



U Ethical Australian Equities Portfolio

Identification Statement

Issued 07 January 2020

Issuer details

UCA Growth Fund Limited ABN 39 075 948 435 (**UCAGFL**), a public company limited by guarantee incorporated under the *Corporations Act 2001* (ACN 075 948 435) of Level 5, 130 Little Collins Street Melbourne VIC 3000, is the issuer of the U Ethical Australian Equities Portfolio (the **Portfolio**).

Charitable exemption

UCAGFL relies on the exemptions under sections 5(1) and 5(2) of ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813 (**ASIC Instrument**).

The Offer Document for the Portfolio includes information that meets the requirements in section 5 and the conditions in section 7 of the ASIC Instrument for the exemptions contained in subsection 5(1) and 5(2) of the ASIC Instrument to apply.

Compliance arrangements

- The Offer Document is reviewed by legal counsel before it is issued to ensure it contains the information required by section 7 of the ASIC Instrument.
- This Identification Statement was reviewed by external legal counsel to ensure compliance with section 7(2) of the ASIC Instrument.
- Identification Statements are published on the Uniting Ethical Investors Limited trading as U Ethical website at www.uethical.com for at least five (5) years from the date they are accepted by ASIC and relied on by UCAGFL.
- The Risk and Compliance Manager of UCAGFL will review any promotional material and the Offer Document before they are released to ensure that there is no reference to the charitable investment fundraiser, the Offer Document, the promotional material or the debentures having been approved by ASIC.
- The Company Secretary of UCAGFL diarises the date when audited financial statements for the Portfolio are due to be lodged with the Australian Charities and Not-for-profits Commission (**ACNC**).
- No retail, non-associated client holds or is issued a short-term investment product.
- Application forms for the debentures will require applicants to attest to their charitable status and that they are either a wholesale client or a Uniting Church in Australia (**Church**) associate.
- The status of all investors has been reviewed to confirm that they are either wholesale clients or retail associated clients. Debentures are not offered to non-associated retail clients or individuals.
- The Risk and Compliance Manager monitors proposed changes to the Terms and Conditions (as contained in Schedule A below) and the Identification Statement to ensure that it is up to date and does not contain any misleading statements or material omissions. If changes are to be made or it is considered that the Identification Statement inadvertently contains any misleading statement or material omission, a replacement Identification Statement will be lodged with ASIC and published on the U Ethical website at www.uethical.com once ASIC has accepted it.
- UCAGFL has arrangements in place to identify and report to ASIC a failure to comply with the conditions in section 7 of the ASIC Instrument within 15 days of becoming aware of it.

Product type – debenture

UCAGFL will issue debentures in relation to a portfolio of UCAGFL assets known as the U Ethical Australian Equities Portfolio. The debentures do not confer any beneficial interest in the assets of UCAGFL generally.

Financial Year

The Financial year for the Portfolio is 1 July to 30 June.

AFS Licence

UCAGFL does not hold and will not be required to hold an AFS Licence.

Charitable purpose

UCAGFL is a charity registered with the ACNC. The charitable purpose of UCAGFL is 'advancing religion'. More specifically, UCAGFL's objectives are:

- To provide an investment medium for the Uniting Church in Australia Synod of Victoria and Tasmania (**Synod**) parishes, congregations, presbyteries, schools, programs and agencies of the Church;
- To provide an investment medium for other non-profit organisations with a religious, charitable or educational purpose;
- To further the mission of the Church by making an annual grant to the Synod;

- To make payments and provide benefits to the Uniting Church in Australia Property Trust (Victoria) and to the Uniting Church in Australia Property Trust (Tasmania) for the religious and charitable work of the Church; and
- To do all such other lawful things as are incidental or conducive to the attainment of the above objects or which may be calculated to advance directly or indirectly the interests of the Church.

The issue of debentures will promote this charitable purpose by:

- Providing an ethical investment treasury function for its investors;
- Maximising the use of financial resources within the Church by pooling those resources;
- Encouraging members, adherents, associates, parishes, agencies and programs of the Church to save and invest their funds ethically;
- Benefiting the Church as a whole by setting aside a proportion of funds raised for the provision of low interest or no interest loans to Church parishes, programs or agencies to assist the general mission of the Church;
- Providing grants from surplus returns of the Portfolio to assist the general mission of the Church; and
- Helping treasurers and administrators within the Church use money effectively by providing this service.

Key terms

The terms of the Portfolio are annexed as Schedule A. In particular:

Rate of Return/Distribution

- The return of the debentures, which is derived from the net asset value of the Portfolio's investments, is calculated each business day.
- Returns are distributed to investors after deduction of the fees and expenses (see below).
- The Portfolio has two distribution periods being 1 January – 30 June and 1 July to 31 December (**Distribution Period**). Distributions will be made within one months after each Distribution Period.
- Distributions to investors accounts are calculated by deducting the actual Management fees and Recoverable Expenses (see below).
- The applicable rate of return (net of fees and costs) will be notified upon payment of the distribution.

Fees and Costs

- Fees and recoverable expenses are deducted from the returns of the debentures before they are distributed to investors, determined as follows:
 - Management fees – estimated to be up to 0.75% p.a. of the net asset value of the Portfolio;
 - Recoverable expenses – estimated to be up to 0.05% p.a. of the net asset value of the Portfolio; and
 - Service fees – estimated to be up to 0.25% for each application or redemption of debentures (collectively, **Management Costs**).
- The management fee is payable to the Portfolio's manager, U Ethical, for managing the Portfolio and providing service to clients in a professional manner. It also covers operating costs and the grant to Synod.
- Recoverable expenses are expenses incurred directly by the Portfolio manager, U Ethical, on behalf of the Portfolio. These expenses typically include any costs or expenses incurred with buying and selling of Australian equities or otherwise incurred to generate returns within the Portfolio.
- Service fees is payable to the Portfolio's manager, U Ethical, to cover costs and expenses for each application or redemption of debentures.

Investor Information

- Debentures will be offered to:
 - wholesale clients, including wholesale clients that may not be associated with UCAGFL; or
 - retail associated clients, such as congregations and agencies of the Church, that have the Taxation Concession Charity endorsement from the Australian Tax Office.
- These clients include, but are not limited to, church parishes, programs and agencies and associated external religious, charitable and educational not for profit organisations.
- Debentures will not be offered to:
 - retail, non-associated clients; or
 - individuals.
- Debentures are offered through the Offer Document and written application form.

- Investments in the Portfolio will be used to support the charitable purposes of the Portfolio as detailed in the charitable purpose section of this Identification Statement. This Identification Statement may be viewed on the U Ethical website at www.ueethical.com.
- UCAGFL is required by law to notify investors that the debentures and their offering are not subject to the usual protections for investors under the Corporations Act or regulation by ASIC.
- UCAGFL does not hold an AFS Licence.
- UCAGFL is required by law to notify investors that investment in the Portfolio is designed for investors who wish to promote the religious, educational and charitable purposes of the Church. Investors may be unable to get back some or all of their money when expected or at all. Investment in the Portfolio is not comparable to investment with banks, finance companies or fund managers.

Audited Financial Statements

UCAGFL is a charity registered with ACNC. UCAGFL will within six (6) months after the end of the financial year have a registered company auditor audit the financial statements and provide an auditor's report and lodge the audited financial statements and auditor's report with ACNC.

Following acceptance by ACNC, the audited financial statements and auditor's report will be published on the U Ethical website at www.ueethical.com for at least three (3) years.

UCAGFL, as a reporting entity, will ensure that the financial statements comply with the accounting standards.

Asset Types

The Portfolio is invested in Australian shares with a small allocation in cash to manage liquidity. Fixed interest and cash is generally held through debentures relating to the U Ethical Enhanced Cash Portfolio. All assets will be held in Australia.

Consent

UCAGFL consents to the examination of its application to register this Identification Statement on request to ASIC.

Authorised Signatory

I, Leeanne Allouise Lukaitis, am authorised to sign this Identification Statement on behalf of UCA Growth Fund Limited in the capacity of Company Secretary.



Leeanne Lukaitis
Company Secretary
UCA Growth Fund Limited
07 January 2020

Schedule A

Terms and conditions

UCA Growth Fund Limited ABN 39 075 948 435

Your investment in debentures relating to the U Ethical Australian Equities Portfolio (**the Portfolio**) is governed by the Terms and Conditions set out below:

1. UCA Growth Fund Limited (**UCAGFL**) may amend the Terms and Conditions from time to time, subject to the procedure outlined on page 2 of this ID Statement.
2. The debentures represent an obligation of UCAGFL to repay your investment as a debt of UCAGFL.
3. UCAGFL relies on *ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813*. The normal protections that would apply under the *Corporations Act 2001* do not apply.
4. Returns derived from the investments are distributed to investors subject to the deduction of the applicable management fee and any expenses.
5. Investors may receive a written acknowledgement for each investment.
6. Additional investments of any amount may be made at any time.
7. An investor may arrange for distribution to be either:
 - a) credited to their U Ethical Enhanced Cash Portfolio account;
 - b) credited to the investor's valid nominated bank account;
 - c) reinvested; or
 - d) dealt with in a manner otherwise agreed with UCAGFL.
8. If an investor elects under paragraph 7(a) or 7(b), to have all their investments redeemed at the end of a Distribution Period, they will have all their investments converted into cash less the Management Costs and paid into their U Ethical Enhanced Cash Portfolio or nominated bank account respectively.
9. If under paragraph 7(c), an investor elects to have their investment rolled over, the Portfolio will recognize their current holdings including any distributions added at the end of the Distribution Period and issue them with a new extended term.
10. Investments can be made by negotiable instruments (for example cheques) or electronically. Cash will not be accepted.
11. UCAGFL reserves the right to refuse any initial investments without providing a reason.
12. Investments in debentures relating to the Portfolio are not transferable without the approval of UCAGFL.
13. Investments in the debenture is represented by the full face value of the debenture at application and any returns derived from the Portfolio. The returns for the debenture are derived from the net asset value of the Portfolio's investments calculated each business day minus any applicable fees and expenses.
14. The net asset value of the Portfolio is the value of all assets, accrued income and other property held in the Portfolio less all amounts required to repay borrowings and to meet liabilities of accrued charges for fees and expenses, excluding the liability to repay investors or debenture holders. The assets of the Portfolio must be valued at their market value unless UCAGFL determines there is no applicable market value or the market value does not represent the fair value of that part of the assets.
15. UCAGFL reserves the right to revalue the Portfolio's investments at any time to reflect major disruptions, or changes in the financial markets.
16. Investors receive distributions based on the amount of return derived by the Portfolio during each distribution period, being each period of six months ending 30 June and 31 December in each year. The applicable rate of return per debenture will be notified upon payment.
17. Returns will be distributed to investors within one (1) month after 30 June and 31 December each year.
18. A valid redemption form, signed by the registered signatories, is required in order to release funds. Investors requiring repayment of their investment will receive the full face value of their debenture plus any accrued returns in the redemption price.
19. Valid application forms and valid redemption requests received before 3.00 p.m. on a business day are processed the next business day.
20. Valid application forms and valid redemption requests received after 3.00 p.m. are taken as being received on the following business day.
21. Valid redemption requests of less than \$1 million received on a business day before 3 p.m. are repayable on the next business day. Valid redemption requests of less than \$1 million received after 3 p.m. are repayable on the business day following the next business day. Valid redemption requests of \$1 million or more are repayable within ten (10) business days of receiving a valid redemption request.

22. UCAGFL reserves the right to unilaterally repay the debentures, in full or in part, together with any accrued return entitlements up to the date of repayment without prior notice. However, UCAGFL will generally provide an investor with one (1) calendar months' notice of its intention to do so by letter forwarded to the last known address of the investor.
23. Investments in the Portfolio are made within the Ethical Investment Policy, details of which are available at www.uethical.com or can be provided upon request.
24. Written communications to investors may be delivered by mail or electronically.
25. The liability of investors is limited to the amount invested with UCAGFL.
26. UCAGFL does not guarantee a return on money invested in debentures relating to the Portfolio, the return on any debentures issued or that the capital/principal invested will be repaid.
27. Returns derived by the Portfolio during the distribution period will be reinvested in order to maximise the amount of return for distribution at the end of the distribution period.

07 January 2020

State of Victoria

Statutory Declaration

I, Leeanne Allouise Lukaitis of UCA Growth Fund Limited, 130 Little Collins Street Melbourne Victoria, 3000, Company Secretary, do solemnly and sincerely declare that:

1. I am the Company Secretary of UCA Growth Fund Limited ABN 39 075 948 435.
2. UCA Growth Fund Limited is a charity as defined in ASIC RG 87.

I acknowledge that this declaration is true and correct, and I make it with the understanding and belief that a person who makes a false declaration is liable to the penalties of perjury.

Declared at Melbourne this 7th day of January 2020.
Leeanne Allouise Lukaitis



Before me:



JUN HUI NG
130 LITTLE COLLINS STREET, MELBOURNE VIC 3000
An Australian Legal Practitioner within the meaning of
the Legal Profession Uniform Law (Vic)

07 January 2020