



Earnr

Product Disclosure Statement

ARSN 651 645 715

MANAGER

Earnr Australia Pty Ltd
ACN 650 455 486

RESPONSIBLE ENTITY

Primary Securities Ltd
ACN 089 812 635
AFSL 224107

CUSTODIAN

Sandhurst Trustees Limited
ACN 004 030 737

Dated 20 March 2024. This PDS replaces the version dated 7 December 2023.

Important Information

IMPORTANT INFORMATION

Earnr ARSN 651 645 715 (**Fund**) is a registered Australian managed investment scheme.

This Product Disclosure Statement (**PDS**) dated 7 December 2023 is issued by the responsible entity of the Fund, Primary Securities Ltd, ACN 089 812 635, AFSL 224107 (**Responsible Entity, us, we, our**).

The Responsible Entity has appointed Earnr Australia Pty Ltd ACN 650 455 486 (**Manager**) as the Manager of the Fund.

This PDS is for the offer of Units in the Fund which will be issued by the Responsible Entity, on the terms and conditions set out in the Constitution and this PDS.

NO ADVICE

This PDS contains general information only and does not take into account your unique objectives, financial situation, or needs. You must read this PDS fully before deciding to invest and consider whether an investment in the Fund is appropriate for your situation. We encourage you to seek financial advice to assist with this decision.

INVESTMENT RISK

Investments in the Fund are not bank deposits and not covered by the government financial claims scheme. Like all investments the Fund is subject to investment risk including the loss of, or delays in the payment of, income or capital. Some of the risks involved with an investment in the Fund are outlined in section 8.

DIGITAL COMMUNICATIONS

The Fund is fully digital and accessible through the mobile and web applications operated by the Manager. By making an Application, you agree to receive all communications and disclosures in digital form (including via email or the mobile and web applications operated by the Manager).

OFFER RESTRICTIONS

This PDS has been prepared to comply with the securities laws of Australia. The PDS does not constitute an offer or invitation in any place where, or to any person to whom, it would be unlawful to make such an offer or invitation. If you come into possession of this PDS in another jurisdiction, you should seek your own advice and observe any restrictions of the laws of that jurisdiction. We will take your Application to constitute a representation and warranty by you that there has been no breach.

PRIVACY

We take your privacy seriously. Please read the privacy statement in section 11.5. By submitting an Application you consent to the matters outlined in that section.

ANTI MONEY LAUNDERING, FATCA AND CRS

By making an Application, you undertake to supply us with information to comply with our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) (**AML/CTF Act**), the United States of America Foreign Account Tax Compliance Act (**FATCA**) and Common Reporting Standards (**CRS**). You agree that we will not issue you with Units in the Fund until we have met these obligations and agree we may require further information from you from time to time to meet our continuous compliance obligations.

ELECTRONIC PDS

Information in this PDS is subject to change. Any updated information which is not materially adverse will be published at www.earnr.com.au and www.primarysecurities.com.au. An online link to a digital copy of the updated information will be provided upon request and free of charge by emailing customer@earnr.com.au.

GLOSSARY AND CURRENCY

Terms used in this PDS are defined in the Glossary in Section 14. All references to '\$' in this PDS are references to Australian Dollars unless stated otherwise.

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1. Key Information and Terms

The table below provides some of the key information and terms in this document. It does not set out the full details of the terms and conditions of the Fund, and must be read in conjunction with the remainder of the PDS before investing.

Fund Name	Earnr ARSN 651 645 715
Fund Manager	Earnr Australia Pty Ltd
Investment Type	Fixed Income
Eligible Investors	Retail and Wholesale
Unit Classes for each currency (each currency having its own set of such Unit Classes)	A, A1 "Yield" B "30 Day Notice" C "Wallet"
Unit Price for A\$	\$1.00 per Unit
Unit price for other currencies	1.00 unit of the relevant currency
Terms	Wallet, 30 days, 3 months, 6 months, 12 months
Minimum Investment (Australian dollars)¹	Wallet: \$1,000 initial, \$0.01 thereafter and for Yield distributions 30 Day Notice: \$1,000 initial, \$0.01 thereafter Yield (3, 6 and 12 month terms): \$5,000 initial, \$2,000 thereafter.
Maximum Investment	3 Month Term: A total of \$250,000 within in any 1 month period. 6 Month Term: A total of \$650,000 within any 2 month period. No maximum applies to Wallet, 30 Day Notice, or 12 month Term.
Income Distribution	Monthly. Distributions for Yield may also be offered quarterly and at Maturity.

¹ For currencies other than Australian dollars, refer to the Manager.

Fees and Costs

There are no entry fees for the Fund.

The Manager will charge a Management Fee of 0.20% per annum of Funds under Management. Please note – the Offered Return is after the deduction of this fee. All fees and costs listed in this PDS are inclusive of GST.

Investment Allocation

Each Class of the Fund will invest in, and subscribe for, secured interest bearing Notes issued by a Class Vehicle in the currency of the investment. There is a separate Class for each currency. The Notes are secured by first ranking security over the Class Vehicle. The Class Vehicle professionally invests in fixed income assets including Secured Loans to meet the interest payments on the Notes. Please see sections 3, 4 and 5 for more information on how your funds are invested.

Benefits and Risks

Please see section 8 for the benefits and risks of the Fund.

2. How the Fund Works

2.1 OBJECTIVE OF THE FUND

The objective of the Fund is to provide an opportunity for investors to access stable returns via exposure to fixed income products which are not easily accessible to most investors today.

2.2 INVESTING IN THE FUND

The Fund is accessible through the web and mobile applications operated by the Manager (Platform).

The Fund is a multi-class unit trust. Different Products are offered through different Classes.

You can apply to invest by completing an online Application for a Product or an Application during transferring from an existing Product. You can make an application in Australian Dollars or any other currency approved by us.

Minimum and maximum Application Amounts apply for Products in accordance with section 1.

We reserve the right to not accept an Application in whole or in part for any reason.

2.3 ALLOCATION OF UNITS IN THE FUND

If you invest in the Product 'Yield', you will be issued with **Class A or A1 Units** in the Fund. If you invest in the Product '30 Day Notice', you will be issued with **Class B Units** in the Fund. If you invest in the Product 'Wallet' you will be issued with **Class C Units** in the Fund.

If your Application is approved, you will be allocated Units within two business days of the day Application Money equalling the Application Amount is received.

The Product Wallet is called '**your Wallet**'. You may also ask for Income Distributions to be paid to your Wallet even if there is no balance in your Wallet.

2.4 UNIT PRICE AND OFFERED RETURN

Units in the Fund will be issued at a Unit Price of \$1.00 for Applications in Australian dollars and 1.00 unit of

any other foreign currency. The Fund intends to always maintain a Unit Price of \$1.00 Australian or 1.00 unit of foreign currency. Please see section 8 for factors that could adversely affect the Unit Price.

2.5 INVESTMENT ATTRIBUTES

Each Yield Investment has the following attributes:

Investment Balance	The number of Class A or Class A1 Units issued multiplied by the applicable Unit Price
Rate	The Offered Return (applicable for the Term irrespective of currency) published on the Manager's website or mobile application on the day Application Money equalling the Application Amount is received.
Term	The Term specified in the Application
Start Date	The date Units were allocated
Maturity Date	The Start Date plus the Term
Notice Date	The date a Withdrawal Request must be submitted by (5pm Sydney time) for the withdrawal to be processed on the Maturity Date.

The Notice Date for each "Yield" investment is dependent on the Term and is:

3 Month Term	1 month before Maturity Date
6 Month Term	2 months before Maturity Date
12 Month Term	3 months before Maturity Date

The "30 Day Notice" Investment in the Fund has the following attributes:

Investment Balance	The number of Class B Units issued multiplied by the applicable Unit Price.
Rate	The daily Offered Return published on the Manager's website or mobile application.

Withdrawal Notice 30 days notice is required to withdraw funds.

Your Wallet has the following attributes:

Investment Balance	The number of Class C Units issued multiplied by the applicable Unit Price.
Rate	The daily Offered Return published on the Manager's website or mobile application.
Withdrawals	Withdrawals will be processed same day provided the transfer is conducted before 2pm Sydney time otherwise the withdrawal will be processed the following Business Day. Please be aware it may take up to 2 Business Days for funds to reach your linked bank account.

2.6 MINIMUM AND MAXIMUM AMOUNTS

Minimum and maximum Investment Balances apply in accordance with section 1 of this PDS. We may accept lower minimum Investment Balances or higher maximum Investment Balances at our sole and absolute discretion.

2.7 ADDITIONAL INVESTMENTS

You can apply for additional investments in the Fund using the Platform.

2.8 DISTRIBUTIONS

Yield

Monthly Income Distributions are calculated in arrears in accordance with the following:

$\text{Investment Balance} \times \text{Rate} \times \text{the number of days the investment was open in the month} / 365.$

Quarterly Income Distributions are calculated in arrears in accordance with the following:

$\text{Investment Balance} \times \text{Rate} \times \text{the number of days the investment was open in the quarter} / 365.$

Income Distributions at maturity are calculated in arrears in accordance with the following:

$\text{Investment Balance} \times \text{Rate} \times \text{the number of days the investment was open in the quarter} / 365.$

We may offer reinvestment of Income Distributions for Yield. If so, they are automatically used to acquire additional units, which are allocated to you automatically. Otherwise, Income Distributions are paid to your Wallet.

Wallet and 30 Day Notice

Income Distributions for Wallet and 30 Day Notice are accrue daily in accordance with Investment Balance and the Rate on each day, and are reinvested monthly. As such they are automatically used to acquire additional units, which are allocated to you automatically.

Income Distributions will be paid in the currency of the Investment. Please see section 7 for factors that could adversely affect Income Distributions.

2.9 WITHDRAWALS

You can withdraw from Yield or 30 Day Notice by transferring funds to your Wallet and then to your linked bank account on the Platform. You can withdraw funds from your Wallet by transferring funds to your linked bank account.

The minimum withdrawal permitted for Yield is \$500 and the minimum withdrawal permitted for Wallet and 30 Day Notice is \$0.01.

Yield withdrawals will be processed on the Maturity Date providing the Withdrawal Request is received before 5pm Sydney time on the Notice Date. If you submit a Withdrawal Request after the Notice Date, your investment will re-invest for another equal term and your withdrawal will be processed on the Maturity Date for the new term. Withdrawal funds will be available in your Wallet 1–2 Business Days after the relevant Maturity Date.

30 Day Notice withdrawals will be processed 30 days after a Withdrawal Request if received before 2pm Sydney time or 30 days from the following Business

Day if the Withdrawal Request is received after 2pm – withdrawal funds will be available in your Wallet 1–2 Business Days after this date.

Withdrawals will be paid in the currency of the Investment.

If the Platform is unavailable or you cannot access the Platform, you can submit a Withdrawal Request using a manual withdrawal form obtained by contacting the Manager on the details in the Corporate Directory.

You will receive any Income Distribution standing for the month of the withdrawal, in accordance with section 2.8.

Important – please see the section 7 for factors that could adversely affect withdrawals.

2.10 AUTOMATIC RE-INVESTMENT

Yield Investments will automatically re-invest for another equal Term if a Withdrawal Request has not been received before 5pm Sydney time on the Notice Date. Notwithstanding, we reserve the right to refund the Investment on the Maturity Date. The Rate on the re-investment will equal the Offered Return published for the Product on the Manager’s website or mobile application on the Maturity Date.

Your 30 Day Notice investment and your Wallet investment will continue unless a Withdrawal Request has been received.

2.11 EARLY WITHDRAWALS

You do not have the right to withdraw your Investment in Yield until the Maturity Date (providing

a compliant Withdrawal Request has been received) or to your Investment in 30 Day Notice without providing the Withdraw Notice. You should not invest in Yield if you may require the funds before the Maturity Date or in 30 Day Notice before 30 days. You must take care in observing the Notice Dates and the Withdrawal Notice period. Under exceptional circumstances and at our sole discretion, we may consider an early withdrawal following you contacting the Manager on the details in the Corporate Directory. In such cases we will charge an Early Withdrawal Fee of the greater of \$550 or 1.925% of the amount approved for early withdrawal.

2.12 REFERRAL AND BONUS PROGRAM

The Manager may from time to time make offers under its customer referral and bonus program. Any offer made to prospective or existing Investors is not guaranteed by any party and any transfer following an offer under the program will be made from the funds of the Manager, and not from assets of the Fund.

2.13 PDS PREVAILS

You must manage your investment in accordance with the terms in this PDS. In the event of any inconsistency with terms on the Manager’s website, mobile application or the Platform, this PDS will prevail unless we or the Manager notify you otherwise.

3. How Your Funds are Invested

3.1 FUND STRUCTURE

Earnr (the Fund) is an ASIC registered managed investment scheme. The Fund operates as a multi-class trust established under the Constitution.

Primary Securities Ltd (Responsible Entity, us, we, our) is an Australian Financial Services Licensee AFSL 224107 and is the responsible entity of the Fund and the issuer of this PDS and of Units in the Fund.

The Responsible Entity has appointed Earnr Australia Pty Ltd (Manager) to manage and administer the Fund.

We have appointed Sandhurst Trustees Ltd as the independent Custodian of the Fund. The Custodian will hold the assets of the Fund on behalf of the Responsible Entity.

The Platform gives Investors the opportunity to invest in different Products, which are offered through different Classes.

3.2 CLASS INVESTMENT GUIDELINES

The Fund adheres to investment guidelines for each Class as laid out in the following sections.

3.3 CLASS A UNITS – “YIELD”

Irrespective of currency, funds raised from the issue of Class A Units are used to subscribe for Tranche A, B or C Notes (corresponding to the Term) issued by Yield One Pty Ltd (Yield One). Interest payments due under these Notes are used to pay the monthly Income Distributions for Yield.

Please see section 5 which contains the key terms for the Notes.

Yield One invests the proceeds raised from the issuance of Tranche A, B and C Notes directly and indirectly in accordance with this class investment guideline:

Asset Class	Target Investment Range
Cash	5–20%
Secured Loans	Up to 95%

Yield targets a beneficial weighted average Security Coverage Ratio of > 1.40x.

Please see section 6 which contains details on the Loan Exposure Policy Yield One adheres to in relation to Secured Loans.

3.4 CLASS A1 UNITS “YIELD”

Investors in the Fund who invest \$500,000 or more (or equivalent in a foreign currency) for a 6 or 12 month term may be offered Class A1 Units. Funds raised from the issue of Class A1 Units will be used to acquire Notes as outlined in section 3.3 as such Class A1 Units have an identical profile to Class A. Class A1 Units may receive additional monthly distributions.

3.5 CLASS B UNITS – “30 DAY NOTICE”

Funds raised from the issue of Class B Units are used to subscribe for tranche D Notes issued by Yield One. Interest payments due under these Notes are used to pay the monthly Income Distributions for 30 Day Notice.

Please see section 5 which contains the key terms for the Notes.

Yield One invests the proceeds raised from the issuance of Tranche D Notes directly and indirectly in accordance with this class investment guideline:

Asset Class	Target Investment Range
Cash	5–40%
Fixed Income Securities	Up to 35%
Secured Loans	Up to 70%

Please see section 6 which contains details on the Loan Exposure Policy Yield One adheres to in relation to Secured Loans.

3.6 CLASS C UNITS – “WALLET”

Funds raised from the issue of Class C Units are used to subscribe for Tranche E Notes issued by Yield One. Interest payments due under these Notes are used to pay the monthly Income Distributions for Wallet.

Please see section 5 which contains the key terms for the Notes.

Yield One invests the proceeds raised from the issuance of Tranche E Notes directly and indirectly in accordance with this class investment guideline:

Asset Class	Target Investment Range
Cash	40-95%
Fixed Income Securities	Up to 40%
Secured Loans	Up to 60%

Please see section 6 which contains details on the Loan Exposure Policy Yield One adheres to in relation to Secured Loans.

4. Benchmarks

ASIC requires the following information to be provided to Investors if the Fund has at least 50% of its non-cash assets invested directly or indirectly in mortgages. For the purpose of providing these benchmarks the Fund is taken to include the Class Vehicle though the Class Vehicle is separate from the Fund:

Benchmark 1: Liquidity	
<p>The Fund has cash flow estimates that:</p> <ul style="list-style-type: none"> (a) demonstrate its capacity to meet its expenses, liabilities and other cash flow needs for the next 12 months; (b) are updated at least every three months and reflect any material changes; and (c) are approved by the directors of the responsible entity at least every three months. 	<p>This benchmark will be met. The Management Agreement requires the Class Vehicle to have cash flow estimates and if there is more than one Class Vehicle, that each Class Vehicle will have \$100,000 initial capital, which sum is deposited in a cash management account.</p>
Benchmark 2: Fund borrowing	
<p>The Fund does not have any borrowings.</p>	<p>This benchmark is met.</p>
Benchmark 3: Loan portfolio and diversification	
<ul style="list-style-type: none"> (a) The Fund will hold a portfolio of assets diversified by size, borrower, class of borrower activity and geographic region; (b) No single asset in the Fund's portfolio will exceed 5% of the total assets held by it; (c) All Secured Loans made by any Class Vehicle are secured by first or second mortgage over real estate or other assets such as receivables, vehicles and plant. 	<p>This benchmark will not be met until the Fund has \$120m. Each Class Vehicle will be exposed to a large and diverse loan portfolio through investing in nine funds and in the future direct loans. Compliance with this benchmark will be reviewed periodically and updated if required as the portfolio grows. Refer to Section 6.6 for the principles in relation to single loan exposure.</p>
Benchmark 4: Related party transactions	
<p>The Responsible Entity will not lend to any parties related to the responsible entity or to Earnr Australia Pty Ltd or their directors.</p>	<p>This benchmark will be met. No Loans will be made by any Class Vehicle to any parties related to the responsible entity or to Earnr Australia Pty Ltd or their directors.</p>

<p>Benchmark 5: Valuation Policy</p>	
<p>In relation to valuations for the Fund’s Mortgage assets and their security property, the board of the Responsible Entity requires:</p> <ul style="list-style-type: none"> (a) A valuer to be a member of an appropriate professional body in the jurisdiction in which the relevant property is located; (b) A valuer to be independent; (c) Procedures to be followed for dealing with any conflict of interest; (d) The rotation and diversity of valuers; (e) In relation to security property for a loan, an independent valuation to be obtained: <ul style="list-style-type: none"> (i) before the issue of a loan and on renewal: <ul style="list-style-type: none"> A. for development property, on both an ‘as is’ and ‘as if complete’ basis; and B. for all other property, on an ‘as is’ basis; and (ii) within two months after the directors form a view that there is likelihood that a decrease in the value of security property may have caused a material breach of a loan covenant. 	<p>This benchmark will not be met. While a licensed valuer will generally be used, in some circumstances (for example where the LVR is below 70% and loan tenure is under 6 months) the Fund may rely on a valuation from an independent industry specialist compiled using information from a property data information provider – please refer to the Fund’s valuation policy in section 6.7.</p>
<p>Benchmark 6: Lending principles – Loan to valuation ratios</p>	
<p>If the Fund directly holds Mortgage assets:</p> <ul style="list-style-type: none"> (a) where the loan relates to property development – funds are provided to the borrower in stages based on independent evidence of the progress of the development; (b) where the loan relates to property development – the Fund does not lend more than 70% on the basis of the latest ‘as if complete’ valuation of property over which security is provided; and (c) in all other cases – the Fund does not lend more than 80% on the basis of the latest market valuation of property over which security is provided. 	<p>This benchmark will be met.</p>
<p>Benchmark 7: Distribution practices</p>	
<p>The Responsible Entity will not pay current distributions from Fund borrowings.</p>	<p>This benchmark will be met. The Responsible Entity will pay distributions from interest received from the Class Vehicle.</p>

5. Notes Key Terms

The Responsible Entity will enter into a Note Instrument and Subscription Agreement for each Class on behalf of the Fund with the relevant Class Vehicle. Your investment will be used to subscribe for Notes. The issuer of the Notes, the Class Vehicle, is a related body corporates of the Manager and the key personnel of the issuer of the Notes are common to the Manager.

Issuer of the Notes	The relevant Class Vehicle
Use of Proceeds	The Class Vehicle may only use the proceeds raised from issue of the Notes to invest in accordance with the Class Investment Guidelines and Loan Exposure Policy.
Form of Notes	The Notes will be issued as secured loan notes and will be debt obligations of the Class Vehicle.
Security	The Notes will be secured by a registered first-ranking security interest over the assets and undertakings of the Class Vehicle. All Notes will rank equally without preference or priority among themselves.
Terms	Tranche A Notes have a minimum hold period of 3 months Tranche B Notes have a minimum hold period of 6 months Tranche C Notes have a minimum hold period of 12 months Tranche D Notes have a minimum hold period of 30 days Tranche E Notes have a minimum hold period of 1 day
Note Denomination	Each Note will be issued with a Face Value of \$1.00 if in Australian dollars or of 1.00 unit of currency if in a currency other than Australian dollars.
Minimum Subscription	The Fund may subscribe for Notes on behalf of each Class on any Business Day and for a minimum subscription amount of \$0.01 if in Australian dollars or of 1.00 unit of currency if in a currency other than Australian dollars.
Maturity	Each Note will mature on the 4 th annual anniversary of its issue date.
Redemption	The Class Vehicle must redeem each Note on its Maturity, unless the Note has been previously redeemed or purchased and cancelled.
Early Redemption	Notes may be redeemed after the minimum hold period by the Class Vehicle giving a minimum of 1 month's notice to the Fund. Notes may only be redeemed during the minimum hold period if agreed to by both parties.
Transfer	Notes may be transferred to another party with the written consent of the other party.
Events of Default	If an event of default occurs with respect to a Class Vehicle, the Responsible Entity may immediately require the Class Vehicle to redeem all of the Notes.

Events of default include:

- The Class Vehicle fails to pay interest due under the Notes or the Face Value of the Notes following a redemption.
 - The Class Vehicle failing to pay money in a foreign currency when it was obliged to do so.
 - The Class Vehicle becomes insolvent
 - A representation or warranty made by the Class Vehicle is found to be incorrect or misleading
 - Any breach of an undertaking made by the Class Vehicle including: failing to comply with the Class Investment Guidelines and Loan Exposure Policy, breach of information undertakings and breach of negative pledge.
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6. Loan Exposure Policy

6.1 APPLICATION OF POLICY

Each Class Vehicle will apply this policy in conjunction with the Class Investment Guidelines in section 3 when investing directly in loans and on a look-through basis if investing indirectly in loans.

6.2 SECURED LOAN CRITERIA

Investments made by the Class Vehicle may only be classed as Secured Loans under the Class Investment Guidelines if the underlying loans benefit from a first or second mortgage over Eligible Security or a perfected first interest in Eligible Security by way of purchase money, security interest, lien, charge, or otherwise.

6.3 SECURED LOAN EXPOSURE THRESHOLDS

Each Class Vehicle must maintain these thresholds at all times with regards to the weighted average composition of its Secured Loan exposure:

Secured Loan Exposure	Permitted Range
First registered mortgages	65–100%
First ranking: Asset Finance Borrowing Base Finance Repurchase Agreements	Up to 35%
Second registered mortgages	Up to 35%

Loans for the purpose of property development which are secured against the future value of property must not exceed 30% of the Secured Loan exposure.

6.4 LOAN TO VALUATION THRESHOLDS

The following Loan to Valuation (LVR) thresholds apply across secured loans:

Security Type	Maximum LVR
Residential Property	80%
Commercial & Industrial Property	70%
Land & Rural Property	70%
Receivables & Inventory	80%
Vehicles & Equipment	80%

6.5 WORKING CAPITAL LOANS

Investments in loans which benefit from a general security agreement, guarantee or no right over security are not permitted to be classified as Secured Loans under the Class Investment Guidelines, but may be permitted as a working capital loan so long as the loan:

- Has one or more pre-defined cashflow events that will self liquidate or repay the loan, and;
- Does not exceed a loan term of 360 days

6.6 SINGLE LOAN EXPOSURE

The maximum single loan exposure for a Class Vehicle must not exceed:

- \$2m if funds under management are less than \$10m
- The lesser of 25% of funds under management or \$3m if funds under management are greater than \$10m and less than \$20m;
- The lesser of 15% of funds under management or \$4m, if funds under management are \$20m or greater and less than \$30m
- The lesser of 15% of funds under management and \$6m, if funds under management are \$30m or above

6.7 VALUATION POLICY

The Class Vehicle must apply this Valuation Policy to Eligible Security when investing directly or indirectly in Secured Loans.

- Where the LVR is estimated to be no more than 70%, the Class Vehicle may rely on a written valuation by (a) a registered valuer, or; (b) an appraisal by industry specialist relative to the Eligible Security such as a registered real estate agent, collateral manager or banking lawyer; (c) for real property only, a desktop valuation provided by a property data information provider of property value estimates.
- Where the LVR is estimated to be greater than 70%, the Class Vehicle must only rely on a written valuation undertaken by a specialist valuer.

7. The Manager and Key Parties

7.1 MANAGER

The Responsible Entity has appointed Earnr Australia Pty Ltd (Manager) to manage and administer the Fund. This appointment occurs under a Management Agreement. The Manager has also been appointed as a corporate authorised representative (CAR No 001293334) of the Responsible Entity in relation to financial services provided.

The key personnel of the Manager have over 45 years of combined experience in banking and financial markets including fixed income. – please review the website of the Manager for more information about the Manager’s key personnel. This information may be obtained from the Responsible Entity, on request, at no charge.

The key personnel of the Manager are:

Mark Genovesi (Portfolio Manager and CEO) – Mark has approximately 20 years’ experience in credit and fixed income markets, credit analysis and risk management, loan structuring and loan management. He was previously ANZ Bank’s Australian Head of Trade, Head of Transaction Banking at ANZ, and Director of Structured Finance at ANZ;

Warren Hogan (Economics and Markets Advisor) – As former Chief Economist ANZ Bank and former Chief Economist at Credit Suisse, Warren has a strong track record in financial markets and forecasting the Australian Economy;

Mattijs Spierings (Compliance and Data Manager) – Mattijs has over 22 years experience with data management and business compliance. He has led and managed complex data systems for ASX owned companies with over 1 million users and was involved with the implementation of credit decisioning technology at an ASX listed non-bank lender. Mattijs has been responsible for the build of the Platform including its data and fund administration functions, KYC/AML functions and customer data structure;

Ian Bensley (Operations Manager) – Ian has 13 years operations experience across property, financial services, logistics and technology. Ian has been working on the Platform since late 2019 and has been involved with the planning, design and implementation of all operational functions in relation to the fund including investment management, liquidity management and investor management;

Aman Saraf (Technology Manager) – Aman is a senior financial technology professional with experience working in several multi-national firms. He leads the team managing the Platform and the APIs used by the Manager, and is also responsible for system data security.

7.2 RESPONSIBLE ENTITY

The Responsible Entity of the Fund is Primary Securities Ltd, a member of the Non Correlated group of companies. The key duties of the Responsible Entity include ensuring the Fund is operated and conducted in accordance with the Constitution and the Corporations Act, and overseeing and monitoring the operations of the Manager. The Responsible Entity does not control nor does it have oversight over the activities of the Class Vehicle.

Primary Securities Ltd has operated in funds oversight for more than 20 years. Its management team have decades of experience in law, accounting, property and financial services regulation, operation and compliance.

In exercising its powers and duties under the Constitution, the Responsible Entity will act in the best interests of investors at all times.

7.3 CLASS VEHICLE

Yield One Pty Ltd (Yield One) is a special purpose vehicle created to professionally invest in fixed income assets, in accordance with the Class Investment Guidelines. Yield One is a related body corporate of the Manager and shares the same key personnel as the Manager.

The Responsible Entity holds security over the assets and undertakings of Yield One on behalf of the Fund and for the benefit of Class A and Class A1 Unit holders in the Fund, with respect to Notes subscribed to in Yield One.

7.4 CUSTODIAN

The Responsible Entity has appointed Sandhurst Trustees Limited as the Custodian of the Fund. The Custodian's role is to independently hold the assets of the Fund, including the Fund's bank accounts, the investments made by the Fund in the Notes and the security in relation to the Notes. Sandhurst Trustees has no supervisory role in relation to the Fund and no liability or responsibility to any investor.

Sandhurst Trustees was established in 1888 and is now a wholly owned subsidiary of Bendigo and Adelaide Bank.

8. Benefits and Risks

8.1 BENEFITS OF INVESTING

The benefits of investing in the Fund include:

- Regular monthly Income Distributions to your nominated bank account
- Capital preservation through the use of security over assets
- Short to medium terms from 3 months to 12 months
- Management and oversight of your investments via the Platform
- Expertise of the Management team who have been operating in fixed income and financial markets for over two decades. The key personnel of the Management team also operate the Class Vehicle.
- An independent and experienced Responsible Entity with a role to protect the assets of the Fund, and the interests of investors.
- An independent Custodian appointed to hold all the assets of the Fund.

8.2 RISKS OF INVESTING

All investments are subject to risks which could result in investments not performing as expected, and the loss of income or capital to investors. Please give consideration to the following risk factors and the other information contained in this PDS. Please be aware the following risk factors are not an exhaustive list and do not take your personal circumstances into account. Furthermore, please be aware that mitigants to the risks listed in this section are mitigants only and the risks prevail.

8.3 RISKS RELATIVE TO THE FUND

The Fund invests the proceeds from each Class into Notes issued by a Class Vehicle.

The Notes are secured by a first ranking security interest over the assets and undertakings of each Class Vehicle. Some of the key risks to consider in relation to this structure are:

(A) PERFORMANCE OF CLASS VEHICLE

The Fund is reliant on the Class Vehicle meeting its interest and redemption obligations under the Notes issued. These obligations are met from the fixed income investments the Class Vehicle makes. If the Class Vehicle does not diligently assess and manage the fixed income investments, it may not receive the anticipated returns on the investments or may suffer a capital loss on the investments. This may impact the ability of the Class Vehicle to meet its obligations under the Notes resulting in Investors receiving a return less than the Offered Return or Target Return and incurring a loss or both, and in addition incurring a loss of capital in whole or in part.

Mitigant:

The Class Vehicle is operated by the key personnel of the Manager, who have significant experience in fixed income, lending, and investment markets. The Class Investment Guidelines and Loan Exposure Policy have been developed within a risk management framework to maximise capital stability and risk adjusted returns, and the key personnel are experienced with the application of these frameworks.

(B) ADEQUACY OF NOTE SECURITY

The Notes are secured by first ranking security over the assets and undertakings of the Class Vehicle.

If the Class Vehicle defaults under its Note obligations, the Responsible Entity may enforce the security over the Class Vehicle on behalf of Investors in the Fund. If the value of the investments held by a Class Vehicle is less than the Notes issued, or, the Responsible Entity or an administrator is unable to enforce the security and control the investment assets, investors may be subject to capital losses.

Mitigant:

The Fund has been structured to (1) maximise the value of the beneficial security interest for each Class, relative to the Face Value of the Notes the Class has subscribed to and (2) maximise the control and the

legal enforcement rights in relation to the Notes and the assets of the Class Vehicle.

Yield One targets a weighted average Security Coverage Ratio of > 1.40x across its income assets. The Loan Exposure Policy mitigates the risk of any single loan being under collateralised by imposing a maximum loan to valuation ratio. The Constitution, Management Agreement and General Security Agreement provide the Responsible Entity or an administrator with power to operate the Class Vehicle and administer the investments held by them for the benefit of the Fund.

(C) DIVERSIFICATION RISK

Each Class invests only in Notes issued by the relevant Class Vehicle and is therefore reliant on the performance of the Notes.

Mitigant:

Each Class gains diversification by way of the Class Vehicle investing in accordance with the Class Investment Guidelines and the Loan Exposure Policy, which promote diversification and restrict single asset exposure.

(D) UNDERLYING INVESTMENT RISK

Underlying risks associated with the fixed income investments made by a Class Vehicle could impact the ability to meet the obligations on the Notes. The Class Vehicle invests directly or indirectly in loans. The key areas of risk pertaining to loans and loan portfolios are:

- The borrower defaulting on its obligation to repay the capital and/or interest on the loan
- Inaccurate valuations relating to security
- Overextension due to miscalculation of costs to enforce and dispose and realise the value of security
- Portfolio concentrations including borrower industry, security type, security geography, single loan exposure
- Inadequately insured security

- Increased risk in development loans due to developer insolvency, cost overruns, overestimation of future valuation, government and regulatory approvals, poor property location, poor quality of building construction, inability to market and sell finished property, downswing in property prices nationally across all states.
- Increased risk due to the use of caveats and second registered mortgages due to not perfecting acknowledgement and consent with the first mortgage holder or a priority deed
- Foreign currency and exchange and hedging risk in relation to that part of the underlying investments which are in non Australian currency or having to be repaid in non Australian currency

Mitigants:

- The key personnel have significant experience with loan structuring and loan and loan portfolio risk management, having structured and managed hundreds of millions of dollars of loans at Australia's big four banks. The Class Investment Guidelines and the Loan Exposure Policy have been specifically developed to manage the above risks.
- The key personnel conduct a thorough due diligence process with respect to loan assessment including assessing the loan purpose, repayment event, counterparties involved, insurance on security and security value in accordance with the Valuation Policy outlined in section 6.

(E) INSOLVENCY RISK

If a Class Vehicle fails to manage its fixed income investment business successfully, there is a risk it could become insolvent, which may impact interest and redemptions due under the Notes.

Mitigant:

The Class Vehicle has entered into a Management Agreement with the Responsible Entity under which it is required to seed each Class with a minimum equity amount of \$100,000 of its own funds as collateral.

(F) LIQUIDITY OF UNITS

The key Fund objective is to provide investors access to stable monthly returns via exposure to fixed income assets, which, by their nature are illiquid as an asset class. As such the Fund is not liquid and there is no secondary market to sell Class Units in – you will not be able to withdraw your Investment until Maturity. You should also be aware, that while we endeavour to meet Income Distributions and Withdrawal Requests, these payments are not guaranteed and could be delayed or adversely effected by the risks mentioned in this section.

(G) TAXATION

If the taxation treatment of the Fund or the Class Units were to change, then it may impact on the profitability of the Fund and on the Fund's ability to pay distributions or redeem Units.

(H) FOREIGN CURRENCY

The Class Vehicle will receive all investments in whatever currency they have been made in and may convert non Australian investments into Australian Dollars, where necessary hedging its obligation to repay the investment in the currency of the investment through the use of derivatives. There is a risk that the Class Vehicle will fail to hedge, resulting in a capital loss to the Class Vehicle if the relevant foreign currency were to rise in value, which could impact the Class Vehicle's ability to repay interest and capital to the Fund, resulting in investors of all Classes losing income or capital.

8.4 SOCIAL AND HEALTH RISK INCLUDING COVID-19

The Covid-19 pandemic (and similar epidemic outbreaks) has caused uncertainty in global and domestic markets. The ultimate effect of the Covid-19 pandemic is not yet known, however it may have a prolonged adverse effect on markets, and may exacerbate the other risks outlined in this section. This may affect the performance of the Class Units in the Fund.

8.5 GENERAL RISKS

General Risks which may affect the performance of Class Units in the Fund (due to directly or indirectly impacting the ability for the Class Vehicle to meet its Note obligations) include:

- Market risks including changes in interest rates, inflation, foreign exchange rates and commodity prices
- Micro and macroeconomic factors generally impacting the Australian Economy and in particular the value of real estate markets
- Changes in regulatory policy, government, monetary, interest rate or other contractionary economic policies, taxation and other laws.
- Natural or manmade disasters, acts of terrorism or international conflict

9. Fees and Costs

The Corporations Act requires the Responsible Entity to include the following standard consumer advisory warning in this PDS –the information in it is standard and is not specific to this PDS.

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your investment balance, rather than 1%, could reduce your final return by up to 20 percent over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better investor services justify higher fees and costs.

You may be able to negotiate to pay lower fees where applicable. Ask the Fund or your financial adviser.

To find out more

If you would like to find out more or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole.

Information about taxes is set out in section 10 of this document.

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

9.1 FEES AND COSTS SUMMARY

Unless otherwise specified, all dollar amounts are Australian dollars. All fees and costs are inclusive of GST. Reduced Input Tax Credits will apply where relevant.

Type of fee or cost	Amount	How and when paid
Investor activity related fees and costs (fees for services or when your money moves in or out of the Fund)		
Establishment fee The fee to open your investment	\$0	Not applicable
Contribution fee The fee on each amount contributed to your investment	\$0	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	\$0	Not applicable

<p>Early Withdrawal Fee</p> <p>The fee on early withdrawal requests</p>	<p>This fee is only payable in the exceptional circumstance we approve an early withdrawal:</p> <p>The greater of \$550 or 1.925% of the early withdrawal amount.</p>	<p>The fee will be deducted from the withdrawn amount.</p>
<p>Exit fee</p> <p>The fee to close your investment</p>	<p>\$0</p>	<p>Not applicable</p>
<p>Investment switching fee</p> <p>The fee for changing investment options</p>	<p>\$0</p>	<p>Not applicable</p>
<p>Ongoing annual fees and costs</p>		
<p>Management fee</p> <p>The fees and costs for managing your investment</p>	<p>0.20% p.a of the total Funds under Management.</p> <p>Please note this fee has already been deducted from the Offered Returns made to investors.</p>	<p>The Management Fee is typically deducted from the interest payable under the Notes issued to a Class. The remaining interest is used to pay the Income Distributions to investors.</p>
<p>Performance fee</p> <p>Amounts deducted from your investment in relation to the performance of a product</p>	<p>Nil</p>	<p>Not applicable.</p>

EXAMPLE OF ANNUAL FEES AND COSTS

This table gives an example of how the fees and costs for the Fund can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

Example ¹	How and when paid	
Contribution fees	\$0	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs	0.20% p.a ¹	And for every \$50,000 you have in the Fund, you will be charged \$100 ² each year.
PLUS Performance fees	\$0	And you will be charged \$0 in performance fees each year

PLUS Transaction costs	\$0	And you will be charged or have deducted from your investment \$0 in transaction costs
EQUALS Cost of the Fund		If you had \$50,000 in the Fund at the beginning of the year and put in an additional \$5,000 during the year, you would be charged \$100.

* If you leave the Fund early you may also be charged an Early Withdrawal Fee being the greater of \$550 or 1.925% (including GST, indexed) of the early withdrawal amount.

¹ The Corporations Act requires that the above example is calculated on a balance of \$50,000 with an additional contribution of \$5,000.

² This fee has already been deducted from the Offered Returns made, hence the monthly Income Distributions (calculated using the Offered Return) you receive already has this fee deducted.

9.2 ADDITIONAL EXPLANATION OF FEES AND COSTS

MANAGEMENT FEE

The Management Fee is received by the Manager for operating the Fund. The Management Fee is paid from the interest payments under the Notes. If the Manager is dismissed under the Management Agreement, the Responsible Entity is entitled under the Constitution to receive the Management Fee from the assets of the Fund.

FUND EXPENSES

The manager has paid a preliminary services fee to the Responsible Entity totalling \$14,400 and an ASIC lodgement fee of \$3,029.

The Manager also pays the ongoing expenses incurred to operate the Fund, out of its own resources, to various parties including the Responsible Entity. These expenses, which would ordinarily form a part of management fees and costs, typically include costs incurred in relation to auditing, custodial services, legal, compliance and professional indemnity insurance.

If the Manager defaults on its obligations under the Management Agreement, the Constitution permits the Responsible Entity to pay administration fees, auditing, custodial services, legal, compliance and professional indemnity fees from the assets of the Fund. This would have the effect of increasing

management fees and costs to investors – the Responsible Entity does not expect these fees to exceed 0.2% of Funds under Management per annum.

The Constitution also permits the Responsible Entity to recover expenses from the fund relating to additional services it may be required to perform and out of pocket expenses.

These will typically be incurred in exceptional circumstances such as termination or the Fund, replacement of the Responsible Entity, negotiating with a regulatory body, defending or bringing of litigation proceedings.

INDIRECT COSTS

The Class Vehicle retains any returns it realises on investments in excess of amounts payable to the Fund as interest payments on Notes.

CHANGES TO FEES

The Responsible Entity reserves the right to change fees up to the maximum allowed per the Constitution with notice of 30 days being given.

10. Tax Considerations

This taxation information is of a general nature only, and it is not tax advice. You should seek your own advice in relation to your own circumstance. Prospective investors must take full and sole responsibility for their 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. Accordingly, prospective investors should seek taxation advice that takes into account their individual circumstances.

10.1 INCOME TAX

Each Class of the Fund is or will be an Attribution Managed Investment Trust (**AMIT**). This means that you will be responsible for paying tax on any income attributed to you.

The Responsible Entity or the Manager will provide investors with a tax summary as at 30 June of income and capital gains during the previous financial year. Investors can expect to be assessed for tax on this income and capital gains.

The Fund will be a resident of Australia for Australian income tax purposes. Income and gains will be calculated in Australian dollars notwithstanding that investment might be in a foreign currency. Hence the taxable income and gains for investors who invested in a non Australian currency might not equal the taxable income as calculated in Australian dollars.

10.2 TAX FILE NUMBERS

Quotation of a Tax File Number (TFN) is not compulsory, but if you do not provide a TFN, tax at the highest tax rate may be withheld from any distribution that you receive or that you re-invest. By quoting your TFN, you authorise the Fund to apply it to your investment and disclose it to the Australian Taxation Office. An investor who invests in the Fund in the course of a business may quote an Australian Business Number (ABN) instead of a TFN.

10.3 FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) & COMMON REPORTING STANDARDS (CRS)

We comply with the regime and legislation that gives effect to the OECD Common Reporting Standard (CRS) and the US legislation known as FATCA. To comply with these obligations you are required to provide certain information about the tax residency of individuals during your Application. We are required to report information to the Australian Taxation Office (ATO) and the ATO shares this information with the competent authorities of other jurisdictions as a means of countering global tax evasion. For more information, refer to the ATO website.

11. Additional Information

This PDS has not been lodged with the Australian Securities and Investments Commission (ASIC) and is not required to be lodged in accordance with the *Corporations Act 2001*. The Responsible Entity will notify ASIC that this PDS is in use in accordance with section 1015D of the *Corporations Act 2001*.

11.1 DISPUTE RESOLUTION

The Responsible Entity will deal with any Complaint in accordance with s912A of the Corporations Act.

If you have a complaint or a suggestion, please notify the Responsible Entity by post, by email or by phone:

Complaints Officer

Primary Securities Ltd

Post: PO Box 732, Fremantle WA 6959

Email: complaints@primarysecurities.com.au

Phone: 08 9430 5262

A copy of the Complaints handling procedure is available on request, free of charge, or a summary is available via the Responsible Entity's website: www.primarysecurities.com.au/about-us/about-primary/complaints-procedure/

If after contacting the Complaints Officer regarding your Complaint, your Complaint is not resolved to your satisfaction then you may access the external dispute resolution service known as Australian Financial Complaints Authority (AFCA) of which the Responsible Entity is a member.

AFCA may be contacted:

- by phone on 1300 931 678 (or whichever number is for the time being applicable);
- by email to info@afca.org.au (or whichever email address is for the time being applicable);
- by writing to GPO Box 3, Melbourne, VIC 3001 (or whichever address is for the time being applicable).

ASIC has a Freecall Infoline 1300 300 630 (or such other number as is being used for the time being) which the Complainant may use to make a Complaint and obtain information.

11.2 NO GUARANTEE

No person or entity makes any promise or representation, or gives any guarantee as to the performance or success of the Fund, the payment of capital or any particular rate of income, return or capital return.

11.3 CONSENTS

The Fund Auditor has given its consent to be named as the auditor of the Fund. The Compliance Plan Auditor has given its consent to be named as the compliance plan auditor of the Fund. The Fund Auditor and the Compliance Plan Auditor have not authorised or caused the issue of this PDS, and have not made, nor purport to make, any statement in this PDS.

The Manager has given its consent, and has not before the issue of the PDS withdrawn its consent to; be named herein, and to the statements made about it in this PDS in the form and context in which they appear.

The Class Vehicle has given its consent, and has not before the issue of the PDS withdrawn its consent to be named herein, and to the statements made with respect to it in this PDS in the form and context in which it appears.

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

The Custodian does not make, or purport to make, any statement that is included in this PDS and there is no statement in this PDS which is based on any statement by the Custodian. To the maximum extent permitted by law, the Custodian expressly disclaims and takes no responsibility for any part of this PDS other than the references to its name. The Custodian does not guarantee the repayment of capital or any particular rate of capital or income return.

11.4 ENHANCED DISCLOSURE

If there are more than 100 investors in the Fund, Units will be classified as enhanced disclosure securities within Section 111AD of the Corporations Act, and the Responsible Entity is subject to regular reporting and disclosure obligations. Documents lodged pursuant to these requirements may be obtained from, or inspected at, any office of ASIC. Further, the Responsible Entity will provide a copy of the most recent annual financial report of the Fund lodged with ASIC, any half-year financial reports of the Fund lodged with ASIC, and any continuous disclosure notices given in relation to the Fund after lodgement of an annual financial report.

11.5 PRIVACY

When you apply to invest in the Fund, you will provide personal information to the Responsible Entity and the Manager. We respect your right to privacy and we will deal with your personal information in accordance with our privacy policies.

Generally, we will use your personal information to process your application and to administer your investment, including:

- Complying with applicable laws and regulatory obligations
- Maintaining the scheme registers
- Paying distributions
- Dealing with complaints and queries
- Communicating and reporting to Investors

Personal information may be provided to service providers and third parties on the basis that they deal with such information in accordance with our privacy policies. The parties that may be provided with your personal information and the circumstances in which your personal information may be disclosed include:

- Mail houses and their printers for the preparation and distribution of documents to you
- Companies involved with the administration of the register of investors

- Service providers and other professionals such as lawyers, accountants, auditors, consultants appointed by us
- Service providers involved with our AML/CTF obligations
- Government and other regulatory authorities when permitted or required by law

You agree, by submitting an Application that the Responsible Entity or the Manager may disclose the information to any independent share registry, to any agents, contractors or service providers including banks and professional advisers.

The Corporations Act requires the Responsible Entity to include information about you (including name, address and details of the Units you hold) in the Register. The information contained in the Register must remain there even if you cease to be an Investor.

If you do not provide the information requested in the Application, your Application may not be processed. You have a right to seek access to the information we hold about you, and to ask the Responsible Entity or the Manager to correct any information which is held about you and which you believe is inaccurate, incorrect or out of date.

11.6 IDENTIFICATION AND VERIFICATION

The Responsible Entity or its authorised representative is required to comply with AML/CTF Law. This means that we are required to obtain identification information when you apply to acquire the Units and undertake certain transactions in relation to your investment.

You will need to undertake identification activities in the following circumstances:

- When applying for the Fund – Units will not be issued to you until all individuals who are a party to the Application have been satisfactorily verified.
- If you transfer your Units – we will need to identify the transferee prior to transferring ownership.

- In the event of your death – we will need to identify your legal personal representative prior to transferring ownership.
- If you appoint someone to act on your behalf in relation to your investment in the Fund, e.g.: under a power of attorney – we will be required to identify your agent or attorney.

There may be other situations where we are required to undertake identification activities, and in some circumstances, we may need to re-verify you or ask additional information. In such instances you agree to comply with any request we may make to fulfill this obligation.

By applying to invest in the Fund, you also acknowledge that we may decide to delay or refuse any request for any transaction if we are concerned that the request or transaction may breach any obligation, or cause us to commit or participate in an offence under any AML/CTF Law, and the Administrator and the Responsible Entity will not incur any liability to you if they do so.

11.7 AUDIT

The Fund's financials will be audited annually. The Fund's financials and the Class financials may be made available to Investors.

12. Material Documents

12.1 COMPLIANCE PLAN

The Responsible Entity has prepared a Compliance Plan for the Fund which has been lodged with ASIC. The plan sets out the measures and procedures to comply with the Constitution and the Corporations Act. The Compliance Plan is externally audited annually, and the audit report is lodged with ASIC.

12.2 CONSTITUTION

If your Application is approved, you will be allocated Units in the Fund and become a party to the Constitution of Earnr.

Your rights and obligations are governed by the Constitution and this PDS, the Corporations Act, any exemptions and declarations issued by ASIC, and general law relating to trusts. You can request a copy of the Constitution free of charge from the Responsible Entity.

The principal provisions in the Constitution include those dealing with:

- The Responsible entity's powers, duties and obligations
- The rights and obligations of Investors
- Meetings of Investors
- The ability of Investors to remove the Responsible Entity
- The issue of Units and the procedure for the withdrawal of Units
- The transfer of Units
- Fees payable to the Responsible Entity and the Responsible Entity's right to be indemnified by the Fund for expenses
- The Responsible Entity's right to vary the assets of the Fund
- The delegation of various functions of the Responsible Entity to the Manager

- Indemnities and protections of the Responsible Entity providing it has properly performed its duties
- Complaints and procedures in relation to the Fund
- Modification of the Constitution

The Fund or a Class may be terminated by a Special Resolution of all Investors in the Scheme or the Class (as applicable) and such termination shall take effect from a date to be named in the Special Resolution. The process following the termination of the Fund or a Class is also outlined in the Constitution.

The Responsible Entity shall not be responsible for any loss, costs, damages or inconvenience resulting from the exercise or non-exercise of powers, authorities and discretions under the Constitution, and except by a Special Resolution of Investors, no Investor shall interfere with or question the exercise or non-exercise of the Responsible Entity's powers, authorities or discretions.

This information provided regarding the Constitution in this section is not meant to be, and should not be relied upon as being, exhaustive.

12.3 RESPONSIBLE ENTITY SERVICES AGREEMENT:

Under this Agreement between the Manager and the Responsible Entity, the Responsible Entity has agreed to act as Responsible Entity for the Fund and to issue this PDS. The Manager has agreed it will indemnify the Responsible Entity against any loss incurred by the Responsible Entity arising from any claim against the Responsible Entity in relation to the Fund except where the claim has been caused by the Responsible Entity's wilful, negligent, fraudulent, reckless or unlawful acts or omissions or any acts or omissions of any agent, representative, responsible manager or contractor of the Responsible Entity.

12.4 MANAGEMENT AGREEMENT

The Responsible Entity has appointed the Manager to be the exclusive Manager of the Fund. Under the agreement, the Manager has agreed to carry out a number of services relating to the Fund for the Responsible Entity. The Management Agreement includes provisions that relate to duties, processes, remuneration, termination, and miscellaneous items.

The key aspects of the Management Agreement include:

- The term of appointment of the Manager starts on the allotment of the first units and continues until terminated.
- The terms upon which the Responsible Entity may serve a breach notice on the Manager following each annual assessment.

This information provided regarding the Management Agreement is not meant to be, and should not be relied upon as being, exhaustive.

12.5 NOTE INSTRUMENT

The Responsible Entity and the Custodian will enter into a separate Note Instrument for each Class with the Class Vehicle for that Class. The Notes subscribed for by the Custodian, will be constituted by the Note Instrument.

12.6 SUBSCRIPTION AGREEMENT

The Responsible Entity and the Custodian will enter a separate Subscription Agreement for each Class with the Class Vehicle for that Class. These agreements permit the Responsible Entity (via the Custodian) to subscribe for secured interest bearing Notes, on behalf of each Class of the Fund.

12.7 GENERAL SECURITY AGREEMENT

The Responsible Entity and the Custodian will enter into a General Security Agreement with each Class Vehicle. These agreements provide for security over the assets and undertakings of the relevant Class Vehicle and will be registered on the PPSR.

12.8 CUSTODIAN AGREEMENT

The Responsible Entity has entered into a Custodian Agreement with Sandhurst Trustees Limited in which it has appointed Sandhurst Trustees Limited as an independent custodian to hold the assets of each Class. Sandhurst Trustees Limited's role as Custodian is limited to holding the Class Assets of each Class.

12.9 OTHER MATERIAL DOCUMENTS

The Class Vehicle may enter into additional documents such as loan agreements and security agreements with borrowers and/or guarantors.

12.10 COPIES OF MATERIAL DOCUMENTS

Copies of documents and other important documents relating to the Fund are available to existing and prospective Investors free of charge from the registered office of the Responsible Entity (not including documents relating to loans and investments of the Class Vehicle). You should consider whether it is necessary for you to obtain independent advice on any of the documents.

13. Corporate Directory

MANAGER

Earnr Australia Pty Ltd
Level 2, 11 York Street
Sydney NSW 2000
Telephone: 02 7252 2055
www.earnr.com.au
customer@earnr.com.au

RESPONSIBLE ENTITY

Primary Securities Ltd
3 Shuffrey Street
Fremantle, WA 6160
Telephone: 08 9430 5262
www.primarysecurities.com.au
registry@primarysecurities.com.au

CLASS VEHICLE

Yield One Pty Ltd
Level 2, 11 York Street
Sydney NSW 2000
Telephone: 02 7252 2055
yield-one@earnr.com.au

CUSTODIAN

Sandhurst Trustees Limited
Level 5, 120 Harbour Esplanade
Docklands, VIC 3008
Facsimile: (03) 8414 7275

FUND AUDITOR

Dry Kirkness
Ground Floor
50 Colin Street
West Perth, WA 6005
Phone: 08 6001 6909

COMPLIANCE PLAN AUDITOR

Dry Kirkness Ltd
Ground Floor
50 Colin Street
West Perth, WA 6005
Phone: 08 6001 6909

14. Glossary

Term	Definition
30 Day Notice	The Product outlined in section 3.5 of this PDS.
AFSL	Australian Financial Services Licence issued by ASIC under Part 7.6 of the Corporations Act.
AMIT	Attribution Managed Investment Trust, a tax regime for widely held trusts, as a result of which, Investors will pay tax on any income attributed to the Investor.
AML/CTF	Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and for the time being in force together with the rules and regulations.
Application	The online application available on the Platform of the Manager as described in section 2 of this PDS.
Application Amount	The amount specified in the Application in accordance with section 2 of this PDS.
Application Money	The funds paid by Investors with their Application.
ASIC	The Australian Securities and Investments Commission.
ATO	Australian Taxation Office.
Board of Directors	The Board of Directors of the Responsible Entity.
Business Day	Any day upon which the trading Banks in the State of Victoria and the State of New South Wales are open for business not being a Saturday or Sunday.
Class	A Class of the Fund as outlined in this PDS.
Class A	The Class of the Fund corresponding to the Product 'Yield' which provides prospective investors with income exposure to fixed income assets in accordance with section 3.3 of this PDS.
Class A Units	Units issued for Class A of the Fund.
Class Assets	Assets of the Fund allocated to the Class.
Class A1	The Class of the Fund outlined in section 3.4 of this PDS.

Class A1 Units	Units issued for Class A1 of the Fund.
Class B Units	Units issued for Class B of the Fund.
Class B	The Class of the Fund outlined in section 3.5 of this PDS.
Class C	The Class of the Fund outlined in section 3.6 of this PDS.
Class C Units	Units issued for Class C of the Fund.
Class Vehicle	Yield One and any subsequent vehicles established for the purpose of investing for a Class of the Fund.
Class Investment Guidelines	Are the guidelines set out in section 3 of this PDS.
Complainant	A person making a Complaint.
Complaint	An expression of dissatisfaction made to or about an organisation (including the Responsible Entity or the Manager), related to its products, services, staff, contractors or the handling of a complaint where a response or resolution is explicitly or implicitly expected or legally required.
Complaints Officer	Person appointed by either the Responsible Entity or the Manager to deal with Complaints.
Compliance Plan	Is the compliance plan for the Fund submitted to ASIC and as described in section 11 of this PDS.
Compliance Plan Auditor	The Auditor of the Compliance Plan appointed by the Board of Directors.
Constitution	The Constitution dated 15 th July 2021 for Earnr ARSN 651 645 715 lodged with ASIC as amended from time to time.
Corporate Directory	Is the corporate directory set out in section 13 of this PDS.
Corporations Act	The Corporations Act 2001 (Cth) for the time being in force together with any corresponding regulations made under the Corporations Act.
Custodian	Sandhurst Trustees Limited, ACN 004 030 737 or such other person appointed by the Responsible Entity from time to time.
Director/s	Means director/s of the Responsible Entity.

Early Withdrawal Fee	A fee that will be charged to the Investor in the exceptional circumstance an early withdrawal is approved, as explained in section 2.10 and section 9.1 of this PDS in relation to the withdrawal of funds prior to the end of the Term.
Earnr	The retail managed investment scheme known as Earnr ARSN 651 645 715 the subject of the Constitution and this Product Disclosure Statement (formerly called Earnr Yield).
Eligible Security	Is residential property, commercial property, industrial property, land, rural property, receivables, inventory, vehicles and equipment.
Face Value	The value or issue price shown on the Note.
FATCA	The Foreign Account Tax Compliance Act and is United States (US) legislation aimed at improving compliance with US tax laws. FATCA imposes certain due diligence and reporting obligations on Australian financial institutions including the Responsible Entity and those of other non-US countries, to report US citizen or US tax-resident Account Holders to the US Internal Revenue Service.
Fund	The registered managed investment scheme known as Earnr ARSN 651 645 715
Funds under Management	The aggregate value of all Class Assets as most recently valued.
Fund Auditor	The Auditor of the Fund appointed by the Board of Directors.
General Security Agreement	The agreement entered into by the Class Vehicle in favour of the Fund which provides general security over the assets of the Class Vehicle to secure repayment of the loan from the Fund to the Class Vehicle.
Income Distribution	The payment of interest to Investors monthly, quarterly, or on the Maturity Date
Investment	An Investor's interest in the Fund or Class.
Investment Balance	Has the meaning provided in section 2.5 of this PDS.
Investor, you or your	A person or entity whose Application to purchase Units is successful and who is issued Units in a Class of the Fund.
Loan Exposure Policy	The policy that controls the loan exposure of a Class Vehicle as set out in section 6 of this PDS.
LVR	Loan to value ratio.
Management Agreement	The agreement between the Responsible Entity, the Manager and the Class Vehicle as outlined in section 12 of this PDS.

Management Fee	The management fee in accordance with section 8.2 of this PFS
Manager	Earnr Australia Pty Ltd ACN 650 455 486
Maturity Date	Has the meaning in section 2.5 of this PDS
Notes	Are the secured notes issued by a Class Vehicle as outlined section 5 of this PDS.
Note Instrument	Is the note instrument setting out the conditions of the Notes as outlined in section 12 of this PDS.
Notice Date	Has the meaning in section 2.5 of this PDS.
Notice Period	Has the meaning in section 2.5 of this PDS.
Offered Return	The return offered for a Product and Term on the Platform of the Manager applied in accordance with section 2 of this PDS.
Platform	Is the platform operated by the Manager that prospective and existing investors may use to apply for Products and manage Products.
PPSR	Personal Property Securities Register
Product	Are investment products which are offered through different Classes in the Fund.
Rate	The return applied to an active Investment in accordance with section 2 of this PDS.
Register	The register of Investors to be kept pursuant to the Corporations Act on which is kept details of all Investors in the Fund and the Investors of each Class.
Responsible Entity	Primary Securities Ltd ABN 96 089 812 635, AFSL No 224107.
Secured Loan	A loan is a secured loan if the underlying loan benefits from a first or second mortgage over Eligible Security or a perfected first interest in Eligible Security by way of purchase money, security interest, lien, charge, or otherwise.
Security Coverage Ratio	Means the target beneficial security interest coverage ratio for each Class as specified in section 3 and calculated for each Class as: the value of cash plus the value of direct and beneficial security interests in favour of the Class Vehicle; divided by the total investments held by the Class Investment Vehicle excluding cash.
Special Resolution	A resolution passed at a meeting of Investors of a Class or all Investors in the Fund (as the case requires) by a majority consisting of the holders of not less

	than 3/4ths of the value of the Issued Units carrying the right to vote upon a show of hands (or by proxy) at the meeting.
Start Date	The day on which Units are allocated in accordance with section 2.3
Subscription Agreement	Is the subscription agreement for Notes issued to each Class as outlined in section 12 of this PDS.
Term	Has the meaning in section 2.5 of this PDS.
TFN	A Tax File Number issued by the ATO to an individual or entity.
Tranche A, B or C Notes	Notes of different Terms issued by the Class Vehicle as set out in section 5.
Tranche D Notes	Notes issued by the Class Vehicle as set out in section 5.
Tranche E Notes	Notes issued by the Class Vehicle as set out in section 5.
Unit Price	Is the issued price of each Unit in the Fund as set out in section 2.4 of this PDS.
Units	Units in a Class.
Valuation Policy	Is the valuation policy that forms part of the Loan Exposure Policy, as outlined in section 6.
Withdrawal Request	A request to withdraw funds from an investment in a Product made by conducting a transfer on the Platform.
Yield	The Product outlined in section 3.3 of this PDS.
Yield One	Yield One Pty Ltd, a dedicated Class Vehicle which issues Notes and invests the proceeds of the Notes in accordance with the Class Investment Guidelines and Loan Exposure Policy.