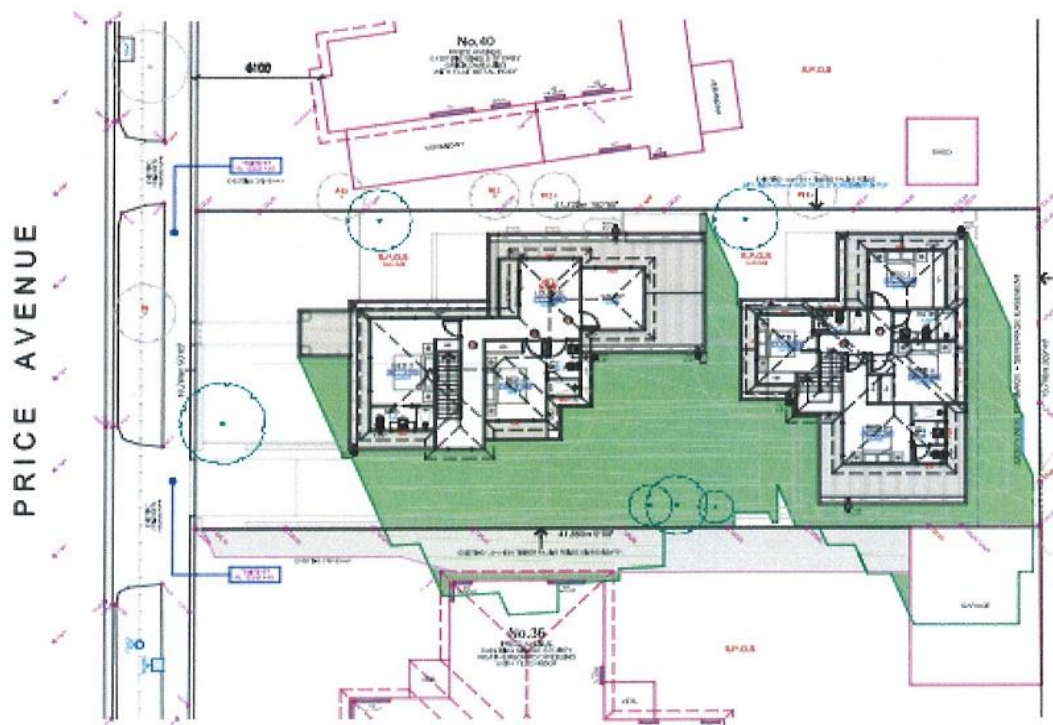


THE GUARDIAN INVESTMENT FUND

ARSN 168 048 057

PROJECT DETAILS

38 Price Avenue Mount Waverley Offer



SHADOW DIAGRAM @ 9:00 AM
SCALE 1 : 200

Town Planning drawing "on completion"

Part 2 Product Disclosure Statement dated 9 February 2016

The Offer of Interests in The Guardian Investment Fund under this PDS should be considered by Investors as a speculative medium term property investment. If in doubt please consult your professional advisors.

Responsible Entity and Issuer of the PDS



ABN 47 106 187 731 AFSL 240506

7/ 211 Ron Penhaligon Way
Robina QLD 4226
Phone: (07) 5562 0888
Fax: (07) 5562 0959
Toll Free: 1800 60 11 77

www.guardiansecurities.com.au

TABLE OF CONTENTS

1.	Corporate Directory.....	3
2.	Investment Summary	4
3.	Investment Strategy	6
4.	Investment Flowchart.....	7
5.	Project Details	7
6.	The Offer	11
7.	Project Feasibility	12
8.	Fees and Other Costs	14
9.	Key Risks	15
10.	Key Investor Information	16
11.	Taxation Considerations	18
12.	Material Agreements and Consents	18
13.	Application for Interests	19
14.	How to Apply.....	20
15.	Glossary	21

This Product Disclosure Statement (PDS) Part 2 (of 2) is to be read in conjunction with, and forms part of, the PDS Part 1 dated 15 September 2015 for The Guardian Investment Fund ARSN 168 048 057.

Each part of the PDS must be read in conjunction with the other Part. No part of this PDS should be distributed without the other part. Terms defined in Part 1 apply equally to Part 2 unless stated otherwise.

If you wish to participate in this Offer, you should read the Part 1 PDS for The Guardian Investment Fund and this Part 2 PDS dated 9 February 2016 in their entirety.

1. Corporate Directory

DEVELOPER AND LAND OWNER	Zhengjiu Li
CONTACT DETAILS	A: Unit 10 36 Rosella St, Murrumbeena VICTORIA 3163 P: +61 430 494 996 E: jeffli.doyen@gmail.com
PROJECT MANAGER	Zhengjiu Li
RESPONSIBLE ENTITY AND ISSUER OF THE PDS	Guardian Securities Limited ACN 106 187 731 AFSL 240506 A: Suite 7, 211 Ron Penhaligon Way, Robina QLD 4226 T: 07 5562 0888 F: 07 5562 0959 E: info@guardiansecurities.com.au
CORPORATE AUTHORISED REPRESENTATIVE	Estate Baron Crowdinvest Pty Ltd ACN 606 418 295 350 Collins Street Melbourne Vic 3000 P: 0459 382 104 E: moresh@estatebaron.com W: www.estatebaron.com
SPECIAL PURPOSE VEHICLE (SPV)	Price Avenue Mount Waverley Development Pty Ltd ACN 610 646 001 C/- Guardian Securities Limited 7/211 Ron Penhaligon Way Robina Qld 4226

2. Investment Summary

Investment overview	
The Developer	<p>Zhengjiu Li is the current owner of the property situated at 38 Price Avenue Mount Waverley Victoria (Land) which was purchased for \$1,050,000 inc. GST. The Land currently comprises an older dwelling which will be demolished.</p> <p>The Developer proposes to construct on the Land 2x5 bedroom townhouses for resale on completion (Project). Net sale proceeds of the Project (after GST & selling costs) on completion will be firstly used to repay the construction loan and secondly for repayment of investor capital and distributions raised under this Part 2 PDS.</p> <p>Balance of surplus funds remaining from the net sale proceeds will be for the benefit of the Developer.</p>
This Offer	<p>This Part 2 Product Disclosure Statement (PDS) seeks to raise \$500,000 from retail and wholesale Investors to allow the Developer to commence construction of the Project.</p> <p>Balance of funds required to complete the Project will be obtained by the Developer from a recognised Construction Lender on their normal terms and conditions.</p> <p>Investors under this offer will be issued Interests in The Guardian Investment Fund (Fund), a registered Managed Investment Scheme ARSN 168 048 057. A Part 1 PDS dated 15 September 2015 for the Fund sets out the rights and obligations of Investors including ASIC Benchmarks and Disclosures.</p> <p>This Part 2 PDS sets out the details of the Project and the Developer including costings and projected returns together with information on the area and a project timetable.</p> <p>Investors will have the right to participate in the profits of the Project as set out in this Part 2 PDS but not in other assets of the Fund or the Fund itself.</p>
Purpose of the Offer	<p>The funds raised under this Part 2 PDS of \$500,000 will be used by the Developer to commence construction of the Project including meeting various professional fees and fund raising costs.</p> <p>Prior to the funds being disbursed to the Developer, debt funding of approx. \$1,285,000 from a recognised Construction Lender on their normal terms and conditions will be obtained sufficient to complete the Project.</p> <p>The Construction Lender will provide the balance of funding for the Project after utilisation of funds from Investors raised under this Part 2 PDS.</p>
Security of Investment	<p>Guardian as Responsible Entity of the Fund will establish a Special Purpose Vehicle (SPV) company for the sole purpose of holding Investors Interests. Ordinary shares in this SPV company will be held by the Custodian of the Fund (Australian Executor Trustees Limited) which will correspond with the number of Interests issued by the Fund to Investors in this Class of Interests.</p> <p>This SPV will enter into a Construction & Development Agreement with the Developer to develop the Project as set out in this Part 2 PDS. In addition the SPV will lodge a caveat over the Land to protect the rights of Investors.</p>
Minimum investment	The minimum investment per Investor under this Part 2 PDS is \$2,000.
Minimum and Maximum Subscription Amount	The Minimum and Maximum Subscription Amount from the proceeds of this Part 2 PDS is \$500,000. Should the Minimum Subscription Amount not be achieved within four months of the date of this Part 2 PDS, investor funds will be returned in full.

Projected Returns	A projected fixed pre-tax dividend return of 20.0% on funds invested payable on completion and sale of the two townhouses in the Project. This is not an annual rate of return and is fixed for the term of the Project.
Key dates	
Investment Term	Projected to be eighteen (18) months from the date of issue of the Interests in the Fund. Investors should treat their investment as illiquid for the term of the Project.
Offer Opens	9 February 2016
Issue of Interests	The Company expects to commence issuing Interests in the Fund once the Minimum Subscription amount has been reached.
Obligations of Investors	Investors will be contributing funds to the Developer to allow it to proceed with the Project. Investors rank behind secured creditors and the Construction Lender but their liability is limited to the amount contributed to the Fund and this Class of Interests.
Other important information	
No underwriting	The Offer is not underwritten.
Tax implications	The tax consequences associated with owning and disposing of Interests in the Fund for each Investor will depend on the Investor's individual circumstances. Any dividends paid to Investors will most likely be unfranked in the hands of the Investor. It is the responsibility of each Investor or potential Investor to seek professional advice with respect to their own tax position.
*Note: The above only represent a summary of the Offer. Prospective Investors who wish to participate in the Offer should read the Part 1 and Part 2 PDS in their entirety. We also recommend that independent professional advice be sought in relation to the Offer.	

Key Risks

Like any other investment, investing in a property scheme carries a degree of risk. There are some particular risks associated with this offer and these are set out in more detail in Section 9 of this Part 2 PDS. However some of the key risks with this offer are:

Loan default risk	The Construction Lender will take a registered first mortgage over the Land to allow the Project to be completed. They rank ahead of any Interests issued by the Fund and will have the right to sell the Land should the loan fall into default. Should the Project incur cost overruns, not be completed, and generally fall into disrepair, the Construction Lender will be entitled to sell the Land as mortgagee in possession to recover its debt. Should this occur some or all of funds invested under this Part 2 PDS may be lost.
Delivery risk	The Project may fail to be completed on time and within budget. The builder appointed to the Project may default in which case a new builder will be required to complete the Project, incurring additional costs.
Development risk	The Developer will undertake development of the Project and as such will be required to comply with a number of statutory authorities including council approvals and consents, taxation issues, building contracts, project managers, Construction Lenders and the like.
Market risk	There is a risk that the end value of the townhouses may be less than current market value and the projected profits as shown in this Part 2 PDS may not be achieved in part or in full.
Liquidity risk	There is no established secondary market (e.g. stock exchange) for these Interests. You should treat your investment as illiquid and being in place for the full term.

3. Investment Strategy

Estate Baron Investment Model



Property Investments are expensive

Australians love property, and it can be a great asset to invest in. But investing in real estate typically requires huge amounts of money, locking out most investors. We have setup the financial structures using The Guardian Investment Fund in which many small investors come together to contribute small amounts towards a specific project development.



Invest with small amounts

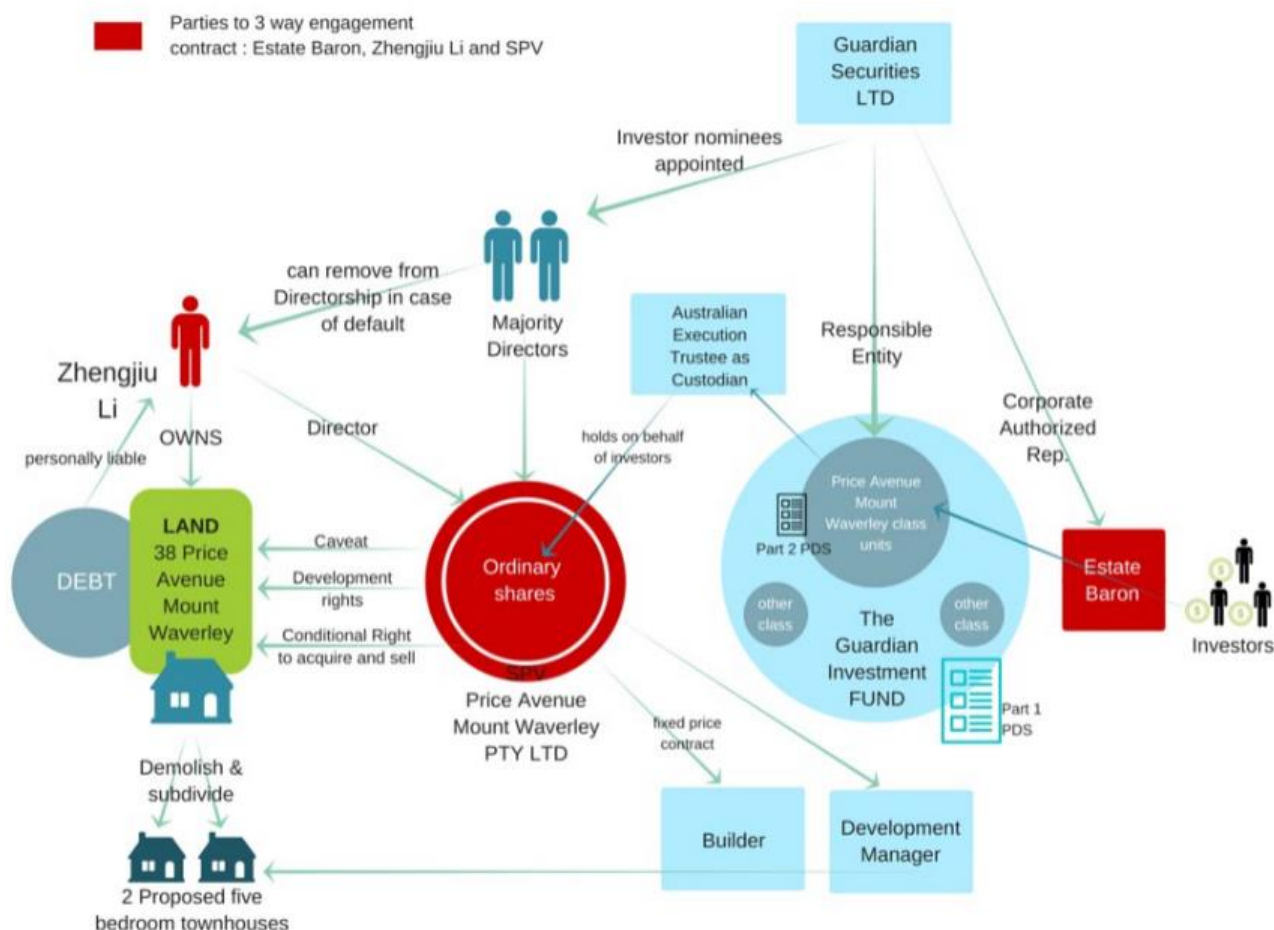
The Minimum Investment is \$2,000 per Investor. This pooled money is then passed on to the Developer and each Investor ends up owning a piece of the pie. Investors are investing in a registered Managed Investment Scheme The Guardian Investment Fund (Fund) ARSN 168 048 057 which is managed by an independent Responsible Entity Guardian Securities Limited (Guardian) which holds an Australian Financial Services Licence (AFSL) No. 240506.

Role of Estate Baron

Estate Baron Crowdinvest Pty Ltd (Estate Baron or EB) operates a fundraising platform www.estatebaron.com enabling Investors to lodge application forms electronically. EB has been engaged by the Developer to raise \$500,000 from retail Investors to assist with construction of this Project.

Estate Baron has been appointed as a Corporate Authorised Representative of Guardian to promote the offer to its investor base as set out in an agreement dated 08/02/2016.

4. Investment Flowchart



Structure

A Special Purpose Vehicle (SPV) Price Avenue Mount Waverley Development Pty Ltd ACN 610 646 001 has been established by the Responsible Entity to participate in the Project on behalf of Investors in this Class of Interests.

The SPV is wholly owned by the Fund and the ordinary shares in the SPV are held by the Custodian and correspond to the Price Avenue Mount Waverley Development Class of Interests.

Funds raised under this Offer will be provided to the SPV for the purposes of funding commencement of construction of the Project prior to the Construction Loan being utilised to complete the Project.

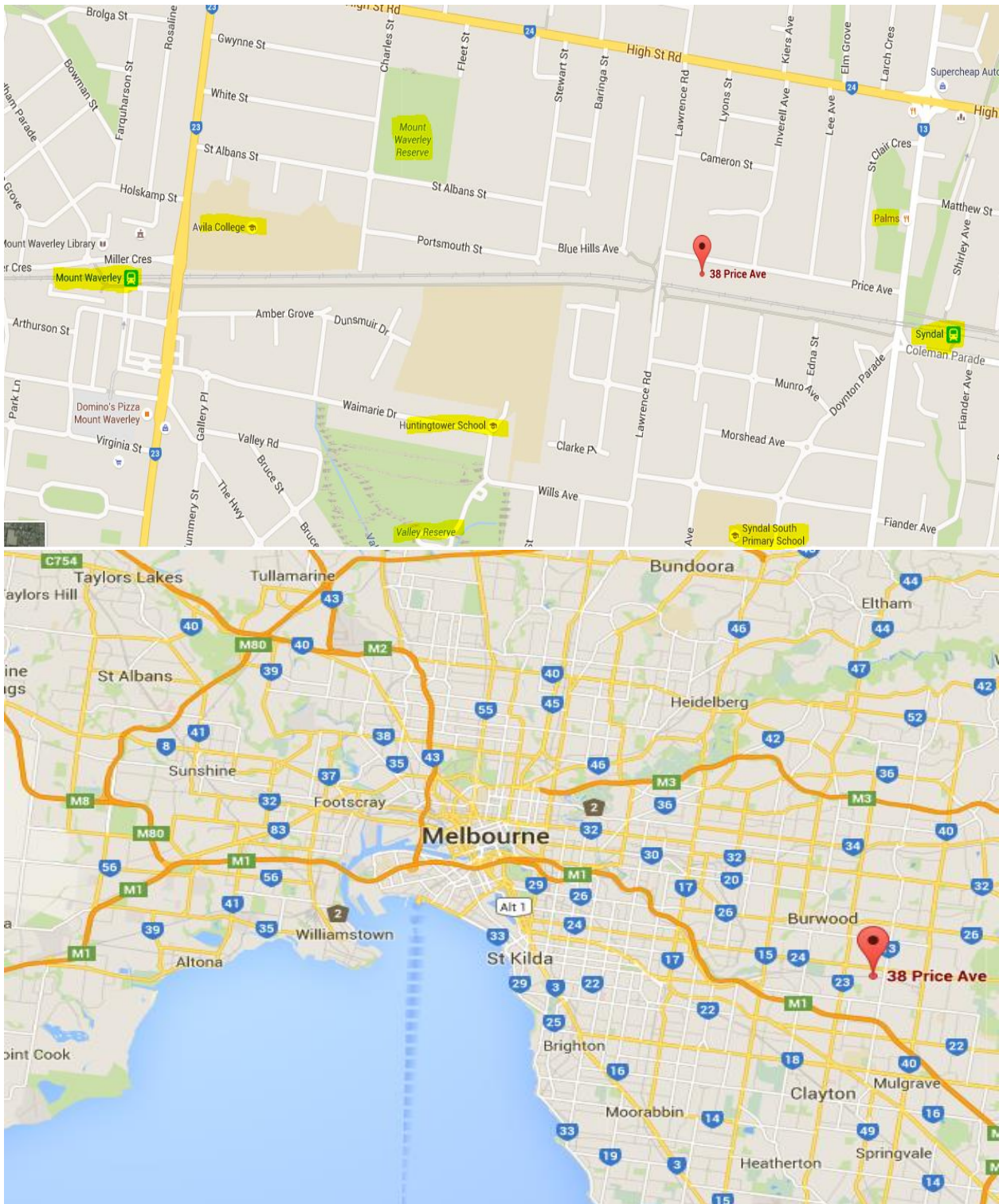
See Section 6 of the Part 1 PDS for The Guardian Investment Fund for more details on the structure and the rights of Investors.

5. Project Details

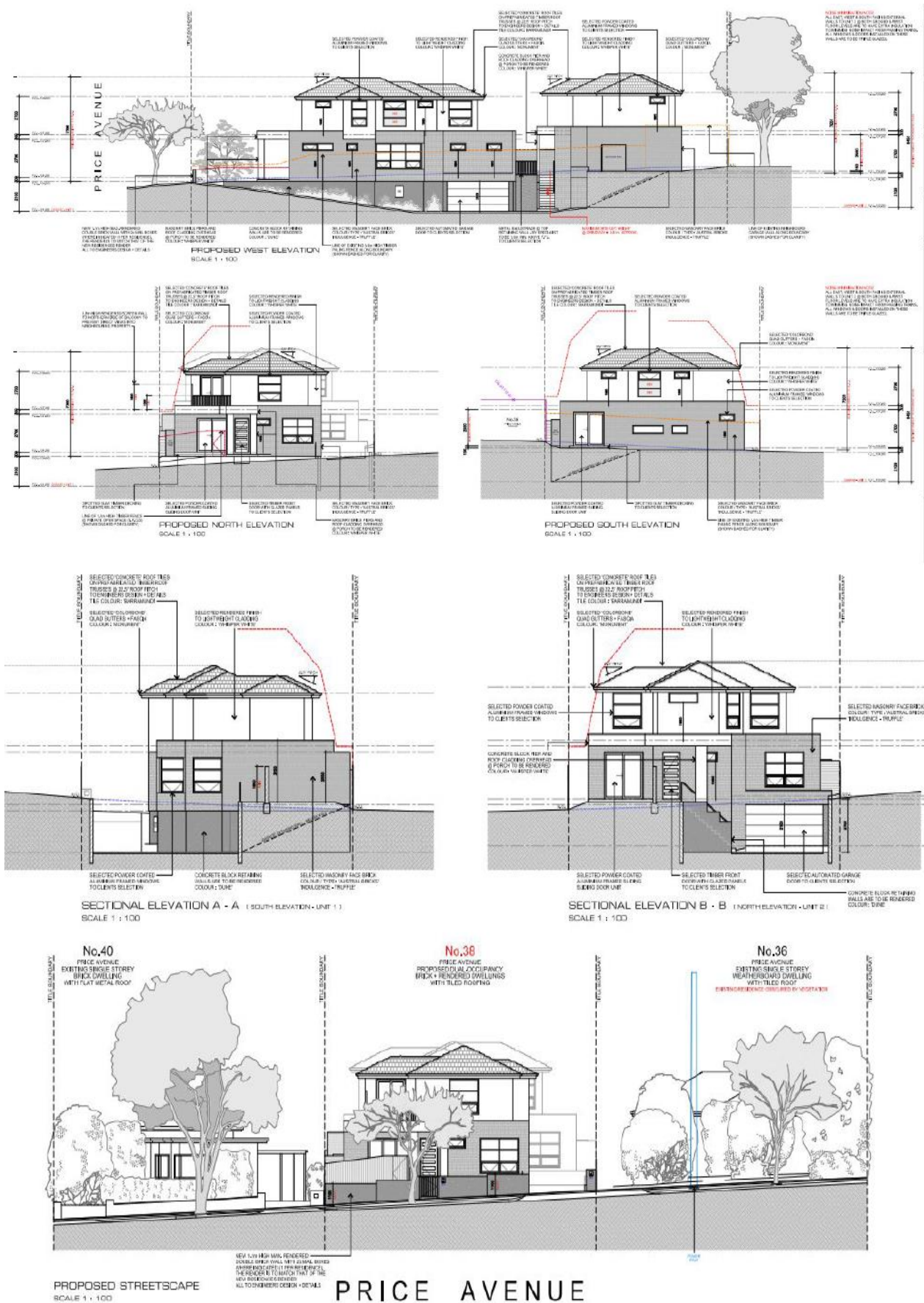
The site is located at 38 Price Avenue, Mount Waverley which is an upmarket Melbourne suburb to the south east of the CBD. The site is well within the prestigious Mount Waverley Public Secondary College which ranks as one of the best public colleges in Victoria and surrounding properties have been known to achieve a significant premium among overseas investors due to its desirable school zone location.

The site is close to two railway stations and is surrounded by various parks with all services connected.

Location of the Project



Drawings of the Project



Development Process for the Project

The 38 Price Avenue Mount Waverley Townhouse Development is a simple small sized Melbourne eastern suburb development bringing 2 high quality 5 bedroom townhouses to market.

Each townhouse will have an area of 276.3 sq. metres and 244.5 sq. metres respectively and the total land area of the development is 701 sq. metres. Each townhouse has 5 bedrooms plus study over two levels. Each of them has a basement car park to allow parking of two vehicles respectively. The Developer will use reasonably standard construction techniques incorporating a fixed price building contract.

Plans have been put up to Monash Council for approval and the lodgement number is TPA/45117. Approvals are expected in February 2016 but may be delayed depending on the response from council. If approved plans are not provided by 30 June 2016 all monies raised under this Part 2 PDS will be refunded to investors without deduction.

Development timetable

SCOPE OF WORK	DESCRIPTION	MONTH
Land settlement	Purchase Land	Completed by Developer
Plans	Town planning and Development Approvals and Building Permits	Feb 2016 - March 2016
Borrowings	Provide valuations and other information to Construction Lender	April 2016
Construction Loan	Construction Loan approved	May 2016
Construction	Commence construction of 2 townhouses	June 2016 to February 2017
Completion	Strata Plans issued	March 2017
Sale of townhouses	List with agents for sale	March 2017
Settlement	Repay Construction Lender	May 2017
Investor returns	Repay Interests and fixed dividends from surplus proceeds of the townhouses	June 2017

Note: This timetable is indicative only. The Developer and the Responsible Entity reserve the right to vary the times and dates of the Offer including closing the offer early or accepting late Applications, without notifying any Applicant for Interests. The Developer has already conducted a due diligence on the Project and will obtain a valuation report for mortgage security purposes for the Project prior to commencement of construction.

Developer

Zhengjiu Li is the owner of the Land as well as the Developer. His previous experience is as follows:

Zhengjiu Li is a cofounder at Doyen Property Group Pty Ltd and leads the sales team. Doyen Property Group is a full service real estate company and is focused primarily on servicing overseas investors looking to invest in Australia.

In 2015 alone, he delivered projects worth 13M AUD and the group in total generated 100M AUD in sales.

See the website www.doyengroup.com.au for more details.

Market Value of the Property

A valuation report dated 18 Dec 2015 from Insight Property Valuers has valued the property at \$1,300,000 for townhouse 1 and \$1,250,000 for townhouse 2 in an "As if Complete" Valuation Report. The Valuer has consented for the use of this report in this Part 2 PDS.

6. The Offer

Purpose of the offer and Investment details

The funds are being raised for the purpose of construction of two architecturally designed townhouses at 38 Price Avenue, Mount Waverley, Victoria.

Development

Capital raised from investors will be used to:

- a) Undertake the civil works necessary to commence construction of the townhouses; and
- b) Assist with the construction of two 5 bedroom plus study townhouses.

A link to the Plans and Permits for the proposed development can be found by clicking on:

https://www.dropbox.com/sh/oske55a5ka20ele/AAAGSH8EkDaXhtfPCo53_FOkA?dl=0

A link to the valuation report for the Project can be found by clicking on:

<https://www.dropbox.com/s/9bqckn5966xdvmt/38PriceAvenueMountWaverleyVIC3149.pdf?dl=0>

The revenues to the Fund and ultimate return of investor's capital and distributions will be from the sale of the completed townhouses. Investors should note that any return of capital or distributions from this Class of Interests will be after repayment in full of the construction loan provided for the Project.

Minimum & Maximum Subscription

The Minimum & Maximum Subscription amount raised under this Part 2 PDS is Five Hundred Thousand Dollars (500,000).

Investment Term

38 Price Avenue Mount Waverley Townhouse Development Interests will be issued with an investment term of eighteen (18) months, commencing on the date Interests are issued to Investors. These Interests will be only issued after the Minimum Subscription has been reached.

Application Money will be held by the Responsible Entity and released to the Developer on the following conditions:

1. Once the final Development Approval and Building Approvals have been received by Council and deemed satisfactory to the Responsible Entity.
2. Upon receipt of a fixed price building contract from a reputable builder.
3. Approval of the construction loan from the Construction Lender on their normal terms and conditions. Such funding to be sufficient to complete the Project.
4. All payments to the Developer to be against approved invoices for costs incurred for the Project.

The Responsible Entity has the right to reduce the term to completion of the Development in consultation with Zhengjiu Li and Estate Baron.

Prior to the termination of the Interests, both of the proposed townhouses must be sold and the net sale proceeds (after GST selling costs and all related expenses and debt repayments) are distributed to investors in proportion to their investment in the Price Avenue Mount Waverley Development Class of Interests.

In the event the Development is not completed or all townhouses are not sold, the term will be extended by us for as long as is required to sell the remaining townhouses and final distribution of the net proceeds is made to investors in this Class of Interests.

Offer open date

9 February 2016 being the offer open date of the Part 2 PDS for this Class of Interests.

Offer Close Date

4 months after open date or 31st May whichever is later. The closing date is indicative only. We reserve the right to close off the Offer early, extend the closing date, or withdraw the Offer without prior notice.

Minimum Subscription Amount

Two Thousand Dollars (\$2,000) per Investor and in increments of One thousand Dollars (\$1,000) thereafter.

How to apply for Interests in the Fund

Applications must be made on an Application Form attached to the Part 1 PDS dated 15 September 2015 or by completing the online Application Form provided by the Authorised Representative.

The Responsible Entity reserves the right to allocate any lesser number of the Interests than that applied for, or to decline any application without reason. Where no allotment is made the application money will be returned in full with interest, but less bank charges, as soon as practicable.

Allotment policy and issues of Interests

No priority will be given to any application for Interests and we reserve the right to reject any application for Interests in whole or in part. Where an application is rejected, or the number of the Interests issued is less than the number applied for, the surplus application money will be refunded to the applicant with interest, less bank charges.

7. Project Feasibility

ITEM	AMOUNT
Sale of 2 Townhouses "on completion" as per valuation	\$2,550,000
Less GST collected on income as per margin scheme	\$150,000
Less selling and marketing costs of the townhouses at 3% of sales cost	\$76,500
Due Diligence fees payable to Estate Baron	\$5,000
Net sale proceeds after GST and selling costs	\$2,318,500
ITEM	AMOUNT
Purchase price of property	\$1,050,000
Acquisition costs inc. stamp duty	\$57,750
Fees for town planning approvals & permits (1)	\$12,000
Construction costs of 2 townhouses (estimated) (1)	\$825,000
Construction contingency 5%	\$41,250
Development management costs over term of Development	0
External consultants at 4% of projects cost	\$81,983
Property Holding costs and Council fees (statutory contribution)	\$10,000
Legal costs for unit sales payable on completion	\$2,000
Bank interest on land at 4.4% over 18 months (2)	\$55,704
Construction loan interest at 5.5% over 12 months (2)	\$24,295
Fund management fees payable over term of development	\$25,000
Development Supervision and investor communication costs payable to Estate Baron	\$50,000
Offer Document issuance fee	\$5,000
Valuation Report	\$750
Incorporation fee (SPV)	\$650
(Less estimated GST input credits during construction)	\$99,825
Total Development costs excluding GST	\$2,141,556
Development Profit	
Net sale proceeds after GST and selling costs as shown above	\$2,318,500
Estimated acquisition and construction costs as shown above	\$2,141,556
Estimated Net Development Profit before distributions to Investors (3)	\$176,944

Past performance is not an indication of future events and circumstances may change during the term of the Project.

1. Based on quotes received to date by the Developer and estimates of costs of similar projects undertaken by him. A Quantity Surveyor or Valuer will confirm all construction costs and fees in a format to be approved by the Company and the Construction Lender.
2. Interest rates and fees shown above are based on current market interest rates obtained for the Project by the Project Manager and based on their previous experience.
3. See assumptions and risk factors as disclosed in Parts 1 & 2 of this PDS. Figures shown above are based on a fully funded model based on best estimates provided by the Developer based on current market conditions.

Development costs are based upon a number of key assumptions as detailed above. Whilst these assumptions have been based on information available as at the date of this Part 2 PDS, and due care and attention has been exercised in preparing the summary, they may not reflect actual future events.

To this end, you should consider the Development costs, contained in this section with the risks discussed in section 7 “Benefits and Risks of Investing” in Part 1 PDS and in the row headed “Risks” in section 9 of this Part 2 PDS and where necessary, seek further advice on any item you are unsure about in this PDS.

Source and Application of Funds

The Developer has already contributed approx. \$277,000 in equity towards the purchase of the Land and will also meet other costs associated with the Project prior to the first drawdown of the Construction Loan. Figures provided below reflect the equity contribution from the Developer.

Purchase Land	\$1,050,000
Development costs ex. GST as per table	\$1,091,556
TOTAL APPLICATION OF FUNDS	\$2,141,556
TO BE SOURCED FROM	
Construction Loan inc. existing loan for the Land	\$1,285,000
Equity provided by Developer	\$ 356,556
This Part 2 PDS offer	\$ 500,000
TOTAL SOURCE OF FUNDS	\$2,141,556
Net sale proceeds after GST	\$2,318,500
Less repayment of Construction Loan	\$1,285,000
SURPLUS AFTER REPAYMENT OF DEBT	\$1,033,500
Payment of distributions at 20%	\$100,000
Repayment of investor capital from this offer	\$500,000
SURPLUS TO DEVELOPER	\$433,500

The Developer currently has an existing debt of \$844,000 on the Land and is meeting interest costs on this loan on a monthly basis. This loan was used to purchase the Land and the Developer provided the balance of funds of \$206,000 plus acquisition costs of \$57,750 from his own resources.

The Developer will obtain approval prior to commencement of construction of the Project of a debt funding facility for approx. \$1,285,000 sufficient to complete the Project. It is intended that interest payable on this Construction Loan will be met by the Developer on a monthly basis from his own resources and not capitalised into the loan.

The order of repayment of debt and equity on completion of the Project will be as follows:

1. Repay Construction Lender in full from net sale proceeds of the townhouses; then
2. Repay Investors capital and fixed dividends from balance of net sale proceeds of the townhouses; then
3. Balance of funds to the Developer.

The SPV will lodge a caveat over the Project which will be released once all of the Interests in this Class of Interests have been redeemed and the fixed dividends have been paid to Investors.

8. Fees and Other Costs

Amounts shown below are inclusive of GST and stamp duty, and net of expected reduced input tax credits. See PDS Part 1 Section 9 for warning statements and other information on fees and costs.

TYPE OF FEE OR COST	HOW AND WHEN PAID	AMOUNT (inc. GST)
Contribution Fee: Payable when Interests are issued	We will be entitled to a Contribution Fee of 1.65% (inc. GST) of the total value for this Class of Interests issued by the Fund. This fee is payable from funds raised for this offer and upon the issue of Interests in the Fund and shares by the Company. Refer to sections 9.2 and 9.3 of Part 1 PDS for further information.	\$8,250 assuming a total value for this Class of Interests of \$500,000.
Management Fee	We will be entitled to an annual management fee equal to 2.75% (inc. GST) of the total value for this Class of Interests issued by the Fund. This fee is payable monthly in arrears from the assets of the Fund. This fee will manage and maintain the compliance of the Fund including costs associated with establishment of the Investor register, back office administration, ASIC reporting, taxation returns of the Fund, audit and custodian costs of the Fund, statutory obligations and investor services.	\$13,750 per annum, assuming a total value for this Class of Interests of \$500,000.
Expense Recovery	All costs associated with the offer including any due diligence costs and any other costs outside of those discussed in the Management and Contribution Fee above. Refer to Section 9.3 "Fund Operating Expenses" in Part 1 PDS for more details. This fee is an estimate only and is payable upon receipt of approved invoices from the Responsible Entity. It also excludes any abnormal expenses that may be incurred by the Fund in the performance of its obligations.	\$5,000
Adviser fee	If you authorise and direct us to, we will pay an adviser fee out of your application money to appropriately qualified financial advisers and agents who introduce Investors to the Fund and whose details appear on the Application Form. This fee is negotiated by you with your nominated agent or financial adviser and you authorise us to pay that amount to your agent or financial adviser out of your application money upon the issue of Interests for this Class. This fee is not paid by the Responsible Entity. For example, where we receive an Application Form for \$20,000 and you direct us to pay an Adviser fee of 3.3% (inc. GST) per Unit the maximum adviser fee that we can pay to your nominated agent or financial adviser from the Application Money is \$660.00 (inc. GST). Adviser remuneration may be deducted from the Application Money and will reduce the number of Interests issued by the Fund to you less the amount of the Adviser Fee as shown above.	The amount of this fee (if any) is up to a maximum of 3.3% (inc. GST) of the application money paid by you for Interests in this Class of Interests.

9. Key Risks

In addition to the risks set out in section 8 of Part 1 the PDS, the following specific risks apply to an investment in this Class of Interests.

Development Risk

The Developer has yet to obtain a Development Approval (DA) from the local Council for the Project. Should the DA not be issued on the basis envisaged in this PDS, or contain onerous conditions that may impact on the profitability of the Project, then the fixed dividend returns and estimated cost value of the Project may not be attainable and or may be substantially impacted by any adverse conditions contained in the revised DA.

Construction and Delivery Risk

Guaranteed maximum price design and construct contracts will be entered into by the Developer for construction of the townhouses. However, there remains a risk that the construction costs will be higher than anticipated which would adversely impact the profitability of the Project that may impact on any investment returns to Investors.

Further, if a guaranteed maximum price design and construct contract was terminated, for example due to default by the builder, another entity would need to be appointed to undertake the applicable building or construction works and the construction price negotiated with a replacement builder may be higher than currently provided for.

Additionally, increased construction costs would also result in higher construction costs, as these costs are calculated as a percentage of development costs.

The Developer believes, however, the risk of a construction cost blow out will be mitigated by a guaranteed maximum price contract with reliable contractors who have the necessary experience and financial standing to complete the Project on time and budget.

Completion risks

If the Project is delayed for any reason (weather, cost blowouts, default by the builder or major contractors) this may delay completion of the Project and ultimately delivery of the completed townhouses. Delays in completion may be caused by factors outside the control of the Developer and thus may impact on successful completion of the Project. This risk is however mitigated by penalties built into the standard Building Contract which will be entered into by the Developer and the building contractor.

Planning Risk

As at the date of this PDS, Building Approvals for the Project have not been obtained by the Developer. There is a risk that such approvals may not be obtained within the expected timeframes, may not be granted in the form anticipated or may not be granted at all.

Financing risk by the Company

The Company has not obtained indicative construction funding for the Project from a major Australian Bank on current market terms and conditions. This lender will hold a registered first mortgage over the entire Project to secure their interests. In the event of default the Construction Lender may choose to take over and complete the Project and as secured lenders will seek to protect their own interest ahead of Investors in this Class of Interests.

In the event of default by the Developer, Investors Interests may be lost partly or completely following repayment of the Construction Loan as mortgagee in possession.

Valuation risk

A valuation for the Project "on completion" addressed to the Developer dated 18 December 2015 is available for review by prospective investors. This report values the Project "on completion" at Two million five hundred & fifty thousand Dollars (\$2,550,000) inc. GST.

Should this valuation be incorrect or market forces substantially reduce the end value of the townhouses on completion, it may impact of the ability of the Fund to redeem Interests issued to Investors which may result in a partial or complete loss of investment.

Payment of Distributions and Redemption of Interests

Dividends to Investors in this Class of Interests at the estimated return of 20% will be dependent on the ability of the Developer completing the Project in a timely manner and being able to generate sufficient sales from the completed townhouses in order to redeem the Interests in this Class.

Delays in completion of construction or sales not being generated in line with forecasts may delay payment of dividends payments from the Developer and the timely redemption of the Interests.

We will retain the right to automatically extend the term of the offer in order to complete the Project sufficient to generate funds to redeem the Interests at face value.

Liquidity Risk

There is no established secondary market for these Interests and Investors should treat their investment as illiquid and in place for the term of the Offer. The Responsible Entity is not obliged to redeem any Interests but Investors may transfer their Interest to a third party subject to our approval.

The above risk factors do not purport to be a complete explanation of the risks involved in the Offer. Potential Investors must read the entire PDS Parts 1 & 2 and should consult their own professional advisors.

10. Key Investor Information

Benchmark Disclosure Requirements

For more information of Benchmark Disclosures please see section 5 of Part 1 PDS. While The Guardian Investment Fund does not intend to borrow, the disclosures set out below apply to this Class of Interests.

Borrowings

The funds raised by the issue of Interests will be used to meet the initial set up costs and construction works for the Project. The balance of funds required for the Project will be provided by a recognised lending institution on their normal terms and conditions.

The Construction Lender will hold a registered first mortgage over the Land plus company charges and other security.

Gearing Ratio

Based on estimated values supplied by the Developer, the gearing ratio for this Class of Interests is 53.5% ex. GST calculated as follows:

$$\text{Gearing ratio} = \frac{\text{Total interest bearing liabilities } (\$1,285,000)}{\text{Total assets "on completion" } (\$2,400,000 \text{ ex. GST})}$$

Interest Cover Ratio

The Company does not meet this benchmark as the Project during construction will not produce sufficient income to meet the interest costs of the proposed debt funding for the Project.

This Class of Interests will not be subject to the Interest Cover Ratio for the Project although funding is secured against the entire Project as disclosed in this Part 2 PDS. This Part 2 PDS contains a summary of the development timetable and the risks associated with the Project for this Class of Interests.

Interest Capitalisation

This Class of Interest does not meet this benchmark as the Developer intends to borrow funds to complete the Project. While the intention of the Developer is to pay interest on a monthly basis a formal letter of offer from a recognised Construction lender has not yet been obtained.

Where the Developer obtains financial accommodation to assist the purchase and development of the Land, the interest may be capitalised as it is unlikely the Project will generate income during the period of development. The loan principal will be repaid upon sale of the completed Project.

The total cost of a loan is generally higher when interest is capitalised, rather than paid regularly throughout the loan term, as the interest is added to the loan principal and future interest calculated on the increased principal amount.

Therefore, capitalising interest may adversely impact the returns achieved on the sale of a development property, particularly if the development takes longer to complete or sell than anticipated.

Portfolio Diversification

Funds raised from this Class of Interests will be used solely to meet the initial construction costs associated with the Project as set out in Section 7 of this Part 2 PDS. Investors will not have any rights to any other assets or income of the Fund or from other Classes of Interests issued by the Fund.

This Part 2 PDS contains a summary of the development timetable and the risks associated with the Project for this Class of Interests.

Valuation

Benchmark not met. A valuation has been obtained addressed to the Developer but is not addressed to the Responsible Entity or the Fund. The Developer will obtain an updated valuation for mortgage purposes prior to commencement of construction of the townhouses. There is a risk that this valuation may not support the estimated values of each townhouse on completion which may impact on the debt funding for the Project and ultimately returns to Investors.

Related Party Transactions

Developer

The owner of the Land and the Developer is not a related party of Guardian Securities Limited ('Responsible Entity') or any of its associates as defined in the Act.

Builder

The Builder is not a related party of the Responsible Entity. Any contracts between the Developer and the Builder will be on arm's length commercial terms.

Authorised Representatives

Estate Baron Crowdinvest Pty Ltd is not a related party of the Responsible Entity or the Developer.

Guardian Securities Limited or any of its appointed Authorised Representatives will only accept Applications from licensed or authorised financial advisers.

You and your financial adviser determine the amount of any Adviser Fee, if applicable, for this Class of Interests. The relevant information for payment of the Adviser Fee must be noted on your Application Form when you make your initial investment.

Distributions

No distributions are contemplated for this Class of Interests until the Project is completed. Return of capital for this Class of Interests is to be realised upon completion and sale of Project and after repayment of the Construction Loan.

Any capital distributions or profit distributions on redemption of the Interests will be distributed proportionally to investors holding the Price Avenue Mount Waverley Development Class of Interests until the fixed distribution of 20% return is achieved. These distributions will be met after the sale of both townhouses and payment of any fees including selling and marketing costs as well as Responsible Entity and Due Diligence fees.

In the event that the townhouses have not been sold, the term may be automatically extended by us in order for both townhouses to be sold and net proceeds will be distributed to investors.

If any net income attributable to the Price Avenue Mount Waverley Development Class of Interests is earned by the Fund during a financial year prior to the end of the term, we will distribute that income proportionately to investors holding Interests in the Price Avenue Mount Waverley Development Class of Interests.

Withdrawal rights

You will not be able to redeem your Interests prior to expiration of the term. However, you may transfer your Interests, subject to the conditions described in section 5.9 and 6.6 of Part 1 PDS.

Net tangible assets The Net Tangible Asset (NTA) value per Interest for this Class of Interests is calculated as the total offer proceeds under this Part 2 PDS less our Application Fee and any distribution fees paid to Authorised Representatives.

The NTA for this Class of Interests is calculated at 0.96c per Unit upon completion of the Offer and prior to payment of the ongoing fees and expenses associated with the Offer. The NTA value is calculated as the anticipated value of the assets of this Class (being the value of the Property and residual cash after payment of distribution expenses and Offer costs) divided by the total number of issued Interests in this Class.

No Cooling off Period

There is no cooling off period in relation to issue of Interests under this Part 2 PDS due to the illiquid nature of the Interests. Therefore, as Interests will be issued by the Responsible Entity, there is no obligation on Responsible Entity to accept a request by an Applicant to withdraw their application once received.

However, in the event that the Minimum Subscription Amount is not achieved by the Offer closing date, all monies will be refunded in full to Investors without deduction.

11. Taxation Considerations

The information in this section is of a general nature and does not take into account the specific circumstances of each individual investor. This section is not taxation advice.

The Australian taxation system is complex and individual investors have different circumstances, we therefore recommend that all investors seek professional taxation advice before investing in the Fund.

Payments of any distributions to Investors will be on a pre-tax basis. Each intending investor should seek their own taxation advice in regard to any taxation implications that may apply to their own individual circumstances as a result of an investment in this Class of Interests.

12. Material Agreements and Consents

Material agreements specific to this offer

We, on behalf of the Fund, will arrange for the SPV Price Avenue Mount Waverley Development Pty Ltd to enter into the following agreements relating to the Project:

- a) Development Management Agreement with the Developer including events of default.
- b) Sales and marketing agreements with external real estate agents.
- c) Guaranteed maximum price design and construct contract with a reputable builder.
- d) Quantity Surveyor Certificates confirming construction costs of the Project.
- e) Caveat on the property behind the Construction Lender.

We will also arrange for the following documents as part of our Due Diligence process:

- a) Vendor and Construction Lenders consent to the SPV lodging a caveat over the Land;
- b) Contract of sale and Section 32 demonstrating current ownership of the property;
- c) Current debt on the property, how much has been paid and remaining obligations.

Sales and Marketing agreements

No sales and marketing agreements have been entered into as at the date of this Part 2 PDS. Sales and marketing agreements are intended to be entered into, appointing marketing groups and agents to facilitate the sale of the townhouses.

The Developer in consultation with us will be responsible for appointing these agents on behalf of the SPV.

Guaranteed maximum price design and construct contracts

It is proposed that the Developer, in conjunction with us, to enter into the following:

- a guaranteed maximum price civil works contract; and
- a guaranteed maximum price design and construct contract.

These contracts will require the Builder to complete the relevant works for an amount which does not exceed the specified price. Each contract will be in the form of an AS4300 fixed price contract.

Consents

Vendor

The current owner of the property Zhengjiu Li of 10/36 Rosella St, Murrumbena, VIC 3163 has given, and not withdrawn, his consent to be named in this Part 2 PDS and agreed to the terms defined in this document.

Authorised Representative

The Authorised Representative has given, and not withdrawn, its consent to be named in this Part 2 PDS in the form and context in which it is named. The Authorised Representative has not caused or authorized the issue of this PDS.

Responsible Entity

The Responsible entity has given, and not withdrawn, its consent to be named in this Part 2 PDS in the form and context in which it is named. The directors of the Responsible Entity have consented to the issue of this Part 2 PDS.

13. Application for Interests

Eligible Investors

Retail and wholesale investors as prescribed in the Corporations Act including Self-Managed Super Funds.

Minimum Investment

The minimum application is 2,000 Interests at \$1.00 per Interest for a total investment of AUD \$2,000. The Responsible Entity may waive the minimum application requirements or decline any Application at its absolute discretion.

Applications

The Responsible Entity reserves the right in its discretion to accept or refuse any Application by an Investor. If the Responsible Entity accepts your Application and it has received all relevant Application Monies, it will issue to you a confirmation statement acknowledging your investment as soon as practicable after acceptance of your Application.

The confirmation statement will be recorded on the register however please note that the confirmation statement is not a certificate of title. No Interests will be issued until the Minimum Subscription is achieved.

For details on how to subscribe for Interests in the Fund, please read "Guide to completing the Application Form" Section 16 Part 1 PDS and complete the Application Form.

Right to withdraw offer

The Responsible Entity may at any time decide to withdraw this PDS and the Offer, in which case the Responsible Entity will return to Applicants all Application Monies (at no cost) within 28 days of giving notice of its withdrawal.

Related Parties

The Board of Directors of the Responsible Entity and the SPV Company will have in place systems to ensure that any dealings with such related parties are on a purely arm's length and transparent basis on normal commercial terms.

Receipt of applications

We expect to commence issuing the Interests once the Minimum Subscription amount has been received. We reserve the right to vary the expected schedule for the issue of the Interests and to close the Offer at any time without ascribing any reason.

All application money will be held in trust in a bank account established by the Custodian solely for the purpose of depositing application money until the Interests are issued or, if applicable, until the application money is refunded. Funds will only be released from this account once the Minimum Subscription is reached or moneys are refunded.

Please contact us on **1800 60 11 77** or info@guardiansecurities.com.au if you have any questions in relation to this Class of Interests.

14. How to Apply

Information about the offer for investment in the Class of Interests is available for subscription as contained in this Part 2 PDS. Applications must be made on an Application Form attached to the Part 1 PDS dated 15 September 2015 or by completing the online Application Form provided by the Authorised Representative.

This Part 2 PDS also discloses the investment strategy for this Class of Interests, issue price of the Interests in this Class, and the number of Interests available for subscription under an Offer for this Class of Interests.

To invest in the offer by purchasing Interests in the applicable Class, and therefore the Fund, please read the PDS, comprising both Part 1 and Part 2, and complete and submit the Application Form referred to in Part 1 PDS in accordance with the instructions on that form.

Processing of Applications

If you wish to obtain a paper copy of the PDS please contact Guardian Securities Limited on **1800 60 11 77**.

An Application to invest may also be made electronically via the website of the Authorised Representative on www.estatebaron.com. Please contact the Authorised Representative on **1300 033 221** or info@estatebaron.com if you have any questions in relation to this procedure.

The completed Application Form should be printed and sent to us accompanied by a cheque made payable to 'Australian Executor Trustees Limited acf The Guardian Investment Fund' and crossed 'not negotiable'.

You should forward your Application Form together with the appropriate identification & cheque to:

Guardian Securities Limited
Suite 7, 211 Ron Penhaligon Way
Robina Qld 4226

Alternatively, payment of application money may be made electronically by EFT to our Applications Account as follows:

Bank	NAB Pitt St Sydney
Account Name	AETL acf The Guardian Investment Fund
BSB	082-067
Account No	84542 8121
Reference	Price St Investor Name

When you apply to invest in the Fund, your money is held in trust in an Applications Account until we accept your application. We have an absolute discretion to reject any application and are not required to give a reason.

We will only proceed with an Offer where valid applications have been received for all the Interests offered in the Class of Interests offered under this Part 2 PDS.

If valid applications have not been received for Interests offered within four months of the date of the Part 2 PDS for this Class of Interests, we will repay all application moneys, with any interest earned on that money but after deduction of any tax and bank charges (provided you will not receive less than the amount of your application money), or extend the Offer period subject to compliance with the Act.

Similarly, if your application is declined, your application money will be returned promptly, with interest (if any) earned on your application money but less any fees charged by the bank and any taxes we are required to withhold from the interest paid to you. However, you will not receive less than the amount of your application moneys.

Any interest earned on the application money for which Interests are issued will form part of the assets of the Class of Interests to which those Interests belong.

15. Glossary

References in this Part 2 PDS include:

Where a reference to any legislation includes any statutory modification or re-enactment or any substituted provision and ordinances, by-laws, regulations and other statutory instruments issued there under. Words importing the singular include the plural (and vice versa) and words denoting a given gender include all other genders.

Advisors	These people or organisations that consult to the Company.
AFSL	Australian Financial Services Licence
Applicant	A person or entity who has completed and lodged an Application Form.
Application Form	A valid application for Interest under the offer attached to, or accompanying, this Information Memorandum.
Application Money	The money paid by an Applicant for Interests in this Class of Interests.
ASIC	The Australian Securities and Investments Commission.
AUD or \$	Means one Australian dollar.
Authorised Representative	Any person licensed under a financial services license holder or responsible entity and authorised to sell Interests in the Company.
Corporations Act or the Act	Means the <i>Corporations Act</i> 2001 (Cth) as amended from time to time.
Closing Date	31 May 2016 being the date we expect to close this Offer. Please note the Offer may be closed early or extended at the discretion of the Responsible Entity.
Completion of Project	Deemed to occur on disposal by the Developer of each of the Lots in the Strata Plan.
Constitution	The document establishing the SPV Company and governing the relationship between Investors and the Company.
Construction Lender	Means a bank or similar lender who offers funding for the Project on terms and conditions acceptable to the Company and the Developer.
Developer	Zhengjiu Li
Electronic Transfer	Transfer of funds from one account to another through your bank's internet service by using the BSB and Account number of the account you wish to transfer funds for investment.
Improvements	Means the buildings and other improvements to be erected on the Land in accordance with the approved plans and specifications.
GST	Means the goods and services tax as imposed by the term A New Tax System (Goods and Services Tax) Act 1999 and amended from time to time.
Guardian	Means Guardian Securities Limited ACN 106 187 731, its successors and assigns.
Land	The property situated at 38 Price Avenue Mount Waverley Melbourne and described as Lot 53 LP21172.
Offer	The Offer under this PDS to acquire Interests in the Fund.
PDS	This Product Disclosure Statement.
Practical Completion	Means the date the improvements on the Land have been completed to the extent that they are reasonably fit for occupation.
Project	Means the construction of the townhouses on the Land.
Subscription	Application Money in whole or in part that is made for the issue of Interests.
Tax	Includes any tax, levy, impost, deduction, charge rate, duty or withholding which is levied or imposed by any government agency.

