

**Australian Securities and Investments Commission
Corporations Law - Subsection 741(1) - Exemption**

Pursuant to subsection 741(1) of the Corporations Law (“the Law”) the Australian Securities and Investments Commission (“ASIC”) hereby grants to the person mentioned in Schedule A, in the case mentioned in Schedule B, the exemptions in Schedule C for as long as and on the condition that the conditions specified in Schedule D are met.

SCHEDULE A — PERSONS AFFECTED

A person who offers securities for issue in a scheme of the kind mentioned in Schedule B and a person who authorises or causes such an offer (“Offeror”).

SCHEDULE B — CASES EXEMPTED

Making offers in a managed investment scheme (“the Scheme”) the only investments of which are mortgages over real estate and deposits with an Australian ADI (“relevant offers”).

SCHEDULE C — EXEMPTIONS

The Offeror is exempted from:

- (a) Parts 6D.2 and 6D.3 of the Law in relation to a relevant offer, to the extent that those provisions:
 - (i) require a prospectus to be one document; and
 - (ii) require a specific prospectus (as defined in this instrument), including a replacement or supplementary document in relation to a specific prospectus, to be lodged.
- (b) Parts 6D.2 and 6D.3 of the Law, to the extent that those provisions require an application form for a relevant offer to be included in or accompanied by a copy of a general prospectus (as defined in this instrument) when the form is issued to a person who already has been, or is at the same time, provided with a copy of that general prospectus;
- (c) subsection 711(7), in relation to a specific prospectus;
- (d) subsection 724(1), to the extent that it requires the Offeror to deal with an application for securities under subsection 724(2) if the matter listed in subsection 724(1) giving rise to the requirement relates to a specific prospectus which does not relate to the interests which are the subject of the application.

SCHEDULE D — CONDITIONS

The Offeror must ensure that:

- 1 All of the information required by Division 4 of Part 6D.2 in relation to the relevant offer is provided in:
 - (a) a general prospectus for the Scheme, which must contain information about:
 - (i) the Scheme constitution and the responsible entity; and
 - (ii) the general operations of the Scheme and the general character of the interests, including the main features of mortgage lending under the Scheme, the relationship between the Offeror and investors, the rights of a lender, the fees and charges that will apply and the valuation practices the Offeror will use;
- and
- (b) a specific prospectus for the interests to which the relevant offer relates, which must contain any information which Division 4 of Part 6D.2 requires to be provided and which is specifically relevant to the interests or to the particular scheme property to which the interests relate including but not limited to:
 - (i) the borrower offering the mortgage, including their creditworthiness;
 - (ii) the mortgage itself and the rights that accrue under it;
 - (iii) the property that is to be mortgaged, how it has been valued and what is its value;
 - (iv) the loan to valuation ratio;
 - (v) any prior securities the property is subject to;
 - (vi) the interest the borrower will pay;
 - (vii) how long the loan will last and the arrangements for repayment of it.

Except as required by paragraph (a) or (b), any information which must or may be included in a prospectus may be included in either the general prospectus or the specific prospectus.

- 2 The general prospectus and each replacement or supplementary document in relation to the general prospectus is lodged.
- 3 The Offeror arranges for the original of the specific prospectus and of each replacement or supplementary document in relation to the specific prospectus to be kept as if it were scheme property. If another person holds the scheme property, each such document must be given to that person.
- 4 Each of the general prospectus, the specific prospectus and the application form states clearly in bold type that:
 - (a) it is to be read with each of the other two documents;
 - (b) the Offeror will provide a copy of the specific prospectus and the application form (and a copy of any supplementary or replacement documents in relation to the specific prospectus), free of charge, upon request, to a person to whom an offer for issue of interests in the Scheme to which the specific prospectus relates has been made.

This condition does not require a statement to be included in a document, if that document is included in or accompanied by the document to which the statement would refer.

- 5 The Offeror complies with the remaining provisions of Chapter 6D in relation to a replacement or supplementary document in relation to a specific prospectus as if the replacement or supplementary document had been lodged when it was prepared.
- 6 No interests in the Scheme are issued to a person unless the Offeror reasonably believes that the person has received the general prospectus and the specific prospectus that relates to the interests to be issued to the person.
- 7 The Offeror lodges with ASIC at the time of lodgment of the general prospectus written notice that it is taking advantage of this relief.

Dated the 16th day of February 2000

Signed by Brendan Byrne
as delegate of the Australian Securities and Investments Commission