

CALL OPTION AGREEMENT ("AGREEMENT") REFERENCE SCHEDULE

Item 1 Agreement Date:

Item 2 Buyer:

[TBA] of [TBA]

Item 3 Seller:

Tryon Investments (Qld) Pty Ltd A.C.N. 169 834 682 of Level 5, Fairfax House
19-31 Pitt Street Sydney NSW 2000

Item 4 Property:

Lot Number

Proposed Lot

Scheme

"Mahogany" situated at 54 and 56 Tryon Street, Upper Mt Gravatt Qld 4122

Item 6 Call Option Period

The period commencing on the later of:

- (a) the Agreement Date,
 - (b) the date Quantum receives cleared funds in payment of the Minimum Subscription, and
- ending 6.00pm, [TBA] days after the Agreement Date.

Item 7 Option Fee

\$1.00 (including GST)

Background:

- A. The Seller is or will be the owner of the Property.
- B. The Buyer has the option of buying the Property.
- C. Quantum holds an Australian financial services license and is the responsible entity for the Quantum Residential Property Trust and has issued the PDS.

Agreement:

- 1. In consideration of the Call Option Fee paid by the Buyer to the Seller (receipt of which is acknowledged) the Seller grants the Call Option to the Buyer.
- 2. The Call Option may be exercised by the Buyer at any time during the Call Option Period.
- 3. The Buyer may nominate a Nominee to buy the Property under the Sale Contract upon exercise of the Call Option by the Buyer. A nomination of a Nominee occurs where the Seller or the Seller's Solicitor receives the Nomination Deed signed in all respects by the Buyer and Nominee.
- 3A. [Insert where Nominee is not know at date of issue] If the Buyer notifies the Seller that is wishes to nominate a Nominee pursuant to clause 3, the Seller must, within 5 Business Days after notification issue to the Buyer two copies of the Template Sale Contract and Template Disclosure Documents for execution by the Nominee. The Buyer must give the Seller sufficient particulars of the Nominee for all the documentation to be properly prepared. The Call Option may only be exercised (in the manner described in clause 4) by delivery of those Template Sale Contracts and Template Disclosure Documents signed in all respects by the Nominee and may not be exercised by delivery of the documents annexed or enclosed with this Agreement.
- 4. The Call Option may only be exercised by delivering the following to the Seller or the Seller's Solicitor:

- (a) A notice from the Buyer exercising the Call Option;
 - (b) two completed copies of the Template Sale Contract and Template Disclosure Documents signed and dated in all respects by the Buyer or its Nominee (as the case may be) with the particulars of the Buyer or Nominee (as the case may be) inserted as buyer under those documents;
 - (c) payment of the Deposit under the Sale Contract (if not already paid); and
 - (d) if applicable, evidence satisfactory to the Seller (acting reasonably) that the Nominee satisfies the Nominee Criteria.
- 5. The Seller must sign in all respects both copies of the Template Sale Contract and return one copy of the Sales Contract and one copy of the Disclosure Document to the Buyer or Nominee (if applicable) within 5 Business Days of exercise of the Call Option.
 - 6. This Agreement is cancelled and is of no force or effect if:
 - (a) the subscription moneys for the QReal Trust Investment are not paid in full or any payment of subscription money for the QReal Trust Investment has not cleared within 5 Business Days of delivery of the application form for the QReal Trust Investment to Quantum; or
 - (b) if Quantum deems that the Minimum Subscription is not met by the Closure Date.
 - 7. Quantum will determine (in its total discretion) the Minimum Subscription and the Closure Date.
 - 8. If required by the Buyer, the Seller must issue a tax invoice to the Buyer for the Option Fee.
 - 9. The Buyer acknowledges receipt of the Disclosure Documents duly signed by or on behalf of the Seller before signing this Agreement.

10. To satisfy the Nominee Criteria, the proposed Nominee must be a person who is an associate of the Buyer as defined in Section 318 of the *Income Tax Assessment Act 1936* (Cth).
11. The Buyer must do all things as directed by the Seller so as to ensure that any Sale Contract (including with a Nominee) formed on exercise of the Call Option is valid and binding and not liable to termination by the Buyer or Nominee so that it is considered by any financier of the Seller as a pre-sale for construction funding purposes.
12. The Seller must notify the Buyer once Quantum has determined the Minimum Subscription and the Closure Date.

Definitions

13. Expressions in this Agreement which are defined in the Template Sale Contract or the Disclosure Documents (but not defined in this Agreement) have the meanings given to them in the Template Sale Contract or the Disclosure Documents. Expressions used in the Reference Schedule above have the meanings shown opposite them.
14. In this Agreement unless the context otherwise indicates:
 - (a) **Business Day** means any week day which is not a public holiday in Brisbane.
 - (b) **Call Option** means an irrevocable offer by the Seller to the Buyer to sell the Property to the Buyer or its Nominee for the Price and on the conditions specified in the Template Sale Contract.
 - (c) **Closure Date** means the date (being no later than **TBA**) determined by Quantum by which the Minimum Subscription must occur.
 - (d) **Disclosure Documents** means the documents titled "Disclosure Documents" or similar given or delivered to the Buyer before signing this Agreement.
 - (e) **Minimum Subscription** means the accepting of a sufficient subscription of QReal Trust Investments for a total amount as determined by Quantum (in its total discretion).
 - (f) **Nominee** means a party nominated by the Buyer that satisfies the Nominee Criteria as contemplated by this Agreement.
 - (g) **Nominee Criteria** means the criteria set out in clause 10.
 - (h) **Nomination Deed** means a deed in the form contained at Annexure "A".
 - (i) **Template Disclosure Documents** means the Disclosure Documents marked Annexure "C".
 - (j) **PDS** means the product disclosure statement issued by Quantum and dated 2nd April 2014 including any supplementary version for the application of TI class of units.

- (k) **Quantum** means Quantum Funds Management Limited ACN 086 965 684 of Level 5, Fairfax House 19-31 Pitt Street Sydney NSW 2000.
- (l) **Quantum Residential Property Trust** means the Quantum Residential Property Trust (ARSN 165 569 335);
- (m) **QReal Trust Investment** means the application for TI class of units in the Quantum Residential Property Trust by the Buyer.
- (n) **Sale Contract** means the contract for the sale and purchase of the Property in the form of the Template Sale Contract formed on the exercise of the Call Option.
- (o) **Template Sale Contract** means the form of sale contract contained at Annexure "B".

Interpretation

15. In this Agreement, unless the context otherwise requires:
 - (a) the expression "signed in all respects" (or similar) and similar expressions includes signing and, where required, dating of any statutory forms which accompany an instrument and witnessing of any instrument where required;
 - (b) singular includes plural and vice versa;
 - (c) words or expressions used in this Agreement which are defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) have the same meaning in this Agreement;
 - (d) a reference to a person, company, trust, partnership, unincorporated body or other entity includes any of them;
 - (e) an agreement, representation or warranty on the part of 2 or more persons binds each and all of them;
 - (f) a reference to a definition includes that definition as amended or extended from time to time;
 - (g) if the date or the last date for a notice to be given, an act to be performed or a payment to be made falls on a Saturday, Sunday or public holiday then the date or the last date (as the case may be) will be the Business Day next following such date;
 - (h) if any term of this Agreement is legally unenforceable or made inapplicable, it will be severed or read down but so as to maintain (as far as possible) all other terms of this Agreement (unless to do so would change the underlying principal commercial purposes of this Agreement);
 - (i) unless otherwise stated, payments to be made under this Agreement may be made on behalf of a party and by cash, cheque or electronic transfer of funds.

The Agreement may be subject to a 5 business day statutory cooling-off period. A termination penalty of 0.25% of the purchase price applies if the buyer terminates the Agreement during the statutory cooling-off period. It is recommended the buyer obtain an independent property valuation and independent legal advice about the Agreement and his or her cooling-off rights, before signing.

Buyer's Signature

SIGNED by the Buyer named in the Reference Schedule in the presence of (and if a company, in accordance with Sections 126 or 127 of the Corporations Act 2001 (Cth)):

FULL SIGNATURE(S)

)
) Buyer (or Director of Buyer, if company)

)
Buyer (or Director/Secretary of Buyer, if company)

.....
Witness **[MUST WITNESS]**

NOTE: The signing of this Contract must be witnessed. Witness must be 18 years or over and not a party to the Contract

SIGNING BY SELLER

Seller's Signature

SIGNED ON BEHALF of Tryon Investments (Qld) Pty Ltd A.C.N. 169 834 682 by its authorised signatory in the presence of:

)
)

.....
Witness **[MUST WITNESS]**

**ANNEXURE "A"
NOMINATION DEED
PARTICULARS SCHEDULE**

DATE: 20

BY: ("Buyer")

AND: ("Nominee")

IN FAVOUR OF: Tryon Investments (Qld) Pty Ltd A.C.N. 169 834 682 ("Seller")

OPERATIVE PART:

1. In accordance with the Call Option Agreement dated ("the Option Agreement") to which the Buyer and the Seller are parties, the Buyer nominates the Nominee as its nominee.
2. The Nominee consents to its nomination and undertakes to be bound by all obligations and liabilities of the Buyer contained in the Sale Contract (if formed) and acknowledges that it does not acquire any rights under the Option Agreement and is not entitled to exercise the Call Option.
3. Terms used in this Nomination Deed have the meanings given to them in the Option Agreement.
4. This Nomination Deed is a contract for the benefit of a third party (the Seller) in terms of Section 55 of the *Property Law Act*.

SIGNED, SEALED AND DELIVERED as a deed.

Buyer's Signature

SIGNED by the Company named as Buyer in the)
Particulars Schedule in accordance with Sections) Director/Sole Director
126 or 127 of the Corporations Act in the presence)
of:
Director/Secretary

.....
Witness **[MUST WITNESS]**

NOTE: The signing of this Agreement must be witnessed. Witness must be 18 years or over and not a party to the Agreement.

The contract may be subject to a 5 business day statutory cooling-off period. A termination penalty of 0.25% of the purchase price applies if the buyer terminates the contract during the statutory cooling-off period. It is recommended the buyer obtain an independent property valuation and independent legal advice about the contract and his or her cooling-off rights, before signing.

Nominee's Signature

FULL SIGNATURE(S)

SIGNED, SEALED AND DELIVERED by the)
Nominee in the presence of (and if a company,)
in accordance with Sections 126 or 127 of the) Buyer / Director of Buyer (if a company)
Corporations Act 2001 (Cth):)
.....
Buyer / Director of Buyer (if a company)

.....
Witness **[MUST WITNESS]**

NOTE: The signing of this Contract must be witnessed. Witness must be 18 years or over and not a party to the Contract

ANNEXURE "B"
TEMPLATE SALE CONTRACT

ANNEXURE "C"
TEMPLATE DISCLOSURE DOCUMENTS