Assetora

Campaign Policy and Procedure

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1. Introduction

This policy describes the governance and procedures for the initiation and completion of a Campaign through to the creation of a Sub-Fund.

A Campaign, or sometimes referred to as an Opportunity are the terms Assetora uses to describe the part of the Fractional Investing capital raising process where Investors can express their interest in a particular Underlying Asset. All Campaigns available through the Assetora Fund are 'fixed price Campaigns' which means that the acquisition price of the Underlying Asset is known and fixed.

In order to invest in a Sub-Fund, Investors must participate in a Campaign by placing a Bid of the amount that they want to invest based on the known acquisition price. If the total value of Investor Bids reaches the required amount, the Campaign will close to new Bids. Any funds in the Cash Pool that are allocated toward a Campaign are Quarantined Funds and are unavailable for withdrawal. The relevant SPDS will then be issued online, and upon the Investors accepting to invest, the Sub-Fund will be established. Assetora will then attempt to purchase the asset or make the loan as described in the SPDS.

The Campaign process allows for Assetora to gauge interest in a potential Sub-Fund before resources are committed to due diligence, acquisition of the underlying asset and creation of the Sub-Fund.

2. Scope

This policy is approved by the Board of Directors. The policy covers the creation, promotion and termination if required, of Campaigns placed in the Assetora website

This policy and procedure applies to the staff of Assetora Limited. All Assetora staff are expected to be familiar with, and to comply with this policy and any related/ancillary policies that apply to their business unit.

3. Objective

The aim of this policy and procedure is to set the framework relating to the governance of Campaigns on the Assetora website. It is intended to complement and be in addition to the disclosure documents for the fund and any existing policies and procedures relating to the procedure a Campaign takes from first being initiated through to the creation of a sub-fund.

The purpose of this Policy is to provide guidance on the creation of Campaigns and ensure that all necessary stages of the Campaign are completed in a manner that meets Assetora's regulation and contractual obligations within the designated timeframes.

This Policy is also for the purpose of aiding employees of Assetora Limited in understanding their obligations in running a Campaign from initiation through to the creation of the Sub- Fund.

4. Key Issues

Initiating a campaign	Sponsor's and Sub-managers submit potential investment requests to Assetora for inclusion on the Assetora platform. Any potential loans or gearing must meet Regulatory Guide 46 Benchmark and Procedures principles and adhere to the Property Loans – Policy and Procedure The investment committee must approve the potential investment. Regulatory Guide 274 Product design and distribution requires: The products must be designed with a consumer-centric approach by prioritising consumer outcomes such as: • about how consumers are influenced in order to achieve the objectives of DDO; • considering consumer vulnerabilities • considering the choices within a financial product, • context of the sales process and the presentation of the product. Determine an appropriate target market for the product and complete a TMD that meets: • the content requirements: see s994B(5) of the Corporations Act • the appropriateness requirements: see s994B(8)(a)&(b) of the Corporations Act
Campaign Details	Campaigns must provide enough information for the investor to make an informed decision and be consistent with all promotional materials and disclosure documents such as the Assetora Fund PDS or Investment Information Memorandum, the TMD and the SPDS (if applicable).
Promotion materials	Campaign pages, promotional material and advertising must comply with the financial services laws, ASIC's guidance in RG234 and Assetora's licence conditions.
Expressions of Interest (EOI)	EOIs can be run before a Campaign to gauge interest in the potential Sub-Fund. EOIs generally run for 30 days but can be extended for further periods of up to 10 days at Assetora's discretion.
Quarantined Funds	When an Investor makes a bid the funds in the Cash Pool that have been allocated toward a Campaign, and an estimate of their proportionate share of Campaign and other costs, which may include Acquisition Costs, Provisional Amounts, and upfront

	financing costs become Quarantined Funds. These funds remain unavailable for withdrawal until either the investor withdraws their Bid/s or Assetora fails to arrange to purchase the asset, or the Sub-Fund is created
Due Diligence	Due diligence actions are undertaken when the Campaign before or when a campaign reaches: • 30% of its target - initial preliminary level of due diligence enquiries • 50% of its target - final due diligence enquiries The following due diligence reviews are undertaken: • Legal Review • Valuation • Physical Review The due diligence procedure can be found in the Real Property Assets – Policy and Procedure
Issuing the Supplementary Product Disclosure Statement (SPDS)	Once a Campaign has been completed, Assetora will then issue an approved SPDS and TMD to Investors.
Purchase Commitment	Investors need to accept the offer to subscribe for Units contained in the SPDS. Investor's Quarantined Funds will remain Quarantined Funds until one of the following three events occur: • the listing fails to attract enough Investor subscriptions • Settlement fails; or • Settlement occurs If the Investors do not complete and confirm their application form for a Sub-Fund, the Campaign will fail.
Fees and Cost	The Campaign should list the Fees and Costs associated with the Campaign. If the Fees and Costs are not available this should also be disclosed. These costs will be specified in the Assetora Fund PDS and the SPDS. If the Investor decides to withdraw from a Campaign the Investor will still be liable for the share of the costs incurred when the Investor had an Active Bid. If a Campaign fails, Investors that had an Active Bid when the Campaign Costs were incurred will generally be liable for these costs.
Withdrawal From a Campaign	Investors can withdraw from a Campaign at any time before the sub-fund has been created by contacting their adviser and requesting their bid be removed or by contacting client services at clientservices@Assetora.com.au.

	If the Campaign is successful and all Investors have subscribed for Units under a SPDS, the investor will no longer be able to withdraw their bid.
Failure of a Campaign	Assetora may terminate a Campaign at any time. • Campaigns may fail due to insufficient commitments received from Investors, • issues identified as a result of due diligence investigations, • The Underlying Asset targeted by the Campaign no longer being available. The costs will generally be allocated to each Campaign participant, calculated by reference to when they entered and/or exited the Campaign process and the costs that had been incurred at those times. If an Investor enters and then exits the Campaign before any costs are incurred, the Investor will not be required to meet any costs. After costs have been accounted for, the Investor's funds will be released from quarantine and can be used to participate in other Campaigns
Creating the Sub-Fund	Once all the Investors in a Campaign subscribe for Units under a SPDS, Assetora will approach the counterparty to acquire the Underlying Asset. Assetora will create a Sub-Fund within the Assetora Fund and the Custodian of the Fund will acquire the Underlying Asset through the Sub-Fund. The Campaign Costs and Acquisition Costs will then be charged to the Sub-Fund and Units are then issued to Investors in proportion to the amount of money that they Bid compared to the total Units issued.

5. Initiating a Campaign

5.1 Sponsors

Generally a sponsor, or in some cases a sub investment manager, is the entity that submits proposals to Assetora for an underlying investment be placed in the Assetora Fund as a Campaign.

Sponsors and sub investment managers may be property developers, wholesale product providers, adviser groups and other special interest groups.

5.2 Loan to Value Ratio Calculation, Interest Repayment Rate and Loan Facilities

Campaigns are required to adhere to the Property Loans – Policy and Procedure. Loan Amounts (mortgage) will be established at a LVR gearing ratio and Interest cover ratio (ICR) which is in accordance with the Regulatory Guide 46 Benchmark and Procedures principles:

- Maximum LVR is 60%
- Maximum Gearing ratio is 50%

Campaign assets must also be positively geared and must meet an ICR ratio of at least 1.0 times.

Where Assetora is providing a Loan Facility in conjunction with a Property purchase and/ or a construction loan via a Assetora Sub-fund the pre-loan, the conditions listed in the Property Loans – Policy and Procedure must be met and agreed to by the borrower before a Loan can be approved.

If an asset requires both a Loan Sub-Fund and Property Sub-Fund, the Loan sub-fund Campaign can only be established after the Property Campaign has reached 50%. As soon as the Loan sub-fund reaches 100% those funds will be quarantined ready to be transferred to the Property sub-fund as and when required.

Further details regarding the Loan to Value Ratio Calculation and Interest Repayment Rate can be found in Property Loans – Policy and Procedures.

5.3 Investment committee approval

Before the Campaign is initiated the underlying asset will need to be reviewed and approved by the Investment Committee. The Investment Committee is responsible for ensuring Assetora has in place appropriate investment strategies and processes for investment activities, as well as providing oversight and undertaking decisions where necessary with regard to the issues that arise about the investments held in sub-funds within the Assetora Fund.

Following discussion surrounding a potential new investment the Investment Committee may request further due diligence, place limits on the investment, approve or reject the proposed investment.

Further details regarding the investment Committee approval process can be found in the Investment Committee Charter.

5.4 Product Design and Distribution Obligations (DDO)

Campaigns need to ensure compliance with the Design and Distribution Obligations (DDO) in Pt 7.8A of the Corporations Act. DDO require issuers of products for which a PDS or disclosure document is required to take a consumer-centric approach when designing products for retail consumers. This requires identifying in advance the class of consumers for whom their products are appropriate, and to direct distribution to that target market, through a target market determination. It also imposes obligations on product distributors to ensure that they distribute products to those in the target market.

The Product Design stage requires this consumer-centric approach to designing financial products by prioritising consumer outcomes such as:

- applying existing knowledge and experience about how consumers are influenced in order to achieve the objectives of DDO;
- considering consumer vulnerabilities and how these vulnerabilities may increase the risk that consumers are sold products that do not meet their objectives, financial situation and needs and will lead to poor consumer outcomes; and
- considering the 'choice architecture' of a financial product, including any choices within the product itself, as well as the context of the sales process and the presentation of the product within that context.

The product design and approval system for new products involves:

- identifying a class of consumers that are likely to have objectives, financial situations and needs in common that might be met by a proposed financial product;
- ensuring the likely objectives, financial situation and needs of the target market drive the design of the product, including its key attributes;
- analysing expected distribution methods for the financial product to determine whether it is reasonable to conclude that the product will likely be distributed to its target market and not outside its target market;
- robust testing of the product, as appropriate; and
- determining how consumer outcomes will be measured and monitored when the product is being distributed;

5.4.1 Target Market Determination (TMD)

DDO requires an issuer of financial products to consider the design of its product (including its key attributes) and to determine an appropriate target market for the product, including whether one exists — that is, whether there is a class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. If an appropriate target market cannot be identified for a product, the product cannot be offered.

The TMD is a written document that describes the class of consumers that comprises the target market for a financial product and matters relevant to the product's distribution and review.

The TMD must meet:

- the content requirements: see s994B(5);
- the appropriateness requirements – it must be reasonable to conclude that, if the product were to be issued or sold in a regulated sale:
    - to a retail client in accordance with the distribution conditions – it would be likely that the retail client is in the target market s994B(8)(a); and
    - to a retail client in the target market – it would likely be consistent with the likely objectives, financial situation and needs of the retail client s944B(8)(b).

To satisfy the appropriateness requirements, the TMD must include sufficient information to reasonably conclude that:

- the product, including its key attributes, is likely to consistent with the likely objectives, financial situations and needs of retail clients in the target market; and
- the distribution conditions make it likely that the retail clients who acquire the product will be in the target market.

The product, including its key attributes, will need to be critically assessed as likely to be consistent with the likely objectives, financial situation and needs of retail clients in the identified target market. The critical assessment questions in Appendix A can be used for the analysis.

A target market determination must be made available to the public free of charge prior to the distribution of a financial product which is subject to the design and distribution obligations: s994B(9). This enables consumers to access a target market determination should they wish to do so.

Promotional material for financial products for which a TMD is required must describe the target market or specify where the TMD is available: s1018A(a)(ca) and (2)(ca).

6. Campaign Details

Campaigns can be:

- Private, where the Campaign is only made available to specific groups as requested by the sponsor; or
- Public, the Campaign is made available to the general public on the Assetora website.

The Campaign must include the following details:

- Purpose of the capital raising
- Description and nature of the underlying asset
- The expected term for a Sub-Fund
- Structure of the Investment
- Valuation Parameters
- the date when subscriptions for Units in the Sub-Fund will be closed;
- the expenses associated with investing in the Sub-Fund (to the extent that they are known);
- the fees and charges levied by the Assetora Fund against the Sub-Fund;
- if the Sub-Fund will be geared, an overview of the terms of the relevant loan agreement including the term of the loan, the interest rate, the gearing ratio and the interest cover ratio (including and excluding cash reserves); and
- likely or anticipated income yield (if applicable) that is to be derived from the Underlying Asset.
- Risks of the Investment
- Trustee and Manager disclosure, general advice warning, performance disclosure, failed Campaign disclosure.
- A link to the relevant TMD and the Assetora Fund PDS

Note: the Campaign page must be consistent with all promotional materials and disclosure documents such as the Assetora Fund PDS or Investment Information Memorandum, the TMD and the specific Sub-Fund SPDS (if applicable).

7. Promotional Materials and Advertising procedures

Campaign pages, promotional material and advertising must comply with the financial services laws, ASIC's guidance in RG234 and Assetora's licence conditions.

Campaign Pages must be submitted the Head of Risk and Compliance for review before being made available on the Assetora website.

In circumstances where the Campaign is a new product type or a public Campaign, a review by the trustee may be required.

8. Expressions of Interest (EOI)

In some circumstances, Assetora may elect to run an Expression of Interest (EOI) promotion to gauge investor's appetite for a Campaign before moving on to the Campaign stage. When running an EOI promotion the Campaign details will be made available on the Assetora website and Investors can register their interest in the potential Campaign using the online form.

If there is enough interest, the Campaign will be started and the Investors who registered will be informed by email that the Campaign is now open and accepting bids.

EOI promotions will only run for 30 days. Assetora can extend the EOI promotion at its discretion, for further periods of up to 10 days. If there has not been sufficient Investor interest, the EOI will be closed and removed from the website. Registered Investors will be informed of the failed EOI and the Campaign will not proceed.

9. Quarantined Funds

Any funds in the Cash Pool that have been allocated toward a Campaign are referred to as Quarantined Funds.

By making a Bid, Investors authorise Assetora to make the amount of their Bid (plus an estimate of their proportionate share of Campaign and other costs, which may include Acquisition Costs, Provisional Amounts, and upfront financing costs) unavailable for withdrawal from their Cash Account (Quarantined Funds).

Investors will be informed, at the time they make their Bid, of the actual Campaign and other costs to be used in determining the amount to be quarantined. An Investor will not be permitted to bid if they have insufficient funds in the Cash Pool to make their Bid and pay these costs. An Investor will continue to earn interest on their Quarantined Funds over this period.

These funds remain unavailable for withdrawal until either the investor withdraws their Bid/s or Assetora fails to arrange to purchase the asset (or in the case of a loan investment, provide the finance) and the Campaign for that Underlying Asset is terminated.

10. Due Diligence

As investors bid for an underlying asset using the Campaign process, a number of Due diligence actions will be undertaken before or when the Campaign reaches certain thresholds:

- When a Campaign reaches 30% of its target, Assetora will undertake an initial preliminary level of due diligence enquiries with respect to the underlying asset
- When a Campaign reaches 50% of its target, Assetora will commence its final due diligence enquiries with respect to the underlying asset.

During this process, Assetora will undertake appropriate due diligence activities designed to provide Investors with more information on the Underlying Asset itself. The following reviews are undertaken:

- Legal Review
- Valuation
- Physical Review

The due diligence procedure can be found in the Real Property Assets – Policy and Procedure

The details of the types of costs incurred during Assetora's due diligence process and how these costs are treated if Assetora succeeds or fails to purchase the Underlying Asset are listed in the Product Disclosure Statement.

If the independent valuation of the Underlying Asset is outside the valuation parameters set by Assetora, or if any of Assetora's due diligence enquiries raise any issues considered by Assetora to be significant, Assetora reserves the right to terminate the Campaign.

However, if Assetora decides to continue with the Campaign, any variation will be noted in the SPDS.

If a Campaign fails and a Sub-Fund is not established for the Underlying Asset (including because there is insufficient interest from Investors in respect of the Underlying Asset), Investors that had an Active Bid when the Campaign Costs were incurred will generally be liable for these costs in a proportion that is equal to the amount of their Bid divided by the sum of all Active Bids at the time the Campaign Costs were incurred.

11. Issuing the Supplementary Product Disclosure Statement (SPDS)

Once a Campaign has been completed, Assetora will then issue an approved SPDS and TMD to Investors. A SPDS is issued for each prospective Sub-Fund and will contain specific information about the Underlying Asset that will be held by the Sub-Fund. A SPDS will include details such as:

- a description of the Underlying Asset;
- the Campaign Price;
- the date when subscriptions for Units in the Sub-Fund will be closed;
- the expenses associated with investing in the Sub-Fund (to the extent that they are known);
- the fees and charges levied by the Assetora Fund against the Sub-Fund;
- if the Sub-Fund will be geared, an overview of the terms of the relevant loan agreement including the term of the loan, the interest rate, the gearing ratio and the interest cover ratio (including and excluding cash reserves); and
- likely or anticipated income yield (if applicable) that is to be derived from the Underlying Asset.

If all the Investors in a Campaign accept the SPDS and Assetora successfully purchases the asset on behalf of the Custodian, Investors will be issued their Units in the income subclass of the Sub-Fund.

12. Purchase Commitment

In order to invest in the Sub-Fund for that Underlying Asset, an Investor with an Active Bid will receive an email advising them that the SPDS has been issued and directing them to a link on the Assetora Website to obtain a SPDS. Investors need to accept the offer to subscribe for Units contained in the SPDS by completing the online application form and clicking the "Confirm" button on the screen displaying the SPDS and TMD.

Once an offer to subscribe for Units under a SPDS is accepted, an Investor's Quarantined Funds will remain Quarantined Funds until one of the following three events occur:

- the listing fails to attract enough Investor subscriptions to take up the entire offer within the allotted Listing Period of up to 90 days. Assetora can extend the Listing Period at its discretion, for further periods of up to 10 days, if it believes that the capital raising can be successfully completed within the additional time period;
- Settlement fails; or
- Settlement occurs in which case an Investor's Quarantined Funds will be transferred out of an Investor's account in the Cash Pool and transferred to the Sub-Fund. At this point Investors will be issued with their Units in the Sub-Fund.

If the Investors do not complete and confirm their application form for a Sub-Fund, the Campaign will fail, and costs incurred by Assetora with respect to its initial and final due diligence enquiries will generally be borne by the Investors with an Active Bid at the time the due diligence costs were incurred.

13. Fees and Costs

The Campaign should list the Fees and Costs associated with the Campaign and potential Sub-Fund where available. If the Fees and Costs are not available this should also be disclosed.

Campaign Costs are pre-Settlement due diligence costs generally associated with reviewing the legal status and the general condition of the Underlying Asset. Campaign Costs will vary considerably from one Sub-Fund to another based on the type and value of each Underlying Asset. These costs will be specified in the Assetora Fund PDS and the SPDS.

If the Investor decides to withdraw from a Campaign and a Sub-Fund is not subsequently established, the Investor will still be liable for the share of the costs incurred when the Investor had an Active Bid; but only those costs that had been incurred up until the time the Investor withdraws the Bid.

If a Campaign fails and a Sub-Fund is not established, Investors that had an Active Bid when the Campaign Costs were incurred will generally be liable for these costs (in a proportion that is equal to the amount of their Bid divided by the sum of all Active Bids at the time the Campaign Costs were incurred).

14. Withdrawing from a Campaign

Investors can withdraw from a Campaign at any time before the sub-fund has been created by contacting their adviser and requesting their bid be removed or by contacting client services at clientservices@Assetora.com.au.

If the Campaign is successful and all Investors have subscribed for Units under a SPDS, the investor will no longer be able to withdraw their bid. Assetora will attempt to acquire the Underlying Asset and create a Sub-Fund within the Assetora Fund. As each Sub-Fund is an illiquid investment, Investors will not be able to withdraw their investments in a Sub-Fund until the Sub-Fund is terminated.

15. Failure of a Campaign

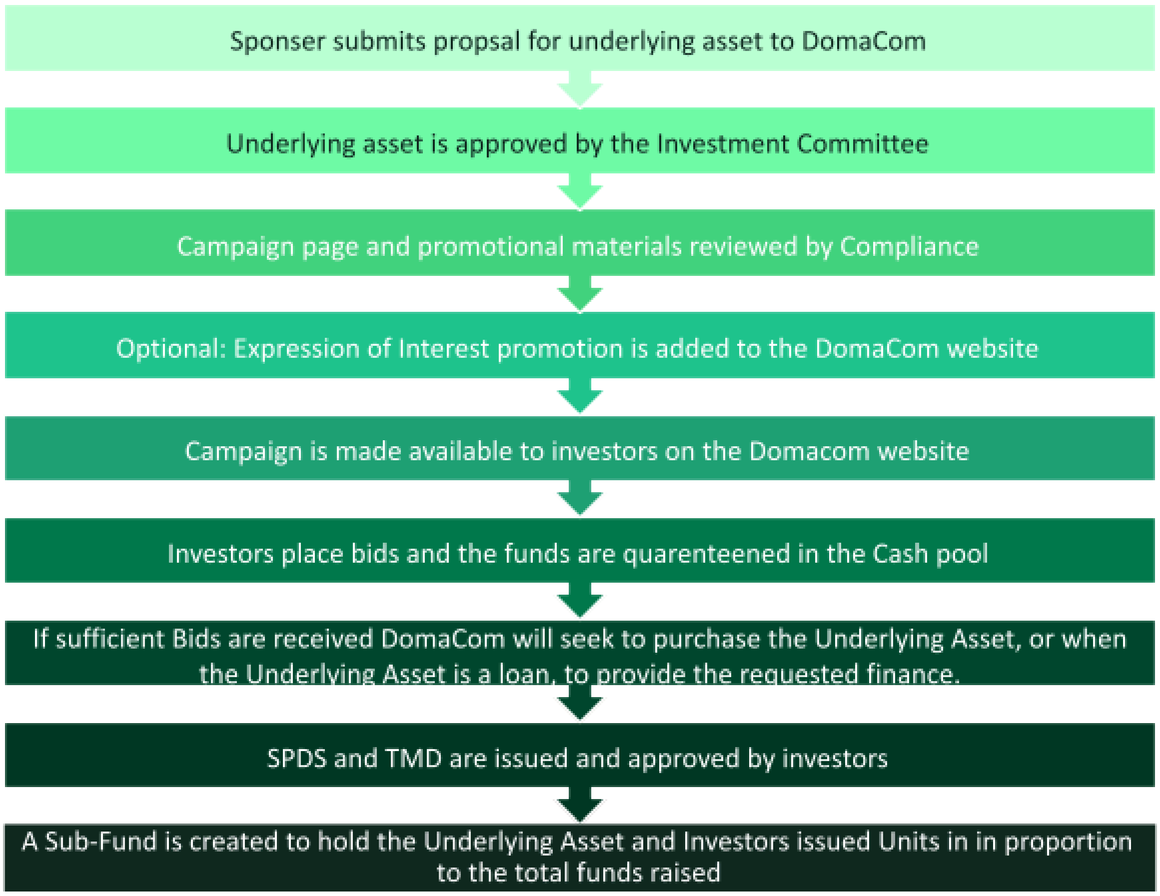
Assetora may terminate a Campaign at any time. Assetora may terminate a Campaign due to insufficient commitments received from Investors, issues identified as a result of due diligence investigations, or the Underlying Asset targeted by the Campaign no longer being available.

If the Campaign fails to attract enough Investor subscriptions to take up the entire offer within the allotted Listing Period of up to 90 days. Assetora can extend the Listing Period at its discretion, for further periods of up to 10 days, if it believes that the capital raising can be successfully completed within the additional time period.

If the Campaign fails, Assetora will inform those with an active bid via email. The costs will generally be allocated to each Campaign participant, calculated by reference to when they entered and/or exited the Campaign process and the costs that had been incurred at those times. If an Investor enters and then exits the Campaign before any costs are incurred, the Investor will not be required to meet any costs.

After costs have been accounted for, the Investor's funds will be released from quarantine and the Investor's funds can be used to participate in other Campaigns.

16. Campaign process



17. Creating the Sub-Fund

Once all the Investors in a Campaign subscribe for Units under a SPDS (assuming the relevant level of Investor subscriptions are received), Assetora will approach the counterparty to acquire the Underlying Asset.

If Assetora is successful in negotiating the acquisition of the Underlying Asset, Assetora will create a Sub-Fund within the Assetora Fund and the Custodian of the Fund will acquire the Underlying Asset through the Sub-Fund. The Campaign Costs and Acquisition Costs will then be charged to the Sub-Fund and Units are then issued to Investors in proportion to the amount of money that they Bid compared to the total Units issued.

18. Review of this policy

This policy will be reviewed at least annually (or more regularly if there are changes to the legal or regulatory framework which applies to this policy) to ensure it is renewed and updated appropriately.

19. Adoption of this policy

This policy was adopted by the Board on 25 August 2023

Appendix A – TMD Critical assessment questions

The following critical assessment questions from Table 3 in RG 274 will be used as a starting point for TMD analysis.

Purpose	● What is the purpose of the product? ● Is it fit for purpose? ● Does the product (including its key attributes) fulfil a well founded need for consumers in the target market? ● Does the product include features or attributes that are inconsistent with the objectives, financial situation or needs of consumers in the target market? ● Does the product (including its key attributes) benefit the consumers in the target market?
Past outcomes	● Has the product (including its key attributes) resulted in good outcomes for consumers in the target market in the past? ● Did it deliver what was promised? ● Who has benefited from this product or this type of product in the past? ● Did the product meet the needs of those to whom it was distributed? ● What does the data show were the ongoing benefits, risks and outcomes for consumers?
Likely future outcomes	● How is the product likely to perform in the hands of the consumers in the target market? ● Is the product likely to deliver what is promised?
Refinement of target market and/or product	● Does the product need to be redesigned or changed to be suitable for consumers in the target market? ● Does the target market need to be narrowed?

Table 3 in RG 27