fund may invest in projects alongside other co-investors. Investments with co-investors may give rise to the possibility that the co-investor(s) may have economic or business interests or objectives that are inconsistent with those of the Fund; or be in a position to take actions contrary to the Fund’s investment objectives.</p>	<p>All co-investments will be:</p> <ul style="list-style-type: none"> • disclosed in the SIM; and • made under a Syndication Deed that will detail the equal rights of each party.

10 Governance

10.1. About us

The directors and team at Platinum have over 100 years' experience in property secured lending, through several property and business cycles, including the GFC. Leveraging this experience, the team create tailored loan solutions for the small and medium sized enterprise sector.

Platinum's proven ability to assess a borrowers' credit risk, understand property cycles and collect payments means Investors are offered the opportunity to invest in quality mortgage secured loans. Platinum is committed to:

- Identifying prudent mortgage investment opportunities;
- Preserving Member capital; and
- Delivering attractive risk-adjusted returns.

10.2. Our team



Richard Eadie
(B Acc (Hons); CA (SA); CPA Australia)
Director and Responsible Manager

Richard is the founder of Platinum and Quantum. As a financier, Richard has negotiated and settled hundreds of construction, business and investment loans. He is a hands on Director involved in all matters affecting the Fund including credit, finance and treasury.

After qualifying as a Chartered Accountant, Richard spent 6 years with Deloitte & Touché in Johannesburg and London and then 10 years as founding partner of Watermans Chartered Accountants with a primary focus on business consulting and development.

Richard's previous board/committee positions include director of various public companies and past Vice President of the Chamber of Commerce and Industry, Midrand and Treasurer of Rotary South Africa.

Richard is a licensed CPA (Australia) and also holds an Advanced Diploma in International Taxation and Offshore Financial Centres and a Certificate IV in Finance and Mortgage Broking. Richard is a Responsible Manager of Platinum.



Marius Grobbelaar
(B Comm, B Proc, LLB, MBA (Curtin))
Director and Responsible Manager

Marius joined the Quantum Group in 2004 and is a director of Quantum and Platinum. Marius has responsibility for group strategy, as well as legal, risk and compliance matters.

In addition to his time spent in the mortgage lending industry, Marius brings extensive legal and financial services industry experience to the team. During his career Marius has held executive positions as managing partner of a legal firm, CEO of a financial services business within a publicly listed company and various executive directorships in the financial services industry.

Marius also holds a Certificate III in Mortgage Lending and is a Responsible Manager of Platinum.

10 Governance



Jaime Underdown
(B Comm)
Investor Relations Manager

Jaime joined Platinum in 2014 and is responsible for managing the relationship and communications with Members and financial intermediaries.

Jaime has previously spent 7 years in London working for several large asset managers. During this time, Jaime worked as an Operations Manager at a hedge fund that invested in Russian, Eastern European and African securities. Jaime's role at the hedge fund required him to liaise with the Investor Relations team, Fund Managers, Compliance team, Prime Brokers, Administrators, and Auditors to ensure fund information was provided in an accurate and timely manner. Jaime has also worked as a Fund Performance Analyst at Legal and General Investment Management - one of the world's largest insurance and investment management companies.

Jaime holds a Bachelor of Commerce from the University of Western Australia and has passed Level II of the Chartered Financial Analyst certification.



Rhode Truter
(B Comm)
Operations and Credit Executive

Rhode joined Platinum in February 2012, first as a Business Development Executive, and then moved onto his current role as the Credit

and Operations Executive in 2014. Rhode is responsible for the initial credit assessment of each proposal as well as the ongoing credit control from settlement through to the repayment of the facility.

Rhode holds the principal relationship with the third party professionals used by Platinum, being solicitors, valuers, quantity surveyors, builders, estate agents etc.

Rhode has over 25 years' experience in banking and property funds in South Africa, New Zealand and Australia. His background is primarily in property development funding as well as credit management.



Peter Kenneday
(DFP (Mortgage Broking))
Business Development Executive

Peter has 20 years of experience in the Australian banking and business finance industry, rising to Branch Management level, and a further 20 years' experience as a Finance Broker.

He has spent the past 10 years at the helm of the Quantum Group's finance broking entity, Total Flexi Finance. Peter brings to a vast amount of experience in residential, commercial and equipment finance.

At Platinum, Peter is a Business Development Executive and is involved in all aspects of the loan sales process, from preliminary assessment of applications for short term business loans, through deal preparation and credit submission, to negotiation of the terms for business loans and settlement of them.



10 Governance

10.3. Member reports

To help you keep track on the progress of your investment, Platinum will provide you with the following documents:

- a. Confirmation of your investment and redemptions;
- b. Monthly statement of account holdings and interest payments;
- c. Annual taxation statement of your Distributions from the Fund; and
- d. Upon request, the annual financial statements of the Fund.

Please note: Members who provide an email address will be deemed to have requested all communications be sent electronically to that email address.

10.4. Disclosure of interest

Each of the Directors has an interest in Platinum. The Directors may also invest their own money into Sub-Funds. Platinum records all conflict of interests in a Conflict of Interest register which is reviewed by the Compliance Team.

10.5. Privacy

Platinum is committed to protecting your information, managing and only using personal information in ways that comply with the Privacy Act 1988 (Cth) ('Privacy Act'). Accordingly, Platinum will apply the Australian Privacy Principles in respect of all information you provide in making an Application for investment in the Fund.

In completing the attached Fund Application Form, you will be required to provide personal information to Platinum, such as name, address, email, telephone, tax file number and bank account details. Platinum collects, holds and uses that personal information solely to properly administer the Fund.

Your information will not be disclosed to third parties except as required by law. Your information may be disclosed by Platinum to its agents (including, lawyers, auditors, accountant and other service providers) on a need to know basis to properly administer the Fund.

It is important to our relationship that the personal information we hold about you is accurate and up to date. If you consider that any information we hold about you is incorrect, you should contact us to have it updated.

You may request access to your personal information held by, or on behalf, of Platinum or lodge a complaint by contacting us:

.....
Privacy Officer, Platinum Mortgage Securities Pty Ltd
Level 1, 1 Prowse Street, West Perth WA 6005
Telephone: 1300 135 965
Email: info@platinumsecurities.com.au
.....

Our Privacy Policy is available upon request or you can go to our website to obtain a copy online.

10.6. Complaints

Please contact Platinum if you wish to make a complaint. Our contact details are as follows:

.....
Complaints Officer, Platinum Mortgage Securities Pty Ltd
Level 1, 1 Prowse Street, West Perth WA 6005
Telephone: 1300 135 965
Email: info@platinumsecurities.com.au
.....

If the complaint is in writing, Platinum will send you an acknowledgement upon receipt and will follow certain procedures. In particular, Platinum is required to investigate, properly consider and decide what action to take, and to communicate its decision to you within 30 days.

10.7. Information Memorandum document update

If information changes (or becomes known to Platinum) which relates to the Fund as a whole, and which, if known, could be materially adverse to a Prospective Investor's decision to invest in the Fund, then Platinum will either:

- a. Issue a new IM to replace this IM document; or
- b. Issue a supplementary IM which has the effect of amending this IM and post the replacement (in PDF format) on its website.

If information changes (or becomes known to Platinum) which relates to a Sub-Fund, and which, if known, could be materially adverse to a Registered Investor's and/or Member's decision to invest in the Sub-Fund, then Platinum will:

- a. Issue a replacement SIM (if further monies are being raised under that Sub-Fund); and
- b. Write to Members in the Sub-Fund informing them of the information.

To the extent that the change in information is not materially adverse to Members, it will not be disclosed.

11 Key terms

AFSL	Australian Financial Services Licence.
ASIC	Australian Securities and Investment Commission.
Board	A group consisting of the Directors of Platinum.
Borrower(s)	Individuals, trusts, companies or other entities that Platinum lends funds to on the primary security of registered mortgages over real property.
Borrowers' Trust Account	An account opened by Platinum to receive interest payments from Borrowers.
Business Development Executive	A person employed by Platinum to source new loans for Platinum, manage relationships with third party finance brokers, and undertake pre-screening process on loan applications.
Capital Call	When the Trustee calls on Unitholders for their unpaid Committed Capital, by giving Members five (5) business days prior written notice.
Capitalised Interest	A portion of the loan principal retained by Platinum (in the Borrowers' Trust Account) and used to meet the Borrower's interest obligations.
Compliance Team	A team employed by Platinum that is responsible to ensure Platinum adheres to its policy and regulatory obligations.
Cooling-off Period	A period where a Member may withdraw their monies out of the Sub-Fund. This right is not available to Members of the Fund.
Committed Capital	The amount that a Member irrevocably offers to invest in the Fund as specified in the SIM for construction funding.
Corporations Act	Corporations Act 2001 (Cth).
Cost-to-Complete	The funds required to complete a development project.
Credit Manager	A person employed by Platinum who is a party to the Lending Committee.
Development Loan	A loan for the purpose of construction of residential or commercial properties or land sub-division.
Development and Construction Funding Policy	Guidelines that set out the lending practices, specific to development and construction loans, for the Credit Manager to adhere to when assessing loan applications. These guidelines are created by Platinum and may be amended from time to time.
Director(s)	Directors of Platinum Mortgage Securities.
Disbursements	As defined in section 7.1: <i>Additional explanation of fees and costs.</i>

11 Key terms

Distribution Rate(s)	The rate of interest at which Distributions are made to Members expressed as an annual percentage of the capital invested.
Distribution(s) Fund	Payments to Members by Platinum through which Members derive income from the capital they invest in Sub-Funds.
Fund Application Form	The application form at the back of this IM used to apply to become a Registered Investor of the Fund.
Fund Manager	Platinum Mortgage Securities Pty Ltd (ACN 104 911 159).
Fund Property	All property held by Platinum on trust for the benefit of the Members.
Fund Trust Deed	A declaration of the Platinum Mortgage Fund for the benefit of the Members by Platinum in relation to all property which Platinum holds on trust for the Members.
Guarantor(s)	The person(s) who guarantees the Mortgage Investment.
Impairment	A shortfall on the payment of Distributions or the return of Member's capital.
Income Support	In the event of a payment default by a Borrower, Platinum or parties related to Platinum, may in their discretion provide Income Support to Members by providing cash flow to the Borrower (via Platinum) to make interest payments. The provider of Income Support will be entitled to the differential between the Lower and Higher Rate paid by the Borrower.
Information Memorandum	This Information Memorandum.
Investor Application Trust Account	An account opened by Platinum and satisfying the requirements of the Corporations Act.
Lending Committee	A committee responsible for evaluating loans in accordance with the loan criteria set out in this IM, the Trust Deed, and Platinum's Lending Policy.
Lending Policy	Guidelines that set out the lending practices for the Credit Manager to adhere to when assessing loan applications. These guidelines are created by Platinum and may be amended from time to time.
LVR(s)	Means 'loan to value ratio' and is equal to the total loan amount divided by the property value - as assessed by an independent valuer. For Development Loans this ratio is calculated on an 'as if complete' basis. All other valuations will be calculated on an 'as is' basis. Platinum will publish in a SIM the LVR at inception of the loan facility and the LVR to which the loan facility can reasonably be taken under any future variations.

11 Key terms

Management Costs	Amounts the Responsible Entity is entitled to derive from Sub-Fund Property for the proper performance of its duties in relation to that Sub-Fund.
Member(s)	A Member of the Fund, with such membership commencing only upon allocation of Application Money to a Sub-Fund.
Mortgage Investment	The loan, secured by a mortgage, into which a Sub-Fund's capital is invested.
Platinum	Platinum Mortgage Securities Pty Ltd (ACN 104 911 159).
Prepaid Interest	Interest paid in advance by the Borrower retained by Platinum (in the Borrowers' Trust Account) and used to meet monthly interest obligations.
Prospective Investor(s)	Includes individuals and entities that have not yet been accepted by the Fund as a Registered Investor or Member.
Registered Investor(s)	An individual or entity whose Fund Application Form has been accepted by the Fund Manager.
Security Property(ies)	Real property (which generally includes residential/commercial properties or vacant land) over which a mortgage is registered as primary security for a Mortgage Investment.
SIM	Sub-Fund Information Memorandum.
Sub-Fund	A particular Mortgage Investment into which Members can invest, which is quarantined from other investments in the Fund.
Sub-Fund Information Memorandum	Details the specific information relating to each individual Sub-Fund which includes valuation synopsis.
Trust Deed	Refer to Fund Trust Deed.
Trustee	Platinum Mortgage Securities Pty Ltd (ACN 104 911 159).
Unitholder(s)	Has the same meaning as a Member.
Units	A subdivision of the beneficial ownership of the assets in a Sub-Fund.

12 Fund Application guide

Under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) ('AML/CTF') Platinum is required to collect identification information and documentation from Prospective Investors. The minimum requirements prescribed by AUSTRAC are set out in the overleaf of the sections of this Form to be completed.

This form also meets our customer identification obligations under the United States ('US') Foreign Account Tax Compliance Act ('FATCA'). We will only use this FATCA information from the date we are required to do so.

Checklist

You must complete the following steps to ensure your application is processed:

- Complete ALL required sections in this customer identification form;
- Provide certified copies of document(s), as requested in this customer identification form - noting:
 - a.** Non-English written documents must be translated by an accredited translator (eg National Accreditation Authority of Translators); and
 - b.** Please do not send original documents as we cannot guarantee their return. Any original documents sent to us will be returned by ordinary mail. We will not accept any responsibility for lost documents
- Enclose this completed form with your completed Investment application form and send to Platinum:

.....
Investor Relations Manager
Platinum Mortgage Securities Pty Ltd
Level 1, 1 Prowse Street, West Perth WA 6005
info@platinumsecurities.com.au
.....

IMPORTANT NOTE: Platinum CANNOT process your Application unless the information and documentation requested in this form has been provided.



13 Platinum Mortgage Fund Application Form

Information Memorandum dated 14 March 2017

A. Investor details

Applicant 1

Investor Type

Individual Joint Director Trustee Other

Applicant 2

Investor Type

Individual Joint Director Trustee Other

Title	
Surname	
Given name(s)	
Date of birth	
Tax File number (exemption reason)	
Tax residence country for non-Australian residents	
Residential address Street address	
City, state & postcode	
Country	

NB: If there are more than 2 applicants, including trustees or company directors, please provide their full details on duplicates of this page as well as page 37-38.

B. Company/Trust details

If you are a company, trust, partnership or other entity, you must complete sections A & B.

Investor Type

Company Trust Superannuation Fund Partnership Association Other

Entity's full name	
ABN	ACN/ARBN
TFN (or exemption reason)	
Associations/Other Governing legislation/ jurisdiction	
Registration number	
Corporate trustee name	ACN/ARBN
Full name of Settlor if contributed \$10,000 or more (not required if the Settlor is deceased)	
Names of individuals who hold 25% or more of the company, trust or partnership. If there are no individuals who meets this requirement, provide the names of the individuals who directly or indirectly control the entity.	
1.	2.
3.	4.

13 Platinum Mortgage Fund Application Form

Address

Registered office

Principal place of business

Street Address

City, state & postcode

Country

C. Preferred contact

Surname

Given name(s)

Street Address

City, state & postcode

Phone

Mobile

Email

D. Indicative total fund investment amount

Payment method: Cheque Direct credit

Initial investment amount

Expected further contribution amount (indicative only)

E. Your bank account details

Account name

BSB

Account number

Bank/Branch

F. Account authorities

Please specify the signatories authorised to make changes and withdrawal requests on this account:

Any one signatory All signatories required Other - please specify:

G. Identity check

We are required by the AML/CTF laws to verify the identity of each applicant. Please select your preferred method:

Electronic: I/We consent to Platinum Mortgage Securities Pty Ltd disclosing the information in this Application form to an identity verification company for AML/CTF purposes. (Please refer to the Privacy Policy section of the Information Memorandum for further information).

Certified documentation: I/We provide evidence of identity verification by attaching a certified copy (not originals) of identification for **each applicant** as required. (Please refer to the Notes section on pages 37-38 of this Application for detailed information on how to ensure your documents are correctly certified.)

13 Platinum Mortgage Fund Application Form

H. Acknowledgement

All Applicants must complete the below declaration as the individual investor(s) or investing entity representative(s) eg trustee(s) or director(s).

By signing this application:

1. I/We have received, read and understood all of the information contained in the Information Memorandum dated 14 March 2017 before completing this Fund Application Form.
2. I/We authorise Platinum Mortgage Securities Pty Ltd to collect, maintain, use and disclose my/our personal information to properly administer the Fund and my/our portfolio.
3. I/We are a 'wholesale investor' for the purposes of section 761G or section 761GA of the Corporations Act 2001 (Cth). I/We have provided a Certificate by a Qualified Accountant that certifies my/our status as 'wholesale investor/s'.
4. I/We have provided true and correct information in this Fund Application Form and I/we will notify Platinum Mortgage Securities Pty Ltd if this information should change.
5. I understand that there is no cooling-off period once I/we have committed funds to a mortgage investment within the Fund.
6. I/We hereby acknowledge that neither Platinum Mortgage Securities Pty Ltd nor its representatives has/have provided me/us with any financial product advice, made any representation or given any guarantee as to the performance of any mortgage investment within the Fund, the maintenance of capital or any particular rate of investor return.
7. If signed under a power of attorney, I/we declare that I/we have no knowledge of the revocation of that power of attorney.
8. I/We hereby irrevocably appoint Platinum Mortgage Securities Pty Ltd, and any Director, agent, attorney or substitute nominated by it to be my/our attorney for the purpose of performing its duties in relation to the Fund and any Mortgage Investment in which I/we invest.
9. I/We hereby apply to invest up to \$_____ in the Fund on the terms and conditions contained in the Information Memorandum dated 14 March 2017 and in this Fund Application.

Signature of Investor 1

Full Name	Signature	Date
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Signature of Investor 2

Full Name	Signature	Date
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Please send this Fund Application Form to Platinum Mortgage Securities Pty Ltd:

Post:

Investor Relations Manager
Platinum Mortgage Securities Pty Ltd
Level 1, 1 Prowse Street West Perth WA 6005

or Email:

info@platinumsecurities.com.au

14 Certificate by a qualified accountant

Chapter 7 of the Corporations Act 2001 (Cth)

Investor name 1	
Investor name 2	
Entity name	
Address	
Suburb	
State	Postcode

I certify that:

1. the person or entity whose details are set out above:

- has net assets of at least \$2.5million; or
- has a gross income for each of the last 2 financial years of at least \$250,000.

(This includes the net assets or gross income of any companies controlled by the investor. Under section 50AA of the Corporations Act 2001 (Cth), an investor controls a company where the investor has the capacity to determine the outcome of decisions about the company's financial and operating policies.)

2. I belong to the following professional body:

- A member of the Australian Society of Certified Practising Accountants
- A member of the Institute of Chartered Accountants of Australia
- A member of the Institute of Public Accountants
- A member of an eligible foreign professional body - please specify:

I comply with this body's continuing professional education requirements.

3. this certificate is issued on: ___ / ___ / _____

Accountant's full name
Designation (eg CA/CPA/MNIA)
Company name
Accountant's address
Accountant's signature

Platinum Mortgage Securities Pty Ltd

ACN: 104 911 159 AFSL: 329004
A: Level 1, 1 Prowse Street, West Perth WA 6005
P: 1300 135 965
W: www.platinumsecurities.com.au
E: info@platinumsecurities.com.au



15 Notes on identity certification

Individuals/Company Directors/Trustee

Please provide certified copies of one Primary Photographic Documents (List A) OR one document from the Primary Non-Photographic list (List B) AND Secondary Identification list (List C) for EACH individual.

A Photographic identification

- Current photographic Australian driver's licence;
- Current Australian passport;
- Current State of Territory photo ID card;
- Current foreign passport; or
- Current foreign driver's licence with photograph and date of birth.

B Non Photographic Identification

- Birth certificate or birth extract issued by a State or Territory;
- Commonwealth citizenship certificate
- Centrelink Pension card;
- Health Care card issue by Centrelink; or
- Foreign citizenship certificate or birth certificate.

C Secondary Identification

- Commonwealth, State and Territory financial benefits notice (less than 12 months old);
- Local government or utilities provider bill (less than 3 months old) recording provision of services to the person at the address;
- Notice issued with the last 3 months by school principle for a person under 18, recording period of time person attended school and person's residential address; or
- ATO Tax notice (less than 12 months old).

Company

If you are an Australian company or Corporate Trustee, you need to provide the following documents:

- A full company search of the ASIC database showing:
 - a. Full name of the company;
 - b. The ABN/ACN;
 - c. Company type;
 - d. The registered office address of the company;
 - e. The principal place of business of a company;

- f. The name of each director of the company (only for a proprietary company); and
- g. The name and date of birth of each beneficial owner (non-listed company).

- If the company is a regulated company, a search of the licence or other records of the relevant Commonwealth, State or Territory regulator.
- If the company is listed, a search of the relevant financial market.
- Certified identification for each directors per requirement for individuals.
- Certified Identification for each beneficial owner as per requirement for individuals or Company (25% or more ownership).

If you are a Foreign company or Corporate Trust, you need to provide the following company documents showing:

- a. ARBN or foreign registration number;
 - i. The names of each director of the company (only for a proprietary company);Registration of the company by a foreign registration body;
- d. Whether the company is private or public; and
- e. The name and date of birth of each beneficial owner (non-listed company).

- Certified Identification for each director as per requirement for Individuals.
- Certified Identification for each beneficial owner as per requirement for individuals or Company (25% or more ownership).

Trust / Superannuation Fund

If you are a registered managed investment scheme, an unregistered managed investment scheme with wholesale clients only (which does not make small-scale offerings under section 1012E), a regulated trust (eg SMSF) or government superannuation fund provide the certified copy or certified extract of the trust deed, ATO or ASIC documents showing:

- a. Full name of the trust;
- b. That the trust is a registered scheme, regulated trust or superannuation fund;
- c. Type of trust;
- d. The country in which the trust was established; and
- e. The full business name (if any) of the trustee in respect of the trust.

15 Notes on identity certification

For other Trust types (eg family, unit, charitable, estate, etc) provide a certified copy or extract of Trust deed showing:

- a. Full name of the trust;
- b. The type of trust;
- c. The country in which the trust was established;
- d. The full business name (if any) of the trustee in respect of the trust;
- e. Full name of beneficial owners or trust membership class;
- f. Name of the Settlor of the trust; and
- g. Name of all the trustees.

Identification requirements:

- a. Information relating to all trustees as per 'individual' or 'company' identification procedure;
- b. Information relating to all beneficial owners as per 'individual' or 'company' identification procedure; and
- c. Information relating to settlor of the trust as per 'individual' or 'company' identification procedure.

Who can certify documents?

A certifying officer - who must be currently employed in one of the professional or occupational groups listed below and contactable by telephone during normal working hours.

The certifying officer must:

1. Write on the copy: "This is a true copy of the original documents sighted by me."
2. Sign and print their name;
3. Provide an address and a contact telephone number;
4. State their profession or occupation group (as below);
5. Write on the copy the date certified; and
6. Affix the official stamp or seal of the certifier's organisation on the copy (if applicable).

In addition, if the certifying officer is a justice of the peace, the certifying officer must:

- List registration number and state/territory of registration.

Who can certify documents within Australia?

- An officer or authorised rep of an Australian financial services licensee having more than 2 years' service;
- Accountant - member of a recognised professional accounting body or a registered tax agent;
- Manager of a bank or credit union, other than managers of bank travel centres;
- Manager of an Australian bank overseas;
- Barrister, solicitor or patent attorney;
- A police officer;
- Postal manager;
- Principal of an Australian secondary college, high school or primary school;
- A justice of the peace with a registration number;
- A dentist;
- A veterinary practitioner;
- A pharmacist;
- A registered medical practitioner within the meaning of the Medical Practice Act 1994 (Cth);
- A notary public; or
- A minister of religion authorised to celebrate marriages (not a civil celebrant).

Who can certify documents outside Australia?

- An authorised officer of an Australian overseas diplomatic mission;
- An authorised officer of an Australian education centre;
- A private representative of a university;
- A university or college registrar; or
- A school headmaster or other recognised examining authority.

Important note

1. Non-English written documents must be translated by an accredited translator (eg National Accreditation Authority of Translators); and
 2. Please do not send original documents as we cannot guarantee their return. Any original documents sent to us will be returned by ordinary mail. We will not accept any responsibility for lost documents.
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Platinum Mortgage Securities Pty Ltd

ACN: 104 911 159 AFSL: 329004

A: Level 1, 1 Prowse Street, West Perth WA 6005

P: 1300 135 965

W: www.platinumsecurities.com.au

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