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# Tanggram Investment Fund Product Disclosure Statement

ARSN 623 672 336



## **Responsible Entity and Issuer**

Vasco Trustees Limited (ACN 138 715 009, AFSL 344486)

## **Investment Manager**

Tanggram Capital Pty Ltd (ACN 630 041 020)

## **Fund Administrator**

Vasco Fund Services Pty Limited (ACN 610 512 331)

## **Date**

26 October 2021





## Important Information

This Product Disclosure Statement is dated 26 October 2021 (PDS) and relates to the offer of units (Units) in the Tanggram Investment Fund ARSN 632 672 336 (**Fund**).

This PDS is issued by Vasco Trustees Limited ACN 138 715 009 AFSL 344486 (**Vasco or Responsible Entity**), in its capacity as responsible entity of the Fund. In this document, the description 'we', 'us' or 'our' refers to Vasco Trustees Limited.

It is envisaged that Vasco Trustees Limited will retire as responsible entity during 2021 and that a related company, Vasco Responsible Entity Services Limited ACN 160 969 120 AFSL 434533, will be appointed responsible entity of the Fund.

The Fund will offer units in different Unit Classes, called Investment Options which differ in their investment strategies, targeted return and risk profiles. The assets and liabilities of each Investment Option will be quarantined from other Investment Options. Please see section 6.4.5 in relation to multi-class risk.

A supplementary product disclosure statement (SPDS) will be issued in respect of each separate Investment Option.

The Responsible Entity has appointed Tanggram Capital Pty Ltd ACN 630 041 020 (**Tanggram or Investment Manager**) as the investment manager of the Fund.

The Investment Manager is a corporate authorised representative (No. 001278336) of DHF Investment Managers Pty Ltd ACN 607 120 570 AFSL 509932.

The Responsible Entity has also appointed Vasco Fund Services Pty Limited ACN 610 512 331 (**Administration Manager**), a related party of the Responsible Entity, as the administration manager of the Fund.

By accepting this PDS, the recipient agrees to be bound by the terms and conditions set out in this PDS.

## Glossary

Certain capitalised words and expressions used in this PDS are defined in the Glossary. All references to dollar amounts in this PDS are to Australian Dollars (AUD), unless otherwise stated.

## Images

Any images in this PDS do not depict assets of the Fund unless otherwise indicated.

## Updated information

Information in this PDS may change. Updated information that is not considered materially adverse to Investors will be made available on the Responsible Entity's website. In accordance with the Responsible Entity's obligations under the Corporations Act, the Responsible Entity may issue a replacement or supplementary PDS published on the Responsible Entity's website at [www.vascofm.com](http://www.vascofm.com). You should read any replacement or supplementary disclosures made in conjunction with this PDS prior to making any investment decision.

## Questions

Any questions regarding this PDS should be directed to the Investment Manager on + 61 1300 099 777 or at [info@tanggram.com](mailto:info@tanggram.com) or the Responsible Entity on +61 3 8352 7120 or at [info@vascofm.com](mailto:info@vascofm.com) or at Level 4, 99

William Street, Melbourne, VIC 3000, Australia.

## **ASIC**

ASIC takes no responsibility for the content of this PDS.

## **Restrictions on distribution**

The Offer is an offer which is available to persons receiving this PDS within Australia but does not constitute an offer of interests in any jurisdiction where, or to any persons to whom, it would be unlawful to make the Offer.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to the Offer. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

## **Not regulated by APRA**

The Responsible Entity is not authorised under the Banking Act and is not supervised by the Australian Prudential Regulation Authority (APRA), and investments in the Fund are not covered by the deposit or protection provisions available to depositors that make a deposit with an Australian authorised deposit-taking institution (ADI).

## **Investor to undertake own due diligence**

Information contained in this PDS has been provided to prospective Investors to assist them to make an assessment of whether or not to invest in the Fund.

The Responsible Entity has not sought to verify independently any statements contained in this PDS about the investments proposed by the Investment Manager, the Investment Manager's business or the business of any other parties named in this PDS.

Prospective investors should read this PDS in its entirety and seek independent professional advice as to the financial, taxation and other implications of investing in the Fund and the information contained in this PDS before making a decision to invest.

To the maximum extent permitted under the law, the Responsible Entity and the Investment Manager disclaim any liability arising from any information provided in the PDS.

## **IMPORTANT WARNING STATEMENTS**

### **No performance guarantee**

None of the Investment Manager, the Responsible Entity, Administration Manager, nor their associates or directors or any other person guarantees the performance or success of the Fund, the repayment of capital invested in the Fund or any particular rate of return on investments in the Fund.

There can be no assurance that the Fund will achieve results that are comparable to the track record of the Responsible Entity or Investment Manager and their advisers or that the Fund's investment objectives will be achieved.

An investment in the Fund does not represent a deposit with, or a liability of, the Investment Manager, the Responsible Entity, the Administration Manager, or any of their associates.

An investment in the Fund is subject to investment risks which are described in Section 8 of this PDS, includ-

ing possible delays in repayment and loss of some or all of your income or capital invested. The risks associated with an investment in the Fund are different to a cash deposit or investment in an approved deposit-taking institution (**ADI**).

Prospective Investors should read the whole of this PDS before making a decision about whether to invest in the Fund. The information contained in this PDS does not constitute personal financial product advice and therefore does not take into account the individual objectives, financial situation, needs or circumstances of investors.

Past performance should not be perceived as an indication of future performance as returns are variable and may be lower than expected.

Prospective Investors should not construe the contents of this PDS as tax or investment advice.

Should it be required to protect all investments in the Fund, the Responsible Entity, may use its discretion to delay or suspend redemptions from the Fund.

Investors should refer to Section 5.3 under the heading "How to Withdraw" and the relevant SPDS for their Investment Options for further details of the withdrawal rights.

### **No representation other than this PDS and SPDS**

Except where expressly disclosed, the information contained in the PDS has not been independently verified or audited. To the maximum extent permitted by law, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Responsible Entity or Investment Manager and their advisers as to the accuracy or completeness of any part of this PDS, nor will they have any responsibility to update or supplement this PDS.

No person is authorised to give any information or to make any representation in connection with the Offer of Units in the Fund described in this PDS or the relevant SPDS, which is not in this PDS or the relevant SPDS. This PDS supersedes any prior PDS or marketing materials given prior to the issue of the PDS to the extent of any inconsistency. Any information or representation in relation to the Offer of Units in the Fund described in this PDS not contained in this PDS or the relevant SPDS may not be relied upon as having been authorised by the Responsible Entity, the Investment Manager or their advisers.

### **Responsible Entity limitation of liability**

Except in certain circumstances (including fraud, negligence or default by the Responsible Entity), the Responsible Entity enters into transactions for the Fund in its capacity as responsible entity of the Fund only, not in its own capacity, and its liability in relation to those transactions is limited to the assets of the Fund.  
Forward looking statements

Certain information contained in this PDS constitutes "forward-looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "target", "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology.

Furthermore, any projections or other estimates in this PDS, including estimates of returns or performance, are "forward-looking statements" and are based upon certain assumptions that may change.

Due to various risks and uncertainties, including those set forth under "Risks" in Section 8, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

The forward-looking statements included in this PDS involve subjective judgment and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and are unknown

to, the Responsible Entity and Investment Manager. Actual future events may vary materially from the forward-looking statements and the assumptions on which those statements are based. Given these uncertainties, prospective Investors are cautioned to not place undue reliance on such forward-looking statements. Any estimate, forecast, projection, feasibility, cash flow or words of a similar nature or meaning in this PDS are forward-looking statements and subject to this disclaimer.

### **Confidentiality**

Neither this PDS nor any other information provided by the Responsible Entity or Investment Manager may be disclosed to any other party, except for the purpose of obtaining independent advice in connection with the consideration of an investment in the Fund, or used for any purpose other than the consideration of an investment in the Fund, unless the express prior written consent of the Responsible Entity is obtained. Any reproduction of all or part of this PDS is strictly prohibited without the written consent of the Responsible Entity. In the event that the recipient does not participate in the Fund, this PDS, along with all related materials, must be returned to the Responsible Entity immediately upon demand.

### **Summary of key documents only**

This PDS contains a summary of the terms of the Fund and certain other documents. However, prospective Investors should refer to the complete legal documentation for the Fund, including the Constitution (available upon request from the Responsible Entity). Investments in the Fund are governed by the Constitution and associated documents and nothing in this PDS limits or qualifies the powers and discretions conferred upon the Responsible Entity and the Investment Manager under those documents. This PDS should be read in conjunction with the Constitution and associated documents for the Fund. In the event of any inconsistency between the Constitution and associated documents and this PDS, then the Constitution and associated documents will prevail to the extent of the inconsistency.

### **Independent financial advice**

You should obtain independent professional advice specific to your circumstances and requirements from a licensed investment advisor.

### **Tanggram Rewards Scheme Program**

Tanggram Pty Ltd, a related party of the Investment Manager, Tangram Capital Pty Ltd, runs the Tanggram Rewards Scheme Program. Further information about the Tanggram Rewards Scheme Program has been provided in Section 5 of this document by the Investment Manager. The Tanggram Rewards Scheme Program is only available to current users of the Tanggram App and platform. DHF Investment Managers Pty Ltd and Vasco Trustees Limited are not associated with, or responsible in any way for, the Tanggram Rewards Scheme Program, and do not guarantee the accuracy of any information on the Tanggram Rewards Scheme Program website, App or Platform. To the extent permitted by the law, DHF Investment Managers Pty Ltd and Vasco Trustees Limited will not be liable in any way for any loss or damage of any kind whatsoever arising in connection with the contents of the Tanggram Rewards Scheme Program website, the App, platform or any related information.

## Letter from the Investment Manager

Dear Investor

On behalf of the investment management team at Tanggram Capital Pty Ltd (Tanggram) it is my pleasure to present to you an opportunity to invest in the Tanggram Investment Fund (Fund).

The Fund provides investors the opportunity to select from different Investment Options, each offering investors exposure to a different portfolio of underlying investments selected by Tanggram. All Investment Options will be available through participation in the Tanggram Shopping Rewards Program and to Investors who invest directly. A supplementary PDS will be available for each Investment Option outlining its specific terms and conditions.

The general terms and condition that apply to all Investors in the Fund are outlined in this Product Disclosure Statement (PDS).

Tanggram is part of the Tanggram Group, founded in 2013, which has rich experience in providing financial services to retail and wholesale investors across Australia and overseas. Tanggram's experience has taught us that the fundamental needs for investors are similar but the right solution for each investor is unique. As a member of Fintech Australia, Tanggram is aiming to improve the efficiency and lower the costs of financial services through technology and an innovative business model. Tanggram believes the best way to manage portfolios is to employ the skills of multiple specialist investment managers. We continuously research new investment managers and continuously monitor our portfolios to manage new risks and capture new opportunities. Tanggram's Investment Options aim to deliver reliable returns while effectively managing the risks.

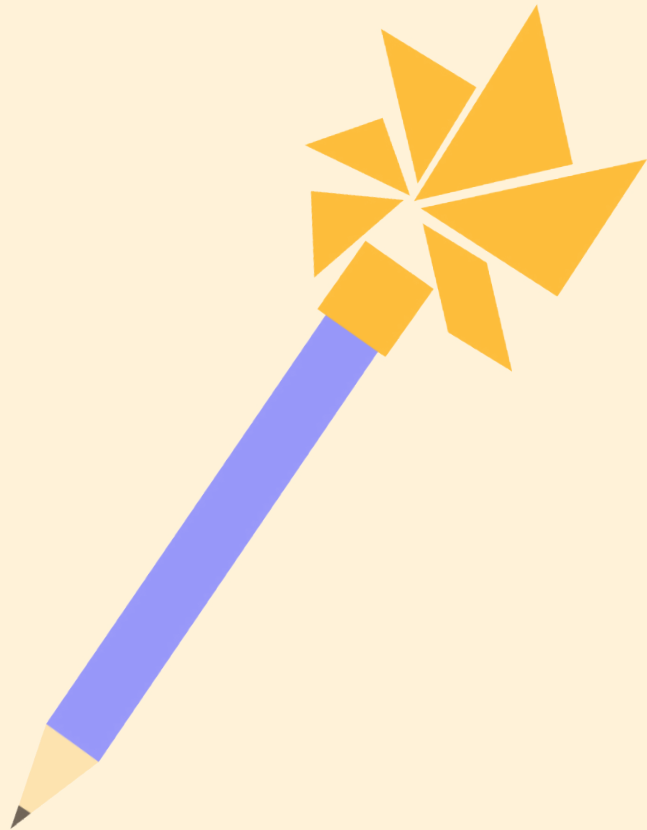
The Fund has an independent responsible entity, Vasco Trustees Limited (Vasco). Vasco is part of an investment services group that provides responsible entity, trustee and fund administration services to Australian and international investment managers. The Vasco team have significant experience in the Asia Pacific region in the management of equity funds, fixed-income funds, REITs, private equity real estate funds, real estate securities funds, and mortgage and real estate debt funds. Some of the funds Vasco's executives have developed include the \$2.5 billion Australian Unity Healthcare Property Trust and the \$1.5 billion AIMS Industrial REIT listed on the Singapore Stock Exchange (SGX).

I invite you to read through this PDS (especially Section 6 entitled "Risks") and each of the relevant supplementary product disclosure statement SPDS for the corresponding Investment Option and consider obtaining independent professional advice to allow you to make an informed decision before investing in the Fund.

On behalf of Tangram, I look forward to your participation with us in this outstanding investment opportunity.

Yours sincerely,

**Nick Tang**  
Chief Executive Officer  
**Tangram Capital Pty Ltd**







# 1. A Snapshot of the Fund

Key features	Description	Further information
<b>Responsible Entity</b>	Vasco Trustees Limited (ACN 138 715 009, AFSL 344486)	Section 4.1
<b>Investment Manager</b>	Tanggram Capital Pty Ltd (ACN 630 041 020)	Section 4.2
<b>Administration Manager</b>	Vasco Fund Services Pty Limited (ACN 610 512 331)	Section 4.3
<b>Custodian</b>	Perpetual Corporate Trust Limited (ACN 000 341 533)	Section 4.4
<b>Structure</b>	<p>The Fund is a registered managed investment scheme structured as a unit trust. The Fund provides Investors with an opportunity to acquire Units in the Fund which entitle them to share in the returns generated by the Fund.</p> <p>The Fund will provide investors the opportunity to select from different Investment Options, each offering investors exposure to a different portfolio of underlying investments selected by Tanggram. Each Investment Option may also have a different target return, risk profile and withdrawal rights.</p> <p>All Investment Options will be available to investors who participate in the Tanggram Shopping Rewards Program and Investors who invest directly.</p> <p>A SPDS will be issued in respect of each Investment Option which sets out its specific details.</p>	Section 2.2
<b>Key Benefits</b>	<p>The Investment Manager considers the key benefits to be:</p> <ul style="list-style-type: none"> <li>· Low entry barrier to invest in a portfolio of Australian investment funds, ASX listed Exchange Traded Funds and investment companies, as selected by the Investment Manager in accordance with the SPDS of each Investment Option.</li> <li>· Easy access to investments, managed through the Tanggram App.</li> <li>· Potential for regular and reliable income distributions.</li> </ul>	Section 7
<b>Key Risks</b>	It is important that you read and consider the risks associated with an investment in the Fund before deciding whether to invest. For example, distributions or capital returns are not guaranteed.	Section 8

<b>Fund features</b>		
<b>Unit Pricing</b>	Units are generally priced as at the next issue date after the Application is processed. Please refer to the relevant SPDS for details regarding the frequency of unit pricing for the particular Investment Option.	Section 5.4
<b>Distribution Payments</b>	Please refer to the relevant SPDS for details.	Section 5.5
<b>Withdrawals</b>	Please refer to the relevant SPDS for details.	Sections 5.2 and 5.3
<b>Minimum Term</b>	There may be a minimum investment period depending on your preferred Investment Option.  Please refer to the relevant SPDS for details.	
<b>Borrowings</b>	It is not anticipated that the Fund will borrow. However, underlying investments to which the Fund is exposed, may have borrowings.	
<b>Related Party Information</b>	It is not expected that any investments will be in related parties of the Investment Manager or Responsible Entity. However, the Responsible Entity and Investment Manager may enter into related party transactions where disclosed or otherwise where such transactions are conducted on commercial terms and on an arm's length basis. The Administration Manager is a related party of the Responsible Entity and has been appointed on arm's length terms.	Sections 8 and 11
<b>Minimum Investment Amounts</b>		
<b>Initial Investment</b>	Please refer to the relevant SPDS for details.	
<b>Additional Investment</b>	Please refer to the relevant SPDS for details.	
<b>Minimum Balance</b>		
<b>Target Market Determination</b>		
<b>Target Market Summary</b>	This product is a registered managed investment scheme and its target market is dependent on the Unit Class or Investment Option chosen. For more information, please refer to the relevant SPDS of the Unit Class or Investment Option for details.	
<b>Fees and other costs of the Fund</b>		
<b>Responsible Entity Fees</b>	Up to 0.31% per annum of the gross asset value of the Fund, subject to a minimum annual fee of \$62,700. This fee is apportioned pro-rata across all Investment Options based on the respective gross asset value of each Investment Option.	Sections 9

<b>Investment Manager's Performance Fee</b>	Please refer to the relevant SPDS in relation to whether the Investment Manager is entitled to receive a management fee from the Fund and/or a performance fee.	
<b>Administration Manager's Fee</b>	<p>The Administration Manager is entitled to an administration fee of:</p> <ul style="list-style-type: none"> <li>· \$86,416 per annum where the Fund has more than 1,000 investors;</li> <li>· An additional administration fee of \$34,883 per annum applies for administrative charges; and</li> <li>· An additional \$11,440 is paid for weekly processing.</li> </ul> <p>The administration fee is subject to an annual increase of 5% on 1 January of each year.</p> <p>The administration fee for the Fund will be apportioned pro-rata across all Investment Options based on the respective GAV of each Investment Option.</p> <p>These fees are inclusive of GST. The Administration Manager's engagement is for a minimum period of four (4) years.</p>	
<b>Expenses</b>	<p>In addition to the base management fee, the Responsible Entity is entitled to recover all reasonable expenses properly incurred in the performance of its duties. The engagement of service providers such as the Administration Manager and Custodian will be an expense of the Fund.</p> <p>Please refer to the relevant SPDS for an estimate of expense.</p>	
<b>Indirect Costs</b>	<p>Indirect costs are amounts that the Responsible Entity knows, or estimates will reduce the Fund's returns. The costs are paid from the Fund's assets, or the assets of interposed entities, such as the underlying investment funds, which each Investment Option invests from time to time.</p> <p>Please refer to the relevant SPDS for an estimate of indirect costs.</p>	Sections 9
<b>Buy/Sell Spread</b>	<p>Please refer to the relevant SPDS regarding the buy/sell spread for a particular Investment Option.</p> <p>The Responsible Entity may vary the buy/sell spread from time to time. If the buy and sell spreads are updated, a notification will be published online at <a href="http://www.vascofm.com">www.vascofm.com</a>.</p>	Sections 9

## 2. About the Fund

### 2.1. Overview

The Fund will provide investors the opportunity to select from different Investment Options, each offering investors exposure to a different portfolio of underlying investments selected by Tanggram. Each Investment Option may also have a different target return, risk profile and withdrawal rights.

All Investment Options will be available to participants in the Tanggram Shopping Rewards Program and to Investors who invest directly.

A supplementary product disclosure statement (SPDS) will be issued in respect of each Investment Option which will set out its specific details, including:

- the target investment portfolio;
- the expected return;
- the target market;
- the minimum investment period and withdrawal rights;
- any specific benefits; and
- any specific risks.

**You must read the relevant SPDS before you invest in an Investment Option.**

The general terms and conditions of an investment in the Fund, irrespective of which Investment Option is selected, are outlined in this PDS.

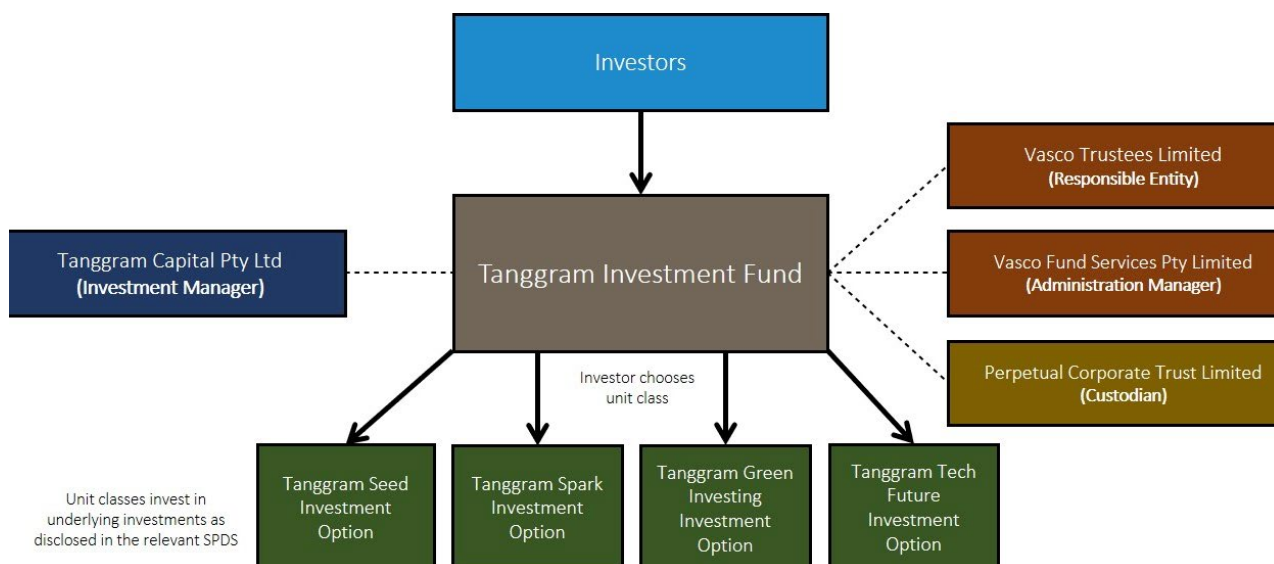
### 2.2. Fund Structure

The Fund is a registered managed investment scheme structured as an Australian unit trust and established by a Constitution dated 12 March 2019 (as amended from time to time) which regulates the relationship between the Responsible Entity and Investors.

The monies contributed by Investors as Application Money in respect of an Investment Option will be pooled and invested in accordance with the investment strategy outlined in the SPDS for that Investment Option.

The assets and liabilities of each Investment Option are held independently of the assets and liabilities of each other Investment Option and cannot be applied to the assets and liabilities of another Investment Option. Under the Fund's Constitution, each Investment Option is a separate Unit Class of the Fund. Please see section 6.4.9 in relation to multi-class risk.

The following diagram illustrates the structure of the Fund and relevant parties involved:



The roles and responsibilities of each of the parties above are detailed below in Section 3.

### 2.3. Who Should Invest?

Generally, this Fund is suited to investors that:

- wish to invest in assets with reasonable liquidity;
- are interested in indirectly investing in a diversified portfolio of assets with reasonably reliable returns;
- are interested in the possibility of compounding returns over the short to medium terms.

Investors should note that the attributes of each Investment Option are different, therefore Investors should refer to the relevant SPDS of each Investment Option to assess the merits and the suitability of each Investment Option in relation to their individual circumstances.

It is important that you read and consider the risks associated with an investment in the Fund before deciding whether to invest. For example, distributions or capital returns are not guaranteed. See Section 6 for more information regarding the risks of an investment in the Fund.

The Fund is a registered managed investment scheme with a target market dependent on which Unit Class or Investment Option the investor chooses to invest in. The target market will be different according to which Unit Class is chosen. The SPDS for each Unit Class or Investment Option gives more detail of what the target market is for the particular investment. For more detail, investors should refer to the relevant SPDS document.

### 2.4. Benefits of Investing in the Fund

The Investment Manager considers the benefits of investing in the Fund to be:

#### Easy Access and Control

The Tanggram App is designed to make investing simple and fun. The Tanggram Investment Fund is offered through the mobile or web-based Tanggram App with an easy application process and dashboard so investors can monitor their investment.

## **Low Entry Barrier**

The Tanggram Investment Fund is a registered managed investment scheme structured as a unit trust. It offers investors the opportunity to invest in a wide range of investments with a low entry barrier for each investor.

## **Shopping Rewards Boost**

The Tanggram App offers the Shopping Rewards program to make investing even quicker. You can make contributions to the Tanggram Investment Fund with Shopping Rewards accumulated in your Tanggram Member Account.

## **Stable Distributions**

The Tanggram Investment Fund provides investors with different Investment Options that aim to deliver reliable and regular returns.

## **No Switching Fee**

The Tanggram Investment Fund does not charge switching fees if Investors want to change their selected Investment Option.

## **No Entry or Exit Fees**

There are no fees for making contributions into or withdrawals from the Tanggram Investment Fund. However, the Unit Price may include a buy or sell spread where considered appropriate by the Responsible Entity, depending on the circumstances – see Section 7 for more details.

## **Regular Investment Opportunities**

The Tanggram Investment Fund is based on the principle that regular investment may potentially contribute to increased wealth over time. You can contribute to your investment frequently (at no additional cost) by investing the Shopping Rewards accumulated in your Tanggram Member Account, or by setting automatic recurring deposits via direct debit (if available). Regular contributions can add up to help you achieve your goals over time.

As set out above, it is important that you also read and consider the risks associated with an investment in the Fund before deciding whether to invest. For example, distributions or capital returns are not guaranteed. See Section 6 for more information regarding the risks of an investment in the Fund.

## 3. Roles and Responsibilities

### 3.1. Responsible Entity

Vasco Trustees Limited (**Responsible Entity or Vasco**) and Vasco Fund Services Pty Limited (ACN 610 512 331) (**Administration Manager**) are part of a professional investment services group that provides responsible entity, trustee and fund administration services to Australian and international investment managers.

The Vasco team have significant experience in the Asia Pacific region in the management of equity funds, fixed-income funds, REITs, private equity real estate funds, real estate securities funds, and mortgage and real estate debt funds. Some of the funds Vasco's executives have developed include the \$2.5 billion Australian Unity Healthcare Property Trust ARSN 092 755 318 and the \$1.5 billion AIMS AMP Capital Industrial REIT listed on the Singapore Securities Exchange.

The Managing Director of Vasco was also responsible for establishing the Australian Unity Funds Management Limited and MacarthurCook Limited real estate funds management businesses.

Clients of Vasco have included Golden Age Development Group, Infrastructure Partners Investment Fund, Vital Healthcare Property Fund, EMR Capital Pty Ltd, Phillip Asset Management Limited and Morgan Stanley Real Estate.

### 3.2. Investment Manager

The Responsible Entity has appointed Tanggram Capital Pty Ltd (**Tanggram**) as the Fund's Investment Manager. Tanggram is responsible for marketing the Fund and managing the investments of each Investment Option.

Tanggram is part of the Tanggram Group, founded in 2013, which provides financial services to retail and wholesale investors across Australia and overseas.

### 3.3. Administration Manager

The Responsible Entity has appointed Vasco Fund Services Pty Limited as the administration manager of the Fund (**Administration Manager**). The Administration Manager will be responsible for the provision of administration services to the Fund, including processing applications, fund accounting and unit registry maintenance.

The Administration Manager is an experienced fund administration business providing its services to over 75 investment funds across Australia.

The Administration Manager is a related party of the Responsible Entity.

### 3.4. Custodian

The Responsible Entity has appointed Perpetual Corporate Trust Limited (Perpetual or Custodian) as an independent custodian to hold the assets of the Fund. The Responsible Entity has appointed the Custodian under a custodian agreement. The Custodian's role is to hold the assets in its name and act on the direction of the Responsible Entity to effect cash and investment transactions.

Perpetual Corporate Trust is a leading provider of corporate trustee services to the funds management and debt capital markets industry. This includes acting as trustee and responsible entity for a broad range of investment funds across multiple asset classes as well as investment management and accounting services



for managed investment trusts. In the debt capital markets, Perpetual Corporate Trust provides trustee, trust management, document custody and data services for mortgage and asset-backed securitisation programs for major banks, large financial institutions and non-bank lenders.

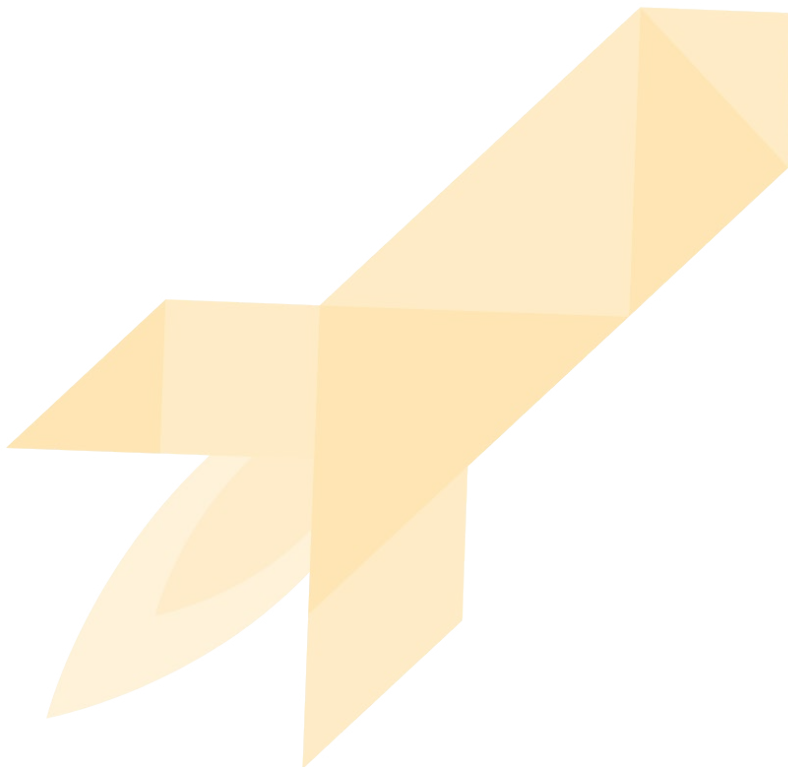
Perpetual Corporate Trust was not involved in the establishment of the PDS and is not accountable for the performance of the Fund.

The Custodian's role as custodian is limited to holding the assets of the Fund. The Custodian has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to an Investor.

To the maximum extent permitted by law, the Custodian expressly disclaims and takes no responsibility for any part of this PDS other than the references to its name. The Custodian does not guarantee the repayment of capital or any particular rate of capital or income return.

The Custodian has not withdrawn its consent to be named in this PDS as custodian of the Fund in the form and context in which it is named.

The Custodian does not make, or purport to make, any statement that is included in this PDS and there is no statement in this PDS which is based on any statement by the Custodian.



## 4. How the Fund Works

### 4.1. How to Invest

Investors can invest in the Fund either by completing an application form provided by the Responsible Entity or via the Tanggram App Application. The Application will provide investors an opportunity to select which Investment Option they would like to invest in.

The SPDS for each Investment Option will set out how frequently applications for that particular Investment Option will be processed.

You can invest in the Tanggram Investment Fund through either:

- a lump sum deposit;
- the Tanggram Shopping Rewards Program (see Section 5 for more details); or
- a recurring deposit via direct debit (if available).

The SPDS for each Investment Option will set out the Minimum Investment Amount on which an application can be made to invest in that Investment Option.

Investors will receive an email confirmation from the Administration Manager once their Units have been issued.

The Responsible Entity is required by law to obtain, verify and record information that identifies each person who applies to invest in the Tanggram Investment Fund. The Tangram App provides for some Investors' identification to be checked electronically, but the Responsible Entity may require Investors to provide additional information – see Section 9.4 for more information.

An Application constitutes an offer by the applicant to subscribe for Units on the terms and subject to the conditions set out in this PDS. If the Application for Units is not completed correctly or if the payment of the application monies is for the wrong amount, the Application may be rejected by the Responsible Entity in its absolute discretion.

Pending the issue of Units in an Investment Option, the Application Money will be held by the Responsible Entity in a trust account. No interest will be paid to the Investor on applications money for the period from receipt until the issue of Units. Similarly, no interest will be paid to any investor whose application money (or part thereof) is returned. Any interest earned on the application amount will be paid to the Responsible Entity. The Responsible Entity may, in its absolute discretion, reject in whole or in part any application. The Responsible Entity need not give any reason for rejection. In exceptional circumstances, where it is considered to be in the best interest of investors, the processing of all applications may be suspended by the Responsible Entity.

See Section 4.4 which explains how the Responsible Entity calculates Unit prices.

### 4.2. Cooling off Rights

Regardless of the Minimum Term of an Investment Option, Retail Clients can change their mind within a 14 day

period of their initial investment. The 14-day period commences on the earlier of either the date you receive confirmation of your investment or the end of the fifth (5th) day after the date on which Units are issued to you. The current Unit price will be refunded, less any taxes and reasonable administrative costs.

Cooling-off rights do not apply to Wholesale Clients who invest in the Fund.

### **4. 3. How to Withdraw**

The SPDS for each Investment Option will set out the terms on which withdrawals will be processed for the particular Investment Option.

### **4. 4. How We Calculate Unit Prices**

The Unit price is generally calculated by taking the gross assets of the Investment Option, and deducting the liabilities and any net accrued income. The resulting value is then divided by the total number of Units on issue.

Where fees or costs relate to more than one Class, the Responsible Entity will allocate the costs in the proportion to which it is attributable to each Class.

Generally, application and withdrawal prices are calculated taking into account any applicable buy/sell spread – see Section 7 for more details on buy and sell spreads that may apply.

The Responsible Entity maintains a Unit Pricing Policy, available on its website at [www.vascofm.com](http://www.vascofm.com), which sets out the policies relating to exercising its discretion under the Fund's Constitution with respect to unit pricing.

For Unit price updates please visit the Responsible Entity's website at [www.vascofm.com](http://www.vascofm.com).

### **4. 5. Distribution Payments**

The SPDS for each Investment Option will set out the terms on which distributions will be paid for the particular Investment Option.

### **4. 6. Distribution Reinvestment**

The SPDS for each Investment Option will set out the distribution reinvestment terms for the particular Investment Option.

## 5. Tanggram Rewards Scheme Program

**The Investment Manager has provided the following information about the Tanggram Rewards Scheme Program. The Tanggram Rewards Scheme Program is not administered by the Responsible Entity. The Responsible Entity will not be liable to users of the Tanggram Rewards Scheme Program for any losses they suffer, or other issues they encounter as a result of using the Tanggram Rewards Scheme Program and the Tanggram Platform and App.**

### 5.1. What is the Tanggram Rewards Scheme Program?

The Tanggram Rewards Scheme Program is a cashback loyalty program that offers you the opportunity to earn cash back (Shopping Rewards) while shopping with some of your favourite stores. Tanggram offers you the opportunity to invest your Shopping Rewards balance into the Fund straight away through the Tanggram Platform and App.



## 6. Risks

### 6.1. What is Risk?

'Risk' generally refers to the variability or volatility of an investment return and the likelihood of incurring a loss on your investment. You should consider the likely investment return, the risk associated with the Fund and your investment timeframe when choosing to invest in the Fund and in the various Investment Options.

All investments come with a degree of risk and different strategies carry different levels of risk, depending on the assets that make up the strategy. You will need to determine how much risk you are able, or willing, to tolerate as the level of risk for each person will vary depending upon a range of factors, including age, investment time frames, your overall investment portfolio, and your individual risk tolerance.

The main risks of investing include a decrease in the value of your investment, a fluctuation or a decrease in the amount of income generated from the investment, or a lower than expected rate of return.

These risks can arise from various circumstances, including:

- changes to the law or government policies relating to tax, stamp duty, stamp duty surcharge or economics that may have adverse impacts on investment markets or the tax treatment of trusts or investment returns; and
- changes to social, economic (e.g. inflation and interest rates), political, commercial and technological environments, or to market sentiment, that may make certain investments less attractive

It is commonly accepted that there is a relationship between the level of return generated by an investment and its level of risk. The spectrum below shows the four main types of investments according to their relationship between risk and return for you to consider.

Cash	Fixed Interest / Mortgages	Property	Equities
Lower risk,			Higher risk
but normally a lower			but normally a higher
return over a longer-term			return over a longer-term

If the security of your money is your highest concern when selecting investments, you may choose an investment with lower risk, bearing in mind that your return may be lower in the long term. Conversely, if your focus is on achieving higher returns, you will need to be comfortable with the fluctuations in the value of your investment before selecting an investment with higher risk.

### 6.2. How Investment Risk is Managed?

The Investment Manager is unable to eliminate all investment risks, but has committed to reduce the impact

of risks by selecting investments which are diversified across a range of individual assets, in order to reduce the reliance upon the performance of any single asset. If one asset is performing poorly, another may still perform well. Investments are not significantly diversified across asset classes or fund managers. Some Investment Options may have greater diversification than others. Please refer to the relevant SPDS for more information about the investment strategy of your preferred Investment Option.

### **6.3. How You Can Manage Your Risk?**

In managing your risk, we recommend that you:

- seek your own professional advice to help you understand how your current financial situation and your investment objectives affect the selection of investments that you may make;
- consider your investment timeframe, your investment objectives and your risk tolerance; and
- diversify your investments to help reduce risk and the volatility of investment returns.

### **6.4. General Risk Relevant to All Investment Options**

#### **6.4.1. Investment Risk**

The value of an investment may rise or fall, distributions may or may not be paid and an Investor's capital may or may not be returned.

#### **6.4.2. Fund Risk**

The Fund could terminate, or the fees and expenses paid from the assets of the Fund could change. There is also the risk that investing in the Fund may give different results than investing in the underlying assets of the Fund directly because of possible impairment charges in the Fund and the potential consequences of withdrawal by other Investors.

#### **6.4.3. No Guarantee of Performance or Representations made by the Responsible Entity or Investment Manager**

None of the Responsible Entity, the Investment Manager nor any other person or entity guarantees any income or capital return from the Fund.

#### **6.4.4. Limited Operating History Risk**

Some of the Fund's Investment Options are newly formed managed investment schemes with no operating history upon which investors may evaluate their likely performance. There can be no assurance that the underlying investments of the Fund's Investment Options will achieve returns or will avoid a loss.

#### **6.4.5. Legal, Regulatory and Compliance Risk**

Changes in government legislation, regulation and policies generally could materially adversely affect the operating results of the Fund. Although unable to predict future policy changes, the Investment Manager intends to manage this risk by monitoring and reacting to any potential regulatory and policy changes.

The operation of a funds management business in Australia is subject to significant regulation by Australian government authorities including without limitation the Australian Securities and Investments Commission, the Australian Transactions Reporting and Analysis Centre, the Foreign Investment Review Board and the Australian Consumer and Competition Commission. There is a risk that the Fund may not comply at all times

with its various obligations under government regulations and this may result in the loss of authorisations of the Australian Financial Services Licence held by the Responsible Entity thereby preventing the continued operation of the Fund.

Furthermore, legal risks arise where contracts used by the Fund to make the unsecured loan agreements are found to be defective or unenforceable against counterparties. To manage this risk, the Responsible Entity or Investment Manager will ensure that a reputable legal practitioner with professional indemnity insurance is engaged to prepare and finalise legal agreements.

### **6.4.6. Regulatory and Economic Risk**

There is the risk that a downturn in domestic or international economic conditions may adversely affect investments.

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

### **6.4.7. Fees and Expenses**

The Fund will incur fees and expenses regardless of whether it is successful. The Fund will pay investment management fees, Responsible Entity fees, administration fees and other expenses whether or not it receives its returns.

In addition, the Fund will also be required to pay Responsible Entity fees, administration fees and other expenses whether the funds raised are fully utilised or not. The Fund must therefore ensure that sufficient liquidity is maintained in order to meet these and other expenses.

The Responsible Entity and the Investment Manager expect to incur significant costs and expenses in seeking to source, evaluate, structure, negotiate, close, monitor and exit an investment including, but not limited to, financial, legal, technical, regulatory, commercial advisers, engaged to assist the Responsible Entity and the Investment Manager in seeking to source, evaluate, structure, negotiate, close, monitor and exit the investment. There can be no assurance that the Fund will be successful in being able to recover these fees and expenses from a successfully closed investment. These amounts may be significant and could have an adverse impact on the return that Investors might otherwise realise.

### **6.4.8. Interest Rate Risk**

Interest rates fluctuate from time to time, depending on a range of circumstances wholly outside the control of Tanggram and the Fund. Changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.

### **6.4.9. Multi-Class Risk**

Multiple classes of units (also known as Investment Options) are on issue for the Fund. Such classes of units may be referable to a particular asset with liabilities arising in respect of the asset being quarantined within the referable Unit Class. Recent case law has cast some doubt over this referability. You should be aware that, although the Trustee will seek to segregate assets and liabilities attaching to the various Investment Options of the Fund, the Trustee has a right to an indemnity from the Fund assets as a whole. This means the Trustee may draw upon the assets of one Investment Option to the exclusion of another (for example, where there are no assets attributable to another Investment Option) to pay the costs of operating the Fund. Such assets and liabilities may therefore not be quarantined to a specific Unit Class.

#### **6.4.10. Income Tax Risk**

There is a risk that the Australian tax laws at the date of publication of this document, including applicable case law and published guidance by the ATO, could change.

Australia is in the process of ongoing taxation reform. We will continue to monitor the tax reform process and its impact on the Fund. However, Investors are responsible for monitoring tax reform developments that may impact their investment in the Fund.

#### **6.4.11. Related Party Transactions Risk**

The Investment Manager is not a related party of the Responsible Entity. The contractual arrangements between the Responsible Entity and the Investment Manager are negotiated at arm's length between the parties. The Responsible Entity may from time-to-time enter into transactions with related entities. For example, the Administration Manager is a related party of the Responsible Entity.

By making an investment in the Fund, Investors acknowledge that the Fund may make investments in assets managed by or owned by the Investment Manager.

The Responsible Entity does not directly manage the funds in which the Fund invests, and this role, where relevant will be undertaken by the Investment Manager.

By investing in the Fund, Investors acknowledge that the Investment Manager is responsible for making investments decisions for the Fund and that the investments entered into by the Fund may not be on arm's length terms and that they have made their own independent investigations to satisfy themselves of the benefit of becoming an Investor in the Fund.

#### **6.4.12. Valuation Risk**

This is the risk that the valuation of the investments contemplated by the Fund are inaccurate at the time of deciding to invest so that the amount realised on exit is less than would have been expected had the valuation been correct. There is also the risk that where a professional valuer is used who provides an inaccurate valuation, that valuer does not have or no longer has adequate professional indemnity insurance to cover the valuation on which the lender relies.

#### **6.4.13. Disputes and Defaults Risk**

In the ordinary course of its operations, the Fund may be involved in disputes and possible litigation with tenants or other service providers. There exists a risk that a material or costly dispute or litigation could affect the amount of expected income of the Fund.

#### **6.4.14. Cyber Security Risk**

Investors should be aware that while the Responsible Entity has implemented technologies, processes, and practices designed to protect its networks, devices, programs, and data (or IT systems) such IT systems may still be subjected to malicious attack, damage, or unauthorised access.

Such IT systems may include the storage of information concerning an Investor's identity, financial interests or other personal details provided to the Responsible Entity in connection with their investment in the Fund. In the event serious harm is a likely outcome of a breach of the Responsible Entity's IT systems, the Responsible Entity or Investment Manager (as may be required) will notify the affected individuals and recommend steps that ought to be taken in response to the breach. The Responsible Entity may also be required to notify



any regulatory authority as required by law.

### 6.4.15. COVID-19

Any number of unknown risks may arise as a result of the current COVID-19 pandemic which may adversely impact the Fund and returns to Investors. As a result, the income of the Fund may be materially impacted, and this may have a negative impact on the value of your Units and any distributions to Investors.

There are also a number of other risks that may be heightened as a result of the COVID-19 pandemic, including liquidity and valuation risk. There may also be changes to domestic or international laws and government policies as a result of the COVID-19 pandemic, which may adversely impact the operation of the Fund and result in additional costs to Investors.

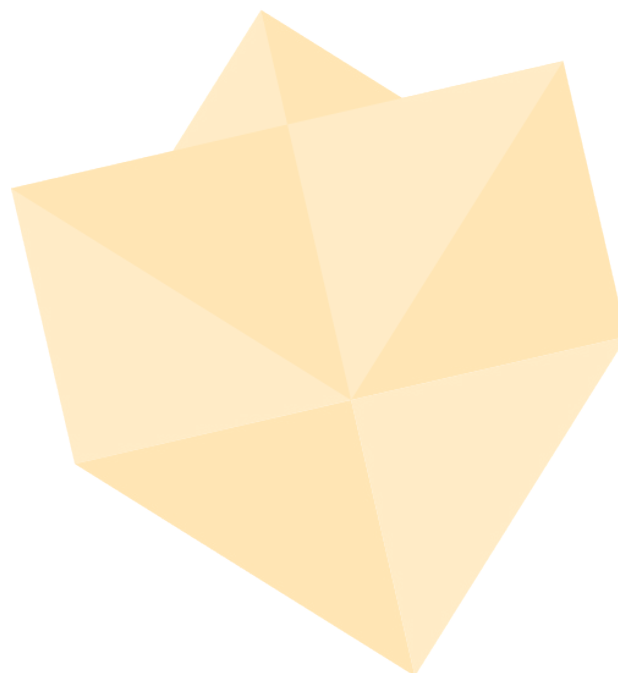
### 6.5. Other Risks

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

Whilst the Responsible Entity and Investment Manager have taken steps to ensure that the information presented in this PDS is correct, it is possible that due to factors such as the passage of time or the uncertainty in forecast details that the information contained in this PDS may be inaccurate at the date of release of the PDS or at a later time.

**Neither the Responsible Entity nor Investment Manager guarantees the repayment of investments or the performance of the Fund or of any Investment Option within the Fund.**

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



## 7. Fees and Other Costs

This section sets out the fees and other costs that may be attributed to the Fund. You should read all information about fees and costs carefully as it is important to understand their impact on your investment.

### CONSUMER ADVISORY WARNING

#### 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 investment 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 fees. 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) Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

### 7.1. Fees and other costs

Please refer to the relevant SPDS which shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole.

Taxation information is set out in Section 8 of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

### 7.2. Example of Annual Fees and Costs

Please refer to the relevant SPDS for a table providing an example of how the ongoing annual fees and costs for the relevant investment option can affect your investment over a one-year period. You should use the tables in

the SPDSs to compare the investment options with other products offered by managed investment schemes.

## 7.3. Additional Explanation of Fees and Costs

All fees are inclusive of GST less any applicable input tax credits.

### 7.3.1. Management Fees and Costs

The management fees and costs disclosed in the Fees and Costs Summary in each SPDS contain a number of components.

The management fees and costs for each investment option include the Responsible Entity fees, ordinary expenses and indirect costs. They do not include the performance fees or transaction costs (if any).

#### Responsible Entity Fees

The Responsible Entity charges the following fees for overseeing the Fund's operations and providing access to the Fund in accordance with the Constitution:

a) An establishment fee of \$23,512.50 payable to the Responsible Entity on the establishment of the Fund. This fee is not paid out of the assets of the Fund.

b) An annual Responsible Entity fee of:

- 0.31% per annum of the gross value of the Fund's assets up to \$100m,

- 0.05225% per annum of the gross asset value of the Fund's assets on amounts greater than or equal to \$100m but less than \$200m; plus

- 0.03135% per annum of the gross asset value of the Fund's assets on amounts greater than or equal to \$200m,

subject to a minimum fee of \$62,700 per annum.

This fee is calculated on the gross asset value of the Fund and accrued monthly and payable to the Responsible Entity monthly in arrears out of the Fund's assets within 7 days of the end of each month. This fee is apportioned pro-rata across all Investment Options based on the respective gross asset value of each Investment Option.

A termination fee of \$9,927.50 on the replacement of the Responsible Entity or winding up of the Fund. This fee is payable out of the Fund's assets.

#### Ordinary Expenses

The ordinary expenses are costs incurred by the Responsible Entity in the establishment, administration and operation of the Fund and each investment option and includes fees payable to the Custodian, Administration Manager, Auditor incidental expenses of the Investment Manager and other administrative expenses such as accounting and legal advice, audit fees, insurances, consulting fees, costs relating to Investor meetings and registry fees.

Please refer to the relevant SPDS for the Responsible Entity's disclosures relating to the Fund and each investment option's ordinary expenses.

The Constitution does not limit the amount that the Responsible Entity can recover from the Fund as expenses, provided they are properly incurred in relation to the proper performance of the Responsible Entity's duties in operating the Fund. For example, the Responsible Entity is entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of unitholder meetings, legal costs of any proceedings involving the Fund and terminating the Fund.

### **Administration Fees**

The ordinary expenses figure includes the fees paid to the Administration Manager, Vasco Fund Services Pty Limited. The Administration Manager charges the following fees for providing administrative services to the Fund:

- a) A fee of \$86,416 per annum where the Fund has more than 1,000 investors;
- b) An additional administration fee of \$34,883 per annum applies; and
- c) An additional \$11,440 is paid for weekly processing.

The administration fee is subject to an annual increase of 5% on 1 January of each year. The administration fee for the Fund will be apportioned pro-rata across all Investment Options based on the respective GAV of each Investment Option. These fees are subject to GST. The Administration Manager's engagement is for a minimum period of four (4) years. The Administration Manager is a related party of the Responsible Entity. Its fees are negotiated on an arm's length basis.

### **Indirect Costs**

Indirect costs are not directly paid by investors. Indirect costs are those amounts paid from each investment option that we know or, where required, reasonably estimate will reduce the return of the relevant investment option or the amount or value of the income of the relevant investment option or an underlying fund in which it invests, that are not otherwise included in the ordinary expenses.

Please refer to the relevant SPDS for disclosures relating to indirect costs. The indirect costs may vary from year to year, including to the extent that they rely on estimates.

### **7.3.2. Performance Fees**

Please refer to the relevant SPDS in relation to whether the Investment Manager is entitled to receive a performance fee.

### **7.3.3. Transaction Costs**

Transaction costs are costs incurred by each investment option for buying and selling assets. These costs may include brokerage, settlement costs, OTC derivative costs, clearing costs, stamp duty and other government taxes or charges and include underlying buy/sell spreads and the transaction costs incurred by the underlying assets.

Please refer to the relevant SPDS for disclosures relating to transaction costs.

### **Buy/Sell Spread**

Investments and withdrawals may incur buy and sell spreads, which are designed to ensure, as far as practicable, that any transaction costs incurred as a result of an investor entering or leaving the Fund are borne by that investor.

Buy and sell spreads are calculated based on the actual or estimated costs the relevant investment option may incur when buying or selling assets. The buy and sell spreads are retained within the assets and are not fees paid to the Responsible Entity or Investment Manager. The buy spread is taken out of application amounts. The sell spread is taken out of withdrawal amounts.

Please refer to the relevant SPDS regarding the buy/sell spread for a particular Investment Option. The Responsible Entity may vary the buy/sell spread from time to time. If the buy and sell spreads are updated, a notification will be published online at [www.vascofm.com](http://www.vascofm.com).

### **7.3.4. Taxation**

Unless otherwise stated, all fees are inclusive of the net effect of GST. This includes GST, net of input tax credits or reduced input tax credits as applicable.

For further information on tax, please refer to Section 8.

### **7.3.5. Abnormal Expenses**

The Responsible Entity is entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of Unitholder meetings, legal costs of any proceedings involving the Fund and terminating the Fund. Whilst it is not possible to estimate such expenses with certainty, the Responsible Entity anticipates that the events that give rise to such expenses will rarely occur. However, if abnormal expenses are charged, they will be recovered from the Fund's assets when they are incurred.

### **7.3.6. Fees for Other Services**

The Responsible Entity or a related party of the Responsible Entity may also provide other services to the Fund and/or specific Investment Option or the Fund's Unitholders in the future. Should that occur, the Responsible Entity or a related party of the Responsible Entity will charge fees for those services at commercial market rates for the provision of those services.

### **7.3.7. Changes to Fees and Expenses**

The Responsible Entity may change the fees and expenses. The Responsible Entity will provide at least 30 days' notice to Unitholders of any proposed increase in fees or expense recoveries or introduction of new fees.

### **7.3.8. Waiver and Deferral of Fees**

The Responsible Entity may, in its discretion, accept lower fees and expenses than it is entitled to receive, or may agree to defer payment of those fees and expenses for any time. If payment is deferred, then the fee or expense will accrue until paid.

The Investment Manager has agreed to pay the Responsible Entity's fees until such time as these fees are able to be paid from the Fund's assets. The Responsible Entity has agreed to reimburse the Investment Manager any fees paid by it to the Responsible Entity from the Fund's assets at such time when the Fund is able to do so.

All deferred fees and expenses will also be paid upon any retirement or removal of the Responsible Entity.  
Advice Fees

### **7.3.9. The Responsible Entity does not pay advice fees.**

You may agree with your financial adviser that an initial advice fee will be paid for ongoing financial planning services your financial adviser provides for you in relation to your investment. This advice fee is additional to the

fees shown in this section, and is paid to the Australian financial services licensee responsible for your financial adviser (or your financial adviser directly if they are the licensee). It is not paid to the Responsible Entity.

### **7.3.10. Other Payments and Benefits**

Your financial adviser may receive payments and/or other benefits from the organisation under which they operate. These payments and benefits are not paid by the Fund.

## 8. Taxation Information

Investing in the Fund is likely to have tax consequences. Each Investor must take full and sole responsibility for the associated taxation implications arising from an investment in the Fund and any changes in those taxation implications during the term of their investment.

Neither the Responsible Entity nor the Investment Manager have sought any specialist taxation advice in respect of the proposed fund structure.

It is recommended that prospective investors obtain their own independent taxation advice before investing in the Fund.

### 8.1. Fund structure

The Fund is an unlisted, registered Australian unit trust scheme.

As the Fund is a unit trust, the Fund will effectively be treated as a flow-through vehicle for income tax purposes provided that the Fund distributes all of its income to the Investors on an annual basis. To the extent that the Responsible Entity does not distribute income, the Responsible Entity will be taxed at 47% on the income retained.

### 8.2. Tax File Number and Australian Business Number

It is not compulsory for an Investor to quote a Tax File Number (TFN), claim a valid exemption for providing a TFN, or (in certain circumstances) provide an Australian Business Number (ABN). However, if an Investor does not provide a TFN, exemption or ABN, tax will be required to be deducted from the Investor's distributions at the highest marginal tax rate plus Medicare levy and any other applicable Government charges (currently 49%).

### 8.3. Stamp Duty on the Transfer of Units

As the register of the Fund will be maintained in Victoria, no marketable securities duty is payable on the transfer of Units in the Fund. Land rich or landholder duty may be payable in the issue, redemption or transfer of Units in any Australian jurisdiction where the Fund owns or has an interest in land.

### 8.4. Australian Goods and Services Tax (GST)

GST should not be payable on the issue or redemption of Units nor on any of the distributions to Investors. GST may apply to the fees charged to the Fund by the Investment Manager and in relation to other expenses of the Fund. The Fund may be entitled to claim input tax credits and/or reduced input tax credits for any GST paid.

### 8.5. Foreign Account Tax Compliance Act (FATCA)

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

## 8. 6. Common Reporting Standards (CRS)

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

## 8. 7. Non-residents

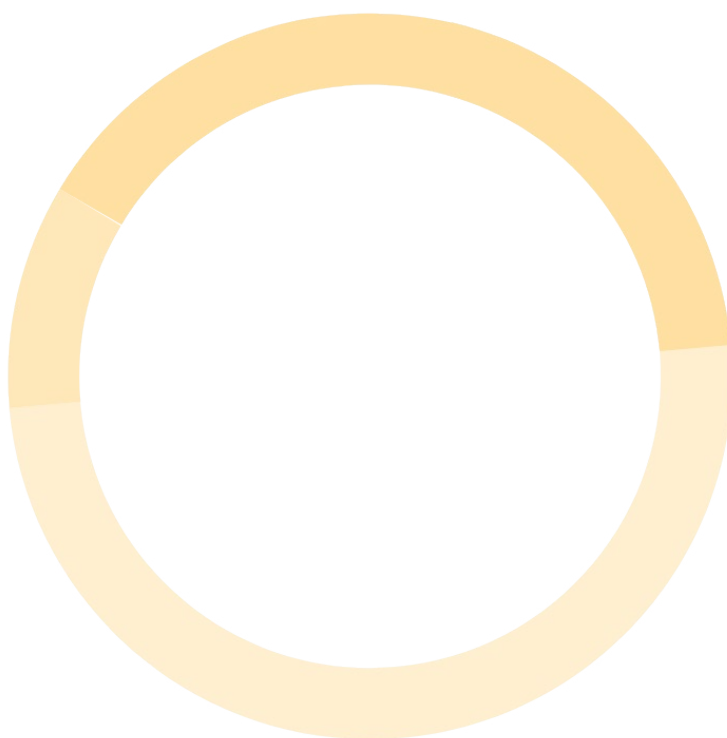
This general overview does not consider the Australian income tax implications for non-resident investors in detail.

If you are not an Australian resident for tax purposes, withholding tax will be deducted from your distributions at the applicable concessional or general rates. The rates may vary according to the components of the distribution and the country in which you reside.

## 8. 8. Australian Tax Reform

Australia is in the process of ongoing taxation reform. The Responsible Entity will continue to monitor the tax reform process and its impact on the Fund. However, Investors are responsible for monitoring tax reform developments that may impact their investment in the Fund.

This overview is based on our interpretation of the Australian tax laws at the date of publication of this document, including applicable case law and published guidance by the ATO, which may be subject to change.





## 9. Other Information

### 9.1. Key Documents

The following is a summary of material documents relevant to the Fund. The material documents are:

- (1) Constitution
- (2) Investment Management Agreement
- (3) Administration Agreement
- (4) Custody Agreement
- (5) Compliance Plan

You should consider whether it is necessary to obtain independent advice on any of the documents.

#### 9.1.1. Constitution

The Constitution is the primary document that governs the way the Fund operates and sets out the rights, liabilities and responsibilities of both the Responsible Entity and Investors. The Constitution allows the Responsible Entity to issue different Classes of Units. Each Unit confers on the Investor a beneficial interest in a Class as an entirety and does not confer an interest in a particular part of the Fund or the Fund's assets.

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

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

The Constitution also contains provisions about convening and conducting meetings of Investors.

The Responsible Entity can amend the Constitution without Investors' approval provided it reasonably considers the change will not adversely affect Investors' rights. The Constitution can also be amended by a special resolution passed by Investors.

The Responsible Entity may appoint delegates, attorneys, or agents (including custodians) to perform any act, carry out any obligation or exercise any of its powers, as well as advisers to assist it with its duties and functions.

The Responsible Entity has a right to be fully indemnified out of the assets of the Fund in respect of all expenses, liabilities, costs and other matters incurred by it in connection with the Fund and against all actions, proceedings, costs, claims and demands brought against it in its capacity as Responsible Entity of the Fund except in the case of its own fraud, negligence or wilful default or in respect of overhead expenses of the Responsible Entity. The Responsible Entity is indemnified and entitled to be reimbursed out of the assets of

the Fund for all expenses properly incurred in connection with the Fund or in performing its obligations under the Constitution.

A copy of the Constitution can be viewed at ASIC or is available to Investors from the Responsible Entity free of charge.

### **9.1.2. Investment Management Agreement**

The Investment Management Agreement is between the Responsible Entity and Tanggram under which Tanggram provides investment management services to the Fund.

The Investment Management Agreement sets out Tanggram's obligations to the Responsible Entity and to the Fund.

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

If the Responsible Entity is replaced then it is intended that the Investment Management Agreement will continue to operate on the same terms as between Tanggram and the new responsible entity of the Fund.

### **9.1.3. Administration Agreement**

The Administration Agreement is between the Responsible Entity and the Administration Manager under which the Administration Manager provides administration services to the Fund.

The Administration Agreement sets out the Administration Manager's obligations to the Responsible Entity and to the Fund, including administrative, accounting, registry, unit pricing, financial and compliance reporting, AML/CTF and back-office services in exchange for a fee, subject to the overall supervision of the Responsible Entity.

### **9.1.4. Custody Agreement**

The Responsible Entity has entered into a Custodian Agreement with Perpetual Corporate Trust Limited, whereby the Responsible Entity has appointed Perpetual Corporate Trust Limited as a service provider to provide custodial services in relation to various schemes, including the Fund.

### **9.1.5. Compliance Plan**

The Responsible Entity, as required by the Corporations Act, has lodged a Compliance Plan for the Fund with ASIC. The Compliance Plan sets out how the Responsible Entity ensures that the Fund complies with the Corporations Act and how it intends to operate the Fund under the Constitution.

If the Compliance Plan is breached in a significant way such that the breach has an adverse effect on Investors, the Responsible Entity is obliged to report such a breach to ASIC.

A copy of the Compliance Plan is available free of charge from the office of the Responsible Entity.

## **9.2. Statement regarding Labour Standards and Environmental, Social and Ethical Considerations**

The Responsible Entity does not, in the context of making decisions relating to the Fund, take into account la-

bour standards or environmental, social or ethical considerations, except to the extent that the Responsible Entity considers these issues have the potential to materially impact on the merits of its decisions in relation to the Fund. This means that if the sustainability or value of the Fund is adversely affected due to unacceptable labour standards or environmental, social or ethical factors, the Responsible Entity may choose not to invest further or to dispose of the investment.

### 9.3. Privacy and Identity Verification

The Application process requires you to provide personal information to the Responsible Entity or any person engaged by the Responsible Entity for the purposes of facilitating the Application process.

The Responsible Entity collects personal information so that it can process and administer any application for investment in the Fund you make. Additionally, the Responsible Entity collects this information in order to administer, manage and generally service your investment in the Fund. The Responsible Entity also may collect personal information about you from third parties, such as the Investment Manager, Administrator Manager or other third-party service providers of the Responsible Entity.

The Responsible Entity has engaged the Investment Manager for the purposes of facilitating the Application process, through the Tanggram App. The Responsible Entity has also engaged the services of Vix Verify Pty Ltd, to provide the Fund with electronic identification verification services, through the Tanggram App. If you do not provide the personal information requested by the Responsible Entity or provide incomplete or inaccurate information, the Responsible Entity may not be able to accept or process your application for an investment in the Fund or may be limited in the services or assistance the Responsible Entity can provide with respect to the administration of any investment you subsequently make in the Fund.

The Responsible Entity may disclose your personal information to organisations such as the Administration Manager, Investment Manager, any third party service provider it may engage to provide custody, administration, technology, auditing, mailing, printing or other services and our professional advisers (including legal and accounting firms, auditors, consultants and other advisers).

Such third parties may use and disclose your personal information for a purpose described in this Privacy Statement which may involve the transfer of your personal information outside of Australia (including to countries where there may be less stringent data protection laws) to process personal information on our behalf. Where this is the case, it may not be possible to ensure that the overseas recipient does not breach the Australian Privacy Principles ('APP') in relation to your personal information.

In providing us with your personal information, you consent to the possibility that your personal information may be transferred outside of Australia for processing and agree that APP 8.1 shall not apply to the disclosure, nor will the Responsible Entity be liable under the Privacy Act 1988 (Cth) ('Privacy Act') in the event that the recipient does not act consistently with the APPs.

The Responsible Entity may also collect certain personal information from you and/or disclose your personal information to government or regulatory bodies where permitted or required to do so by law. For example, the Responsible Entity may be required to collect and disclose certain information in order to comply with the identification and verification requirements imposed under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. For certain investors, the Responsible Entity may also be required to collect and disclose certain personal information to the ATO in order to comply with the Foreign Account Tax Compliance Act.

If you notify the Responsible Entity that you have a financial adviser, either on your Application Form or in writing (at a later date), you consent to the Responsible Entity disclosing to that financial adviser details of your investment in the Fund and/or other related personal information.

The Responsible Entity will take reasonable steps to ensure that the personal information about an investor or other relevant person that it collects, uses or discloses is accurate, complete and up to date. You or another relevant person can request access to your personal information or a copy of the Responsible Entity's Privacy Policy by telephone or writing to the Privacy Officer at:

Privacy Officer  
Level 4, 99 William Street,  
Melbourne, VIC 3000, Australia  
[info@vasco.com](mailto:info@vasco.com)  
+61 3 8352 7120

The Responsible Entity's Privacy Policy is also available on its website: [www.vascofm.com](http://www.vascofm.com)

#### **9. 4. Anti-Money Laundering and Counter Terrorism Financing**

In 2006, the Federal Government enacted the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act). The Responsible Entity is a 'reporting entity' pursuant to the AML/CTF Act and, as such, must be 'reasonably satisfied' that an Investor exists and is who they claim to be prior to issuing Units to them. This means that all new Investors in the Fund must provide the identification information as set out in the Application Form. The Responsible Entity will not issue Units to a new Investor unless satisfactory identification documents are attached to the Application Form or provided to your financial advisor.

The Responsible Entity may also need to obtain further information from you while you remain an Investor in the Fund.

The Responsible Entity will maintain all information collected from Investors in a secure manner in accordance with the AML/CTF Act and relevant privacy principles. Information about a prospective investor or Investor will only be disclosed where required by the laws of Australia.

This means that identification information may be disclosed to the Australian Transaction Reports and Analysis Centre or other government or law enforcement agencies. The Responsible Entity may also disclose this information to other entities involved with the Fund to the extent that this information is required to fulfil that entity's AML/CTF obligations. The Responsible Entity is not liable for any loss you may suffer as a result of its compliance with the AML/CTF Act.

#### **9. 5. Monitoring of Related Party Transaction and Conflicts Management**

Related party transactions carry a risk that they could be assessed and reviewed less rigorously than transactions with other parties.

Policies and guidelines are in place to manage the risk of any actual or perceived conflict of interest as a result of a related party transaction. Related party transactions with related entities are reviewed and approved by senior management with clearly identified governance policies and guidelines.

Decisions in relation to conflict of interest and related party transactions are documented.

As appropriate, the Responsible Entity will provide ongoing updates of material service engagements and financial benefits that are paid to related parties through the Annual Report. The value of related party payments is reported yearly as part of the Fund's Annual Report.

For information about the Related Party Policy please contact the Responsible Entity. The latest Annual Report can be found on our website [www.vascofm.com](http://www.vascofm.com). Alternatively, the Responsible Entity can send you a free copy by calling them on +61 3 8352 7120

### 9.6. Inconsistency

If there are any inconsistencies between the PDS, SPDS and the Constitution, the Constitution will prevail. The terms of an SPDS will prevail over this PDS.

### 9.7. Reporting

The Responsible Entity will provide Investors with the following statements and reports:

- Distribution statements on the provision of any distributions
- Annual taxation statements, to be provided as soon as practical after submission of the Fund's audited accounts to ASIC (which are due by 30 September of each year)
- Annual Fund financial accounts, to be provided as soon as practical after submission of the Fund's audited accounts to ASIC (which are due by 30 September of each year)
- The Investment Manager will provide Investors with a report in respect of the Fund's investments on at least an annual basis.

### 9.8. 'Disclosing Entity' Obligations

If the Fund has 100 Investors or more, it will be considered a 'disclosing entity' under the Corporations Act. As a disclosing entity, the Fund will be subject to regular reporting and disclosure obligations.

If and when the Fund is a disclosing entity, copies of any documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. Investors will also have the right to obtain a copy of the following documents from us free of charge:

- the most recent annual financial report for the Fund lodged with ASIC;
- any half year financial report for the Fund lodged with ASIC after the lodgement of the annual financial report; and
- any continuous disclosure notices for the Fund lodged with ASIC.

Copies of these documents will also be available on the Responsible Entity's website for download.

### 9.9. Transfer of Units

Investors can transfer the ownership of their Units at any time provided that the transferee meets the requirements of an Investor in the Fund and the transfer has been approved by the Responsible Entity.

Under the Constitution, the Responsible Entity has the discretion to refuse the transfer of Units in its sole discretion.

Investors should obtain professional taxation advice in relation to the taxation implications of any transfer of Units as the individual tax position of Investors can vary depending on their circumstances.

There will not be any established secondary market for the sale of Units.

#### **9. 10. Consents**

Each of the following parties has given their written consent to act in the position and role set out in this PDS:

- DHF Investment Managers Pty Ltd
- Vasco Fund Services Pty Limited
- Tanggram Capital Pty Ltd
- Perpetual Corporate Trust Limited

Where applicable, they have consented to the information attributed to them in this PDS in the form and context in which they have been included. Further, none of these parties have withdrawn their consent prior to the date of this PDS.

#### **9. 11. Complaints Handling**

Applicants and Investors who wish to make a complaint about the Fund should contact the Responsible Entity by email to [info@vascofm.com](mailto:info@vascofm.com) or in writing addressed to:

The Complaints Officer  
Vasco Trustees Limited  
Level 4, 99 William Street  
Melbourne VIC 3000

The Responsible Entity will acknowledge a complaint as soon as practicable after receiving it and will notify the complainant of its decision, remedies and other information within 45 days of the complaint being made.

A 'Dispute Resolution Guide' is available on the Responsible Entity's website at [www.vascofm.com](http://www.vascofm.com) which further sets out its dispute management process.

Complaints that cannot be resolved internally by the Responsible Entity to your satisfaction can be taken to the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. You can contact AFCA as follows:

**Website:** [www.afca.org.au](http://www.afca.org.au)

**Telephone:** 800 931 678 (free call within Australia)

**Facsimile:** (03) 9613 6399

**Email:** [info@afca.org.au](mailto:info@afca.org.au)

**Post:** GPO Box 3, Melbourne VIC 3001

## 10. Glossary

<b>Application</b>	An application to invest in an Investment Option either by completing an Application Form or through Tanggram App.
<b>Application Money</b>	Funds accompanying an Application Form representing the subscription amount and all relevant fees where applicable.
<b>Administration Agreement</b>	The agreement between the Responsible Entity and the Administration Manager dated on or around 12 June 2016 (as amended from time to time), as incorporated via an Administration Agreement Acknowledgement Letter dated 7 October 2019, appointing the Administration Manager as the administrator of the Fund.
<b>Administration Manager</b>	Means the administration manager of the Fund which, at the date of this PDS, is Vasco Fund Services Pty Limited (ACN 610 512 331).
<b>AFCA</b>	The Australian Financial Complaints Authority.
<b>Business Day</b>	A day on which Australian banks are open for business in Melbourne.
<b>Class</b>	A class of Units in the Fund.
<b>Constitution</b>	Means the constitution for the Fund including any supplementary or replacement constitution, which are available free of charge upon request.
<b>Corporations Act</b>	The Corporations Act 2001 (Cth).
<b>Custodian</b>	Means the custodian of the Fund which, at the date of this PDS, is Perpetual Corporate Trust Limited ACN 000 341 533 AFSL 392673.
<b>Custody Agreement</b>	The agreement between the Responsible Entity and the Custodian dated on or around 6 August 2019 (as amended from time to time) appointing the Custodian as custodian of the Fund.
<b>Gross Asset Value</b>	Has the same meaning as defined in the Constitution.
<b>Investment Manager</b>	Tanggram is the investment manager of the Fund.
<b>Investment Option</b>	Investment Options provided by the Fund to Investors with each investment option offering different rights and returns. Each Investment Option is operated as a distinct Unit Class of the Fund under the Fund's Constitution.
<b>Investor</b>	A person who holds Units in the Fund.
<b>Minimum Term</b>	The minimum period after which an Investor will be able to withdraw from the Fund.
<b>Offer</b>	Offer of Units in the Fund pursuant to this PDS.

<b>PDS</b>	This product disclosure statement in respect of the issue of Units in the Fund.
<b>Responsible Entity</b>	The responsible entity of the Fund, which at the date of this PDS is Vasco Trustees Limited ACN 138 715 009 AFSL 344486.
<b>Retail Client</b>	Has the meaning given in section 761G of the Corporations Act.
<b>Shopping Rewards</b>	The balance of cashback rewards accumulated when shopping with Tanggram's partner stores, which can be invested in the Fund or withdrawn via the Tanggram App.
<b>SPDS</b>	A supplementary product disclosure statement in respect of each Investment Option.
<b>Tanggram</b>	Tanggram Capital Pty Ltd (ACN 630 041 020) a corporate authorised representative (No. 001278336) of DHF Investment Managers Pty Ltd ACN 607 120 570 AFSL 509932 and is only authorised by DHF Investment Managers Pty Ltd to provide financial services in respect of the Fund.
<b>Tanggram App</b>	The mobile platform run by Tanggram, through which an investment in the Fund can be made.
<b>Tanggram Member Account</b>	The profile you set up to use the Tanggram App and accumulate Shopping Rewards.
<b>Target Return</b>	The maximum return an Investor can earn in each Investment Option.
<b>Unit Class</b>	A call of Units in Fund, as defined in the Fund Constitution.
<b>Units</b>	A unit in the Fund, with the rights and obligations outlined in the Constitution.
<b>Vasco</b>	Vasco Trustees Limited ACN 138 715 009 AFSL 344486.
<b>Withdrawal Request</b>	A written request by an investor in a form approved by the Responsible Entity to withdraw Units from the Fund.
<b>Wholesale Client</b>	Has the meaning given in section 761G of the Corporations Act.



## 11. Corporate Directory

### Responsible Entity

Vasco Trustees Limited (ACN 138 715 009)  
Level 4, 99 William Street, Melbourne, VIC 3000, Australia

**Telephone:** +61 3 8352 7120

**Email:** [info@vasco.com](mailto:info@vasco.com)

**Website:** [www.vascofm.com](http://www.vascofm.com)

### Administration Manager

Vasco Fund Services Pty Limited ACN 610 512 331  
Level 4, 99 William Street, Melbourne, VIC 3000, Australia

**Telephone:** +61 3 8352 7120

**Email:** [info@vasco.com](mailto:info@vasco.com)

**Website:** [www.vascofm.com](http://www.vascofm.com)

### Investment Manager

Tanggram Capital Pty Ltd (ACN 630 041 020)  
Level 18, 31 Queen Street, Melbourne VIC 3000, Australia

**Telephone:** +61 1300 099 777

**Email:** [info@tanggram.com](mailto:info@tanggram.com)

**Website:** [www.tanggram.com](http://www.tanggram.com)

### Custodian

Perpetual Corporate Trust Limited (ACN 000 431 827)  
Level 18, 123 Pitt Street, Sydney NSW 2000, Australia

