

Equinox Asia 2.

Another opportunity
to discover Asia's
true potential.

MACQUARIE EQUINOX ASIA 2 TRUST

AN ISSUE OF INTERESTS IN A REGISTERED MANAGED INVESTMENT SCHEME

BY MACQUARIE PORTFOLIO MANAGEMENT LIMITED ACN 092 552 611

PRODUCT BROCHURE



Back by popular demand
Offer closes 17 March 2006[^]

[^] The offer period could be extended or closed early.

A world of opportunity for your portfolio

01

02

03

04

05

06

07

Back by popular demand

Last year we launched the Macquarie Equinox Asia Trust to meet investor demand for exposure to the Asia-Pacific region. Now we introduce the Macquarie Equinox Asia 2 Trust ("Equinox Asia 2"), a new investment opportunity that offers profit potential in a variety of market conditions. It's a forward thinking investment – ideal if you're looking for exposure to Asia-Pacific markets – complete with capital protection*.

Equinox Asia 2 provides exposure to a portfolio of seven hedge funds focusing on the Asia Pacific region ("Asia-Strategy Hedge Funds"), the potential for profit lock-ins* and annual distributions. Macquarie Bank will also lend approved investors 100% of the amount they wish to invest.

THE ASIA-PACIFIC OPPORTUNITY

The Asia-Pacific region is highly diverse economically and in terms of financial markets. This presents a multitude of potential opportunities for investors.

Equinox Asia 2 may provide exposure to the following Asia-Pacific markets:

- China
- Hong Kong
- Korea
- Malaysia
- Australia/New Zealand
- Indonesia
- Japan
- India
- Taiwan
- Singapore
- Thailand
- Philippines

Accessing the Asia-Pacific through Hedge Funds

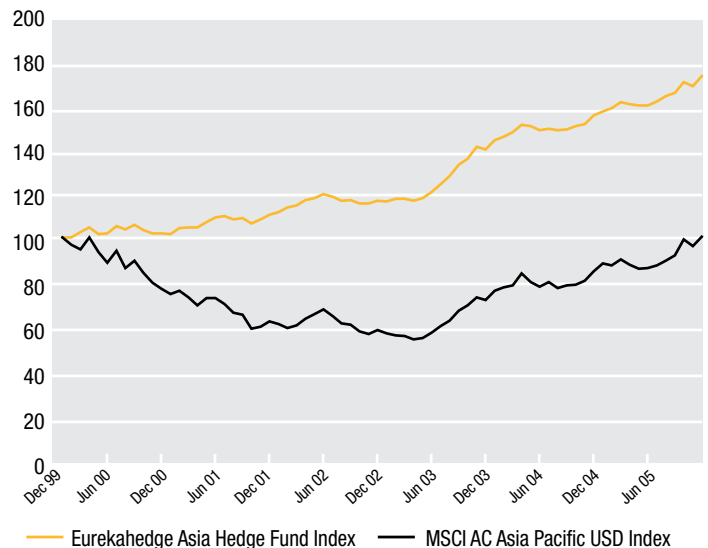
Investors have traditionally turned to shares or Asia-Pacific share funds as a way to profit from the region. However, there is another approach.

The term "Hedge Fund" is used broadly to describe managed funds that make use of a wider range of investment strategies and financial instruments than traditional investment funds.

Hedge Funds generally aim to produce "absolute" returns for their investors (that is, positive returns in both rising and falling markets) and are therefore often referred to as "absolute return funds".

Hedge Funds may provide an effective means for investors to access the opportunities in the Asia-Pacific region. This is because Hedge Fund managers can take advantage of opportunities created by the relative inefficiencies and the volatility of some markets in the Asia-Pacific region. Look at the chart below over the period from December 1999 to November 2005 – the Eurekahedge Asia Hedge Fund Index has gained more ground than the MSCI AC Asia Pacific USD Index.

The Eurekahedge Asia Hedge Fund Index v MSCI AC Asia Pacific USD Index



Source: Eurekahedge/MSCI (January 2006)

The chart above has been included to show the performance of Asia-Strategy Hedge Funds generally. You should note that past performance of the Eurekahedge Asia Hedge Fund Index is not a reliable indicator of its future performance, nor of Equinox Asia 2, which has no performance history.

The MSCI AC Asia Pacific USD index is a market capitalisation weighted index which represents the performance of 14 key equity markets within the Asia-Pacific region (including Australia and NZ).

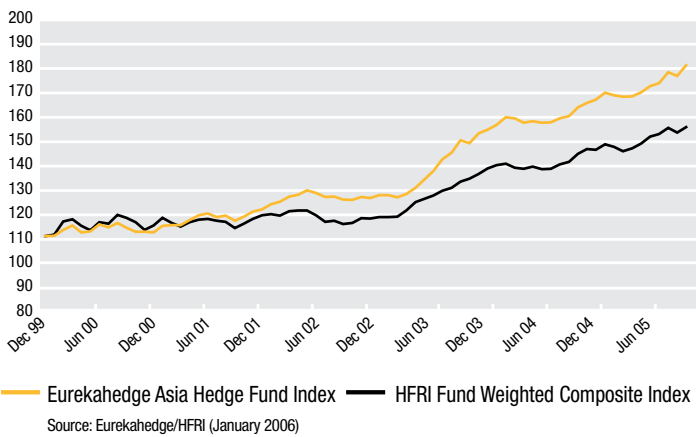
The Eurekahedge Asia Hedge Fund Index represents the average monthly return on a non-weighted portfolio of over 300 Hedge Funds (whether or not still in existence) which focus primarily on markets within the Asia-Pacific region.

*Capital protection is provided to Equinox Asia 2 through the Exposure Agreement and not to each individual investor. Capital protection and any profit lock-ins will only apply on the capital protection date in certain circumstances and are subject to the terms and conditions of the Exposure Agreement. You should be aware that the capital protected amount per unit at the capital protection date is unlikely to have the same real value as it would today (or at the time any profit lock-in is declared) due to the likely effect of inflation and the time value of money. For full details, you should refer to the PDS.

Asia-Strategy Hedge Funds vs Hedge Funds in general

As demonstrated in the chart below, over the period from December 1999 to November 2005, Asia-Strategy Hedge Funds have on the whole been able to achieve superior performance when compared to Hedge Funds in general.

The Eurekahedge Asia Hedge Fund Index v HFRI Fund Weighted Composite Index



The chart above has been included to show the performance of Asia-Strategy Hedge Funds generally. You should note that past performance of the Eurekahedge Asia Hedge Fund Index is not a reliable indicator of its future performance, nor of Equinox Asia 2, which has no performance history.

The Eurekahedge Asia Hedge Fund Index represents the average monthly return on a non-weighted portfolio of over 300 Hedge Funds (whether or not still in existence) which focus primarily on markets within the Asia-Pacific region.

The HFRI Fund Weighted Composite Index is a fund weighted index of over 1600 hedge funds encompassing a diverse range of strategies and markets. It is widely regarded in the Hedge Fund industry as a general measure of Hedge Fund performance.

Source: Hedge Fund Research, Inc., © HFR, Inc. January 2006, www.hedgefundresearch.com.

Rapid growth in the Asia-Pacific Hedge Fund Industry

There has been rapid growth in both the number of Asia-Strategy Hedge Funds and assets under management in Asia-Strategy Hedge Funds. The number of Asia-Strategy Hedge Funds has more than doubled since 2001. Over the same time, the estimated value of assets managed by Asia-Strategy Hedge Funds has more than tripled.

The increased depth in the Asia-Strategy Hedge Fund market makes it possible to construct a portfolio of quality Hedge Fund managers with a diverse and sophisticated mix of investment strategies and styles.

EQUINOX ASIA 2 – A UNIQUE OPPORTUNITY

Equinox Asia 2 is a unique product designed to provide investors with an efficient way to gain exposure to Asia-Strategy Hedge Funds.

A SOLUTION FOR SELF MANAGED SUPER

For self-managed superannuation funds, Equinox Asia 2 is a unique opportunity to invest in Asian markets using an absolute return style investment with reduced capital risk.

15

16

17

18

19

20

EQUINOX ASIA 2

The Equinox Asia 2 portfolio aims to provide attractive risk-adjusted returns in a variety of market conditions. So, not only do you have an effective way of harnessing the potential of the Asia-Pacific region, but you also get these extra benefits:

Capital protection and potential profit lock-ins*

Capital protection will start at 100% of your initial investment. In certain circumstances each financial year increases in the value of your investment may be declared as a profit lock-in, which will raise the capital protected amount. See section 4 of the PDS for more details.

Income potential

There is potential for annual cash distributions which can be reinvested under the distribution reinvestment facility. Importantly, the payment of distributions will not reduce the level of capital protection*.

Liquidity

Although Equinox Asia 2 is designed as a medium-term investment, you can withdraw your units through a monthly withdrawal facility.

Up to 130% exposure

The initial exposure to the Asia-Strategy Hedge Funds will be 100% however leverage may be used to increase this to a maximum of 130%.

A solution for self managed super

For self-managed superannuation funds, Equinox Asia 2 is a unique opportunity to invest in Asia-Pacific markets using an absolute return style investment with reduced capital risk.

EXPOSURE TO SEVEN ASIA-STRATEGY HEDGE FUNDS

Component Fund	Initial Exposure	Inception Date	Compound annual return ¹ (currency)
Vision Asia Maximus Fund	40%	April 2002	13.19% (USD)
Macquarie Asian Multi-Strategy Fund	10%	October 2005	Not applicable ²
WF Japan Fund Limited	10%	July 2003	20.43% (USD)
Ashmore Asian Recovery Fund	10%	June 1998	16.67% (USD)
Golden China Fund	10%	July 2004	32.77% (USD)
SPARX Korea Long-Short Fund Limited	10%	December 2003	32.10% (USD)
Japan Macro Fund	10%	March 2000	20.02% (Yen)

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¹ Past performance of the Component Funds is not a reliable indicator of their future performance, nor of Equinox Asia 2 which has no performance history. Returns are calculated from fund inception to 30/11/05 but some of the funds have limited operating history which may not be representative of their performance in all market conditions. Some recent returns are unaudited and subject to finalisation. Returns are net of fees and do not take into account conversion into Australian dollars, tax, or the terms of the Equinox Asia 2 offer. See Section 3 of PDS for more information. The Equinox Reference Portfolio will contain currency hedging transactions to reduce the risk of currency fluctuations affecting the value of the Equinox Reference Portfolio. See Section 5 of PDS for more information.

² The Macquarie Asian Multi-Strategy Fund is a new fund with limited operating history. It has less than 1 year track record.



EQUINOX ASIA 2 AT A GLANCE

Structured Product	Units in the Macquarie Equinox Asia 2 Trust
Investment Strategy	Exposure to a portfolio of hedge fund strategies which focus on the Asia-Pacific region
Expected Offer Open Date	6 February 2006
Expected Offer Close Date	17 March 2006 [^]
Capital Protection Date	30 September 2014 ^{^^}
Term	8.5 years
Minimum Investment	\$10,000
Minimum Loan	\$40,000
Cash Distributions/Profit Lock-ins	Potential for annual cash distributions and profit lock-ins.
Liquidity	Regular monthly withdrawal facility
Reporting on your Investment	View monthly unit values and other information on the equinox website: macquarie.com.au/equinox Quarterly investment report and annual tax statement
Disclosure Document	Macquarie Equinox Asia 2 PDS
How to Invest	Read the PDS and complete the application form
How to Borrow to Invest	In addition, complete the application in the Macquarie Structured Product Investment Loan document and quote the Interest Rate Plan Number from this brochure.
Adviser Remuneration and Fees	Upfront – 3.3% (inc GST) on the initial investment amount. Ongoing – 0.55% (inc GST) payable from the first anniversary. Other fees apply, see section 7 (fees) of the PDS for more information.
Risks	Risks apply to an investment in Equinox Asia 2. For more information regarding risks and other matters, see the PDS.

[^] The offer period could be extended or closed early.

^{^^} or such other date as applicable if the offer close date is extended

Other defined terms used throughout this document can be found in the glossary table (Appendix 3) in the PDS.

LEVERAGE FOR EXTRA GROWTH POTENTIAL

Macquarie Bank may allow approved investors to increase their exposure to Equinox Asia 2 by borrowing up to 100% of the investment amount.

Interest payment plans for the Macquarie Structured Product Investment Loan are:

Interest Rate Plan Number [#]	Interest Payment Plan	Indicative Rate ^{##}
1	Interest in advance to 30 June, then annually in advance – fixed rate	7.50% p.a.
2	Quarterly in advance – variable rate	7.75% p.a. [†]
3	Quarterly in advance – fixed rate	7.75% p.a.

For investors who choose Interest Rate Plan Number 1, Macquarie is also offering an Interest Assistance Loan, at an indicative rate of 7.50% p.a. which will fund 75% of your second interest payment for the 12 month period from 30 June 2006 to 30 June 2007. This loan is repayable in 3 equal annual instalments of principal and interest on 30 June 2007, 2008 and 2009.

[#] Please nominate this number in Section 5 of the Loan Application Form.

^{##} Interest rates will be finalised on 10 March 2006 and notified on the Equinox website.

[†] This rate may vary on a quarterly basis.

WHO SHOULD INVEST?

Equinox Asia 2 may suit individuals, self managed super funds, family trusts or companies who:


- Want exposure to opportunities in the Asia-Pacific region
- Are looking for an absolute return style investment with the potential to profit in a variety of market conditions
- Want to protect their initial investment amount
- Would like to diversify their portfolio by investing in alternative assets
- Want to access sophisticated hedge fund strategies which may be difficult to access directly
- Want Asia-Pacific market exposure in their self managed super fund, with capital protection*.

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ACT NOW.

EQUINOX ASIA 2 CLOSES 17 MARCH 2006

Talk to your adviser or Ask Macquarie

 1800 025 513

 macquarie.com.au/equinox

 equinox@macquarie.com

ADVISER CONTACT DETAILS

This general advice has been prepared by Macquarie Portfolio Management Limited ACN 092 552 611 ("RE") the Responsible Entity and issuer of Macquarie Equinox Asia 2 Trust ("Trust"). Units in the Trust issued by Macquarie Portfolio Management Limited ("RE") will be offered under a Product Disclosure Statement ("PDS") expected to be available from early February from RE on 1800 025 513. All potential investors should obtain a PDS from the RE and consider it before making any decision about whether to acquire, or continue to hold, that particular financial product.

We recommend you obtain financial, legal and taxation advice before making any financial investment decision. This advice does not take account of your objectives, financial situation or needs. Investments in the Trust are subject to investment risk, including possible delays in repayment and loss of income and capital invested. Macquarie or its associates, officers or employees may have interests in the financial products referred to in this information by acting in various roles; may buy or sell the financial products as principal or agent; may effect transactions that are not consistent with this information and may receive fees, brokerage or commissions for acting in these capacities.

RE is not an authorised deposit taking institution for the purposes of the Banking Act (Cth) and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 ("Macquarie") or any other Macquarie Group company. Macquarie does not guarantee or otherwise provide assurance in respect of the obligations of RE.

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Information current as at 25 January 2006.

BKL0128 02/06

Macquarie Structured Product Investment Loan

MACQUARIE BANK LIMITED



Contents

About the Macquarie Structured Product Investment Loan	3
Tax Summary	4
Loan and Security Agreement	5
Loan Application Instructions & Check List	17
Loan Application	19

This information is provided by Macquarie Bank Limited ABN 46 008 583 542 ("Macquarie"). Any advice provided is general advice only and does not take account of your objectives, financial situation or needs. Before acting on this general advice, you should consider the appropriateness of the advice having regard to your situation. We recommend you obtain independent professional advice before making any financial investment decision.

Neither Macquarie nor any other Macquarie Group company gives, nor does it purport to give, any taxation advice. The taxation discussion in this document is based on laws current at the time of writing. Those laws and the level of taxation may change. The application of taxation laws to each investor depends on that investor's individual circumstances and you should seek independent professional advice on taxation implications before making any investment decision.

To the extent permitted by law Macquarie accepts no responsibility for errors or misstatements, negligent or otherwise. The information may be based on assumptions or market conditions and may change. All Macquarie Structured Product Investment Loans are subject to approval by Macquarie. Gearing may involve additional costs or risks for investors. No part of the information is to be construed as a solicitation to make a financial investment.

Macquarie or its associates, officers or employees may have interests in the financial products referred to in this information by acting in various roles and may buy or sell the financial products as principal or agent. They may effect transactions that are not consistent with this information. Macquarie or its associates may receive fees, brokerage or commissions for acting in these other capacities.

Information current as at 1 September 2005.

Macquarie Structured Product Investment Loan

The Macquarie Structured Product Investment Loan is a loan to borrow up to 100% of the capital required to make an investment in approved Structured Products as well as (where applicable) a portion of the interest prepayment for the first full Financial Year. Macquarie may lend you up to 100% of the initial purchase price of the Structured Product you would like to invest in, allowing you to increase your exposure to your chosen investment with no initial capital outlay.

The Macquarie Structured Product Investment Loan is comprised of two facilities:

- (i) the Investment Loan; and
- (ii) the optional Interest Assistance Loan where such a loan is offered by Macquarie in relation to an approved Structured Product

SUMMARY OF BENEFITS

- Increase the size of your investment portfolio, and magnify the potential returns on your investment
- Pay interest only on your loan, no initial capital outlay required
- Choose from variable or fixed rates, payable quarterly or annually in advance
- Borrow up to 100% of the prepayment of interest for the first full Financial Year of the Investment Loan by applying for the Interest Assistance Loan if you select an annual fixed rate loan
- Competitive interest rates
- No margin calls
- Potential tax deductions for the interest expense

FEATURES

- Borrow up to 100% on approved Structured Products
- Loan term consistent with capital protected term of Structured Product
- No Application Fee
- Borrowers are subject to a full credit check

GEARING

Borrowing to invest, or gearing, means you can use someone else's money to grow your wealth. Using gearing means you have more money to invest. This allows you to either increase your exposure to one investment or spread your investments and diversify your risk.

Using borrowed funds, you can increase your investment power, and potentially reach your financial goals faster than by using your own capital alone.

Of course you will need to be able to meet your regular interest payments in order to maintain your exposure to your chosen investment.

Potential Borrowers should note that if they choose to repay the loan before the Maturity Date they may be required to pay break costs which may be substantial.

APPROVED STRUCTURED PRODUCTS

The Macquarie Structured Product Investment Loan may be offered over a range of Structured Products issued by Macquarie entities as well as third party Issuers. Each Structured Product is described fully in the relevant Disclosure Document. Please ensure that you have read that Disclosure Document before making an application for a Macquarie Structured Product Investment Loan.

Underlying investment exposure includes Australian shares, international shares and indices, commodities, and hedge funds. Once you have chosen from the approved list of Structured Products you can apply for a Macquarie Structured Products Investment Loan to fund your investment.

FLEXIBLE LOAN TYPES

Using the Macquarie Structured Product Investment Loan you can choose from a variety of Interest Payment Plans as specified in the Product Brochure for the particular Structured Product you are investing in.

The term of the loan will be consistent with the term of the capital protection provided for that Structured Product.

MINIMUM INVESTMENT LOAN AMOUNT

The minimum initial Investment Loan amount is set out in the Product Brochure for the particular Structured Product you are investing in.

HOW TO APPLY

Step 1: Determine the Structured Product you would like to invest in.

Step 2: Refer to the Product Brochure for that Structured Product to review Interest Payment Plans and indicative interest rates.

Step 3: Complete the Loan Application Form attached to this document, including the name of the Structured Product and the Interest Payment Plan you would like.

Step 4: Submit the Loan Application Form along with the Application Form for the Structured Product you are investing in.

Macquarie will review your Loan Applications and, following a full credit check, will notify you of the outcome.

Tax Summary

QUALIFICATIONS

Taxation issues are complex. This summary is based on the Australian taxation laws in force and administrative practices generally accepted as at the date of this document. Any of these may change in the future without notice and legislation introduced to give effect to announcements may contain provisions that are currently not contemplated. Future changes in taxation laws, their interpretation or associated administrative practices could affect the taxation treatment of Borrowers.

Macquarie does not provide financial or tax advice and this summary cannot address all of the taxation issues which may be relevant to a particular Borrower. Each Borrower must take full and sole responsibility for their own borrowings and investments, the associated taxation implications arising from those borrowings and investments and any changes in those taxation implications during the course of those borrowings and investments.

This summary outlines the main Australian income tax implications for an Australian resident taxpayer who obtains an Investment Loan, alone or together with an Interest Assistance Loan, from Macquarie for the purpose of acquiring Structured Products for the purpose of gaining or producing assessable income. This summary does not address the taxation consequences for non-Australian investors or investors who apply the loan funds for non-assessable income producing purposes. The information in this summary is of a general nature only and does not purport to constitute legal or tax advice.

As the taxation implications for each potential Borrower may be different, Macquarie recommends that each prospective Borrower obtains their own independent professional taxation advice on the full range of taxation implications applicable to their own individual facts and circumstances.

TAX SUMMARY

A Borrower should be entitled to a deduction for the interest payable on the Investment Loan and the Interest Assistance Loan (as applicable).

We note the Government announced on 16 April 2003 its intention to amend the tax law to disallow a deduction for a portion of the interest incurred by a borrower under a capital protected loan. Under the terms of the announcement, the amendments should apply only to products where capital protection is provided to an investor under the terms of the relevant loan and should not apply where the capital protection is afforded through the product acquired with the loan funds. If the proposed amendments are enacted in the

terms announced they should not apply to deny a Borrower a deduction for interest incurred under an Investment Loan or an Interest Assistance Loan. However, Borrowers should be aware of the announcements and the possibility that the enacted legislation may have a scope broader than that outlined in the announcement.

Interest that is paid in arrears will be deductible in the income year in which it becomes due and payable.

Interest that is prepaid in advance will be deductible in the income year of payment if the interest expense is less than \$1,000, or all of the following requirements are satisfied:

- a) the loan funds are applied to acquire:
 - (i) real property or an interest in real property;
 - (ii) listed shares; or
 - (iii) units in a trust that has 300 or more beneficiaries and it is not the case that 20 or fewer individuals are entitled to 75% or more of the trust's income or capital,

from which the Borrower can reasonably be expected to obtain rent, dividends or trust income and no other kind of assessable income (other than capital gains or insurance receipts);

- b) the interest expense relates to a period of 12 months or less which ends in the year of payment or before the end of the following income year; and
- c) the investor is either a STS taxpayer or is an individual who incurs the interest otherwise than in the course of carrying on a business.

In all other circumstances, interest deductibility will be apportioned on a straight line basis over the period to which the interest relates.

Interest incurred by a Borrower on any further drawdown following an increase in the Investment Loan Limit under clause 1.8 of the Loan and Security Agreement will be entitled to a deduction as outlined above provided that the additional loan funds are applied for an assessable income producing purpose.

Expenses of more than \$100 that are incurred in obtaining a loan will be deductible on a straight line basis over the lesser of the loan term and 5 years. Borrowing costs totalling \$100 or less will be deductible in the year they are incurred.

Break Costs incurred by a Borrower should be deductible in the income year in which such costs are due and payable.

Loan & Security Agreement

BETWEEN THE BORROWER, THE GUARANTOR (IF APPLICABLE) AND MACQUARIE BANK LIMITED

1. THE FACILITIES

Subject to this Agreement, Macquarie agrees to provide the Borrower with:

- (a) an Investment Loan; and
- (b) an Interest Assistance Loan.

1.2 Establishment of the Facilities

- (a) The Investment Loan may only be used by the Borrower to acquire Structured Products.
- (b) The Interest Assistance Loan may only be used by the Borrower to pay interest on the Investment Loan.
- (c) The Borrower may only apply for the Investment Loan and, if applicable, the Interest Assistance Loan, by completing the Loan Application Form.
- (d) Macquarie agrees to provide to the Borrower the Facilities set out in the Initial Confirmation on the terms set out in the Initial Confirmation and in this Agreement.
- (e) Details relating to the Facilities will be confirmed in the Initial Confirmation and then subsequently in Confirmations during the term of this Agreement.

1.3 Maximum amount available

The amount of financial accommodation available to the Borrower under this Agreement is the Facility Limit.

1.4 Single drawdown

The Borrower need not use the Facilities. However, if the Borrower wishes to use either of the Facilities, subject to clause 1.8, it must do so by a single drawdown for each Facility. The Investment Loan will be drawn down on the Drawdown Date. The Interest Assistance Loan will be drawn down on 30 June in the Financial Year in which the Investment Loan is made (the Interest Assistance Loan Drawdown Date).

1.5 Application of Investment Loan proceeds

If the Borrower draws the Investment Loan, the Borrower irrevocably authorises and directs Macquarie to apply the proceeds of the drawdown to acquire Structured Products for the Borrower.

1.6 Application of Interest Assistance Loan proceeds

If the Borrower draws the Interest Assistance Loan, the Borrower irrevocably authorises and directs Macquarie to apply the proceeds of the drawdown to pay interest on the Investment Loan on the Interest Assistance Loan Drawdown Date.

1.7 Security

The Facilities will relate to the particular Structured Products acquired with the Investment Loan and will be secured by the Secured Property.

1.8 Increase in the Investment Loan Limit

- (a) Macquarie may from time to time notify the Borrower of an increase in the Investment Loan Limit;
- (b) If Macquarie increases the Investment Loan Limit under (a), the Borrower may apply to make an additional Investment Loan drawdown for the amount of the increase in the Investment Loan Limit.
- (c) Notwithstanding clause 1.5, any amount drawdown by the Borrower under this clause is not required to be applied for the purpose of acquiring additional Structured Products.

2. CONDITIONS PRECEDENT

2.1 Conditions precedent

Macquarie is not obliged to provide the Facilities to the Borrower unless:

- (a) Macquarie is satisfied that after providing the accommodation, the Facility Limit would not be exceeded;
- (b) where the Borrower submits a Loan Application Form, in its capacity as a trustee (including a corporate trustee) of a trust, and the Investment Loan sought by the Borrower is equal to or greater than \$500,000, Macquarie has received a certificate from the Borrower's solicitor as found in Part D of the Loan Application Form;
- (c) where the Borrower is a Corporation, including a corporate trustee, Macquarie has received:
 - (i) a director's certificate as found in Part C of the Loan Application Form;
 - (ii) a guarantee from all of the directors of the Borrower as found in Part B of the Loan Application Form; and
 - (iii) and, if the Investment Loan sought by the Borrower is equal to or greater than \$500,000, a certificate from the Guarantor's solicitor as found in Part B of the Loan Application Form;
- (d) where the Borrower is an individual and Macquarie has determined that it will require one or more Guarantor(s) to guarantee the obligations of the Borrower under this Agreement, Macquarie has received:
 - (i) a guarantee from all of the Guarantor(s) as found in Part B of the Loan Application Form; and
 - (ii) if the Investment Loan sought by the Borrower is equal to or greater than \$500,000, a certificate from the Guarantor's solicitor as found in Part B of the Loan Application Form;
- (e) where the Borrower submits a Loan Application Form, and the Investment Loan sought by the Borrower is equal to or greater than \$500,000, Macquarie has received a certificate from the Borrower's/Guarantor's accountant as found in Part E of the Loan Application Form;
- (f) Macquarie is satisfied that the representations and warranties in clause 9 are correct and not misleading at the date the Facilities are to be provided (a determination by Macquarie is not determinative of whether such representations or warranties are misleading or deceptive);
- (g) Macquarie is satisfied that no Event of Default has occurred and is continuing or would result from the Facilities being provided;
- (h) Macquarie has received such other documents or information as Macquarie may require.

2.2 Benefit of conditions precedent

Each condition precedent is for the sole benefit of Macquarie and may be waived by it.

3. INTEREST

3.1 Interest

The Borrower agrees to pay interest on the Facilities at the applicable Interest Rate in accordance with this Agreement.

3.2 Interest Payment Plan selection

- (a) The Borrower must elect, in the Loan Application Form, the Interest Payment Plan that will apply to the Investment Loan. The Borrower's election in this regard is irrevocable for the term of the Investment Loan.
- (b) The terms of the Interest Rate Plan, including the applicable interest rate will be confirmed by Macquarie in the Initial Confirmation.

3.3 Interest Payments

- (a) The Borrower must pay the interest on the Drawing under the Investment Loan in advance on each Interest Payment Date, with interest calculated daily at the prevailing Interest Rate from the Drawdown Date to the end of the day prior to the first Interest Payment Date and thereafter from the start of the Interest Payment Date to the end of the day prior to the next Interest Payment Date.
- (b) If the Borrower draws the Interest Assistance Loan, the Borrower must apply the amount drawn towards paying the interest on the Investment Loan on the Interest Assistance Loan Drawdown Date.
- (c) The Borrower must pay the interest on the Drawing under the Interest Assistance Loan in arrears on the first anniversary of the Interest Assistance Loan Drawdown Date and on each anniversary of that date, with interest calculated daily at the prevailing Interest Rate from the start of the Interest Assistance Loan Drawdown Date to the end of the day prior to the next Interest Payment Date and annually thereafter.

3.4 Default Interest Payments

- (a) If the Borrower does not pay any amount under this Agreement on the due date for payment (including where funds in the Borrower's nominated bank account are insufficient to pay the amount of interest when due) the Borrower must pay interest on that amount at the Default Rate.
- (b) Interest charged at the Default Rate accrues daily from (and including) the due date to (but excluding) the date of actual payment, and is calculated on actual days elapsed.
- (c) If a liability becomes merged in a judgment, the Borrower agrees to pay interest on the amount of that liability as an independent obligation. This interest:
 - (i) accrues daily from (and including) the date the liability becomes due for payment both before and after the judgment up to (but excluding) the date the liability is paid; and
 - (ii) is calculated at the judgment rate or the Default Rate (whichever is higher).
- (d) The Borrower agrees to pay interest under this clause on demand from Macquarie.

3.5 Interest Payment Dates and Repayment Dates

An Interest Payment Date which would otherwise be after the Repayment Date is on the Repayment Date.

3.6 Calculations on a daily basis

All interest, amounts in the nature of interest and fees under this Agreement will be calculated on a daily basis and a year of 365 days.

3.7 Payment of interest

All interest payments must be made via direct debit from the Borrower's nominated account.

4. REPAYMENT AND PREPAYMENT

4.1 Repayment of the Investment Loan

The Borrower must repay the Outstanding Monies under the Investment Loan to Macquarie in one amount on the first to occur, where applicable, of:

- (a) if all of the Borrower's Secured Products are redeemed on the Maturity Date pursuant to clause 5, the later of:
 - (i) the date on which the proceeds from such redemption become available to the Borrower; and
 - (ii) the Maturity Date;

- (b) if the Borrower advises Macquarie under clause 5 that the Borrower wishes to retain all of its Secured Products after the Maturity Date, 10 Business Days prior to the Maturity Date.

4.2 Repayment of the Interest Assistance Loan

Subject to clause 4.6 and 4.4(a)(ii), the Borrower must repay the Interest Assistance Loan in 3 equal instalments as set out in the Confirmation(s). Each instalment must be paid on each anniversary of the Interest Assistance Loan Drawdown Date and all Outstanding Monies under the Interest Assistance Loan must be paid on the third anniversary of the Interest Assistance Loan Drawdown Date.

4.3 Partial redemption on Maturity Date

If the Borrower wishes to redeem a proportion of its Secured Products on the Maturity Date and retain the balance of its Secured Products, then:

- (a) the repayment date set out in clause 4.1 (a) applies to that proportion of the Outstanding Monies under the Investment Loan that relate to the Secured Products redeemed on the Maturity Date; and
- (b) the repayment date set out in clause 4.1 (b) applies to the balance of the Outstanding Monies under the Investment Loan.

4.4 Prepayment after Disposal of Secured Products

- (a) Subject to clause 4.5, if the Borrower Disposes of a proportion of the Secured Products before the Maturity Date, the Borrower must repay:
 - (i) the same proportion of the Outstanding Monies under the Investment Loan; and
 - (ii) if applicable, all of the Outstanding Monies under the Interest Assistance Loan, in one amount prior to the date of Disposal, or for redemptions, on the date the proceeds of redemption have been received by Macquarie.
- (b) Subject to clause 4.5, a prepayment under paragraph (a)(i) will be applied to reduce the same proportion of each of the Principal and any accrued but unpaid interest under the Investment Loan.

4.5 Application of funds after redemption

If the Borrower redeems any of the Secured Products, the Borrower authorises Macquarie to apply the proceeds from the redemption as follows:

- (a) first, to pay all indemnity obligations under clause 14, including Break Costs;
- (b) second, to pay all outstanding fees and expenses payable under clause 7;
- (c) third, to pay the same proportion of any Outstanding Monies that is repayable pursuant to either clauses 4.1, 4.3 or 4.4; and
- (d) fourth, to pay the remaining amount of proceeds to the Borrower.

If the proceeds of the redemption are insufficient to pay all amounts specified in (a), (b) and (c), the Borrower must pay Macquarie the additional amount necessary to pay them.

4.6 Prepayment without Disposal of Structured Products

- (a) The Borrower may prepay all or any part of the Outstanding Monies under an Investment Loan, without disposing of any Structured Products, on the last day of any calendar month (commencing from the Drawdown Date), subject to the restrictions that:

Loan & Security Agreement (continued)

- (i) the minimum prepayment amount is \$10,000 and only \$1000 increments above that amount will be accepted;
- (ii) following any prepayment, the Principal under the Investment Loan must be no less than the minimum loan amount stipulated in the relevant Product Brochure;
- (iii) where an Investment Assistance Loan has been utilised, the Borrower must at the time of that prepayment prepay all of the Outstanding Monies under the Interest Assistance Loan;

unless Macquarie in its absolute discretion agrees otherwise.

- (b) The Borrower may prepay all (but not part) of the Outstanding Monies under the Interest Assistance Loan on the last day of any month.
- (c) The Borrower may make more than one payment under (a) per calendar year. Macquarie will charge the Borrower a fee of \$50 for each prepayment after the first prepayment in that calendar year.

4.7 Process for Prepayment

Where a Borrower is to prepay all or any part of the Outstanding Monies under clause 4.6:

- (a) the Borrower must notify Macquarie of the proposed payment by 11am on the fourth Business Day before the prepayment;
- (b) Macquarie will notify the Borrower of all amounts, including fees and other expenses then accrued and due under clause 7 and an estimate of any indemnity obligations under clause 14 (including estimated Break Costs) by the second Business Day before the proposed prepayment. The final quantum of these amounts (i.e. not amounts based on estimates) will be payable by the Borrower in addition to the prepayment;

and the Borrower acknowledges that:

- (c) once given, a notice of prepayment is irrevocable and the Borrower is obliged to prepay in accordance with the notice; and
- (d) the Borrower may be liable for Break Costs and is not entitled to any rebate of interest that he or she has prepaid.

4.8 Borrower's acknowledgements

The Borrower acknowledges that his or her obligations under this Agreement, including his or her obligations to repay the Outstanding Monies and pay costs, fees and charges are not affected by:

- (a) the success or failure of the Structured Product;
- (b) the level of return from or loss of money invested in the Structured Product; or
- (c) any illegality in connection with the Structured Product or the Disclosure Document.

4.9 Amounts may not be reborrowed

Amounts repaid or prepaid may not be reborrowed under this Agreement.

5. MATURITY DATE REDEMPTION REQUEST

Macquarie shall complete and deliver a redemption request to the Issuer of the Secured Products within the minimum number of days required under the constituent documents of the Secured Products before the Maturity Date unless the Borrower advises Macquarie at least 45 days before the Maturity Date that it wishes:

- (a) to redeem only a portion of the Secured Products; or
- (b) to retain all of the Secured Products beyond the Maturity Date, (and the Borrower will then be required to make the payment under clause 4.1 and/or 4.3), in which event Macquarie shall request a partial redemption or cause the Secured Products

not to be redeemed.

6. CHANGE OF LAW OR CIRCUMSTANCES

If there occurs any change in law or interpretation which makes it unlawful for Macquarie to give effect to any provision of this Agreement, Macquarie may notify the Borrower and thereupon Macquarie's obligation to make, fund or maintain the Facilities or give effect to the relevant provision shall cease. The Borrower shall immediately (or before the unlawfulness occurs, if applicable) repay the Outstanding Monies in full together with any other monies then accrued or due (whether or not yet payable) under this Agreement.

7. FEES AND EXPENSES

7.1 General fees and expenses

On demand (whether or not the Facilities are drawn) the Borrower shall pay or reimburse Macquarie for all costs, charges and expenses (including stamp duty, any tax on goods and services, value added tax, registration fees and legal fees, if any) incurred or payable by Macquarie in connection with or arising out of this Agreement and related documentation, the arrangement and administration of the Facilities and any action required to be taken by Macquarie under this Agreement and the contemplated or actual enforcement of, or preservation of rights' under, this Agreement.

7.2 Specific fees and expenses

- (a) Where required by Macquarie, the Borrower shall pay fees to Macquarie for the amount as determined by Macquarie from time to time. As at the date of this Agreement, these include the following:
 - (i) a withdrawal fee, payable when funds under the Facilities are drawn by cheque (including bank cheque) (currently \$10 each), telegraphic transfer (currently \$35), direct bank deposit or bank draft;
 - (ii) a fee for extra copies of statements and reports (currently \$10 per page), payable upon request of such copies by the Borrower;
 - (iii) a low value transaction fee (currently \$15), payable on debit transactions of less than \$3000; and
 - (iv) a retrieval of information fee (currently \$50 plus \$10 per page), payable where the Borrower or its adviser or authorised representative request Macquarie to retrieve, collate, sort and/or provide archived or historical information about the Facilities.
- (b) The fees set out in paragraph (a) shall be payable on demand and form part of the Secured Monies. Macquarie may at any time and from time to time impose new fees and charges and vary any of these fees or the manner in which they are calculated.

8. PAYMENTS

- (a) All monies payable by the Borrower and Guarantor under this Agreement shall be paid in full without set off or counterclaim of any kind and free and clear of deduction or withholding of any kind.
- (b) If any amount would otherwise become due for payment on a day which is not a Business Day, that amount shall become due on the immediately following Business Day, or if that Business Day is in another calendar month, on the immediately preceding Business Day.

- (c) A certificate signed by Macquarie stating any amount or rate for the purpose of this Agreement shall, prima facie, be binding on the Borrower.
- (d) Unless Macquarie agrees otherwise, all payments under this Agreement shall be effected by way of a direct debit from an account at a bank or financial institution acceptable to Macquarie and the Borrower agrees to effect the direct debit request contained in the Loan Application Form.

9. REPRESENTATIONS AND WARRANTIES OF BORROWER AND GUARANTOR

9.1 Representations and warranties

- (a) Each of the Borrower and the Guarantor represents and warrants to Macquarie on the date it signs the Loan Application Form, on any Drawdown Date and (if applicable) on the Interest Assistance Loan Drawdown Date that:
 - (i) the financial accommodation provided by Macquarie under this Agreement will be applied wholly or predominantly for business or investment purposes (or both);
 - (ii) on acquisition of Secured Products by the Borrower, the Borrower will be, subject to the Mortgage, the legal and beneficial owner of (unless it submits a Loan Application Form in its capacity as trustee of a trust, in which case it will be, subject to the Mortgage, the legal owner but not the beneficial owner of), and have good title to, the Secured Products free from any Security Interest other than the Mortgage;
 - (iii) on acquisition of the Secured Products by the Borrower and deposit of the title deeds to the Secured Property with Macquarie, this Agreement creates a first ranking fixed mortgage over the Secured Property being an equitable mortgage;
 - (iv) each of the Borrower and the Guarantor obtains various benefits by entering into, exercising its rights and performing its obligations under this Agreement;
 - (v) each of the Borrower and the Guarantor is able to pay its debts as and when they become due and payable;
 - (vi) each of the Borrower's and the Guarantor's obligations under this Agreement are valid and binding and are enforceable against the Borrower and the Guarantor in accordance with their terms;
 - (vii) no Event of Default continues unremedied;
 - (viii) unless stated in the Loan Application Form, neither the Borrower nor the Guarantor enters into this Agreement as a trustee of a trust;
 - (ix) in the case of a Borrower or Guarantor who is a Corporation:
 - (A) the Borrower has been incorporated in accordance with the laws of its place of incorporation, is validly existing under those laws and has power and authority to carry on its business as it is now being conducted;
 - (B) the Borrower has power to enter into this Agreement and comply with its obligations under it;
 - (C) this Agreement does not contravene the Borrower's constituent documents (if any) or any law or obligation by which it is bound or to which any of its assets are subject or cause a limitation on its powers or the powers of its directors to be exceeded;

- (D) the Borrower has in full force and effect the authorisations necessary for it to enter into this Agreement, comply with its obligations and exercise its rights under it and to allow it to be enforced;
- (E) no person has contravened or will contravene section 208 or section 209 of the Corporations Act or any other law by entering into this Agreement or participating in any transaction in connection with this Agreement;
- (F) there is no pending or threatened proceeding affecting the Borrower or its Related Bodies Corporate or any of their assets before a court, governmental agency, commission or arbitrator except those in which a decision against the Borrower or the Related Body Corporate would be insignificant;
- (G) neither the Borrower nor any of its Related Bodies Corporate is in breach of a law or obligation affecting any of them or their assets in a way which is likely to be a Material Adverse Change; and
- (H) neither the Borrower nor any of its Related Bodies Corporate has immunity from the jurisdiction of a court or from legal process; and
- (x) in the case of a Borrower who submits a Loan Application Form in its capacity as trustee of a trust:
 - (A) it is the sole trustee of the trust, having been properly appointed;
 - (B) the trust is properly established under its trust deed and is validly subsisting;
 - (C) as trustee, it has the power to borrow monies, provide the security as contemplated under this Agreement, perform all of its obligations under this Agreement and carry on the business or make the investments contemplated by entering into this Agreement;
 - (D) it is not in breach of trust;
 - (E) it has the right to be fully indemnified out of the trust assets for obligations incurred under this Agreement before the claims of beneficiaries and that this right of indemnity has not been limited in any way;
 - (F) no property of the trust has been resettled or set aside in any way; and
 - (G) this Agreement is for the benefit of the trust.

Any Borrower who enters into this Agreement in its capacity as the trustee of a trust makes the representations and warranties under this sub clause in its capacity as trustee of the trust and in its personal capacity.

- (b) Each of the Borrower and the Guarantor acknowledge that Macquarie has entered into this Agreement in reliance on the representations and warranties in this clause.

9.2 Acknowledgments

If the Structured Product is not issued by Macquarie, the Borrower and the Guarantor acknowledge that Macquarie:

- (a) has not authorised or caused the issue of the Disclosure Document;
- (b) does not make or purport to make any statement in the Disclosure Document (or any statement on which a statement in the Disclosure Document is based);
- (c) takes no responsibility for any part of the Disclosure Document other than the reference to its name and its role and references to the Facility included in the Disclosure Document (if any) with its consent; and

Loan & Security Agreement (continued)

- (d) does not endorse or recommend investment under the Disclosure Document.

If Macquarie issues only a component of the Structured Product, each Borrower and Guarantor acknowledge paragraphs (a) – (d) above apply in relation to those components of the Structured Product not issued by Macquarie (and corresponding parts of the Disclosure Document).

10. UNDERTAKINGS OF BORROWER AND GUARANTOR

- (a) The Borrower and the Guarantor shall supply to Macquarie when requested to do so:
 - (i) copies of any Financial Statements for the Borrower and the Guarantor for each financial year; and
 - (ii) such additional financial or other information relating to the Borrower and the Guarantor as Macquarie may from time to time reasonably request.
- (b) Unless Macquarie otherwise agrees in writing, the Borrower undertakes:
 - (i) not to create, agree or attempt to create or allow to exist, any Security Interest over or in respect of any Secured Property;
 - (ii) not to Dispose of or otherwise deal with, any of the Secured Property or any interest in it;
 - (iii) to notify Macquarie if any representation or warranty made by the Borrower or the Guarantor in connection with this Agreement is found to have been incorrect or misleading when made;
 - (iv) to do everything necessary to ensure that no Event of Default occurs; and
 - (v) if an Event of Default occurs, to notify Macquarie giving full details of the event and any step taken or proposed to be taken to remedy it.

11. MORTGAGE

11.1 Creation of Mortgage

- (a) The Borrower as beneficial owner (unless it submits a Loan Application Form in its capacity as trustee of a trust, in which case it acts as trustee and in accordance with its powers as trustee) mortgages to Macquarie all of its present and future right, title and interest in and to the Secured Property by way of a first ranking fixed mortgage as security for the due and punctual payment and satisfaction of the Secured Monies.
- (b) Unless otherwise required by Macquarie, where documents of title exist in relation to the Secured Property, and the Secured Property is a marketable security as referred to under section 262 of the Corporations Act, the Mortgage shall be created in whole or in part either by (at Macquarie's election) the registration of the marketable security in the name of Macquarie or a person nominated by Macquarie or by the deposit of the documents of title relating to the Secured Property with Macquarie. Accordingly, the Borrower shall authorise the Issuer of the Secured Property, upon acquisition of the Secured Property by the Borrower, to deposit with Macquarie (or its nominee) all documents of title relating to the Secured Property and any other documents Macquarie requests relating to the Secured Property. The Borrower authorises Macquarie to notify the Issuer of the Secured Property of the details of the Mortgage.

11.2 Macquarie as attorney

Without limiting any rights, powers or remedies conferred upon Macquarie by this Agreement or by law, at any time, whether before or after the occurrence of an Event of Default, the Borrower irrevocably appoints Macquarie as its attorney for any one or more of the following:

- (a) if the mortgage created under clause 11.1 is an equitable mortgage, convert the mortgage to a legal mortgage;
- (b) if applicable, to request the issuer of the Secured Property to deliver certificates of title in respect of the Secured Property to Macquarie.
- (c) to complete and deliver, in accordance with clause 5, a redemption request in respect of the Secured Property;
- (d) to insert the name of Macquarie or its nominee (or, but only after an Event of Default has occurred, the name of any purchaser pursuant to a power of sale conferred by law or the power of sale referred to in clauses 12 and 13) in all or any transfer documents (Transfers) (and other relevant documents, if any) relating to the Secured Property;
- (e) in the name of the Borrower to sign, seal and deliver all or any Transfers (and those other relevant documents);
- (f) to cause all or any Transfers to be registered; and
- (g) to deliver the certificates (if any) deposited with Macquarie in respect of the Secured Property (and/or any certificate issued consequent upon such registration of the Transfers) to any such nominee (or any such purchaser) named in such Transfers.

11.3 Continuing security

This Agreement is a continuing security and shall remain in full force and effect until the whole of the Secured Monies have been paid or satisfied in full.

11.4 Partial or full release from Mortgage

If all or any part of the Drawing under the Investment Loan is repaid or prepaid under clauses 4.1, 4.3, 4.4 or 4.6, Macquarie must:

- (a) release from the Mortgage the same proportion of the value of Secured Property as the proportion of the Drawing under the Investment Loan that is repaid; and
- (b) if the Outstanding Monies are fully repaid, fully release the Mortgage.

11.5 Priority Amounts

- (a) For the purposes only of fixing priorities in accordance with section 282 of the Corporations Act and without affecting any of the Borrower's obligations to Macquarie, the prospective liabilities secured by this Agreement include, without limitation, the prospective liabilities of the nature specified in paragraphs (b) up to the maximum amount specified in paragraph (c).
- (b) The prospective liabilities of the Borrower are the obligation of the Borrower to:
 - (i) repay all of the Principal advanced under this Agreement;
 - (ii) pay interest on the Drawing and all other amounts payable under this Agreement; and
 - (iii) pay or reimburse Macquarie for all Costs, increased costs or loss incurred in connection with this Agreement.
- (c) The maximum amount of the prospective liabilities set out in paragraph (b) is twice the Facility Limit.

11.6 Further assurances

The Borrower and Guarantor must do all things required by Macquarie to:

- (a) give effect to the intent and purpose of this Agreement; and
- (b) to ensure that Macquarie has the full benefit of the rights and powers contemplated under this Agreement, which may include the Borrower and/or Guarantor providing additional security in relation to its obligations under this Agreement to Macquarie under a separate security arrangement.

12. EVENTS OF DEFAULT

12.1 Events of Default

Each of the following events shall be an Event of Default:

- (a) the Borrower fails to pay any monies when due in accordance with this Agreement,
- (b) the Borrower or the Guarantor fails to duly and punctually perform or comply with any of its obligations under this Agreement or an agreement or arrangement in place pursuant to clause 11.6;
- (c) any representation or warranty made by the Borrower or the Guarantor in connection with this Agreement or an agreement or arrangement in place pursuant to clause 11.6 is found to have been incorrect or misleading when made;
- (d) the Borrower or Guarantor (if applicable) breaches the terms of any agreement or arrangement established pursuant to clause 11.6, or any event occurs which is deemed to be an event of default, howsoever defined, under any agreement or arrangement established pursuant to clause 11.6;
- (e) where the Borrower or the Guarantor is a Corporation:
 - (i) an application is made for an order, a meeting is convened to consider a resolution, a resolution is passed or an order is made that the Borrower or the Guarantor be wound up or otherwise dissolved and/or that an administrator, liquidator or provisional liquidator of the Borrower or the Guarantor be appointed; or
 - (ii) a receiver, receiver and manager, administrator, controller, trustee or similar officer is appointed in respect of all or any part of the business, assets or revenues of the Borrower or the Guarantor,
- (f) the Borrower or the Guarantor dies, becomes insolvent or is subject to any arrangement, assignment or composition, or is protected from any creditors or otherwise unable to pay its debts when they fall due;
- (g) any government, governmental agency, department, commission, or other instrumentality seizes, confiscates, or compulsorily acquires (whether permanently or temporarily and whether with payment of compensation or not) any of the Secured Property;
- (h) any litigation, administrative proceedings or other procedure for the resolution of disputes is commenced in which the title of the Borrower to any of the Secured Property will or might be impeached or the Borrower's enjoyment of, or Macquarie's rights under this Agreement to, any of the Secured Property will or might be restrained or otherwise hindered;
- (i) there occurs an event which is, or in Macquarie's opinion may lead to, a Material Adverse Change;
- (j) Macquarie receives any notice from a credit reporting agency or any other credit provider to the Borrower or the Guarantor which indicates that the Borrower or the Guarantor is in default under any other financial, payment or performance obligation with any other party or that any of the events specified in the foregoing paragraphs of this clause 12.1 have occurred; and
- (k) in the case of a Borrower who submits a Loan Application Form in its capacity as a trustee of a trust:
 - (i) the Borrower ceases to be the trustee of the trust or any step is taken to appoint another trustee of the trust, in either case without Macquarie's consent; or
 - (ii) an application or order is sought or made in any court for:
 - (A) removal of the Borrower as trustee of the trust; or

(B) property of the trust to be brought into court or administered by the court or to be brought under its control; or

- (iii) a notice is given or meeting summoned for the removal of the Borrower as trustee of the trust or for the appointment of another person as trustee jointly with the Borrower.

13. CONSEQUENCES OF AN EVENT OF DEFAULT

13.1 General consequences of an Event of Default

If an Event of Default occurs Macquarie may, without being obliged to do so and notwithstanding any waiver of any previous Event of Default, and in addition to any other rights or remedies conferred by this Agreement or by law:

- (a) declare the Outstanding Monies and all other sums which are accrued or due under this Agreement (whether or not presently payable) to be due and payable, whereupon they shall become immediately due and payable without further demand, notice or other legal formality of any kind; and/or
- (b) declare the Facilities terminated and the obligations of Macquarie under this Agreement shall immediately cease; and/or
- (c) do all acts and things and exercise all rights, powers and remedies that the Borrower could do or exercise in relation to the Secured Property including, without limitation, the power to:
 - (i) take possession and assume control of the Secured Property;
 - (ii) receive all money or other distributions (whether monetary or otherwise) made or to be made in respect of the Secured Property;
 - (iii) Dispose of or otherwise deal with the Secured Property or agree to do the same (whether or not Macquarie has taken possession) on such terms as Macquarie thinks fit in its absolute discretion;
 - (iv) employ solicitors, agents, accountants, auctioneers and consultants, on such terms as Macquarie thinks fit;
 - (v) carry out and enforce, or refrain from carrying out or enforcing, rights and obligations of the Borrower which may arise in connection with the Secured Property or obtained or incurred in the exercise of the rights, powers and remedies of Macquarie;
 - (vi) institute, conduct, defend, settle, arrange, compromise and submit to arbitration any claims, questions or disputes whatsoever which may arise in connection with the Secured Property or in any way relating to this Agreement, and to execute any related releases or other discharges; and
 - (vii) execute documents on behalf of the Borrower under seal or under hand,

and any monies which Macquarie pays or becomes liable to pay by reason of doing any of the above shall form part of the Secured Monies.

13.2 Appointment of receiver

Immediately upon or at any time after the occurrence of an Event of Default, Macquarie may appoint in writing any person to be a receiver or receiver and manager ("the Receiver") of any Secured Property and:

- (a) the Receiver may be appointed by Macquarie on such terms as Macquarie thinks fit;

Loan & Security Agreement (continued)

- (b) Macquarie may remove a Receiver and may appoint another in his place;
- (c) Macquarie may from time to time determine the remuneration of the Receiver; and
- (d) if two or more persons are appointed as Receiver they may be appointed jointly and/or severally and may be appointed in respect of different parts of the Secured Property.

13.3 Status and Capacity of Receiver

- (a) Unless and until Macquarie by notice in writing to the Borrower and to the Receiver requires that the Receiver act as agent of Macquarie, the Receiver shall be the agent of the Borrower, and the Borrower alone shall be responsible for the acts and defaults of the Receiver, but in exercising any powers of Macquarie, the Receiver shall have the authority of both the Borrower and Macquarie.
- (b) Subject to any specific limitations placed upon it by the terms of his appointment, the Receiver may, in addition to any right, power or remedy conferred upon it by law, do any act, matter or thing and exercise any right, power or remedy that may be done or exercised by Macquarie in relation to the Secured Property.

14. INDEMNITIES, EARLY UNWIND AND OTHER COSTS

14.1 Borrower obligation

- (a) The Borrower indemnifies Macquarie from and against all actions, suits, claims, demands, losses, liabilities, damages, costs and expenses which may be made or brought against or suffered or incurred by Macquarie arising out of or in connection with:
 - (i) any Event of Default;
 - (ii) the exercise or non-exercise of any right, power or remedy contained or referred to in this Agreement;
 - (iii) any prepayment or repayment of the Facilities including, without limitation, any loss or expense incurred in respect of:
 - (A) any cost associated with Macquarie obtaining an appropriate form of risk management (or instrument of similar effect) with respect to this Agreement or the funding of the Facilities;
 - (B) the exercise or non-exercise by Macquarie of, or the prevention or inability of Macquarie to, exercise any rights under any risk management agreement;
 - (C) the liquidation or redeployment of funds acquired from third parties to make or maintain the Facilities; or
 - (D) the termination or reversal of any arrangements (including without limitation any fixed rate contracts) entered into in connection with the funding of the Facilities;
 - (E) any loss of profits that Macquarie may suffer by reason of the early liquidation or redeployment of such funds or the termination or reversal of such arrangements.
- (b) The Borrower agrees to compensate Macquarie on demand if Macquarie determines that any new or amended law, order, official policy, directive or request of any governmental agency, or any change in any interpretation or administration of any law, order, official policy, directive or request of any governmental agency, directly or indirectly:
 - (i) increases the cost to Macquarie of providing, funding or maintaining the Facilities; or
 - (ii) reduces any amount received or receivable by Macquarie, or its effective return, in connection with the Facilities; or

- (iii) reduces Macquarie's return on capital allocated to the Facilities or its overall return on capital.

- (c) Any amount which Macquarie certifies to the Borrower that it has expended, incurred or will incur, or which it will forego pursuant to clause 14.1(a) or (b) shall, in the absence of manifest error, be binding for all purposes.

Macquarie shall not be responsible for any losses of any kind whatsoever (including, without limitation, the negligence, default or dishonesty of any servant, agent or auctioneer employed by Macquarie, any attorney of Macquarie or the Receiver) which may occur in or about the exercise, attempted exercise or non-exercise of any of the rights, powers or remedies of Macquarie under this Agreement.

14.2 Release by Borrower and Guarantor

If Macquarie is not the Issuer of the Structured Product, or any component of it, the Borrower and the Guarantor release Macquarie from all actions, suits, claims, demands and losses in connection with the Disclosure Document or any part of it that relates to a component of the Structured Product not issued by Macquarie.

15. GUARANTEE, INDEMNITY AND THIRD PARTY PROVISIONS

15.1 Guarantor liable

The Guarantor is liable for all the obligations of the Borrower under this Agreement both individually and jointly with any one or more other persons named as Guarantor.

15.2 Guarantee

- (a) The Guarantor unconditionally and irrevocably guarantees to Macquarie, jointly and severally, the due and punctual payment and satisfaction of the Secured Monies by the Borrower.
- (b) The amount of the Guarantor's liability as guarantor under this clause 15 is limited to the Secured Monies.
- (c) If the Borrower defaults in the due and punctual payment or satisfaction of any of the Secured Monies, the Guarantor shall pay the whole amount of the Secured Monies to Macquarie immediately upon demand. Macquarie may make such a demand on the Guarantor from time to time and whether or not demand has been made on the Borrower.
- (d) The Guarantor acknowledges incurring obligations and giving rights under this Agreement for valuable consideration received from Macquarie which includes Macquarie entering into this Agreement at its request.

15.3 Guarantor responsible for reviewing Borrower

The Guarantor acknowledges that it is responsible for making itself aware of the financial position of the Borrower and any other person who guarantees payment of the Secured Monies, and seeking appropriate legal advice relating to its obligations under this Agreement.

15.4 Indemnity given by Guarantor

The Guarantor unconditionally and irrevocably indemnifies Macquarie from all losses and claims arising under this Agreement. This indemnity extends to cover all actions, suits, claims, demands, obligations, liabilities, losses, damages, costs and expenses which have been or may be made or brought against or which have been or may be suffered or incurred by Macquarie if the whole or any part of the Secured Monies:

- a) is irrecoverable or has never been recoverable by Macquarie from the Borrower; or
- b) cannot be enforced against the Borrower; or

- c) is not paid to Macquarie for any other reason whatsoever including, without limitation, by reason of:
 - (i) any legal limitation, disability, incapacity, lack of any power or lack of authority of or affecting any person;
 - (ii) any of the transactions relating to the Secured Monies being void, voidable or unenforceable (whether or not the matters or facts relating thereto have been or ought to have been within the knowledge of Macquarie); or
 - (iii) any other fact, matter or thing whatsoever.

15.5 Payment by Guarantor

- (a) The Guarantor shall pay to Macquarie immediately upon demand an amount equal to the amount of the claims, demands, obligations, liabilities, losses, damages, costs and expenses referred to in clause 15.4. Macquarie may make such a demand from time to time and whether or not demand has been made on the Borrower.
- (b) The Guarantor agrees that the liability under clause 15 is that of principal debtor.

15.6 Unconditional nature of obligation

The Guarantor's obligations under this Agreement shall be absolute and unconditional in any and all circumstances and shall not be prejudiced, released or otherwise affected by any one or more of the following (occurring with or without the consent of or notice to any person):

- (a) any release, failure or agreement not to sue, discharge, termination, relinquishment, compromise, release, waiver, concession, indulgence, replacement, amendment, variation, increase, decrease or compounding of the obligations of the Borrower or of any other person under this Agreement or of any of the Secured Monies;
- (b) any of the obligations of the Borrower or any other person under this Agreement being or becoming wholly or partially illegal, void, voidable or unenforceable, whether by reason of any law or for any reason whatsoever;
- (c) any delay, laches, acquiescence, mistake, act, omission or negligence on the part of Macquarie or any other person;
- (d) any defences being available to the Borrower under this Agreement;
- (e) any part of the monies forming part of the Secured Monies being or becoming irrecoverable or never having been recoverable or any part of the obligations forming part of the Secured Monies being or becoming unenforceable or never having been enforceable;
- (f) any non-compliance by Macquarie or any other person with the provisions of any law or with any provision of this Agreement;
- (g) any law or judgment staying or suspending all or any of the rights of Macquarie against the Borrower, or any other person (by operation of law or otherwise);
- (h) any person becoming or not becoming a Guarantor of the Secured Monies or any part thereof or any discharge or release of any such person;
- (i) the insolvency, bankruptcy, winding up, receivership or administration of the Borrower or any other person;
- (j) any setting aside or avoidance of any payment by the Borrower or any other person;
- (k) any failure of Macquarie to enforce the Mortgage, or alteration or variation to this Agreement;
- (l) the full or partial release of the Mortgage; or

- (m) any other fact, matter, circumstance or thing whatsoever which, but for this provision, could or might operate to prejudice, release, discharge or otherwise affect the Borrower's obligations under this Agreement.

15.7 Macquarie not required to proceed against Borrower

Macquarie shall not be required to proceed against the Borrower or exhaust any remedies it may have against the Borrower or enforce this Agreement, but shall be entitled to demand and receive payment from the Guarantor when any payment is due under this Agreement and/or to proceed directly against the Secured Property.

15.8 Guarantor's claims against Borrower

Unless and until the whole of the Secured Monies have been paid or satisfied in full, the Guarantor shall not make any claim for any sum paid under this Agreement or enforce any rights which it may have (whether by way of defence, indemnity, set-off, counterclaim, contribution, subrogation or otherwise) against the Borrower or its property.

15.9 Judgment

A judgment obtained against the Borrower will be conclusive against the Guarantor.

15.10 Conditions precedent

Any condition or condition precedent to the provision of financial accommodation is for the benefit of Macquarie and not the Guarantor. Any waiver of or failure to satisfy such a condition or condition precedent will be disregarded in determining whether an amount is part of the Secured Monies.

15.11 Application

This clause 15 will have no application if there is no Guarantor designated as such in the Initial Confirmation.

16. SETOFF

16.1 Assets of the Borrower

Macquarie may (in addition to any general or banker's lien, right of setoff, right to combine accounts or any other right to which it may be entitled), without notice to the Borrower or any other person, setoff and apply any credit balance (or any part thereof in such amounts as Macquarie may elect) on any account (whether such account is subject to notice or not and whether matured or not) of the Borrower with Macquarie and any other monies owing by Macquarie to the Borrower, against the Secured Monies.

16.2 Assets of the Guarantor

Macquarie may (in addition to any general or banker's lien, right of set-off, right to combine accounts or any other right to which it may be entitled), without notice to the Guarantor or any other person, set-off and apply against any monies owing by the Guarantor to Macquarie under this Agreement any credit balance (or any part thereof in such amounts as Macquarie may elect) on any account (whether such account is subject to a notice or not (whether matured or not)) of the Guarantor with Macquarie and any other money owing by Macquarie to the Guarantor.

17. VOTING RIGHTS

17.1 Until an Event of Default occurs or the Secured Products are registered in Macquarie's name, the Borrower may exercise the voting rights attached to the Secured Products as it sees fit.

17.2 If an Event of Default occurs and is subsisting or the Secured Products are registered in the name of Macquarie, then:

- (a) all rights of the Borrower under clause 17.1 immediately cease; and
- (b) Macquarie is entitled to exercise the rights referred to in clause 17.1 although Macquarie is not required to exercise such rights.

Loan & Security Agreement (continued)

18. TAXATION

If the Borrower is required to deduct any tax from any payment due to Macquarie by the Borrower in connection with the Agreement, then:

- (a) it must pay that amount to the appropriate authority and promptly provide Macquarie with evidence of payment; and
- (b) the amount payable is increased so that (after deducting that tax and paying any taxes on the increased amount) Macquarie receives the same amount it would have received had no deduction been made.

19. NOTICES

- (a) All notices and other communications required by this Agreement to be in writing shall be given by the relevant party and shall be sent to the recipient by hand, prepaid post (airmail if outside Australia) or facsimile.
- (b) A notice or other communication shall be deemed to be duly received:
 - (i) if sent by hand, when left at the address of the recipient;
 - (ii) if sent by prepaid post, 5 days after the date of posting; or
 - (iii) if sent by facsimile, upon receipt by the sender of an acknowledgement or transmission report generated by the machine from which the facsimile was sent indicating that the facsimile was sent in its entirety to the recipient's facsimile number.
- (c) All notices and other communications shall be sent to the addresses of the respective parties as set out in the Loan Application Form or as a party may notify to the other party in writing.

20. ASSIGNMENT

- (a) Neither the Guarantor nor the Borrower shall assign or otherwise transfer the benefit of this Agreement or any of its respective rights, remedies, powers, duties or obligations under this Agreement without the prior written consent of Macquarie.
- (b) Macquarie may assign, transfer and otherwise grant participations or subparticipations in all or any part of the benefit of this Agreement and any of its rights, remedies, powers, duties and obligations under this Agreement without the consent of the Borrower or the Guarantor.
- (c) Macquarie may disclose to a potential assignee, transferee, participant or subparticipant such information about the Borrower, the Guarantor, and this Agreement as Macquarie considers appropriate.

21. PAYMENT INSTRUCTIONS AND AUTHORITY

- (a) The Borrower irrevocably authorises Macquarie to instruct the Issuer to make the following payments:
 - (i) to pay any distributions in respect of the Secured Products to the Borrower unless the Issuer receives a notice in writing from Macquarie requesting that any distributions be paid directly to Macquarie, in which case the Issuer must pay those distributions directly to Macquarie; and
 - (ii) to pay the proceeds of any redemption of the Secured Products directly and without deduction to Macquarie.
- (b) The Borrower agrees that any payment received by Macquarie from the Issuer, of any distribution or redemption proceeds under this clause fully discharges any obligation that the Issuer has to pay the distribution or redemption proceeds to the Borrower.

22. MISCELLANEOUS

22.1 Borrower consents to disclosure

The Borrower consents to Macquarie disclosing to the Guarantor and to any other guarantor of the obligations of the Borrower the following information:

- (a) a copy or summary of this Agreement and related material evidencing the obligations of the Borrower to be guaranteed; and
- (b) a copy of any formal demand that may be sent from time to time by Macquarie to the Borrower.

22.2 Borrower and Guarantor Granting Power of Attorney

- (a) The Borrower and Guarantor respectively irrevocably appoint Macquarie and each executive director, division director and associate director of Macquarie for the time being, severally, the attorneys of the Borrower and Guarantor to do (either in the name of the Borrower, Guarantor or the attorney) all acts and things that the Borrower or Guarantor is obliged to do under this Agreement or which, in the opinion of Macquarie, are necessary or desirable in connection with the Secured Property or the protection or perfection of Macquarie's interests or the exercise of the rights, powers and remedies of Macquarie.
- (b) The parties irrevocably authorise Macquarie, and each of its officers, agents, employees and solicitors to complete any details and fill in any blanks in this Agreement.

22.3 Exercise of rights by Macquarie

The failure or delay of Macquarie in exercising any right under this Agreement will not operate as a waiver of any right and the exercise of a single right or partial exercise of any right by Macquarie under this Agreement will not prevent Macquarie from exercising any other right. The rights of Macquarie under this Agreement are cumulative and are not exclusive of any other rights provided by law.

A waiver by Macquarie shall only be effective if it is in writing signed by an officer of Macquarie.

22.4 Severability

Any provision of this Agreement which is or becomes prohibited or unenforceable in any jurisdiction shall be severed from this Agreement only in respect of that jurisdiction.

22.5 Indemnities as continuing obligations

The indemnities contained in this Agreement are continuing obligations of the Borrower, separate and independent from their other obligations and shall survive the termination of this Agreement.

22.6 Macquarie's discretion

Any consent requested of, or determination by, Macquarie may be given or withheld by Macquarie in its absolute discretion and conditionally or unconditionally except where this Agreement otherwise expressly provides.

22.7 Delay by Macquarie

If the performance by Macquarie of any of its obligations under this Agreement or related arrangements is prevented or delayed in whole or in part due to any circumstance which Macquarie is unable to control, this Agreement will nevertheless continue and remain in full force and effect but Macquarie will not be in default under this Agreement or otherwise liable for any loss, cost, expense or damage suffered by the Borrower or the Guarantor for that reason only and Macquarie will be granted a reasonable extension of time to complete performance of its affected obligations.

22.8 Macquarie not responsible

Without limiting the terms of clause 14 or 22.7, Macquarie shall not be responsible for any loss, cost, expense or damage suffered by the Borrower as a result of Macquarie acting in accordance with any request or direction from the Borrower (including in relation to any sale of the Secured Property) or of not acting, or of not acting promptly, in accordance with any such request or direction.

22.9 Governing law

This agreement shall be governed by and construed in accordance with the laws of the State. The parties irrevocably and unconditionally submit to the nonexclusive jurisdiction of the courts of the State.

22.10 Time of the essence

Time shall be of the essence in respect of each and all of the obligations of each of the Borrower and the Guarantor hereunder.

23. PRIVACY

The Borrower and Guarantor consent to Macquarie giving, from time to time, to:

- (a) any of Macquarie's related entities
- (b) the Issuer of the Structured Products;
- (c) any Guarantor or Borrower as applicable; or
- (d) where the Borrower or Guarantor comprises more than one person, to any Borrower or Guarantor; and
- (e) a person authorised by the Borrower and notified to Macquarie in writing, as the Borrower's representative for the purposes of this Agreement,

any information in Macquarie's possession about the Borrower or Guarantor respectively, the Secured Property, the Facility and this Agreement that they may request from time to time. Macquarie may also give such information to fund managers, and clearing houses to the extent it deems necessary or desirable for effecting transactions in connection with this Agreement. This information may be given in electronic, paper or spoken form. Macquarie is not in any way liable to the Borrower or Guarantor, and the Borrower and Guarantor each releases Macquarie, its directors and employees from any liability for the unauthorised accessing or release of any such information (except to the extent, and only to the extent, arising from Macquarie's gross negligence or fraud).

24. GOODS AND SERVICES TAX

- (a) All payments to be made by the Borrower under or in connection with this Agreement have been calculated without regard to GST. To the extent that any supply made under or in connection with this Agreement is a taxable supply, the recipient must pay, in addition to the consideration to be provided under this Agreement for that supply (unless it expressly includes GST) an amount (**additional amount**) equal to the amount of that consideration (or its GST exclusive market value) multiplied by the rate at which GST is imposed in respect of the supply.
- (b) Terms used in this clause which are defined in the GST Act have the same meaning in this clause.

- (c) If either party is entitled under this Agreement to be reimbursed or indemnified by the other party for a cost or expense incurred in connection with this Agreement, the reimbursement or indemnity payment must not include any GST component of the cost or expense for which an input tax credit may be claimed by the party being reimbursed or indemnified, or by its representative member.

25. INTERPRETATION

- (a) In this Agreement, unless the context otherwise requires:

Agreement means this Loan and Security Agreement.

BBSW means the 90 day bank bill swap rate (expressed as a percentage) for the applicable period quoted on the page designated as "BBSW" on the Reuters Monitor or another page that replaces that system to display the bank bill swap rate.

Borrower means each person identified as such (including a joint Borrower) in the Loan Application Form.

Break Costs means all costs and expenses which may be made or incurred by Macquarie arising out of or in connection with any prepayment of the Outstanding Monies (whether pursuant to clause 4 or otherwise), including, without limitation, any loss or expense identified in clause 14.1(a)(iii).

Business Day means a day on which banks are open for business in the State.

Confirmations means the confirmations issued by Macquarie to the Borrower from time to time, including the Initial Confirmation, which set out, amongst other matters, the details of the Investment Loan, Interest Payment Dates and the applicable Interest Payment Plan.

Corporation has the meaning given in the Corporations Act.

Corporations Act means the Corporations Act 2001 (Cth).

Costs includes costs, charges and expenses, including those incurred in connection with advisers.

Default Rate means 2% plus BBSW per annum.

Disclosure Document means the relevant Product Disclosure Statement, prospectus, offering memorandum or other analogous document as identified in the Product Brochure relating to the offer of Structured Products.

Dispose means transfer, sell or redeem.

Disposal means a transfer, sale or redemption.

Drawdown Date means the date the Principal under the Investment Loan is drawn down, which subject to any additional drawdown under clause 1.8, is prior to the date when the Structured Products are acquired by the Borrower.

Drawing means the outstanding Principal from time to time of the drawdown made under a Facility or both Facilities as the context requires.

Event of Default means any event specified as such in clause 12.

Facility means:

- (a) an Investment Loan; and
 - (b) if applicable, an Interest Assistance Loan,
- made available under this Agreement and **Facilities** means both of them.

Facility Limit means the amount of the Investment Loan Limit and, if applicable, an Interest Assistance Loan approved by Macquarie and notified to the Borrower in the Initial Confirmation, and in relation to the Investment Loan Limit, as amended from time to time under clause 1.8.

Loan & Security Agreement (continued)

Financial Statements means:

- (a) a statement of financial position;
- (b) a statement of financial performance; and
- (c) a statement of cash flows.

Financial Year means the period starting on 1 July and ending on 30 June in the following calendar year.

GST means the goods and services tax levied under the GST Act.

GST Act means a *New Tax System (Goods and Services Tax) Act 1999*.

Guarantor means the person identified as such in the Loan Application Form.

Initial Confirmation means an acceptance of an application delivered by Macquarie to the proposed Borrower in response to the Loan Application Form which sets out, among other matters, the identity of the Borrower, the amount of the Investment Loan and the Interest Payment Plan applicable.

Interest Assistance Loan means an advance of an amount to the Borrower as calculated by Macquarie to represent an amount of up to 100% of the interest charged under the Investment Loan for the first full Financial Year.

Interest Assistance Loan Drawdown Date means the date the Interest Assistance Loan Principal is drawn down.

Interest Assistance Loan Principal means the amount drawn down under the Interest Assistance Loan on the Interest Assistance Loan Drawdown Date.

Interest Payment Date means the dates set out in the Initial Confirmation for the payment of interest, or if not stated in the Initial Confirmation, the following dates in any year:

- (a) for the Investment Loan, if the applicable Interest Payment Plan provides for quarterly payments:
 - (i) 30 September;
 - (ii) 31 December;
 - (iii) 31 March;
 - (iv) 30 June, orif the applicable Interest Payment Plan provides for annual payments, 30 June,

- (b) for the Interest Assistance Loan, 30 June, or where any of these dates does not fall on a Business Day, the first preceding Business Day.

Interest Payment Plan means a plan described for the payment of interest under the Investment Loan as described in the Product Brochure and selected by the Borrower in the Loan Application Form.

Interest Rate means:

- (a) in relation to the Investment Loan, subject to (b), the interest rate described in the Interest Payment Plan; or
- (b) in relation to any additional Investment Loan drawdown pursuant to clause 1.8, the interest rate notified by Macquarie at the time of that additional drawdown; or
- (c) in relation to the Interest Assistance Loan, the interest rate described in the Product Brochure for the Interest Assistance Loan,

each as determined by Macquarie from time to time and confirmed to the Borrower in the Confirmations.

Investment Loan Limit means the amount of the Investment Loan approved by Macquarie and notified to the Borrower in the Initial Confirmation, as amended from time to time under clause 1.8.

Investment Loan means the amount advanced by Macquarie to purchase Structured Products under clause 1.5.

Issuer has the meaning given in the Disclosure Document.

Liquidation includes receivership or other appointment of a controller, deregistration, compromise, deed of arrangement, amalgamation, administration, reconstruction, winding up, dissolution, assignment for the benefit of creditors, arrangement or compromise with creditors, bankruptcy or death.

Loan Application Form means an application form attached to this Loan and Security Agreement.

Macquarie means Macquarie Bank Limited (ABN 46 008 583 542).

Material Adverse Change means a change which, in Macquarie's opinion, has a material adverse effect on either the Borrower's assets, revenue or financial condition, or its ability to perform its obligations under this Agreement.

Maturity Date means the date stated as the Maturity Date in the Initial Confirmation or Product Brochure.

Mortgage means the mortgage created under clause 11 of this Agreement.

Outstanding Monies means the Drawing plus any accrued but unpaid interest or their aggregate (as the case may be).

Product Brochure means the brochure provided with this Agreement which describes the Structured Product to be purchased using the proceeds of the Investment Loan and which sets out the Interest Payment Plans offered by Macquarie and other commercial terms relating to the Investment Loan and the Interest Assistance Loan .

Principal means:

- (a) in respect of the Investment Loan, the total of all amounts drawn down under it;
- (b) in respect of the Interest Assistance Loan, the total of all amounts drawn down under it.

Receiver means any receiver or receiver and manager appointed to the Secured Property.

Related Bodies Corporate has the same meaning as in the Corporations Act.

Repayment Date means the date the Investment Loan is repaid under clause 4.1.

Secured Monies means all monies, obligations and liabilities of any nature whatsoever that may now be, or might at any time in the future become or remain, due, owing or payable, whether actually or contingently, by the Borrower to Macquarie on any account or for any reason whatsoever under the provisions of this Agreement.

Secured Products means the Structured Products acquired by the Borrower utilising the proceeds of the Investment Loan provided by Macquarie.

Secured Property means:

- (a) all of the Borrower's present and future right, title and interest in the Secured Products, including the Borrower's:
 - (i) interest in any distributions in respect of the Secured Products; and
 - (ii) rights consequent upon the disposal, including any interest in the proceeds of disposal of those Secured Products; and,
- (b) any other asset agreed from time to time by the Borrower and Macquarie to be the Secured Property in connection with this Agreement.

Security Interest includes any mortgage, bill of sale, pledge, deposit, lien, encumbrance, hypothecation, arrangement for the retention of title and any other right, interest, power or arrangement of any nature whatsoever having the purpose or effect of providing security for, or otherwise protecting against default in respect of, the obligations of any person.

State means that State or Territory of the Commonwealth of Australia in which the office of Macquarie that issues the Confirmation is located.

Structured Product Application means the application form for the Structured Product which the proceeds of the Investment Loan are to be applied to.

Structured Products means the financial products described in the Product Brochure and confirmed in the Initial Confirmation and any rights attaching to the holder of the relevant financial product whether such rights are owed by the Issuer of the financial product or another person.

- (b) In this Agreement, unless the context otherwise requires:
 - (i) words importing the singular include the plural and vice versa;
 - (ii) references to a person include any type of entity or body of persons whether or not it is incorporated or has a separate legal entity;
 - (iii) references to an agreement or document (including, without limitation, a reference to this Agreement) is to the agreement or document as amended, varied, supplemented, novated or replaced, except to the extent prohibited by this Agreement or that other agreement or document; and

- (iv) references to any party to this Agreement include references to its respective successors and permitted assigns.

- (c) Unless specified otherwise in this Agreement, any decision or exercise of Macquarie's discretion under or in connection with this Agreement, may be made or exercised in Macquarie's absolute discretion.
- (d) In this Agreement, where the Borrower comprises two persons:
 - (i) an obligation of those persons is joint and several;
 - (ii) a right of those persons is held by each of them severally; and
 - (iii) a reference to the Borrower is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking is given by each of them separately.
- (e) If a Borrower submits more than one Loan Application Form:
 - (i) the Borrower, the Guarantor (if applicable) and Macquarie must enter into a separate agreement in relation to each Loan Application Form; and
 - (ii) each separate agreement will relate to one Loan Application Form.

Executed as a Deed in New South Wales.

<Insert execution clauses here>

Macquarie Structured Product Investment Loan Application Form

Instructions

Complete this form using BLACK INK and print well within the boxes in CAPITAL LETTERS. Mark answer boxes with an (X). Start at the left of each answer space and leave a one box gap between words.
CROSS OUT AND INITIAL ANY CHANGES MADE TO THE FORM. DO NOT USE CORRECTION FLUID TO AMEND.

By completing this Loan Application Form, you are requesting Macquarie Bank Limited (“**Macquarie**”) to provide you with an Investment Loan (and Interest Assistance Loan if available and if requested below) on the terms of the Loan and Security Agreement and otherwise as provided in the Product Brochure.

An application for a loan will only be considered where a valid Loan Application Form has been completed and delivered as set out in the Product Brochure. The Product Brochure provides details of the Investment Loan and (where applicable) the Interest Assistance Loan for which, by completing this Loan Application Form, you will apply. It is important that you have read the Product Brochure and Disclosure Document which is related to the underlying Structured Product to be acquired by you with the Investment Loan. This Loan Application Form must not be provided to any person unless at the same time access is given to the Product Brochure and Disclosure Document which is related to the underlying Structured Product. Unless otherwise defined in this Loan Application Form, capitalised terms have the same meaning as defined in the Loan and Security Agreement.

CHECKLIST

Please ensure that you read and complete all sections required. Missing or incomplete information may delay your loan application.

INDIVIDUAL APPLICANTS & JOINT APPLICANTS	COMPANY APPLICANTS	INDIVIDUAL TRUSTEE APPLICANTS & CORPORATE TRUSTEE APPLICANTS
<input type="checkbox"/> PART A If Macquarie requires another person to guarantee your liabilities – each guarantor must complete <input type="checkbox"/> PART B	<input type="checkbox"/> PART A Each director must complete Part B <input type="checkbox"/> PART B <input type="checkbox"/> PART C	<input type="checkbox"/> PART A For individual trustees, each trustee must complete Part B. For corporate trustees each director must complete Part B. <input type="checkbox"/> PART B <input type="checkbox"/> PART C If applying for an Investment Loan of \$500,000 or more complete Part D. <input type="checkbox"/> PART D
For ALL APPLICANTS where the Investment Loan amount is \$500,000 or more, Part E must also be completed <input type="checkbox"/> PART E		

If you make an error while completing your Application Form, Do NOT use correction fluid to amend. Cross out and initial any changes to the Application Form.

Send your completed Loan Application Form together with your Structured Product Application to the address specified in the Structured Product Application.

If in doubt Ask Macquarie on 1800 80 30 10.

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8 STATEMENT OF FINANCIAL POSITION – INDIVIDUAL & JOINT APPLICANTS ONLY

Please complete all relevant financial details. Where an item is left blank it will be assumed to be nil.

INDIVIDUAL APPLICANTS – Complete section 8.1 only.

JOINT APPLICANTS – You may combine your financial details and enter combined figures in section 8.1 or otherwise provide separate details in 8.2.

TRUST APPLICANTS – all trustees (individual and corporate) must provide financial details in Part B as Guarantors

COMPANY APPLICANTS – all directors must provide financial details in Part B as Guarantors

8.1 INDIVIDUAL APPLICANT

ASSETS		LIABILITIES	
Cash	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Mortgage (residential)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Property (residential)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Loans (investment)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Property (investment)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Leases	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Shares	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Credit cards	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Other	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Other	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>

ANNUAL INCOME		ANNUAL EXPENDITURE	
Salary (pre tax)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Expected tax payable	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Rental and dividends (pre tax)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Mortgage payments Rent (residential)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Other income (pre tax)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Loan payments (investment)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
		Lease payments	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
		Living expenses and school fees	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
		Other expenses	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>

8.2 JOINT APPLICANT (if applicable)

ASSETS		LIABILITIES	
Cash	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Mortgage (residential)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Property (residential)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Loans (investment)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Property (investment)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Leases	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Shares	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Credit cards	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Other	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Other	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>

ANNUAL INCOME		ANNUAL EXPENDITURE	
Salary (pre tax)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Expected tax payable	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Rental and dividends (pre tax)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Mortgage payments Rent (residential)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
Other income (pre tax)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>	Loan payments (investment)	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
		Lease payments	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
		Living expenses and school fees	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>
		Other expenses	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/>

Please provide an explanation of any other financial information you deem relevant to your loan application:

Loan Application Form - Part B

Complete this form using BLACK INK and print well within the boxes in CAPITAL LETTERS. Mark answer boxes with a cross (X). Start at the left of each answer space and leave a one box gap between words. Please cross out and initial any changes made to the form. Do not use correction fluid to amend.

FOR ALL
GUARANTORS



GUARANTOR DECLARATIONS AND SIGNATURE

Personal Guarantees (to be completed by the Guarantors of Individual Applicants, Joint Applicants and Trustee Applicants)

Macquarie Bank Limited may require that the obligations of an individual Borrower be guaranteed. The Guarantor(s) must complete this section accordingly. If more than two Guarantors are required, please provide details and signatures of all additional Guarantors and witnesses on a separate attachment.

Directors' Guarantees (to be completed by all directors of Corporate Applicants and Corporate Trustee Applicants)

In the case of a company, including a corporate trustee, the obligations of the Borrower under the loan must be guaranteed by each of the directors of the company. Each director must complete this section accordingly. If a company has more than two directors please provide details and signatures of all additional Guarantors and witnesses on a separate attachment.

Risk

- the guarantee provided by me/us is governed by the terms of the Agreement, a copy of which I/we have read and understand;
- by agreeing to provide the guarantee to Macquarie, I/we understand and accept that we may be liable personally for all of the monies owed by the Borrower to Macquarie under the Agreement;
- in particular, I/we understand and accept that if Macquarie enforces the guarantee given by me/us, it may result in a loss of my/our personal assets (for example, my house and /or car);

General

- I/we have read and understand the Disclosure Document;
- Investments in the Structured Products are not deposits with or liabilities of Macquarie Bank Limited ("Macquarie") or any affiliate of Macquarie and are subject to investment risk, including possible delays in repayment and loss of income and/or principal invested;
- Neither Macquarie nor any of its affiliates guarantees any particular rate of return or the performance of the Structured Products nor do they guarantee the repayment of capital of the Structured Products.
- I/we understand the risks associated with an investment in the Structured Products as they are outlined in the Disclosure Document;

Privacy

- I/We consent, acknowledge and agree to the terms and conditions of the Privacy Statement included in Part F of this Loan Application Form.

Consent to Recording.

- I/We consent to the recording of all telephone conversations in connection with the Agreement or with future dealings in relation to the guarantee provided by me/us with or without the use of an automatic tone warning device;
- I/We agree to obtain any necessary consent of, and give notice of such recording to, its affected personnel;
- I/We agree that recordings may be submitted in evidence in any proceedings relating to this Agreement; and
- I/We agree that Macquarie is not obliged to maintain copies of such recordings and transcripts for the benefit of the other party.

Guarantor's Power of Attorney declaration

I/We irrevocably and by way of security appoint Macquarie and or any entity associated with it (and each of its officers, employees, agents and solicitors) separately (the "Attorney") as my/our true and lawful agent and attorney in fact (with full power of substitution, delegation and revocations the Attorney may deem expedient) to sign and deliver on my behalf:

- the Loan and Security Agreement in substantially the same form as that provided with this Loan Application Form;
- any other document, instrument, direction, instruction, act or thing which, in the opinion of the Attorney, is necessary or desirable in connection with the Loan and Security Agreement or the protection or perfection of the interests of Macquarie or the exercise of the rights, powers or remedies of Macquarie.

I/We further authorise the Attorney to do the following with respect to any of the documents referred to above:

- complete any blanks;
- make any amendments or additions;
- do, execute and perform any other deed, agreement, matter or thing which in the opinion of the Attorney ought to have been done or performed to perfect the relevant documents and make them effective or valid; and
- attend to the stamping or registration of all related and ancillary documentation.

I/We declare that anything done by the Attorney pursuant to the powers given to the Attorney will be binding on me/us as if those acts had been done by me/us. I/we agree to indemnify the Attorney against any loss or costs it suffers or incurs in exercising the powers specified above. The Attorney may exercise the powers granted above even if it involves a conflict of duty or conflict of interest.

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Loan Application Form – Part F

PRIVACY STATEMENT

Privacy

I/we consent, acknowledge and agree that in addition to the consents given under clause 23 of the Loan and Security Agreement:

- a) the information in this Loan Application Form and any other information provided by me in connection with this application (“Information”) is provided by me/us to Macquarie to allow the Borrower’s application for the loan, to be assessed and processed and, if the Borrower’s application is successful, to allow the loan, and my/our obligations as guarantor under the loan, to be administered and enforced. It may also be used and/or disclosed to Macquarie’s affiliates and/or contracted service providers (together with Macquarie, the “Entities”) to offer investment and loan products to me/us.
- b) should I/we fail to provide the Entities with any such information or documentation requested of me/us, my/our guarantee and the Borrower’s application for the loan, may be refused and Structured Products will not be issued to the Borrower, and the Entities will not be liable for any loss arising as a result thereof;
- c) the Information may be collected, held, used and disclosed by the Entities in accordance with the Privacy Act 1988 (Cth) and, without limiting the disclosures permitted under that Act, I/we consent to the Entities disclosing my/our Information to a person authorised by me/us and notified to any Entity in writing as my/our representative (including a person authorised to buy and sell investments on my/our behalf); to fund managers and clearing houses; and to foreign regulators;
- d) the Entities will not be in any way liable to me/us, and I/we release the Entities and each of their directors and employees from any liability for the unauthorised accessing or release of any Information (except to the extent, and only to the extent, arising from the Entities’ gross negligence or fraud); and
- e) I/we may request access to my/our information by contacting Macquarie using the contact details shown on the checklist.

I/we consent to the Entities (and any other person or company who at any time provides or has any interest in the credit) doing any of the following at any time:

- f) seeking and using commercial credit information about me/us for the purpose of assessing an application for consumer credit or commercial credit or whether to accept me/us as a guarantor/s for credit applied for by, or provided to the Borrower, and assessing my/our creditworthiness;
- g) seeking and using consumer credit information about me/us provided by a credit reporting agency to assess an application for consumer credit or commercial credit, to assess my/our creditworthiness, to collect overdue payments from me/us and/or to avoid defaulting on my/our obligations;
- h) seeking from and using or giving to another credit provider (including any other credit provider who has lent money on the same security) any information about my/our creditworthiness, credit standing, credit history or credit capacity. In particular, the Entities may provide a reference on me/us;
- i) seeking from and using or giving to any broker, financial consultant, accountant, lawyer or other adviser acting in connection with any financing provided or proposed to be provided to me/us any consumer or commercial credit information;
- j) disclosing any report or personal information about me/us to another person in connection with funding or managing financial accommodation by means of an arrangement involving securitisation;
- k) providing personal information and any of the above to my adviser;
- l) giving a credit reporting agency certain personal and commercial information about me/us, including the following information where applicable:
 - information which is reasonably necessary to identify me/us – for example, name, gender, date of birth and current or last known address, current or last known employer, driver’s licence number;
 - the fact that credit has been applied for and the amount;
 - that Macquarie Bank is a current credit provider to me/us;
 - that I am/we are at least 60 days overdue in making a payment, including a payment that is wholly or partly a payment of interest, and that Macquarie Bank has taken steps to recover the whole or any part of the amount of credit (including any amounts of interest outstanding);
 - information about any overdue payment by me/us as the guarantor/s under the guarantee given against default by the Borrower in repaying all or any of the credit obtained by the Borrower from Macquarie;
 - that a cheque for an amount not less than \$100 that has been drawn by me/us has twice been presented by Macquarie Bank and dishonoured;
 - that in the opinion of Macquarie, I/we have, in specified circumstances, committed a serious credit infringement;
 - that I/we have ceased to be overdue in making payments, or that I/we contend that I am/we are not overdue in making payments;
 - that Macquarie Bank has ceased to be a current credit provider in relation to me/us;
 - that the credit provided by Macquarie Bank has been paid or otherwise discharged;
 - that a court judgment has been made against me/us; and
 - that bankruptcy orders have been made against me/us.

