

APML Unit Pricing Policy

1. Outline

- (a) This document is dated 21 March 2011.
- (b) This unit pricing policy (**Policy**) sets out a description of the Unit pricing processes that are to be followed by Austock Property Management Limited ACN 111 338 937 (**APML**) as responsible entity for the Australia Education Trust ARSN 102 955 939 (**AET**) while the trust is listed and the AET units (**Units**) to be issued are in a class of Units which is quoted on the market operated by ASX Limited (**ASX**).
- (c) ASIC Class Order 05/26 (**Class Order**) requires APML to have a document setting out:
 - (i) a description of the method APML may apply in working out the issue price of Units;
 - (ii) the circumstances in which APML may exercise a discretion in relation to the issue price of Units; and
 - (iii) the records APML will keep about the exercise of each discretion; and
- (d) This Policy sets out the processes that are to be followed by APML in accordance with the Class Order.
- (e) The Class Order requires APML to act reasonably in exercising Unit pricing discretions by according with ordinary commercial practice where practicable.
- (f) The information in this document is general information and is a description of the discretions which may be exercised by APML. Further information relating to the exercise of discretions is contained in the disclosure document and constitution of AET.

2. Unit prices

Under AET's constitution, the exercise of discretion is involved in calculating the issue price of Units in certain circumstances.

Specifically, except where provisions relating to specific types of transactions apply, the issue price of Units will be:

- (a) unless the rule set out in paragraph (b) applies, while the Trust is Listed and the Units to be issued are in a class of Units which is quoted on ASX, the weighted average of the last sale prices quoted on ASX for the 5 Business Days before the date when the Issue Price is to be ascertained on which such a sale price was recorded or, should there be no sales during that period, the last bid price during the period, provided that if the class of Units includes Partly Paid Units, then the price calculated will be adjusted for any unpaid payment or installment in respect of the Partly Paid Unit so that the price reflects the price of a fully paid Unit; and
- (b) while the Trust is Listed, if the Responsible Entity does not determine that paragraph (a) is to apply to the issue of Units and the Units to be issued are in a class of Units which is quoted on ASX, the VWAP of Units quoted on ASX for the 5 Business Days on which trading in Units occurred prior to (and excluding) the date on which the Issue Price is to be ascertained, provided that if the class of Units includes Partly Paid Units, then the Price calculated will be adjusted for any unpaid amount or instalment in respect of the Partly Paid Unit so that the price reflects the price of a fully paid Unit.

3. General discretions

Each of the general discretions described below are subject to the terms of AET's constitution and the disclosure document. Where one or more of the methods outlined below are not complied with, refer to Section 6 for the approach to dealing with a departure from this Policy.

3.1 Rounding

The issue price will be rounded up to 3 decimal places.

3.2 Foreign currency

Where applicable, conversion of foreign currency must be carried out for each unit pricing calculation in accordance with the relevant Australian Accounting Standards. This includes international investments or investment with reporting in a foreign currency.

3.3 Discounting

Subject to AET's constitution, APML has a discretion to issue Units at a discount or on a different basis than set out in this Policy.

Possible scenarios where the Issue Price may be discounted or calculated on a different basis than set out in this Policy include:

- (a) a proportionate offer of Units to Members;
- (b) an exercise of options which were issued in the manner set out in Part 4 of the AET constitution; or
- (c) a reinvestment of distributions to acquire Units.

The value of the discount is determined by APML on a case by case basis by having regard to the terms of AET's product disclosure statement and AET's constitution. Where the issue price is otherwise calculated on a basis which is different to that set out in this Policy, it will be calculated by APML having regard to the relevant disclosure document and AET's constitution.

4. Maintenance of records

APML will maintain all records relating to the exercise of discretions in accordance with its obligations under the Class Order and APML's document retention policy.

In particular, any unit pricing discretion will be documented and such documents will be retained for 7 years after they cease to be current.

5. Access to Policy

This Policy must be available on the AET website, and a hard copy provided to any AET unitholder who requests it and any person who has obtained a disclosure document to apply for a Unit in AET.

6. Departure from the Policy

6.1 Process

In the event that there is a departure from the method of exercising discretion that is referred to in this Policy (see Section 3), the departure will be referred to AET's Compliance Committee. AET's Compliance Committee will make the final determination regarding the appropriate action to be taken.

6.2 Documentation

If there is a departure from the Policy by APML a document will be prepared which satisfies the following requirements (and such other requirements of the Class Order from time to time):

- (a) the date on which the discretion is exercised;
- (b) the identity of the APML nominee exercising the discretion (if applicable);
- (c) how the discretion is exercised;
- (d) an explanation why it is reasonable to exercise the discretion the way it was exercised; and
- (e) an explanation of why it was impracticable to exercise the discretion in accordance with ordinary commercial practice (if applicable).

7. Management of errors

7.1 Identification

Errors may arise as part of the Unit pricing process adopted by APML, in:

- (a) the number of Units allocated; or
- (b) the price per Unit.

Where errors are identified as material, they will be referred to AET's Compliance Committee who will make appropriate recommendations.

7.2 Error materiality

In relation to the error management, APML will have regard to applicable industry standards and ASIC policy and guidance notes relevant to determining whether an error is material.

8. Approval and review

This Policy was approved by APML's Board on 21 March 2011 and will be reviewed annually to reflect and adapt to changed circumstances and industry best practice for unit pricing. Each review will also take into account changes in market conditions and/or applicable legislation and regulatory requirements.

It is intended the Policy will be reviewed annually.

9. Defined terms

Unless the context permits otherwise, the terms below have the following meaning:

ASIC means the Australian Securities and Investment Commission.

ASX means ASX Limited.

APML means Austock Property Management Limited ACN 111 338 937 as responsible entity of AET.

Australian Accounting Standards means the applicable accounting standards under the Corporations Act and other mandatory professional reporting requirements in Australia.

AET means the Australian Education Trust ARSN 102 995 939.

Business Days has the meaning given to that expression in the listing notes of the ASX, as amended from time to time.

Class Order means ASIC's Class Order 05/26 as amended or varied by subsequent instruments.

Compliance Committee means AET's compliance committee constituted as required under Part 5C.5 of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

Policy means this Unit Pricing Policy.

Unit means an individual share in AET, and except where the context otherwise requires, includes a fully paid Unit and a partly paid Unit.