



**EKAM**  
CAPITAL

Ekam Capital Income Fund

# Information Memorandum

**Investment Manager**

Ekam Capital Pty Ltd

**Trustee**

Specialised Investment and Lending Corporation Ltd

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[Eh-come, E-come]

Sanskrit

noun

One, together, unity

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"Diversification of risk matters not just defensively, but because it maximises returns as well, because we expose ourselves to all the opportunities that may be out there."

**Peter Bernstein**

# Table of Contents

<b>Message from the Directors</b>		<b>Page 07</b>
The Fund	<b>Page 08</b>	Taxation information <b>Page 32</b>
Lending strategy and process	<b>Page 18</b>	Additional Information <b>Page 35</b>
Risks	<b>Page 22</b>	Application Process <b>Page 39</b>
Fees and costs	<b>Page 27</b>	Glossary <b>Page 40</b>
Management of the Fund	<b>Page 29</b>	Corporate Directory <b>Page 43</b>



## Notice

This Information memorandum (Information Memorandum or IM) is dated 25 March 2024, superseding the version dated 24 March 2023, 1 February 2023, 23 November 2022 and 31 August 2022 and is issued by Specialised Investment and Lending Corporation Ltd ACN 149 520 918, holder of AFS licence number 407100 (Trustee), which is the trustee of the Ekam Capital Income Fund (Fund).

The Trustee has appointed Ekam Capital Pty Ltd ACN 653 511 338 (Investment Manager) as the investment manager of the Fund under the Investment Management Agreement. The Investment Manager is an authorised representative (number 001298708) of SILC Fiduciary Solutions Pty Ltd ACN 638 984 602 AFS licence number 522145. The authority of the Investment Manager is limited to providing general advice and dealing by arranging services relating to the Fund and to Wholesale Clients only.

The Fund, at the date of this IM, is not required to be, and is not, registered as a managed investment scheme pursuant to section 601ED of the Corporations Act. This IM is not a product disclosure statement for the purposes of Part 7.9 of the Corporations Act. Interests in the Fund will primarily be issued as units in the Fund (Units). An application to invest in the Fund will be accepted only on receipt of a validly completed Application Form. The offer or invitation to subscribe for interests in the Fund is subject to the terms and conditions described in this IM.

The purpose of this IM is to provide information for prospective Investors to decide whether they wish to invest in the Fund. The Trustee or Investment Manager will provide Investors with information specific to the investments before they invest. You are strongly encouraged to read this IM in its entirety before

making a decision about whether to invest in the Fund. This IM sets out general information about the Fund for potential Investors to consider in making a decision as to whether they should investigate a possible investment in the Fund.

### **NO DISCLOSURE REQUIRED**

This IM is intended to provide potential Investors with information only and does not constitute a product disclosure statement or other disclosure document required by the Corporations Act 2001 (Cth) (Act). This IM has not been lodged with the Australian Securities and Investments Commission (ASIC) or any other government body.

### **WHOLESALE INVESTORS ONLY**

The offer made under this IM is only available for persons who qualify as Wholesale Clients (as defined in section 761G (7) of the Act), or sophisticated investors (as defined in section 761GA of the Act), (collectively, "Qualifying Investors"). The Trustee will not issue Units in the Fund to a person unless it is satisfied that the person is a Qualifying Investor.

### **DISTRIBUTION OF IM**

The Trustee has authorised the use of this IM as disclosure to investors and prospective investors who invest indirectly in the Fund, as well as investors and prospective investors of an investor directed portfolio service, master trust, wrap account or an investor directed portfolio service-like scheme (IDPS). This IM is available for use by persons applying for

units through an IDPS (Indirect Investors).

The operator of an IDPS is referred to in this IM as the "IDPS Operator" and the disclosure document for an IDPS is referred to as the "IDPS Guide". If you invest through an IDPS, your rights and liabilities will be governed by the terms and conditions of the IDPS Guide. Indirect Investors should carefully read the terms and conditions outlined in the IDPS Guide before investing in the Fund. Indirect Investors should note that they are directing the IDPS Operator to arrange for their money to be invested in the Fund on their behalf. Indirect Investors do not become Unit Holders in the Fund or have rights of Unit Holders. The IDPS Operator becomes the Unit Holder in the Fund and acquires these rights. Indirect Investors should refer to their IDPS Guide for information relating to their rights and responsibilities as an Indirect Investor, including information on any fees and charges applicable to their investment and any applicable cooling off periods.

### **INDIRECT INVESTORS**

You may be able to invest indirectly in the Fund via an IDPS by directing the IDPS Operator to acquire units on your behalf. If you do so, you will need to complete the relevant forms provided by the IDPS Operator and not the Application Form accompanying this IM. This will mean that you are an Indirect Investor in the Fund and not a Direct Investor or Unit Holder of the Fund. Indirect Investors do not acquire the

rights of a Direct Investor as such rights are acquired by the IDPS Operator who may exercise, or decline to exercise, these rights on your behalf.

Indirect Investors do not receive reports or statements from us and the IDPS Operators' application and withdrawal conditions determine when you can direct the IDPS Operator to apply or redeem. Your rights as an Indirect Investor should be set out in the IDPS Guide or other disclosure documents issued by the IDPS Operator

### **RESTRICTIONS ON DISTRIBUTION**

This IM does not constitute, and may not be used for the purposes of, an offer of units or an invitation to apply to participate in the Fund by any person in any jurisdiction in which such offer or invitation is not authorised or in which the person endeavouring to make such offer or invitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or invitation.

No action has been taken to register or qualify interests in the Fund, the invitation to participate in the Fund, or to otherwise permit any public offering of Fund interests in any jurisdiction other than Australia.

It is the responsibility of prospective Investors to satisfy themselves as to full compliance with the relevant laws and regulations of any territory in connection with any application to participate in the



# Notice

Fund, including obtaining any requisite governmental or other consent and adhering to any other formality prescribed in such territory.

By receiving and viewing this IM, the recipient is warranting that they are legally entitled to do so and the securities laws of their relevant jurisdiction do not prohibit them from acquiring interests in the Fund. Further, the person receiving and viewing this IM from the Trustee warrants that, if they reside in Australia, they are a Wholesale Client as defined in section 761G of the Corporations Act or sophisticated investors as defined in section 761GA of the Act. The Trustee is regulated by the Australian Securities and Investments Commission (ASIC) under the Corporations Act 2001 (Cth). ASIC is located at 120 Collins Street, Melbourne VIC 3000, Australia and can be contacted on 1300 300 630.

In particular, this product has not been and will not be registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold, delivered or transferred in the United States or to, or for the account of, any "US Person" (as defined in Regulation S under the US Securities Act). Neither this IM nor any Application Form or other material relating to this product may be distributed in the United States.

## **NO RESPONSIBILITY FOR CONTENTS OF DOCUMENT**

To the maximum extent permitted by law, neither the Trustee nor any of its associates, related parties, directors, officers, employees, advisors (including financial, accounting and legal advisors) or representatives make any recommendation in relation to the Fund, or make any representation

or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this IM. This IM does not purport to contain all the information that a prospective Investor may require in evaluating a possible investment in the Fund. This IM must be read in conjunction with the Fund's Trust Deed, a copy of which is available (free of charge) by contacting the Trustee on +61 3 9600 2828. To the extent there are any inconsistencies between the Trust Deed and this IM, the Trust Deed will prevail.

## **NO DISTRIBUTION**

Distribution of this IM to any person other than the person receiving this copy from the Trustee or Investment Manager is unauthorised. Any photocopying, disclosure or alteration of the contents of this IM, and any forwarding of this copy of the IM or any portion thereof by electronic mail or any other means to any person other than the person receiving this copy from the Trustee or Investment Manager is prohibited.

## **NOT REGULATED BY APRA**

The Trustee is not authorised under the Banking Act 1959 (Cth) and is not supervised by 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 ADI.

## **FORWARD LOOKING STATEMENTS**

This IM includes forward looking statements that may contain the words "believe", "intend", "estimate", "expect" and words of similar meaning. All statements other than statements of historical facts included in this IM, including, without limitation, those regarding a Borrower's financial position and

business or investment strategy, plans and objectives are forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of a borrower to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Any forward-looking statements are based on numerous assumptions regarding a Borrower's operations and present and future business and investment strategies and the markets in which a Borrower will operate in the future. These forward-looking statements are current only as at the date of this IM. Accordingly, there can be no assurance that such statements, estimates or projections will be realised.

## **INDEPENDENT ADVICE RECOMMENDED**

Prospective Investors are not to construe the contents of this IM as tax, legal or investment advice. The information contained in this IM is general information only and does not take into account your objectives, financial situations or needs. An investment in the Fund should be regarded as speculative and may not be appropriate for all persons or entities. You should seek appropriate professional advice and should conduct your own independent investigation and analysis regarding any information contained in this IM. You should rely on your own enquiries, in particular in obtaining your own legal, investment and tax advice in determining whether to invest in the Fund.

## **NO GUARANTEE**

An investment in the Fund is subject to investment risk, including the loss of income and

capital invested. Neither the Trustee nor any of its directors, officers, employees, advisers or representatives guarantee the rate of return or performance of the Fund, the meeting of the objectives of the Fund, nor do they guarantee repayment of the amount invested in the Fund.

## **TRUSTEE LIMITATION OF LIABILITY**

Except in certain circumstances (including fraud, negligence or default by the Trustee), the Trustee enters into transactions for the Fund in its capacity as trustee 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.

## **UPDATED INFORMATION**

The information contained in this IM can change, and the IM may be updated or replaced from time to time. Unless the changed information is materially adverse to you, the Trustee may not always update or replace this IM to reflect the changed information. Updated information can be obtained by calling us on +61 3 9600 2828.

## **CONFIDENTIALITY**

This IM is confidential and is being provided to prospective Investors for them to consider investing in the Fund. Its use for any other purpose is not permitted. It may not be reproduced or redistributed, in whole or in part, and its contents may not be disclosed to any person.

## **GLOSSARY**

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



# Message from the Directors

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Dear Investor,

We are pleased to invite you to invest in the Ekam Capital Income Fund. The fund will provide investors access to a high-quality diversified portfolio of mainly mortgage secured Australian property finance investments.

The Ekam Capital Income Fund aims to optimise portfolio allocation to real estate and leverage the expertise and track record of Australia's leading and most respected real estate private debt financiers to provide access to investments that have typically only been available to institutional, Ultra High Net Worth investors and Family Offices due to the large quantum of minimum investment sizes typically required.

The fund aggregates investor commitments and uses this size and scale to amass the necessary investment power to access private off-market opportunities over a much larger diversified pool of investments than could be accomplished by a single investor. Through Ekam Capital's industry and local market expertise, networks, and deep access to data, we add an additional layer of due diligence to ensure suitability and credit worthiness of the investments.

Key features of the Fund include:

- Stable and regular income, targeting a distribution of the RBA cash rate plus 5% per annum (net of fees and expenses but before tax), paid quarterly;
- Conservative target weighted average portfolio Loan to Value Ratio of 65% across a highly diversified portfolio of investments and investment managers.
- Competitive fee structure with no entry, exit or performance fees; and
- Investment Manager and Advisory Committee with expert independent members to enhance strict fund investment guidelines.

Ekam Capital's mission is to democratise the private debt market by providing access to these private investment opportunities, navigating the complex property finance landscape, and delivering consistent risk-adjusted returns to our investors – all through one consolidated portfolio.

We look forward to welcoming you to the Ekam family.

Yours sincerely,

**ROBERT BAHARIAN**  
Co-Founder and Director  
Ekam Capital Pty Ltd

**JONATHAN SIM**  
Co-Founder and Director  
Ekam Capital Pty Ltd

# 1 The Fund

The table below is only a summary of the key features of an investment in the Fund. It is not intended to be exhaustive.

**You must read and consider the whole of this IM to obtain more detailed information before making a decision to invest in the Fund.**

## 1.1 Key Features

ABOUT THE FUND	
Fund name	Ekam Capital Income Fund.
Trustee	Specialised Investment and Lending Corporation Ltd ACN 149 520 918, AFS licence number 407100 is the trustee and custodian of the Fund, and will be responsible for holding title to the Fund's assets for the benefit of the Investors.
Investment Manager	<p>Ekam Capital Pty Ltd ACN 653 664 709 has been appointed by the Trustee as the investment manager of the Fund and is responsible for assessing and managing the Fund's assets.</p> <p>The Investment Manager will source and assess potential private real estate debt investments (Loans) for the Fund and will monitor and manage the day-to-day management of the Loans.</p>
Administration Manager	SILC Funds Administration Pty Ltd ACN 628 993 386 is the Administration Manager of the Fund, and is responsible for, amongst other things, investor administration process (including applications and unit registry) and fund accounting.
Fund structure	The Fund is an open ended unregistered Australian wholesale unit trust (unregistered managed investment scheme) established by the Trustee pursuant to the Trust Deed and is governed by Australian law. Investors have an opportunity to acquire Units in the Fund which entitles them to returns generated by the Fund.
Investment objective and structure of the Fund	<p>The Fund aims to provide Investors with access to a diversified pool of Australian property loans via a selection of private debt financiers who originate, manage, and deliver secured real estate debt investment opportunities.</p> <p>The Fund targets an average Loan to Value Ratio (LVR) of no higher than 65%, via a portfolio of senior mortgage (minimum 70% of the Fund's portfolio) and second mortgage debt (maximum of 30% of the Fund's portfolio).</p> <p>The Fund will invest a minimum of 60% of total funds into a core portfolio of highly diversified investments and a maximum of 40% of total funds into a portfolio of individual investments. The Fund may also have exposure to projects located in New Zealand through investment in other funds.</p>
Key benefits of investing in the Fund	<p>The Fund offers Qualifying Investors exposure and access to Australia's leading private debt arrangers. We offer a highly diversified portfolio of secured private debt investments through a unique fund structure designed to provide strong risk-adjusted returns via steady quarterly distributions and long-term capital preservation backed by real estate as outlined below:</p> <ul style="list-style-type: none"><li>• Highly diversified portfolio of secured debt investments across risk profile, geography, sector, and leading financiers.</li><li>• Seeks to deliver a smooth and stable investment experience, generally uncorrelated with volatile and uncertain financial markets - providing diversification to portfolios.</li><li>• Provides access to financiers and investments which are typically unavailable publicly or reserved for large wholesale/institutional investors due to their large minimum investment parcels.</li></ul>
Target Fund Raising	The Fund seeks to raise up to \$50 million. However, there is no restriction on the amount that can be raised under the Fund.
Target Return (Deployed Funds)	The Target Return on funds which are invested or deployed is RBA cash rate plus 5.00% per annum (net of fees and expenses but before tax). This Target Return is a target only and is not a guaranteed return to Investors. The Fund may not be successful in meeting this objective. Returns are not guaranteed.
Target Return (Semi-deployed Funds)	The Trustee may invest in income-producing listed securities during the quarter. The maximum amount that may be invested in the Fund of Semi-deployed Funds is 20% of the total funds under management.

<b>Target Return (Semi-deployed Funds)</b>	The Trustee may invest in income-producing listed securities during the quarter, subject to those securities meeting the Fund's investment mandate.
<b>Target Return (Undeployed Funds)</b>	Funds which are not invested or deployed are expected to earn the wholesale overnight cash rate. This Target Return is a target only and is not a guaranteed return to Investors. The Fund may not be successful in meeting this objective. Returns are not guaranteed.
<b>Target Fund Deployment Rate</b>	The Investment Manager intends to deploy 85%-95% of the total funds under management.
<b>Who can invest in the Fund?</b>	Investment in the Fund is only available to parties (individuals above 18 years of age, trusts or bodies corporate) who, if residing in Australia: <ol style="list-style-type: none"> <li>invest \$500,000 or more in the Fund; or</li> <li>provides a certificate from a qualified accountant (available within the Application Form) or substantially in the form available on the Trustee's website <a href="http://www.silcgroup.com.au">www.silcgroup.com.au</a> that states the Investor has net assets of at least \$2.5 million or has a gross income for each of the last two financial years of at least \$250,000; or</li> <li>is a professional investor (including the holder of an Australian financial services licence, a person who controls more than \$10 million or a person that is a listed entity or a related body corporate of a listed entity).</li> </ol> <b>("Qualifying Investors").</b>
<b>Minimum Initial Investment</b>	The Minimum Initial Investment Amount is \$100,000. Subject to Investors investing at least the Minimum Initial Investment Amount, Investors may make further investments in increments of \$50,000. However, the Trustee may accept lower amounts from a Qualifying Investor in its absolute discretion, subject to the Investor meeting the requirements of a Wholesale Client under the Corporations Act.
<b>Unit price</b>	It is intended that initial Units will be issued at \$1.00, however the Unit price is based on the underlying value of the Fund's assets and is calculated in accordance with the terms of the Trust Deed. The withdrawal price for a Unit is also based on the underlying value of the Fund's assets. This price may be different from the price originally paid for the Unit.
<b>Issue of units</b>	The issue of Units will take place within 5 Business Days after the prevailing unit price is available following the month in which an Application Form is received and accepted by the Trustee, excluding financial year end. The Trustee may, at its absolute discretion, process applications prior to month end or on a more frequent basis.
<b>Distribution</b>	The Fund intends to make quarterly distribution. Distribution payments will generally be made within 5 Business Days after the prevailing unit price is available following the end of each calendar quarter excluding financial year end. Investors also have the option to elect to have distributions reinvested. Refer to Section 1.5 (Distribution) for further information.
<b>Term of investment and withdrawals</b>	Holders of Units may only make Withdrawal Requests in accordance with the terms set out in this IM. Refer to Section 1.6 (Withdrawal rights) for information on withdrawing from the Fund.
<b>Liquidity Option</b>	Investments in the Fund are generally illiquid, and Investors must retain their Units until a withdrawal opportunity becomes available. Refer to Section 1.6 (Withdrawal rights) information on withdrawing from the Fund.
<b>Fees and Costs</b>	Refer to Section 4 (Fees and costs) of the IM for information on the fees and costs that may be charged by the Trustee and the Investment Manager.
<b>Key risks</b>	Investments in the Fund are subject to varying degrees of risks. Refer to Section 3 (Risks) for more information.



## Investment Highlights



### Consistently strong returns in a stable asset class

Property finance yields have consistently outperformed most traditional investment asset classes, benefiting from an illiquidity risk premium. The Fund provides exposure to the asset class via a professionally managed property finance investment portfolio which is actively managed to generate optimal risk-adjusted returns for Investors.



### One consolidated diversified portfolio with a low fee

The Fund's strategy provides a high level of diversification through multiple pooled and single investments across a selection of experienced investment providers. The portfolio construction additionally diversifies investment across geographic location, maturity term, and sectors.



### Exclusive access to deal flow and preferential deal terms

The Fund enables the pooling of investment capital to leverage buying power to access investment opportunities otherwise not accessible to those without significant pools of capital.

The Investment Manager may leverage relationships with the leading investment providers to gain preferential access to deal flow and terms.



### Experienced Property Investment and Advisory Team

Ekam's experienced investment management team is complemented by an advisory committee who have significant expertise in property, finance and investment management.



### Structural protection, with real security backing each investment

All investments are secured by way of first or second mortgage against Australian property with ascertainable value. In limited circumstances, the Fund may invest in other funds that have exposure to investments in New Zealand, as well as corporate loans in Australia and New Zealand.



### Low volatility and low correlation to traditional fixed income and other floating rate investments

Most investments are originated by investment providers and are not listed on any financial market. While this may impact on the investments' liquidity, the underlying loans provide Investors with predictable stable yields.



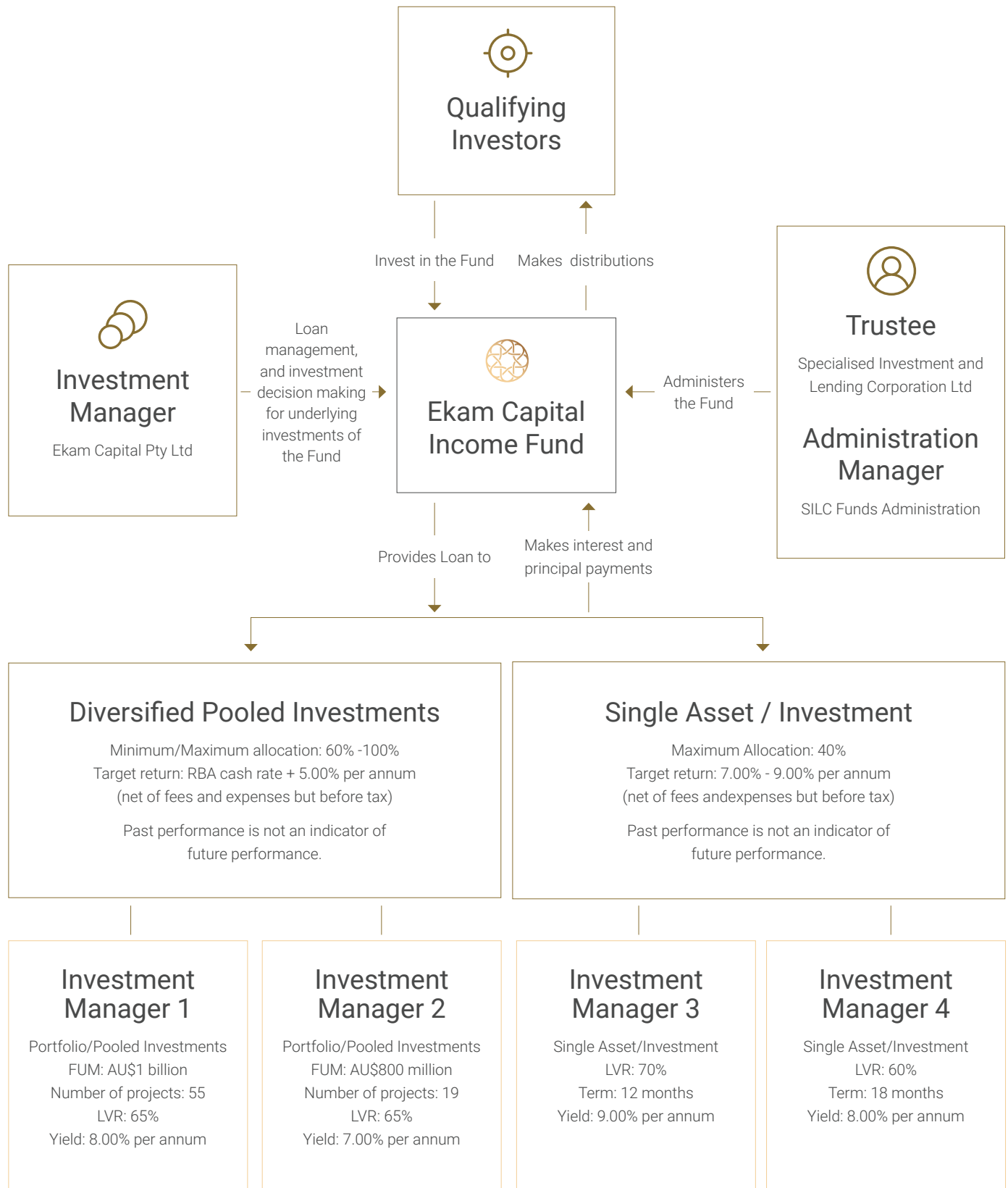


## 1.2 Fund outline

The Fund is an unregistered managed investment scheme established under the Trust Deed. The Trust Deed dated 29 August 2022 as amended from time to time regulates the relationship between the Trustee and Investors. The Trustee has appointed the Investment Manager as the investment manager of the Fund pursuant to the Investment Management Agreement. The Trustee has appointed SILC Funds Administration Pty Ltd ACN 628 993 386 as the administrator manager of the Fund.



A diagrammatic representation of the Fund is set out below.







## 1.3 Loan investments

All Financier selection and Loan investments of the Fund are made in accordance with the Investment Manager's loan selection criteria specified in Section 2 (Lending strategy and process).

**The Fund is structured to allow Qualifying Investors to acquire interests as follows:**



The Fund will provide Investors with a unique offering to access Australia's private real estate debt market in a highly diversified and low-cost manner.



The Fund will act as a pooled fund, investing in a core group of leading Australian private real estate debt funds as well as investments that are typically reserved for large wholesale/institutional investors. The Fund's investment strategy will be managed by Ekam Capital and advised and guided by the Fund's Investment Committee (IC). In limited circumstances, these leading Australian private real estate debt funds may invest in New Zealand investments, as well as corporate loans in Australia and New Zealand.



The Fund is designed to provide access and diversification through a relatively low-risk asset class, providing steady quarterly distributions, strong risk-adjusted returns, and long-term capital preservation backed by real estate.



The Fund may invest in an individual Loan or a portfolio of Loans to third parties or related parties and in such circumstances that meet the loan selection criteria specified in Section 2 (Lending strategy and process) of this IM.



## 1.4 Related Party Transactions

The Investment Manager is not a related party of the Trustee. The contractual arrangements between the Trustee and the Investment Manager are negotiated at arm's length between the parties. The Trustee may from time-to-time enter into transactions with related entities. For example, the Administration Manager is a related party of the Trustee. All transactions will be effected at market rates or at no charge.

The Fund will not make investments or loans directly to a related party of the Investment Manager. However, a related party of the Investment Manager may borrow funds from a Financier (and be subject to the lending criteria of that Financier) that the Fund is invested in.

The Trustee may from time to time face conflicts between its duties to the Fund as trustee, its duties to the other funds that it manages and its own interests. The Trustee will manage any conflicts in accordance with its conflicts of interest policy, the Trust Deed, ASIC policy and the law.

It is not the responsibility of the Trustee to assess the merits of each investment recommended by the Investment Manager, but rather to review that each investment is contemplated by this IM in addition to the Trust Deed and will not conduct any independent review that the Loan is otherwise in the interests of Investors.

By investing in the Fund, Investors acknowledge that the Investment Manager is responsible for assessing opportunities and making investment decisions for the Fund and that they have made their own independent investigations to satisfy themselves of the benefit of becoming an Investor in the Fund.

The procedure for evaluating Loans and taking enforcement action if required is set out in Section 2 (Lending strategy and process).

## 1.5 Distributions

It is intended that the distributions will be calculated and paid within 5 Business Days after the prevailing unit price is available following the end of each calendar quarter excluding financial year end. This is due to the time taken to receive, collate and report on distributions from all underlying investments within the Fund.

Distributions to Investors will generally take into account the number of Units held by an Investor in the Fund at the end of the distribution calculation period. Investors will receive income from the Loans that are referable to the Fund, after fees, costs and expenses that the Fund have been paid.

There will be an option to reinvest distribution payments. All distribution payments will be made to the Investor within 5 Business Days after the prevailing unit price is available following the end of each calendar quarter excluding financial year end. However, at the end of financial year, due to the time required to prepare annual investor statements and carry out tax and compliance obligations, the Trustee will endeavour to pay the final distributions (if any) for the financial year as soon as these requirements are met.

No distribution payments will be made to third parties or by cheque. Distributions will be paid to the Investor's nominated bank account (which must be in the same name as the Investor).

The Trustee has discretion to make distributions more frequently and may do so on the recommendation of the Investment Manager.

None of the Trustee, the Investment Manager or their related parties, officers, employees, consultants, advisers or agents guarantees the payment of, or amount of, any distribution.

Indirect Investors should review their IDPS Guide for information on how and when they receive any income distribution.

### Distribution Reinvestment Plan

The Fund offers a Distribution Reinvestment Plan (DRP) to allow distribution payments to be reinvested at the prevailing Unit Price. If an Investor wishes to set up a DRP, they can elect to do so by contacting the Trustee at [investors@silcgroup.com](mailto:investors@silcgroup.com) and submitting their request 10 Business Days prior the end of each calendar quarter.



## 1.6 Withdrawal rights

The Fund is not expected to be highly liquid or liquid in the short term. While an investment in the Fund should be considered illiquid, the Fund will endeavour to make available withdrawal offer every month, provided that the Withdrawal Request is received and approved by the Trustee, subject to one calendar month minimum notice period and the liquidity of the assets held within the Fund.

The withdrawal price for a Unit is based on the Net Asset Value within the Fund. This price may be different from the price originally paid for the Unit, particularly where capital losses have been suffered.

Investors may with a one calendar month minimum notice period submit a Withdrawal Request to withdraw some or all of their investment. To withdraw from the Fund, Investors must complete a Withdrawal Request which can be requested from the Trustee by emailing [investors@silcgroup.com](mailto:investors@silcgroup.com).

The Trustee does not guarantee that Withdrawal Requests will be satisfied in all circumstances. If the request has been approved, the Investment Manager will use its best endeavours to process the redemption in accordance with the request subject to the liquidity of the assets held within the Fund.

Withdrawals may be accepted, refused or partially satisfied at the absolute discretion of the Trustee. The Trustee may also suspend or reject applications for withdrawals where there is insufficient liquidity in the Fund or where allowing withdrawals from the Fund is not in the best interests of all Investors. The Trustee may, in its absolute discretion, permit withdrawals under circumstances other than as set out in this IM, on such terms and conditions (including specific fees and charges) as determined by the Trustee.

Where there are insufficient funds to satisfy all Withdrawal Requests received in response to a withdrawal offer, Withdrawal Requests will be satisfied on a pro-rata basis with remaining unfilled withdrawal amounts cancelled automatically.

Investors should note that their Units may be automatically redeemed by the Trustee in certain circumstances as specified in the Trust Deed.

Withdrawals will be paid to the investor's nominated bank account (which must be in the same name as the investor).

If you are an Indirect Investor, you need to provide your withdrawal request directly to your IDPS Operator. The time to process a withdrawal request will also depend on the particular IDPS Operator and the terms outlined in the IDPS Guide.



## 1.7 Transfer of Units

There will not be any established secondary market for the sale of Units however an Investor may transfer the ownership of their Units at any time provided that the transferee meets the requirements of a Qualifying Investor of the Fund and has been approved by the Trustee. Transfers will be processed within 5 Business Days after receipt of a completed transfer form by the Trustee.

The Trustee in consultation with the Investment Manager may, but is not required to, on a best endeavours basis, provide assistance to procure a transferee.

Under the Trust Deed, the Trustee has the discretion to refuse the transfer of Units and is not obliged to accept a transfer of Units. Please note that a transfer of Units may have taxation consequences. See Section 6 (Taxation information) for further information.

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## 1.8 Borrowings

**The Fund does not intend to raise debt at the date of this IM. However, from time to time, the underlying investments within the Fund may choose to utilise leverage as part of their investment strategy. Leverage in the Fund will be monitored and will be limited to 5% of the net assets of the Fund.**

The Fund will not enter into derivatives or foreign exchange contracts for any purpose.

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## 1.9 Unit Pricing

**The initial Unit price for Units issued for the Initial Offer will be \$1.00. Subsequently, Units will be issued at the issue price, which in general terms is equal to the Net Asset Value of the Fund, divided by the number of Units on issue plus any transaction costs.**

The value of Units will change from time to time as the market value of Fund Assets rises or falls. Each Unit is a proportional interest in the Net Asset Value of the Fund, having regard to the total number of issued Units.

The Issue Price of Units is determined by dividing the current Net Asset Value by the number of Units on issue, adjusted for transaction costs.

The Fund will calculate the Net Asset Value at least annually.



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"Wealth is the ability to  
fully experience life."

**Henry David Thoreau**



## 2

# Lending strategy and process

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## 2.1 Investment Objective

The investment objective of the Fund is to provide Investors with strong risk adjusted returns and preservation of long-term capital by investing in a diversified portfolio of primarily first mortgage property transactions. The Fund will seek to achieve this by investing in a multi-fund strategy and participating in investments provided by Australia's leading private lenders (Financiers). The Fund aims to provide cash distributions to investors on a quarterly basis in accordance with the Distribution Policy – please refer to Section 1.5 (Distributions) for further information.

While the above reflects the Trustee's current intentions, it may change the model (in any way it wishes) so that it does not necessarily lend to a sub-fund but may for example lend directly to the ultimate Borrower.

All subscription money received from Investors will be pooled together and invested collectively and applied by the Trustee for the making of investments. No individual has a beneficial interest in any particular Loan or any other investment or asset of the Fund.

The target IRR is RBA cash rate plus 5.00% per annum. The IRR is the Target Return intended to be achieved by the Fund. The IRR is not guaranteed.

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## 2.2 Real estate private debt investment opportunity

Real estate private debt has an enduring role to play in investor portfolios and currently offers compelling risk/return dynamics when compared to more liquid floating-rate investments as well as providing stability and preservation of capital.

A well-structured real estate debt portfolio will have a better risk-adjusted return than many floating-rate alternatives with an additional risk premium often paid for potential illiquidity. Additionally, debt finance in the capital structure provides greater levels of protection than equity capital investors, being the first in-line as a secured creditor.

Australian real estate debt should appeal to superannuation funds, especially to those with members near and post retirement who have strong appetites for income generation coupled with capital preservation and a low correlation to public markets. There is strong precedent for this in offshore markets where investors such as US pension funds and life insurers have been significant and successful investors in real estate debt for decades.

Australian private debt is not a new asset class, however it is a relatively new asset class for Australian investors and they include a range of different investment types with very different risk/reward characteristics.

The Reserve Bank of Australia (RBA) estimates Australian private debt to be worth \$2.8 trillion – larger than the \$2 trillion Australian Stock Exchange (ASX), the Bloomberg AusBond Composite Index, and equal to if not larger than the Australian Superannuation savings pool and has been growing at a rate of 7.6% pa since 2003.

Increased bank regulation has created the opportunity for non-bank lenders to fill the gap left by the banks as they withdraw from certain sub-sectors of the domestic lending market. As public markets continue to remain volatile, as investors search for alternative assets to help diversify their portfolio, and as this asset class becomes more publicly available, it creates a compelling backdrop for investors to consider allocation to Australian private debt.

From a portfolio construction perspective, Australian private debt exhibits compelling characteristics. According to Citibank and Morningstar, Australian private debt exhibits a low correlation to the Bloomberg AusBond Composite Index, and low to negative correlation to the ASX 200. This makes Australian private debt an important building block to portfolio construction – offering diversification, low volatility, high income, and a floating interest rate that may help increase returns without increasing volatility of a portfolio.



Based on recent data and further data becoming available for this sector, we believe Australian private real estate debt offers:



### 2.2.1

**High returns relative to other floating-rate investments** – current Australian real estate debt margins provide a substantial premium over corporate bonds of similar risk notwithstanding the illiquidity of real estate debt. The margins (or spreads) between real estate debt and more risky assets like leveraged loans have narrowed to their lowest level in over six years.



### 2.2.2

**Low volatility and stability** – Australian real estate debt margins have been less volatile than all but the highest rated tiers of global corporate debt.



### 2.2.3

**Low levels of default** – Australian real estate debt default rates are lower than all but the highest rated tiers of global corporate debt. Low levels of loss given default – Australian real estate debt recovery rates are significantly better than recovery rates for most other real estate debt markets.



### 2.2.4

**Low correlations** – Australian real estate debt has low correlations with traditional fixed income and other floating-rate investments. It thus lowers the risk of a fixed income portfolio dominated by government and corporate credit.



### 2.2.5

**Resilience to margin pressure** – Mid-cap Australian real estate loans in particular, have demonstrated considerable resilience to margin pressure post-GFC.

In our financially repressed world, investors are constantly seeking alternatives. Australian real estate debt warrants special consideration as a component of this defensive, income producing segment on the basis that it will:



### 2.2.6

**Boost income** – through yield that is competitive with or greater than many other floating-rate investments.



### 2.2.7

**Reduce portfolio risk and improve capital preservation** – through a combination of near-zero duration (due to the regular re-set of interest rates on real estate loans), low leverage and default rates, high recovery rates and low correlations with other portfolio investments.



### 2.2.8

**Continue delivering** – due to market dynamics, in particular low competition and new prudential requirements such as BASEL II and III.





Ekam Capital aims to take advantage of this opportunity for the greater benefit of Australian Investors by offering Investors exposure to a diversified portfolio of private debt secured by real estate. The Ekam Capital Income Fund will leverage the expertise and track record of Australia's leading and most respected real estate private debt financiers.

## 2.3 Investment Guideline

The Fund has implemented an Investment Guideline which requires a thorough assessment of all Financier/loan investments.

The following table provides a summary of the key terms of the Fund's Lending Guidelines:

<b>Financier Selection</b>	<p>Financiers selected for loan investments will meet the following criteria:</p> <ul style="list-style-type: none"><li>2.3.1.1 Minimum 12 months of operation</li><li>2.3.1.2 Minimum of 10 loans successfully repaid</li><li>2.3.1.3 Experience of the investment team vetted by the IC</li><li>2.3.1.4 Credit risk and compliance process vetted by the IC</li><li>2.3.1.5 Key consultant panel including valuers, lawyers and quantity surveyors vetted by the IC, and</li><li>2.3.1.6 Work out procedures vetted by IC.</li></ul>
<b>Purpose of Loans</b>	<p>Loans made to the Borrowers must be for the purpose of:</p> <ul style="list-style-type: none"><li>2.3.1.1 Land acquisition/refinance</li><li>2.3.1.2 Residential land subdivision</li><li>2.3.1.3 Residential project funding</li><li>2.3.1.4 Residual residential stock</li><li>2.3.1.5 Commercial/Industrial property development, and</li><li>2.3.1.6 Commercial/Industrial property investment.</li></ul> <p>In limited circumstances, our investments in other funds may provide the Fund with corporate loan exposure in Australia and New Zealand.</p>
<b>Borrowers</b>	<p>Loans will be made to Borrowers, which meet the following requirements:</p> <ul style="list-style-type: none"><li>2.3.1.7 Each Borrower must be located in Australia</li><li>2.3.1.8 Each Borrower must be able to provide security for the relevant Loan, and</li><li>2.3.1.9 If a Loan is made to a related entity of the Investment Manager, the Trustee's approval will be required to invest in the Loan and the Trustee will also undertake the management of default (if any).</li></ul> <p>In limited circumstances, our investments in other funds may provide the Fund with exposure to borrowers in New Zealand.</p>
<b>Location of projects</b>	<p>2.3.2 All Loans will be in respect of projects in Australia.</p> <p>Through our investments in other funds, we may obtain exposure to projects located in New Zealand.</p>
<b>Real Property Mortgage</b>	<p>A registered Real Property Mortgage is not required for all Loans.</p> <p>Where a Real Property Mortgage is taken, it may or may not be registered. Where the Real Property Mortgage is not registered, then there is a risk that another party may register a mortgage against the relevant real property which would then take priority to the Fund's interest in the real property. To mitigate this risk, a written undertaking will be obtained from the Borrower not to deal with the real property, including not to permit any further encumbrances (whether a caveat or Real Property Mortgage).</p> <p>Where a second ranking Real Property Mortgage is obtained, it will rank behind the first ranking financier's mortgage in terms of priority.</p>





<b>Security Interests</b>	The Trustee may generally take a general security agreement (GSA) whether or not a Loan is secured by a Real Property Mortgage but, may not if it reasonably considers that the Loan is appropriately secured by a Real Property Mortgage. The Trustee may also take other forms of security referred to as Security Interests, which may include corporate guarantees, personal guarantees or directors' guarantees.
<b>Loans not secured by a Real Property Mortgage</b>	Loans not secured by a Real Property Mortgage may only be provided where funds are used:  2.3.1 as a deposit payment in the acquisition of real property by the Borrower 2.3.2 as an option payment in securing a development site, and 2.3.3 for associated property development costs including sales and marketing, preliminary work (such as investigations, surveys and tests), project management fees and securing necessary development approvals.  It will generally be a condition subsequent to each unsecured Loan that the Borrower provides the Trustee with a Real Property Mortgage once the real property has been acquired by the Borrower. However, neither the Trustee nor the Investment Manager can guarantee this will occur and it may not be appropriate in some circumstances.
<b>Loan to value ratio (LVR)</b>	The Fund targets an average Loan to Value Ratio (LVR) of no higher than 65%, via a portfolio of senior (minimum of 70%) and second mortgage (maximum of 30%) debt.
<b>Term</b>	The term of a Loan will be determined between the Investment Manager and the Borrower on the basis of the specific funding needs of the relevant Project.
<b>Interest rate &amp; payment terms</b>	The interest payment terms shall be determined by the Investment Manager in accordance with the Lending Guidelines.
<b>Default terms</b>	Standard events of default including failure to pay amounts when due, breach of financial covenants and insolvency of the Borrower.
<b>Other key requirements</b>	Typical representations, warranties, undertakings and events of default, including restrictions on the Borrower disposing of the security property (where relevant) or incurring additional financial indebtedness.
<b>Credit Assessment</b>	Security Properties that are typically within the capital cities and major regional cities in Australia and will be driven by market demand and decisions made based on prudent lending principles including independent valuations.
<b>Investment Committee</b>	Ekam Capital Income Fund will conduct a review of every loan Financier or where it is investing directly into specific project loans, a credit assessment of each loan accepted into the Fund through the function of the Investment Committee. Each Financier/Loan is assessed and approved by the Investment Committee.

## 2.4 Investing surplus funds

From time to time the Trustee may have excess capital which is not immediately required or able to be invested in the suitable Loans or funds which are being held pending distribution to Investors. In those circumstances the Trustee may invest those funds in cash and cash equivalents (i.e. term deposits offered by ADIs) or such other similar creditworthy and liquid investments as determined by the Trustee from time to time.



# 3 Risks

**Like any Investment, there are risks associated with investing in the Fund. Only Wholesale Clients who understand these risks are suited to investing with the Fund.**

The risks listed below should be considered in light of your risk profile when determining whether to invest in the Fund. Factors that may impact your risk profile include your age, the investment time frame, your other investments or assets and your risk tolerance. The Fund's risk factors listed under this section are not exhaustive.

The Trustee does not guarantee the liquidity of the Fund's investment, the repayment of capital or any rate of return or the Fund's investment performance. The value of the Fund's investments and level of Fund return will vary.

In addition, we do not offer advice that takes into account your personal financial situation, including advice about whether the Fund is suitable for your circumstances.

## 01 Performance and Investment Manager risk

The success of the Fund is dependent on the Investment Manager identifying suitable Loans for the Fund to make and then managing those Loans to ensure that the Loans are repaid. If the Investment Manager is unable to achieve this, then this may adversely affect the Fund's returns.

The Investment Manager may elect to retire or may be replaced as the Investment Manager of the Fund, or the services of the key personnel of the Investment Manager may become unavailable for any reason.

There is always a risk that the Investment Manager fails to identify and adequately manage the investment risks which may adversely affect the Fund's returns. Additionally, there may be operational risks of the Trustee, the Investment Manager or the Administration Manager including the possibility of systems failure or any other unforeseeable risk.

## 02 Borrower risk

A Borrower may become insolvent or face financial difficulties, they may fail to meet payment obligations or otherwise fails to meet the terms of the Loan or has other financial difficulties, including insolvency, which could be for a number of reasons, including:

- an inability to pay interest as a result of reduced income generally, including rental income;
- an environmental or demographic issue impacting on the ability of the security property to generate income;
- where the applicable interest rate is variable and an increase in the underlying interest rate causes a Borrower to be unable to meet the increased interest repayments; and or
- cost increases and or time delays relating to a development.

These could adversely affect the income attributable to the Fund, distributions to Investors.



03	<b>Liquidity risk</b>	Investors cannot withdraw from the Fund, unless the Trustee makes a withdrawal offer. The Trustee has complete discretion over when to make a withdrawal offer and the terms of the offer. If the Trustee does not make a withdrawal offer, then you will not be able to access your investment until the Fund is wound up.
04	<b>Return risk</b>	<p>The Fund seeks to deliver the Target Return to Investors. It is designed for Investors seeking a return greater than the interest paid on basic deposit and saving products offered by an ADI. The Fund is targeting returns which are significantly higher than interest paid on Basic Deposit Products. However, as a general rule, higher potential returns have higher levels of uncertainty (high-risk) than investments with lower potential returns and low levels of uncertainty (low-risk).</p> <p>The Target Return is not a forecast. The Fund may not be successful in meeting this objective. Returns are not guaranteed.</p> <p>Investors should note that an investment in the Fund is not an investment in an ADI (such as a bank) regulated by APRA and an investment in the Fund carries more risk than an investment in a bank.</p>
05	<b>Diversification risk</b>	Diversification risk is the risk that the investment portfolio of the Fund may lack a diversification of assets. While the Fund aims to present investors with the opportunity to participate in a diverse range of Loans, it depends on the ability of the Investment Manager to originate quality Loans that meet the Investment Parameters and the investment criteria of the Fund.
06	<b>Security risk</b>	The underlying Loans may have or will have different security in support of the Loans. The security and the priority ranking achieved could adversely impact the returns to Investors. In other words, depending on the rank of the security there may be creditors that are provided priority over the Fund's security.
07	<b>Construction or Development Loan risks</b>	<p>Loans for construction or development include a degree of additional risk compared to those that are used to fund investments. This risk is associated with the timing, completion and sale of the Project particularly if a Borrower is unable to complete the construction works as required.</p> <p>Furthermore, during the construction or development process, a downward shift in the property market can affect the ability to recover the amount owing under the Loan at the completion of the Project which affects the distribution of income.</p>
08	<b>Planning risk</b>	It may be more difficult than anticipated, or even impossible, to obtain the requisite government or regulatory approvals and permits for a development project and this may increase costs and cause delays to a development project. In addition, a requirement of a government or semi-government department or authority (including relating to environmental, archaeological, planning or servicing issues) may result in a reduced yield or delay in the property development projects which may impact on the ability of the property development projects to generate a profit.
09	<b>Contractor &amp; third-party risk</b>	Contractors and third parties engaged to perform works on a development project could become insolvent or default under their contracts which may lead to delays or impact on the viability of a development project.



10	<b>Taxation risk</b>	Changes in tax laws affecting the Fund could result in lower returns than anticipated. Fund performance may be affected by regulatory changes to tax legislation in Australia or overseas which could have an impact on the value of your investment.
11	<b>Related party loans risk</b>	Loans may be made to related parties of the Investment Manager. Where this were to occur, the Trustee will be involved in the due diligence process and the approval of the Loan must be approved by the Trustee.
12	<b>Loan loss risk</b>	The Fund will not maintain a reserve of funds to meet losses on Loans, should they occur. This means any Loan losses caused as a result of Borrower default or otherwise will have to be met from the Fund's capital, which may impact upon the Fund's Unit Price and may result in a capital loss being incurred by Investors.
13	<b>Enforcement risk</b>	<p>Where the Trustee takes enforcement action in respect of a defaulting Loan, the costs incurred in doing so could be substantial.</p> <p>The Investment Manager may pay for those enforcement costs from its own resources (such as the costs of appointing a receiver, legal fees in enforcing against the Borrower, agent's commissions for sale of the security property etc.). It is also possible that the Trustee may procure a third party to underwrite the enforcement expenses on commercial arrangements. The Investment Manager or third party will have the right to recover these costs from the proceeds received from the enforcement action before any payments are made to Investors plus any fee or interest agreed with a third party. This will most likely lead to a reduction in distributions paid to the Investors. If the enforcement costs cannot ultimately be recovered out of the proceeds from the sale of the security property or recovered directly from the Borrower, then it may result in Investors suffering a loss of capital.</p> <p>It is also possible the Trustee will undertake a further capital raising to raise the capital required to pay for the expenses associated with enforcing the Loan. There is therefore a risk that Investors may be requested to contribute further capital to the Fund. It is highly likely that any such future capital raising will be undertaken at a price less than the original issue price for the Units and may therefore dilute the proportional holdings in the Fund of those Investors that decide not to contribute further capital.</p>
14	<b>Documentation risk</b>	A deficiency in documentation could, in certain circumstances, adversely affect the return on a Loan. This may make it difficult for the Fund to enforce a Loan, its Real Property Mortgage (if any) and other security (if any) in respect of the Loan and may also affect the ability to recover any penalties imposed against the Borrower.
15	<b>Valuation risk</b>	The valuation of the security property for a Loan may be inaccurate or not accurately reflect its true value at the time the valuation is undertaken. If the valuation of the security property for a Loan is incorrect, then the amount realised on the sale of a security property may not cover the amount lent to the Borrower.



16	<b>Market risk</b>	<p>This is the risk that negative market movements will affect the price of assets within a particular market. By their nature, markets experience periods of volatility involving price fluctuations of varying magnitudes. Property market risk is the risk that the property market as a whole declines in value in line with various trends in the Australian or overseas markets. This may be due to a number of factors, such as over-supply of real estate, economic conditions, interest rate movements or general market sentiment.</p> <p>The Fund's assets will be made up of Loans made for the purpose of property development. Therefore, factors which affect the property market may impact upon the value of Fund security.</p> <p>A fall in property values may affect the ability to fully recover the amount owing under a Loan where a Borrower defaults. If the Borrower defaults and the security property is sold for less than the outstanding Loan amount (including the costs of the sale and interest), then this may result in the Fund suffering a loss if the Borrower cannot repay the balance of the outstanding debt from other assets of the Borrower.</p>
17	<b>Operational risk</b>	<p>Operational risk exists in all managed investments. This refers to the possibility the Investment Manager may fail to anticipate market movements, to manage the investment risks appropriately, or to properly execute the Fund's investment strategy.</p>
18	<b>Personnel risk</b>	<p>Despite the investment strategy being applied as outlined, there is no certainty that the Investment Manager will produce the intended result for Investors. There is the additional risk of departure from the Fund's key personnel. Any deaths or departures of the Trustee's or Investment Managers key staff may negatively affect the ability to implement the investment strategy.</p>
19	<b>Regulatory and economic risk</b>	<p>There is the risk that the value of an investment may be affected by changes in domestic or international policies, regulations or laws (including taxation laws). There is also a risk that a downturn in domestic or international economic conditions may adversely affect investments.</p> <p>These factors are outside the control of the Trustee and the Investment Manager but they may have a negative impact upon the operation and performance of the Fund.</p>
20	<b>Investment risk</b>	<p>The investments identified and selected by the Manager for the Fund, may not appreciate in value, they may decrease in value (in the case of a default by a Borrower) with the consequence that the Fund may not be able to make distributions or repay the capital invested.</p>
21	<b>Interest rate risk</b>	<p>Changes to interest rates can have a direct and indirect impact (negative or positive) on the value of any security taken by the Fund.</p>



# 22

## Credit risk for bank term deposits

The Fund may invest in bank deposits and fixed interest securities. When investing in bank deposits and fixed interest securities it is necessary to consider credit risk. Credit risk refers to the counterparty failing to meet an obligation to pay periodic interest or to repay the principal sum at maturity. This is the risk that the value of an individual investment made the Fund directly or indirectly (through other managed investment schemes) in a cash related product may change or become more volatile, potentially causing a reduction in the value of the Fund and increasing its volatility. This may be because, amongst other things, there are changes in the Government's policies, or business environment, or a change in perceptions of the risk of any investment. Various risks may lead to the issuer of the investment defaulting on its obligations and reducing the value of the investment to which the Fund has an exposure.

# 23

## Related party investments and transactions risk

The Loans or fixed income investments made by the Fund may be provided to a related party of the Investment Manager and/or the Trustee.

By investing in the Fund, the Investors acknowledge that the Loans or fixed income investments may not be on an arm's length terms and that the key terms of the Loans or such fixed income investments have been adequately disclosed to Investors or that they have made their own independent investigations to satisfy themselves of the benefit of entering into the Fund.

# 24

## COVID-19 risk

On 11 March 2020, the World Health Organisation declared COVID-19 (or Coronavirus) a global health pandemic. Since this time, measures have been implemented by the Australian, state/territory, and international governments in relation to public gatherings, travel restrictions and social distancing measures. Circumstances are changing daily and there is an unprecedented level of uncertainty in society and the economy. The duration of the pandemic is unknown.

As at the date of this IM, the COVID-19 pandemic is causing instability in financial markets, a loss in Investor and consumer confidence, and a general deterioration of global economic conditions. The economic and other effects of this virus, and its duration, are unknown.

COVID-19 may impact the financial and investment information presented in this IM in ways that cannot be foreseen at this time. These may include, amongst other things, a deterioration of the valuation of property against adopted valuations, inability to refinance, develop or sell the property or a decline in the value of the property.

# 25

## Currency risk

The Fund's portfolio may hold investments priced in foreign currencies. These investments will be exposed to foreign exchange risk which can either positively or negatively impact the investment returns of the Fund.

**The Trustee and Investment Manager strongly recommend that Investors obtain independent financial advice before investing in the Fund.**



# 4

# Fees and costs

This section outlines fees and other costs that Investors may be charged for the management of the Fund. These Fees and Costs will be deducted from the Fund's assets. Investors should read all the information about Fees and Costs to understand its impact on an Investor's investment.

## 4.1 Management Fees and Costs

## 4.2 Manager Fees

The Investment Manager will pay all Fees and Costs set out in this section from its manager fees.

If the Investment Manager fails to pay the Fees and Costs, then they will be paid from the assets of the Fund before any distributions are paid to Investors.

Fee Items	Fee
<b>Fees Payable To The Investment Manager</b>	
<b>Management Fee</b> This fee is payable to the Investment Manager for originating and managing the Fund's investments.	0.90% plus GST per annum of the Net Asset Value of the Fund.
<b>Fund Expense Recovery Fee</b> This fee is payable to the Investment Manager for administration (including, but not limited to legal, accounting and compliance fees) of the investments within the Fund.	Up to 0.50% plus GST per annum of the Net Asset Value of the Fund.
<b>Performance Fee</b> This fee is payable to the Investment Manager where the Fund achieves outperformance.	Nil.
<b>Other Fees and Costs</b>	
<b>Other Fund Expenses</b> The expenses charged to the Fund and paid out of the Fund's assets.  In addition to the fees and other costs set out above, the Trustee may pay, out of the assets of the Fund, all expenses related to the establishment, operation, marketing and distribution of the Fund. This includes all fees, costs, and expenses of the Fund, the Trustee and the Investment Manager incurred in connection with potential investments (including investments that are not consummated) and the acquisition, financing, holding, sale, proposed sale or valuation of any investment (including the repayment of those financings, the costs of establishing and maintaining any borrowing facility, the management fee, the fees and expenses of the Trustee, all litigation-related and indemnification expenses, fees of auditors, fees of due diligence consultants (including, without limitation, financial, physical and environmental consultants) and counsel, administrative expenses, costs of holding Unit Holders meetings, costs of preparation of tax returns and any taxes, fees or other governmental charges levied against the Trustee, in its capacity as trustee of the Fund).	As agreed from time to time.

All Fees and Costs of the Fund payable out of the assets of the Fund are reflected in the Unit price of the Fund.

In addition to the above fees and expenses, there may be a buy/sell spread charged on applications and redemptions as indicated in Section 1.10 (Unit Pricing).



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### 4.3 Arranging Fee

The Investment Manager may charge the Borrower under a specific Loan, an arranging fee, for acting as the arranger for that Loan for the Borrower and the relevant lender.

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### 4.4 Goods and services tax

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

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### 4.5 Fee changes

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

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### 4.6 Waiver, deferral or rebate of fees

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

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### 4.7 Referral Fees and payment to IDPS operators

The Investment Manager can offer referral fees or rebates at the Investment Manager's sole discretion, provided this is at the Investment Manager's own expense. Subject to the law, the Investment Manager may make payments to some IDPS Operators because they offer the Fund on their investment menus. The relevant payments are paid by the Investment Manager out of its Management Fees and are not an additional cost to the investor.

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### 4.8 Termination Fee

In the event that the Fund is terminated prior to the end of the 3-year term of which the Trustee is engaged as trustee for the Fund, a termination fee of 65% of the fees which would have been payable for the remaining term is payable to the Trustee. If the Trustee retires as the trustee of the Fund as requested by the Investment Manager and the relevant laws and the request to retire occurs within 3 years from the date of the issue of the IM (Minimum Term), the Trustee will be entitled to a termination fee calculated as 65% of the minimum fee that would have been payable to the Trustee for the remainder of the Minimum Term. The Investment Manager agrees to pay this termination fee in the event that it is not recoverable from the Fund.





# 5

# Management of the Fund

## 5.1 About Ekam Capital Pty Ltd

Ekam Capital Pty Ltd is the Investment Manager of the Fund.

### Key Personnel:



#### **Robert Baharian** **Director & Investment Committee Member**

Robert is the Founder and Chief Executive Officer of Baharian Wealth Management, a privately owned specialist wealth management firm serving the needs of private individuals, families, businesses, and Not For Profit Organisations.

Prior to Baharian Wealth Management, Robert spent a number of years as a senior advisor to the clients of one of Australia's leading private banks.

Robert has a strong background and expertise – academically, professionally, and personally – in investing, asset allocation, portfolio construction and portfolio management. He's spent the last 15+ years advising private clients on their wealth management needs.

Robert holds a Bachelor of Business in Financial & Risk Management, is a SMSF Specialist Adviser, and is a Certified Financial Planner.



#### **Jonathan Sim** **Director & Investment Committee Member**

Jonathan has over 15 years' experience in investment management, banking and finance. Over the course of his career, Jonathan has financed over AU\$2 billion in property finance transactions.

Most recently, Jonathan has held the position of Head of Real Estate Finance at ASX-listed real estate investment fund manager, Eildon Capital Limited. He has previously been responsible for the real estate investment activities of ASX-listed fund manager, CVC Limited, prominent family office funds and institutional funds, managing portfolios of real estate investment in excess of AU\$500 million.

Jonathan has extensive business, finance, investment, analytical, risk management, governance and compliance skills developed across a range of roles. Jonathan holds a Bachelor of Commerce, is a member of the Chartered Accountants in Australia and New Zealand and holds a Diploma of Finance and Mortgage Broking.

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## Advisory Committee:



### Daniel Sollarz

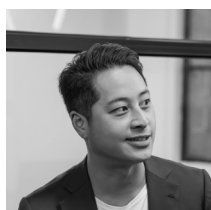
Daniel is a Senior Director at CBRE Debt and Structured Finance. Prior to CBRE Daniel spent over 28 years' experience in the banking industry, specialising in commercial real estate for sophisticated private and corporate developers, Asian capital groups investing in Australia as well as listed and unlisted property trusts. In his role prior to CBRE, Daniel managed transactions in excess of AU\$2 billion.



### James Mansour

James has a 15+ years background in real estate capital advisory and research. With a focus on opportunistic equity strategies across a broad range of asset classes (end value above AU\$1 billion).

James founded Evelyn Lane and was previously a director at both Charter Keck Cramer and Colliers International.



### David Lee

David is Development Director at Riverlee, a privately owned property group specialising in development and asset ownership across the commercial, residential and retail sectors. Riverlee is renowned for delivering leading urban design outcomes that foster a sense of place and belonging and has cemented itself as a trusted and respected brand within the Australian property market. Riverlee has completed in excess of AU\$2.5 billion of urban land and master-planned communities, commercial office, residential and hotel developments with an active development pipeline in excess of AU\$3 billion.



### Michael Hermans

Michael is the Principal & Managing Director of Hub Property Group, a project delivery and advisory firm managing over AU\$1 billion of projects across Australia. With over 17 years of local and international experience in property ownership and development, Michael has worked extensively across the residential, retail, office and industrial sectors and is renowned for his experience in property analysis, property development strategy, development management, project management, capital transactions and asset management.

## 5.2 The Trustee and Administration Manager

**Specialised Investment and Lending Corporation Ltd ACN 149 520 918 (AFSL 407100) is the Trustee of the Fund and will manage the Fund in accordance with the Trust Deed and its duties and obligations under Australian law and, importantly, will have regard to the best interests of Investors in all decisions that it makes with respect to the Fund.**

SILC Funds Administration Pty Ltd ACN 628 993 386 is the Administration Manager of the Fund and is responsible for the general operations and administration of the fund including, investor administration process (including applications and unit registry) and fund accounting. Collectively, the team have a breadth of experience in the banking, funds management and financial services sector.

The Trustee is led and managed by an experienced and highly skilled team who collectively have broad experience across funds management, corporate advisory and banking and finance sectors.

### Key Personnel:

#### **Koby Jones Managing Director and Responsible Manager**

Koby is the founder and Managing Director of The SILC Group. He is an accomplished banking and finance executive with over 17 years of experience gained in advising, structuring and distributing traditional and alternative investment assets, structured financing and global financial market instruments. He founded the specialist financial solutions firm in 2011 following a highly successful career in global financial markets and private wealth management with major financial institutions Westpac Banking Corporation, Australia and New Zealand Banking Group, National Australia Bank and Wilson HTM Investment Group. He is a Responsible Manager of The SILC Group's AFSL and is responsible for driving the growth of the business, setting strategic direction and business development activities of The SILC Group alongside the leadership team.

He holds numerous qualifications including the Certified Practicing Accountants (CPA) Program, a Bachelor of Commerce (Accounting, Commercial Law, Finance) through Deakin University, Diploma in Financial Advising from the Securities Institute of Australia (now Kaplan Professional), and Advanced Certificate in Management Skills from RMIT; as well as having various industry certifications which include the Margin Lending Accreditation Program, Accredited Derivatives Adviser (Level 1), and Diploma of Financial Services from the Australian Financial Markets Association (AFMA).

Koby is also on the Board of Directors at the Northern Health Foundation and a member of the Australian Institute of Company Directors (AICD).

#### **Michelle Tay Executive Director and Responsible Manager**

Michelle is an experienced banking and finance executive, with particular specialisation in syndicated corporate and structured financing, agency services and corporate management. During her tenure at the Australia and New Zealand Banking Group, she managed a portfolio of large complex syndicated corporate and structured finance transactions across multiple industries and geographies. She also has extensive experience in business and corporate banking, property development financing and corporate management across all areas of business operations, financial management and taxation and regulatory compliance.

Michelle Tay is the Executive Director, AFSL Responsible Manager and Head of Group Services at The SILC Group. Her main activities at a corporate level includes oversight and functional responsibilities in our finance, compliance, legal and various operational areas as well as investor relations and involvement in transactions across the business units.

She holds various qualifications including the Certified Practicing Accountants (CPA) Program, Masters of Applied Finance through the Financial Services Institute of Australasia (now KAPLAN Professional) and Bachelor of Commerce (Accounting and Finance) through Monash University. Michelle is also member of the Australian Institute of Company Directors (AICD).



# 6

# Taxation information

## 6.1 General

Neither the Trustee nor the Investment Manager provides financial, accounting or tax advice. As such, this Memorandum cannot address all of the taxation issues which may be relevant to the prospective investor. The Investor must take full and sole responsibility for his/its investment in the Fund, the associated taxation implications arising from that investment, and any changes in those taxation implications during the course of that investment.

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

The comments below are relevant only for Australian resident Investors that are investing in the Fund on capital account.

## 6.2 Tax Treatment of the Fund

As the Fund is a unit trust, it will be treated as “flow through” entity for Australian income tax purposes. That is, the taxable income of the Fund will be subject to Australian tax in hands of Investors, not the Fund on the basis that:

- The Investors are made “presently entitled” to all of the income of the Fund at the end of each income year, and
- The activities of the Fund are limited to “eligible investment businesses” such that the Fund should not constitute a public trading trust.

We understand the Fund offers Investors the opportunity to acquire interests in a pooled loan Fund, therefore, the expectation is that the taxable income from the Fund will be in the form of interest income (whether from direct investments or receipts of interest income from other fund managers) which will ultimately flow through to Investors.

## 6.3 Tax Treatment of Investors

**From time to time, Investors who are made presently entitled to the distributable income of the Fund will receive trust distributions from the Fund, in proportion to their entitlements to that distributable income.**

In this regard, Australian resident investors should recognise their share of the distributable income, which is likely primarily in the form of interest income, to be included in their assessable income.

The redemption or transfer of Units will constitute a disposal by an Investor for tax purposes. If the Investor holds their Units on capital account, any gain made by the Investor on disposal will be subject to capital gains tax (CGT). If the Investor makes a capital loss, it may be used to offset capital gains derived in the current or a future tax year. We understand that it is intended by the Trustee that the Unit price is to be issued at \$1.00



per Unit but this may not always be the case as the Unit price is based on underlying value of the assets referable to the particular Class of Units, and is calculated in accordance with the terms of the Trust Deed.

A CGT discount may be available on the capital gain on Units held for 12 months or more by individual, trusts or complying superannuation entities. Companies are not eligible for CGT discount. For individual and trusts, the discount is 50%. For complying superannuation entities, the discount is 33.33%.

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## 6.4 Reinvestment of distributions

Investors may choose to reinvest their distributions as additional Units in the Trust. Where the investor makes such a choice, the Investor may still be assessed on the amount of the distribution applied to the investment.

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## 6.5 Annual Reporting

The Fund will be required to provide distribution information (including tax components) to the ATO on annual basis by lodging the Annual Investment Income Report (AIIR).

The Fund will provide an annual tax distribution statement to Investors in accordance with the ATO's guidelines for MITs. The tax distribution statement will reconcile the cash distribution with the taxable distribution for the income year.

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## 6.6 Attribution Managed Investment Trust (AMIT) Regime

The Government has enacted a tax regime for certain managed investment trusts known as the Attribution Managed Investment Trust (AMIT) rules. The AMIT Rules remove a number of uncertainties for Trustees and Investors and facilitate fair and reasonable tax outcomes for Investors.

The AMIT Rules do not apply automatically to all MITs. The Trustee will make an assessment of whether the Fund qualifies as an AMIT and whether it will make an election to apply the AMIT Rules to the Fund. If the Fund meets the eligibility requirements, the Trustee is expected to make an election to apply the AMIT Rules. We would not expect the AMIT regime to materially change the tax treatment of Investors outlined above.

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## 6.7 Goods and Services Tax (GST)

GST should not apply on the acquisition and disposal of Units as well as cash distribution from the Fund to the Investors.

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## 6.8 Tax File Number (TFN) and Australian Business Number (ABN)

As the Fund will be an investment body for income tax purposes, the Fund will be required to obtain a Tax File Number (TFN) or Australian Business Number (ABN) in certain cases from its Investors.

It is not compulsory for a Trust's Investor to quote a TFN, claim a valid exemption for providing a TFN, or (in certain circumstances) provide an ABN. However, failure to obtain an appropriate TFN or ABN from Investors will result in the Trust being required to withhold at the top marginal rate (currently 47%) with respect to distributions to the Investor (which may be creditable in their tax return).



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"The individual investor should act consistently as an investor and not as a speculator."

**Benjamin Graham**





# 7

# Additional Information

## 7.1 Summary of material documents

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

### Trust Deed

The Trust Deed is the primary document that governs the way the Fund operates and sets out many of the rights, liabilities and responsibilities of both the Trustee and Investors.

The Trustee can amend the Trust Deed without Investors' approval provided it reasonably considers the change will not adversely affect Investors' rights.

The Trust Deed can also be amended by a special resolution passed by Investors.

A copy of the Trust Deed is available free of charge by contacting the Trustee at [investors@silcgroup.com](mailto:investors@silcgroup.com)

### Investment Management Agreement

The Investment Management Agreement is between the Investment Manager and the Trustee under which the Investment Manager provides investment management services to the Fund.

The Investment Management Agreement sets out the Investment Manager's obligations to the Trustee and to the Fund. The agreement also contains the arrangements in relation to the Fees and Costs that are summarised in Section 4 (Fees and Costs).

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 Trustee if the Investment Manager is in material breach of the agreement, and that breach has not been remedied after a certain time. There are also provisions allowing the Trustee to terminate if, for example, the Investment Manager becomes insolvent.

The Investment Manager is permitted to terminate the agreement in certain circumstances, such as if the Trustee ceases to be the trustee for the Fund.



## 7.2 Privacy

In applying to invest, you are providing the Trustee and the Investment Manager with certain personal details (your name, address etc). The Trustee uses this information to establish and manage that investment for you.

Under the Privacy Act 1988 (Cth), you can access personal information about you held by the Trustee, except in limited circumstances. Please let the Trustee know if you think the information is inaccurate, incomplete or out of date. You can also tell the Trustee at any time not to pass on your personal information by advising it in writing.

If you do not provide the Trustee with your contact details and other information, then it may not be able to process your application to invest.

Under various laws and regulatory requirements, the Trustee may have to pass-on certain information to other organisations, such as the Australian Tax Office or the Australian Transaction Reports and Analysis Centre (AUSTRAC).

By applying to invest, you give the Trustee permission to pass information it holds about you to other companies which are involved in helping it administer the Fund, or where they require it for the purposes of compliance with AML/CTF law or in connection with the holding of Application Monies. The Trustee may also use your information to provide you with details of future investment offers made by it or the Investment Manager.

## 7.3 Anti-money laundering law

The Trustee is required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 ("AML/CTF Law"). This means that the Trustee will require potential Investors to provide personal information and documentation in relation to their identity when they invest in the Fund. The Trustee may need to obtain additional information and documentation from Investors to process applications or subsequent transactions or at other times during the period of the investment.

The Trustee may need to identify:

- **an Investor prior to purchasing Units in the Fund. The Trustee will not issue Units until all relevant information has been received and an Investor's identity has been satisfactorily verified; and**
- **anyone acting on behalf of an Investor, including a power of attorney.**

In some circumstances, the Trustee may need to re-verify this information.

By applying to invest in the Fund, Investors also acknowledge that the Trustee may decide to delay or refuse any request or transaction, including by suspending the issue or withdrawal of Units in the Fund, if it is concerned that the request or transaction may breach any obligation of, or cause the Trustee to commit or participate in an offence under, any AML/CTF Law, and the Trustee will incur no liability to Investors if it does so.





## 7.4 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 Trustee will be 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).

The CRS regime took effect on 1 July 2017.

## 7.5 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.

## 7.6 Indemnification

Subject to the IM and unless otherwise agreed with the Trustee, the Trustee is entitled to be indemnified out of the Fund for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its powers, duties or rights in relation to the Fund.

The Investment Manager and the Administration Manager are similarly entitled to be indemnified by the Trustee (out of the assets of the Fund) for all claims, losses, liabilities, damages, costs and expenses (Costs) incurred by them in relation to the performance of their role as Investment Manager and Administration Manager respectively. However, the Investment Manager and Administration Manager are not entitled to be indemnified by the Trustee and will be liable to the Fund for any Costs arising as a result of their fraud, gross negligence, wilful default or material breach of the agreement under which they are appointed.

## 7.7 Amendments

The terms of the Trust Deed may be amended by the Trustee, subject to the Trustee's duties and obligations to Investors. The Trustee will not make any amendments to the Trust Deed that it considers would be materially adverse to Investors, without seeking the approval of Investors.

In most circumstances, the Trust Deed can also be amended by a special resolution passed by Investors (being a resolution passed by at least 75 percent of the votes cast by Investors entitled to vote on the resolution). However, if the proposed amendment relates to the process to remove the Trustee, then an extraordinary resolution will be required (being a resolution passed by at least 85 percent of the total votes that may be cast by Investors entitled to vote on the resolution (including Investors who are not present in person or by proxy).



## 7.8 Investor Reports and Communication

To ensure that Investors are kept abreast of their investment, the Trustee will provide Investors with the following information:

- Confirmation of investments and redemptions;
- Statements of unit holdings and distribution payments; and
- Annual taxation distribution statements.

All communications including reports will be sent electronically unless otherwise instructed in writing by the Investor.

Please note that Indirect Investors who access the Fund through an IDPS will receive reports directly from the IDPS Operator and not from the Trustee. However, the Investment Manager will be providing the relevant reports to the relevant IDPS Operators. Indirect Investors should refer to their IDPS Guide for information on the reports they will receive regarding their investment.

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## 7.9 Investor Meetings

Under the Trust Deed, the Trustee may elect to call a meeting of all Investors or Investors who hold a particular Class of Units. In the latter case, only Investors who hold those Units are entitled to attend and vote at the meeting.

The Trustee may convene a meeting of Investors or Investors of a Class at any time and shall convene a meeting of Investors on receiving a request in writing to do so signed by an Investor or Investors holding not less than sixty percent (60%) of the issued Units or Units in the Class (as the case may be).

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## 7.10 Change of details

Change of details must be completed and submitted with all relevant supporting documents. Change requests may take up to 2 Business Days after receipt to process, subject to Investors being contactable for further verification checks.

Change of Details form are available on request from the Trustee at [investors@silcgroup.com](mailto:investors@silcgroup.com)

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## 7.11 Questions and complaints

If an Investor has any questions or complaints, the Investor should contact the Trustee in writing. The Trustee will acknowledge an Investor's query or complaint in writing within 5 Business Days. The Trustee will then give proper consideration to the complaint and advise the Investor of the outcome within 30 days after acknowledgment of the complaint. However, complex complaints may take longer to resolve. In these cases, we will regularly update you on the progress and likely timeframe for resolution. The Trustee's contact details may be found in section 10 (Corporate Directory). If you are an Indirect Investor, you should direct your enquiries to your IDPS Operator.



# 8

# Application Process

## 8.1 General

**Applications for Units can be made by completing the Application Form and paying the required monies (Application Monies) in accordance with instructions on the Application Form. Payments must be made via bank transfer net of any bank fees.**

Before making a decision to subscribe for any Units, potential investors should read this IM.

Both prospective Investors and existing Investors will need to complete the online Application Form by clicking on <https://applications.silcgroup.com/the-silc-group/ekam-capital-income-fund.php>.

Indirect Investors investing through an IDPS should use the application form attached to their IDPS Guide (and not the Application Form attached to this IM) to invest in the Fund.

The Trustee can only accept electronic funds transfers. Cash or cheque payments will not be accepted.

The bank account details for the Fund are contained in the Application Form.

Once the completed Application Form and cleared Application Monies is received by the Trustee and the Trustee accepts the application, Investors will be issued with the Units within 5 Business Days after the prevailing unit price is available following the month in which the application (including Application Monies) was received.

The Trustee has the discretion under the Trust Deed to reject an application in whole or in part without giving any reason for the rejection. If an application is rejected, the Application Monies will be returned to the potential investor's same bank account from which the monies were paid within 5 Business Days of the rejection notice.



# 9

# Glossary

<b>Act</b>	Corporations Act 2001 (Cth) for the time being in force together with the regulations of the Corporations Act.
<b>ADI</b>	Authorised deposit-taking institution.
<b>Administration Manager</b>	SILC Funds Administration Pty Ltd ACN 628 993 386.
<b>AFS licence</b>	Australian financial services licence.
<b>Application Form</b>	The application form accompanied by this IM.
<b>Application Monies</b>	The money paid by an applicant for Units.
<b>APRA</b>	Australian Prudential Regulation Authority.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX</b>	The Australian Securities Exchange Limited.
<b>ATO</b>	Australian Taxation Office.
<b>Borrower</b>	The borrower under a Loan.
<b>Business Day</b>	A day on which banks are open for business in Melbourne, except a Saturday, Sunday or public holiday.
<b>Basic Deposit Products</b>	Includes bank accounts, cash management accounts and term deposits held with an ADI.
<b>Class</b>	A class of Units of the Fund.
<b>Direct Investors</b>	A person who invests directly in units in a Fund and is not an Indirect Investor.
<b>Fees and Costs</b>	<p>The following amounts:</p> <ul style="list-style-type: none"><li>• The fees payable to the Trustee and the Administration Manager as set out in Section 4 (Fees and Costs); and</li><li>• The expenses associated with the operation of the Fund, such as the costs associated with the administration or distribution of income, custody fees, and other expenses properly incurred by the Trustee, the Investment Manager and the Administration Manager in connection with performing their duties and obligations in the day-to-day operation of the Fund.</li></ul>
<b>Fund</b>	Ekam Capital Income Fund.
<b>Gross Asset Value or GAV</b>	The consolidated total assets of a Trust and its controlled entities as a consolidated entity, applying Australian Accounting Standards (including intangible assets such as establishment costs).
<b>GSA</b>	A general security agreement pursuant to which a Borrower provides a Security Interest over all of its personal property (being any property other than land).
<b>GST</b>	Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999 (Cth), as amended.
<b>IDPS</b>	Investor directed portfolio service. An IDPS is generally the vehicle through which an investor purchases a range of underlying investment options from numerous investment managers, with the IDPS Operator providing the investor with consolidated and streamlined transaction statements and other reporting.



<b>IDPS Guide</b>	The terms and conditions of an IDPS issued by the IDPS Operator.
<b>IDPS Operator</b>	An entity that operates and offers an IDPS.
<b>IM</b>	This information memorandum.
<b>Indirect Investors</b>	A person who invests indirectly in units in a Fund through an IDPS, master trust, wrap account or an investor directed portfolio service-like scheme.
<b>Initial Close Date</b>	Initial Close Date 30 September 2022, subject to change at the discretion of by the Trustee.
<b>Initial Offer</b>	Units in the Fund offered prior to the Initial Close Date.
<b>Investment Management Agreement</b>	The investment management agreement between the Trustee and the Investment Manager dated on or about the date of this IM.
<b>Investment Manager</b>	Ekam Capital Pty Ltd ACN 643 279 154. An authorised representative (number 001298708) of SILC Fiduciary Solutions Pty Ltd ACN 638 984 602, holder of AFS licence number 522145.
<b>Investor</b>	An investor in the Fund or holder of Units.
<b>Lending Guidelines</b>	The Investment Manager's lending guidelines for the Fund.
<b>Loan</b>	A loan advanced by the Fund to a Borrower.
<b>LVR</b>	Loan to value ratio.
<b>Minimum Initial Investment Amount</b>	The amount specified in the IM for the purchase of Units in the Fund, subject to the Trustee's absolute discretion to accept applications for lesser or greater amounts.
<b>Minimum Investment Term</b>	For an Investor, the period commencing on the date of initial investment by the Investor in the Fund and ending the Business Day following the two year anniversary of the date of initial investment.
<b>Net Asset Value or NAV</b>	The Gross Asset Value of the Fund less the following: <ul style="list-style-type: none"><li>a) all amounts required to meet Liabilities (including the amount of any provisions the Trustee determines should be made); and</li><li>b) following any Distribution Calculation Date, the amount of any Distributable Amount payable but not paid to Unit Holders on the day which the Net Asset Value is determined,</li><li>c) provided that the Trustee may determine the Net Asset Value for each Relevant Trust separately in accordance with the Trust Deed.</li></ul>
<b>Offer</b>	The offer under this IM to acquire Units.
<b>Project</b>	A project to which the Fund has made a Loan.
<b>Qualifying Investor</b>	The Offer is only available to persons who, if they reside in Australia, are a Wholesale Client as defined in section 761G of the Corporations Act.
<b>Real Property Mortgage</b>	A mortgage over real property to secure a Loan.
<b>Security Interest</b>	Security over assets other than real property to secure a Loan, including a GSA, personal guarantee and director guarantee.
<b>Target Return</b>	The target return for the Units in the Fund.
<b>The SILC Group</b>	The group of companies held by SILC Consolidated Ltd ACN 610 343 541 which includes the Trustee and Administration Manager.
<b>Trust Deed</b>	The Trust Deed of the Fund dated 29 August 2022 as amended from time to time.
<b>Trustee</b>	Specialised Investment and Lending Corporation Ltd ACN 149 520 918, holder of AFS licence number 407100.
<b>Unit</b>	A unit in the Fund.
<b>Unit Holder</b>	A holder of Units.
<b>Withdrawal Request</b>	A withdrawal request by an investor to withdraw from the Fund.
<b>Wholesale Client</b>	Persons or entities defined as such sections 761G or 761GA of the Corporations Act.

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"I have about concluded that wealth is a state of mind, and that anyone can acquire a wealthy state of mind by thinking rich thoughts."

**Edward Young**

# Corporate Directory

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## Trustee

Specialised Investment  
and Lending Corporation Ltd  
Level 14, 356 Collins Street  
Melbourne VIC 3000  
Tel: +613 9600 2828  
Email: [investors@silcgroup.com](mailto:investors@silcgroup.com)

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## Administration Manager

SILC Funds Administration Ltd  
Level 14, 356 Collins Street  
Melbourne VIC 3000  
Tel: +613 9600 2828  
Email: [investors@silcgroup.com](mailto:investors@silcgroup.com)

## Investment Manager

Ekam Capital Pty Ltd  
Level 1, 10 Oxley Road  
Hawthorn Victoria 3122  
Tel: +613 7065 5773  
Email: [investors@ekamcapital.com.au](mailto:investors@ekamcapital.com.au)

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## Australian Lawyers

Align Law  
Level 2, 306 Little Collins Street  
Melbourne Victoria 3000  
Tel: +61 3 7036 6726  
Email: [info@alignlaw.com.au](mailto:info@alignlaw.com.au)





**EKAM**  
CAPITAL

Ekam Capital Income Fund

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