



PRODUCT DISCLOSURE STATEMENT

For an Offer of Units in

AUGUSTA KEDRON PARTNERSHIP

Issued by Augusta Funds
Management Limited

15 February 2019



AUGUSTA

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on <https://disclose-register.companiesoffice.govt.nz/>. Augusta Funds Management Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you make an investment decision.



1. Key Information Summary

1.1 What Is This?

This is an offer of units in the Augusta Kedron Partnership, an Australian limited liability partnership (*LLP*). Your money will be pooled with other investors' money and invested. Augusta Funds Management Limited invests the money in the property at 255-257 Gympie Road, Kedron, Brisbane, Queensland, Australia (*the Property*), and takes fees. The assets and the fees are described in this document. By investing in the LLP you are relying on the investment decisions of Augusta Funds Management Limited and returns from the Property. There is a risk that you may lose some or all of the money you invest.

The LLP is an "other managed investment scheme" for the purposes of the Financial Markets Conduct Act 2013 and, accordingly, in certain places, this PDS refers to the LLP as a "scheme".

1.2 Who Manages This Scheme (LLP)?

Augusta Funds Management Limited (*Manager* and *Offeror*) is the manager of the LLP. See "About Augusta Funds Management Limited and others involved in Augusta Kedron Partnership" in section 10 for further details.

1.3 What Are You Investing In?

Prospective investors should be aware that:

- **This is an offer of units in an Australian limited liability partnership. It has been structured as a long-term investment vehicle investing in commercial real estate.**
- **The LLP will invest in a single asset. The Property has 5 tenants under 7 leases.**
- **The LLP has no fixed term. There is no set date on which you will get your investment back. A return of your investment will be dependent on the sale of your Unit(s) or the LLP approving a sale of the Property, and the price of such sales.**

The costs of establishing the LLP and acquiring the Property are:

Purchase price	A\$21,520,000
Stamp duty and title registration fees	A\$1,292,837
Establishment costs (excluding stamp duty)	A\$1,381,187*
Future capex fund	A\$100,000
Total	A\$24,294,024

Funded by:

Subscriber's capital	A\$14,800,000
Debt	A\$9,494,024
Total	A\$24,294,024

*This amount includes certain expenses that will be charged in New Zealand dollars and which have been converted to Australian dollars so that the amounts can be presented in one currency.

The debt will be funded by way of an interest only loan secured over the Property with a term of 36 months from Commonwealth Bank of Australia (*CBA*).

Investment Objectives

The LLP has a long-term investment horizon. The primary objectives of the LLP are to:

- sustain the projected sustainable post tax distribution rate of 6.1% per annum;
- preserve and grow the value of the Property; and
- leverage lease extension options for the Property to increase lease terms and/or rent where possible.

Investment Strategy

The LLP's strategy is to acquire the Property, continue to lease it to quality tenants and preserve and grow investors' equity (to the extent possible).

1. Key Information Summary (cont.)

1.4 Key Terms of the Offer

Products on Offer	Units in the LLP.
Price per Unit	A\$50,000
Number of Units offered	296
Intended Offer Opening Date	23 February 2019
Intended Offer Closing Date	18 March 2019
Settlement	The intended date of settlement is 29 March 2019. Units will be issued on 19 March 2019.
Liability to make further payments under the Offer	Investors will only be liable to make further payments to the LLP if they take part in the management of the LLP. The LLP has been structured to avoid Investors taking part in management.
No underwrite	The Offer is not underwritten
No overseas investors outside of New Zealand and Australia	Offer only being made in New Zealand and Australia, unless otherwise determined by the Manager.

1.5 How You Can Get Your Money Out

An investment in the LLP is not redeemable on demand and there is no fixed date on which you may get your money out. The LLP may sell the Property and be wound up (with the surplus capital returned to Investors) if approved by not less than 75% of the Units entitled to vote and voting on the resolution. There is no guarantee that you will recoup the amount of your original investment.

Your investment in these Units can be sold but there is no established market for trading these financial products. This means that you may not be able to find a buyer for your investment.

1.6 Key Drivers of Returns

The Manager considers that the key current and future aspects of the LLP that will have, or may have, an impact on the LLP's financial performance (and the key strategies and plans for those aspects) are:

- *Capital growth and expenditure* – capital growth of, and expenditure on, the Property is a key driver of returns, as the Property is the LLP's sole asset.
- *Interest rates* – interest expense incurred by the LLP as a result of bank loans are a significant expense for the LLP and the financial performance will be affected by interest rates. The Manager intends to manage the interest rate risk by utilising interest rate swaps and fixed rate agreements.
- *Rental Income* – the rental income received by the LLP is the key source of the LLP's income. That income is forecast to grow over time due to the contracted annual rent increases in the current lease term of each Lease which range between 3% and 4% across the Property's leases.

No person guarantees the returns of the LLP.

1.7 Augusta Kedron Partnership's Financial Information

Gearing Ratio on acquisition of Property	44.0%
Gearing Ratio at 30 June 2019	44.1%
Gearing Ratio at 30 June 2020	44.0%
Interest Cover Ratio at 30 June 2019	3.4 times
Interest Cover Ratio at 30 June 2020	3.3 times
Projected post-tax operating return for the LLP	<ul style="list-style-type: none">• 6.23% per annum for the period ending 30 June 2019.• 6.11% per annum for the period ending 30 June 2020. <p>These returns are not guaranteed. The actual distribution rates may vary.</p>

Projected sustainable distribution rate (post-Australian tax)	On the basis of the projected levels of return for the LLP and the expected tax deductions available to the LLP, the Manager expects to make post-Australian tax Australian dollar cash distributions to Investors at a rate of 6.10% per annum for the periods ending 30 June 2019 and 30 June 2020, to be paid monthly
Valuation of the Property	A\$21.5 million

The “Gearing Ratio” tells you how much the LLP owes (debt) as a portion of what it owns (assets, including cash). The gearing ratio is a measure which indicates the level of the LLP’s debt. The higher the gearing ratio, the higher the risk as it indicates a higher proportion of the LLP’s assets will be needed to be applied to repay its debts.

The “Interest Cover Ratio” tells you how much the LLP’s income (rent) exceeds interest on its loans (as a multiple). Further information about how these amounts are calculated and serviced is included on page 31.

The prospective financial information included in this PDS has been extracted from prospective financial statements prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements (FRS 42), which are available on the Offer Register. The prospective financial statements have been subject to a limited assurance engagement and an unqualified opinion issued by Staples Rodway Audit Limited, a copy of which is also included on the Offer Register.

Valuation

An independent valuation of the Property has been provided by Michael Coverdale from m3Property of A\$21.5 million plus GST (if any) as at 21 November 2018. The valuation was prepared using the ‘capitalisation’ and ‘discounted cash flow’ approaches and reconciled with the ‘direct comparison’ approach on a rate per square metre of gross lettable area basis.

1.8 Key Risks of This Investment

Investments in managed investment schemes are risky. You should consider whether the degree of uncertainty about the LLP’s future performance and returns is suitable for you. The price of these Units should reflect the potential returns and the particular risks of the Units.

The Manager considers the most significant risk factors that could affect the value of Units are:

- *Liquidity* - There is no guarantee that there will always be willing buyers for this type of investment. The cost of the stamp duty applicable to incoming Investors will likely have a negative impact on the price any incoming Investor would be willing to pay for an existing Investor’s Unit(s).
- *Interest rates* - The principal expense of the LLP is interest payments. Under the facility, the interest rate consists of a bank margin and a variable interest rate component. While the variable component can be fixed by entering into interest rate swaps or fixed interest rate agreements, CBA has the right to change the margin component of the interest rate under the LLP’s loan at any time during its term. If the interest rate increases, the financial performance of the LLP may be adversely affected.

This summary does not cover all of the risks. You should read section 7 “Risks to returns from Augusta Kedron Partnership”.

1. Key Information Summary (cont.)

1.9 What Fees Will You Pay?

The table below summarises the fees and expenses that the LLP will be charged. Further information about fees is set out in section 8 “What are the Fees”.

Establishment fees and expenses (one off fees and expenses charged to the LLP on its establishment):	
Manager and associated person's fees	
Manager's offeror fee*	A\$700,000 (inclusive of NZ GST)
Manager and associated person's aggregate fees for establishment of LLP	A\$700,000
Other fees and expenses for establishment of the LLP	
Stamp duty and title registration fees	A\$1,292,837
Brokerage fee*	A\$297,850
Legal fees – New Zealand*	A\$98,326
Legal fees – Australia	A\$60,000
Legal disbursements* **	A\$21,600
Assurance fees*	A\$13,602
Accounting / tax fees* **	A\$10,479
Building due diligence reports	A\$15,000
Property valuation fee	A\$9,136
Chattel valuation fee	A\$11,000
Supervisor*	A\$5,463
Marketing* **	A\$98,325
PDS and scheme registration fee and FMA levy*	A\$5,406
Bank fees (including legal fees)**	A\$35,000
Other person's aggregate fees and expenses (including stamp duty) for establishment of the LLP	A\$1,974,024
Total fees for establishment of the LLP	A\$2,674,024

Ongoing fees and expenses (payable for the duration of the LLP)	
The Manager and its associated person's aggregate fees for the accounting periods to: ¹	30 June 2019 will be A\$700,000 (inclusive of NZ GST), which is an establishment cost and as a percentage of the net assets of the LLP is anticipated to be 5.68%
	30 June 2020 will be A\$120,000 (inclusive of NZ GST), which as a percentage of net assets of the LLP is anticipated to be 0.97%
Other person's aggregate fees and expenses (including interest payments) for the accounting periods to:	30 June 2019 will be A\$179,536 (exclusive of GST) of ongoing expenses and A\$1,974,024 (exclusive of GST) of establishment costs, which in total, as a percentage of the net assets of the LLP is anticipated to be 17.48%
	30 June 2020 will be A\$649,618 (exclusive of GST), which as a percentage of the net assets of the LLP is anticipated to be 5.26%

* These amounts include expenses which will be invoiced to the LLP in New Zealand dollars. They have been converted to Australian dollars at an NZD/AUD exchange rate of 1.00/0.95 so that the amounts can be presented in one currency. They also include New Zealand GST.

** Aggregate fees for the accounting period ended 30 June 2019 include A\$700,000 of establishment costs payable to the Manager and its associated persons.

Alongside the above fees and expenses, the Manager is also establishing a A\$100,000 future capex fund for future capital expenditure. Further information on the fees and expenses of the LLP is contained in section 8 “What are the Fees?”.

1.10 How Will Your Investment Be Taxed?

The LLP is not a portfolio investment entity (PIE).

See section 9 “Tax” for more information.

¹ Assuming the management fee increases at the levels set out in the Governing Document, and no other fees are payable.

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Dear Investor

Augusta Funds Management has grown significantly since our inception in 2001 to become one of New Zealand's leading and largest property fund managers with \$1.8 billion of real estate under management. The offerings under the Augusta umbrella have expanded over the years to now include, not only New Zealand single asset structures, but fund based investments and of course Australian property investments such as this. One thing has remained consistent throughout, we are conservative in our approach and understand what our investors want - we focus on preservation and growth of your capital, and sustainability of your monthly returns.

Offering our investors access to Australian property will continue to be a key strategic aim of Augusta. We see investment in this Australian commercial property as a great way to diversify your investment portfolio and benefit from Queensland's current strong economic conditions and growth. Bryce Barnett has over 20 years' experience in identifying, managing and syndicating Australian properties and other members of our management team have many years of experience. Currently Augusta has 11 properties in Brisbane with a value of approximately A\$136 million under management.

255-257 Gympie Road has three well-presented two storey buildings with a total of 4,579 sqm of net lettable area over a 8,909 sqm site with low 33% site cover and 136 car parks.

The property is 100% leased with a weighted average lease term (WALT) of 7.34 years as at 29 March 2019 and assured rental growth through 3-4% fixed annual rent reviews. The anchor tenant is C&K Childcare which was established in 1907. With currently over 350 childcare centres, it is one of Queensland's largest not-for-profit early childhood education providers. Accounting for 54% of the income, its new flagship childcare centre was completed in 2017 with an initial 15 year lease term and their national administration office provides for a new 10 year lease. Other tenants include ASX listed aged care provider Ingenia, with recently refurbished offices, and multi-national paint manufacturer and marketer Dulux's retail store.

The location of the property is a major strength with the established and popular inner Northern suburb of Kedron only around 7 kms from the Brisbane CBD and the white collar demographic of the area providing substantial demand for childcare facilities. The property benefits from a high exposure position with two road frontages including 80 metres to the

major arterial Gympie Road with over 70,000 passing traffic daily. It is also only 500 metres from the Airlink Tunnel and close to public transport and shopping centres. In our opinion, these features of the Property's location support a high underlying land value.

Augusta's focus will continue to be in Brisbane and the wider Queensland area where we believe relative value continues to exist over Sydney and Melbourne. In our opinion, the Queensland commercial property sector continues to experience strong levels of leasing and sales activity resulting in historical low yields. GDP growth of 3.7% remains ahead of the Australian national average of 2.6% and infrastructure and major projects such as the Brisbane Quarter Development (residential, office and hotel) and both Howard Smith and Queens Wharf Developments along with significant roading and rail upgrades continue to create positive business and investor sentiment.

The Queensland properties we currently manage are performing well, with the majority, in our opinion, showing good capital growth in recent years. We believe the attributes of this property are a good investment and along with Augusta's impressive track record with similar offerings and knowledge of the Queensland market creates an opportunity for investors to diversify their portfolio and enjoy regular monthly returns from an Australian commercial property investment.

This PDS contains important information about the Offer. We encourage you to read this PDS carefully and consider in particular the 'Risks to returns from Augusta Kedron Partnership' section before making your investment decision.

Kind regards,



A red ink signature of Mark Francis, consisting of stylized initials and a surname.

Mark Francis
Managing Director



A red ink signature of Bryce Barnett, featuring a more formal, cursive style.

Bryce Barnett
Executive Director

2. What Augusta Kedron Partnership Invests In



2. What Augusta Kedron Partnership Invests In (cont.)

In this section, you will find information on:

- the key features of the LLP;
- factors that may affect the financial performance of the LLP and Investors' returns;
- how the LLP is managed;
- the acquisition of the Property; and
- the borrowing sources of the LLP.

Key Features of The Scheme (LLP)

The key features of the LLP are set out below:

Statement of Investment Policy and Objectives and Investment Strategy

The Manager has adopted a Statement of Investment Policy and Objectives (*SIPO*) for the LLP which sets out its investment policies, objectives and strategies for the LLP in respect of its investment in the Property as well as the policies it will apply in respect of its management and its investment performance monitoring benchmarks. A copy of the SIPO is available on the Scheme Register at <https://disclose-register.companiesoffice.govt.nz/> by searching "Augusta Kedron Partnership" under "search schemes".

The SIPO sets out that the LLP's only allowable assets are:

- the Property and any leases/licences of the Property;
- cash deposits with registered Australian and New Zealand banks; and
- any other assets arising in connection with holding the Property including prepayments, accounts receivable, interest rate swap agreements and insurance receivables.

The investment strategy of the LLP is to acquire and hold the Property, continue to lease the Property to quality tenants and preserve and grow equity by active management of the LLP and the Property.

Given the nature of the LLP's sole asset (substantial commercial property) and its unlisted ownership structure, the LLP has a long-term investment horizon. The primary objectives of the LLP are to:

- sustain distribution levels as per the projected cash returns set out in this product disclosure statement;
- preserve and grow the value of the Property by attending to necessary ongoing repairs, maintenance and capital expenditure requirements and seek potential future value add opportunities such as improving the functionality or appearance of the Property; and
- leverage lease extension options for the Property to increase lease terms and/or rent where possible.

The key policies of the Manager in respect of implementing the above objectives and strategy are:

- *Cash flow management*: a regular cash flow budget for a minimum of two years is maintained and reviewed. Six-monthly reviews with the LLP's bank are undertaken to review the LLP's current financing. Particular circumstances set out in the SIPO may result in an increase or decrease in distributions;
- *Interest cover*: maintained at not less than two times the interest payments (such that the LLP's income is not less than two times the interest payments payable under its bank debt);
- *Capital expenditure*: the Manager undertakes regular monitoring of the condition of the buildings and fitout on the Property to ensure ongoing routine repairs and maintenance are undertaken to a high standard. A future capex fund is to be established of A\$100,000 for future unrecovered maintenance and capital expenditure.
- *Hedging/interest rate policy*: the main expense of the LLP will be interest payments on its bank debt. The Manager intends to manage the interest rate risk initially by entering into swap agreements with terms of at least three years on 100% of the LLP's debt drawn on settlement. Beyond the term of the initial swaps interest rates will continue to be managed with a combination of interest rate swaps and/or fixed rate agreements.
- *Leverage*: The maximum allowable loan amount is 55% of the greater of the original purchase price and the most recent independent valuation.

The SIPO may be amended by the Manager following consultation with Covenant Trustee Services Limited, the supervisor for the LLP (*Supervisor*).



The Property

The Property is located within the established mixed-use suburb of Kedron.

The combined site is irregular in shape and comprises two allotments. A single allotment facing Gympie Road and another larger allotment with frontages to Gympie Road and Emerald Street.

Legal Description

The LLP is acquiring the freehold interest in the Property located at 255-257 Gympie Road, Kedron, Queensland, Australia being Lot 1 on Survey Plan 288094 bearing Title Reference Number 51140040 and Lot 3 on Registered Plan 91138 bearing Title Reference Number 13352144.

Buildings

The subject property comprises three buildings of varying quality, age and construction, summarised as follows:

Building A (Ingenia / C&K) comprises a double storey concrete block building with a net lettable area of approximately 2,429 square metres and the office areas have recently been refurbished to a high standard and, provides PCA A-grade office accommodation. There is a minor showroom accommodation along Gympie Road. Part of the ground floor was originally a medical centre and was repurposed in 2015.

Adjoining Building A (Planbuild Homes) is a two level building with a net lettable area of approximately 423 square metres and provides good quality office space. There is an upper terrace providing a shaded breakout space with a sun sail.

Building B (Dulux / Accoras) comprises a double storey concrete block building with a net lettable area of approximately 786 square metres and provides a bulk goods showroom, high bay warehouse, and a recently refurbished medical consultation / office accommodation.

Building C (C & K Childcare) comprises a double storey childcare facility with a net lettable area of approximately 941 square metres. The two detached pre-war dwellings have been retained and lifted to allow for a modern concrete block childcare facility on the ground level. The development was completed in 2018 with fully landscaped infant play space and disability provisions.

The Location

The Property is located within the established mixed-use suburb of Kedron, approximately 7 radial kilometres² north of the Brisbane CBD. Kedron is an area characterised by low-medium density residential with low-rise commercial development along Gympie Road. Significant landmarks located within the general area include the Northern Busway, Westfield Chermside Shopping Centre, Holy Spirit North-side Private Hospital and a number of primary and high schools including Wavell State School and Kedron State High School.

Surrounding development includes older style detached residential dwellings, low-medium density development and commercial development along Gympie Road. There is a renewal process undergoing, in the surrounding suburbs of Chermside, Nundah and Lutwyche, amalgamating and redeveloping many older detached dwellings.

The site has an approximate frontage of 80 metres to Gympie Road which is a major arterial road carrying three lanes of traffic in each direction with passing traffic of over 70,000 daily. Access into the property via Gympie Road is restricted to inbound traffic only but North bound traffic can access the property via the Sadier Street light intersection which allows easy passage to the back of the site.

Public transport is available within immediate vicinity of the Property, with train (Woolloowin Station: approximately 1.7 radial kilometres² to the South) and the northern busway services available directly from Gympie Road, adjacent to the Property.

Access to the Property is therefore easy and direct via both public and private modes of transport. The location affords a high degree of exposure to passing vehicular and pedestrian traffic.

² A radial kilometre identifies the direct distant between two points if a straight line was drawn between those points.

2. What Augusta Kedron Partnership Invests In (cont.)

The Tenants

Creche & Kindergarten Association Limited (C&K) - head office and childcare centre

The C&K occupies two buildings on the Property – part of Building A for its head office and Building C as a childcare centre. C&K is a not-for-profit organisation and has offered the highest standard of early childhood education and care since its inception in 1907. With more than 110 years in early childhood education and care, C&K is regarded as one of Australia's leading providers of childcare.

As a not-for-profit organisation they have a steadfast commitment to making a positive social impact.

In 2017, C&K reinvested close to \$2 million to support 32 communities and provided additional support to 935 children. They are strong advocates for advancing quality in early education and care practice in Australia and promoting positive social change for children and their families.

In 2015, the Creche and Kindergarten Association Central Office moved to the newly refurbished Kedron building. At the time, C&K CEO Michael Tizard said "Our primary focus is that every child has access to quality early childhood education and care to maximize their potential later in life. Our Central Office at 257 Gympie Road Kedron will be home to more than 130 staff servicing our 400 kindergartens around Queensland with educational and business support. We're very happy to now be part of the local Kedron community."

The C&K Kedron Childcare Centre offers industry leading quality education and care for children from six weeks to five years and has a licence for 100 places.

INA Garden Villages Pty Limited (Ingenia)

Ingenia is a leading Australian property group that owns, operates and develops a growing portfolio of lifestyle communities across key urban and coastal markets. Ingenia Communities Group's vision is to create Australia's best lifestyle communities offering affordable permanent and tourism rental accommodation with a focus on the seniors demographic.

The tenant is part of the Ingenia Communities Group which is a publicly listed trust on the Australian Stock Exchange with a market capitalisation of over \$600 million. The Group is supported by over 4,000 investors and has over 500 employees dedicated to creating

community for residents and guests. Ingenia Communities Group does not guarantee INA Garden Villages Pty Ltd's obligations under its lease.

In the previous financial year, Ingenia developed and sold 287 turnkey homes (FY17: 211 homes) and grew rental income from permanent, annual and tourism clients to \$61.5 million (FY17: \$44.5 million).

Brisbane South Division Limited (Accoras)

Accoras is a not-for-profit organisation working to strengthen the mental health, wellbeing and futures of people and communities established over 25 years ago. Accoras work closely with a range of individuals, organisations and governmental departments to ensure they participate in a service system which is cohesive, minimises duplication and seeks to meet the emerging needs of the community.

DuluxGroup (Australia) Pty Limited (Dulux)

Dulux is an Australian-owned, publicly-listed company on the ASX with its headquarters in Melbourne, Australia. It has been trading from this site since 2007. Dulux has been involved with the manufacture and marketing of paint and related systems since 1904. It is the largest manufacturer of paint products in Australia. For the year ended 30 September 2018 it made a net profit after tax of approximately \$150 million and had net assets of approximately \$441 million. DuluxGroup Limited does not guarantee the obligations of Dulux.



Brisbane CBD

Royal Brisbane and
Women's Hospital

Newstead

Airlink Tunnel

Stafford Road

Gympie Road

255-257 Gympie Road

2. What Augusta Kedron Partnership Invests In (cont.)

Planbuild Homes Pty Limited (Planbuild)



Planbuild was founded in 2003 by Managing Partners Robert Thomson and Andrew Dean, who have many years of combined experience in the building industry. Occupying this site since 2007, Planbuild specialises in new home builds and home renovations across Brisbane and South East Queensland.

Management of the LLP




The LLP will be managed by Augusta Funds Management Limited who will also provide facilities and property management services for the Property. See section 10 of this PDS “About Augusta Funds Management Limited and others involved in Augusta Kedron Partnership” for further information.

The key personnel of the Manager who will be responsible for managing the LLP and the Property are:




Name	Bio	Role
Mark Francis <i>BCom (Fin)</i> 	Mark is the Managing Director of Augusta. Mark has a Bachelor of Commerce in finance from the University of Otago and has a background in finance and property in roles with Hendry Hay MacIntosh, Force Corporation Limited and Village Roadshow Australia Pty Limited. Mark formed Augusta Group Limited in 2001 and began property syndication through Augusta Funds Management in 2003. Mark has the largest shareholding in Augusta Capital.	Mark will, in conjunction with Joel and Bryce, oversee all aspects of the LLP and the Property as part of his role overseeing all Augusta syndications, investments and funds.

Name	Bio	Role
Bryce Barnett <i>Chartered Accountant, FCA, F.PINZ, MNZM</i> 	Bryce's career started as a Chartered Accountant for Inland Revenue before becoming Chief Accountant of the Moller Group of Companies. Bryce has held executive positions including Managing Director within publicly listed and private companies each with a strong emphasis on property. Bryce went on to form his own company, KCL Property Limited in 1994, which merged its business with Augusta Capital in 2014. His property experience over the last 47 years included commercial, industrial, larger format retail and residential development and investment in New Zealand and Brisbane, Australia. In 2017, Bryce was awarded a Chartered Accountants fellowship and is a Member of the New Zealand Order of Merit in recognition of his contribution to governance and philanthropy.	Bryce will, in conjunction with Joel and Mark, oversee all aspects of the LLP and the Property as part of his role overseeing all Augusta syndications, investments and funds.
Joel Lindsey <i>BProp (Real Estate) / BA (Geography), M.PINZ</i> 	Prior to his return to New Zealand in 2014, Joel worked at Aviva Investors (London) where he worked his way from Analyst to Fund Manager and ultimately held the position of Senior Director – Real Estate. In that position, he was responsible for management of the £4 billion Aviva Life & Pensions real estate investment portfolio. On his return to New Zealand, Joel has worked at Panuku Development Auckland and was, until recently, the Head of Business Development and Project Director.	Joel is the Chief Operating Officer of Augusta. Joel will, in conjunction with Mark and Bryce, oversee all aspects of the LLP and the Property as part of his role overseeing all Augusta syndications, investments and funds.



Name	Bio	Role
Simon Woollams <i>BCom (Accounting), Chartered Accountant</i>	Simon is the Chief Financial Officer of Augusta. He is a Chartered Accountant and has a strong financial background, including roles with BDO and ANZ Bank in the property and finance teams, and has experience from the UK. Simon has been at Augusta since 2007.	Simon will provide financial oversight of the LLP and will, in particular, be responsible for the LLP's bank finance.
		
Bernie Smith	Bernie is one of Augusta's Senior Asset Managers. Bernie completed a Bachelor of Business Studies majoring in Valuation & Property Management at Massey University. Prior to joining Augusta, Bernie managed a private portfolio in Auckland.	Bernie will be responsible for the day-to-day asset management of the Property. Bernie has managed Augusta's managed portfolio in Australia for five years.
		
James Page	James is a Finance & Syndicate Manager at Augusta. He is a Chartered Accountant and before immigrating to New Zealand and joining Augusta in 2013, James worked for PwC in the United Kingdom.	James manages the Syndicate Finance Team to oversee preparation, monitoring and reporting of financial matters pertaining to the syndicates. He has specific responsibility for Augusta's Australian managed properties. This includes treasury management, liaising with funders, cash flow forecasting, feasibility modelling, financial statement preparation, entity liquidations and transaction processing.
		

In addition to Mark Francis and Bryce Barnett (whose profiles are set out on page 12), the directors of the Manager are:

Name	Bio
Paul Duffy <i>Chair</i> <i>Dip Urb Val</i>	Paul Duffy has over 35 years' experience in the property investment/development industry, including as CEO/executive director of DNZ Property Fund (now named Stride Property) for 13 years. During his career, Paul held the position of general manager of Fletcher Property Limited and was joint managing director of US Real Estate Subsidiaries for the Abu Dhabi Investment Authority. In this role he oversaw the formation of a large real estate portfolio in the United States and Europe. Paul is currently a director of Asset Plus Limited, Leighs Construction and a number of other private companies.
	
	Paul is the Chair of Augusta Capital and Augusta Funds Management.
Mark Petersen <i>Dip Urb Val</i>	Mark is a professional director and corporate adviser who has worked in the commercial property sector for the past 35 years. Initially working as a registered valuer, Mark's background includes development management, project management and investment management. Mark was Managing Director of NZX listed Shortland Properties Limited from 1989 to 1999. He is currently chair of Augusta Industrial Fund Limited, a director of CentrePort Limited, Wellington's container port company and its subsidiaries and is also an advisory Board member for Te Tumu Kainga, a trust administered by the Maori Trustee for the provision of affordable housing. Mark is a former director of Wellington Waterfront Limited, a former director of Australian property focused private equity funds which were established and managed by Grant Samuel and is a past Chair of the NZ Hockey Federation.
	
Kevin Murphy <i>Chartered Accountant, FCA</i>	Kevin became a director of Augusta Funds Management on 29 March 2018. He was formerly the Managing Director of TSB New Zealand (until January 2018) where he helped grow a small regional bank into the sixth largest retail bank in New Zealand with assets in excess of \$7 billion. During his time as Managing Director he also served as a director of Fisher Funds, Payments NZ and the New Zealand Banking Ombudsman. Kevin is a Chartered Accountant and was previously the Vice President of Chartered Accountants Australia and New Zealand (CAANZ).
	

2. What Augusta Kedron Partnership Invests In (cont.)

See “About Augusta Funds Management Limited and others involved in Augusta Kedron Partnership” in section 10 for further details.

Purpose of Offer and allocation of finance

The purpose of the Offer is to raise sufficient funds which, together with bank financing, will allow the LLP to purchase the Property and pay the establishment costs.

The money raised, together with the bank financing, will be allocated as follows:

Purchase price	A\$21,520,000
Stamp duty and title registration fees	A\$1,292,837
Establishment costs (excluding stamp duty)	A\$1,381,187
Future capex fund	A\$100,000
Total	A\$24,294,024

Funded by:	
Subscriber's capital	A\$14,800,000
Debt	A\$9,494,024
Total	A\$24,294,024

The above costs relate to the SIPO and the objectives and strategy of the LLP as further described:

- *Purchase price of Property:* a key part of the investment strategy is to acquire the Property;
- *Stamp duty and title registration fees:* payment of stamp duty and the title registration fees are necessary to enable the purchase of the Property; and
- *Establishment costs (further details of which are set out in section 8 “What are the Fees”):*
 - The offeror's fee secures the Manager's participation in the LLP, which is necessary for the implementation of the SIPO.

- The brokerage, marketing, legal and supervisor fees, PDS registration and FMA levy, disbursements and bank fees ensure the successful completion of the Offer and raising of the funds, without which the investment strategy will not be able to be implemented.
- All other fees primarily relate to due diligence on the Property and the investment in order to test whether the investment strategy is feasible.

The establishment costs are:

Manager's offeror fee*	A\$700,000 (inclusive of NZ GST)
Stamp duty and title registration fees	A\$1,292,837
Brokerage fee*	A\$297,850
Legal fees – New Zealand*	A\$98,326
Legal fees – Australia	A\$60,000
Legal disbursements* **	A\$21,600
Assurance fees*	A\$13,602
Accounting / tax fees* **	A\$10,479
Due diligence reports	A\$15,000
Property valuation fee**	A\$9,136
Chattel valuation fee	A\$11,000
Supervisor*	A\$5,463
Marketing* **	A\$98,325
PDS and Scheme registration fee and FMA levy*	A\$5,406
Bank fees (including legal fees)**	A\$35,000
Total fees for establishment of the LLP	A\$2,674,024

* These amounts will be invoiced to the LLP in New Zealand dollars. They have been converted to Australian dollars at an NZD/AUD exchange rate of 1:0.95 so that the above amounts can be presented in one currency. They also include goods and services tax (GST) chargeable in New Zealand. It is not possible to claim the GST input tax on the New Zealand GST invoices in respect of these amounts as the General Partner is not registered for GST purposes in New Zealand. It is also not possible to zero-rate the invoices for GST purposes as even though the services are provided to a non-resident entity (the Australian General Partner) the services are effectively being received in New Zealand by the New Zealand resident Investors.

** These amounts, or a component of these amounts, are the Manager's best estimates, based on its experience and the information known to it at the date of this PDS, but they may be subject to change. All other amounts are maximum and cannot be increased (unless as a result of the applicable exchange rate differing from 0.95). Details of the fees and expenses incurred by the LLP will be included in the LLP's annual report, however Investors will not be specifically notified of such a change.

Alongside the above fees and expenses, the Manager is also establishing a A\$100,000 future capex fund for future capital expenditure, maintenance or other non-recurring costs such as lease incentives. Further information on the fees and expenses of the LLP is contained in section 8 "What are the Fees?".

On settlement of the purchase of the Property, all Investors' capital, along with bank funding, will be applied to settle the Property. The amount of the debt on settlement is expected to be A\$9,494,024.

The Offer is not underwritten. The minimum amount to be raised from Investor subscriptions is A\$14,800,000. If the minimum amount is not raised, the Offer will not proceed and, accordingly, the use of subscription money will not change and is not dependent on the total amount raised.

Factors that may affect the financial performance of the LLP and Investors' returns

Investors may receive the following returns in respect of their Unit(s):

- Distributions from the LLP relative to their respective Units.
- Payment of capital and retained earnings on the eventual sale of the Property and wind up of the LLP which may include a capital gain.

The key factors that will affect the financial performance of the LLP and the strategies and plans to address those factors are:

Factor affecting Financial Performance	Strategy to address
Changes in interest rates	<p>The Manager intends to enter into swap agreements with terms of at least three years on 100% of the LLP's debt drawn at settlement. In the future it intends to manage the interest rate risk with a combination of interest rate swaps and / or fixed rate agreements.</p> <p>Prevailing interest rates after the expiry of the fixed interest rate term will therefore affect the LLP's ability to maintain post-Australian tax distribution levels at 6.1% per annum.</p>
The ability of the tenants (particularly C&K) to meet their obligations to pay the rental obligations	<p>C&K represents 54% of the Property's income. A failure by it to meet its rental obligations will have a detrimental effect on distributions made by the LLP.</p>
Future capital expenditure requirements	<p>As part of its due diligence on the Property, the Manager has identified the need to potentially replace part of the roof and air-conditioning system at the Property, further details of which are in CBRE's building inspection report referred to on page 21. To fund this, a future capex fund of A\$100,000 is to be drawn down on settlement to be held in cash and an undrawn amount under the loan facility of \$505,976, which can be drawn upon when needed during the initial loan term with the Manager considering that the interest costs on any further drawdown will not affect the projected sustainable distribution rate. The Manager expects these amounts will be sufficient to fund the potential capital expenditure identified. However, should they not be, the LVR on settlement will be 44% which provides capacity to borrow further funds. If costs are higher than expected or the LLP is not able to borrow a sufficient amount, distributions may be affected.</p>

2. What Augusta Kedron Partnership Invests In (cont.)

Factor affecting Financial Performance	Strategy to address
Property operating expenses	The leases to Accoras, Ingenia, C&K for its office lease and PlanBuild for its lease of 44m ² provide that the applicable tenant is not liable for operating expenses or outgoings. This equates to approximately 70% of the Property's operating expenses. The Manager has increased the operating expense budget from that used by the Vendor and assumed 2% annual increases. However, any material increases in operating expenses may affect returns as only a portion is likely to be recoverable from tenants.
Taxation, including depreciation claim	<p>As the LLP is an Australian limited liability partnership, consideration must be given to the tax requirements in both Australia and New Zealand. In Australia the LLP is treated as a company for income taxation purposes and a current income tax rate of 30% will apply to its taxable income. In New Zealand, the tax treatment will be as a partnership.</p> <p>Each Investor will be required to include their proportion of the LLP's taxable income calculated under New Zealand tax rules in their New Zealand tax return. Income tax will be paid in Australia on the LLP's taxable income at a 30% tax rate prior to any distributions for which New Zealand tax payers can claim a foreign tax credit. However, the application of the New Zealand tax rules will result in variances in the taxable income for New Zealand and Australia. Furthermore, the impact and timing of tax deductions able to be claimed by the LLP will affect the return to Investors.</p> <p>Further information on how distributions and the LLP are taxed is contained in section 9 "Tax".</p>

Factor affecting Financial Performance	Strategy to address
New Zealand / Australian dollar exchange rates	As the LLP will pay returns in Australian dollars, Investors who opt to receive returns into New Zealand dollar accounts will be subject to fluctuations in the New Zealand / Australian dollar exchange rate. The LLP is unable to mitigate this risk other than paying returns into Australian dollar accounts.

Acquisition of Key Property

Property Valuation

An independent valuation of the Property has been provided by Michael Coverdale from m3Property of \$21.5 million plus GST (if any) as at 21 November 2018. The valuation was prepared using the ‘capitalisation’ and ‘discounted cash flow’ approaches and reconciled with the ‘direct comparison’ approach on a rate per square metre of gross lettable area basis.

The valuation report includes certain assumptions made by the valuer in undertaking the valuation. The Manager does not consider any of those assumptions are unreasonable or unusual market practice, based on its significant experience obtaining and considering such valuation advice.

A copy of the valuation report may be found on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/> by searching “Augusta Kedron Partnership” under “search offers”.

Real property

This section of the PDS summarises important information comprised in:

- the sale and purchase arrangements;
- the leases; and
- the title for the Property and all interests registered on the title.

As the Property is located in Australia, a “Land Information Memorandum” cannot be obtained (as would be done for a New Zealand property). However, the Manager’s Australian legal adviser has undertaken searches of the relevant public databases and sources in Australia that would constitute good market practice for due diligence on a property of this type. This PDS describes all the matters disclosed by those searches that the Manager considers material.

Sale and purchase arrangements

The Manager has entered into a put and call option deed with the Vendor under which the Manager has until 22 March 2019 to nominate the Nominee as the purchaser of the Property and enter into the contract for sale to purchase the Property (which sets out the purchase price for the Property at A\$21,520,000.00). The form of the contract for sale is contained as a schedule to the put and call option deed. The put and call option deed was varied by a deed of variation dated 20 December 2018 to incorporate further terms to address some issues arising out of the Manager’s due diligence enquires.

A deposit of A\$1 million has been paid by the Manager and will be reimbursed to the Manager by the LLP following settlement.

If the Manager has not exercised the call option to purchase the Property by 5.00pm (Brisbane time) on 22 March 2019, the Vendor may exercise the put option and upon such exercise, the Manager is deemed to have entered into the contract for sale to purchase the Property and the Manager must purchase the Property.

Upon entering into the contract for sale, settlement will be effected on the date 7 days after the contract date. Assuming the call option is exercised on 22 March 2019 then settlement will be due on 29 March 2019.

2. What Augusta Kedron Partnership Invests In (cont.)

Tenancy Schedule

Tenant	Area	Annual Rent	Lease Security	Current Term Expiry	Tenant Rights of Renewal	Final Expiry	Rent Review	Manager's view of tenant/guarantor financial standing
Brisbane South Division Limited ACN 135 683 064 (Accoras)	224m ²	\$83,959.69	Nil	7 December 2021	1 x 5 years	7 December 2026	<p>Rent is increased by 3.75% annually on each anniversary of the commencement date except where market review is carried out.</p> <p>Market rent review upon renewal (the rent determined under the market review cannot be less than the annual rent payable during the year immediately preceding the year to which the market rent review applies).</p>	<p>Accoras is a not-for profit organisation which is a registered charity with the Australian Charities and Not-for-profits Commission (ACNC). Its financial statements for the year ended 30 June 2017 identified a net surplus of \$178,954 and net assets of \$557,724. Its financial statements for the year ended 30 June 2018 are not due to be filed until 31 March 2019. Its 2017 Annual Financial Information identified that 42.87% of its income is from government grants and 31.7% is from grants from other organisations. The Manager considers that Accoras has sufficient financial standing for its level of annual rent.</p>
Duluxgroup (Australia) Pty Ltd ACN 000 049 427 (Dulux)	562m ²	\$185,737.67	Nil	28 September 2020	2 x 3 years	28 September 2026	<p>Rent will be increased by 3% on each anniversary of the commencement date except where market review is carried out.</p> <p>Market rent review on renewal.</p>	<p>No financial statements are available for Dulux. However, the Manager notes that it is a wholly owned subsidiary of the ASX-listed company DuluxGroup Limited. The consolidated financial statements for DuluxGroup Limited for the year ended 30 September 2018 identified that it made a net profit after tax of approximately \$148.5 million and had net assets of approximately \$440.65 million. DuluxGroup Limited does not guarantee the obligations of Dulux.</p> <p>The Manager considers this tenant has sufficient financial standing for its lease obligations.</p>

Tenancy Schedule (cont.)

Tenant	Area	Annual Rent	Lease Security	Current Term Expiry	Tenant Rights of Renewal	Final Expiry	Rent Review	Manager's view of tenant/guarantor financial standing
Ina Garden Villages Pty Limited ACN 129 703 911 (as trustee) (Ingenia)	820m ²	\$313,125.00	Bank guarantee in the amount of \$73,406.66 plus GST	30 June 2023	1 x 5 years	30 June 2028	<p>Rent will be increased by 4% annually on each anniversary of the commencement date except where market review is carried out.</p> <p>Market rent review upon renewal (the rent determined under the market review cannot be less than the annual rent payable during the year immediately preceding the year to which the market rent review applies, plus 4%).</p>	<p>Ingenia is a wholly owned subsidiary of Ingenia Communities Holdings Limited. That company is listed on the ASX as a stapled security together with the Ingenia Communities Fund and Ingenia Communities Trust. The consolidated financial statements for Ingenia Communities Holdings Limited for the year ended 30 June 2018 identified a net profit after tax of \$34.2 million and net assets of \$533.87 million. Ingenia Communities Holdings Limited does not guarantee the obligations of Ingenia.</p> <p>The Manager considers this tenant has sufficient financial standing for its lease obligations.</p>
The Creche and Kindergarten Association Limited ACN 150 737 849 (C&K)	1609m ²	\$552,780.00	Nil	22 July 2028	2 x 5 years	22 July 2038	<p>Rent will be increased by 3.5% on each anniversary of the Lease commencement date except where market review is carried out.</p> <p>Market rent review on renewal.</p>	<p>C&K is a not for profit organisation. Its financial statements for the year ended 31 December 2017 identified a net surplus of \$128,000 and net assets of \$40.24 million. The Manager considers that the small net surplus reflects that C&K is a not for profit organisation and that its net assets identify that it has sufficient financial standing for its lease obligations.</p>

2. What Augusta Kedron Partnership Invests In (cont.)

Tenancy Schedule (cont.)

Tenant	Area	Annual Rent	Lease Security	Current Term Expiry	Tenant Rights of Renewal	Final Expiry	Rent Review	Manager's view of tenant/guarantor financial standing
The Creche and Kindergarten Association Limited ACN 150 37 849 (C&K)	2120m ²	\$280,000.00	Nil	22 July 2033	4 x 5 years	22 July 2053	Rent will be increased by 3% on each anniversary of the Lease commencement date except where market review is carried out. Market Rent Review on renewal and also on 7th year of the initial term.	
Planbuild Homes Pty Ltd ACN 105 642 617 (Planbuild)	423m ²	\$127,073.22	Andrew Dean and Robert Scott Thompson	31 August 2021	Nil	31 August 2021	Rent will be increased by 3% on each anniversary of the Lease commencement date.	There is no publicly available financial information for Planbuild.
	44m ²	\$1.00, as the right to lease this area was granted as an incentive for Planbuild to enter into the above lease	Andrew Dean and Robert Scott Thompson	31 August 2021	Nil	31 August 2021	Nil	

Title

The title to the Property is freehold and in electronic form (there is no physical certificate of title to the Property). The freehold parcel of land comprising the Property is Lot 1 on Survey Plan 288094 bearing Title Reference Number 51140040 and Lot 3 on Registered Plan 91138 bearing Title Reference Number 13352144.

There are 3 registered easements on the title to the Property.

Building Inspection Report

A building inspection report has been obtained in respect of the Property from CBRE (A) Pty Limited and a copy is available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/> by searching “Augusta Kedron Partnership” under “search offers”. The report suggests a moderate or higher risk of capital expenditure of A\$639,000 in the first two years of ownership which primarily relates to the roof and air-conditioning systems. The Manager is therefore establishing a capex fund of A\$100,000 to be drawn down on settlement and held in cash, and an undrawn amount available under the loan facility of \$505,976, which can be drawn upon when needed during the initial loan term. The Manager considers that any further drawdown from the loan facility up to \$505,976 will not affect the projected sustainable distribution rate as its cash flow forecasts have allowed for the additional interest payable. In the Manager’s opinion, the LVR on establishment provides future borrowing capacity.

Borrowings

CBA has provided a paper setting out the proposed funding arrangements for the LLP:

- *Amount:* A\$10,000,000 (the Manager only anticipates drawing down A\$9,494,024 on settlement with the remainder being available to draw down to fund capital expenditure).
- *Anticipated security arrangements:*
 - First ranking registered mortgage over the Property, given by the Nominee.
 - General Security Agreement over all the assets and undertakings of the General Partner and Nominee.
 - Guarantee and indemnity given by the Nominee in respect of all indebtedness and obligations of the General Partner.

- *Loan Term:* A 36 month facility.
- *Personal guarantee:* No personal guarantees. The loan is non-recourse.
- *Establishment fee:* A\$30,000.
- *LVR:* The loan to value ratio is to be no greater than 52.5%.
- *Interest Rate:* BBSY variable base rate plus a margin of 1.90%. The BBSY variable base rate as at 25 January 2019 was 2.13%. The variable interest rate is therefore assumed to be 4.03% in the prospective financial statements. The Manager intends to manage the variable rate by entering into interest rate swap agreements for terms of three years or greater on 100% of the drawn debt as soon as possible after settlement of the acquisition of the Property.
- *Interest cover:* Not less than 2 times the interest cost.
- *Principal payments:* The loan facility is interest only and no principal repayments are required during the loan term.

As the above borrowings for the LLP will be due before the LLP is wound up, the Manager considers that refinancing is likely to be needed.

The bank debt owing to CBA, and all other liabilities of the LLP (including under the Leases), and the LLP’s business as usual activities, will rank ahead of Investors’ Units on the winding up of the LLP.

3. Key Dates and Offer Process



Offer opens	23 February 2019
Offer closes	18 March 2019
Intended date on which Units are issued to Investors	19 March 2019
Intended date on which settlement of the acquisition of the Property occurs	29 March 2019

The timetable is indicative only and the dates may change.

The Manager reserves the right to close the Offer at any time prior to that date or extend the Offer by up to 60 working days without prior notice. The Manager also reserves the absolute right in its sole discretion to accept or reject any application in whole or in part without assigning any reason.

Investors' subscription monies will be held in a trust account established by Link Market Services and will accrue interest at bank call rates until the date on which Units are issued, when interest will then be paid to Investors.



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4. Terms of the Offer

How can investments be made?	<p>Investors may join the LLP with a minimum subscription of A\$50,000. Subscriptions must be completed on the application form contained in section 13 “How to Apply”.</p> <p>TO ENSURE YOUR APPLICATION IS ACCEPTED, PLEASE READ THE APPLICATION INSTRUCTIONS ON THOSE PAGES CAREFULLY.</p> <p>Subscriptions may only be made before the closing date and there is no continuous offer of Units in the LLP.</p>
How can I withdraw my investment from the LLP?	<p>An investment in the LLP is not redeemable on demand and has no fixed term.</p> <p>You may only withdraw from the LLP if:</p> <ul style="list-style-type: none"> • you sell your Unit(s) to a third party (utilising the secondary market facility offered by the Manager); or • a resolution is passed to wind up the LLP and sell the Property. <p>The limitations on:</p> <ul style="list-style-type: none"> • when (and how) an Investor may sell their Unit(s); and • when (and how) a resolution is passed to wind up the LLP and sell the Property, <p>are set out in the LLP Deed and the Governing Document. The General Partner must, under the LLP Deed, approve of any proposed incoming Investor (such approval not to be unreasonably withheld). The proposed incoming Investor will need to satisfy the Manager’s anti-money laundering requirements and execute the necessary documentation to become a limited partner of the LLP.</p> <p>Investors will become a party to the LLP Deed prior to settlement of the Property.</p> <p>However, there is no guarantee there will always be willing buyers for Units.</p> <p>The Manager offers a secondary market facility under which it facilitates the transfer of Units between Investors. The fee for using this facility is 2% of the transaction value plus NZ GST.</p> <p>The costs (in particular stamp duty) applying to incoming Investors will likely have a negative impact on the price any incoming Investor would be willing to pay for an exiting Investor’s Unit(s).</p> <p>In addition, the Manager estimates legal and registration fees (which are not payable to the Manager) to be approximately A\$2,000.</p>
What is the minimum amount payable to invest in the LLP?	<p>A\$50,000 and in multiples of A\$50,000 thereafter.</p>

What are the returns?	<p>The Manager is projecting a post-Australian tax operating return for the LLP as follows:</p> <ul style="list-style-type: none"> • 6.23% per annum for the period ending 30 June 2019. • 6.11% per annum for the period ending 30 June 2020. <p>On the basis of the above projected levels of return for the LLP and the expected tax deductions available to the LLP, the Manager expects to make post-Australian tax Australian dollar cash distributions to Investors at a rate of 6.10% per annum for the periods ending 30 June 2019 and 30 June 2020 to be paid monthly. These returns are not guaranteed. The actual distribution rates may vary.</p> <p>The Manager does not expect that Investors will be required to pay any further tax in New Zealand for the years ended 30 June 2019 and 30 June 2020. In future years, investors with a marginal tax rate of 30% and 33% may (if Australian tax credits are less than New Zealand tax payable on their allocation of New Zealand taxable income less New Zealand depreciation) need to account for the difference between tax paid by the LLP and the tax that applies to the income rate in their New Zealand tax returns.</p> <p>Distributions are funded from operating cashflows.</p> <p>Returns will not be paid until settlement of the purchase of the Property and issue of the Units occur.</p>
When are distributions paid?	Distributions are paid monthly in arrears, with payments being made on the seventh day of each subsequent month, or the next working day.
Key dates	Please see section 3 “Key Dates and Offer Process” on page 22.
Minimum amount to be raised	A\$14.8 million
No overseas investors	<p>The Offer is a regulated offer for the purposes of the Financial Markets Conduct Act 2013 and is only being made to potential investors in New Zealand, Australia and as otherwise determined by the Manager.</p> <p>The Offer is being made in Australia in reliance on the Trans-Tasman mutual recognition scheme under Chapter 8 of the Corporations Act 2001 (Cth) and the Corporations Regulations 2001 (Cth).</p> <p>No person may offer, invite, sell or deliver any Units or distribute any documents (including the PDS) to any person outside New Zealand or Australia without the approval of the Manager. The PDS may not be sent into or distributed in the United States.</p> <p>Unless otherwise agreed with the Manager, any person applying for Units under the Offer will be deemed to represent and warrant to the Manager that he, she or it is not in a jurisdiction that does not permit the making of the Offer or an invitation of the kind contained in the PDS and is not acting for the account or benefit of a person within such a jurisdiction. Neither the Manager, the Supervisor, nor any of their directors, officers, employees, consultants, agents, partners or advisers accepts any liability or responsibility to determine whether a person is able to participate in the Offer.</p>

Further terms of the Units are set out in the Governing Document and the LLP Deed. These documents are available on the Scheme Register (where the form of the LLP Deed is included as a schedule to the Governing Document) at <https://disclose-register.companiesoffice.govt.nz/> by searching “Augusta Kedron Partnership” under “search schemes”.

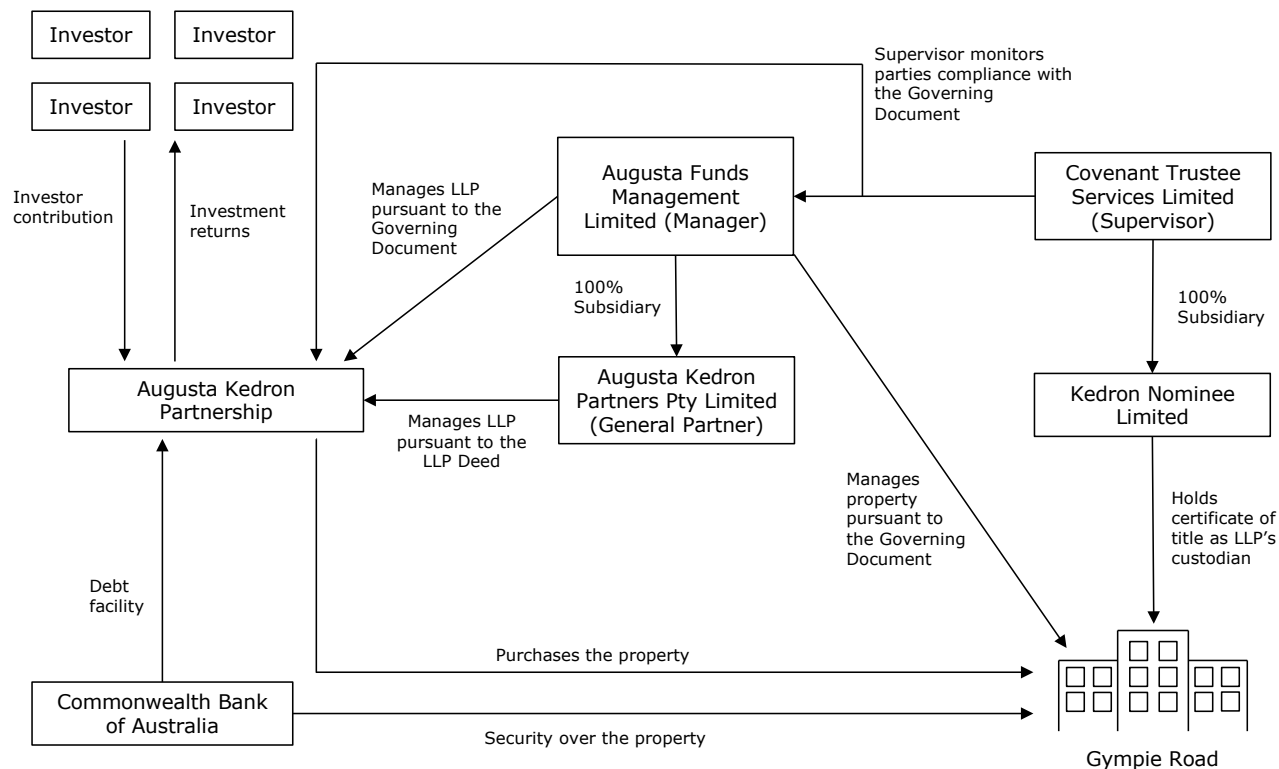
5. How Augusta Kedron Partnership Works

In this section, you will find information on:

- how the LLP works;
- significant benefits of investing in the LLP;
- the nature of interests that Investors will acquire; and
- related party benefits.

How Augusta Kedron Partnership Works

A simplified version of the LLP's structure is set out below:



What is a Limited Liability Partnership?

Investors are offered the opportunity to invest in the LLP (an Australian limited liability partnership) that will acquire the Property and become a limited partner in the LLP.

A limited liability partnership is a partnership, with two or more persons (a company is a legal person), at least one of which is a general partner and at least one a limited partner, which (in this instance) is formed under the Partnership Act 1891 (Queensland, Australia). A partnership is formed when a statement of the partnership's composition under the Partnership Act 1891 (Queensland, Australia) is registered. It is the registration that actually creates the LLP at law (similar to the incorporation of a company).

The Nominee will hold the title to the Property and the Leases in its name for the LLP. The interrelationship between the Investors (as limited partners), the LLP and the General Partner is set out in the LLP Deed and the Governing Document.

The LLP will be managed and administered by the Manager pursuant to the Governing Document. The Manager's responsibilities and duties are set out in the Governing Document (which is available on the Scheme Register at <https://disclose-register.companiesoffice.govt.nz/> by searching "Augusta Kedron Partnership" under "search schemes") which sets out the rights and obligations of the Investors, Manager, General Partner, LLP, Nominee and Supervisor. Each Unit confers equal rights and obligations on each Investor in respect of entitlements to income and capital from the LLP and each Unit will confer one vote upon the holder in respect of matters on which Investors are entitled to vote under the LLP Deed and Governing Document.

The General Partner (which in this case is an Australian limited liability company, Augusta Kedron Partners Pty Limited) has been incorporated to act as the general partner of the LLP in accordance with the LLP Deed. The General Partner's liability is not limited. The directors of the General Partner are Bryce Barnett, Mark Francis and David Krishnan. The shareholder of the General Partner is the Manager.

An LLP enables the General Partner to conduct the business of the partnership, while the limited partners are liable for no more than their respective stakes in the partnership. Limited partners must not take part in the management of the business of the partnership and have no power to bind the partnership. For the purposes of the LLP the Manager will, pursuant to Governing Document, direct the General Partner as to the management of the LLP provided that the General Partner cannot be obliged to take any action that would breach the LLP Deed.

Significant benefits of investing in the LLP

The significant benefits of investing in the LLP are:

- The projected post tax Australian dollar cash distributions to Investors paid at a rate of 6.10% per annum for the periods ending 30 June 2019 and 30 June 2020, to be paid monthly.³
- The ability to have an investment in a property that would not typically be available to Investors who are only able to invest A\$50,000 (or similar amounts).
- The investment in the LLP does not involve active day to day management by investors. Matters such as preparation of accounts, negotiation of leases, payment of distributions and obtaining bank financing are all handled by the Manager.

Related Party Benefits

There are no related party benefits to be given to, or received by, a related party in the future other than fees and expenses disclosed under section 8: "What are the fees?".

³ The Manager does not expect that Investors will be required to pay any further tax in New Zealand for the year ended 30 June 2019 and 30 June 2020. In future years, Investors with a marginal tax rate of 30% or 33% may (if Australian tax credits are less than New Zealand tax payable on their allocation of New Zealand taxable income less New Zealand depreciation) need to account for the difference between tax paid by the LLP and the tax rate that applies to the income in their New Zealand tax returns.

6. Augusta Kedron Partnership's Financial Information

Selected Financial Information

This table provides selected financial information about the LLP. Full financial statements are available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/> by searching "Augusta Kedron Partnership" under "search offers". If you do not understand this sort of financial information, you can seek professional advice.

	For the financial period ending 30 June 2019	For the financial year ending 30 June 2020
Projected Post-Australian Tax Operating Return for the LLP	6.23% per annum	6.11% per annum
Projected Sustainable Distribution Rate	6.10% per annum	6.10% per annum

Investors with a New Zealand marginal tax rate of 30% or 33% may (if Australian tax credits are less than New Zealand tax payable on their allocation of New Zealand taxable income less New Zealand depreciation) need to account for the difference between tax paid by the LLP and the tax rate that applies to the income in their New Zealand tax returns.

Since there are forecast to be taxable losses in both Australia and New Zealand for the 3 month period ending 30 June 2019 and the year ending 30 June 2020, there will be no further tax to pay in New Zealand for those years (regardless of the Investors personal tax rate) and the pre-tax and post-tax return rates are the same.

The distribution rate of 6.10% is the projected sustainable rate based on the available funds from the projected total operating profit available for distribution of the LLP. This return is based on a percentage of the initial contributions from Investors. Therefore it does not account for initial establishment costs nor is it a return based on the Investor equity position after establishment costs have been accounted for. It is not guaranteed and the actual distribution rate may vary.

The purpose of the prospective financial statements is to assist Investors in assessing the viability of and return on funds invested. This Product Disclosure Statement and the prospective financial information may not be appropriate for any other purpose.

The prospective financial information included in the tables below has been extracted from prospective financial statements prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements (FRS 42), which are available on the Offer Register. The prospective financial statements have been subject to a limited assurance engagement and an unqualified opinion issued by Staples Rodway Audit Limited, a copy of which is also included on the Offer Register.

The principal assumptions on which the prospective financial information is based are set out under the heading Principal Assumptions.

The table below presents the projected returns for the LLP based on total operating profit available for distribution for the periods ending 30 June 2019 and 30 June 2020. All figures are based on Australian Dollars.

The Manager believes this non-GAAP disclosure is important as it is consistent with the calculation prepared internally by management to assist in forecasting future distribution levels. The reconciliation has been considered by Staples Rodway Audit Limited as part of its review of the prospective financial information.

Pre-Tax Operating Return (for the LLP)	3 Months ending 30 June 2019	12 Months ending 30 June 2020
Total Comprehensive Income per Prospective Financials	(1,187,620)	926,574
Adjust for: Non-operating and non-cash items		
Deferred Taxation	(358,759)	(62,920)
Change in Fair Value of Investment Property	1,825,930	167,403
Finance Costs on Establishment amortised	10,011	40,046
Non-Cash Accounting Adjustment for fixed rental increases	(54,595)	(167,403)
Total Operating Profit available for distribution before Tax	234,967	903,700
Per Unit (296 units issued)	794	3,053
% Pre Tax Operating Return	6.23%	6.11%
Post-Tax Operating Return (for the LLP)		
Total Operating Profit available for distribution before Tax	234,967	903,700
Less Tax payable by the LLP	-	-
Total Operating Profit available for distributions after Tax	234,697	903,700
Per Unit (296 units issued)	794	3,053
% Post Tax Operating Return	6.23%	6.11%
Cash Distributions	230,553	902,800
Per Unit (296 units issued)	779	3,050
Amount retained by LLP from operations per unit	15	(3)

The adverse variance in the second year is compensated by the first year and in subsequent years due to the fixed rental growth in the leases.

A reconciliation of the total comprehensive income to operating profit available for distribution is set out in the previous table as the cash distribution payments to Investors will be dependent on the operating profit generated. This reconciliation is also available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/> by searching “Augusta Kedron Partnership” under “search offers”.

Reconciling items included are:

- Deferred taxation which represents future tax deductions for issue costs paid on establishment that can be claimed over the following five years and income tax losses generated
- Change in the fair value of investment property as this is a non-cash item
- The initial finance costs, which are fully paid on establishment but for accounting purposes are capitalised and amortised over the loan facility period to 29 March 2022
- The accounting adjustment for fixed rental increases as this is a non-cash item

Prospective Income, Expenses and Returns

The table below presents summary prospective financial information.

Prospective Statement of Comprehensive Income	3 months ending 30 June 2019 (\$)	12 months ending 30 June 2020 (\$)
Rental income	393,962	1,590,616
Accrued Rental Income (non-cash)	54,595	167,403
Net Operating Costs	(29,567)	(150,544)
Net Property Income	418,990	1,607,475
Scheme expenses	(29,563)	(143,092)
Operating profit before finance costs	389,427	1,464,383
Net finance expenses	(109,876)	(433,326)
Operating profit before taxation	279,551	1,031,057
Income tax	358,759	62,920
Operating profit after taxation	638,310	1,093,977
Change in fair value of Investment Property	(1,825,930)	(167,403)
Total (loss)/profit for the period	(1,187,620)	926,574

Prospective Statement of Changes in Equity	Capital (\$)	Retained Earnings (\$)	Total (\$)
Equity as at 29 March 2019	-	-	-
Profit for the Period	-	(1,187,620)	(1,187,620)
Issued Capital	14,800,000	-	14,800,000
Issue Costs	(1,058,553)	-	(1,058,553)
Distributions to Investors	-	(230,553)	(230,553)
Equity as at 30 June 2019	13,741,447	(1,418,173)	12,323,274

Prospective Statement of Changes in Equity	Capital (\$)	Retained Earnings (\$)	Total (\$)
Equity as at 1 July 2019	13,741,447	(1,418,173)	12,323,274
Profit for the Year	-	926,574	926,574
Distributions to Investors	-	(902,800)	(902,800)
Equity as at 30 June 2020	13,741,447	(1,394,399)	12,347,048

Prospective Statement of Financial Position	As at 30 June 2019 (\$)	As at 30 June 2020 (\$)
Current Assets	245,257	246,861
Non-Current Assets	21,858,759	21,921,679
Total Assets	22,104,016	22,168,540
Current Liabilities	140,843	141,548
Non-Current Liabilities	9,639,899	9,679,944
Total Liabilities	9,780,742	9,821,492
Equity	12,323,274	12,347,048

Prospective Statement of Cash Flow	3 months ending 30 June 2019 (\$)	12 months ending 30 June 2020 (\$)
Cash at the beginning of the period	-	245,257
Cash flow from operating activities	300,577	904,404
Cash flow from investing activities	(23,271,335)	-
Cash flow from financing activities	23,216,015	(902,800)
Cash at the end of the period	245,257	246,861

6. Augusta Kedron Partnership's Financial Information (cont.)

Principal Assumptions

Below is a summary of the principal assumptions on which the prospective financial information is based. Further information on these assumptions may be found at <https://disclose-register.companiesoffice.govt.nz/> by searching "Augusta Kedron Partnership" under "search offers".

Settlement

Pursuant to the sale and purchase agreement for 255-257 Gympie Rd, Kedron, Queensland, Australia, settlement is expected to occur on 29 March 2019. Therefore for the purpose of the financial statements, rental income has been recognised from 30 March 2019 when trading will commence.

The Property is assumed to be purchased by the Partnership on 29 March 2019 at a purchase price of \$21,520,000.

Establishment Costs

Total establishment costs are assumed to be no more than \$2,674,024. This includes stamp duty and title registration fees, offeror fee, brokerage, due diligence, legal, compliance and valuation fees as well as financing, administration and marketing costs. An amount of \$1,058,553 is deemed to be issue costs, \$120,137 are allocated to financing costs and \$1,495,355 are capitalised which are directly related to the acquisition of the Property.

The establishment costs have been based on quotes received.

Investment Property

Since the future fair value gain or loss on the investment Property cannot be reliably predicted, the valuation has been assumed to hold at the valuation of the Property as at 21 November 2018 of \$21,500,000. Therefore the movement in the fixed rental growth, the capitalised establishment costs, budgeted capital additions and the difference between the purchase price and valuation have been written off in the financial period ended 30 June 2019 through the change in fair value of the investment Property.

Rental Income

Rental income from operating leases is recognised on a straight-line basis over the lease term according to the tenancy schedule. Hence the income reported reflects the impact of the future fixed annual rental growth being straight-lined over the remaining lease terms from settlement.

For the forecast periods it is assumed that there is no vacancy and no tenant default. It is also assumed that there are no delays in receipt of debtors.

Operating costs are assumed to be payable (including rates, management fees, material damage insurance premiums, utilities and maintenance costs) only by those tenants who are liable to pay such costs under their lease agreements. It is assumed that all operating cost payments will be made on time and that there are no creditors or debtors associated with these operating costs. Costs and recoveries have been assumed to increase by 2% CPI each year.

Management Fees

The Manager will charge the Partnership management fees of \$120,000 for the year commencing 1 July 2019. These fees will increase at the greater of 3% or CPI per year on 1 July thereafter.

Borrowings

The loan facility will be for a limit of \$10,000,000. \$9,494,024 is expected to be drawn down on settlement date of 29 March 2019 to fund the purchase of the property at 255-257 Gympie Rd, Kedron, Queensland, Australia. A further \$256,000 is assumed to be drawn down to fund capital works in the period ending 30 June 2019 post settlement.

No fair value has been assumed with respect to interest rate swaps entered into.

Interest Expense

One loan drawdown of \$256,000 and no principal repayments have been assumed (interest only) during the 15 month period ending 30 June 2020. The interest rate is assumed to be managed through interest rate swap agreements for terms of 3 years or greater from 29 March 2019 on 100% of the settlement drawdown with the balance from subsequent drawdowns floating. The interest expense assumes a starting floating rate (base rate plus margin) of 4.03% and a starting hedged rate (swap rate plus margin) of 3.98% per annum. The margin is based on credit approved terms provided by CBA. The floating base rate is assumed to increase by 0.15% per annum. Interest expense includes a line fee on the undrawn facility limit. Borrowing costs have been amortised over the 3 year term of the loan in accordance with IAS 23.

Administration Expenses

Audit fees, supervisor fees, taxation, accounting and valuation fees are based on quotes received.

Taxation

Depreciation has been claimed on a diminishing value basis in accordance with a capital allowance assessment obtained. It has been assumed the LLP is treated as a company for income taxation purposes in Australia and a 30% tax rate applied to its taxable income.

Financial Measures for Scheme Borrowings

The following table forecasts the gearing and interest cover ratios.

	29 March 2019	30 June 2019	30 June 2020
Gearing Ratio	44.0%	44.1%	44.0%
Interest Cover Ratio	Not applicable	3.4	3.3

The “Gearing Ratio” tells you how much the LLP owes (debt) as a portion of what it owns (total assets). The higher the gearing ratio, the higher the risk to the LLP as it indicates that a higher portion of the LLP’s assets will need to be applied to repay its debt.

The “Interest Cover Ratio” tells you how much the LLP’s income (rent) exceeds interest on its loans (as a multiple). The higher the ratio, the more comfortably the LLP’s income can cover any interest owing (and the lower the risk to the LLP).

Borrowing Repayment Dates

Loan Facility	Repayment Date
Commonwealth Bank of Australia Loan Facility	29 March 2022 The loan is a 36 month facility.

7. Risks to Returns from Augusta Kedron Partnership

Risks to Returns from Augusta Kedron Partnership

This section sets out a description of the circumstances that the Manager is aware of that exist or are likely to arise that significantly increase the risk to returns for Investors. The table below sets out particulars of why each circumstance is of particular significance and an assessment of the likelihood of any impact arising, the nature of that impact, and the potential magnitude of that impact.

These circumstances may not encompass all of the circumstances that may present a risk to returns of Investors now or in the future, and there is no guarantee that the importance of each circumstance will not change.

These circumstances, were they to occur and if they were not appropriately managed by the Manager, could have a material adverse effect on the LLP's financial position or future financial performance through a decrease in revenue or an increase in costs. The Manager has taken, and will, in the future take, steps to mitigate the effects of these circumstances. However, some risks may not be fully capable of mitigation.

Investors should carefully consider these risks (together with other information in this PDS) before deciding whether to invest in the LLP.

The description of the circumstances in this section does not take into account the personal circumstances, financial position or investment requirements of any person. It is therefore important that, before deciding to invest in the LLP, you consider the suitability of an investment in the LLP in light of your individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues).



Description of Circumstance	Manager's assessment of nature and magnitude	Mitigating factors
Interest Rate Changes	<p><i>Nature:</i> The return to Investors will be subject to interest rate variations on the bank loan (a summary of the bank loan terms is set out on page 21 of this PDS). Under the facility, the interest rate consists of a bank margin and a variable interest rate component. While the variable component can be fixed by entering into interest rate swaps or fixed interest rate agreements, CBA has the right to change the margin component of the interest rate under the LLP's loan at any time during its term.</p> <p>The variable component is subject to increase until interest rate swap agreements are able to be entered into upon settlement of the acquisition of the Property. It will also be subject to increase following the expiry of the term of any interest rate swap.</p> <p>The margin component is subject to change during the term of the loan facility if CBA exercises its rights to change this component.</p> <p>If interest rates applicable to the LLP's banking arrangements were to increase, or to be higher than the level assumed in the prospective financial information contained in this PDS, it is likely to affect the LLP's ability to maintain the distribution levels projected in section 6 "Augusta Kedron Partnership's Financial Information".</p> <p><i>Magnitude:</i> The magnitude of the impact of interest rate changes cannot be accurately predicted (as the rates themselves cannot be accurately predicted, nor can the Manager predict the actions of CBA).</p>	<p>The Manager intends to enter into interest rate swap agreements for terms of three years or greater on 100% of the LLP's debt drawn at settlement. Therefore the variable portion of the interest rate will be fixed for this period. However, this rate cannot be confirmed until the loan is drawn on settlement.</p> <p>The remaining portion of the total interest rate is the margin which has been agreed with the bank to be 1.90% for 3 years. Under the terms of the facility agreement with CBA, there is a clause which, the Manager has been advised, is standard in the Australian banking market which gives the bank a right to vary its agreed margin during the initial 3 year term of the loan.</p>
<i>Manager's assessment of likelihood of circumstance arising</i>	Interest rates are unable to be accurately predicted in the long-term. Based on the Manager's experience with Australian banks, the Manager considers it would be unlikely that CBA would increase the margin during the initial 3 year term.	
<i>Manager's assessment of the impact, were the circumstance to arise</i>	Potentially significant. The Manager has undertaken an interest rate sensitivity analysis, as set out in the financial information for the LLP available on the Offer Register, showing (for example) a change in the total effective interest rate from the assumed rate of 3.98% to 4.48% would lead to a potential reduction in Investor returns (per Unit) of A\$169 per year.	

7. Risks to Returns from Augusta Kedron Partnership (cont.)

Description of Circumstance	Manager's assessment of nature and magnitude	Mitigating factors
Dulux Lease expiry	<p><i>Nature:</i> The Dulux Lease is due to expire on 28 September 2020. If Dulux does not exercise its rights to renew its lease, this may have an impact on the LLP's distribution levels if a replacement tenant is not found within 6 months.</p> <p><i>Magnitude:</i> In the event of Dulux not renewing its lease and a replacement tenant not being found within 6 months, distribution levels are likely to decrease.</p>	<p>The Put and Call Option Deed requires that the Vendor uses its reasonable endeavours to obtain Dulux's agreement to extend the Dulux Lease to April 2026, prior to settlement with the equivalent of four months of Dulux rental deducted from the purchase price if this is not obtained.</p> <p>Under the Dulux lease, Dulux has to give 9 months' notice of their intention to renew. If they do not give such notice, this gives the LLP 9 months to find a replacement tenant prior to the expiry of Dulux' lease.</p>
<i>Manager's assessment of likelihood of circumstance arising</i>	Low, as Dulux are currently engaged in discussions with the Vendor regarding a renewal of their lease well ahead of the renewal date under its lease (although no binding agreement has been signed), and based on the Manager's conversations with Dulux indicating its intention to renew. The Manager has received advice from a local Brisbane real estate agent that, if Dulux did not renew, they expect the space could be leased within approximately three months.	
<i>Manager's assessment of the impact, were the circumstance to arise</i>	Potentially significant. The Manager estimates that, in a period of rental downtime greater than 6 months (including any vacancy and/or incentive period), the post-tax operating return is forecast to be 4.7% per annum after tax.	
A lack of liquidity and the costs of purchasing a Unit	<p><i>Nature:</i> There is no guarantee that there will always be willing buyers for this type of investment. The sale of Units in the LLP by Investors presumes a market for the Units. Costs (including stamp duty) applying to incoming Investors will likely have a negative impact on the price any incoming Investor would be willing to pay for an exiting Investor's Unit(s). A lack of liquidity for Units and/or high costs accruing to any incoming Investor will likely adversely impact the value of the Units.</p> <p><i>Magnitude:</i> In the Manager's view, if Investors' investment horizons match those of the LLP, the impact of a lack of liquidity and/or high costs accruing to any incoming Investor for Units is unlikely to be significant. However, if an Investor was to wish to sell their Unit(s), the potential illiquidity coupled with the stamp duty that applies to any incoming Investor, may lead to a loss in value for that exiting Investor.</p>	The Manager offers a secondary market facility under which it facilitates the transfer of Units between Investors. The fee for using this facility is 2% of the transaction value plus NZ GST.
<i>Manager's assessment of likelihood of circumstance arising</i>	The LLP has a long-term investment horizon, and is structured to provide Investors with a long-term investment in commercial real estate. If an Investor wishes to exit their investment in the LLP, a lack of liquidity and the stamp duty payable by the purchaser of an Investor's Unit(s) may significantly impact the ability of an Investor to recoup their original investment in full.	
<i>Manager's assessment of the impact, were the circumstance to arise</i>	Low.	



Description of Circumstance	Manager's assessment of nature and magnitude	Mitigating factors
Exchange rates	<p><i>Nature:</i> The projected returns set out in this PDS are expressed and the financial assets of the LLP will be held in Australian dollars. If the Australian dollar materially weakens against the New Zealand dollar the:</p> <ul style="list-style-type: none">• returns to Investors; and• the capital value of the Property and the value that may be achieved on any resale, may (from a New Zealand dollars perspective) be adversely affected. <p><i>Magnitude:</i> The Manager has conducted a sensitivity analysis which indicates that an A\$50,000 investment would decrease in value in NZ dollars by approximately NZ\$550 if the exchange rate increased from 0.95 to 0.96. If the exchange rate decreased from 0.95 to 0.94, the value of the investment would increase by an equivalent amount.</p>	<p>The performance of the Australian dollar is likely to be dependent on the underlying Australian and New Zealand economies. Exposure to the performance of the Australian dollar (and, indirectly, the Australian economy) is an inherent risk in this investment. Over the past ten years, the Australian dollar / New Zealand dollar has traded in a range of 0.73:1 to 0.99:1 with an average rate during that time of 0.86:1. The exchange rate is 0.95:1 as at 7 February 2019.</p>
<i>Manager's assessment of likelihood of circumstance arising</i>	Exchange rates are unable to be accurately predicted.	
<i>Manager's assessment of the impact, were the circumstance to arise</i>	Potentially significant.	

8. What are the Fees?

Establishment fees and expenses

The fees and expenses charged to the LLP on its establishment are:

Manager and associated person's fees and expenses	
Manager's offeror fee	A\$700,000 (inclusive of NZ GST)
Manager and associated person's aggregate fees for establishment of the LLP	A\$700,000
Other fees for establishment of the LLP	
Stamp duty and title registration fees	A\$1,292,837
Brokerage fee*	A\$297,850
Legal fees – New Zealand*	A\$98,326
Legal fees – Australia	A\$60,000
Legal disbursements* **	A\$21,600
Accounting / tax fees* **	A\$10,479
Assurance fees*	A\$13,602
Due Diligence reports	A\$15,000
Property valuation fee	A\$9,136
Chattel valuation fee	A\$11,000
Supervisor*	A\$5,463
Marketing* **	A\$98,325
PDS and scheme registration fee and FMA levy*	A\$5,406
Bank fees (including legal fees)**	A\$35,000
Other person's aggregate fees for establishment of LLP (including stamp duty)	A\$1,974,024
Total fees and expenses for establishment of the LLP	A\$2,674,024

* These amounts include balances which will be invoiced to the LLP in New Zealand dollars. They have been converted to Australian dollars at an NZD/AUD exchange rate of 1:0.95 so that the above amounts can be presented in one currency. They also include goods and services tax (GST) chargeable in New Zealand. It is not possible to claim the GST input tax on the New Zealand GST invoices in respect of these amounts as the General Partner is not registered for GST purposes in New Zealand. It is also not possible to zero-rate the invoices for GST purposes as even though the services are provided to a non-resident entity (the Australian General Partner) the services are effectively being received in New Zealand by the New Zealand resident Investors.

** These amounts, or a component of these amounts, are the Manager's best estimates, based on its experience and the information known to it at the date of this PDS, but they may be subject to change. All other amounts are maximum and cannot be increased (unless as a result of the applicable exchange rate differing from 0.95:1). Details of the fees and expenses incurred by the LLP will be included in the LLP's annual report, however Investors will not be specifically notified of such a change.

The offeror fee is payable to the Manager for negotiating the acquisition of the Property, completing due diligence, arranging and establishing the LLP, negotiating the bank facility, preparing the prospective financial information, this PDS, the LLP Deed and the Governing Document.

The brokerage fee is payable to Bayleys Real Estate Limited as the sole selling agent for the Offer.

The stamp duty and title registration fee is payable to enable the purchase of the Property. Legal costs are payable to the LLP's Solicitors, Chapman Tripp and David K Lawyers, for the costs of legal due diligence on the Property, negotiation of the documentation giving effect to the purchase of the Property, settlement of the purchase, cost of advising on this PDS, the LLP Deed and Governing Document, compliance with the Financial Markets Conduct Act, and in connection with the LLP's financing arrangements. Assurance fees represent Staples Rodway's fee for providing a limited assurance engagement on the prospective financial statements contained on the disclose register and taxation services for Investors.

The building due diligence report fees are payable to CBRE for preparing the building condition report on the Property.

The property valuation fees are payable to m3Property for preparing the valuation report on the Property.

The chattel valuation fee is payable in connection with the chattel valuation obtained by the Manager for the chattels on the Property, required for calculation of capital allowances and depreciation.

The supervisor fees are payable to the Supervisor for their costs in relation to reviewing this PDS, the Governing Document and LLP Deed.

Marketing costs reflect the costs of both preparing and producing advertisements in relation to the Offer and the costs for preparing and printing this PDS.

The PDS registration fee and FMA levy are payable to the Financial Markets Authority in connection with the registration of this PDS and the Offer on the Offer Register and Scheme Register.

The bank fee is payable to CBA in connection with its provision of the loan facility to the LLP and the fees of its solicitors in advising it on the loan facility to the LLP.

The above fees are payable by the LLP - none are chargeable to Investors directly. In respect of certain fees set out above, the Manager has already met these costs on behalf of the Partnership or will pay those costs prior to settlement and, accordingly, is entitled to reimbursement on settlement. Other fees may be paid by the Manager between the date of this PDS and settlement. Those fees will be reimbursed to the Manager on settlement.

Alongside the above fees and expenses, the Manager is also establishing a A\$100,000 future capex fund for future capital expenditure.

Ongoing fees and expenses

There is no most recent accounting period for the LLP.

The ongoing fees and expenses charged to the LLP during its duration are:

Manager and associated person's fees

Annual Management fee	No management fee is payable for the year ending 30 June 2019.
	For the year ending 30 June 2020, the annual LLP management fee will be A\$120,000 per annum and increasing each year at the greater of 3% or any CPI increase for that year.

Manager and associated person's fees

New leasing (including leasing to a current tenant on the final expiry of a lease)	<p>(a) Where no real estate agent is used by the Manager:</p> <ul style="list-style-type: none"> (i) Lease term of less than one year: Nil; (ii) Lease term of one year or longer but less than three years: 10% of annual rental plus NZ GST; (iii) Lease term of three years or longer but less than five years: 12.5% of annual rental plus NZ GST; and (iv) Lease term of five years or longer: 15% of annual rental plus NZ GST. <p>(b) Where a real estate agent is involved:</p> <ul style="list-style-type: none"> (i) Lease term of less than one year: Nil; (ii) Lease term of one year or longer but less than three years: 5% of annual rental plus NZ GST; (iii) Lease term of three years or longer but less than five years: 6.25% of annual rental plus NZ GST; and (iv) Lease term of five years or longer: 7.5% of annual rental plus NZ GST.
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Renewals or extensions

In the event of the Manager negotiating with a Tenant a lease extension or exercise of any renewal right in the relevant lease, the Manager shall be entitled to a facilitation fee of:

- (i) 5% of annual rent; plus
- (ii) (if applicable) 1.5% of annual rent for each year that the negotiated extension or renewal exceeds the date that is six years from the contracted expiry of the lease (including any renewal), provided that, in respect of any one renewal or extension, the fee payable under this clause may not exceed 15% plus GST of annual rental, capped at 15%, plus NZ GST.

8. What are the Fees? (cont.)

Manager and associated person's fees	
Refinancing fees	If the Manager re-finances the LLP's banking arrangements, the Manager shall be entitled to a fee of \$20,000 plus NZ GST (increasing by the greater of 3% and CPI each year).
Sale of the Property	<p>Upon a sale of the Property:</p> <ul style="list-style-type: none"> (i) if the sale price of the Property exceeds \$24,194,024 (being the combined total of the original purchase price of the Property and the establishment costs), the Manager will be entitled to a fee equal to 0.5% of the sale price for the Property; and (ii) if Investors have received, or, upon final distribution following such sale of the Property, will receive, actual pre-tax returns on their investment in the LLP of an amount equal to an internal rate of return of 7.5% or more, the Manager shall be entitled to a fee equal to 10% of the amount that the funds available for return to Investors following the sale exceeds the capital contributed by Investors, in each case, plus NZ GST.
Sale of part of the Property and Scheme not wound up	Upon the sale of any part of the Property, where the LLP has not been wound up, the Manager will be entitled to a fee equal to 1% of the sale price for that part of the Property, plus NZ GST.
Wind up fee	If the LLP is wound up, the Manager is entitled to a fee equal to the then prevailing annual management fee divided by 12.

Manager and associated person's fees	
Project Management Fees	<p>In the event of any future refurbishment, rebranding, extension or redevelopment of all or part of the Property, the Manager will be entitled to a project management fees, calculated on the following incremental basis of the costs of such works:</p> <ul style="list-style-type: none"> (a) in respect of the first \$50,000 of cost, 15% plus NZ GST of such cost; (b) in respect of cost between \$50,000 and \$99,999.99, 10% plus NZ GST of such cost; (c) in respect the cost between \$100,000 and \$199,999.99, 7.5% plus NZ GST of such cost; and (d) in respect any further cost, 5% plus NZ GST of such cost.
Assignment fees	If a Tenant (or subsequent tenant) assigns or sub-leases their lease, the Manager is entitled to a fee of \$2,000 plus GST (increasing by the greater of 3% and CPI each year).
Capital raising fee	If the LLP raises further capital in accordance with the Governing Document, the Manager shall be entitled to a fee equal to 3% of the amount of any future capital raised.
Secondary market transfers	<p>If Investors utilise the secondary market facility offered by Augusta Funds Management, then an administration fee will be payable to Augusta Funds Management.</p> <p>The current charge is equivalent to 2% of the transaction value for arms-length transfers plus GST. Related party transfers may attract a fee of up to NZ\$500 plus GST.</p>

Removal of Manager	If Investors resolve to remove the Manager in accordance with the terms of the Governing Document, a fee equal to one year's annual management fee will be payable to the Manager in connection with that removal.
Property management fees	If the Manager provides property management services, the Manager is entitled to receive any reasonably incurred property management fees that may be payable in respect of the Property (to the extent such fees are recoverable from the Tenants).
The Manager and its associated person's aggregate fees for the accounting periods to:⁴	<p>30 June 2019 will be A\$700,000 (inclusive of NZ GST), which is an establishment cost and as a percentage of net assets of the LLP is anticipated to be 5.67%.</p> <p>30 June 2020 will be A\$120,000 (inclusive of NZ GST), which as a percentage of net assets of the LLP is anticipated to be 0.97%.</p>

Secondary market fees will be charged at the rate applicable at the time (Investors will not be notified of a change in such rates). The other fees may not be amended, except in accordance with the Governing Document. Details of the fees and expenses incurred by the LLP will be included in the LLP's annual report.

The annual management fee is payable to the Manager for LLP, asset and property management services.

New leasing fees apply where the Manager arranges a new lease in respect of the Property.

Renewal and extension fees apply where Tenants (or other tenants) extend or renew their relevant leases, and are structured to incentivise the Manager to securing longer lease terms.

Sale of the Property fees apply where the Manager arranges a sale of the Property, and are structured to incentivise the Manager to:

- obtain a sale price above the combined total of the initial purchase price and costs of establishing the LLP; and
- provide investors with an actual pre-tax return of their investment in the LLP equal to the internal rate of return of 7.5% or more.

The wind-up fee is payable to the Manager in the event the LLP is wound up, for administering that wind up.

Project Management fees will apply in the event any future rebranding, extension or redevelopment of all or part of the Property.

Assignment fees apply if a Tenant (or subsequent tenant) assigns or sub-leases their lease.

Refinancing fees apply if the Manager re-finances the LLP's banking arrangements.

The monetary limits for assignment fees and refinancing fees shall increase automatically on each anniversary of the commencement date by the greater of CPI and 3%.

Secondary market transfer fees apply where an Investor seeks to utilise the Manager's secondary market transfer service. Augusta Funds Management will facilitate secondary transfers but does not act as a broker nor does it provide financial advice to any party.

Removal of the Manager fees apply if Investors resolve, under the Governing Document, to remove the Manager.

Outgoings, property maintenance expenses, fees and costs are payable in respect of the ongoing upkeep and maintenance of the Property.

⁴ Assuming the management fee increases at 3% per year and no other fees are payable (as at the date of this PDS the Manager does not anticipate it, nor any of its associated persons, will accrue any fees other than the management fee described).

8. What are the Fees? (cont.)

Other fees and expenses	
Supervisor's annual fees	<p>NZ\$6,360 plus GST and disbursements.</p> <p>The Supervisor is also entitled to charge a special duties fee, charged at the Supervisor's usual time and attendance rates to cover the Supervisor's ongoing reviews of any amendment to the documentation, the exercise of its power and discretions, the Supervisor's attendance at any special meetings and any other non-routine duties.</p>
Audit of financial statements	Estimated at NZ\$12,382 plus GST and disbursements initially (but subject to change each year).
Annual valuation fees	Estimated at A\$10,000 plus GST initially (but subject to change each year).
Annual accounting and Investor tax advice	Estimated at A\$12,592 plus GST initially (but subject to change each year).
Annual director fees	Estimated at A\$4,000 plus GST.
Legal Fees	Legal fees arising in relation to attendances on management of the Property and the LLP, including documenting rent reviews and attendances in relation to any sale of the Property (charged on the basis of time spent).
Interest charges	<p>Annual interest charges payable to CBA estimated at A\$99,865 for the period ended 30 June 2019 and A\$393,281 for the year ended 30 June 2020 based on an effective interest rate of 3.98% per annum.</p> <p>The Manager intends to enter into interest rate swap arrangements for terms of three years or greater on 100% of the drawn debt on settlement and in the future to manage the interest rate with swap/fixed rate agreements.</p>

Other fees and expenses	
Outgoings, land tax, property maintenance expenses, fees and costs (to the extent not recoverable from the Tenants)	<p>The Manager has the ability to undertake or approve repairs, maintenance or improvements at its sole discretion.</p> <p>The Manager has allowed A\$30,968 of deductible expenditure and A\$256,000 of capital expenditure for the period ended 30 June 2019. For the year ended 30 June 2020 the manager has allowed A\$150,544 for deductible expenditure in the prospective cash flows for the LLP for such fees and expenses. The Manager has also established the additional loan facility to fund the capital expenditure.</p>
Expenses on a sale of the Property	<ul style="list-style-type: none"> • Commission on the sale of the Property, estimated at between 1% and 3% of the sale price plus GST, will be payable to a real estate agent. • Legal fees will arise in relation to attendances on the sale of the Property and repayment of the bank loan (charged on the basis of time spent). • A swap/fixed rate termination fee may be payable to the bank in the event that the Property is sold prior to expiration of the term of any loan facility of the LLP. • Marketing fees. • Land and chattels valuations. • Liquidation & wind up fees.

Other fees and expenses

Other possible fees and expenses

- Legal fees for any future leasing, renewals of lease, assignments, rent reviews, refinancing, LLP meetings and incidentals to management of the Property will be charged on the basis of time spent.
- Administration and filing fees, including for filing the necessary documentation with the Australian Securities and Exchange Commission.
- Incentive or re-letting costs agreed with any replacement tenant.
- Leasing fees (whether for a new lease or a renewed lease) by external agencies involved in any such negotiations will be charged separately at that time.
- The costs of holding the LLP's annual meetings.
- Fees and costs associated with regulatory compliance (such as any Financial Markets Authority levies payable by the LLP or the Manager in its role as manager of the LLP).
- Any other fees and expenses which are necessary or desirable to the Manager to discharge its duties under the Governing Document and which are consistent with the objects of the LLP.

The Manager has allowed A\$90 for the period ended 30 June 2019 and A\$6,360 for the year ended 30 June 2020 in the prospective cash flows for the LLP for such fees and expenses.

Other person's aggregate fees and expenses (including interest payments) for the accounting periods to:⁵

30 June 2019 will be A\$179,534 (excluding GST) of ongoing expenses and \$1,974,024 (excluding GST) of establishment costs, which in total, as a percentage of net assets of the LLP is anticipated to be 17.48%

30 June 2020 will be A\$649,617 plus Australian GST, which as a percentage of net assets of the LLP is anticipated to be 5.26%

The above fees and expenses are the Manager's best estimate, based on its Property management experience and the information known to it at the date of this PDS, but are subject to change. Details of the fees and expenses incurred by the LLP will be included in the LLP's annual report, however Investors will not be specifically notified of such a change.

Supervisor fees are payable to the Supervisor for fulfilling the role of statutory supervisor of the LLP.

Audit fees are payable in connection with the audit of the LLP's financial statements.

Valuation fees are payable in connection with the annual valuation of the Property.

Accounting and Investor tax advice is obtained in connection with the calculation of Investors' and the LLP's tax liability.

Director fees are payable to David Krishnan (or any subsequent/replacement director), as compensation for holding the role of director of the General Partner.

Interest charges are payable to CBA under the terms of the LLP's banking facility.

Outgoings, property maintenance expenses, fees and costs are payable in respect of the ongoing upkeep and maintenance of the Property.

Expenses on a sale will apply if it is proposed that the Property is sold.

The above fees are payable by the LLP - none are chargeable to Investors directly.

⁵ Further information on the LLP's anticipated expenses is set out in the financial information for the LLP available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/> by searching "Augusta Kedron Partnership" under "search offers".

9. Tax

The LLP is not a portfolio investment entity (PIE).

Tax can have significant consequences for investments. If you have queries relating to the tax consequences of an investment in the LLP, you should obtain professional advice on those consequences.

As the investment is an Australian limited liability partnership, the LLP has to comply with the tax requirements in both Australia and New Zealand. In Australia the LLP is treated as a company for income taxation purposes and a current income tax rate of 30% will apply to its taxable income. The LLP will file its Australian tax return and pay this tax from net profit. Vincents Chartered Accountants will be the initial Australian accountants for the LLP.

In New Zealand, the tax treatment will be as a partnership. Each Investor will be required to include their proportion of the LLP's taxable income calculated under New Zealand tax rules in their New Zealand tax return. Investors will also be able to include a foreign tax credit against that income of their proportion of the tax paid in Australia by the LLP to the extent that New Zealand income tax is payable on that income. The LLP will provide a schedule of New Zealand taxable income and overseas tax credits each year and provide Investors with all the information they require for inclusion in their New Zealand tax returns.

Income tax will be paid in Australia on the LLP's taxable income at a current income tax rate of 30% prior to any distributions. However, the application of New Zealand tax rules will result in variances in the taxable income for New Zealand and Australia. If the overseas tax credits allocated to an Investor are higher than the tax that is payable on that income in the Investor's New Zealand tax return then the Investor will not be able to claim back any tax paid in Australia at this higher tax rate. In addition, Investors on a higher tax rate will need to pay tax on the difference between the share of 30% tax credits paid by the LLP in Australia and the relevant Investor's New Zealand tax liability on the income.

Since there are forecast to be taxable losses in both Australia and New Zealand for the 3 month period ending 30 June 2019 and the year ending 30 June 2020, there will be no further tax to pay (regardless of the Investors personal tax rate) and the pre-tax and post-tax return rates are the same.

The completion of each Investors' New Zealand personal tax return is each investors own responsibility. The LLP will provide a tax disclosures letter each year for the purpose of providing Investors with the information to disclose in their tax returns. The Manager recommends obtaining individual personal advice from your accountant.

If there is a capital gain on the eventual sale of the Property, capital gains tax will be due and payable by the LLP in Australia. In addition, if there is a capital gain on the sale of a Unit by an Investor, capital gains tax may be due and payable by the Investor in Australia.

Stamp duty on a property transaction is payable by the purchaser. Therefore this will not be applicable on an eventual sale, however this cost has been included in the capitalised establishment costs at the start.

Land tax will be applicable for the LLP and the LLP will be registered for GST in Australia. It will be one of the obligations of the Manager to pay these taxes on behalf of the LLP together with the income tax, capital gains tax and initial stamp duty. Land tax is payable from the LLP's funds. All of these taxes (except capital gains tax that only arises upon disposal) have been built into the prospective financial information.

The Manager urges Investors to obtain independent advice in regards to their own circumstances.

10. About Augusta Funds Management Limited and Others Involved in Augusta Kedron Partnership

About Augusta Funds Management Limited

Augusta Funds Management Limited is the manager of the LLP.

Augusta Funds Management Limited is licensed under the Financial Markets Conduct Act 2013 as a manager of Other Managed Investment Schemes; which are invested in Property Syndicates/Real Property Proportionate Ownership Schemes, and Managed Investment Schemes - Managed Funds; where the Managed Funds are invested solely in real property (listed and unlisted).

The Manager's property schemes (such as the LLP) are structured to provide Investors with a long-term investment in commercial and/or industrial real estate, while seeking to minimise the administrative and operational burdens of private property ownership. The Manager is responsible for the LLP and property management, including the facilities and property management, preparation of annual financial statements and payment of monthly distributions.

The Manager also arranges funding packages allowing Investors to benefit from the terms of the LLP's funding arrangements, including some interest rate hedging and initial interest-only terms. Details of the bank funding applying to the LLP are set out on page 21.

Augusta Funds Management is a wholly-owned subsidiary of Augusta Capital Limited, which is an NZX listed company. Augusta Funds Management has assets under management of approximately NZ\$1.80 billion.

For more on Augusta see www.augusta.co.nz.

The directors of the Manager and key senior managers of Augusta Funds Management collectively have considerable property expertise with experience in property development, facilities and asset management, property investment, business administration and accounting. Augusta Funds Management manages a wide range of properties including single ownership entities, and syndicates in numerous locations throughout New Zealand and Brisbane, Australia. This investment opportunity is based around the market knowledge and experience of these people. Further detail on the expertise and background of these people is set out above and on pages 12 to 13.

Contact details

The Manager may be contacted:

- At its registered office - Level 2, 30 Gaunt Street, Auckland, New Zealand
- By telephone - (09) 300 6161
- By fax - (09) 300 6162 (attention: Mark Francis)

Who Else Is Involved?

Party	Name	Role
Supervisor	Covenant Trustee Services Limited	Covenant Trustee Services Limited has been appointed supervisor for the LLP. The Supervisor will monitor compliance with the Governing Document and fulfil the role of supervisor under the Financial Markets Conduct Act 2013 and Financial Markets Authority Act 2011.
Nominee	Kedron Nominee Limited	Kedron Nominee Limited is the nominee for the LLP. The Nominee will hold the certificates of title for the Property on bare trust on behalf of the LLP in accordance with the Governing Document. The Nominee is a subsidiary of the Supervisor.
General Partner	Augusta Kedron Partners Pty Limited	Augusta Kedron Partners Pty Limited is the general partner of the LLP, and is responsible for managing the activities and affairs of the LLP in accordance with the LLP Deed. It has appointed Augusta Funds Management as manager of the LLP. The General Partner is a subsidiary of the Manager.

None of the parties above guarantee any returns to Investors.

11. How to Complain

How To Complain

Complaints about the Units or the LLP can be made to the Manager, attention Mark Francis, Managing Director, at the address and business telephone number set out on page 50.

A complaint can also be made to the Supervisor (at the address and business telephone number set out on page 50).

A complaint may also be made to The Real Estate Institute of New Zealand. The Institute may be contacted by telephoning 0800 473 469 or at Level 1, Windsor Court, 128 Parnell Road, Parnell, Auckland.

A complaint can also be made to Fairway Resolution Limited (trading as Financial Dispute Resolution), being the dispute resolution scheme Augusta Funds Management Limited has joined for the purposes of the Financial Service Providers (Registration and Dispute Resolution) Act. Financial Dispute Resolution may be contacted by telephoning 0508 337 337 or at Freepost 231075, PO Box 5730, Wellington 6145. Financial Dispute Resolution and the LLP will not charge a fee to any complainant to investigate or resolve a complaint.

Financial Dispute Resolution is only available in New Zealand and is not available in Australia. However, the Manager is a member of the Australian Financial Complaints Authority (AFCA) in Australia which is an externally managed dispute resolution scheme registered with the Australian Securities and Investments Commission (ASIC). If you feel the Manager has not dealt with your complaint satisfactorily, you may refer your complaint to AFCA by:

Mail: Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Phone: 1800 931 678
Email: info@afca.org.au
Website: www.afca.org.au

12. Where You Can Find More Information

Where You Can Find More Information

Further information relating to the LLP and the Units is available on the Offer Register and the Scheme Register:

- the LLP Deed;
- the Governing Document;
- Full Prospective Financial Statements;
- Independent Valuation Report for the Property;
- Building Condition Report;
- Put and Call Option Deed (including one variation to that Deed); and
- the Leases.

A copy of information on the Offer Register and Scheme Register is available on request to the Registrar of Financial Service Providers.

The Offer Register may be viewed at <https://disclose-register.companiesoffice.govt.nz/> by searching “Augusta Kedron Partnership” under “search offers”.

The Scheme Register may be viewed at <https://disclose-register.companiesoffice.govt.nz/> and by searching “Augusta Kedron Partnership” under “search schemes”.

No other information relating to the LLP and the Units will be available other than the information contained in this PDS and on the Offer Register and Scheme Register.

All information available on the Offer Register and the Scheme Register is also available on request free of charge from the Manager (at the address and business telephone number set out on page 50).



AUGUSTA



13. How to Apply

How To Apply

In order to apply, prospective Investors must provide the following:

- A completed and signed application form.
- Completed Nature and Purpose statement (contained within the application form).
- Bank encoded deposit slip, bank statement or confirmation from your bank verifying your bank account name and number. Distributions may be received into three different types of bank account:
 - An Australian AUD account. This will not incur any transfer fees but requires an account to be set up.
 - A New Zealand NZD account. The transfer fees are small for this option as the LLP pays only one transfer fee. The transfer fees (currently \$25 per month) will be spread evenly across all Investors who choose this option.
 - A New Zealand AUD account. Each distribution would be considered a separate transfer and therefore each distribution would incur a transfer fee (currently \$25) which would be deducted from the distribution.
- For new investors with the Manager, the identification and other anti-money laundering due diligence information referred to on the form headed “Identity Verification” in this section.
- Payment of the total application amount. See “Payment” below, for further details.

Completed and signed application forms, along with the above accompanying documents and subscription amounts, should be couriered to the Manager in the pre-paid courier bag included with the hard copy of the product disclosure statement. Should you wish to deliver or arrange your own courier, please send to the Manager, **Augusta Funds Management Limited**, Level 2, 30 Gaunt Street, Auckland (Attention: Kedron Offer). The Offer closes on 18 March 2019.

IMPORTANT – for existing Augusta investors, identification documents may have been provided previously as part of Augusta’s AML (Anti-Money Laundering) requirements. If, at the time of submitting your application, Augusta does not have the correct identification documents on file up to the standard required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 additional documents may have to be re-submitted before your application can be accepted.

Payment

Payment must be made in Australian dollars for immediate value.

Once the relevant forms have been approved by the Manager and identification and other anti-money laundering due diligence information has been received (satisfactory to the Manager), bank account details for an electronic transfer will be provided to Investors. **All funds must be transferred by electronic international money transfer (telegraphic transfer, wire or swift transfer) or paid by direct debit from a bank account located in New Zealand. NO CHEQUES WILL BE ACCEPTED.**

Investors’ subscription monies will be held in a trust account established by Link Market Services and may accrue interest until the date on which Units are issued which will then be paid to Investors.

Warning Statement – Issues to Australian Investors

If you are an Australian investor, we are required to provide the following warning statement to you under Australian law.

This offer to Australian investors is a recognised offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is Subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 of New Zealand and the Financial Markets Conduct Regulations 2014 of New Zealand.

This offer and the content of the offer document are principally governed by New Zealand, rather than Australian, law. In the main, the Financial Markets Conduct Act 2013 of New Zealand and the Financial Markets Conduct Regulations 2014 of New Zealand set out how the offer must be made.

There are differences in how securities and financial products are regulated under New Zealand, as opposed to Australian, law. For example, the disclosure of fees for managed investment schemes is different under New Zealand law.

The rights, remedies and compensation arrangements available to Australian investors in New Zealand securities and financial products may differ from the rights, remedies and compensation arrangements for Australian securities and financial products.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Australian Securities and Investments Commission (ASIC). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of New Zealand securities and financial products is not the same as that for Australian securities and products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the security or financial product is in dollars that are not Australian dollars. The value of the security or financial product will go up and down according to changes in the exchange rate between those dollars and Australian dollars. These changes may be significant.

If you receive any payments in relation to the security or financial product that are not in Australian dollars, you may incur significant fees in having the funds credited to a bank account in Australia in Australian dollars.

Glossary

Term	Definition
A\$	Australian dollars
Accoras	Brisbane South Division Limited (ACN: 135 683 064)
Accoras Lease	The lease between Accoras and the Vendor under which Accoras leases part of Building B of the Property
Augusta	Augusta Capital Limited (Company number: 1873288)
Capex	Capital expenditure
C&K	The Creche and Kindergarten Association Limited (ACN 150 37 849)
C&K Leases	The two leases between C&K and the Vendor under which C&K leases part of Building A for its head office and Building C as a childcare centre respectively
CBA	Commonwealth Bank of Australia Limited
CPI	The Consumer Price Index (all groups) published by Statistics New Zealand
Dulux	Duluxgroup (Australia) Pty Ltd (ACN: 000 049 427)
Dulux Lease	The lease between Dulux and the Vendor under which Dulux leases part of Building B of the Property
Governing Document	The Governing Document dated 13 February 2019 between the Manager, the LLP, the Nominee and the Supervisor, setting out the arrangements for ownership and management of the LLP and as is available on the Scheme Register at https://disclose-register.companiesoffice.govt.nz/ by searching “Augusta Kedron Partnership” under “search schemes”
General Partner	Augusta Kedron Partners Pty Limited
Ingenia	Ina Garden Villages Pty Limited (ACN: 129 703 911)
Ingenia Lease	The lease between Accoras and the Vendor under which Accoras leases part of Building A of the Property
Investors	Persons registered as the holders of Units in the LLP
Leases	Together, the C&K Leases, the Dulux Lease, the Planbuild Lease and the Accoras Lease
LLP	The Australian limited liability partnership established for the purpose of acquiring the Property, being the Augusta Kedron Partnership
LLP Deed	The limited liability partnership deed between the General Partner and the Investors (as limited partners) to be formed pursuant to the Partnership Act 1891 (Queensland)
LLP’s Solicitors	Chapman Tripp, 23 Albert Street, Auckland 1140
Manager or Augusta Funds Management	Augusta Funds Management Limited (Company number: 3760278)
Nominee	Kedron Nominee Limited
NZ GST	Goods and services tax chargeable under the Goods and Services Tax Act 1985 (New Zealand)

Term	Definition
Offer	The offer of Units under the PDS
Offer Register	The offer register entry for the LLP, that forms part of the Disclose Register, that is available at https://disclose-register.companiesoffice.govt.nz/ by searching “Augusta Kedron Partnership” under “search offers”
PDS or Product Disclosure Statement	This product disclosure statement detailing the offer of Units in the LLP
Planbuild	Planbuild Homes Pty Ltd (ACN: 105 642 617)
Planbuild Lease	The lease between Planbuild and the Vendor under which Planbuild leases the building adjoining Building A of the Property
Property	The property at 255-257 Gympie Road East, Kedron, Queensland, Australia
Put and Call Option Deed	The put and call option deed entered into by the Vendor and the Manager under which the Manager has until 22 March 2019 to nominate the Nominee as the purchaser of the Property and enter into the contract for sale to purchase the Property (which sets out the purchase price for the Property at A\$21,520,000.00).
Scheme Register	The scheme register entry for the LLP, that forms part of the Disclose Register, that is available at https://disclose-register.companiesoffice.govt.nz/ by searching “Augusta Kedron Partnership” under “search schemes”
SIPO	The Statement of Investment Policy and Objectives for the LLP adopted by the Manager which sets out its investment policies, objectives and strategies for the LLP in respect of its investment in the Property as well as the policies it will apply in respect of its management and its investment performance monitoring benchmarks
Supervisor	Covenant Trustee Services Limited (Company number: 2194946)
Tenants	Together, C&K, Dulux, Ingenia, Planbuild and Accoras, as tenants under their respective Leases
Units	The units in the LLP, issued in accordance with this PDS, the Governing Document and the LLP Deed
Vendor	Sabraja Projects Pty Ltd (ACN: 010 740 253), the current owner of the Property, and from whom it is being acquired

Directory

Registered Office of the Manager

Augusta Funds Management Limited

(Company number: 3760278)

Level 2
30 Gaunt Street
Auckland 1010
New Zealand
Attention: Mark Francis
Phone: (09) 300 6161
Facsimile: (09) 300 6162

Directors Of The Manager

Bryce Barnett
Paul Duffy
Mark Francis
Kevin Murphy
Mark Petersen

General Partner

Augusta Kedron Partners Pty Limited

C/- David K Lawyers
Level 12
300 Queen Street
Queensland 4000
Australia

PO Box 5041
Brisbane
Australia

Nominee

Kedron Nominee Limited

Level 6
191 Queen Street
Auckland 1010
New Zealand
Telephone: (09) 302 0638

Solicitors

Chapman Tripp

Level 35, ANZ Centre
23 Albert Street
Auckland 1010
New Zealand

PO Box 2206
Auckland 1140

Telephone: (09) 357 9000
Facsimile: (09) 357 9099

David K Lawyers

Level 12
300 Queen Street
Queensland 4000
Australia

PO Box 5041
Brisbane
Australia

Telephone: +617 3102 2583
Facsimile: +617 3839 3006

Assurance Provider

Staples Rodway Audit Limited

(Company number: 6014547)

Level 6, 95 Customhouse Quay
Wellington 6140
New Zealand

Selling Agent

Bayleys Real Estate Limited

(Company number: 88609)

Level 1
30 Gaunt Street
Auckland Central
Auckland 1010
New Zealand

PO Box 8923
Auckland 1150
New Zealand

Telephone: (09) 309 6020
Facsimile: (09) 309 9404

Supervisor

Covenant Trustee Services Limited

(Company number: 2194946)

Level 14
191 Queen Street
Auckland 1010
New Zealand

Phone: (09) 302 0638

APPLICATION FORM

CLOSING DATE: 18 MARCH 2019

Before completing this Application Form, applicants should read and consider the Product Disclosure Statement dated 15 February 2019 to which this application relates. If you have any questions or if there is anything you do not understand, please contact our sales representatives on 0800 BAYLEYS (2295339).

Augusta Funds Management does not provide any financial, tax or other professional advice. Before making any financial or investment decisions, we recommend that you seek professional financial advice from an Authorised Financial Adviser which takes into account your personal investment objectives, financial situation and individual needs.

**PLEASE READ ALL INSTRUCTIONS BELOW TO ENSURE PROMPT PROCESSING OF APPLICATIONS.
PLEASE COURIER COMPLETED APPLICATIONS AND DOCUMENTS TO AUGUSTA KEDRON PARTNERSHIP OFFER, LEVEL 2, 30 GAUNT STREET, AUCKLAND.**

This Application Form is issued with the Product Disclosure Statement dated 15 February 2019 issued by Augusta Funds Management Limited.

INSTRUCTIONS ON HOW TO COMPLETE

- Please write in block letters
- Insert your full name(s), address(es), date of birth, place of birth, telephone number(s) and email address(es).
- Applications must be in the name(s) of natural persons, companies or other legal entities.
- Please review the Customer Due Diligence Checklists that must be completed with your application form.
- Please insert the Bank Account Holder's name and Bank Account Number into which distribution payments are to be made and include proof of the account holders name and account number.

1. NAME OF INVESTOR AND APPLICANT DETAILS

- Please enter all name(s) in full.
- If you are applying as a Trust, all trustees' names are required including the Corporate or Professional Trustee Company name.
- Where applying in the name of a company, the names of directors and shareholders of the company do not need to be included.

INSERT TRUST, COMPANY, CHARITY OR PARTNERSHIP NAME HERE:

Please set out below the relevant details of ALL applicants

Legal First Name(s)	Legal Family Name	Date of birth	Place of birth (city/town and country)	Occupation

NAME OF CORPORATE OR PROFESSIONAL TRUSTEE COMPANY (IF APPLICABLE):

2. PRIMARY APPLICANT CONTACT DETAILS

Residential Address or Address for Service:	Ph - Home: ()
Postcode:	Mobile:
Postal Address (if different from address given above):	Email:
Postcode:	

3. BANK ACCOUNTS DETAILS FOR DISTRIBUTION PAYMENT

Please insert the Bank Account holder's name and Bank Account Number into which distribution payments are to be made. Distributions must be paid into the Bank Account of the investor/investment entity (Augusta does not pay distributions to third parties on an investor's behalf).

NOTE: YOU MUST ENCLOSE A BANK ENCODED DEPOSIT SLIP, BANK STATEMENT OR CONFIRMATION FROM YOUR BANK VERIFYING BANK ACCOUNT NAME AND NUMBER.

ACCOUNT HOLDERS NAME

ACCOUNT NUMBER

4. IRD NUMBER

IRD Number. For joint applications please contact us. For a company, trust, partnership or other entity, please provide the entity IRD number.

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IF YOUR IRD NUMBER IS NOT PROVIDED YOUR APPLICATION IS UNABLE TO BE ACCEPTED

Country of residence for taxation purposes:

☐ I am a New Zealand tax resident

☐ I am tax resident of _____ (Country). Foreign tax number in overseas country _____

Are you a citizen or tax resident of the United States of America? ☐ Yes ☐ NO
(if yes, we will contact you with further information)

5. RESIDENT WITHHOLDING TAX (RWT) RATE

Your Resident Withholding Tax (RWT) rate is based on your taxable income, and there are different rates for individuals, trusts, companies and partnerships. You can find the current RWT rates on the Inland Revenue (IRD) website. RWT is deducted from the interest earned on your subscription amount while held in the Link Market Services trust account.

☐ 0% ☐ 10.5% ☐ 17.5% ☐ 28% ☐ 30% ☐ 33%

6. NATURE AND PURPOSE OF YOUR INVESTMENT

This information is being requested solely for the purpose of Augusta's regulatory compliance obligations (pursuant to section 17 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009) and not for the purpose of allowing Augusta Funds Management to assess the suitability of this investment for your personal financial circumstances, financial needs or goals.

THE NATURE OF MY INVESTMENT IS: You should explain how much you plan to invest with Augusta, how regularly you expect to invest and for how long you intend to hold this investment.

THE PURPOSE OF MY INVESTMENT IS: Please explain your investment objectives and intentions, and what you are trying to achieve by investing with Augusta.

NOTE: YOU MUST COMPLETE SECTION 6 ABOVE

7. APPLICANT(S) CUSTOMER DUE DILIGENCE (CDD) REQUIREMENTS (PLEASE COMPLETE ONLY ONE OPTION)

As part of our obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, Augusta must undertake due diligence on (a) a customer (b) any beneficial owner of a customer (c) any person acting on behalf of a customer.

☐ OPTION 1: EXISTING INVESTOR -

I am an existing Augusta investor and I have previously provided complete CDD documentation, the details of which are still correct.

Please note: Augusta will review the documents it holds on file and may request further information. If you are unsure if you have provided all of the necessary documentation please phone a member of the Augusta compliance team on 09 300 6161.

☐ OPTION 2: NEW INVESTOR -

I am a new investor with Augusta and will meet my Customer Due Diligence (CDD) requirements. In addition to the details provided above I have also completed one of the Customer Due Diligence Checklists as part of my/our application.

☐ Individual/Joint Individual Checklist (Page 56)

☐ Partnership Checklist (Page 57)

☐ Company Checklist (Page 58)

☐ Trust Checklist (Page 59)

☐ Estate Checklist (Page 60)

NEW INVESTORS MUST PROVIDE THE APPROVED CUSTOMER DUE DILIGENCE INFORMATION WITH THIS APPLICATION FORM – SEE THE CUSTOMER DUE DILIGENCE CHECKLISTS AND PROOF OF IDENTITY AND ADDRESS INFORMATION ON THE FOLLOWING PAGES.

8. APPLICATION AMOUNT AND PAYMENT

Number of Units (minimum \$50,000 per Unit)		Amount in NZD	
	Units		\$

PLEASE NOTE: If you invest as a trust, a company with Nominee Shareholders or you are making an investment of \$500,000 or more, Augusta will require information relating to the source of the funds or wealth for this investment.

ELECTRONIC TRANSFER IS THE ONLY PAYMENT OPTION

Augusta will provide bank details for payment by email or phone to you once the application is complete and all customer due diligence documentation has been provided.

9. INVESTOR ACKNOWLEDGEMENT / DECLARATION

I/We hereby apply for the Units as set out above subject to the terms and conditions of the Product Disclosure Statement dated 15 February 2019. I/We have received, read and understood the Product Disclosure Statement. I/We understand the risks to Augusta Kedron Partnership's Business and Plans as set out at section 8 of the Product Disclosure Statement. I/We acknowledge that the offer of Units in the Product Disclosure Statement was made to me/us in New Zealand, or Australia or any other country in which Augusta Funds Management Limited is able to offer to institutions without having to prepare a disclosure document. I/We agree to subscribe for Units as applied for or any lesser number that may be issued to me/us. I/we irrevocably appoint David Krishnan of David K Lawyers (the Augusta Kedron Partnership's Australian based solicitor) as my/our attorney for the purposes of signing the LLP Deed and any other documents or forms required to register the Augusta Kedron Partnership with the relevant statutory authority and any document required to be signed to otherwise facilitate the operation of the Augusta Kedron Partnership. I/We consent to the registration of this power or attorney at the Queensland Titles Registry or such other body performing that function from time to time and agree to ratify and confirm all that the attorney does or causes to be done. I/We hereby consent to the Manager disclosing such information as it holds in respect of me/us to regulatory authorities. The information I/We have provided in this Application Form and the accompanying Customer Due Diligence Checklist/s is true and correct to the best of my/our knowledge. I/We understand that Augusta Funds Management have not assessed the suitability of this investment for my/our personal financial circumstances, financial needs or goals nor provided any personalised financial advice.

Privacy Act 1993

You have a right to access all personal information held about you by us. If any of the information is incorrect, you have the right to have it corrected. You acknowledge that you are authorised to provide this personal information. The personal information you have supplied may be used by us (and other related entities) for the purposes of enabling us to arrange and manage your investment, to contact you in relation to your investment, and to market other products and services to you. You authorise us to disclose your personal information to any third parties as needed to perform services on your behalf; to regulatory bodies or law enforcement agencies as required by law, and to meet our legal or regulatory obligations. We will provide you (on request) with the name and address of any entity to which information has been disclosed.

Signed as a Deed

Please identify the agent, advisor or Institution who introduced you to the partnership:

DATED: / / 2019	
Applicant Signature:	Applicant Signature:
Witness Signature:	Witness Signature:
Applicant Signature:	Applicant Signature:
Witness Signature:	Witness Signature:

Please note, all signatures must be witnessed by an independent person (not a spouse, child or parent)
Continued over next page.

SIGNATURES

Please note, all individual and joint applicants must each sign. If applying as trust, all trustees must sign. If the investor is a company or corporate trustee company of a trust, two directors of the company (or one director if there is only one director) must sign.

If the application form is signed by an Attorney (or an agent), an original or certified copy of the relevant Power of Attorney must be lodged with the application form. The Attorney must complete the certificate of non-revocation on this page.

CERTIFICATE OF NON REVOCATION OF POWER OF ATTORNEY

Complete this section if you are acting on behalf of someone for whom you hold Power of Attorney.

I, (Name of Attorney)
of (Address and Occupation of Attorney)

HEREBY CERTIFY

1. That as Attorney of under a deed dated
Given to me by him/her/the Company DAY MONTH YEAR
2. That I have executed the application for Units on the face hereof as Attorney under the said Power of Attorney and pursuant to the powers hereby conferred on me.
3. That at the date hereof I have not received any notice of information of the revocation of the said Power of Attorney by death or otherwise.

Signed at this of
PLACE DAY MONTH 2019
Signature

CUSTOMER DUE DILIGENCE INFORMATION (ANTI MONEY LAUNDERING AND COUNTERING FINANCING OF TERRORISM ACT 2009)

As part of our obligations under the Anti Money Laundering and Countering Financing of Terrorism Act 2009 Augusta must undertake due diligence on

(a) a customer (b) any beneficial owner of a customer (c) any person acting on behalf of a customer.

If you are an EXISTING Augusta investor and are unsure if further documentation is required or if you are a NEW investor and would like to discuss the Customer Due Diligence requirements - please phone a member of our compliance team to discuss on 09 300 6161.

New investors MUST provide the approved customer due diligence information with this application form – see the checklists and proof of identity and address information on the following pages.

NOTE:

- All documents provided must be originals or the original certified photocopies of documents.
- Certification of documents must have been carried out in the last three months. Original certifications of photocopied documents must be provided – scans or photocopies of certifications will not be accepted.
- Any identity and documents which are certified must be current, dated and signed by an independent trusted referee within the last three months (e.g. the Trustees of a trust should not certify documents for other trustees).
- Alternatively, an Augusta Staff Member may certify copies of documents at your request.

IDENTITY VERIFICATION REQUIRED FOR EVERY APPLICANT INCLUDING ALL TRUSTEES, BENEFICIAL OWNERS AND ANY PERSON ACTING ON BEHALF OF THE INVESTOR

There are two different options you can use as identification. The simplest option is to pick ONE form of ID from **Option 1** below. **Option 2** requires at least two forms.

Each copied form of identification must be certified by an independent NZ based trusted referee. A trusted referee must be over the age of 16, must not be your spouse or partner, related to you, someone who lives at the same address as you or someone with an interest or ownership in your investment. A trusted referee must be any one of the following:

- | | |
|--|--|
| <input type="checkbox"/> Lawyer (as defined in the Lawyers and Conveyancers Act 2006) | <input type="checkbox"/> NZ Chartered Accountant |
| <input type="checkbox"/> Justice of the Peace | <input type="checkbox"/> Registered Teacher |
| <input type="checkbox"/> Registered Medical Doctor | <input type="checkbox"/> Notary Public |
| <input type="checkbox"/> Member of the Police | <input type="checkbox"/> NZ Honorary Consul |
| <input type="checkbox"/> Member of Parliament | <input type="checkbox"/> Commonwealth Representative |
| <input type="checkbox"/> Minister of Religion | <input type="checkbox"/> Kaumatua (as verified through a reputable source) |
| <input type="checkbox"/> A person who has the legal authority to take statutory declarations or the equivalent in NZ | |

If you are certifying documents overseas, then the documents must be certified by a person who has the legal authority to take statutory declarations or the equivalent in that country.

Certification must have been carried out in the last three months. The trusted referee must sight the original document and make the following statement on the copy:

- “This document is a true copy and represents the identity of the named individual”;
- Trusted referee’s name, occupation and registration number (or equivalent); and
- Trusted referee’s signature and date.

Original certifications of photocopied documents must be provided – scans or photocopies of certifications will not be accepted.

OPTION 1

Choose ONE certified photocopy of the following as personal identification (document must be current/unexpired):

- ☐ New Zealand or overseas passport (containing your name, date of birth, photograph and signature)
- ☐ New Zealand certificate of identity
- ☐ New Zealand firearms licence
- ☐ Overseas government issued national identity card, containing your name, date of birth, photograph and signature

OR: OPTION 2

Provide a *certified* photocopy of the following (document must be current/unexpired):

- ☐ New Zealand driver licence

AND Non-photo identification. Choose ONE certified photocopy of the following (document must be current/unexpired):

- ☐ New Zealand or overseas full birth certificate
- ☐ Embossed credit card, debit card or an EFTPOS card, with your name and signature, issued by a registered NZ bank
- ☐ Bank account statement issued by a NZ registered bank within 12 months of your application
- ☐ Statement issued by a NZ Government agency within 12 months of your application (like an IRD statement)
- ☐ A document issued by a NZ Government agency with your name and signature (i.e. Super Gold Card)
- ☐ NZ or Overseas Citizenship Certificate

ADDRESS VERIFICATION REQUIRED FOR EVERY APPLICANT INCLUDING ALL TRUSTEES, BENEFICIAL OWNERS AND ANY PERSON ACTING ON BEHALF OF THE INVESTOR

Please provide an original OR certified photocopy of one of the following:

- ☐ Utility or rates bill
- ☐ Telephone bill
- ☐ Bank account statement (as delivered by mail, not via internet banking)
- ☐ IRD tax notice or statement
- ☐ Insurance policy document
- ☐ A document issued by a NZ Government agency

Each form needs to be dated in the last 12 months and addressed to you at your residential address.

SECTION 1: INDIVIDUALS/JOINT INDIVIDUALS

Investor(s) Name(s): _____

IDENTITY/ADDRESS VERIFICATION	AUTHORISED PERSON(S) (OPTIONAL)	
<p>All investors MUST provide identity/address verification.</p> <p>You must also provide verification for every beneficial owner*/effective controller or authorised person</p> <p>*Who is a beneficial owner/effective controller?</p> <p>An individual (other than those named above) who has effective control over the investment, or on whose behalf a transaction is conducted.</p>	<p style="text-align: center; font-size: 2em; font-weight: bold;">AND</p> <p>Please list any authorised person(s) that may act on your behalf and their relationship to you:</p> <p>Name:</p> <p>Address:</p> <p>Date of Birth:</p> <p>Place of Birth:</p> <p>Relationship:</p> <p>“Authorised person(s)” include beneficial owners and persons acting on behalf i.e. Power of Attorney. These people MUST provide certified ID, residential address verification and POA document or other proof of authority (if applicable).</p>	
<p style="text-align: center;">SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS</p> <p>If your investment is \$500,000 or more you MUST provide information and documentation regarding your source of funds and/or wealth. This may include original or certified photocopies of; bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/or financial statements (as prepared by a Chartered Accountant).</p> <div style="display: flex; justify-content: space-between;"> <div data-bbox="1014 49 1319 1493"> <p>Please write details of the origin of your wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, employment details, property address etc.</p> <p>.....</p> <p>.....</p> <p>Also provide details of the source of income you are receiving e.g. wages/salary, investment income or any other income.</p> <p>.....</p> <p>.....</p> <p>.....</p> </div> <div data-bbox="1319 49 1527 1493" style="border: 1px solid black; padding: 5px; text-align: center;"> <p>Documents Provided</p> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> </div> </div>		

POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a ‘Prominent Public Function’ e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high -ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child’s spouse/partner or parent) or any Authorised Person(s) listed above *An individual who holds, or has held at any time in the preceding 12 months, a ‘prominent public function’ in any country?*

YES / NO (Please Circle)

If you have marked ‘YES’ to any of the options above please provide details of the public function held, and the country:

.....

SECTION 2: PARTNERSHIPS

Partnership Full Legal Name: _____
(Or Trading name if different)

IDENTITY/ADDRESS VERIFICATION		AND	PARTNERSHIP DEED/AGREEMENT
<p>All investors MUST provide identity/address verification.</p> <p>You must also provide verification for every beneficial owner* /effective controller or authorised person.</p> <p>*Who is a beneficial owner/effective controller?</p> <p>An individual (other than those named above) who has effective control over the partnership or on whose behalf the transaction is conducted.</p>			<p>If you are a Partnership please provide a copy of the Partnership Deed/ Agreement and any resolutions, evidencing any amendments which must confirm the Partnership name, and Partners/Officers names and other persons authorised to act on behalf of the Partnership.</p>
SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS			
<p>If your investment is \$500,000 or more you MUST provide information and documentation regarding your source of funds and/or wealth. This may include original or certified photocopies of: bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/or financial statements (as prepared by a Chartered Accountant).</p> <p>Please write details of the origin of your wealth e.g. inheritance, savings, loan, gift, sale of property. Please include details about the transaction(s), date, employment details, property address etc.</p> <p>.....</p> <p>.....</p> <p>Also provide details of the source of income you are receiving e.g. wages/salary, investment income or any other income.</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>			<p>Documents Provided</p> <div></div>

POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child's spouse/partner or parent) or any Authorised Person(s) listed above

An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country?

YES / NO (Please Circle)

If you have marked 'YES' to any of the options above please provide details of the public function held, and the country:

.....

SECTION 3: COMPANY/INCORPORATED SOCIETY

Company/Incorporated Society Name: _____
(or Trading name if different)

IDENTITY/ADDRESS VERIFICATION		COMPANY INFORMATION/IDENTITY	
<p><u>All</u> directors, officers and <u>every</u> shareholder who holds over 25% ownership of the company MUST provide identity/address verification. You must also provide verification for every beneficial owner*/effective controller or authorised person of the company if different from above.</p> <p>*Who is a beneficial owner?</p> <ul style="list-style-type: none">A person who owns more than 25% of the companyA person (other than the directors/shareholders) who has effective control over the companyA person on whose behalf a transaction is conducted.		<p>AND</p> <p>Company registration number:</p> <p>Please provide a Certificate of Incorporation and the Company Extract e.g. obtained from the New Zealand Companies Office</p> <p>Principle business address or registered office address:</p> <p>.....</p> <p>.....</p> <p>.....</p>	
SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS			
<p>If your investment is \$500,000 or more you MUST provide information and documentation regarding your source of funds and/or wealth. This may include original or certified photocopies of: bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/or financial statements (as prepared by a Chartered Accountant).</p> <p>Please write details of the origin of your wealth e.g. inheritance; earnings; savings; loan; gift; sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc.</p> <p>.....</p> <p>.....</p> <p>Also provide details of the source of income the company is receiving e.g. monthly deposit from a bank account; income from an underlying company.</p> <p>.....</p> <p>.....</p> <p>.....</p>			<p>Documents Provided</p> <div></div>

Does any entity such as a Family Trust have any ownership of the company? **YES / NO (Please Circle)**

If 'YES' please refer to **SECTION 4: TRUSTS** on which documents need to be provided.

POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child's spouse/partner or parent) or any Authorised Person(s) listed above *An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country?*

YES / NO (Please Circle)

If you have marked 'YES' to any of the options above please provide details of the public function held, and the country:

.....

SECTION 4: TRUSTS

Trust Name: _____

IDENTITY/ADDRESS VERIFICATION	AND	TRUST DEED
<p>All trustees and every beneficial owner*/effective controller or authorised person MUST provide identity/address verification.</p> <p>If a trustee is a corporate trustee company then please provide information for <u>all</u> directors and every shareholder who holds over 25% ownership.</p> <p>Please also provide address verification for the trust.</p> <p>*Who is a beneficial owner/effective controller?</p> <ul style="list-style-type: none">Any person (other than the Trustees) who has effective control over the Trust, specific Trust property, or with power to amend the Trust deeds, or remove or appoint trustees (e.g. protector)A person on whose behalf a transaction is conductedAny beneficiary or person that has a vested interest of more than 25% in the Trust propertyAll directors of a Trustee CompanyAny person who owns more than 25% of a Trustee Company.		<p>You MUST provide a copy of the Trust Deed and any subsequent deed or retirement/appointment or any amendments which must confirm:</p> <ul style="list-style-type: none">The name of the trustThe names of the current trusteesThe names of the beneficiaries or class/type of beneficiariesThe name of the SettlorThe signature of all Trustees
SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS		
<p>All trusts MUST provide documentation to support the information provided in the source of funds and/or wealth statement above. This may include original or certified photocopies of; bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/or financial statements (as prepared by a Chartered Accountant).</p> <p>Please write details of the origin of the settlor's/grantor's wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc.</p> <p>.....</p> <p>.....</p> <p>Also provide details of the source of income the Trust is receiving e.g. investment earnings, business/rental income or earnings from an underlying company.</p> <p>.....</p> <p>.....</p> <p>.....</p>		<p>Documents Provided</p> <div></div>

WHO ARE THE BENEFICIARIES OF THE TRUST?

Is this a discretionary trust or are there 10 or more beneficiaries? **YES / NO (Please Circle)**

If 'YES' please provide a description of each class or type of beneficiary (or list relevant section in Trust Deed)

.....

If 'NO' please list names and date of birth of the named beneficiaries:

.....

Is this a Charitable Trust? **YES / NO (Please Circle)**. If 'YES' please state the objects of the trust:

.....

.....

POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child's spouse/partner or parent) or any Authorised Person(s) listed above *An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country?*

YES / NO (Please Circle)

If you have marked 'YES' to any of the options above please provide details of the public function held, and the country:

SECTION 5: ESTATES

Name of Estate: _____

IDENTITY/ADDRESS VERIFICATION		ESTATE INFORMATION	
Trustees, Executors and every beneficial owner*/effective controller or authorised person MUST provide Identity/address verification. *Who is a beneficial owner/effective controller? An individual who has effective control over the Estate or on whose behalf a transaction is conducted.		You will need to provide a copy of the Probate* for the Estate. *Where Probate is not required to be obtained, other documentation that establishes the legal standing of the Estate and confirming the trustees/the Executor(s) instructing Augusta on behalf of the Estate. This must include an original certified copy of the Death Certificate of the deceased.	
AND			
SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS			
If your investment is \$500,000 or more you MUST provide information and documentation regarding your source of funds and/or wealth. This may include original or certified photocopies of: bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/or financial statements (as prepared by a Chartered Accountant). Please write details of the origin of the Estates wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc. Also provide details of the source of income the Estate is receiving e.g. investment earnings, business/rental income or earnings from an underlying company.			Documents Provided <input type="checkbox"/>

POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child's spouse/partner or parent) or any Authorised Person(s) listed above *An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country?*

YES / NO (Please Circle)

If you have marked 'YES' to any of the options above please provide details of the public function held, and the country:

.....

