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THIS ELECTRONIC TRANSMISSION IS ONLY BEING DISTRIBUTED TO AND IS DIRECTED ONLY AT PERSONS WHO ARE (A) OUTSIDE OF THE UNITED KINGDOM; OR (B) WITHIN THE UNITED KINGDOM, AND WHO ARE (I) NOT A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "**EUWA**") OR (II) NOT A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (THE "**FSMA**") AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA OR (III) A QUALIFIED INVESTOR AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THE INFORMATION MEMORANDUM MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THE INFORMATION MEMORANDUM RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

THIS ELECTRONIC TRANSMISSION MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY PERSON OTHER THAN THE INTENDED RECIPIENTS OF THIS ELECTRONIC TRANSMISSION AND ANY PERSON RETAINED TO ADVISE THE PERSON RECEIVING THIS ELECTRONIC TRANSMISSION WITH RESPECT TO THE OFFERING CONTEMPLATED IN THE INFORMATION MEMORANDUM AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY PERSON IN THE UNITED STATES OR TO ANY U.S. PERSON. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE INFORMATION

MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. EXCEPT AS EXPRESSLY AUTHORISED HEREIN, THE INFORMATION CONTAINED IN THIS ELECTRONIC TRANSMISSION IS CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE ENTITY OR INDIVIDUAL TO WHOM IT IS ADDRESSED.

Confirmation of your Representation: The Information Memorandum is being sent at your request and by accepting the electronic transmission and accessing the Information Memorandum, you shall be deemed to have represented to HSBC Bank Australia Limited (ABN 48 006 434 162) that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the Information Memorandum by electronic transmission, (c) you are not a U.S. person (within the meaning of Regulation S under the Securities Act or the U.S. Risk Retention Rules) or acting for the account or benefit of a U.S. person, and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia, (d) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**FPO**") or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the FPO (all such persons together being referred to as relevant persons); (e) if you are a person in Australia you are a (i) sophisticated investor, (ii) a professional investor or (iii) a person in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act and (f) if you are a person in a Member State of the European Economic Area, you understand and agree that only the Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes are being offered to you pursuant to this Information Memorandum. In the United Kingdom, this Information Memorandum must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Information Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons.

You are reminded that the Information Memorandum has been delivered to you on the basis that you are a person into whose possession the Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Information Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the managers or any affiliate of the managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the managers or such affiliate on behalf of the Issuer in such jurisdiction.

The Information Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch (ABN 65 117 925 970), Australia and New Zealand Banking Group Limited (ABN 11 005 357 522), Commonwealth Bank of Australia (ABN 48 123 123 124), National Australia Bank Limited (ABN 12 004 044 937) nor Westpac Banking Corporation (ABN 33 007 457 141) nor any person who controls any of such managers nor any director, officer, employee nor agent or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Information Memorandum distributed to you in electronic format herewith and the hard copy version available to you on request from The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch, Australia and New Zealand Banking Group Limited, Commonwealth Bank of Australia, National Australia Bank Limited and Westpac Banking Corporation.



INFORMATION MEMORANDUM

Perpetual Corporate Trust Limited
(ABN 99 000 341 533) as trustee of the
LION SERIES 2023-1 TRUST

Definitions of defined terms used in this Information Memorandum are contained in the Glossary

	Aggregate Initial Invested Amount	Initial Interest Rate	Expected Rating (S&P / Fitch)
Class A1 Notes	A\$920,000,000	BBSW (1 month) + 1.20%	AAA(sf) / AAAsf
Class A2 Notes	A\$40,000,000	BBSW (1 month) + 2.25%	AAA(sf) / AAAsf
Class B Notes	A\$17,000,000	BBSW (1 month) + 3.10%	AA(sf) / NR
Class C Notes	A\$10,000,000	BBSW (1 month) + 3.60%	A(sf) / NR
Class D Notes	A\$4,500,000	BBSW (1 month) + 4.10%	BBB(sf) / NR
Class E Notes	A\$4,000,000	BBSW (1 month) + 6.00%	BB(sf) / NR
Class F Notes	A\$4,500,000	BBSW (1 month) + 7.00%	NR / NR

Arranger

The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch
(ABN 65 117 925 970)

Joint Lead Managers and Dealers

The Hongkong and Shanghai Banking Corporation
Limited, Sydney Branch
(ABN 65 117 925 970)

Australia and New Zealand Banking
Group Limited
(ABN 11 005 357 522)

Commonwealth Bank of Australia
(ABN 48 123 123 124)

National Australia Bank Limited
(ABN 12 004 044 937)

Westpac Banking Corporation
(ABN 33 007 457 141)

This Information Memorandum is dated 28 June 2023.

1 IMPORTANT INFORMATION

1.1 Purpose

This information memorandum ("**Information Memorandum**") has been prepared solely in connection with the Lion Series 2023-1 Trust. This Information Memorandum relates solely to a proposed issue of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (the "**Offered Notes**") by Perpetual Corporate Trust Limited in its capacity as trustee of the Lion Series 2023-1 Trust (the "**Trustee**"). This Information Memorandum does not relate to, and is not relevant for, any other purpose than to assist the recipient to decide whether to proceed with a further investigation of the Offered Notes.

This Information Memorandum is not intended to provide the sole basis of any credit or other evaluation and it does not constitute a recommendation, offer or invitation to purchase the Offered Notes by any person. It should not be relied upon by intending purchasers of the Offered Notes.

Potential investors in the Offered Notes should read this Information Memorandum and the Transaction Documents and, if required, seek advice from appropriately authorised and qualified advisers prior to making a decision whether or not to invest in the Offered Notes.

This Information Memorandum contains only a summary of the terms and conditions of the Transaction Documents and the Trust. If there is any inconsistency between this Information Memorandum and the Transaction Documents, the Transaction Documents should be regarded as containing the definitive information. With the approval of the Manager, a copy of the Transaction Documents for the Trust may be inspected by potential investors or Noteholders at the office of the Manager on a confidential basis, by prior arrangement during normal business hours.

1.2 Notes are not guaranteed and are not deposits

The Offered Notes will be the obligations solely of Perpetual Corporate Trust Limited in its capacity as trustee of the Trust and do not represent obligations of or interests in, and are not guaranteed by, Perpetual Corporate Trust Limited in its personal capacity or as trustee of any other trust or any affiliate of Perpetual Corporate Trust Limited.

The Offered Notes do not represent deposits with, or any other liability of, HSBC Bank Australia Limited ("**HSBC**") (in any capacity, including without limitation in its capacity as Manager, Servicer, Derivative Counterparty, Liquidity Facility Provider, Additional Advance Facility Provider or Servicer), The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch ("**HSBC SYD**") (in any capacity, including without limitation in its capacity as Arranger, Joint Lead Manager or Dealer), Australia and New Zealand Banking Group Limited ("**ANZ**") (in any capacity, including without limitation in its capacity as Joint Lead Manager or Dealer), Commonwealth Bank of Australia ("**CBA**") (in any capacity, including without limitation in its capacity as Joint Lead Manager or Dealer), National Australia Bank Limited ("**NAB**") (in any capacity, including without limitation in its capacity as Joint Lead Manager or Dealer) or Westpac Banking Corporation ("**WBC**") (in any capacity, including without limitation in its capacity as Joint Lead Manager or Dealer). Neither HSBC, HSBC SYD, ANZ, CBA, NAB or WBC or any of their respective Related Entities guarantees or is otherwise responsible for the payment of interest or the repayment of principal due on the Offered Notes, the performance of the Offered Notes or the Trust Assets or any particular rate of capital or income return on the Offered Notes.

The holding of Offered Notes is subject to investment risk, including possible delays in repayment and loss of income and principal invested. Investors should carefully consider the risk factors set out in Section 3 ("Risk Factors").

1.3 Responsibility for information contained in this Information Memorandum

The Trustee only accepts responsibility for the information relating to it contained in Section 8.1 ("Trustee"). To the best of the knowledge and belief of the Trustee (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Security Trustee only accepts responsibility for the information relating to it contained in Section 8.2 ("Security Trustee"). To the best of the knowledge and belief of the Security Trustee (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Manager accepts responsibility for the information contained in this Information Memorandum other than the information referred to in the preceding two paragraphs. To the best of the knowledge and belief of the Manager, such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Except as stated above, none of the Trustee, the Manager, the Security Trustee, the Seller, the Servicer, the Derivative Counterparty, the Liquidity Facility Provider, the Additional Advance Facility Provider, the Arranger, the Joint Lead Managers and the Dealers have authorised or caused the issue of this Information Memorandum (and expressly disclaim any responsibility for any information contained in this Information Memorandum) and none of them has separately verified the information contained in this Information Memorandum.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of the Trustee, the Manager, the Security Trustee, the Seller, the Servicer, the Derivative Counterparty, the Liquidity Facility Provider, the Additional Advance Facility Provider, the Arranger, the Joint Lead Managers and the Dealers or their respective Related Entities or any person affiliated with any of them (each a "**Relevant Person**") as to the accuracy or completeness of any information contained in this Information Memorandum (except, in each case, as expressly stated in this Information Memorandum) or any other information supplied in connection with the Offered Notes or their distribution.

The Relevant Persons have no responsibility to or liability for and do not owe any duty to any person who purchases or intends to purchase Offered Notes, including in respect of the admission to listing and/or trading of any of the Offered Notes, the preparation and due execution of the Transaction Documents or the enforceability of any of the obligations set out in the Transaction Documents.

Each person receiving this Information Memorandum acknowledges that such person has not relied on any Relevant Person in connection with its investigation of the accuracy of the information in this Information Memorandum or its investment decisions.

No person has been authorised to give any information or to make any representations other than as contained in this Information Memorandum and the documents referred to in this Information Memorandum in connection with the issue or sale of the Offered Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any Relevant Person.

This Information Memorandum has been prepared by the Manager based on information available to it and based on the facts and circumstances existing as at 28 June 2023 ("**Preparation Date**"). No Relevant Person has any obligation to update this Information Memorandum after the Preparation Date having regard to information which becomes available, or facts and circumstances which come to exist, after the Preparation Date.

Neither the delivery of this Information Memorandum nor any sale made in connection with this Information Memorandum shall, under any circumstances, create any implication that there has been no change in the affairs of the Trust or the Trustee since the Preparation Date or the date upon which this Information Memorandum has been most recently amended or supplemented or that any other information supplied in connection with the Offered Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing such information.

No Relevant Person undertakes to review the financial condition or affairs of the Trust during the life of the Offered Notes or to advise any investor or potential investor in the Offered Notes of any changes in, or matters arising or coming to their attention which may affect, anything referred to in this Information Memorandum.

It should not be assumed that the information contained in this Information Memorandum is necessarily accurate or complete in the context of any offer to subscribe for, or an invitation to subscribe for, or buy any of, the Offered Notes at any time after the Preparation Date, even if this Information Memorandum is circulated in conjunction with the offer or invitation.

1.4 No Responsibility for Transaction Documents

Each of the Trustee, the Manager, HSBC Bank (including as Seller and Servicer) and each other Relevant Party has no responsibility to, or liability for, and does not owe any duty to any person who purchases or intends to purchase Notes in respect of this transaction, including without limitation in relation to:

- (a) the admission to listing and/or trading of any of the Notes;
- (b) the accuracy or completeness of any information contained in this Information Memorandum and has not separately verified the information contained in this Information Memorandum and makes no representation, warranty or undertaking, express or implied as to the accuracy or completeness of, or any errors or omissions in any information contained in this Information Memorandum or any other information supplied in connection with the Notes;
- (c) the preparation and due execution of the Transaction Documents and the power, capacity or due authorisation of any other party to enter into and execute the Transaction Documents or the enforceability of any of the obligations set out in the Transaction Documents; and
- (d) the legal or taxation position or treatment of the Transaction Documents, the Information Memorandum or the transactions contemplated by them.

1.5 Authorised material

No person is authorised to give any information or to make any representation which is not expressly contained in or consistent with this Information Memorandum and any information or representation not contained in this Information Memorandum must not be relied upon as having been authorised by or on behalf of the Manager unless they have expressly accepted responsibility for it.

The information in this Information Memorandum supersedes any information contained in any prior similar materials relating to the Offered Notes.

1.6 Independent investment decisions

Neither this Information Memorandum nor any other information supplied in connection with the Offered Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any Relevant Person that any recipient of this Information Memorandum, or of any other information supplied in connection with the Offered Notes, should purchase any of the Offered Notes. Each investor contemplating purchasing any of the Offered Notes should make its own independent investigation of the Trustee, the Trust, the Trust Assets and the Offered Notes and each investor should seek its own tax, accounting and legal advice as to the consequence of investing in any of the Offered Notes. No Relevant Person accepts any responsibility for, or makes any representation as to the tax consequences of investing in the Offered Notes.

1.7 Limited recourse

The Offered Notes issued by the Trustee are limited recourse instruments and are issued only in respect of the Trust.

All claims against the Trustee in relation to the Offered Notes may, except in limited circumstances, be satisfied only out of the Trust Assets secured under the General Security Deed and the Security Trust Deed, and are limited in recourse to distributions with respect to such Trust Assets from time to time.

Except to the extent expressly prescribed by the Transaction Documents in respect of the Trust, the Trust Assets are not available in any circumstances to meet any obligations of the Trustee in respect of any other trust and if, upon enforcement of the General Security Deed, sufficient funds are not realised to discharge in full the obligations of Trustee in respect of the Trust, no further claims may be made against the Trustee in respect of such obligations and no claims may be made against any of its assets including in respect of any other trust.

This limitation of the Trustee's liability applies despite any other provision of any Transaction Document and extends to all liabilities and obligations of the Trustee in any way connected with any representation, warranty, obligation, conduct, omission, agreement or transaction related to any Transaction Document.

A Noteholder may not sue the Trustee in any capacity other than as trustee of the Trust, including to seek the appointment of a receiver (except in relation to the Trust Assets), a liquidator, an administrator or any similar person to the Trustee or prove in any liquidation, administration or arrangement of or affecting the Trustee (except in relation to the Trust Assets).

1.8 Disclosure of interests

Each Relevant Person discloses with respect to itself that it, in addition to the arrangements and interests it will or may have with respect to the Seller, the Manager, the Servicer and the Trustee (together, the **"Group"**), as described in this Information Memorandum (the **"Transaction Document Interests"**) it or any of its Related Entities, directors and employees (each a **"Relevant Entity"**):

- (a) may from time to time, be a Noteholder or have other interests with respect to the Offered Notes and they may also have interests relating to other arrangements with respect to a Noteholder or an Offered Note; and
- (b) may receive fees, brokerage and commissions or other benefits, and act as principal with respect to any dealing with respect to any Offered Notes (including, without limitation, any investment in certain classes of Offered Notes on their initial issue),

(the **"Note Interests"**).

Each purchaser of Offered Notes acknowledges these disclosures and further acknowledges and agrees that:

- (a) each Relevant Entity will or may from time to time have the Transaction Document Interests and may from time to time have the Note Interests and is, and from time to time may be, involved in a broad range of transactions including, without limitation, banking, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research (the **"Other Transactions"**) in various capacities in respect of any member of the Group, both on the Relevant Entity's own account and/or for the account of other persons (the **"Other Transaction Interests"**);
- (b) each Relevant Entity in the course of its business (whether with respect to the Transaction Document Interests, the Note Interests, the Other Transaction Interests or otherwise) may act independently of any other Relevant Entity;
- (c) each Relevant Entity may even purchase the Notes for their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Notes at the same time as the offer and sale of the Notes or in secondary market transactions. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any offering, sale or resale of the Notes to which this Information Memorandum relates;
- (d) to the maximum extent permitted by applicable law, no Relevant Entity has any duties or liabilities (including, without limitation, any advisory or fiduciary duty) to any person other than any contractual obligations of the Relevant Person as set out in the relevant Transaction Documents;

- (e) a Relevant Entity may have or come into possession of information not contained in this Information Memorandum regarding any member of the Group that may be relevant to any decision by a potential investor to acquire the Offered Notes and which may or may not be publicly available to potential investors ("**Relevant Information**");
- (f) to the maximum extent permitted by applicable law, no Relevant Entity is under any obligation to disclose any Relevant Information to any potential investor and this Information Memorandum and any subsequent course of conduct by a Relevant Entity should not be construed as implying that the Relevant Entity is not in possession of such Relevant Information or that the information in this Information Memorandum or otherwise is accurate or up to date; and
- (g) each Relevant Entity may have various potential and actual conflicts of interest arising in the course of its business including in respect of the Transaction Document Interests, the Note Interests or the Other Transaction Interests. For example, the exercise of rights against a member of the Group arising from the Transaction Document Interests or from an Other Transaction may affect the ability of the Group member to perform its obligations in respect of the Offered Notes. In addition, the existence of the Transaction Document Interests or Other Transaction Interests may affect how a Relevant Entity as a Noteholder may seek to exercise any rights it may have as a Noteholder. These interests may conflict with the interests of the Group or a Noteholder and a Noteholder may suffer loss as a result. To the maximum extent permitted by applicable law, a Relevant Entity is not restricted from entering into, performing or enforcing its rights in respect of the Transaction Document Interests, the Note Interests or the Other Transaction Interests and may otherwise continue to take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Noteholders or the Group and the Relevant Entities may in so doing act without notice to, and without regard to, the interests of any such person.

This is not a comprehensive or definitive list of all actual or potential conflicts of interest.

The Trustee is not responsible, or liable to any person, for any potential or actual conflicts of interest arising in the course of a Relevant Entity's business, including in respect of the Transaction Document Interests, the Note Interests or the Other Transaction Interests, and is not required to monitor or ensure that no such conflict exists.

1.9 No disclosure under Corporations Act

This Information Memorandum is not a "product disclosure statement", "prospectus" or "offer information statement" for the purposes of the Corporations Act and is not required to be lodged with the Australian Securities and Investments Commission ("**ASIC**"). No disclosure document (as defined in the Corporations Act) will be lodged with ASIC in respect of the Offered Notes. This Information Memorandum has not been prepared specifically for investors in Australia and is not required to, and does not, contain all of the information which would be required in a disclosure document. Accordingly, a person may not (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Offered Notes, or distribute this Information Memorandum where such offer, issue or distribution is received by a person in the Commonwealth of Australia, its territories or possessions ("**Australia**"), except if:

- (a) either:
 - (i) the amount payable by the offeree in relation to the relevant Offered Notes is A\$500,000 or more (or its equivalent in an alternate currency, and in either case, disregarding moneys lent by the offeror or its associates); or
 - (ii) the offer is to a professional investor for the purposes of section 708 of the Corporations Act; or
 - (iii) the offer or invitation to the offeree is otherwise an offer or invitation that does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;

- (b) the offer or invitation does not constitute an offer to a “retail client” under Chapter 7 of the Corporations Act (including, without limitation the financial services licensing requirements of the Corporations Act);
- (c) the offer or invitation to the offeree complies with all applicable laws regulations and directives (including, without limitation, the financial services licensing requirements of the Corporations Act) and does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

1.10 Selling restrictions

The distribution of this Information Memorandum and the offering or sale of the Offered Notes in certain jurisdictions may be restricted by law. The Relevant Persons do not represent that this Information Memorandum may be lawfully distributed, or that the Offered Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been or will be taken by any Relevant Person that would permit a public offer of the Offered Notes in any country or jurisdiction where action for that purpose is required.

Accordingly, the Offered Notes may not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any information memorandum, private placement memorandum, prospectus, form of application, advertisement or other offering material may be issued or distributed or published in any country or jurisdiction, except in circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this Information Memorandum comes are required by the Trustee and the Manager to inform themselves about and to observe any such restrictions.

Each purchaser of Offered Notes (each initial purchaser, together with each subsequent transferee, a “**Purchaser**”, which term for the purposes of this Section will be deemed to include any person with a beneficial interest in any Offered Note) will be deemed to have acknowledged, represented to, warranted and agreed with the Trustee, the Manager, the Arranger, the Joint Lead Managers and the Dealers as follows:

- (a) the Purchaser understands that the Offered Notes have not been and will not be registered under the United States Securities Act of 1933 (“**Securities Act**”) or any U.S. securities laws. It acknowledges that an interest in the Offered Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, a “U.S. person” within the meaning of Rule 902(k) of Regulation S under the Securities Act (“**U.S. Person**”) at any time except pursuant to an exemption from the registration requirements of the Securities Act;
- (b) the Purchaser is not a U.S. Person and is purchasing such Offered Notes in an offshore transaction complying with Rule 903 and Rule 904 of Regulation S under the Securities Act;
- (c) the Purchaser understands that this Information Memorandum not a “product disclosure statement”, “prospectus” or “offer information statement” for the purposes of the Corporations Act and is not required to be lodged with ASIC;
- (d) the Purchaser is not an Offshore Associate (as defined in Section 1.14 (“Offshore Associates”) of the Trustee other than one acting in the capacity of a dealer, manager or underwriter in relation to the placement of the Offered Notes or in the capacity of a clearing house, custodian, funds manager or responsible entity of an Australian registered scheme;
- (e) the Purchaser is not a “retail client” for the purposes of Chapter 7 of the Corporations Act;
- (f) the Purchaser understands that the Offered Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made

available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”);
- (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II;
- (iii) not a qualified investor as defined in Regulation (EU) 2017/1129,

Consequently no key information document required by Regulation (EU) No. 1286/2014 (the “**PRiIPs Regulation**”) for offering or selling the Offered Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Offered Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPS Regulation; and

- (g) the Purchaser understands that the Offered Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”);
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law of the UK by virtue of the EUWA.

Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law of the UK by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Offered Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Offered Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation..

For a description of further restrictions on offers and sales of the Offered Notes, see Section 11 (“Subscription and Sale”).

MiFID II product governance / professional investors and ECPs only target market

In relation to each person that is, or is deemed to be, a MiFID firm manufacturer (within the meaning of MiFID II) for the purposes of MiFID II, the target market assessment in respect of the Offered Notes by each manufacturer, solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Offered Notes has led to the conclusion that:

- (a) the target market for the Offered Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and
- (b) all channels for distribution of the Offered Notes to eligible counterparties and professional clients are appropriate.

Any person subsequently offering, selling or recommending the Offered Notes (a “**Distributor**”) should take into consideration the manufacturer’s target market assessment, however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Offered Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

UK MiFIR product governance / professional investors and ECPs only target market

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Offered Notes has led to the conclusion that:

- (a) the target market for the Offered Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; and
- (b) all channels for distribution of the Offered Notes to eligible counterparties and professional clients are appropriate.

Any person subsequently offering, selling or recommending the Offered Notes (a “**Distributor**”) should take into consideration the manufacturer’s target market assessment, however, a Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Offered Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

1.11 Section 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) Notification

The Manager (on behalf of the Trustee) hereby notifies all relevant persons (as defined in Section 309(A)(1) of the Securities and Futures Act 2001 (2020 Revised Edition)) that the Offered Notes are capital markets products other than prescribed capital market products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Specified Investment Products (as defined in Monetary Authority of Singapore (“**MAS**”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

1.12 European Risk Retention Rules

On the Closing Date and thereafter for so long as any Offered Notes remain outstanding, HSBC will, with reference to Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 (as amended, the “**EU Securitisation Regulation**”) and Regulation (EU) 2017/2402 as it forms part of the domestic law of the United Kingdom (“**UK**”) by virtue of the European Union (Withdrawal) Act 2018 (UK) (“**EUWA**”), including the Securitisation (Amendment) (EU Exit) Regulations 2019, as amended, varied, superseded or substituted from time to time and any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the Financial Conduct Authority, the Bank of England, the Prudential Regulation Authority, the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto (the “**UK Securitisation Regulation**”), each as in effect on the Closing Date, as an originator (as such term is defined for the purposes of the EU Securitisation Regulation), agree to retain a material net economic interest in this securitisation transaction in accordance with the text of Article 6(1) of the EU Securitisation Regulation (the “**EU Retention**”) and a material net economic interest of not less than 5% in this securitisation transaction in accordance with the text of Article 6 of the UK Securitisation Regulation (the “**UK Retention**”).

As at the Closing Date, such interest will be comprised of an interest in at least 100 randomly selected exposures equivalent (in total) to no less than 5% of the nominal value of the securitised exposures (where such non-securitised exposures would otherwise have been included in this securitisation transaction) in accordance with Article 6(3)(c) of the EU Securitisation Regulation and Article 6(3)(c) of the UK Securitisation Regulation.

For more information see Section 3 (“Risk factors”).

1.13 Japanese Risk Retention Rules

HSBC, as originator, will retain a material net economic interest of not less than 5% of the securitised exposures as at the Closing Date. As at the Closing Date, such interest will be comprised of an interest in at least 100 randomly selected exposures and bear similar characteristics to the securitised exposures in accordance with the new Japanese risk retention rules.

For more information see Section 3 (“Risk factors”).

1.14 Offshore Associates

Offered Notes issued pursuant to this Information Memorandum must not be purchased by an Offshore Associate of the Trustee other than one acting in the capacity of a dealer, manager or underwriter in relation to the placement of the Offered Notes or in the capacity of a clearing house, custodian, funds manager or responsible entity of an Australian registered scheme.

An “Offshore Associate” of the Trustee means an associate (as defined in section 128F of the *Income Tax Assessment Act 1936* (Cth)) of the Trustee that is either a non-resident of Australia that does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the Notes in carrying on a business at or through a permanent establishment outside of Australia.

1.15 Credit Ratings

There are references in this Information Memorandum to ratings. A rating is not a recommendation to buy, sell or hold securities, nor does it comment as to the market price or the suitability of securities for particular investors. In addition, the ratings of the Offered Notes do not address the expected timing of principal repayments under the Offered Notes, only the likelihood that principal will be received no later than the Maturity Date. A rating may be changed, suspended or withdrawn at any time by the relevant Designated Rating Agency. A change, suspension or withdrawal of the rating of the Offered Notes may adversely affect the price of the Offered Notes. If the Designated Rating Agency changes, suspends or withdraws its rating, no one has any obligation to provide additional credit enhancement or take any other action to restore the original rating.

Ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.

The credit ratings of the Offered Notes should be evaluated independently from similar ratings on other types of notes or securities. A rating does not address the market price or the suitability for a particular investor of the Offered Notes.

1.16 Repo-eligibility

Application will be made by the Manager to the Reserve Bank of Australia (“**RBA**”) for the Class A1 Notes and Class A2 Notes to be “eligible securities” (or “repo eligible”) for the purposes of repurchase agreements with the RBA. There can be no assurance that any application by the Manager for repo-eligibility in respect of the Class A1 Notes and Class A2 Notes will be successful or that, if such application is successful, the Class A1 Notes and Class A2 Notes will continue to be repo-eligible in the future. The issuance and settlement of the Class A1 Notes and Class A2 Notes on the Closing Date is not conditional on the repo-eligibility of those Class A1 Notes and Class A2 Notes.

1.17 Listing on a stock exchange

The Manager intends to make an application on or after the Closing Date to list the Class A1 Notes and Class A2 Notes on the Australian Securities Exchange. However, there can be no assurance that any such listing will be obtained. The issuance and settlement of the Class A1 Notes and Class A2 Notes on the Closing Date is not conditional on the listing of the Class A1 Notes and Class A2 Notes on the Australian Securities Exchange.

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2 OVERVIEW

The summary in this Section 2 (“Overview”) highlights selected information from this Information Memorandum and does not contain all of the information that you need to consider in making your investment decision. All of the information contained in this summary is qualified by the more detailed explanations in other parts of this Information Memorandum and by the terms of the Transaction Documents. Any decision to invest in the Offered Notes should be based on a consideration of this Information Memorandum as a whole.

2.1 Overview – Transaction Parties

Trust	Lion Series 2023-1 Trust
Trustee	Perpetual Corporate Trust Limited (ABN 99 000 341 533) in its capacity as trustee of the Trust
Manager	HSBC Bank Australia Limited (ABN 48 006 434 162)
Seller	HSBC Bank Australia Limited (ABN 48 006 434 162)
Servicer	HSBC Bank Australia Limited (ABN 48 006 434 162)
Security Trustee	P.T. Limited (ABN 67 004 454 666) in its capacity as trustee of the Lion Series 2023-1 Security Trust
Registrar	The Trustee
Liquidity Facility Provider	HSBC Bank Australia Limited (ABN 48 006 434 162)
Additional Advance Facility Provider	HSBC Bank Australia Limited (ABN 48 006 434 162)
Derivative Counterparty	HSBC Bank Australia Limited (ABN 48 006 434 162)
Arranger, Joint Lead Manager and Dealer	The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch (ABN 65 117 925 970)
Joint Lead Manager and Dealer	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522), Commonwealth Bank of Australia (ABN 48 123 123 124), National Australia Bank Limited (ABN 12 004 044 937) and Westpac Banking Corporation (ABN 33 007 457 141)
Participation Unitholder	HSBC Bank Australia Limited (ABN 48 006 434 162)
Residual Unitholder	HSBC Bank Australia Limited (ABN 48 006 434 162)
Designated Rating Agencies	Fitch Australia Pty Ltd (ABN 93 081 339 184) S&P Global Ratings Australia Pty Ltd (ABN 62 007 324 852)

2.2 Overview - General

Trust	The Trust was created on 13 March 2023 and was established for the purpose of the Trustee (in its capacity as trustee of the Trust): (a) acquiring and dealing with Trust Receivables in accordance with the Transaction Documents; (b) issuing Notes and incurring other liabilities in accordance with the Transaction Documents; (c) entering into, performing its obligations and exercising its rights under the Transaction Documents; and (d) acquiring, dealing with and disposing of Authorised Investments in accordance with the Transaction Documents.
Notes	The Notes are multi-class, secured, limited recourse, amortising, floating rate debt securities issued by the Trustee and are constituted by, and owing under, the Note Deed Poll. The Notes will be in uncertificated registered form and inscribed on a register maintained by the Trustee in Australia.
Form of Notes	The Notes will be issued in registered form. No certificates will be issued in respect of any Notes unless the Manager determines that certificates should be issued or they are required by law. Entries in the Note Register in relation to a Note are conclusive evidence of the things to which they relate (including that the person entered as the Noteholder is the owner of the Note or, if two or more persons are entered as joint Noteholders, they are the joint owners of the Note) subject to correction for fraud, error or omission. Title to any Notes which are held in the Austraclear System will be determined in accordance with the rules and regulations of the Austraclear System. Any Notes which are held in the Austraclear System will be registered in the name of Austraclear.
Class of Notes	The Notes to be issued on the Closing Date will be divided into 7 classes: Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes.
Offered Notes	The Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes comprise the Offered Notes. This Information Memorandum relates solely to a proposed issue of the Offered Notes by the Trustee.
Additional Notes	No further Notes may be issued after the Closing Date.
Denomination	The Notes will be denominated in A\$. Each Note issued on the Closing Date will have an Invested Amount on the Closing Date equal to A\$1,000.
Minimum parcel size on initial issue	A\$500,000

Acquisition of Trust Receivables	The Trustee will use the proceeds of the Notes issued on the Closing Date to fund the acquisition of Trust Receivables from the Seller in accordance with the Offer to Sell and Sale Deed on the Closing Date. If there are any surplus proceeds of issue of such Notes over the amount required to fund such acquisition of Trust Receivables, such surplus must be applied as Total Available Principal on the first Payment Date following the Closing Date.
Security	The Notes will be secured over the Trust Assets of the Trust which are the subject of the security interest granted by the Trustee under the General Security Deed in favour of the Security Trustee. The Security Trustee holds that security interest on behalf of the Secured Creditors (including the Noteholders) pursuant to the terms of the Security Trust established under the Security Trust Deed and the Notice of Creation of Security Trust.
Terms and conditions of Notes	The terms and conditions of the Notes will primarily be set out in the Issue Supplement and the Note Deed Poll. See Section 5 ("Conditions of the Notes") for further details.
Ranking	The Notes of each Class rank equally amongst themselves in respect of payments of interest and repayments of principal. The ranking of payments of principal and interest on each Class of Notes will primarily be set out in the Issue Supplement. See Section 6 ("Cashflow Allocation Methodology") for further details.
Interest	Each Note bears interest on its Invested Amount at its Interest Rate from (and including) the Closing Date to (but excluding) the date on which the Note is redeemed in accordance with the Conditions. No interest accrues on a Note at any time when the Stated Amount of that Note is zero.
Withholding Taxes	The Trustee agrees to make all payments in respect of a Note in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes, unless required by law or made for or on account of FATCA. If a law requires the Trustee to withhold or deduct an amount in respect of Taxes or for or on account of FATCA from a payment in respect of a Note, the Trustee agrees to withhold or deduct the amount and the Trustee agrees to pay an amount equal to the amount withheld or deducted to the relevant authority in accordance with applicable law. The Trustee is not liable to pay any additional amount to the Noteholder in respect of any such withholding or deduction (including, without limitation, for or on account of any withholding or deduction arising under or in connection with FATCA). The Offered Notes are intended to be issued in a manner which will satisfy the public offer test in section 128F of the Australian Tax Act.
Rating	The Offered Notes will initially have the rating specified in Section 2.4 ("Overview – Key Terms of the Notes").

The rating of the Offered Notes should be evaluated independently from similar ratings on other types of notes or securities. A rating is not a recommendation to buy, sell or hold securities, nor does it comment as to the market price or the suitability of securities for particular investors. In addition, the ratings of the Offered Notes do not address the expected timing of principal repayments under the Offered Notes, only the likelihood that principal will be received no later than the Maturity Date. A rating may be changed, suspended or withdrawn at any time by the relevant Designated Rating Agency.

Clearing System

The Trustee intends to apply to Austraclear for approval for the Offered Notes to be traded on the Austraclear System. Upon approval by Austraclear, the Offered Notes will be traded through Austraclear in accordance with the rules and regulations of the Austraclear System. Such approval by Austraclear is not a recommendation or endorsement by Austraclear of such Offered Notes.

Once the Offered Notes are lodged in the Austraclear System, interests in the Offered Notes may be held through Euroclear or Clearstream, Luxembourg, in which case, the rights of a holder of interests in Offered Notes so held will also be subject, *inter alia*, to the respective rules and regulations for accountholders of Euroclear and Clearstream

None of the Trustee, the Security Trustee, the Manager, the Servicer, the Seller, the Arranger, the Joint Lead Managers, the Dealers or any other transaction party will be responsible for the operation of the clearing arrangements which is a matter for the clearing institutions, their nominees, their participants and the investors.

Transfer

Notes may only be transferred in accordance with the Conditions.

In particular, Notes may only be transferred if:

- (a) the offer or invitation giving rise to the transfer is not:
 - (i) an offer or invitation which requires disclosure to investors under Part 6D.2 of the Corporations Act; or
 - (ii) an offer or invitation to a retail client for the purposes of Chapter 7 of the Corporations Act; and
- (b) the transfer complies with any applicable law or directive of the jurisdiction where the transfer takes place.

Interests in any Notes held in the Austraclear System may only be transferred in accordance with the rules and regulations of the Austraclear System.

For a description of further restrictions on offers and sales of the Offered Notes, see Section 11 ("Subscription and Sale").

Meetings

Noteholders of Notes who are Voting Secured Creditors are entitled to participate in meetings of Voting Secured Creditors in respect of the Trust.

Governing Law

The Notes will be governed by the laws of New South Wales.

Call Option	The Manager may (at its option) direct the Trustee to redeem all, but not some only, of the outstanding Notes on any Call Option Date. The Notes will be redeemed by the Trustee at the Redemption Amount for those Notes. The Trustee, at the direction of the Manager, must give at least 5 Business Days' notice to the relevant Noteholders of its intention to exercise its option to redeem the Notes on a Call Option Date.
Early Redemption	If a law requires the Trustee to withhold or deduct an amount in respect of Taxes from a payment in respect of a Note, then the Manager may (at its option) direct the Trustee to redeem all (but not some only) of the Notes by paying to the Noteholders the Redemption Amount for the Notes. The Trustee must notify the proposed redemption to the Registrar and the Noteholders and any stock exchange on which the Notes are listed at least 5 Business Days before the proposed redemption date.
Listing on a Stock Exchange	The Manager intends to make an application on or after the Closing Date to list the Class A1 Notes and Class A2 Notes on the Australian Securities Exchange. However, there can be no assurance that any such listing will be obtained.

2.3 Overview – Key Dates

Closing Date	29 June 2023
Cut-Off Date	28 February 2023
Payment Dates	The 18 th day of each month, subject to the Business Day Convention. The first Payment Date occurs in August 2023.
Determination Date	The day which is 4 Business Days prior to each Payment Date.
Call Option Date	Each Payment Date following the Determination Date on which the Aggregate Invested Amount of all Notes is less than 10% of the aggregate of the Aggregate Invested Amount of all Notes on the Closing Date.
Maturity Date	The Payment Date in May 2054.
Collection Period	The period from (and including) the first day of a calendar month to (and including) the last day of that calendar month, provided that the first Collection Period will commence on (and include) the Closing Date and will end on (and include) 31 July 2023.

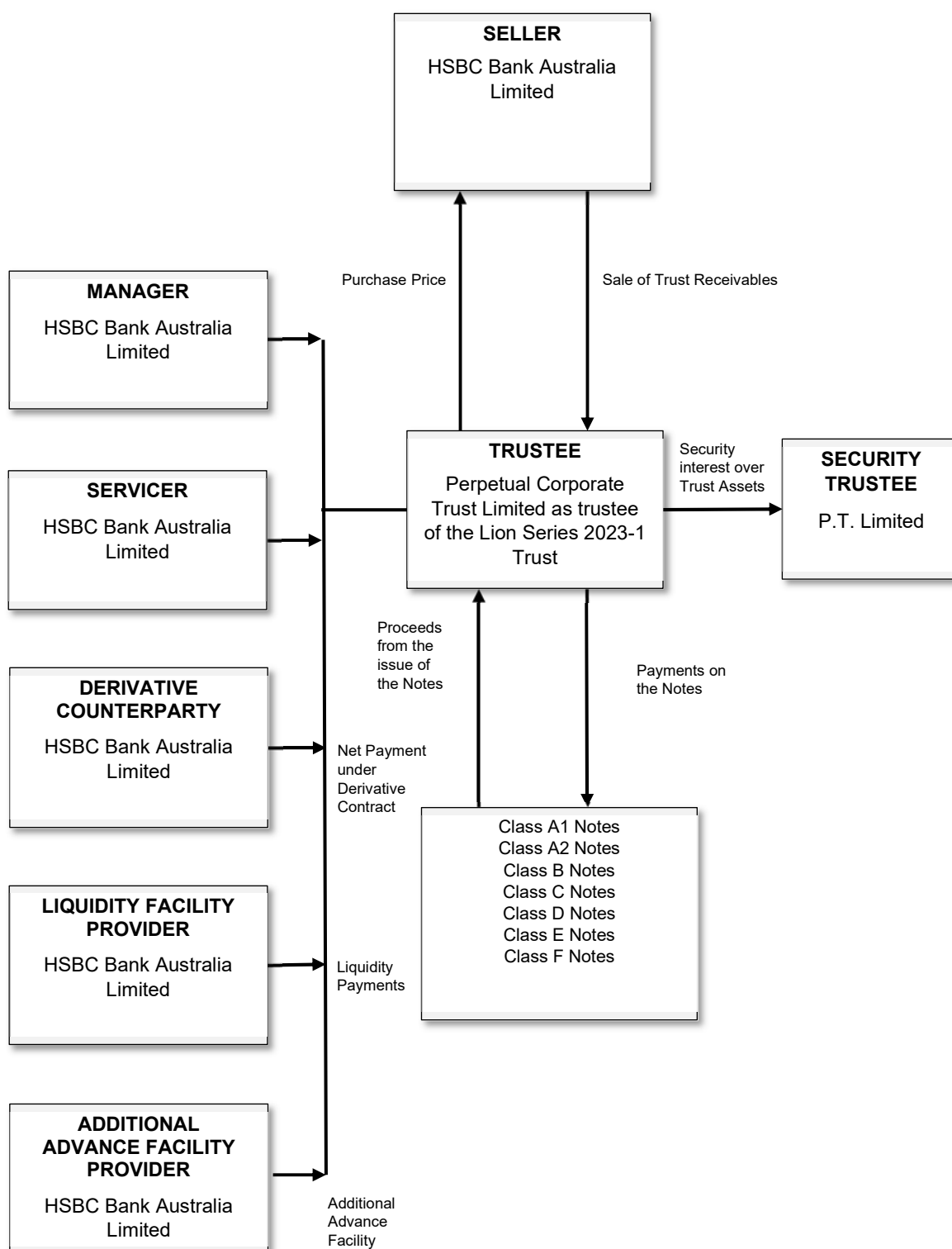
2.4 Overview – Key terms of the Offered Notes

The following table provides a summary of certain terms in respect of the Offered Notes are set out in the following table. All of the information contained in this summary is qualified by the more detailed explanations in other parts of this Information Memorandum and by the terms of the Transaction Documents.

	Class A1 Notes	Class A2 Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes
Currency	A\$	A\$	A\$	A\$	A\$	A\$	A\$
Aggregate initial Invested Amount	A\$920,000,000	A\$40,000,000	A\$17,000,000	A\$10,000,000	A\$4,500,000	A\$4,000,000	A\$4,500,000
Initial Invested Amount per Note	A\$1,000	A\$1,000	A\$1,000	A\$1,000	A\$1,000	A\$1,000	A\$1,000
Issue Price	100%	100%	100%	100%	100%	100%	100%
Interest Frequency	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Payment Date	The 18th day of each month, subject to the Business Day Convention. The first Payment Date occurs in August 2023.	The 18th day of each month, subject to the Business Day Convention. The first Payment Date occurs in August 2023.	The 18th day of each month, subject to the Business Day Convention. The first Payment Date occurs in August 2023.	The 18th day of each month, subject to the Business Day Convention. The first Payment Date occurs in August 2023.	The 18th day of each month, subject to the Business Day Convention. The first Payment Date occurs in August 2023.	The 18th day of each month, subject to the Business Day Convention. The first Payment Date occurs in August 2023.	The 18th day of each month, subject to the Business Day Convention. The first Payment Date occurs in August 2023.
Interest Rate	BBSW Rate (1 month) + Class Margin + (from the first Call Option Date) Step-Up Margin	BBSW Rate (1 month) + Class Margin + (from the first Call Option Date) Step-Up Margin	BBSW Rate (1 month) + Class Margin	BBSW Rate (1 month) + Class Margin	BBSW Rate (1 month) + Class Margin	BBSW Rate (1 month) + Class Margin	BBSW Rate (1 month) + Class Margin
Class Margin	1.20%	2.25%	3.10%	3.60%	4.10%	6.00%	7.00%
Step-Up Margin	0.25%	0.25%	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Maturity Date	The Payment Date in May 2054	The Payment Date in May 2054	The Payment Date in May 2054	The Payment Date in May 2054	The Payment Date in May 2054	The Payment Date in May 2054	The Payment Date in May 2054
Form of Notes	Registered	Registered	Registered	Registered	Registered	Registered	Registered
Governing Law	New South Wales	New South Wales	New South Wales	New South Wales	New South Wales	New South Wales	New South Wales
Expected ratings (Fitch)	AAAsf	AAAsf	NR	NR	NR	NR	NR
Expected ratings (S&P)	AAA(sf)	AAA(sf)	AA(sf)	A(sf)	BBB(sf)	BB(sf)	NR
Clearance	Austraclear	Austraclear	Austraclear	Austraclear	Austraclear	Austraclear	Austraclear
ISIN	AU3FN0078572	AU3FN0078580	AU3FN0078598	AU3FN0078606	AU3FN0078614	AU3FN0078622	AU3FN0078630
Common Code	263167023	263167031	263167040	263167058	263167066	263167074	263167082
Application for Listing	Australian Securities Exchange	Australian Securities Exchange	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

2.5 Structure Diagram



3 RISK FACTORS

The purchase and holding of the Offered Notes is not free from risk. This section describes some of the principal risks associated with the Offered Notes. It is only a summary of some particular risks. There can be no assurance that the structural protection available to Noteholders will be sufficient to ensure that a payment or distribution of a payment is made on a timely or full basis. Prospective investors should read the Transaction Documents and make their own independent investigation and seek their own independent advice as to the potential risks involved in purchasing and holding the Offered Notes.

Risk factors relating to the Offered Notes

The Offered Notes will only be paid from the Trust Assets

The Trustee will issue the Offered Notes in its capacity as trustee of the Trust. The Trustee will be entitled to be indemnified out of the Trust Assets for all payments of interest and principal in respect of the Offered Notes.

A Noteholder's recourse against the Trustee with respect to the Offered Notes is limited to the amount by which the Trustee is indemnified from the Trust Assets. Except in the case of, and to the extent that a liability is not satisfied because the Trustee's right of indemnification out of the Trust Assets is reduced as a result of, fraud, negligence or Wilful Default of the Trustee, no rights may be enforced against the Trustee by any person and no proceedings may be brought against the Trustee except to the extent of the Trustee's right of indemnity and reimbursement out of the Trust Assets. Except in those limited circumstances, the assets of the Trustee in its personal capacity are not available to meet payments of interest or principal in respect of the Offered Notes.

Limited Credit and Other Enhancements

The amount of credit and other enhancements provided through the Mortgage Insurance Policies, excess Total Available Income, the Liquidity Facility and subordination of:

- the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to the Class A1 Notes;
- the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to the Class A2 Notes;
- the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to the Class B Notes;
- the Class D Notes, the Class E Notes and the Class F Notes to the Class C Notes;
- the Class E Notes and the Class F Notes to the Class D Notes; and
- the Class F Notes to the Class E Notes,

is limited and could be depleted prior to the payment in full of the Offered Notes. If:

- the Mortgage Insurance Policies do not provide coverage for all losses incurred in respect of a Trust Receivable and if there is insufficient excess Total Available Income to make the Trustee whole in respect of any such losses;

- the Liquidity Facility has been exhausted or is otherwise not available for drawing (see Section 9.7 ("Liquidity Facility Agreement")); or
- the aggregate Stated Amount of any subordinated Class of Offered Notes is reduced to zero,

Noteholders may not receive the full amount of interest and principal on their Offered Notes.

It may not be possible to sell the Offered Notes

No assurance can be given that a secondary market in the Offered Notes will develop, or, if one does develop, that it will provide liquidity of investment or will continue for the life of the Offered Notes.

No assurance can be given that it will be possible to effect a sale of the Offered Notes, nor can any assurance be given that, if a sale takes place, it will not be at a discount to the acquisition price or the Invested Amount of the Offered Notes.

There is no way to predict the actual rate and timing of principal payments on the Offered Notes

Whilst the Trustee is obliged to repay the Offered Notes by the Maturity Date, principal may be passed through to Noteholders on each Payment Date from the Total Available Principal and such amount will reduce the principal balance of the Offered Notes. However, no assurance can be given as to the rate at which principal will be passed through to Noteholders. Accordingly, the actual date by which Offered Notes are repaid cannot be precisely determined.

The timing and amount of principal which will be passed through to Noteholders will be affected by the rate at which the Trust Receivables are repaid or prepaid, which may be influenced by a range of economic and other factors, including:

- the level of interest rates applicable to the Trust Receivables relative to prevailing interest rates in the market;
- the delinquencies and default rate of Obligors under the Trust Receivables;
- demographic and social factors such as unemployment, death, divorce and changes in employment of Obligors;
- the rate at which Obligors sell or refinance their properties;
- the degree of seasoning of the Trust Receivables; and
- the loan-to-valuation ratio of the Obligors' properties at the time of origination of the relevant Trust Receivables.

The Noteholders may receive repayments of principal on the Offered Notes earlier or later than would otherwise have been the case or may not receive repayments of principal at all.

Other factors which could result in early repayment of principal to Noteholders include:

- receipt by the Trustee of enforcement proceeds due to an Obligor having defaulted on its Trust Receivable;
- repurchase by the Seller of a Trust Receivable due to the making of a Further Advance by the Seller in respect of that Trust Receivable as described in Section 4.6 ("Repurchase – Further Advance");
- repurchase by the Seller of a Trust Receivable, at the election of the Seller, due to the creation of an Ineligible

Product Change in respect of that Trust Receivable at the request of the Obligor, as described in Section 4.7 ("Repurchase – Ineligible Product Changes");

- exercise of the Call Option Offer on a Call Option Date; and
- receipt of proceeds of enforcement of the General Security Deed prior to the Maturity Date of the Offered Notes.

In addition, Total Available Principal may be used:

- to fund payment delinquencies (in the form of Principal Draws); or
- during a Collection Period towards funding Additional Advances made to Obligors under the terms of the relevant Trust Receivable in the circumstances described in Section 4.8 ("Funding of Additional Advances").

The utilisation of Total Available Principal for such purposes will slow the rate at which principal will be passed through to Noteholders.

Reinvestment risk on payments received during a Collection Period

If a prepayment is received on a Trust Receivable during a Collection Period, then to the extent it is not applied towards funding Additional Advances where permitted at any time, then interest will cease to accrue on that part of the Trust Receivable prepaid from the date of the prepayment. The amount repaid will be deposited into the Collection Account or invested in Authorised Investments and may earn interest at a rate less than the rate on the Trust Receivables.

Interest will, however, continue to be payable in respect of the Invested Amount of the Offered Notes until the next Payment Date. Accordingly, this may affect the ability of the Trustee to pay interest in full on the Offered Notes. The Trustee has access to Principal Draws, Liquidity Draws and (after the first Call Option Date) Excess Income Reserve Liquidity Draws to finance such shortfalls in interest payments to the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders provided that such shortfalls are Required Payments at that time.

The redemption of the Offered Notes on the Call Option Date may affect the return on the Offered Notes

There is no assurance that the Trust Assets will be sufficient to redeem the Offered Notes on a Call Option Date or that the Manager will exercise its discretion and direct the Trustee to redeem the Offered Notes on a Call Option Date.

The Manager has the right under the Issue Supplement to direct the Trustee to sell all (but not some only) of the Trust Receivables to the Seller in order to raise funds to redeem the Offered Notes on a Call Option Date. The price payable for the sale must be sufficient to redeem the Offered Notes at their Aggregate Invested Amount (unless the Noteholders of a Class of Offered Notes have, by Extraordinary Resolution, approved the redemption of the Offered Notes of that Class on that Call Option Date for their less than their Aggregate Invested Amount. Such an Extraordinary Resolution will bind all Noteholders of that Class.

Investment in the Offered Notes may not be suitable for all investors

The Offered Notes are not a suitable investment for any investor that requires a regular or predictable schedule of payments or payment on any specific date. The Offered Notes are complex investments that should be considered only by investors who, either alone or with their financial, tax and legal advisors, have the

expertise to analyse the prepayment, reinvestment, default and market risk, the tax consequences of an investment, and the interaction of these factors.

Mortgage-backed securities, like the Offered Notes, usually produce more returns of principal to investors when market interest rates fall below the interest rates on the Trust Receivables and produce less returns of principal when market interest rates rise above the interest rates on the Trust Receivables. If borrowers refinance their Trust Receivables as a result of lower interest rates, Noteholders may receive an unanticipated payment of principal. As a result, Noteholders are likely to receive more money to reinvest at a time when other investments generally are producing a lower yield than that on the Offered Notes and are likely to receive less money to reinvest when other investments generally are producing a higher yield than that on the Offered Notes. Noteholders will bear the risk that the timing and amount of payments on the Offered Notes will prevent them from attaining the desired yield.

Ratings on the Offered Notes

The credit ratings of the Offered Notes should be evaluated independently from similar ratings on other types of Offered Notes or securities. A credit rating by a Designated Rating Agency is not a recommendation or suggestion, directly or indirectly, to any investor or any other person, to buy, sell, make or hold any Offered Note or to undertake any investment strategy with respect to any investment for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the taxation consequences in respect of any Offered Note. The Designated Rating Agencies are not advisers, and nor do the Designated Rating Agencies provide investors or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services.

The credit ratings of the Offered Notes may be subject to revision, suspension, qualification or withdrawal at any time by the relevant Designated Rating Agency. A revision, suspension, qualification or withdrawal of the credit rating of the Offered Notes may adversely affect the price of the Offered Notes. In addition, the credit ratings of the Offered Notes do not address the expected timing of principal repayments under the Offered Notes, only the likelihood that principal will be received no later than the Maturity Date.

No Designated Rating Agency has been involved in the preparation of this Information Memorandum.

Repo-eligibility may not be granted or may be withdrawn

Application will be made by the Manager to the Reserve Bank of Australia (“**RBA**”) for the Class A1 Notes and Class A2 Notes to be “eligible securities” (or “repo eligible”) for the purposes of repurchase agreements with the RBA.

No assurance can be given that any application by the Manager for repo-eligibility in respect of the Class A1 Notes and Class A2 Notes will be successful, or that the Class A1 Notes and Class A2 Notes will continue to be repo-eligible at all times even if they are eligible in relation to their initial issue. For example, the RBA has discretion to change its criteria for repo-eligibility at any time and accordingly any changes by the RBA to its criteria could affect whether the Class A1 Notes and Class A2 Notes continue to be repo-eligible. The RBA may withdraw repo-eligibility status if the conditions for repo-eligibility are not complied with (whether due to a change to the RBA criteria or failure to continue to satisfy the requirements under the current criteria).

None of the Seller, the Servicer, the Manager, the Trustee or any other party to a Transaction Document is required to take any action to ensure that the conditions for repo-eligibility will be met in relation to the Class A1 Notes and Class A2 Notes either initially or on an ongoing basis. The issuance and settlement of the Class A1 Notes and Class A2 Notes is not conditional upon the repo-eligibility of those Notes.

The current criteria for repo eligibility published by the RBA require, among other things, that certain information be provided by the Manager to the RBA at the time of seeking repo-eligibility and during the term of the Class A1 Notes and Class A2 Notes in order for the Class A1 Notes and Class A2 Notes to be (and to continue to be) repo-eligible. If the Class A1 Notes and Class A2 Notes are repo-eligible at any time, Noteholders should be aware that relevant disclosures may be made by the Manager to investors and potential investors in the Class A1 Notes and Class A2 Notes from time to time in such form as determined by the Manager as it sees fit (including for the purpose of complying with the RBA's criteria).

In the event that the Class A1 Notes and Class A2 Notes are not accepted by the RBA as repo-eligible, or subsequently cease to be repo-eligible (for example, because the conditions for repo-eligibility cease to be satisfied in relation to the Class A1 Notes and Class A2 Notes), this may adversely affect the price of those Notes.

Risk factors relating to the transaction parties

Termination of appointment of the Manager or the Servicer may affect the collection of the Trust Receivables

The appointment of each of the Manager and the Servicer may be terminated in certain circumstances. If the appointment of one of them is terminated, a substitute will need to be found to perform the relevant role for the Trust.

The retirement or removal of the Manager or the Servicer will only take effect once a substitute has been appointed and has agreed to be bound by the Transaction Documents.

There is no guarantee that such a substitute will be found or that the substitute will be able to perform its duties with the same level of skill and competence as any previous Manager or Servicer (as the case may be).

To minimise the risk of finding a suitable substitute Servicer or Manager, the Trustee has, subject to certain terms and conditions in the Servicing Deed and the Management Deed, agreed to act as the Servicer or the Manager (as applicable) in respect of the Trust from the effective date of retirement or termination of the appointment of the Servicer or Manager (as applicable) until the appointment of a replacement Servicer or Manager (as applicable).

The Servicer may commingle collections on the Trust Receivables with its assets

Before the Servicer remits Collections to the Collection Account, the Collections may be commingled with the assets of the Servicer. If the Servicer becomes insolvent, the Trustee may only be able to claim those Collections as an unsecured creditor of the insolvent company. This could lead to a failure to receive the Collections on the Trust Receivables, delays in receiving the Collections, or losses on the Offered Notes.

The termination of any Derivative Contract may affect the payment on the Offered Notes

Under the Initial Derivative Contract, the Trustee will enter into:

- a fixed rate swap transaction under which the Trustee will exchange certain fixed rate payments in respect of the

Trust Receivables for variable rate payments based on BBSW; and

- a basis swap transaction under which the Trustee will exchange certain variable rate payments in respect of the Trust Receivables for variable rate payments based on BBSW.

If the Initial Derivative Contract (or any replacement Derivative Contract) is terminated or the Derivative Counterparty fails to perform its obligations, Noteholders will be exposed to the risk that the floating rate of interest payable with respect to the Offered Notes will be greater than the fixed rate payable by Obligor in respect of the Trust Receivables having a fixed rate of interest and/or the variable rate payable by Obligor in respect of the Trust Receivables having a variable rate of interest. However, this risk is reduced following the termination of the basis swap because the Manager will be required to direct the Servicer to adjust variable interest rates on the Trust Receivables as necessary to ensure that the weighted average of the interest rates payable across all Trust Receivables is at least equal to the Threshold Rate as described in Section 4.9 ("Threshold Rate and termination of Basis Swap"). However, an increase to variable interest rates charged on Trust Receivables following termination of the basis swap may also lead to increased rates of principal prepayment or Obligor defaults and therefore affect the yield on the Offered Notes.

If the Derivative Contract terminates before its scheduled termination date, a termination payment by either the Trustee or the Derivative Counterparty may be payable. A termination payment could be substantial and in certain circumstances will be required to be paid in priority to amounts payable to Noteholders (see Sections 6.10 ("Application of Total Available Income") and 6.14 ("Application of proceeds following an Event of Default")).

The availability of various support facilities with respect to payment on the Offered Notes will ultimately be dependent on the financial condition of HSBC; HSBC and its affiliates may be subject to conflicts of interest

HSBC is acting as Liquidity Facility Provider, Fixed Rate Swap Provider and Basis Swap Provider. Accordingly, the availability of these various support facilities will ultimately be dependent on the financial strength of HSBC (or any replacement in the event that HSBC resigns or is removed from acting in any such capacities and a replacement is appointed).

There are provisions in the Liquidity Facility Agreement and Derivative Contract that provide for the replacement of HSBC in its capacities as Liquidity Facility Provider, Fixed Rate Swap Provider and Basis Swap Provider or the posting of collateral or taking of other action by HSBC, in the event that the ratings of HSBC are reduced below certain levels provided for in the Liquidity Facility Agreement or Derivative Contract (as applicable).

There is no assurance that:

- HSBC would be able to find a replacement for HSBC in its capacities as Liquidity Facility Provider, Fixed Rate Swap Provider and Basis Swap Provider or take other required action in respect of that ratings downgrade within the timeframes prescribed in the Liquidity Facility Agreement or Derivative Contract (as applicable); or
- (where applicable) HSBC will post collateral in the full amount required under the terms of the Liquidity Facility Agreement or Derivative Contract (as applicable).

If HSBC (or any replacement facility provider) encounters financial difficulties which impede or prohibit the performance of its

obligations under the Liquidity Facility Agreement or Derivative Contract (as applicable), the Trustee may not have sufficient funds to pay on time the full amount of principal and interest due on the Offered Notes.

HSBC and its affiliates will also provide other services or have other involvement in relation to the affairs of the Trust as described in this Information Memorandum. Various potential and actual conflicts of interest may arise from the activities and conduct of HSBC and its affiliates in connection with the Trust.

**Recourse for breach
of certain
representations,
warranties and
undertakings**

The Seller will make certain representations and warranties to the Trustee in relation to the Trust Receivables to be assigned to the Trustee from the Seller. The Seller has agreed to repurchase any Trust Receivable sold by the Seller to the Trustee in respect of which it is discovered within the Prescribed Period by the Seller or the Trustee that any one of the representations and warranties given by the Seller was materially incorrect and notice of such discovery is given to the Seller or the Trustee (as applicable) not later than 5 Business Days prior to the last day of the Prescribed Period (and the Seller does not remedy the breach to the satisfaction of the Trustee within 5 Business Days of the Seller giving or receiving the notice (as applicable)). If a representation and warranty was found by the Seller or the Trustee to be incorrect after the last day on which a notice can be given, the Seller has agreed to pay damages to the Trustee for any direct loss incurred by the Trustee as a result. However, the amount of such loss or costs cannot exceed the Outstanding Principal Balance plus any accrued but unpaid interest in respect of the Trust Receivables. Besides these two remedies, there is no other express remedy available to the Trustee in respect of a breach of the representations and warranties given in respect of the Trust Receivables.

The Trustee has not investigated or made any enquiries regarding the accuracy of the Seller's representations and warranties in respect of the Trust Receivables.

The Servicer has agreed under the Servicing Deed to comply with various obligations with respect its servicing of the Trust Receivables as described in Section 9.4 ("Servicing Deed"). These include (among others) obligations to:

- service the Trust Receivables in accordance with all applicable laws (including the National Credit Legislation as it applies to the Trust Receivables) and the Servicing Guidelines; and
- take all action which the Servicer considers reasonably necessary to protect or enforce the terms of the Trust Receivables (including taking action as the Servicer considers appropriate to enforce any rights against the relevant Obligor in respect of a Trust Receivable to the extent permitted by the terms of that Trust Receivable and to the extent that it is consistent with the Servicing Guidelines).

Subject to the exceptions described in Section 9.4 ("Servicing Deed"), the Servicer has agreed under the Servicing Deed to indemnify the Trustee against any Loss which the Trustee incurs or suffers directly as a result of a failure by the Servicer to comply with its obligations under any Transaction Document of the Trust to which it is a party.

The Manager has also agreed under the Management Deed to comply with various obligations with respect the management of the

Trust as described in Section 9.3 (“Management Deed”). These include (among others) obligations to direct the Trustee in relation to how to carry on the Trust Business and to carry on the day-to-day administration, supervision and management of the Trust Business of the Trust in accordance with the Transaction Documents for the Trust. Subject to the exceptions described in Section 9.3 (“Management Deed”), the Manager has agreed under the Management Deed to indemnify the Trustee against any Loss which the Trustee incurs or suffers directly as a result of a failure by the Manager to comply with its obligations under any Transaction Document of the Trust to which it is a party.

The ability of the Seller, the Servicer or the Manager to remedy a breach of representation and warranty or an obligation described above may depend (among other things) on the creditworthiness of the relevant party. If such a breach occurs and the Trustee is not fully compensated by the relevant party for losses suffered by the Trustee as a result of that breach, this may result in the Trustee having insufficient funds available to it to make full payments of interest and principal to the Noteholders.

Additional Advance drawings will be paid before the Offered Notes

If there are insufficient amounts available to reimburse the Seller for Additional Advances as described in Section 4.8 (“Funding of Additional Advances”), the Manager must, if permitted under the Additional Advance Facility Agreement, direct the Trustee to make a drawing under the Additional Advance Facility Agreement. Repayment of Additional Advance Facility Advances will rank ahead of Offered Notes with respect to payment of principal both prior to and after the occurrence of an Event of Default and enforcement of the General Security Deed and a Noteholder may not receive full repayment of principal on the Offered Notes.

Noteholders of Offered Notes that are lodged into the Austraclear system will not receive physical Offered Notes representing their Offered Notes

A Noteholder’s registered ownership of the Offered Notes will be registered electronically through Austraclear. The Noteholders of such Offered Notes will not receive physical Offered Notes, except in limited circumstances. The lack of physical certificates could:

- cause Noteholders to experience delays in receiving payments on the Offered Notes because the Trustee will be sending distributions on the Offered Notes to Austraclear instead of directly to the Noteholders;
- limit or prevent Noteholders from using their Offered Notes as collateral; and
- hinder Noteholder’s ability to resell the Offered Notes or reduce the price that Noteholders receive for them.

Information Memorandum responsibility

Except as otherwise specified in this Information Memorandum, the Manager takes responsibility for this Information Memorandum, not the Trustee. As a result, in the event that a person suffers loss due to any such information contained in this Information Memorandum being inaccurate or misleading, or omitting a material matter or thing, that person will not have recourse to the Trustee or the Trust Assets.

Risk factors relating to the Trust Receivables

The Trust Assets are limited

The Trust Assets consist primarily of the Trust Receivables. If the Trust Assets are not sufficient to make payments of interest or principal in respect of the Offered Notes in accordance with the

Cashflow Allocation Methodology, then payments to Noteholders will be reduced.

Accordingly a failure by Obligors to make payments on the Trust Receivables when due may result in the Trustee having insufficient funds available to it to make full payments of interest and principal to the Noteholders. Consequently, the yield on the Offered Notes could be lower than expected and Noteholders could suffer losses.

Risks of equitable assignment

The Trust Receivables will initially be transferred by the Seller to the Trustee in equity. If a Title Perfection Event has occurred:

- the Trustee or the Manager may require the Seller to take certain steps reasonably required to protect or perfect the Trustee's interest in and title to the Trust Receivables, including giving notice of the Trustee's interest in and title to the Trust Receivables to the Obligors; and
- the Trustee may take any step to perfect the Trustee's interest in, and title to, the Trust Receivables (including, without limitation, using a Title Perfection Power of Attorney to execute transfers in respect of Related Securities).

Until such time as a Title Perfection Event has occurred, the Trustee must not take any steps to perfect legal title and, in particular, it will not notify any Obligor of its interest in the Trust Receivables.

The initial equitable assignment of the Trust Receivables and associated delay in the notification to an Obligor of the Trustee's interest in the Trust Receivables may have the following consequences:

- the Obligor will be entitled to make payments and obtain a good discharge from the holder of the legal title rather than directly to, and from, the Trustee. As the Trustee will not have the right to give notice of assignment to the Obligor until a Title Perfection Event has occurred, there is, therefore, a risk that an Obligor may make payments to the Seller after the Seller has become insolvent, but before the Obligor receives notice of assignment of the relevant Trust Receivable. These payments may not be able to be recovered by the Trustee. Upon the giving of notice of the assignment to the Obligor, however, subject to section 80(7) of the PPSA (described below), the Obligor will only be entitled to make payments and obtain a good discharge from the Trustee. One mitigating factor is that the Seller is appointed as the initial Servicer of the Trust Receivables and is obliged to deal with all moneys received from the Obligors in accordance with the Issue Supplement and to service those Trust Receivables in accordance with the Servicing Deed, however this may be of limited benefit if the Seller is insolvent;
- rights of set-off or counterclaim may accrue in favour of the Obligor against its obligations under the Trust Receivables which may result in the Trustee receiving less money than expected from the Trust Receivables (see the risk factor entitled "*Set-off*" below). However, under the Trust Receivables documents, Obligors agree to waive rights of set-off or counterclaim that they may have against the Seller;
- the Trustee's rights to any Trust Receivable are subject to:
 - the terms of the Trust Receivable between the relevant Obligor and the Seller, and any equity,

defence, remedy or claim arising in relation to the Trust Receivable (including a defence by way of a right of set-off); and

- any other equity, defence, remedy or claim of the relevant Obligor against the Seller (including a defence by way of a right of set-off) that arises from claims which are sufficiently closely connected to the Trust Receivable, and otherwise, which accrue before the first time when payment by the relevant Obligor to the Seller no longer discharges the obligation of the relevant Obligor under subsection 80(8) of the PPSA to the extent of the relevant payment;
- the Trustee may have to join the Seller as a party to any legal action which the Trustee may wish to take against any related Obligor;
- the Trustee's interest in the Trust Receivable may become subject to the interests of third parties created after the creation of the Trustee's equitable interest but prior to it acquiring a legal interest; and
- to effect a legal assignment of the Trust Receivables will require:
 - the execution of a further instrument in writing by the Seller in accordance with section 12 of the Conveyancing Act 1919 (NSW) or the applicable equivalent provision in each other Australian jurisdiction;
 - in relation to each Related Security which is a mortgage, the execution and registration of instruments of transfer under the applicable real property legislation in the Australian jurisdictions; and
 - depending on the situs of the Receivable and Related Security, the payment of stamp duty on the transfer of the Receivable and Related Security.

Further, unless the relevant Obligor has otherwise agreed, a modification of, or substitution for, the Trust Receivable between an Obligor and the Seller is effective against the Trustee if:

- the relevant Obligor and the holder of the legal title have acted honestly in modifying or substituting the relevant Trust Receivable;
- the manner in which the modification or the substitution is made is commercially reasonable; and
- the modification or substitution does not have a material adverse effect on:
 - the Trustee's rights under the relevant Trust Receivable; or
 - the ability of the Seller to perform the relevant Trust Receivable.

In addition, section 80(7) of the PPSA provides that an Obligor will be entitled to make payments and obtain a good discharge from the holder of the legal title rather than directly to, and from, the Trustee until such time as the Obligor receives a notice of the assignment

that complies with the requirements of section 80(7)(a) of the PPSA, including, without limitation, a statement that payment is to be made to the Trustee, unless the Obligor requests the Trustee to provide proof of the assignment and the Trustee fails to provide that proof within 5 business days of the request, in which case the Obligor may continue to make payments to the Seller. Accordingly, an Obligor may nevertheless make payments to the Seller and obtain a good discharge from the Seller notwithstanding the legal assignment of a Trust Receivable to the Trustee, if the Trustee fails to comply with these requirements.

Set-off risk

The Trust Receivables can only be sold free of set-off to the Trustee to the extent permitted by law. The consequence of this is that if an Obligor in connection with the Trust Receivable has funds standing to the credit of an account with HSBC or amounts are otherwise payable to such a person by HSBC, that person may have a right on the enforcement of the Trust Receivable or on the insolvency of HSBC to set-off HSBC's liability to that person in reduction of the amount owing by that person in connection with the Trust Receivable.

If HSBC becomes insolvent, it can be expected that Obligors will exercise their set-off rights to a significant degree.

To the extent that, on the insolvency of HSBC, set-off is claimed in respect of deposits, the amount available for payment to the Noteholders may be reduced to the extent that those claims are successful.

Delinquency and default risk

The failure by Obligors to make payments on the Trust Receivables when due may ultimately result in the Trustee having insufficient funds available to it to make full payments of interest and principal to the Noteholders.

The Trustee's obligation to pay interest and to repay principal in respect of the Offered Notes is limited to:

- the Collections in respect of the Trust;
- receipts from any Authorised Investments; and
- in the case of interest payments to Noteholders only, the amount available under the Liquidity Facility.

There can be no assurance that delinquency and default rates affecting the Trust Receivables will remain in the future at levels corresponding to historic rates for assets similar to the Trust Receivables. A failure by an Obligor to make payments on the Trust Receivables could be due to a variety of factors, many of which cannot be predicted as at the date of this Information Memorandum. Some of these factors may include economic events, such as a downturn in the Australian economy, an increase in unemployment, an increase in interest rates or any combination of these. The origination, lending and underwriting, administration, arrears and enforcement policies and procedures of the Seller and Servicer are subject to continuous review and amendment by the Seller and Servicer. Some Seller and Servicer processes rely on information or documents provided by Obligors and their agents, including in relation to income, indebtedness and expenses. Conduct by Obligors or their agents, such as fraud or deception, could affect delinquency and default rates. Isolated incidents of fraud and deception by borrowers or their agents have occurred in the industry (including incidents affecting HSBC). Increased delinquency and

default rates on the Trust Receivables may ultimately cause losses of the Offered Notes.

If an Obligor defaults on payments under a Trust Receivable and the Servicer, on behalf of the Trustee, enforces the Trust Receivable and takes possession of the relevant Property, many factors may affect the price at which the Property is sold and the length of time taken to complete that sale. Any delay or loss incurred in this process may affect the ability of the Trustee to make payments, and the timing of those payments, in respect of the Offered Notes, notwithstanding any amounts that may be claimed under the Mortgage Insurance Policies or be available under the Liquidity Facility.

Mortgage Insurance Policies may not be available to cover all losses on the applicable Trust Receivables

Mortgage Insurance Policies cover 9.4% of the Trust Receivables (by loan balance as at the Cut-Off Date). The Mortgage Insurance Policies are subject to some exclusions from coverage and rights of termination that may allow the Mortgage Insurer to reduce a claim or terminate lenders mortgage insurance cover in respect of a Trust Receivable in certain circumstances. Any such reduction or termination may affect the ability of the Trustee to pay principal and interest on the Offered Notes.

The availability of funds under the Mortgage Insurance Policies with the Mortgage Insurer will ultimately be dependent on the financial strength of the Mortgage Insurer.

Therefore, an Obligor's payments that are expected to be covered by a Mortgage Insurance Policy may not be covered because of the exclusions referred to above or because of financial difficulties impeding the Mortgage Insurer's ability to perform its obligations. There is no guarantee that the Mortgage Insurer will promptly make payment under any Mortgage Insurance Policy or that the Mortgage Insurer will have the necessary financial capacity to make any such payment at the relevant time.

Substantial delays could be encountered in connection with the enforcement of a Trust Receivable and result in shortfalls in distributions to Noteholders to the extent not covered by the Mortgage Insurance Policy or if the Mortgage Insurer fails to perform its obligations. Further, enforcement expenses such as legal fees, real estate taxes and maintenance and preservation expenses (to the extent not covered by the Mortgage Insurance Policy) will reduce the net amounts recoverable by the Trustee from an enforced Trust Receivable.

In the event that any Property fails to provide adequate security for the relevant Trust Receivable, Noteholders could experience a loss to the extent the loss was not covered by the Mortgage Insurance Policy or if the relevant Mortgage Insurer failed to perform its obligations under the relevant Mortgage Insurance Policy.

The Servicer's ability to change the features of the Trust Receivables may affect the payment on the Offered Notes

The features of the Trust Receivables may be changed by the Servicer, either on its own initiative or at the Obligor's request. Additional features in relation to a Trust Receivable which are not described in this Information Memorandum may be offered by the Seller or features that have been previously offered may cease to be offered by the Seller and any fees or other conditions applicable to such features may be added, removed or varied by the Seller. As a result of these changes and payments of principal by Obligors, the concentration of Trust Receivables with specific characteristics is likely to change over time, which may affect the timing and amount of payments investors receive.

If the Servicer or Seller changes the features of the Trust Receivables or fails to offer desirable features offered by their competitors, Obligor might elect to refinance their loan with another lender to obtain more favourable features. In addition, the Trust Receivables included in the Trust are not permitted to have some features. If an Obligor chooses to add one of these features to his or her Trust Receivable that Trust Receivable may in some circumstances be repurchased by the Seller or otherwise repaid and removed from the Trust (together with any other Trust Receivables secured by the same Related Security), as discussed further in Section 4.7 (“Repurchase – Ineligible Product Changes”). The removal of Trust Receivables from the Trust could cause investors to experience higher rates of principal prepayment than investors expected, which could affect the yield on Offered Notes.

Hardship cases may result in Investors not receiving their full interest payments

In respect of Trust Receivables where a customer is in financial difficulty (including, but not limited to, in connection with the economic impact of COVID-19), the Servicer may permit or require modification of loan contracts to, among other things, allow capitalisation of arrears, conversion to interest only, reduce interest margins and/or extend the loan term, subject to applicable law, the Servicing Guidelines and the Transaction Documents. If this affects a significant number of Obligors at the same time, the Trustee may not have sufficient funds to pay Noteholders the full amount of interest on the Offered Notes on the next Payment Date and the rate of repayment of principal may also be affected.

The expiration of fixed rate interest periods may result in significant repayment increases and hence increased Obligor defaults

If Trust Receivables are or become subject to a fixed rate of interest, the fixed rates for those Trust Receivables will be set for a shorter time period (generally not more than 5 years) than the life of the loan (generally up to 30 years). Once the fixed rate period expires, the applicable variable rate may be higher than the previous fixed rate, which in turn may lead to increased defaults and/or principal prepayments by Obligors.

The Servicer’s ability to set the interest rate on variable-rate Trust Receivables may lead to increased delinquencies or prepayments

The interest rates on the variable-rate Trust Receivables are not tied to an objective interest rate index, but are set at the sole discretion of the Servicer (other than as described in Section 4.9 (“Threshold Rate and termination of Basis Swap”). If the Servicer increases the interest rates on the variable-rate Trust Receivables, Obligors may be unable to make their required payments under the Trust Receivables, and accordingly, may become delinquent or may default on their payments. In addition, if the interest rates are raised above market interest rates, Obligors may refinance their loans with another lender to obtain a lower interest rate. This could cause higher rates of principal prepayment than Noteholders expected and affect the yield on the Offered Notes.

The Seller’s ability to amend or revise the Servicing Guidelines may lead to a delay or reduction in payments received

The Servicer and the Manager may amend or revise the Servicing Guidelines in the manner described in Section 9.4 (“Servicing Deed”). Subject to the restrictions described in Section 9.4 (“Servicing Deed”), this could lead to a delay or reduction in the payments received by the Noteholders and may adversely affect the ability of the Trustee to meet its obligations.

Enforcement of Trust Receivables can involve substantial costs and delays

In order to enforce the Trust Receivables in certain situations, a court order or other judicial or administrative proceedings may be needed in order to establish the Obligor’s obligation to pay and to enable a sale by executive measures. Such proceedings may involve substantial legal costs and delays before the Servicer is able

to enforce such Trust Receivable. Furthermore, pursuant to the Servicing Deed, in determining whether to take enforcement action in respect of a Trust Receivable the Servicer may exercise such discretion as would a Prudent Servicer in applying the Servicing Guidelines of that Trust to any defaulting Obligor. See Section 9.4 ("Servicing Deed") for further details regarding the Servicer's obligations with respect to enforcement of Trust Receivables.

Geographic concentration

Section 13 ("Pool Summary") contains details of the geographic concentration of the Trust Receivables as of the Cut-Off Date. To the extent that there is a high concentration of Trust Receivables secured by properties located within a single state or region within Australia, any deterioration in the real estate values or the economy of any of those states or regions could result in higher rates of delinquencies, foreclosures and losses than expected on the Trust Receivables. In addition, these states or regions may experience natural disasters, which may not be fully insured against and which may result in property damage and losses on the Trust Receivables. These events may in turn have a disproportionate impact on funds available to the Trust, which could cause investors to suffer losses.

Risk factors relating to security

Enforcement of General Security Deed

If an Event of Default occurs while any Offered Notes are outstanding, the Security Trustee may and, if directed to do so by an Extraordinary Resolution of Voting Secured Creditors, must, declare all amounts outstanding under the Offered Notes immediately due and payable and enforce the General Security Deed in accordance with the terms of the General Security Deed and the Security Trust Deed. That enforcement may include the sale of the Trust Assets.

No assurance can be given that the Security Trustee will be in a position to sell the Trust Assets for a price that is sufficient to repay all amounts outstanding in relation to the Offered Notes and other secured obligations that rank ahead of or equally with the Offered Notes. The Trustee, the Security Trustee, any Receiver, the Seller, the Servicer, the Manager, each Derivative Counterparty, the Liquidity Facility Provider and the Additional Advance Facility Provider will generally be entitled to receive the proceeds of any sale of the Trust Assets, to the extent they are owed Secured Moneys, before the Noteholders. Consequently, the proceeds from the sale of the Trust Assets after an Event of Default may be insufficient to pay principal and interest due on the Offered Notes in full.

Neither the Security Trustee nor the Trustee will have any liability to the Secured Creditors in respect of any such deficiency (except in the limited circumstances described in the General Security Deed).

Voting Secured Creditors must act to effect enforcement of the General Security Deed

If an Event of Default occurs and is continuing, the Security Trustee must convene a meeting of the Secured Creditors to obtain directions as to what actions the Security Trustee is to take under the General Security Deed and the Security Trust Deed. Any meeting of Secured Creditors will be held in accordance with the terms of the Security Trust Deed. However, only the Voting Secured Creditors are entitled to vote at a meeting of Secured Creditors or to otherwise direct or give instructions or approvals to the Security Trustee in accordance with the Transaction Documents.

Accordingly, if the Voting Secured Creditors have not directed the Security Trustee to do so, enforcement of the General Security

Deed will not occur, other than where in the opinion of the Security Trustee, the delay required to obtain instructions from the Voting Secured Creditors would be materially prejudicial to the interests of those Voting Secured Creditors and the Security Trustee has determined to take action (which may include enforcement) without instructions from them.

If at any time there is a conflict between a duty the Security Trustee owes to a Secured Creditor, or a class of Secured Creditor, of the Trust and a duty the Security Trustee owes to another Secured Creditor, or class of Secured Creditor, of the Trust, the Security Trustee must give priority to the duties owing to the Voting Secured Creditors.

Risk factors relating to legal and regulatory risks

Personal Property Securities regime

The national personal property securities regime commenced operation throughout Australia on 30 January 2012 pursuant to the Personal Property Securities Act 2009 (Cth) (“PPSA”). The PPSA established a national system for the registration of security interests in personal property and introduced rules for the creation, priority and enforcement of security interests in personal property.

Security interests for the purposes of the PPSA include traditional securities such as charges and mortgages over personal property. However, they also include transactions that, in substance, secure payment or performance of an obligation (referred to as “in substance” security interests), including transactions that were not regarded as securities under the law that existed prior to the introduction of the PPSA. Further, certain other interests are deemed to be security interests whether or not they secure payment or performance of an obligation - these deemed security interests include assignments of receivables.

A person who holds a security interest under the PPSA will need to register (or otherwise perfect) the security interest within a limited period of time to ensure that the security interest has priority over competing interests (and in some cases, to ensure that the security interest survives the insolvency of the grantor). If they do not do so, the consequences include the following:

- another security interest may take priority;
- another person may acquire an interest in the assets which are subject to the security interest free of their security interest; and
- they may not be able to enforce the security interest against a grantor who becomes insolvent (because the security interest will vest in the grantor).

Under the General Security Deed, the Trustee grants a security interest over all the Trust Assets in favour of the Security Trustee to secure the payment of moneys owing to the Secured Creditors (including, among others, the Noteholders).

The security granted by the Trustee under the General Security Deed is a security interest under the PPSA. The assignment of the Trust Receivables by the Seller to the Trustee is also a security interest under the PPSA. The Transaction Documents may also contain other security interests. The Trustee and the Security Trustee have agreed to comply with directions from the Manager in

relation to the registration of security interests under the Transaction Documents.

Under the General Security Deed, the Trustee has agreed to not do anything to create any Encumbrances over the Trust Assets (other than those which arise under any Transaction Document or which are expressly permitted under any Transaction Document or to which the Security Trustee consents at the direction of an Extraordinary Resolution of the Voting Secured Creditors).

However, under Australian law:

- dealings by the Trustee with the Trust Receivables in breach of such undertaking may nevertheless have the consequence that a third party acquires title to the relevant Trust Receivables free of the security interest created under the General Security Deed or another security interest over such Trust Receivables has priority over that security interest; and
- contractual prohibitions upon dealing with the Trust Receivables (such as those contained in the General Security Deed) will not of themselves prevent a third party from obtaining priority or taking such Trust Receivables free of the security interest created under the General Security Deed (although the Security Trustee would be entitled to exercise remedies against the Trustee in respect of any such breach by the Trustee).

Whether this would be the case, depends upon matters including the nature of the dealing by the Trustee, the particular Trust Receivable concerned and the agreement under which it arises and the actions of the relevant third party.

Australian Taxation

A summary of certain material tax issues is set out in Section 10 ("Australian Taxation").

The imposition of a withholding tax will reduce payments to Noteholders and may lead to an early redemption of the Offered Notes

If a withholding tax is imposed on payments of interest on the Offered Notes, the Noteholders will not be entitled to receive additional amounts to compensate for such withholding tax. Thus, the Noteholders will receive less interest than is scheduled to be paid on the Offered Notes. If an optional redemption of the Offered Notes affected by a withholding tax is exercised, the Noteholders may not be able to reinvest the redemption payments at a comparable interest rate.

Consumer protection laws and codes may affect the timing or amount of interest or principal payments to Noteholders

National Credit Legislation

The National Credit Legislation (which includes the National Credit Code) applies in relation to some of the Trust Receivables.

The National Credit Legislation requires anyone that engages in a credit activity, including by providing credit or exercising the rights and obligations of a credit provider, to be appropriately authorised to do so. This requires those persons to either hold an Australian Credit Licence, be exempt from this requirement or be a credit representative of a licensed person.

The National Credit Legislation imposes a range of disclosure and conduct obligations on persons engaging in a credit activity. For example any increase of the credit limit of a regulated loan must be considered and made in accordance with the responsible lending obligations of the National Credit Legislation.

The responsible lending obligations under the National Credit Legislation are broadly expressed. In recent years, there has been

a number of Australian Federal Court decisions, regulatory guidance from ASIC and action which ASIC has taken against licensees, including issuing infringement notices. The practical effect of these developments, among other things, is that the interpretation of, and guidance in relation to, these obligations can change, particularly in respect of whether a credit licensee has taken sufficient steps to comply with its responsible lending obligations.

Failure to comply with the National Credit Legislation may mean that court action is brought by the Obligor or by ASIC to:

- grant an injunction preventing a regulated Trust Receivables from being enforced (or any other action in relation to the Trust Receivables) if to do so would breach the National Credit Legislation;
- order compensation to be paid for loss or damage suffered (or likely to be suffered) as a result of a breach of a civil penalty provision or a criminal offence in the National Credit Legislation;
- if a credit activity has been engaged in without an Australian credit licence and no relevant exemption applies, issue an order it considers appropriate so that no profiting can be made from the activity, to compensate for loss and to prevent loss. This could include an order declaring a contract, or part of a contract, to be void, varying the contract, refusing to enforce, ordering a refund of money or return of property, payment for loss or damage or being ordered to supply specified services;
- vary the terms of the Trust Receivables on the grounds of hardship or that it is an unjust contract;
- reduce or cancel any interest rate, fee or charge (including early termination or prepayment fees) payable on the Trust Receivables which is unconscionable;
- have certain provisions of the Trust Receivables which are in breach of the legislation declared void or unenforceable from the time it was entered into or at any time on and after a specified day before the order is made;
- impose a penalty, or require compensation be paid to an affected debtor for a breach of “key requirements” of the Credit Code, which include certain content and disclosure requirements for the contracts relating to the Trust Receivables or Related Securities;
- obtain restitution or compensation from the credit provider in relation to any breach of the National Credit Legislation in relation to the Trust Receivables; or
- seek various other penalties and remedies for other breaches of the legislation, such as failing to comply with the breach reporting regime.

Applications may also be made to the Australian Financial Complaints Authority (**AFCA**), which has the power to resolve disputes with respect to a credit facility, where the amount claimed by someone other than a Small Business or Primary Producer (as defined in the Australian Financial Complaints Authority Rules) does not exceed A\$1.085 million (for claims lodged on or after 1 January 2021). The scope to challenge an adverse determination by AFCA is limited, and a decision is not subject to judicial review. Any such

order (by a court or AFCA) may affect the timing or amount of interest, fees or charges, or principal payments repayments under the relevant Trust Receivables (which might in turn affect the timing or amount of interest or principal payments under the Offered Notes).

Where a systemic contravention affects contract disclosures across multiple Trust Receivables, there is a risk of a representative or class action under which a civil penalty could be imposed in respect of all affected Trust Receivables contracts. If Obligors suffer any loss, orders for compensation may be made.

Under the National Credit Legislation, ASIC will have standing to represent the public interest and be able to make an application to vary the terms of a contract or class of contracts on grounds, including hardship or unjust terms, if this is in the public interest. Breaches of the National Credit Legislation may also lead to civil penalties or criminal fines being imposed on the Seller, for so long as it holds legal title to the Trust Receivables. If the Trustee acquires legal title, it will then become primarily responsible for compliance with the National Credit Legislation. The amount of any civil penalty payable by the Seller may be set off against any amount payable by the Obligor under the Trust Receivables.

The Trustee will be indemnified out of the Trust Assets for liabilities it incurs under the National Credit Legislation. Where the Trustee is held liable for breaches of the National Credit Legislation, the Trustee must seek relief initially under any indemnities provided to it by the Manager, the Servicer or the Seller before exercising its rights to be indemnified against any Trust Assets.

The Seller will give certain representations and warranties that the Trust Receivables complied in all material respects with all applicable laws when those mortgages were entered into. The Servicer has also undertaken to comply with the National Credit Legislation in carrying out its obligations under the Transaction Documents.

In certain circumstances the Trustee may have the right to claim damages from the Seller or the Servicer, as the case may be, where the Trustee suffers loss in connection with a breach of the National Credit Legislation which is caused by a breach of the relevant representation or undertaking made or given by the Seller in the Sale Deed or the Servicer in the Servicer Deed (as applicable).

Under the National Credit Code, ASIC can make an application to vary the terms of a contract or a class of contracts on the above grounds if this is in the public interest (rather than limiting these rights to affected debtors). ASIC also has the power to intervene in any proceedings arising under the National Credit Legislation.

ASIC can also intervene by making individual or market-wide product intervention orders in relation to credit products regulated under the National Credit Legislation, if it is satisfied that a person is engaging, or is likely to engage, in credit activity in relation to a credit contract, mortgage, guarantee or consumer lease (credit product) or a proposed credit product, and the credit product has resulted, will result or is likely to result in significant consumer detriment. Product intervention orders issued by ASIC only operate prospectively, or in other words, apply to products issued or sold after the date of the order. Some examples of the kinds of orders that ASIC can make include:

- (a) impose certain conditions on a product;
- (b) ban a particular feature of a product; or
- (c) ban the issue of the product altogether.

ASIC has exercised its power to make product intervention orders to impose conditions which limit:

- (d) credit fees and charges, and interest charges which may be imposed or provided for under short term credit facilities; and
- (e) fees and charges which may be imposed or provided for under continuing credit contracts.

Any order made under any of the above consumer credit laws may affect the timing or amount of principal repayments under the relevant Trust Receivables which may in turn affect the timing or amount of interest and principal payments under the Offered Notes.

Unfair Terms

The Australian Securities and Investments Commission Act 2001 (Cth) ("**ASIC Act**") contains a national unfair terms regime whereby a term in a standard-form consumer contract or (from 12 November 2016) a small business contract will be unfair, and therefore void, if it causes a significant imbalance in the parties' rights and obligations under the contract, is not reasonably necessary to protect the supplier's legitimate interests and it would cause financial or non-financial detriment to a party if it was relied on. A consumer contract is one with an individual, whose use of what is supplied under the contract is wholly or predominantly for personal, domestic or household use or consumption. A small business contract is one where, at the time the contract is entered into, at least one party to the contract is a business that employs less than 20 people and either:

- the upfront price payable under the contract is \$300,000 or less; or
- the contract has a duration of more than 12 months and the upfront price payable under the contract does not exceed \$1,000,000.

Although as noted below the test for determining whether a contract is a small business contract will change from November 2023.

Any finding that a term of a Trust Receivables is unfair and therefore void may, depending on the relevant term, affect the timing or amount of principal repayments under the relevant Trust Receivables which may in turn affect the timing or amount of interest and principal payments under the Notes.

On 28 September 2022, the Treasury Laws Amendment (More Competition, Better Prices) Bill 2022 was introduced to amend the national unfair terms regime to:

- expand the class of small business contracts to include a small business that employs fewer than 100 employees or has a turnover of less than \$10 million. The upfront price payable threshold requirement for contracts for financial products or services continues to apply, but the threshold is increased to \$5,000,000;

- introduce civil penalties for each contravention of the prohibition on proposing, applying or relying on an unfair contract term in a standard form contract;
- introduce more flexible remedies to allow courts to order additional remedies including further injunctive powers once a term has been declared unfair.

The bill was passed on 27 October 2022. It is set to commence on 9 November 2023. The bill applies to all contracts entered into, renewed or varied on or after the date the amendments take effect.

Australian Anti-Money Laundering and Counter-Terrorism Financing Regime

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) ("**AML/CTF Act**") regulates the anti-money laundering and counter-terrorism financing obligations on financial services providers. An entity that provides "designated services" at or through a permanent establishment in Australia must comply with the obligations set out in the AML/CTF Act. The AML/CTF Act contains a range of designated services including:

- making a loan in the course of carrying on a loans business or allowing a transaction to occur in respect of that loan;
- opening or providing an account, allowing any transaction in relation to an account where the account provider is an authorised deposit-taking institution, bank, building society or credit union;
- in the capacity of an agent of a person, acquiring or disposing of securities;
- issuing or selling a security in the course of carrying on a business of issuing or selling securities; and
- exchanging one currency for another, where the exchange is provided in the course of carrying on a currency exchange business.

The obligations placed on an entity include, among other things, registering with the Australian Transaction Reports and Analysis Centre, lodging an annual compliance certificate, implementing an Anti-Money Laundering and Counter-Terrorism Financing Program that complies with the requirements set out in the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No 1) (Cth) (these requirements include a requirement to implement a training program, undertake employee due diligence, apply customer identification procedures, and conduct a regular review of the program, and monitor and report certain transactions including suspicious transactions over \$10,000 and international funds transfer instructions). Until the obligations have been met, an entity will be prohibited from providing funds or services to a party or making any payments on behalf of a party.

Australia also implements sanctions laws under the *Autonomous Sanctions Act 2011* (Cth) and *Charter of the United Nations Act 1945* (Cth) that prohibit a person from entering into certain transactions (e.g., making a loan or making payments) to persons and entities that have been listed on the Australian sanctions list maintained by the Department of Foreign Affairs and Trade, or that are controlled, owned or acting at the direction of someone on this

list. Australian sanctions laws also prohibit the provision of certain services (including financial services) to sanctioned jurisdictions.

The obligations placed upon an entity could affect the services of an entity or the funds it provides and ultimately may result in a delay or decrease in the amounts received by a Noteholder.

EU and UK Securitisation Regulation Rules

Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation and amending certain other European Union (“**EU**”) directives and regulations (as amended, the “**EU Securitisation Regulation**”) is directly applicable in member states of the EU and will be applicable in any non-EU states of the European Economic Area (the “**EEA**”) in which it has been implemented. The EU Securitisation Regulation, together with all relevant implementing regulations in relation thereto, all regulatory and/or implementing technical standards in relation thereto or applicable in relation thereto pursuant to any transitional arrangements made pursuant to the EU Securitisation Regulation and, in each case, any relevant guidance and directions published in relation thereto by the European Banking Authority (the “**EBA**”), the European Securities and Markets Authority and the European Insurance and Occupational Pensions Authority (or in each case, any predecessor or any other applicable regulatory authority) or by the European Commission, in each case as amended and in effect from time to time, the “**EU Securitisation Regulation Rules**”) impose certain restrictions and obligations with regard to securitisations (as such term is defined for purposes of the EU Securitisation Regulation). The EU Securitisation Regulation Rules apply in respect of securitisations the securities of which were issued (or the securitisation positions of which were created) on or after 1 January 2019.

With respect to the United Kingdom (the “**UK**”), relevant UK-established or UK-regulated persons are subject to the restrictions and obligations of the EU Securitisation Regulation as it forms part of the domestic laws of the United Kingdom as “retained EU law”, by operation of the European Union (Withdrawal) Act 2018 (as amended) (“**EUWA**”) and as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 (and as further amended from time to time, the “**UK Securitisation Regulation**”). The UK Securitisation Regulation, together with (a) all applicable binding technical standards made under the UK Securitisation Regulation, (b) any EU regulatory technical standards or implementing technical standards relating to the EU Securitisation Regulation (including, without limitation, such regulatory technical standards or implementing technical standards which are applicable pursuant to any transitional provisions of the EU Securitisation Regulation) forming part of the domestic law of the UK by operation of the EUWA, (c) all relevant guidance, policy statements or directions relating to the application of the UK Securitisation Regulation (or any binding technical standards) published by the Financial Conduct Authority (the “**FCA**”) and/or the Prudential Regulation Authority (the “**PRA**”) (or their successors), (d) any guidelines relating to the application of the EU Securitisation Regulation which are applicable in the UK, (e) any other relevant transitional, saving or other provision relevant to the UK Securitisation Regulation by virtue of the operation of the EUWA, and (f) any other applicable laws, acts, statutory instruments, rules, guidance or policy statements published or enacted relating to the UK Securitisation

Regulation, in each case, as may be amended, supplemented or replaced, from time to time, are referred to in this Information Memorandum as the "**UK Securitisation Regulation Rules**".

The EU Securitisation Regulation and the UK Securitisation Regulation are referred to together herein as the "**Securitisation Regulations**", and the EU Securitisation Regulation Rules and the UK Securitisation Regulation Rules are referred to together herein as the "**Securitisation Regulation Rules**".

EU Investor Requirements

Article 5 of the EU Securitisation Regulation, places certain conditions (the "**EU Investor Requirements**") on investments in securitisations (as defined in the EU Securitisation Regulation) by "institutional investors" defined in the EU Securitisation Regulation to include: (a) a credit institution or an investment firm as defined in and for purposes of Regulation (EU) No 575/2013, as amended, known as the Capital Requirements Regulation (the "**EU CRR**"), (b) an insurance undertaking or a reinsurance undertaking as defined in Directive 2009/138/EC, as amended, known as Solvency II, (c) an alternative investment fund manager as defined in Directive 2011/61/EU that manages or markets alternative investment funds in the EU, (d) an undertaking for collective investment in transferable securities ("**UCITS**") management company, as defined in Directive 2009/65/EC, as amended, known as the UCITS Directive, or an internally managed UCITS, which is an investment company that is authorised in accordance with that Directive and has not designated such a management company for its management, and (e) with certain exceptions, an institution for occupational retirement provision falling within the scope of Directive (EU) 2016/2341, or an investment manager or an authorised entity appointed by such an institution for occupational retirement provision as provided in that Directive. Pursuant to Article 14 of the EU CRR, the EU Investor Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of institutions regulated under the EU CRR (such affiliates, together with all such institutional investors, "**EU Affected Investors**").

The EU Investor Requirements apply to investments by EU Affected Investors regardless of whether any party to the relevant securitisation is subject to any EU Transaction Requirement (as defined below).

The EU Investor Requirements provide that, prior to investing in (or otherwise holding an exposure to) a "securitisation position" (as defined in the EU Securitisation Regulation), an EU Affected Investor, other than the originator, sponsor or original lender (each as defined in the EU Securitisation Regulation) must, among other things: (a) verify that, where the originator or original lender is established in a third country (that is, not within the EU or the EEA), the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes to ensure that credit-granting is based on a thorough assessment of the obligor's creditworthiness, (b) verify that, if the originator, the original lender or the sponsor is established in a third country (that is, not within the EU or the EEA), the originator, sponsor or original lender retains on an ongoing basis a material net economic interest which, in any

event, shall not be less than 5%, determined in accordance with Article 6 of the EU Securitisation Regulation, and discloses the risk retention to EU Affected Investors, (c) verify that the originator, sponsor or securitisation special purpose entity ("**SSPE**") has, where applicable, made available the information required by Article 7 of the EU Securitisation Regulation (which sets out transparency requirements for originators, sponsors and SSPEs) in accordance with the frequency and modalities provided for in Article 7, and (d) carry out a due-diligence assessment in accordance with the EU Securitisation Regulation Rules which enables the EU Affected Investor to assess the risks involved, considering at least (i) the risk characteristics of the securitisation position and the underlying exposures, and (ii) all the structural features of the securitisation that can materially impact the performance of the securitisation position.

In addition, the EU Investor Requirements oblige each EU Affected Investor, while holding a securitisation position, to (a) establish appropriate written procedures in order to monitor, on an ongoing basis, its compliance with the foregoing requirements and the performance of the securitisation position and of the underlying exposures, (b) regularly perform stress tests on the cash flows and collateral values supporting the underlying exposures, (c) ensure internal reporting to its management body to enable adequate management of material risks, and (d) be able to demonstrate to its regulatory authorities that it has a comprehensive and thorough understanding of the securitisation position and its underlying exposures and has implemented written policies and procedures for managing risks of the securitisation position and maintaining records of the foregoing verifications and due diligence and other relevant information.

It remains unclear what is and will be required for EU Affected Investors to demonstrate compliance with certain aspects of the EU Investor Requirements.

If any EU Affected Investor fails to comply with the EU Investor Requirements with respect to an investment in the Offered Notes offered by this Information Memorandum, it may be subject (where applicable) to a penalty regulatory capital charge with respect to any securitisation position acquired by it or on its behalf, and it may be subject to other regulatory sanctions by the competent authority of such EU Affected Investor or may be required to take corrective action. The EU Securitisation Regulation Rules and any other changes to the regulation or regulatory treatment of the Offered Notes for some or all investors may negatively impact the regulatory position of an EU Affected Investor and have an adverse impact on the value and liquidity of the Offered Notes. Prospective investors should analyse their own regulatory position, and should consult with their own investment and legal advisors regarding application of, and compliance with, the EU Securitisation Regulation Rules.

UK Investor Requirements

Article 5 of the UK Securitisation Regulation, places certain conditions (the "**UK Investor Requirements**", and together with the EU Investor Requirements, the "**Investor Requirements**") on investments in securitisations (as defined in the UK Securitisation Regulation) by "institutional investors", defined in the UK Securitisation Regulation to include: (a) an insurance undertaking as defined in section 417(1) of the Financial Services and Markets Act 2000 (as amended, "**FSMA**"); (b) a reinsurance undertaking as

defined in section 417(1) of FSMA; (c) an occupational pension scheme as defined in section 1(1) of the Pension Schemes Act 1993 that has its main administration in the UK, or a fund manager of such a scheme appointed under section 34(2) of the Pensions Act 1995 that, in respect of activity undertaken pursuant to that appointment, is authorised for the purposes of section 31 of FSMA; (d) an AIFM as defined in regulation 4(1) of the Alternative Investment Fund Managers Regulations 2013 which markets or manages AIFs (as defined in regulation 3 of those Regulations) in the UK; (e) a management company as defined in section 237(2) of FSMA; (f) a UCITS as defined by section 236A of FSMA, which is an authorised open ended investment company as defined in section 237(3) of FSMA; (g) a CRR firm as defined by Article 4(1)(2A) of Regulation (EU) No 575/2013, as it forms part of UK domestic law by virtue of the EUWA and as amended (the "**UK CRR**"); and (h) an FCA investment firm as defined by Article 4(1)(2AB) of the UK CRR. The UK Investor Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of entities regulated under the UK CRR (such affiliates, together with all such institutional investors, "**UK Affected Investors**" and, together with EU Affected Investors, "**Affected Investors**").

The UK Investor Requirements apply to investments by UK Affected Investors regardless of whether any party to the relevant securitisation is subject to any UK Transaction Requirement.

The UK Investor Requirements provide that, prior to investing in (or otherwise holding an exposure to) a "securitisation position" (as defined in the UK Securitisation Regulation), a UK Affected Investor, other than the originator, sponsor or original lender (each as defined in the UK Securitisation Regulation) must, among other things: (a) verify that, where the originator or original lender is established in a third country (that is, not in the UK), the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes to ensure that credit-granting is based on a thorough assessment of the obligor's creditworthiness, (b) verify that, if the originator, the original lender or the sponsor is established in a third country (that is, not in the UK), the originator, sponsor or original lender retains on an ongoing basis a material net economic interest which, in any event, shall not be less than 5%, determined in accordance with Article 6 of the UK Securitisation Regulation, and discloses the risk retention to UK Affected Investors, (c) verify that, if the originator, sponsor or SSPE is established in a third country (that is, not in the UK), the originator, sponsor or SSPE has, where applicable, made available information which is substantially the same as that which it would have made available under Article 7 of the UK Securitisation Regulation (which sets out transparency requirements for originators, sponsors and SSPEs) if it had been established in the UK and has done so with such frequency and modalities as are substantially the same as those with which it would have made information available in accordance with that Article if it had been established in the UK, and (d) carry out a due-diligence assessment in accordance with the UK Securitisation Regulation Rules which enables the UK Affected Investor to assess the risks involved, considering at least (i) the risk characteristics of the securitisation position and the underlying exposures, and (ii) all the

structural features of the securitisation that can materially impact the performance of the securitisation position.

In addition, the UK Investor Requirements oblige each UK Affected Investor, while holding a securitisation position, to (a) establish appropriate written procedures in order to monitor, on an ongoing basis, its compliance with the foregoing requirements and the performance of the securitisation position and of the underlying exposures, (b) regularly perform stress tests on the cash flows and collateral values supporting the underlying exposures, (c) ensure internal reporting to its management body to enable adequate management of material risks, and (d) be able to demonstrate to its regulatory authorities that it has a comprehensive and thorough understanding of the securitisation position and its underlying exposures and has implemented written policies and procedures for managing risks of the securitisation position and maintaining records of the foregoing verifications and due diligence and other relevant information.

Prospective investors that are UK Affected Investors should note the differences in the wording of the EU Investor Requirements and the UK Investor Requirements as each relates to the verification of certain transparency requirements. Article 5(1)(f) of the UK Securitisation Regulation requires any UK Affected Investor to verify that "the originator, sponsor or SSPE has, where applicable: (i) made available information which is substantially the same as that which it would have made available in accordance with point (e) if it had been established in the United Kingdom; and (ii) has done so with such frequency and modalities as are substantially the same as those with which it would have made information available in accordance with point (e) if it had been so established". There remains considerable uncertainty as to how UK Affected Investors should ensure compliance with the UK Investor Requirements. This includes uncertainty as to the extent (if any) to which, in the absence of any information being made available specifically for purposes of, or in connection with, any requirement of the UK Securitisation Regulation Rules (as noted below), any information to be provided by the Seller with regard to Article 7 of the EU Securitisation Regulation and the EU Disclosure Technical Standards (as described under "EU Disclosure" below) could be determined to be "substantially the same" within the meaning of Article 5(1)(f) of the UK Securitisation Regulation, and delivered with the frequency and modality required by Article 5(1)(f), and otherwise sufficient to satisfy the relevant elements of the UK Investor Requirements, and also what view the relevant UK regulator of any UK Affected Investor might take as regards such matters. In the UK, the UK regulators are yet to publicly clarify the parameters for satisfying the "substantially the same as" test for the purposes of the UK Investor Requirements.

Prospective investors should be aware that (a) neither the Seller nor any other party to the securitisation transaction described in this Information Memorandum (i) intends to take any action specifically for purposes of, or in connection with, any requirement of Article 7 of the UK Securitisation Regulation, or (ii) otherwise intends to make any information available to any person specifically for the purposes of, or in connection with, any requirement of the UK Securitisation Regulation Rules; and (b) except as expressly described in this Information Memorandum with regard to the UK Retention and the UK Credit-Granting Requirements (as each such term is defined below), neither the Seller nor any other party to the securitisation

transaction described in this Information Memorandum (i) intends to take or refrain from taking any other action with regard to this transaction in a manner prescribed or contemplated by the UK Securitisation Regulation Rules, or to take any other action for purposes of, or in connection with, facilitating or enabling compliance by any person with any applicable UK Investor Requirements, or (ii) gives, or intends to give, any undertaking, representation or warranty with regard to any requirement of the UK Securitisation Regulation Rules.

If any UK Affected Investor fails to comply with the UK Investor Requirements with respect to an investment in the Offered Notes, it may be subject (where applicable) to a penalty regulatory capital charge with respect to any securitisation position acquired by it or on its behalf, and it may be subject to other regulatory sanctions by the competent authority of such UK Affected Investor or may be required to take corrective action. The UK Securitisation Regulation Rules and any other changes to the regulation or regulatory treatment of the Offered Notes for some or all investors may negatively impact the regulatory position of a UK Affected Investor and have an adverse impact on the value and liquidity of the Offered Notes offered by this Information Memorandum. Prospective investors should analyse their own regulatory position, and should consult with their own investment and legal advisors regarding application of, and compliance with, the UK Securitisation Regulation Rules.

Transaction Requirements

The EU Securitisation Regulation imposes certain requirements (the “**EU Transaction Requirements**”) with respect to originators, original lenders, sponsors and SSPEs (as each such term is defined for the purposes of the EU Securitisation Regulation).

The EU Transaction Requirements include provisions with regard to, amongst other things:

- (a) a requirement under Article 6 of the EU Securitisation Regulation that the originator, the original lender or the sponsor of a securitisation commits to retain, on an ongoing basis, a material net economic interest in the relevant securitisation of not less than 5% in respect of certain specified credit risk tranches or asset exposures (the “**EU Retention Requirement**”);
- (b) a requirement under Article 7 of the EU Securitisation Regulation that the originator, sponsor and SSPE of a securitisation make available to holders of a securitisation position, relevant competent authorities and (upon request) potential investors certain prescribed information (the “**EU Transparency Requirements**”) prior to pricing as well as in quarterly portfolio level disclosure reports and quarterly investor reports; and
- (c) a requirement under Article 9 of the EU Securitisation Regulation that originators, sponsors and original lenders of a securitisation apply to exposures to be securitised the same sound and well-defined criteria for credit-granting which they apply to non-securitised exposures, and have effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based

on a thorough assessment of the obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the obligor meeting its obligations under the credit agreement (the "**EU Credit-Granting Requirements**").

The EU Securitisation Regulation provides for certain aspects of the EU Transaction Requirements to be further specified in regulatory technical standards and implementing technical standards to be adopted by the European Commission as delegated regulations. In respect of Article 6 of the EU Securitisation Regulation, the EBA has published final draft regulatory technical standards dated 1 April 2022 (the "**Final Draft RTS**"), but the Final Draft RTS have not yet been adopted by the European Commission or entered into force. Pursuant to Article 43(7) of the EU Securitisation Regulation, until these regulatory technical standards apply, certain provisions of Commission Delegated Regulation (EU) No. 625/2014 continue to apply in respect of the EU Retention Requirement. In respect of Article 7 of the EU Securitisation Regulation, the relevant technical standards are comprised in Commission Delegated Regulation (EU) 2020/1224 and Commission Implementing Regulation (EU) 2020/1225 (together, the "**EU Disclosure Technical Standards**"). The EU Disclosure Technical Standards make provision as to (amongst other things) the data to be made available, and the format in which information must be presented, for purposes of satisfying the EU Transparency Requirements. However, there still remains some uncertainty at the current time as to, amongst other things, how some of the fields in the reporting templates prescribed by the EU Disclosure Technical Standards should be completed.

On 10 October 2022, the European Commission published its report to the European Parliament and the Council on the Functioning of the Securitisation Regulation (COM(2022) 517) (the "**Securitisation Regulation Report**") in which it expressed its views on (amongst other things) the jurisdictional scope of application of the EU Investor Requirements in the context of a non-EU securitisation. In particular, the Securitisation Regulation Report provides guidance on the interpretation of Article 5(1)(e) of the EU Securitisation Regulation (which, as noted above, requires that EU Affected Investors verify, prior to holding a securitisation position, that the originator, sponsor or SSPE has, where applicable, made available the information required by Article 7 of the EU Securitisation Regulation) in respect of scenarios where none of the originator, sponsor or SSPE are located in the EU. In the Securitisation Regulation Report, the European Commission considers that differentiating the scope of information required for the purposes of the EU Investor Requirements based on whether a securitisation is issued by originators, original lenders, sponsors and SSPEs supervised or established in the EU, or entities based in third countries, is not in line with the legislative intent and, as such, that the jurisdiction of the originator, sponsor or SSPE should not affect the interpretation of Article 5(1)(e) of the EU Securitisation Regulation. It is unclear whether any amendments to the EU Securitisation Regulation which reflect this interpretative guidance will be adopted. In addition, the European Commission invited the European Securities and Markets Authority to draw up a dedicated template for private securitisations, with a view (amongst other things) to making it easier for third country parties to provide the required information for the purposes of the EU Investor Requirements. The content of such new reporting templates and the

timing of when (if at all) they will be introduced and become applicable is unclear at this stage.

The EU Securitisation Regulation Rules provide that an entity shall not be considered an “originator” (as defined for purposes of the EU Securitisation Regulation) if it has been established or operates for the sole purpose of securitising exposures. See Section 7 (“Origination and Servicing of the Trust Receivables”) and Section 8.3 (“HSBC Bank Australia Limited (HSBC) – Manager, Servicer, Seller, Derivative Counterparty, Additional Advance Facility Provider and Liquidity Facility Provider”) in this Information Memorandum for information regarding the Seller, its business and activities.

The UK Securitisation Regulation imposes certain requirements (the “**UK Transaction Requirements**”, and together with the EU Transaction Requirements, the “**Transaction Requirements**”) with respect to originators, original lenders, sponsors and SSPEs (as each such term is defined for the purposes of the UK Securitisation Regulation).

The UK Transaction Requirements include provisions with regard to, amongst other things:

- (a) a requirement under Article 6 of the UK Securitisation Regulation that the originator, the original lender or the sponsor of a securitisation commits to retain, on an ongoing basis, a material net economic interest in the relevant securitisation of not less than 5% in respect of certain specified credit risk tranches or asset exposures (the “**UK Retention Requirement**”);
- (b) a requirement under Article 7 of the UK Securitisation Regulation that the originator, sponsor and SSPE of a securitisation make available to holders of a securitisation position, the competent authority and (upon request) potential investors certain prescribed information (the “**UK Transparency Requirements**”) prior to pricing as well as in quarterly portfolio level disclosure reports and quarterly investor reports; and
- (c) a requirement under Article 9 of the UK Securitisation Regulation that originators, sponsors and original lenders of a securitisation apply to exposures to be securitised the same sound and well-defined criteria for credit-granting which they apply to non-securitised exposures, and have effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the obligor’s creditworthiness taking appropriate account of factors relevant to verifying the prospect of the obligor meeting its obligations under the credit agreement (the “**UK Credit-Granting Requirements**”).

The UK Securitisation Regulation provides for certain aspects of the UK Transaction Requirements to be further specified in technical standards to be adopted by the PRA and/or the FCA. In respect of Article 6 of the UK Securitisation Regulation, the UK Securitisation Regulation provides for certain aspects of the UK Retention Requirement to be further specified in technical standards to be made by the FCA and the PRA, acting jointly. Until any such

technical standards apply (or other applicable rules are enacted in the UK), certain provisions of Commission Delegated Regulation (EU) No. 625/2014, as they form part of the domestic law of the UK pursuant to the EUWA, continue to apply. In respect of Article 7 of the UK Securitisation Regulation, the EU Disclosure Technical Standards, as they form part of the domestic law of the UK pursuant to the EUWA and as amended by the Technical Standards (Specifying the Information and the Details of the Securitisation to be made Available by the Originator, Sponsor and SSPE) (EU Exit) Instrument 2020 (the "**UK Disclosure Technical Standards**"), apply, subject to certain transitional provisions. However, there still remains some uncertainty at the current time as to, amongst other things, how some of the fields in the reporting templates prescribed by such technical standards should be completed.

The UK Securitisation Regulation Rules provide that an entity shall not be considered an "originator" (as defined for purposes of the UK Securitisation Regulation) if it has been established or operates for the sole purpose of securitising exposures. See Section 7 ("Origination and servicing of the Trust Receivables") and Section 8.3 ("HSBC Bank Australia Limited (HSBC) – Manager, Servicer, Seller, Derivative Counterparty, Additional Advance Facility Provider and Liquidity Facility Provider") in this Information Memorandum for information regarding the Seller, its business and activities.

EU Risk Retention and UK Risk Retention

The EU Securitisation Regulation is silent as to the jurisdictional scope of the EU Retention Requirement and consequently, whether, for example, it imposes a direct obligation upon non-EU established entities, such as the Seller. However (i) the explanatory memorandum to the original European Commission proposal for legislation that was ultimately enacted as the EU Securitisation Regulation stated that "The current proposal thus imposes a direct risk retention requirement and a reporting obligation on the originator, sponsor or the original lenders...For securitisations notably in situations where the originator, sponsor nor original lender is not established in the European Union the indirect approach will continue to fully apply."; and (ii) the EBA, in a paper published on 31 July 2018 in relation to draft regulatory technical standards then proposed to be made pursuant to Article 6 of the EU Securitisation Regulation, said: "The EBA agrees however that a 'direct' obligation should apply only to originators, sponsors and original lenders established in the European Union as suggested by the [European] Commission in the explanatory memorandum". This interpretation (the "**EBA Guidance Interpretation**") is, however, non-binding and not legally enforceable.

The UK Securitisation Regulation is also silent as to the jurisdictional scope of the UK Retention Requirement and consequently, whether, for example, it imposes a direct obligation upon non-UK established entities such as the Seller. The wording of the UK Securitisation Regulation with regard to the UK Retention Requirement is similar to that in the EU Securitisation Regulation with regard to the EU Retention Requirement, and the EBA Guidance Interpretation may be indicative of the position likely to be taken by the UK regulators in the future in this respect. However, the EBA Guidance Interpretation is non-binding and not legally enforceable, and the FCA and the PRA have not, at the date of this

Information Memorandum, published or released any guidance or interpretation as to the jurisdictional scope of the direct risk retention obligation provided under the UK Securitisation Regulation.

Notwithstanding the above, on the Closing Date and thereafter for so long as any Offered Notes remain outstanding, the Seller as "originator":

- (a) will undertake to retain a material net economic interest in this securitisation transaction in accordance with the text of Article 6(1) of the EU Securitisation Regulation (the "**EU Retention**"); and
- (b) will undertake to retain a material net economic interest in this securitisation transaction in accordance with the text of Article 6(1) of the UK Securitisation Regulation (the "**UK Retention**").

As at the Closing Date, (i) the EU Retention will be comprised of an interest in at least 100 randomly selected exposures equivalent (in total) to no less than 5% of the nominal value of the securitised exposures (where such non-securitised exposures would otherwise have been included in this securitisation transaction) in accordance with Article 6(3)(c) of the EU Securitisation Regulation; and (ii) the UK Retention will be comprised of an interest in at least 100 randomly selected exposures equivalent (in total) to no less than 5% of the nominal value of the securitised exposures (where such non-securitised exposures would otherwise have been included in this securitisation transaction) in accordance with Article 6(3)(c) of the UK Securitisation Regulation.

The Seller will also undertake (in each case with reference to the EU Securitisation Regulation Rules and the UK Securitisation Regulation Rules as in effect and applicable on the Closing Date):

- (a) not to change the manner or form in which it retains the EU Retention or the UK Retention, except as permitted by the EU Securitisation Regulation Rules and the UK Securitisation Regulation Rules;
- (b) not to utilise or enter into any credit risk mitigation techniques, short position or any other hedge against the credit risk of the EU Retention or the UK Retention held by it, except as permitted by the EU Securitisation Regulation Rules and the UK Securitisation Regulation Rules; and
- (c) to confirm or cause to be confirmed the status of its compliance with paragraphs (a) and (b) above (in each periodic report provided to Noteholders).

The Seller will also give various representations, warranties and further undertakings for the purposes of the EU Securitisation Regulation as follows:

- (a) For the purpose of Article 4 of the EU Securitisation Regulation, the Seller will represent and warrant that the Trustee, being the SSPE in respect of this securitisation transaction, is established in Australia, which is a country that:
 - (i) is not listed as a high-risk and non-cooperative jurisdiction by the Financial Action Task Force; and
 - (ii) has signed an agreement with a member state of the European Union that fully complies with the standards provided for in Article 26 of the

- (b) For the purposes of Article 7(1) of the EU Securitisation Regulation, the Seller, as an originator (as such term is defined for the purposes of the EU Securitisation Regulation), will undertake to make available to Noteholders and, upon request, to potential investors, in the format determined and prepared by the Seller:
- (i) for the purposes of Article 7(1)(a) of the EU Securitisation Regulation, quarterly loan level data in relation to the pool of loans held by the Trustee. The material referred to in this paragraph shall be made available at the latest one month after the end of the period the report covers;
 - (ii) all documentation required by Article 7(1)(b) of the EU Securitisation Regulation, including but not limited to the Transaction Documents and this Information Memorandum. The material referred to in this paragraph shall be made available before pricing of the Notes;
 - (iii) for the purposes of Article 7(1)(e) of the EU Securitisation Regulation, at least quarterly investor reports, containing the following information:
 - (A) all materially relevant data on the credit quality and performance of underlying exposures;
 - (B) information on events which trigger changes in the priority of payments or the replacement of any counterparties, and data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation; and
 - (C) information about the risk retained, including information on which of the modalities provided for in Article 6(3) of the EU Securitisation Regulation has been applied, in accordance with Article 6 of the EU Securitisation Regulation.
 - (iv) for the purposes of Article 7(1)(f) of the EU Securitisation Regulation, any inside information relating to the securitisation, to the extent the Seller (as an originator (as such term is defined for the purposes of the EU Securitisation Regulation)) or the Trustee (as the SSPE) is obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council (2) on insider dealing and market manipulation. The material referred to in this paragraph shall be made available without delay; and

- (v) for the purposes of Article 7(1)(g) of the EU Securitisation Regulation, information as to any significant event such as:
 - (A) a material breach of the obligations provided for in the Transaction Documents, including any remedy, waiver or consent subsequently provided in relation to such a breach;
 - (B) a change in the structural features that can materially impact the performance of the securitisation;
 - (C) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation; and
 - (D) any material amendment to any Transaction Document.

The material referred to in this paragraph shall be made available without delay.

- (c) For the purposes of Article 7(2) of the EU Securitisation Regulation, the Seller as an originator (as such term is defined for the purposes of the EU Securitisation Regulation) is designated as the entity required to provide the information referred to in Article 7(1) of the EU Securitisation Regulation, and such information shall be made available by posting it to the following website: <http://www.absperpetual.com>.
- (d) For the purposes of Article 8(1) of the EU Securitisation Regulation, the Seller will represent, warrant and undertake that the Notes are not part of a securitisation of one or more exposures where at least one of the underlying exposures is a securitisation position.
- (e) For the purposes of Article 9(1) of the EU Securitisation Regulation, the Seller as an originator (as such term is defined for the purposes of the EU Securitisation Regulation) will represent, warrant and undertake that:
 - (i) it has applied and will apply to exposures to be acquired by the Trustee, the same sound and well-defined criteria for credit-granting which it has applied to non-securitised exposures;
 - (ii) it has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the obligor meeting his obligations under the credit agreement. For these purposes, 'thorough assessment of each obligor's creditworthiness' refers to the assessment and verification by the Seller (acting in accordance with the standards of a prudent mortgage lender) of the prospect of the relevant Obligor meeting its obligations under the

relevant Trust Receivable, being in relation to the payment of any amounts due under the relevant Trust Receivable, an assessment of the Obligor's income, expenditure (where applicable) and credit history and carrying out relevant security checks and credit search, in each case, solely to the extent required by and in accordance with the Seller's lending standards at the relevant time.

Except as described above, no party to the securitisation transaction described in this Information Memorandum is required, or intends, to take any action with regard to such transaction in a manner prescribed or contemplated by the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules, or to take any action for purposes of, or in connection with, compliance by any Affected Investor with any applicable Investor Requirement.

Prospective investors should make their own independent investigation and seek their own independent advice (i) as to the requirements of the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules (and any implementing rules in relation to a relevant jurisdiction); (ii) as to whether the Seller's holding of randomly selected exposures (as described above) would satisfy the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules; and (iii) as to the sufficiency of the information described in this Information Memorandum, and which may otherwise be made available to investors, for the purposes of complying with the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules. None of the Seller, the Arranger, the Joint Lead Managers, the Dealers or any other party to the Transaction Documents (i) makes any representation that the EU Retention or UK Retention undertakings and the information described in this Information Memorandum, or any other information which may be made available to investors, are sufficient in all circumstances for such purposes, (ii) has any liability to any prospective investor or any other person for any insufficiency of such information or any failure of the transactions contemplated in this Information Memorandum to comply with or otherwise satisfy the requirements of the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules or any other applicable legal, regulatory or other requirements, or (iii) has any obligation to provide any further information or take any other steps that may be required by any investor to enable compliance by that investor with the requirements of the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules or any other applicable legal, regulatory or other requirements.

Prospective investors are themselves responsible for monitoring and assessing changes to the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules and their regulatory capital requirements. Each investor who may be subject to the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules should consult with their own legal and regulatory advisors to determine whether, and to what extent, the information described is sufficient for compliance by that investor with any applicable EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules. In the event that a regulator determines that the transaction did not comply or is no longer in compliance with the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules or an investor has insufficient information to satisfy its due diligence and/or ongoing monitoring requirements under the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules, then that investor may be required by its regulator to set

aside additional capital against its investment in the Offered Notes or take other remedial measures in respect of its investment in the Offered Notes.

There can be no assurance that the regulatory capital treatment of the Offered Notes for any investor will not be affected by any future implementation of, and changes to, the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules or other regulatory or accounting changes.

None of the Trustee, the Manager, the Seller, the Servicer, the Security Trustee, the Derivative Counterparty, the Liquidity Facility Provider, the Additional Advance Facility Provider, the Arranger, any Dealer, any Joint Lead Manager or any other party to the Transaction Documents has any responsibility to maintain or enforce compliance with the EU Securitisation Regulation Rules or the UK Securitisation Regulation Rules.

Japanese Retention Rules

On 16 November 2012, the final report titled "Global Developments in Securitisation Regulation") was published by the Board of the International Organization of Securities Commission ("**IOSCO**"), with a recommendation regarding risk retention for securitisation products that jurisdictions should clearly set out the elements of their incentive alignment approach with risk retention being the preferred approach and the applicable legislation, regulation and/or policy guidance should address (i) the party on which obligations are imposed (i.e. direct and/or indirect regime); (ii) permitted forms of risk retention requirements; and (iii) exceptions or exemptions from the risk retention requirements

In line with IOSCO's recommendation, on 30 April 2015 the Financial Services Agency of Japan ("**JFSA**") amended its guidelines for supervision of Japanese financial institutions, such as banks, insurance companies and financial instruments business operators (securities companies), to add an additional provision that "With respect to securitisation products, when the originator, in structuring the underlying assets, intends to transfer the entirety of the underlying assets to a vehicle of securitisation for securitisation products at the initial stage of such structuring, the risks associated with holding of interest in the relevant securitisation products may be heightened as a result of inappropriate structuring of the underlying assets due to, for example, inadequate analysis of the investments. As such, it is desirable that the originator will continue to retain part of the risks associated with such securitisation products. In view of this, it should be verified whether it has been confirmed that the originator will continue to retain part of the risks associated with the securitisation products and, in cases where the originator will not continue to so retain, whether in-depth analysis has been made as to the status of the originator's involvement in the underlying assets and the quality of such assets".

On 15 March 2019, JFSA published another set of new Japanese risk retention rules (the "**Japanese Risk Retention Rules**") as part of the regulatory capital regulation of certain categories of Japanese financial institutions including banks and other depositary institutions, bank holding companies, ultimate parent companies of large securities companies designated by JFSA and certain other financial institutions regulated in Japan seeking to invest in securitisation transactions (collectively, the "**Japanese Affected Investors**"). The Japanese Risk Retention Rules became applicable to the Japanese Affected Investors on 31 March 2019; provided that the risk weighting for securitisation exposure held by a Japanese Affected Investor on 31 March 2019 shall not be subject

to the application of the new Japanese risk retention rule insofar as such Japanese Affected Investor continues such holding.

The Japanese Risk Retention Rules require, under the indirect regime, the Japanese Affected Investors to apply an increased risk weighting (i.e., three times higher than that otherwise applied to compliant securitisation exposure (capped at 1,250%)) to securitisation exposure they hold for regulatory capital purposes unless either:

- (a) they can confirm that any of the following conditions is satisfied by the relevant originator:
 - (i) such originator holds each of the tranches of the securitisation exposure in the relevant securitisation transaction equally (except that such part of credit risk that is not effectively borne by the originator by way of hedging such credit risk or other method shall be deemed not to be held, hereinafter the same) and the total amount of relevant exposure is at least 5% of the aggregate amount of exposure of the underlying assets in such transaction;
 - (ii) it holds the most junior tranche in the securitisation exposure in the relevant securitisation transaction and the total amount of relevant exposure is at least 5% of the aggregate amount of exposure of the underlying assets in such transaction;
 - (iii) in the event that the most junior tranche in the securitisation exposure in the relevant securitisation transaction is less than 5%, it holds the whole of such tranche and each of the tranches (other than such most junior tranche) equally and the total amount of the relevant exposure is at least 5% of the aggregate amount of exposure of the underlying assets in such transaction; or
 - (iv) by continuously holding the securitisation exposure in such securitisation transaction, the credit risk borne by such originator is found to be at least equivalent to the credit risk satisfying any of the conditions mentioned above; or
- (b) they can determine that the underlying assets were not "inappropriately originated", based on the situations of the originator's involvement in the underlying assets, the quality of the underlying assets or any other circumstances.

With respect to paragraph (b) above, JFSA has indicated that by way of example the following case (among other indicated cases) falls within the category described in paragraph (b) above: in the event that receivables, etc. composing the underlying assets for a securitisation product are randomly selected among a pool of assets containing many claims, etc. (excluding securitised products) and the originator holds the whole of claims, etc. (other than such underlying assets) on a continuing basis (or the originator holds certain claims, etc. on a continuing basis which are selected randomly at the same time when claims constituting the underlying assets are selected among the pool of assets), the credit risk to be borne by the originator is at least 5% of the entire exposure of such pool of assets. For such claims, etc. to be so randomly selected, it is necessary to confirm the sufficient amount and quality of such claims, etc. JFSA states that in terms of such amount the pool of

assets generally is required to contain at least 100 claims, etc. while in terms of quality it should be structured that claims, etc. with specific characteristics would not concentrate on those to be held by the originator when selecting claims, etc. among those to constitute the underlying assets of a securitisation product and those to held by the originator.

HSBC, as originator, will retain a material net economic interest of not less than 5% of the securitised exposures as at the Closing Date. As at the Closing Date, such interest will be comprised of an interest in at least 100 randomly selected exposures and bear similar characteristics to the securitised exposures in accordance with the Japanese risk retention rules (the “**Retained Pool**”).

Prospective Japanese Affected Investors should make their own independent investigation and seek their own independent advice (i) as to the scope and applicability of the Japanese risk retention rules; (ii) as to the sufficiency of the information described in this Information Memorandum and (iii) as to the compliance with the Japanese risk retention rules in respect of the transactions contemplated by this Information Memorandum. Neither HSBC nor any other party makes any representation that the information described in this Information Memorandum is sufficient in all circumstances for such purposes.

None of the Trustee, the Manager, the Seller, the Servicer, the Security Trustee, the Derivative Counterparty, the Liquidity Facility Provider, the Additional Advance Facility Provider, the Arranger, any Dealer, any Joint Lead Manager or any other party to the Transaction Documents has any responsibility to maintain or enforce compliance with the Japanese Risk Retention Rules.

U.S. Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act provisions of the United States Hiring Incentives to Restore Employment Act of 2010 (“**FATCA**”) establish a due diligence, reporting and withholding regime. FATCA aims to detect U.S. tax residents who use accounts with “foreign financial institutions” (“**FFIs**”) to conceal income and assets from the United States Internal Revenue Service (“**IRS**”).

FATCA withholding

Under FATCA, a 30 percent withholding tax may be imposed (i) in respect of certain payments of United States source income and (ii) on “foreign passthru payments” (a term which has not yet been defined under FATCA), which are, in each case, paid to or in respect of entities that fail to meet certain certification or reporting requirements (“**FATCA withholding**”).

A FATCA withholding may be required if (i) an investor does not provide sufficient information for the Trust, the Trustee or any other financial institution through which payments on the Offered Notes are made in order to determine whether the investor is subject to FATCA withholding or (ii) an FFI (to or through which payments on the Offered Notes are made) is a “non-participating FFI”.

FATCA withholding is not expected to apply if the Offered Notes are treated as debt for U.S. federal income tax purposes and the payment is made under a grandfathered obligation, which is generally any obligation issued on or before the date that is six months after the date on which final regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register.

In any event, FATCA withholding is not expected to apply to payments made before the date that is two years after the date on

which final regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register.

The Australian Government and U.S. Government signed an inter-governmental agreement on 28 April 2014 (“**Australian IGA**”). The Australian Government has enacted legislation which amended, among other things, the Taxation Administration Act 1953 of Australia to give effect to the Australian IGA (“**Australian IGA Legislation**”).

Australian financial institutions which are Reporting Australian Financial Institutions under the Australian IGA (which may include the Trust and the Trustee) must follow specific due diligence procedures. In general, these procedures seek to collect certain information from account holders (for example, the Noteholders) and provide the Australian Taxation Office (“**ATO**”) with information on reportable financial accounts (for example, the Offered Notes) held by U.S. persons and recalcitrant account holders. The ATO is required to provide such information to the IRS. Consequently, Noteholders may be requested to provide certain information and certifications to the Trust, the Trustee and to any other financial institutions through which payments on the Offered Notes are made in order for the Trust, the Trustee and such financial institutions to comply with their own FATCA obligations.

A Reporting Australian Financial Institution that complies with its obligations under the Australian IGA will not generally be subject to FATCA withholding on amounts it receives, nor will it generally be required to deduct FATCA withholding from payments it makes in respect of the Offered Notes, other than in certain prescribed circumstances. Non-compliance with the Australian IGA Legislation could result in administrative penalties.

No additional amounts paid as a result of FATCA withholding

In the event that any amount is required to be withheld or deducted from a payment on the Offered Notes as a result of FATCA, no additional amounts will be paid by the Trustee as a result of this deduction or withholding. The Trustee (at the direction of the Manager) may determine that the Trust should or must comply with certain obligations as a result of the Australian IGA. As such, Noteholders will be required to provide any information or tax documentation that the Trustee (at the direction of the Manager) determines necessary to comply with FATCA, the Australian IGA and/or the Australian IGA Legislation. The Trustee’s ability to satisfy such obligations will depend on each Noteholder providing (or causing to be provided), any information and tax documentation, including information concerning the direct or indirect owners of such Noteholder, that the Trustee (at the direction of the Manager) determines necessary to satisfy such obligations.

FATCA is particularly complex legislation. Investors should consult their own tax advisers to determine how FATCA, the Australian IGA and the Australian IGA Legislation may apply to them under the Offered Notes.

**Common Reporting
Standard (CRS)**

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (“**CRS**”) requires certain financial institutions (which may include the Trust and the Trustee) to report information regarding relevant accounts (which may include the Offered Notes) to their local tax authority by following related due diligence procedures. Australia has enacted legislation (“**Australian CRS Legislation**”) which amended, among other

things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

Non-compliance with the Australian CRS Legislation could result in regulatory penalties.

The Trustee (at the direction of the Manager) may determine that the Trust should or must comply with certain obligations as a result of the Australian CRS Legislation. As such, Noteholders will be required to provide any information or tax documentation that the Trustee (at the direction of the Manager) determines necessary to comply with CRS or the Australian CRS Legislation. The Trustee's ability to satisfy such obligations will depend on each Noteholder providing (or causing to be provided), any information and tax documentation, including information concerning the direct or indirect owners of such Noteholder, that the Trustee (at the direction of the Manager) determines necessary to satisfy such obligations.

A jurisdiction that has signed a CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement.

Insolvency law reform

On 18 September 2017, the Treasury Laws Amendment (2017 Enterprise Incentives No. 2) Act 2017 (Cth) ("**TLA Act**") received Royal Assent.

The TLA Act enacted reform (known as "ipso facto") which varies the enforceability of certain contractual rights against Australian companies which are subject to one of the following insolvency-related procedures ("**Applicable Procedures**"):

- (a) an application for or a scheme of arrangement for the purpose of avoiding being wound up in insolvency;
- (b) the appointment of a managing controller (that is, a receiver or other controller with management functions or powers);
- (c) the appointment of an administrator; or
- (d) the appointment of a restructuring practitioner in respect of a company which has liabilities of less than \$1 million (from January 2021).

The ipso facto reform imposes a stay or moratorium on the enforcement of contractual rights while the company is subject to the Applicable Procedure (the "**stay**") or in other specified circumstances.

In summary:

- (a) *Appointment Trigger*: Any right which triggers for the reason of any of the Applicable Procedures will not be enforceable;
- (b) *Financial Position Protection*: Any rights which arise for the reason of adverse changes in the financial position of a company which is subject to any of the Applicable Procedures.
- (c) *Anti-Avoidance*: The Corporations Act (as amended by the TLA Act) contains very broad anti-avoidance provisions. For example:
 - (i) The Corporations Act (as amended by the TLA Act) deems that any contractual provision which is "in

substance contrary to" the stay will also be unenforceable; and

- (ii) Any self-executing provision which is expressed to automatically trigger rights otherwise subject to the stay is unenforceable.

The length of the stay depends on the Applicable Procedure and the type of stay concerned. Generally, the stay would end once the Applicable Procedure has ended, unless extended by the court. The stay may also end later in certain circumstances specified under the relevant provisions for each Applicable Procedure.

The ipso facto reform applies to contracts, agreements or arrangements entered into on or after 1 July 2018. Pre-1 July 2018 contracts, agreements or arrangements that are novated or varied 1 July 2023 will not be subject to the stay.

The Corporations Act (as amended by the TLA Act) provides that contracts, agreements or arrangements prescribed in regulations ("**Regulations**") or rights specified in ministerial declarations are not subject to the stay. The Regulations prescribe that a right contained in a kind of contract, agreement or arrangement that involves a special purpose vehicle, and that provides for securitisation, is not subject to the stay.

However, there are still issues and ambiguities in relation to the stay, in respect of which a market view or practice will evolve over time. The scope of the ipso facto reform and its potential effect on the Transaction Documents and Offered Notes remains uncertain.

The regulation and reform of BBSW may adversely affect the value or liquidity of Offered Notes

Interest rate benchmarks (such as BBSW) have been and continue to be the subject of national and international regulatory guidance and proposals for reform. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Offered Notes.

In Australia, examples of reforms that are already effective include the replacement of the Australian Financial Markets Association as BBSW administrator with ASX Benchmarks Pty Limited (ABN 38 616 075 417), changes to the methodology for calculation of BBSW, and amendments to the Corporations Act 2001 (Cth) made by the Treasury Laws Amendment (2017 Measures No. 5) Act 2018 (Cth) which, among other things, enable ASIC to make rules relating to the generation and administration of financial benchmarks. On 6 June 2018, ASIC designated BBSW as a "significant financial benchmark" and made the ASIC Financial Benchmark (Administration) Rules 2018 and the ASIC Financial Benchmarks (Compelled) Rules 2018.

Although many of the Australian reforms were designed to support the reliability and robustness of BBSW, it is not possible to predict with certainty whether, and to what extent, BBSW will continue to be supported or the extent to which related regulations, rules, practices or methodologies may be amended going forward. This may cause BBSW to perform differently than it has in the past, and may have other consequences which cannot be predicted. For example, it is possible that these changes could cause BBSW to cease to exist, to become commercially or practically unworkable, or to become more or less volatile or liquid. Any such changes could have a material adverse effect on the Offered Notes.

Prospective investors should be aware that the RBA has recently expressed a view that calculations of BBSW using 1-month tenors are not as robust as calculations using tenors of 3-months or 6-months, and that users of 1-month tenors such as the securitisation markets should be preparing to use alternative benchmarks such as the RBA cash rate or 3-month BBSW. The RBA has also amended its criteria for repo eligibility to include a requirement that floating rate notes and marketed asset-backed securities issued on or after 1 December 2022 that reference BBSW must contain at least one “robust” and “reasonable and fair” fallback rate for BBSW in the event that it permanently ceases to exist, if such securities are to be accepted by the RBA as being eligible collateral for the purposes of any repurchase agreements to be entered into with the RBA. The Australian Securitisation Forum published the “ASF Market Guideline on BBSW fallback provisions” on 11 November 2022 (“**ASF Market Guideline**”) for voluntary use in contracts that reference BBSW to assist market participants to meet the requirements of the RBA’s updated criteria, with a view to these becoming standardised fallback provisions for BBSW-linked securitisation issuances. The Conditions of the Offered Notes incorporate fallback provisions that are consistent with the ASF Market Guidelines and which apply in the event of a temporary disruption or permanent discontinuation of the benchmark rate. The fallback methodology involves the use of alternative benchmark rates (to the extent available) as the benchmark rate applicable to the Offered Notes, including (i) in the case of a Permanent Discontinuation Trigger affecting BBSW, AONIA; (ii) in the event of a Permanent Discontinuation Trigger affecting AONIA, the RBA Recommended Rate; and (iii) in the event of a Permanent Discontinuation Trigger affecting the RBA Recommended Rate, the Final Fallback Rate.

Any such alternative benchmark rates may, at the relevant time, be difficult to calculate, be more volatile than originally anticipated or not reflect the funding cost or return anticipated by investors.

For example, whereas BBSW is expressed on the basis of a forward-looking term and is based on observed bid and offer rates for Australian prime bank eligible securities (which bid and offer rates may incorporate a premium for credit risk) AONIA is an overnight, ‘risk-free’ cash rate and will be applied to calculate interest on the Offered Notes by methodology involving compounding in arrears using observed rates and the application of a spread adjustment. Accordingly, where AONIA (or any other benchmark rate determined by compounding in arrears) applies in respect of the Offered Notes, it may be difficult for investors in the Offered Notes to estimate reliably in advance the amount of interest which will be payable on those Offered Notes for a particular Interest Period.

No assurances can be provided that AONIA or any other alternate rate applied to the Offered Notes as described above will have characteristics that are similar to, or be sufficient to produce the economic equivalent of, BBSW or any other alternate rate which may have previously applied at any time under the framework described above.

Prospective investors should be aware that the market is still developing in relation to AONIA as a reference rate in the capital markets. It is not possible to predict what effect the application of AONIA (or any other alternate benchmark rate for the Offered Notes) in determining the interest on the Offered Notes may have on the price, value or liquidity of the Offered Notes.

In addition, investors should be aware that, in addition to being used for interest calculations, a rate based on BBSW is also used to determine other payment obligations such as floating amounts payable by the Derivative Counterparty and interest payable under the Basis Swap and the Fixed Rate Swap, Liquidity Facility and Additional Advance Facility and, while the Basis Swap and the Fixed Rate Swap, Liquidity Facility and Additional Advance Facility each incorporate similar fallback methodology, the fall back rates for these payments may not be the same as the fall back rate for payments of interest on the Offered Notes. Any such mismatch may lead to shortfalls in cash flows necessary to support payments on Offered Notes.

Any such alternative benchmark rates may also, at the relevant time, be difficult to calculate, be more volatile than originally anticipated or not reflect the funding cost or return anticipated by investors.

Prospective investors should consult their own independent advisers and make their own assessment about the potential risks imposed by BBSW reforms and the potential for BBSW to be discontinued in making any investment decision with respect to any Offered Notes.

None of the Trustee, the Manager, the Seller, the Servicer, the Security Trustee, the Derivative Counterparty, the Liquidity Facility Provider, the Additional Advance Facility Provider, the Arranger, any Dealer, any Joint Lead Manager or any other party to the Transaction Documents accepts any responsibility or liability (in negligence or otherwise) for any loss or damage resulting from the use of existing benchmark rates such as BBSW or the determination of any fallback rate.

Regulatory developments in the Australian banking industry

There is currently an environment of heightened scrutiny by the Australian Government and various Australian regulators on the Australian financial services industry. An example of industry-wide scrutiny that may lead to future changes in laws, regulation or policies, is the establishment of a Royal Commission to inquire into misconduct by financial service entities.

The Royal Commission was established on 14 December 2017 and was authorised to inquire into misconduct by financial service entities. Seven rounds of hearings into misconduct in the banking and financial services industry were held throughout 2018, covering a variety of topics including consumer and business lending, financial advice, superannuation, insurance and a policy round. The Royal Commission's final report was delivered on 1 February 2019. The final report included 76 policy recommendations to the Australian Government and findings in relation to the case studies investigated during the hearings, with a number of referrals being made to regulators for misconduct by financial institutions, which has resulted in heightened levels of enforcement action across the industry including key regulators investigating all matters raised by the Royal Commission.

At this time there remains uncertainty as to how the recommendations of the Royal Commission will be implemented into law or carried into practice and the effects that these measures, if implemented, and the general heightened scrutiny of the Australian financial services industry, will have on asset-backed securities such as the Offered Notes. However, it is possible that such developments could have an adverse impact on the value and

liquidity of the Offered Notes or the ability of the transaction parties to perform their obligations in relation to the Trust.

Global financial regulatory reforms may have a negative impact on the Offered Notes

Changes in the global financial regulation or regulatory treatment of asset-backed securities may negatively impact the regulatory position of affected investors and have an adverse impact on the value and liquidity of asset-backed securities such as the Offered Notes. Each Noteholder should consult with their own legal and investment advisors regarding the potential impact on them and the related compliance issues.

No assurance can be given that any regulatory reforms will not have a significant adverse impact on the regulation of the Trust or the Seller, the Servicer or the Manager.

Changes of law may impact the structure of the transaction and the treatment of the Offered Notes

The structure of the transaction and, among other matters, the issue of the Offered Notes and ratings assigned to the Offered Notes are based on Australian law, tax and administrative practice in effect at the date of this Information Memorandum, and having due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given that Australian law, tax or administrative practice will not change after the Closing Date or that such change will not adversely impact the structure of the transaction and the treatment of the Offered Notes.

Turbulence in the financial markets and economy may adversely affect the performance and market value of the Offered Notes

Market and economic conditions during the past several years have caused significant disruption in the credit markets. Increased market uncertainty and instability in both Australian and international capital and credit markets, combined with increased rates of inflation, political instability (such as the military conflict between Ukraine and Russia), declines in business and consumer confidence and increased unemployment, have contributed to volatility in domestic and international markets and may negatively affect the Australian housing market.

Such disruptions in markets and credit conditions have had (in some cases), and may continue to have, the effect of depressing the market values of residential mortgage-backed securities, and reducing the liquidity of residential mortgage-backed securities generally.

These factors may adversely affect the performance, marketability and overall market value of the Offered Notes.

The spread of COVID-19 may adversely affect investors in the Offered Notes

The COVID-19 pandemic has led (and may continue to lead) to severe disruptions in the global supply chain and in market and economies around the world. For example, governments worldwide have implemented measures to contain the spread of the virus including travel bans, quarantines, social distancing and restrictions on public gatherings and commercial activity. In Australia this has limited economic activity, which has resulted in an increase in the rate of inflation and an economic recession and, while the Australian economy has showed signs of improvement, further economic contraction could occur as a result of the COVID-19 pandemic associated measures. The duration of the COVID-19 pandemic and the frequency and duration of associated measures implemented by governments is uncertain, and the full effect of the COVID-19 pandemic may not be realised until some time in the future.

Instability in Australian and international capital and credit markets, and economies generally arising from COVID-19, may adversely affect the liquidity, performance and/or market value of mortgage loans and mortgage-backed securities, including the Offered Notes.

Some of the Trust Receivables may have been the subject of hardship arrangements in the past. Trust Receivables with a history of hardship are more likely to experience delinquencies in the future, even if these Trust Receivables are current as of the Cut-Off Date.

Furthermore, as a result of the measures described above, many organisations (including courts and federal and state agencies) transitioned or may in the future transition all or a substantial portion of their operations to remote working environments or may be in the process of returning all or a portion of their operations from remote working environments to primary work spaces. Accordingly, there may be disruptions in routine functions and processes (such as enforcement action) relevant to the servicing and administration of the Trust Receivables, which may affect the Servicer's ability to collect amounts owing in respect of the Trust Receivables.

Various stimulus packages implemented by the Australian Government and the governments of the States and Territories of Australia to provide relief for consumers and businesses in direct or indirect financial difficulty as a result of COVID-19 generally have ceased. There can be no assurances that further stimulus packages or other relief measures in relation to COVID-19 will be provided in the future or that any government assistance, including support given directly to borrowers in respect of the Trust Receivables, to the Servicer or through the capital or credit markets will be sufficient to alleviate the risks outlined above.

4 TRUST RECEIVABLES AND RELATED FEATURES

4.1 Acquisition of Trust Receivables by Trustee

- (a) The Trust Assets will primarily consist of the Trust Receivables to be acquired by the Trustee on the Closing Date from the Seller pursuant to the Offer to Sell issued under the Sale Deed. These Trust Receivables were originated by the Seller. See Section 7 ("Origination and Servicing of the Receivables") for more detail regarding the mortgage lending business of the Seller and the origination and servicing of the Trust Receivables by the Servicer.
- (b) No further Trust Receivables will be acquired by the Trustee in respect of the Trust after the Closing Date.

4.2 Seller representations and warranties

The Seller will represent and warrant to the Trustee on the Closing Date that each Trust Receivable referred to in the Offer to Sell is an Eligible Receivable on the Closing Date.

4.3 Eligibility Criteria

For the purposes of the Trust, the Eligibility Criteria for each Trust Receivable are as follows:

- (a) the Trust Receivable was advanced and is repayable in Australian dollars;
- (b) the term of the Trust Receivable does not exceed 30 years as at the Cut-Off Date and it matures at least 18 months prior to the Maturity Date;
- (c) the Trust Receivable is fully drawn (other than to the extent to which Redraws are available to the Obligor under such Trust Receivable) as at the Cut-Off Date;
- (d) the Trust Receivable is secured by a first ranking registered Mortgage over Land in Australia;
- (e) the Land subject to the related Mortgage has erected on it a residential dwelling which is not under construction;
- (f) the sale of the Trust Receivable to the Trustee does not contravene or conflict with any applicable law;
- (g) the Trust Receivable is not in arrears by more than 30 days as at the Cut-Off Date;
- (h) the Trust Receivable has a total Outstanding Principal Balance of no more than A\$2,000,000 as at the Cut-Off Date;
- (i) the Trust Receivable has been or will be duly stamped or taken by the relevant stamp duties authority to be duly stamped with all applicable stamp duty;
- (j) the Trust Receivable has an LVR of less than or equal to 95%;
- (k) the Obligor has made at least one repayment under the Trust Receivable;
- (l) at the time the Seller entered into the Trust Receivable, the Trust Receivable complied in all material respects with all applicable laws, including the National Credit Legislation where applicable;
- (m) the terms of the Trust Receivable have not been impaired, waived, altered or modified in any respect, except by a written instrument forming part of the Trust Receivable;
- (n) the Trust Receivable is enforceable in accordance with its terms against the relevant Obligor (subject to laws relating to insolvency and creditors' rights generally);
- (o) at the time the Seller entered into the Trust Receivable, it did so in good faith;

- (p) the Trust Receivable was originated in the ordinary course of the Seller's business;
- (q) at the time the Seller entered into the Trust Receivable, it had not received any notice of the insolvency or bankruptcy of the Obligor or that the Obligor did not have the legal capacity to enter into the Trust Receivable;
- (r) the Seller is the sole legal and beneficial owner of the Trust Receivable and no Encumbrance exists in relation to its right, title and interests in the Trust Receivable (other than Encumbrances arising by operation of law or which will be released at the time of the assignment to the Trustee);
- (s) the Servicer holds all documents necessary to enforce the provisions of, and the security created by, the Trust Receivable;
- (t) the Seller has not received notice from any person that claims to have an Encumbrance ranking in priority to or equal with the Trust Receivable;
- (u) except if the Trust Receivable is subject to a fixed rate of interest at any time and except as may be provided by applicable laws or any binding provision, the interest payable on the Trust Receivable is not subject to any limitation and no consent, additional memoranda or other writing is required from the Obligor to give effect to a change in the interest rate payable on the Trust Receivable and any change will be effective on notice being given to the Obligor in accordance with the terms of the Trust Receivable;
- (v) the Seller is lawfully entitled to assign the Trust Receivable and no consent to the sale and assignment of the Trust Receivable or notice of that sale and assignment is required to be given by or to any person including, without limitation, any Obligor;
- (w) upon the acceptance of the offer contained in an Offer to Sell, beneficial ownership of the Trust Receivable will vest in the Trustee free and clear of all Encumbrances (other than Encumbrances arising by operation of law); and
- (x) the sale of the Trust Receivable does not constitute a transaction at an undervalue, a fraudulent conveyance or a voidable preference under any insolvency laws.

The Trustee is not required to investigate whether any Trust Receivable satisfies the Eligibility Criteria and is not liable to any person in any manner whatsoever if any Trust Receivable does not satisfy the Eligibility Criteria.

4.4 Remedy

- (a) If the Seller, the Manager or the Trustee becomes aware that the representation and warranty given under Section 4.2 in respect of a Trust Receivable is materially incorrect when made or taken to be made, it must give such notice with all relevant details to the other parties and (in the case of the Seller only) to each Designated Rating Agency within 10 Business Days of becoming aware.
- (b) If:
 - (i) the representation and warranty given under Section 4.2 in respect of a Trust Receivable is materially incorrect when made or taken to be made; and
 - (ii) notice is given to the Seller or the Trustee (as applicable) in accordance with Section 4.4(a) not later than 5 Business Days prior to the last day of the Prescribed Period,

then, if the Seller does not remedy the breach (in a manner determined by it) to the satisfaction of the Trustee within 5 Business Days of the Seller or the Manager giving or receiving the notice (as the case may be) (or any longer period that the Trustee permits, provided that such period does not extend past the last day of the Prescribed Period):

- (iii) the Manager must direct the Trustee to deliver an Offer to Sell Back in respect of that Trust Receivable to the Seller (which specifies a Settlement Date which is not later than the last day of the Prescribed Period); and
 - (iv) the Seller must accept that Offer to Sell Back by the payment of an amount equal to the Outstanding Principal Balance of that Trust Receivable in accordance with the Sale Deed.
- (c) If a representation or warranty given under Section 4.2 in respect of a Trust Receivable is found or is notified by the Seller, the Manager or the Trustee to be incorrect after the last day on which a notice under Section 4.4(a) can be given, then, if the Seller does not remedy the breach (in a manner determined by it) to the satisfaction of the Trustee or the Manager within 5 Business Days of the Seller giving or receiving the notice (as the case may be) (or any longer period that the Trustee or the Manager permits), the Seller must pay damages to the Trustee for any direct loss suffered by the Trustee as a result. The maximum amount which the Seller is liable to pay is the Outstanding Principal Balance plus any accrued but unpaid interest in respect of the Trust Receivable at the time of payment of the damages.

4.5 Additional Advances and Ineligible Product Changes

In accordance with the Receivable Terms of a Trust Receivable:

- (a) if an Obligor applies for a Redraw, HSBC (as the Seller and, if applicable at the relevant time, as the Servicer) has an absolute right to agree to, or to refuse agree to, grant (on behalf of the Trustee) such Redraw or to make an offer to an Obligor for a Redraw;
- (b) if an Obligor applies for a Further Advance, HSBC (as Seller and, if applicable at the relevant time, the Servicer) has an absolute right to agree to, or to refuse to agree to, grant (on behalf of the Trustee) such Further Advance or to make an offer to an Obligor for a Further Advance; and
- (c) if an Obligor applies for an Ineligible Product Change, HSBC (as the Seller and, if applicable at the relevant time, the Servicer) has an absolute right to agree to or to refuse to agree to that Ineligible Product Change.

4.6 Repurchase – Further Advance

- (a) If HSBC (as the Seller and, if applicable at the relevant time, as the Servicer) agrees to make a Further Advance in respect of a Trust Receivable:
 - (i) the Seller must notify the Manager; and
 - (ii) subject Section 4.6(d), the Seller may in its absolute discretion request the Manager to direct the Trustee (in which case the Manager must direct the Trustee) to issue an Offer to Sell Back in respect of the Trust Receivable, unless another method is agreed between the Trustee, the Manager and the Seller.
- (b) The Offer to Sell Back must:
 - (i) be for the Trust Receivable in respect of which the Further Advance was made (and any other Trust Receivables also secured by the relevant Trust Related Security) ("**Affected Receivables**");
 - (ii) have a Settlement Amount that includes the Repurchase Price of the Affected Receivables; and
 - (iii) specify as the Settlement Date a date that is no later than the Payment Date immediately following the last day of the Collection Period in which the Offer to Sell Back is given, or such later date as agreed between the Manager and the

Seller (and notified by the Manager to the Trustee) and in respect of which a Rating Notification has been given.

- (c) The Seller:
 - (i) must accept the Offer to Sell Back by paying the Settlement Amount for the Affected Receivables to the Trustee on the relevant Settlement Date; and
 - (ii) must also pay an amount equal to the Accrued Interest Adjustment for the Affected Receivables.
- (d) The Seller, the Manager and the Trustee may agree that an Affected Receivable is to be repurchased by the Seller by a different means to that provided for in Sections above, provided that the repurchase of the Affected Receivable under any such other arrangement must be completed within the same time period provided for in section 4.6(b) and the amount to be paid by the Seller must be at least the amount required under Sections 4.6(b) and 4.6(c).
- (e) The Seller must not make a request under Section 4.6(a)(ii) in respect of an Affected Receivable:
 - (i) if the Repurchase Price of the Affected Receivable would be less than the Outstanding Principal Balance of that Affected Receivable as at the relevant Settlement Date; or
 - (ii) if the Affected Receivable is in Arrears.

4.7 Repurchase – Ineligible Product Changes

- (a) If HSBC (as the Seller and, if applicable at the relevant time, the Servicer) agrees to an Ineligible Product Change in respect of a Trust Receivable:
 - (i) the Seller must notify the Manager; and
 - (ii) subject to Section 4.7(d), the Seller may in its absolute discretion request the Manager to direct the Trustee (in which case the Manager must direct the Trustee) to issue an Offer to Sell Back in the manner described in the following paragraphs unless another method is agreed between the Trustee, the Manager and the Seller
- (b) The Offer to Sell Back in respect of which the Seller has requested must:
 - (i) be for that Trust Receivable (and any other Trust Receivables also secured by the relevant Trust Related Security) ("**Affected Receivables**");
 - (ii) have a Settlement Amount that includes the Repurchase Price of the Affected Receivables; and
 - (iii) specify as the Settlement Date a date that is no later than the Payment Date immediately following the last day of the Collection Period in which the Offer to Sell Back is given, or such later date as agreed between the Manager and the Seller (and notified by the Manager to the Trustee) and in respect of which a Rating Notification has been given.
- (c) The Seller:
 - (i) must accept the Offer to Sell Back by paying the Settlement Amount for the Affected Receivables to the Trustee on the relevant Settlement Date; and
 - (ii) must also pay an amount equal to the Accrued Interest Adjustment for the Affected Receivables.

- (d) The Seller, the Manager and the Trustee may agree that an Affected Receivable is to be repurchased by the Seller by a different means to that provided for in Sections above, provided that the repurchase of the Affected Receivable under any such other arrangement must be completed within the same time period provided for in section 4.7(b) and the amount to be paid by the Seller must be at least the amount required under Sections 4.7(b) and 4.7(c).
- (e) The Seller must not make a request under Section 4.7(a)(ii) in respect of an Affected Receivable:
 - (i) if the Repurchase Price of the Affected Receivable would be less than the Outstanding Principal Balance (plus any accrued but unpaid interest) of that Affected Receivable as at the relevant Settlement Date; or
 - (ii) if the Affected Receivable is in Arrears.

4.8 Funding of Additional Advances

- (a) If:
 - (i) the Seller makes an Additional Advance in respect of a Trust Receivable; and
 - (ii) at that time the Seller is the Servicer and the Servicer is permitted to retain Collections in accordance with Section 4.10 ("Depositing Collections"),

then with effect from the making of that Additional Advance, the amount of Collections (that would otherwise constitute part of the Principal Collections) required to be deposited by the Servicer into the Collections Account, in accordance with 4.10(a) ("Depositing Collections"), on the Payment Date immediately following the end of the Collection Period in which that Additional Advance was made will be reduced by an amount equal to the lesser of:

- (A) the amount of that Additional Advance; and
- (B) the amount specified by the Manager to the Seller, such that the Manager is satisfied there will be sufficient Total Available Principal to fund any required Principal Draw under Section 6.4 ("Principal Draw") on that Payment Date.

Such reduction shall constitute a reimbursement (to the extent of that reduction) by the Trustee to the Seller of that Additional Advance.

- (b) If:
 - (i) the Seller makes an Additional Advance in respect of a Trust Receivable; and
 - (ii) at that time:
 - (A) the Seller is not the Servicer; or
 - (B) the Servicer is not permitted to retain Collections in accordance with Section 4.10(a) ("Depositing Collections"),

then the Seller must notify the Manager of the amount of that Additional Advance.

- (c) On receipt of a notice from the Seller under Section 4.8(b) in respect of an Additional Advance made during a Collection Period, the Manager may direct the Trustee to apply Principal Collections received during that Collection Period towards reimbursing the Seller in respect of that Additional Advance.

- (d) The Manager must not direct the Trustee to apply Principal Collections received during a Collection Period in accordance with Section 4.8(c):
- (i) if the aggregate of such payments during that Collection Period would exceed the aggregate of Principal Collections received up to that day during that Collection Period; and
 - (ii) unless the Manager is satisfied that there will be sufficient Total Available Principal on the Payment Date immediately following the end of that Collection Period to fund any required Principal Draw under Section 6.4 (“Principal Draw”) on that Payment Date.
- (e) If:
- (i) the Seller makes an Additional Advance in respect of a Trust Receivable; and
 - (ii) the amount (if any) reimbursed to the Seller in respect of that Additional Advance in accordance with Section 4.8(a) or Section 4.8(c) (as applicable) is less than the amount of that Additional Advance (such shortfall being an **“Additional Advance Shortfall (Initial)”**),
- then the Manager must direct the Trustee to make a drawing under the Additional Advance Facility Agreement in an amount equal to the lesser of:
- (iii) that Additional Advance Shortfall (Initial); and
 - (iv) the Available Additional Advance Amount,
- and the Manager must direct the Trustee to apply the proceeds of such drawing to reimburse the Seller in respect of that Additional Advance Shortfall (Initial).
- (f) If:
- (i) the Seller makes an Additional Advance in respect of a Trust Receivable; and
 - (ii) the amount (if any) reimbursed to the Seller in respect of that Additional Advance:
 - (A) in accordance with Section 4.8(a) or Section 4.8(c) (as applicable); plus
 - (B) in accordance with Section 4.8(e),
 is less than the amount of that Additional Advance (such shortfall being an **“Additional Advance Shortfall (Further)”**), then:
 - (C) that Additional Advance Shortfall (Further) will be reimbursable by the Trustee to the Seller on the Payment Date immediately following the end of the Collection Period in which that Additional Advance was made to the extent there are funds available for that purpose in accordance with the Cashflow Allocation Methodology and
 - (D) the Trustee agrees to pay to the Seller interest on the daily balance of that un-reimbursed Additional Advance Shortfall (Further).
- If, on any Payment Date, all amounts due in accordance with this Section 4.8(f) are not paid in full, on each following Payment Date the Trustee must pay so much of the amounts as are available for that purpose in accordance with the Cashflow Allocation Methodology until such amounts are paid in full.

4.9 Threshold Rate and termination of Basis Swap

- (a) If, at any time, the Basis Swap is terminated, or ceases in accordance with its terms to be in effect:
 - (i) the Manager and the Trustee must endeavour to:
 - (A) within 10 Business Days, enter into one or more swaps which replace the Basis Swap on terms and with a counterparty in respect of which the Manager has provided Rating Notification; or
 - (B) within 10 Business Days, enter into such other arrangements in respect of which the Manager has provided Rating Notification; and
 - (ii) the Manager must comply with paragraph (b) below.
- (b) The Manager shall, on each Payment Date occurring after the date on which the Basis Swap is terminated and prior to the date one or more replacement swaps or other arrangements are entered into in accordance with paragraph (a) above:
 - (i) calculate the Threshold Rate on that Payment Date;
 - (ii) notify the Trustee and the Servicer of that Threshold Rate; and
 - (iii) direct the Servicer reset or cause to be reset the variable interest rates on any one or more of the Trust Receivables so that the weighted average (rounded up to 4 decimal places) of the variable interest rates payable under the Trust Receivables is at least equal to the Threshold Rate for that Payment Date.
- (c) If paragraph (b) above applies, the Servicer must, as soon as reasonably possible and subject to applicable law and regulations binding on the Servicer, and in accordance with the Receivable Terms, comply with directions from the Manager paragraph (b)(iii) above.

4.10 Depositing Collections

- (a) If the Servicer is the Seller and the Servicer has the Servicer Required Credit Rating, it is permitted to retain any Collections in respect of a Collection Period until 10.00 am (Sydney time) on the Payment Date immediately following the end of the relevant Collection Period, on or before which time it must deposit such Collections into the Collections Account (subject to Section 4.8 ("Funding of Additional Advances")).
- (b) Subject to paragraph (a) above, the Servicer must remit all Collections it receives to the Collections Account within 2 Business Days of receipt of such Collections.

4.11 Gross Up for Offset Accounts

Some of the Trust Receivables may have associated deposit accounts with the Seller under which either:

- (a) interest that would otherwise be earned in respect of the deposit account is set off against interest due under the Trust Receivable of that Obligor; or
- (b) interest is not earned on the deposit account, but interest due under the Trust Receivable of that Obligor is calculated by deducting the credit balance of that deposit account from the balance of the Trust Receivable, and then applying the interest rate applicable to the Trust Receivable to the result,

("Offset Accounts").

The Seller must pay the Servicer (as part of the Collections to be deposited by the Servicer into the Collection Account) any amount which would otherwise be received by the Servicer as a

Collection to the extent that the obligation to pay such amounts is discharged or reduced by virtue of the terms of an Offset Account. The Seller must make such payment on the day that the relevant amount would otherwise have been received.

The Seller will, following the occurrence of a Title Perfection Event where the Trustee has given notice to the relevant Obligor in respect of the Trust Receivables, subject to any contractual notice requirements by which the Seller is bound, promptly withdraw all interest off-set benefits (if any) that would otherwise be available to Obligor under the terms of their Offset Accounts.

5 CONDITIONS OF THE NOTES

The following is a summary of the terms and conditions of the Notes. The complete terms and conditions of the Notes are set out in the Note Deed Poll and in the event of a conflict the terms and conditions set out in the Note Deed Poll will prevail.

1 INTERPRETATION

1.1 Definitions

In these conditions these meanings apply unless the contrary intention appears. Terms used in these conditions which are defined in Section 12 ("Glossary") but which are not otherwise defined below have the meaning given to them in Section 12 ("Glossary").

Note means a debt obligation issued or to be issued by the Trustee which is constituted by, and owing under, the Note Deed Poll, and the details of which are recorded in, and evidenced by entry in, the Note Register.

Specified Office means, for a person, that person's office specified in the Issue Supplement or any other address notified to Noteholders from time to time.

1.2 References to time

Unless the contrary intention appears, in these conditions a reference to a time of day is a reference to Sydney time.

1.3 Business Day Convention

Unless the contrary intention appears, in these conditions a reference to a particular date is a reference to that date adjusted in accordance with the Business Day Convention.

2 GENERAL

2.1 Issue Supplement

Notes are issued on the terms set out in these conditions and the Issue Supplement. If there is any inconsistency between these conditions and Issue Supplement, the Issue Supplement prevails.

Notes are, or may be, issued in Classes as follows:

- (a) Class A1 Notes;
- (b) Class A2 Notes;
- (c) Class B Notes;
- (d) Class C Notes;
- (e) Class D Notes;
- (f) Class E Notes; and
- (g) Class F Notes.

2.2 Currency and denomination

Notes are denominated in Australian dollars.

Each Note will have an Invested Amount on its Issue Date equal to A\$1,000.

2.3 Clearing Systems

Notes may be held in a Clearing System. If Notes are held in a Clearing System, the rights of each Noteholder and any other person holding an interest in those Notes are subject to the rules and regulations of the Clearing System. The Trustee is not responsible for anything the Clearing System does or omits to do.

3 FORM

3.1 Constitution

Notes are debt obligations of the Trustee constituted by, and owing under, the Note Deed Poll and the Issue Supplement.

3.2 Registered form

Notes are issued in registered form by entry in the Note Register.

No certificates will be issued in respect of any Notes unless the Manager determines that certificates should be issued or they are required by law.

3.3 Effect of entries in Note Register

Each entry in the Note Register in respect of a Note constitutes:

- (a) an irrevocable undertaking by the Trustee to the Noteholder to:
 - (i) pay principal, any interest and any other amounts payable in respect of the Note in accordance with these conditions; and*
 - (ii) comply with the other conditions of the Note; and**
- (b) an entitlement to the other benefits given to the Noteholder in respect of the Note under these conditions.*

3.4 Note Register conclusive as to ownership

Entries in the Note Register in relation to a Note are conclusive evidence of the things to which they relate (including that the person entered as the Noteholder is the owner of the Note or, if two or more persons are entered as joint Noteholders, that they are the joint owners of the Note) subject to correction for fraud, error or omission.

3.5 Non-recognition of interests

Except as ordered by a court of competent jurisdiction or required by law, the Trustee must treat the person whose name is entered as the Noteholder of a Note in the Note Register as the owner of that Note.

No notice of any trust or other interest in, or claim to, any Note will be entered in the Note Register. The Trustee need not take notice of any trust or other interest in, or claim to, any Note, except as ordered by a court of competent jurisdiction or required by law.

This condition applies whether or not a Note is overdue.

3.6 Joint Noteholders

If two or more persons are entered in the Note Register as joint Noteholders of a Note, they are taken to hold the Note as joint tenants with rights of survivorship. However, the Trustee is not bound to register more than four persons as joint Noteholders of a Note.

3.7 Inspection of Note Register

On providing reasonable notice to the Registrar, a Noteholder will be permitted, during business hours, to inspect the Note Register. A Noteholder is entitled to inspect the Note Register only in respect of information relating to that Noteholder.

The Registrar must make that information available to a Noteholder upon request by that Noteholder within one Business Day of receipt of the request.

3.8 Notes not invalid if improperly issued

No Note is invalid or unenforceable on the ground that it was issued in breach of the Note Deed Poll or any other Transaction Document.

3.9 Location of the Notes

The property in the Notes for all purposes is situated where the Note Register is located.

4 STATUS

4.1 Status

Notes are direct, secured, limited recourse obligations of the Trustee.

4.2 Security

The Trustee's obligations in respect of the Notes are secured by the General Security Deed.

4.3 Ranking

The Notes of each class rank equally amongst themselves.

The classes of Notes rank against each other in the order set out in the Issue Supplement.

5 TRANSFER OF NOTES

5.1 Transfer

Noteholders may only transfer Notes in accordance with the Master Trust Deed and these conditions.

5.2 Title

Title to Notes passes when details of the transfer are entered in the Note Register.

5.3 Transfers in whole

Notes may only be transferred in whole.

5.4 Compliance with laws

Notes may only be transferred if:

- (a) the offer or invitation giving rise to the transfer is not:*
 - (i) an offer or invitation which requires disclosure to investors under Part 6D.2 of the Corporations Act; or*
 - (ii) an offer to a retail client under Chapter 7 of the Corporations Act; and*

- (b) *the transfer complies with any applicable law or directive of the jurisdiction where the transfer takes place.*

5.5 No transfers to unincorporated associations

Noteholders may not transfer Notes to an unincorporated association.

5.6 Transfer procedures

Interests in Notes held in a Clearing System may only be transferred in accordance with the rules and regulations of that Clearing System.

Notes not held in a Clearing System may be transferred by sending a transfer form to the Specified Office of the Registrar.

To be valid, a transfer form must be:

- (a) *in the form set out in Schedule 2 of the Note Deed Poll;*
- (b) *duly completed and signed by, or on behalf of, the transferor and the transferee; and*
- (c) *accompanied by any evidence the Registrar may require to establish that the transfer form has been duly signed.*

No fee is payable to register a transfer of Notes so long as all applicable Taxes in connection with the transfer have been paid.

5.7 CHESS

Notes listed on the ASX are not:

- (a) *transferred through, or registered on, the Clearing House Electronic Subregister System operated by the ASX; or*
- (b) *“Approved Financial Products” (as defined for the purposes of that system).*

5.8 Transfers of unidentified Notes

If a Noteholder transfers some but not all of the Notes it holds and the transfer form does not identify the specific Notes transferred, the Registrar may choose which Notes registered in the name of Noteholder have been transferred. However, the aggregate Invested Amount of the Notes registered as transferred must equal the aggregate Invested Amount of the Notes expressed to be transferred in the transfer form.

6 INTEREST

6.1 Interest on Notes

- (a) *Each Note bears interest at its Interest Rate:*
 - (i) *subject to sub-paragraph (ii), on its Invested Amount; or*
 - (ii) *on its Stated Amount, if on the first day of the relevant Interest Period the Stated Amount of that Note is zero,*

from (and including) its Issue Date to (but excluding) the date that it is redeemed in accordance with condition 8.7 (“Final Redemption”);

- (c) *Interest for a Note and each Interest Period:*
 - (i) *accrues daily from and including the first day of an Interest Period to and including the last day of the Interest Period; and*
 - (ii) *is calculated on actual days elapsed and a year of 365 days; and*
 - (iii) *is payable in arrears on each Payment Date.*

6.2 Interest Rate determination

The Calculation Agent must determine the Interest Rate for the Notes for an Interest Period in accordance with these conditions and the Issue Supplement.

The Interest Rate must be expressed as a percentage rate per annum.

6.3 Interest Rate

- (a) *The Interest Rate for a Note (other than any Class A1 Note and any Class A2 Note) for each Interest Period is the sum of:*
 - (i) *the BBSW Rate as determined on the Interest Determination Date for that Interest Period; plus*
 - (ii) *the relevant Class Margin for that Note.*
- (b) *The Interest Rate for a Class A1 Note and a Class A2 Note for each Interest Period:*
 - (i) *commencing prior to the first Call Option Date is the sum of:*
 - (A) *the BBSW Rate as determined on the Interest Determination Date for that Interest Period; plus*
 - (B) *the relevant Class Margin for that Note; and*
 - (ii) *commencing on or after the first Call Option Date is the sum of:*
 - (A) *the BBSW Rate as determined on the Interest Determination Date for that Interest Period; plus*
 - (B) *the relevant Class Margin for that Note; plus*
 - (C) *the Step-Up Margin.*

6.4 Calculation of interest payable on Notes

As soon as practicable after determining the Interest Rate for any Note for an Interest Period, the Calculation Agent must calculate the amount of interest payable on that Note for the Interest Period.

The amount of interest payable is calculated by multiplying the Interest Rate for the Interest Period, the Invested Amount or the Stated Amount (as applicable) of the Note and the Day Count Fraction.

6.5 Notification of certain changes

If any Interest Period or calculation period changes, the Calculation Agent may amend its determination or calculation of any rate, amount, date or other thing. If the Calculation Agent amends any determination or calculation, it must notify the Trustee, the Manager and the Noteholders. The Calculation Agent must give notice as soon as practicable after amending its determination or calculation.

6.6 Determination and calculation final

All determinations, decisions, calculations, settings and elections required by this condition 6 ("Interest") and any related definitions are to be made by the Calculation Agent. Any such determination, decision, calculation, setting or election, including (without limitation) any determination with respect to the level of a benchmark, rate or spread, the adjustment of a benchmark, rate or spread or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error, may be made in the Calculation Agent's sole discretion and, notwithstanding anything to the contrary in the Transaction Documents, will become effective as made without any requirement for the consent or approval of Noteholders or any other person.

6.7 Rounding

For any determination or calculation required under these conditions:

- (a) all percentages resulting from the determination or calculation must be rounded to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.); and*
- (b) all amounts that are due and payable resulting from the determination or calculation must be rounded (with halves being rounded up) to:*
 - (b) in the case of Australian dollars, one cent; and*
 - (c) in the case of any other currency, the lowest amount of that currency available as legal tender in the country of that currency; and*
- (c) all other figures resulting from the determination or calculation must be rounded to five decimal places (with halves being rounded up).*

6.8 Default interest

If the Trustee does not pay an amount under this condition 6 ("Interest") on the due date, then the Trustee agrees to pay interest on the unpaid amount at the last applicable Interest Rate.

Interest payable under this condition accrues daily from (and including) the due date to (but excluding) the date the Trustee pays such amount in full and is calculated using the Day Count Fraction.

6.9 Temporary Disruption Fallback

Subject to condition 6.10 ("Permanent Discontinuation Fallback"), if a Temporary Disruption Trigger occurs in respect of an Applicable Benchmark Rate, the rate for any day for which that Temporary Disruption Trigger is continuing and that Applicable Benchmark Rate is required will be the rate determined in accordance with the Temporary Disruption Fallback for that Applicable Benchmark Rate.

6.10 Permanent Discontinuation Fallback

If a Permanent Discontinuation Trigger occurs in respect of an Applicable Benchmark Rate, the rate for any Interest Determination Date which occurs on or following the applicable Permanent Fallback Effective Date will be the Fallback Rate determined in accordance with the Permanent Discontinuation Fallback for that Applicable Benchmark Rate.

The Calculation Agent must notify each Designated Rating Agency that such Fallback Rate has commenced to apply.

7 ALLOCATION OF PRINCIPAL CHARGE-OFFS

The Issue Supplement contains provisions for:

- (a) *allocating Principal Charge-Offs to the Notes and reducing the Stated Amount of the Notes; and*
- (b) *reinstating reductions in the Stated Amount of the Notes.*

8 REDEMPTION

8.1 Redemption of Notes - Final Maturity

The Trustee agrees to redeem each Note on its Maturity Date by paying to the Noteholder the Invested Amount for the Note plus all accrued and unpaid interest on the Note up to its Maturity Date and any other amount payable but unpaid with respect to the Note. However, the Trustee is not required to redeem a Note on its Maturity Date if the Trustee redeems, or purchases and cancels, the Note before its Maturity Date of that Note.

8.2 Redemption of Notes – Call Option

- (a) *The Manager may (at its option) direct the Trustee to redeem all (but not some only) of the Notes before the Maturity Date of the Notes and upon receipt of such direction the Trustee must redeem the Notes by paying to the Noteholders the Redemption Amount for the Notes.*
- (b) *However, the Manager may only direct the Trustee to redeem the Notes under this condition 8.2 if:*
 - (i) *at least 5 Business Days before the proposed redemption date, the Trustee, at the direction of the Manager, notifies the proposed redemption to the Registrar and the Noteholders and any stock exchange on which the Notes are listed; and*
 - (ii) *the proposed redemption date is a Call Option Date.*

8.3 Redemption for taxation reasons

- (a) *If the Trustee is required under condition 10.2 ("Withholding tax") to deduct or withhold an amount in respect of Taxes from a payment in respect of a Note the Manager may (at its option) direct the Trustee to redeem all (but not some only) of the Notes and upon receipt of such direction the Trustee must redeem the Notes by paying to the Noteholders the Redemption Amount for the Notes.*
- (b) *The Trustee, at the direction of the Manager, must notify the proposed redemption to the Registrar and the Noteholders and any stock exchange on which the Notes are listed at least 5 Business Days before the proposed redemption date.*
- (c) *For any redemption of Notes under this condition 8.3, the proposed redemption date must be a Payment Date.*

8.4 Payment of principal in accordance with Issue Supplement

Payments of principal on each Note will be made in accordance with the Issue Supplement.

8.5 Late payments

If the Trustee does not pay an amount under this condition 8 ("Redemption") on the due date, then the Trustee agrees to pay interest on the unpaid amount at the last applicable Interest Rate.

Interest payable under this condition accrues daily from (and including) the due date to (but excluding) the date the Trustee pays such amount in full and is calculated using the Day Count Fraction.

8.6 Trustee may purchase Notes

The Trustee may purchase Notes in the open market or otherwise at any time and at any price.

If the Trustee purchases Notes under this condition 8.6, the Trustee may hold, resell or cancel the Notes at its discretion.

8.7 Final Redemption

A Note will be finally redeemed, and the obligations of the Trustee with respect to the payment of the Invested Amount of that Note will be finally discharged, on the date upon which the Invested Amount of that Note is reduced to zero.

9 PAYMENTS

9.1 Payments to Noteholders

- (a) *The Trustee agrees to pay interest and amounts of principal (other than a payment due on the Maturity Date for the relevant Note, to the person who is the Noteholder of that Note at the close of business in the place where the Note Register is maintained on the Record Date; and*
- (b) *amounts due on the Maturity Date for the relevant Note to the person who is the Noteholder at 4.00pm in the place where the Note Register is maintained on the due date.*

9.2 Payments to accounts

The Trustee agrees to make payments in respect of a Note:

- (a) *if the Note is held in a Clearing System, by crediting on the Payment Date, the amount due to the account previously notified by the Clearing System to the Trustee and the Registrar in accordance with the Clearing System's rules and regulations in the country of the currency in which the Note is denominated; and*
- (b) *if the Note is not held in a Clearing System, subject to condition 9.3 ("Payments by cheque"), by crediting on the Payment Date the amount due to an account previously notified by the Noteholder to the Trustee and the Registrar in the country of the currency in which the Note is denominated.*

9.3 Payments by cheque

If a Noteholder has not notified the Trustee of an account to which payments to it must be made by close of business in the place where the Note Register is maintained on the Record Date, the Trustee may make payments in respect of the Notes held by that Noteholder by cheque.

If the Trustee makes a payment in respect of a Note by cheque, the Trustee agrees to send the cheque by prepaid ordinary post on the Business Day immediately before the due date to the Noteholder (or, if two or more persons are entered in the Note Register as joint Noteholders of the Note, to the first named joint Noteholder) at its address appearing in the Note Register at close of business in the place where the Note Register is maintained on the Record Date.

Cheques sent to a Noteholder are sent at the Noteholder's risk and are taken to be received by the Noteholder on the due date for payment. If the Trustee makes a payment in respect of a Note by cheque, the Trustee is not required to pay any additional amount (including under condition 8.5 ("Late payments")) as a result of the Noteholder not receiving payment on the due date.

9.4 Payments subject to law

All payments are subject to applicable law. However, this does not limit condition 10 ("Taxation").

10 TAXATION

10.1 No set-off, counterclaim or deductions

The Trustee agrees to make all payments in respect of a Note in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes, unless required by law or made for or on account of FATCA.

10.2 Withholding tax

If a law requires the Trustee to withhold or deduct an amount in respect of Taxes made for or on account of from a payment in respect of a Note, then (at the direction of the Manager):

- (a) the Trustee agrees to withhold or deduct the amount; and*
- (b) the Trustee agrees to pay an amount equal to the amount withheld or deducted to the relevant authority in accordance with applicable law.*

The Trustee is not liable to pay any additional amount to the Noteholder in respect of any such withholding or deduction (including, without limitation, for or on account of any withholding or deduction arising under or in connection with FATCA).

10.3 Information reporting

- (a) Promptly upon request, each Noteholder shall provide to the Trustee (or other person responsible for FATCA reporting or delivery of information under FATCA) with information sufficient to allow the Trustee to perform its FATCA reporting obligations, including properly completed and signed tax certifications:*
 - (i) IRS Form W-9 (or applicable successor form) in the case of a Noteholder that is a "United States Person" within the meaning of the United States Internal Revenue Code of 1986; or*
 - (ii) the appropriate IRS Form W-8 (or applicable successor form) in the case of a Noteholder that is not a "United States Person" within the meaning of the United States Internal Revenue Code of 1986.*
- (b) If the Manager determines that the Trustee has made a "foreign passthru payment" (as that term is or will at the relevant time be defined under FATCA), the Manager shall provide notice of such payment to the Trustee, and, to the extent reasonably requested by the Trustee, the Manager shall provide the Trustee with any non-confidential information provided by Noteholders in its possession that would assist the Trustee in determining whether or not, and to what extent, FATCA Withholding Tax is applicable to such payment on the Notes.*

11 TIME LIMIT FOR CLAIMS

A claim against the Trustee for a payment under a Note is void unless made within 10 years (in the case of principal) or 5 years (in the case of interest and other amounts) from the date on which payment first became due.

12 GENERAL

12.1 Role of Calculation Agent

In performing calculations under these conditions, the Calculation Agent is not an agent or trustee for the benefit of, and has no fiduciary duty to or other fiduciary relationship with, any Noteholder.

12.2 Meetings of Secured Creditors

The Security Trust Deed contains provisions for convening meetings of the Secured Creditors to consider any matter affecting their interests, including any variation of these conditions.

13 NOTICES

13.1 Notices to Noteholders

All notices and other communications to Noteholders must be in writing and must be:

- (a) sent by regular post (airmail, if appropriate) to the address of the Noteholder (as shown in the Note Register at close of business in the place where the Note Register is maintained on the day which is 3 Business Days before the date of the notice or communication); or*
- (b) given by an advertisement published in the Australian Financial Review or The Australian; or*
- (c) posted on an electronic source approved by the Manager and generally accepted for notices of that type (such as Bloomberg, Refinitiv or the ASX); or*
- (d) distributed through the Clearing System in which the relevant Notes are held'.*

13.2 When effective

Communications take effect from the time they are received or taken to be received (whichever happens first) unless a later time is specified in them.

13.3 When taken to be received

Communications are taken to be received:

- (a) if published in a newspaper, on the first date published in all the required newspapers; or*
- (b) if sent by post, six Business Days after posting (or seven days after posting if sent from one country to another); or*
- (c) if distributed through a Clearing System, on the date of such distribution.*

14 GOVERNING LAW

14.1 Governing law and jurisdiction

These conditions are governed by the law in force in New South Wales. The Trustee and each Noteholder submit to the non-exclusive jurisdiction of the courts of that place.

14.2 Serving documents

Without preventing any other method of service, any document in any court action in connection with any Notes may be served on the Trustee by being delivered to or left at the Trustee's address for service of notices in accordance with clause 23 ("Notices and other

communications”) of the Security Trust Deed or on a Noteholder by being delivered to or left at the Noteholder’s address for service of notices in accordance with condition 13 (“Notices”).

15 *LIMITATION OF LIABILITY*

The Trustee’s liability to the Noteholders (and any person claiming through or under a Noteholder) in connection with the Note Deed Poll and the other Transaction Documents of the Trust is limited in accordance with clause 18 (“Indemnity and limitation of liability”) of the Master Trust Deed.

6 CASHFLOW ALLOCATION METHODOLOGY

6.1 Total Available Principal

On each Determination Date, the Manager will determine the **Total Available Principal** which will be equal to the aggregate of the following:

- (a) the Principal Collections in respect of the immediately preceding Collection Period; plus
- (b) the amount (if any) to be applied from Total Available Income on the immediately following Payment Date under Section 6.10(n) ("Application of Total Available Income") towards repayment of any Principal Draw outstanding from any previous Payment Date; plus
- (c) the amount (if any) to be applied from Total Available Income on the immediately following Payment Date under Section 6.10(o) ("Application of Total Available Income") in respect of any Principal Losses for the immediately preceding Collection Period; plus
- (d) the amount (if any) to be applied from Total Available Income on the immediately following Payment Date under Section 6.10(p) ("Application of Total Available Income") in respect of Carryover Principal Charge Offs; plus
- (e) any Excess Income Reserve Loss Draw in respect of that Determination Date; plus
- (f) any Loss Reserve Draw in respect of that Determination Date; plus
- (g) in respect of the first Determination Date only, any Principal Adjustment received by the Trustee from the Seller; plus
- (h) in respect of the first Determination Date only, any surplus proceeds of the issue of Offered Notes to be applied as Total Available Principal (as described in Section 2.2 ("Overview – General")); less
- (i) the aggregate of all Principal Collections (if any) in respect of the immediately preceding Collection Period which have been applied by the Trustee towards reimbursing the Seller in respect of Additional Advances in accordance with Section 4.8 ("Funding of Additional Advances").

6.2 Available Income

On each Determination Date, the Manager will determine the **Available Income** which will be equal to the aggregate of (without double counting):

- (a) the Income Collections in respect of the immediately preceding Collection Period; plus
- (b) the Other Income in respect of the immediately preceding Collection Period; plus
- (c) any net payments due to be received by the Trustee under a Derivative Contract on the immediately following Payment Date.

6.3 Excess Income Reserve Liquidity Draw

If, on any Determination Date, there is a Liquidity Shortfall (First), the Manager must direct the Trustee to withdraw an amount from the Excess Income Reserve on the immediately following Payment Date equal to the lesser of:

- (a) that Liquidity Shortfall (First); and
 - (b) the balance of the Excess Income Reserve on that Determination Date,
- (an "**Excess Income Reserve Liquidity Draw**").

6.4 Principal Draw

If, on any Determination Date, there is a Liquidity Shortfall (Second), the Manager must direct the Trustee to allocate an amount of Total Available Principal (in accordance with Section 6.11 ("Application of Total Available Principal")) on the immediately following Payment Date equal to the lesser of:

- (a) that Liquidity Shortfall (Second); and
- (b) the amount of Total Available Principal available for application for that purpose on that Payment Date in accordance with Section 6.11 ("Application of Total Available Principal"),

(a **"Principal Draw"**).

6.5 Liquidity Draw

If, on any Determination Date, there is a Liquidity Shortfall (Third), the Manager must direct the Trustee to request a drawing under the Liquidity Facility Agreement on the immediately following Payment Date equal to the lesser of:

- (a) that Liquidity Shortfall (Third); and
- (b) the Available Liquidity Amount on that Determination Date,

(a **"Liquidity Draw"**).

6.6 Extraordinary Expense Reserve Draw

If, on any Determination Date, there is an Extraordinary Expense in respect of that Determination Date, the Manager must direct the Trustee to withdraw an amount from the Extraordinary Expense Reserve on the immediately following Payment Date equal to the lesser of:

- (a) that Extraordinary Expense; and
- (b) the balance of the Extraordinary Expense Reserve on that Determination Date,

(an **"Extraordinary Expense Reserve Draw"**).

6.7 Excess Income Reserve Loss Draw

If, on any Determination Date, there is a Notional Charge-Off (First), the Manager must direct the Trustee to withdraw an amount from the Excess Income Reserve on the immediately following Payment Date equal to the lesser of:

- (a) that Notional Charge-Off (First); and
- (b) the balance of the Excess Income Reserve on that Determination Date less the Excess Income Reserve Liquidity Draw (if any) in respect of that Determination Date,

(an **"Excess Income Reserve Loss Draw"**).

6.8 Loss Reserve Draw

If, on any Determination Date, there is a Notional Charge-Off (Second), the Manager must direct the Trustee to withdraw an amount from the Loss Reserve on the immediately following Payment Date equal to the lesser of

- (a) that Notional Charge-Off (Second); and
- (b) the balance of the Loss Reserve on that Determination Date,

(a “**Loss Reserve Draw**”).

6.9 Total Available Income

On each Determination Date, the Manager will determine the **Total Available Income** which will be equal to the aggregate of:

- (a) the Available Income in respect of that Determination Date; plus
- (b) any Excess Income Reserve Liquidity Draw in respect of that Determination Date; plus
- (c) any Principal Draw in respect of that Determination Date; plus
- (d) any Liquidity Draw in respect of that Determination Date; plus
- (e) any Extraordinary Expense Reserve Draw in respect of that Determination Date.

6.10 Application of Total Available Income

On each Determination Date prior to the occurrence of an Event of Default and enforcement of the General Security Deed, the Manager must direct the Trustee to pay (and the Trustee must pay) on the following Payment Date the following items out of the Total Available Income in respect of that Payment Date (in the following order of priority):

- (a) first, A\$100 to the holder of the Participation Unit;
- (b) next, in payment of any Accrued Interest Adjustment due to the Seller;
- (c) next, any Taxes payable in relation to the Trust (after the application of the balance of the Tax Account towards payment of such Taxes);
- (d) next, pari passu and rateably:
 - (i) the Trustee’s fee payable on that Payment Date together with any other amounts which are due and payable on that Payment Date to it for its own account in connection with its role as trustee of the Trust (including any such amounts payable on any prior Payment Date which remain unpaid); and
 - (ii) the Security Trustee’s fee payable on that Payment Date together with any other amounts which are due and payable on that Payment Date to it for its own account in connection with its role as security trustee in relation to the Trust (including any such amounts payable on any prior Payment Date which remain unpaid);
- (e) next, pari passu and rateably:
 - (i) the Servicer’s fee payable on that Payment Date together with any other amounts which are due and payable on that Payment Date to it for its own account in connection with its role as servicer in relation to the Trust (including any such amounts payable on any prior Payment Date which remain unpaid);
 - (ii) the Manager’s fee payable on that Payment Date together with any other amounts which are due and payable on that Payment Date to it for its own account in connection with its role as manager in relation to the Trust (including any such amounts payable on any prior Payment Date which remain unpaid); and
 - (iii) the Trust Expenses incurred during the immediately preceding Collection Period (or any other preceding Collection Period) which remain unreimbursed at that Payment Date;
- (f) next, pari passu and rateably:

- (i) to each Derivative Counterparty, towards payment of the net amount (if any) due on that Payment Date under each Derivative Contract, excluding:
 - (A) any break costs in respect of the termination of a Derivative Contract to the extent that the Derivative Counterparty is the Defaulting Party; and
 - (B) any break costs in respect of the termination of the Fixed Rate Swap, to the extent that the Trustee has not received Prepayment Costs from Obligor during the immediately preceding Collection Period;
- (ii) to the Liquidity Facility Provider:
 - (A) towards payment of any interest and fees payable on or prior to that Payment Date under the Liquidity Facility Agreement; and
 - (B) towards repayment of all outstanding Liquidity Advances made prior to that Payment Date; and
- (iii) to the Additional Advance Facility Provider, towards payment of any interest and fees payable on or prior to that Payment Date under the Additional Advance Facility Agreement;
- (g) next, pari passu and rateably, towards payment of the Interest on the Class A1 Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class A1 Notes in respect of previous Interest Periods;
- (h) next, pari passu and rateably, towards payment of the Interest on the Class A2 Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class A2 Notes in respect of previous Interest Periods;
- (i) next, pari passu and rateably, towards payment of the Class B Senior Interest on the Class B Notes for the Interest Period ending on (but excluding) that Payment Date;
- (j) next, pari passu and rateably, towards payment of the Class C Senior Interest on the Class C Notes for the Interest Period ending on (but excluding) that Payment Date;
- (k) next, pari passu and rateably, towards payment of the Class D Senior Interest on the Class D Notes for the Interest Period ending on (but excluding) that Payment Date;
- (l) next, pari passu and rateably, towards payment of the Class E Senior Interest on the Class E Notes for the Interest Period ending on (but excluding) that Payment Date;
- (m) next, pari passu and rateably, towards payment of the Class F Senior Interest on the Class F Notes for the Interest Period ending on (but excluding) that Payment Date;
- (n) next, to be applied towards Total Available Principal, up to an amount equal to any Principal Draw unreimbursed from any previous Payment Date;
- (o) next, to be applied towards Total Available Principal, up to an amount equal to any Principal Losses in respect of the immediately preceding Collection Period;
- (p) next, to be applied towards Total Available Principal, up to an amount equal to any Carryover Principal Charge-Off unreimbursed from any previous Payment Date;
- (q) next, pari passu and rateably, towards payment of the Class B Residual Interest on the Class B Notes for the Interest Period ending on (but excluding) that Payment Date;
- (r) next, pari passu and rateably, towards payment of the Class C Residual Interest on the Class C Notes for the Interest Period ending on (but excluding) that Payment Date;

- (s) next, pari passu and rateably, towards payment of the Class D Residual Interest on the Class D Notes for the Interest Period ending on (but excluding) that Payment Date;
- (t) next, pari passu and rateably, towards payment of the Class E Residual Interest on the Class E Notes for the Interest Period ending on (but excluding) that Payment Date;
- (u) next, pari passu and rateably, towards payment of the Class F Residual Interest on the Class F Notes for the Interest Period ending on (but excluding) that Payment Date;
- (v) next, as a deposit to the Loss Reserve until the balance of the Loss Reserve is equal to the Loss Reserve Maximum Balance;
- (w) next, as a deposit to the Extraordinary Expense Reserve until the balance of the Extraordinary Expense Reserve equals the Extraordinary Expense Reserve Required Balance;
- (x) next, pari passu and rateably:
 - (i) to each Derivative Counterparty, towards payment of any amount due on that Payment Date under each Derivative Contract to the extent not paid under Section 6.10(f)(i);
 - (ii) to the Liquidity Facility Provider, towards payment of any amount due on that Payment Date under the Liquidity Facility Agreement to the extent not paid under Section 6.10(f)(ii); and
 - (iii) to the Additional Advance Facility Provider, towards payment of any amount due on that Payment Date under the Additional Advance Facility Agreement to the extent not paid under Section 6.10(f)(iii) (excluding any amount payable under Section 6.11 ("Application of Total Available Principal"));
- (y) next, pari passu and rateably, to the Arranger, each Joint Lead Manager and each Dealer, towards payment of any indemnity amount due and payable under the Dealer Agreement;
- (z) next, to retain in the Tax Account an amount equal to the Tax Shortfall (if any) in respect of that Payment Date;
- (aa) next, to retain in the Tax Account an amount equal to the Tax Amount (if any) in respect of that Payment Date;
- (bb) next, an amount equal to the Excess Income Reserve Amount in respect of that Payment Date to be deposited to the Excess Income Reserve; and
- (cc) next, the surplus (if any) to the Participation Unitholder by way of distribution of the income of the Trust.

6.11 Application of Total Available Principal

On each Determination Date prior to the occurrence of an Event of Default and enforcement of the General Security Deed, the Manager must direct the Trustee to pay (and the Trustee must pay) on the following Payment Date the following items out of the Total Available Principal in respect of that Payment Date (in the following order of priority):

- (a) first, to fund any Principal Draw required in accordance with Section 6.4 ("Principal Draw");
- (b) next, to the Seller, towards reimbursement of all Additional Advance funded by the Seller during or prior to the immediately preceding Collection Period and which have not previously been reimbursed to the Seller;

- (c) next, to the Additional Advance Facility Provider, towards repayment of all outstanding Additional Advance Facility Advances made prior to that Determination Date;
- (d) next, if the Subordination Conditions are not satisfied on that Payment Date, in the following order of priority:
 - (i) first, pari passu and rateably, to the Class A1 Noteholders towards repayment of the Class A1 Notes until the Invested Amount of the Class A1 Notes has been reduced to zero;
 - (ii) next, pari passu and rateably, to the Class A2 Noteholders towards repayment of the Class A2 Notes until the Invested Amount of the Class A2 Notes has been reduced to zero;
 - (iii) next, pari passu and rateably, to the Class B Noteholders towards repayment of the Class B Notes until the Invested Amount of the Class B Notes has been reduced to zero;
 - (iv) next, pari passu and rateably, to the Class C Noteholders towards repayment of the Class C Notes until the Invested Amount of the Class C Notes has been reduced to zero;
 - (v) next, pari passu and rateably, to the Class D Noteholders towards repayment of the Class D Notes until the Invested Amount of the Class D Notes has been reduced to zero;
 - (vi) next, pari passu and rateably, to the Class E Noteholders towards repayment of the Class E Notes until the Invested Amount of the Class E Notes has been reduced to zero; and
 - (vii) next, pari passu and rateably, to the Class F Noteholders towards repayment of the Class F Notes until the Invested Amount of the Class F Notes has been reduced to zero;
- (e) next, if the Subordination Conditions are satisfied on that Payment Date, pari passu and rateably:
 - (i) to the Class A1 Noteholders towards repayment of the Class A1 Notes until the Invested Amount of the Class A1 Notes has been reduced to zero;
 - (ii) to the Class A2 Noteholders towards repayment of the Class A2 Notes until the Invested Amount of the Class A2 Notes has been reduced to zero;
 - (iii) to the Class B Noteholders towards repayment of the Class B Notes until the Invested Amount of the Class B Notes has been reduced to zero;
 - (iv) to the Class C Noteholders towards repayment of the Class C Notes until the Invested Amount of the Class C Notes has been reduced to zero;
 - (v) to the Class D Noteholders towards repayment of the Class D Notes until the Invested Amount of the Class D Notes has been reduced to zero;
 - (vi) to the Class E Noteholders towards repayment of the Class E Notes until the Invested Amount of the Class E Notes has been reduced to zero; and
 - (vii) to the Class F Noteholders towards repayment of the Class F Notes until the Invested Amount of the Class F Notes has been reduced to zero; and
- (f) next, the surplus (if any), to the Participation Unitholder.

6.12 Allocation of Principal Charge-Offs

On each Determination Date the Manager must determine if there is a Principal Charge-Off in respect of that Determination Date and must allocate any such Principal Charge-Off on the immediately following Payment Date in the following order:

- (a) first, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class F Notes until the Stated Amount of the Class F Notes reaches zero;
- (b) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class E Notes until the Aggregate Stated Amount of the Class E Notes reaches zero;
- (c) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class D Notes until the Aggregate Stated Amount of the Class D Notes reaches zero;
- (d) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class C Notes until the Aggregate Stated Amount of the Class C Notes reaches zero;
- (e) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class B Notes until the Aggregate Stated Amount of the Class B Notes reaches zero;
- (f) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class A2 Notes until the Aggregate Stated Amount of the Class A2 Notes reaches zero; and
- (g) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class A1 Notes until the Aggregate Stated Amount of the Class A1 Notes reaches zero,

(each a “**Carryover Principal Charge-Off**”).

6.13 Re-instatement of Carryover Principal Charge-Offs

To the extent that on any Payment Date amounts are available for allocation under Section 6.10(p) (“Application of Total Available Income”) then an amount equal to these amounts shall be applied on that Payment Date:

- (a) first, pari passu and rateably, to increase the Aggregate Stated Amount of the Class A1 Notes until it reaches the Aggregate Invested Amount of the Class A1 Notes;
- (b) next, pari passu and rateably, to increase the Aggregate Stated Amount of the Class A2 Notes until it reaches the Aggregate Invested Amount of the Class A2 Notes;
- (c) next, pari passu and rateably, the Aggregate Stated Amount of the Class B Notes until it reaches the Aggregate Invested Amount of the Class B Notes;
- (d) next, pari passu and rateably, the Aggregate Stated Amount of the Class C Notes until it reaches the Aggregate Invested Amount of the Class C Notes;
- (e) next, pari passu and rateably, the Aggregate Stated Amount of the Class D Notes until it reaches the Aggregate Invested Amount of the Class D Notes;
- (f) next, pari passu and rateably, the Aggregate Stated Amount of the Class E Notes until it reaches the Aggregate Invested Amount of the Class E Notes; and
- (g) next, pari passu and rateably, the Aggregate Stated Amount of the Class F Notes until it reaches the Aggregate Invested Amount of the Class F Notes.

6.14 Application of proceeds following an Event of Default

Following the occurrence of an Event of Default and enforcement of the General Security Deed, the Security Trustee must apply all moneys received by it in respect of the Collateral in the following order of priority:

- (a) first, to any person with a prior ranking claim (of which the Security Trustee has knowledge) over the Collateral to the extent of that claim;
- (b) next, *pari passu* and rateably:
 - (i) to pay to any Receiver appointed in accordance with the Security Trust Deed, for its Costs, fees and remuneration in connection with it acting as receiver in accordance with the Transaction Documents;
 - (ii) next, to pay to the Security Trustee for its Costs and other amounts (including all Secured Moneys) due to it for its own account in connection with its role as security trustee in relation to the Trust; and
 - (iii) next, to pay the Trustee for its Costs and other amounts (including all Secured Moneys) due to it for its own account in connection with its role as trustee of the Trust);
- (c) next, to pay *pari passu* and rateably:
 - (i) all Secured Moneys owing to the Seller;
 - (ii) all Secured Moneys owing to the Manager; and
 - (iii) all Secured Moneys owing to the Servicer;
- (d) next, to pay *pari passu* and rateably:
 - (i) all Secured Moneys owing to each Derivative Counterparty (excluding any break costs in respect of the termination of a Derivative Contract to the extent that the Derivative Counterparty is the Defaulting Party);
 - (ii) all Secured Moneys owing to the Liquidity Facility Provider; and
 - (iii) all Secured Moneys owing to the Additional Advance Facility Provider;
- (e) next, to pay all Secured Moneys owing to the Class A1 Noteholders in relation to the Class A1 Notes. This will be applied in the following order of priority:
 - (i) first, *pari passu* and rateably, to the Class A1 Noteholders towards payment of all unpaid Interest on the Class A1 Notes; and
 - (ii) next, *pari passu* and rateably, to the Class A1 Noteholders towards repayment of the Class A1 Notes until the Invested Amount of the Class A1 Notes has been reduced to zero;
- (f) next, to pay all Secured Moneys owing to the Class A2 Noteholders in relation to the Class A2 Notes. This will be applied in the following order of priority:
 - (i) first, *pari passu* and rateably, to the Class A2 Noteholders towards payment of all unpaid Interest on the Class A2 Notes; and
 - (ii) next, *pari passu* and rateably, to the Class A2 Noteholders towards repayment of the Class A2 Notes until the Invested Amount of the Class A2 Notes has been reduced to zero;
- (g) next, to pay all Secured Moneys owing to the Class B Noteholders in relation to the Class B Notes. This will be applied in the following order of priority:
 - (i) first, *pari passu* and rateably, to the Class B Noteholders towards payment of all unpaid Interest on the Class B Notes; and

- (ii) next, pari passu and rateably, to the Class B Noteholders towards repayment of the Class B Notes until the Invested Amount of the Class B Notes has been reduced to zero;
- (h) next, to pay all Secured Moneys owing to the Class C Noteholders in relation to the Class C Notes. This will be applied in the following order of priority:
 - (i) first, pari passu and rateably, to the Class C Noteholders towards payment of all unpaid Interest on the Class C Notes; and
 - (ii) next, pari passu and rateably, to the Class C Noteholders towards repayment of the Class C Notes until the Invested Amount of the Class C Notes has been reduced to zero;
- (i) next, to pay all Secured Moneys owing to the Class D Noteholders in relation to the Class D Notes. This will be applied in the following order of priority:
 - (i) first, pari passu and rateably, to the Class D Noteholders towards payment of all unpaid Interest on the Class D Notes; and
 - (ii) next, pari passu and rateably, to the Class D Noteholders towards repayment of the Class D Notes until the Invested Amount of the Class D Notes has been reduced to zero;
- (j) next, to pay all Secured Moneys owing to the Class E Noteholders in relation to the Class E Notes. This will be applied in the following order of priority:
 - (i) first, pari passu and rateably, to the Class E Noteholders towards payment of all unpaid Interest on the Class E Notes; and
 - (ii) next, pari passu and rateably, to the Class E Noteholders towards repayment of the Class E Notes until the Invested Amount of the Class E Notes has been reduced to zero;
- (k) next, to pay all Secured Moneys owing to the Class F Noteholders in relation to the Class F Notes. This will be applied in the following order of priority:
 - (i) first, pari passu and rateably, to the Class F Noteholders towards payment of all unpaid Interest on the Class F Notes; and
 - (ii) next, pari passu and rateably, to the Class F Noteholders towards repayment of the Class F Notes until the Invested Amount of the Class F Notes has been reduced to zero;
- (l) next, to pay pari passu and rateably, all Secured Moneys owing to each Derivative Counterparty to the extent not paid under the preceding paragraphs;
- (m) next, to pay pari passu and rateably all Secured Money owing to the Secured Creditors to the extent not paid under the preceding paragraphs;
- (n) next, to any person with a subsequent ranking claim (of which the Security Trustee has knowledge) over the Collateral to the extent of that claim; and
- (o) next, to pay any surplus to the Trustee to be distributed in accordance with the terms of the Master Trust Deed.

6.15 Collateral Support

The proceeds of any Collateral Support will not be treated as Collateral available for distribution in accordance with Section 6.14 ("Application of proceeds following an Event of Default").

Following an Event of Default and enforcement of the General Security Deed, any such Collateral Support shall:

- (a) in the case of Collateral Support under a Derivative Contract, (subject to the operation of any netting provisions in the relevant Derivative Contract) be returned to the relevant Derivative Counterparty except to the extent that the relevant Derivative Contract requires it to be applied to satisfy any obligation owed to the Trustee in connection with such Derivative Contract; and
- (b) in the case of Collateral Support under the Liquidity Facility Agreement, be returned to the Liquidity Facility Provider except to the extent that the Liquidity Facility Agreement requires it to be applied to satisfy any obligation owed to the Trustee by the Liquidity Facility Provider.

6.16 Subordination Conditions

The **Subordination Conditions** are satisfied on a Payment Date if:

- (a) that Payment Date falls:
 - (i) on or after the Determination Date that falls on or after the second anniversary of the Closing Date; and
 - (ii) prior to the first Call Option Date; and
- (b) on the Determination Date immediately prior to that Payment Date:
 - (i) the Aggregate Invested Amount of the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and Class F Notes on that Determination Date is equal to or greater than 16.0% of the Aggregate Invested Amount of all Notes on that Determination Date;
 - (ii) there are no Carryover Principal Charge-Offs; and
- (c) the Average Arrears Ratio in respect of that Determination Date does not exceed 2.0%.

6.17 Call Option

At least 5 Business Days before any Call Option Date the Manager may direct in writing that the Trustee, and the Trustee upon receipt of such direction must, offer ("**Call Option Offer**") to sell its right, title and interest, or where the Trustee only has equitable title, an offer to extinguish that equitable title, in all (but not some only) of the Trust Receivables in favour of the Seller (or the Seller's nominee) on that Call Option Date for an amount ("**Call Option Offer Amount**") equal to (as at that Call Option Date) the Repurchase Price for such Trust Receivables (calculated by the Manager on a portfolio basis).

If the Call Option Offer is accepted, the Trustee must apply the Call Option Offer Amount received by it in accordance with this Section 6 ("Cashflow Allocation Methodology") on the relevant Call Option Date on which the Call Option Offer is accepted.

If prior to directing the Trustee to give a Call Option Offer the Manager determines, in respect of a Call Option Date, that:

- (a) a Class of Notes have been issued and have not been redeemed in full on or before that Call Option Date; and
- (b) the Call Option Offer Amount (together with all other Total Available Principal available to be applied towards redeeming the relevant Class of Notes on that Call Option Date) is less than the amount which is sufficient to ensure that the Trustee can redeem the Aggregate Invested Amount (as at the Determination Date immediately preceding the Call Option Date) of that Class of Notes (plus all accrued but unpaid interest in respect of such Class of Notes) in full,

the Manager may direct the Trustee to seek the consent of the Noteholders of that Class of Notes (to be provided by way of an Extraordinary Resolution) to giving the relevant Call Option Offer. The Manager must not direct the Trustee to give that Call Option Offer unless such consent is provided.

6.18 Excess Income Reserve

- (a) The Manager will maintain the Excess Income Reserve as a ledger account of the Collection Account by recording:
 - (i) all deposits to the Excess Income Reserve, as a credit to the ledger; and
 - (ii) all withdrawals from Excess Income Reserve, as a debit to the ledger.
- (b) The balance of the Excess Income Reserve must be applied by the Trustee at the direction of the Manager as follows:
 - (i) on a Payment Date for the purpose of making an Excess Income Reserve Liquidity Draw in accordance with Section 6.3 ("Excess Income Reserve Liquidity Draw");
 - (ii) on a Payment Date for the purpose of making an Excess Income Reserve Loss Draw in accordance with Section 6.7 ("Excess Income Reserve Loss Draw"); and
 - (iii) on the Payment Date on which all Notes are to be redeemed in full and after:
 - (A) any Excess Income Reserve Liquidity Draw has been made on that Payment Date in accordance with Section 6.3 ("Excess Income Reserve Liquidity Draw"); and
 - (B) any Excess Income Reserve Loss Draw has been made on that Payment Date in accordance with Section 6.7,by paying the balance of the Excess Income Reserve to the Participation Unitholder.

6.19 Extraordinary Expense Reserve

- (a) The Manager will maintain the Extraordinary Expense Reserve as a ledger account of the Collection Account by recording:
 - (i) all deposits to the Extraordinary Expense Reserve, as a credit to the ledger; and
 - (ii) all withdrawals from Extraordinary Expense Reserve, as a debit to the ledger.
- (b) It is acknowledged that:
 - (i) the Extraordinary Expense Reserve Provider must, on or prior to the Closing Date, make a deposit (of its own funds) into the Extraordinary Expense Reserve of an amount equal to the Extraordinary Expense Reserve Required Balance;
 - (ii) such deposit shall constitute an interest bearing loan from the Extraordinary Expense Reserve Provider to the Trustee ("**Extraordinary Expense Reserve Loan**");
 - (iii) the interest on the Extraordinary Expense Reserve Loan shall equal the interest that has been earned on the balance of the Collections Account which is referable to the Extraordinary Expense Reserve; and

- (iv) the Extraordinary Expense Loan is only repayable by the Trustee to the Extraordinary Expense Reserve Provider after all Notes have been redeemed in full.
- (c) The balance of the Extraordinary Expense Reserve must be applied by the Trustee at the direction of the Manager as follows:
 - (i) on a Payment Date for the purpose of making an Extraordinary Expense Reserve Draw in accordance with Section 6.6 (“Extraordinary Expense Reserve Draw”); and
 - (ii) on the Payment Date on which all Notes are to be redeemed in full and after any Extraordinary Expense Reserve Draw has been made on that Payment Date in accordance with Section 6.6 (“Extraordinary Expense Reserve Draw”), by applying the balance of the Extraordinary Expense Reserve to the Extraordinary Expense Reserve Provider in repayment of the Extraordinary Expense Reserve Loan.

6.20 Loss Reserve

- (a) The Manager will maintain the Loss Reserve as a ledger account of the Collection Account by recording:
 - (i) all deposits to the Loss Reserve, as a credit to the ledger; and
 - (ii) all withdrawals from Loss Reserve, as a debit to the ledger.
- (b) The balance of the Loss Reserve must be applied by the Trustee at the direction of the Manager as follows:
 - (i) on a Payment Date for the purpose of making a Loss Reserve Draw in accordance with Section 6.7 (“Loss Reserve Draw”); and
 - (ii) on the Payment Date on which all Notes are to be redeemed in full and after the Loss Reserve Draw has been made on that Payment Date in accordance with Section 6.7 (“Loss Reserve Draw”), by paying the balance of the Loss Reserve to the Participation Unitholder.

7 ORIGINATION AND SERVICING OF THE TRUST RECEIVABLES

HSBC is currently one of Australia's top ten retail mortgage lenders (source: APRA Authorised Deposit-taking Institution Statistics, March 2023). As at 31 March 2023, HSBC acted as the primary servicer on approximately 97,000 residential mortgage loans having an aggregate unpaid balance of approximately A\$32.6 billion (excluding non-performing loans and offset balances).

HSBC's residential loan products have a wide variety of payment characteristics. The loans will have various maturities, interest rates, and amortisation schedules, among other characteristics.

HSBC's Key Product Types

HSBC Standard Variable Rate Loan, Home Equity Loan and HomeSmart loan

These type of loans bear interest at a variable rate. The variable rates set under this product may fluctuate.

In addition, some loans in this category have an interest rate which is discounted by a fixed percentage to the variable rate. These discounts are offered on a discretionary basis.

HSBC Fixed Loan

This type of loan allows a borrower to set a designated rate of interest for selected periods. Terms for which the fixed rate can apply are 1, 2, 3, 4, and 5 years. On expiration of the fixed term, unless a new fixed term has been arranged by the borrower, or the borrower elects an alternative product type, the loan will automatically revert to the variable rate. Following this, the borrower may apply for another fixed rate term.

HSBC Home Value Loan

This type of loan has a variable interest rate which is linked to its own independent reference rate and these may fluctuate independently of any such rates in the market. This product offers fewer features (when compared with the other variable loans) and no ongoing fees.

Origination of the Trust Receivables

HSBC originated the Trust Receivables in two ways:

- (a) via its proprietary network, comprising relationship managers based in branches or HSBC's Sydney based contact centre; and
- (b) via its third party channel.

The following discussion summarises the underwriting standards applicable to residential mortgage loans generated through the proprietary network and third party channel (together, the "**Mortgage Loans**") and describes certain key features and characteristics of the Mortgage Loans. These standards, features and characteristics are under regular review and may change from time to time as a result of business and regulatory changes.

Where circumstances warrant, giving overall consideration of the strength of the application, a Mortgage Loan may be made with a Delegated Commitment Authority ("**DCA**") where certain elements are outside HSBC's normal underwriting criteria.

Servicing of Trust Receivables

Pursuant to the Servicing Deed, the Servicer will be responsible for the servicing and administration of the Trust Receivables as described in this Information Memorandum. The Servicer or any successor servicer may contract with sub-servicers or third parties to perform all or a portion of the servicing functions on behalf of the Servicer.

Servicing procedures include responding to customer inquiries, managing and servicing the features and facilities available under the Trust Receivables and the management of delinquent Trust Receivables.

The Servicer is contractually obliged to administer the Trust Receivables:

- (a) in accordance with all applicable laws;
- (b) according to the Servicing Deed;
- (c) with the same degree of diligence and care expected of an appropriately qualified and prudent servicer of similar receivables; and
- (d) subject to the preceding bullet points, according to the Servicer's procedures and policies for servicing the Trust Receivables, which are under regular review and may change from time to time as a result of business changes, or legislative and regulatory changes.

Underwriting Policy

Mortgage Loans are considered for acceptance on the basis of obtaining satisfactory security and the applicants' capacity to repay a Mortgage Loan.

Applicants must demonstrate the capacity to repay the Mortgage Loan and satisfy all other ongoing commitments including general living expenses. HSBC applies a range of parameters to ensure that the applicants have adequate capacity to repay the proposed Mortgage Loan, such as (but not limited to) discounts to variable income sources, assessing proposed and existing mortgage repayments under a stressed interest rate*, use of a minimum living expense benchmark and risk-adjusted loan serviceability thresholds.

All income used for serviceability must be from verifiable income sources. Bank statements and credit bureau reports are also used to validate liabilities and expenses.

*The stressed interest rate calculated by HSBC to determine serviceability HSBC is the higher of:

- (a) the current rate payable by the applicant plus a serviceability buffer of 3.0% or
- (b) a rate of 5.10%.

Scheduled payments are calculated on the basis of the current interest rate and may be subject to change.

Mortgage Loans that are wholly or predominantly for personal, domestic, household or investment in residential property or other investment purposes are acceptable to HSBC. Under standard policy, a sound history (minimum six months) must be held with another financial institution for HSBC to consider the refinancing of mortgage debts. The minimum loan amount available is twenty thousand dollars (A\$20,000). There is a preferred maximum loan amount of fifteen million dollars (A\$15,000,000) (subject to security credit assessment criteria). The minimum term for a Mortgage Loan is one year and the maximum term for a Mortgage Loan is 30 years.

HSBC's Mortgage Loan lending is limited to a maximum of 90% of the market value of the property for principal and interest repayments and interest only repayments (if investment purpose). Additionally HSBC applies a maximum of 90% of the market value of the property for owner occupier loan or investment loan purpose. With the exception of medical professionals and staff, lenders mortgage insurance is mandatory for all Mortgage Loans where the loan-to-value ratio is:

- (a) greater than 80% with respect to low density property and properties located within a high density development;

- (b) greater LVR restrictions apply for high density developments situated within specific geographic locations (i.e. State, Region, Security Value, Loan Purpose and Location).

HSBC takes a first registered mortgage only over suitable residential property as security for a Mortgage Loan. However, in certain circumstances, a Mortgage Loan can be secured by a cash or term deposit held by HSBC. However, none of the loans included in the Trust Receivables are secured by a cash or term deposit held. The relevant customer must agree in writing to grant HSBC a right of set-off against the deposit to secure repayment of the Mortgage Loan during this period.

HSBC determines the market value of the property provided as security by reference to the current realisable value of the property on a normal sale basis (where both the buyer and seller would be willing and legitimate participants).

An acceptable valuation type is determined considering the property type and risk and various other market factors.

There are three main types of property valuations:

- (a) Automated Valuation Models (AVM) – these are statistical tools used to estimate values for specific residential properties based on property characteristic data and sales data. These values are usually returned as a range and with an indication of the suppliers' confidence in their accuracy expressed as a score and/or as a forecast standard deviation.

HSBC currently uses this for properties up to A\$1.25 million in value and for transactions that have lower security risk. This valuation methodology accounts for circa 10% of overall valuation requests for Mortgage Loans originated.

- (b) Desktop Valuation - valuations undertaken by an experienced valuer (from an HSBC approved panel valuer with local area knowledge of the property without physical inspection. Desktop Valuations are used for transactions of lower security risks for property values up to \$1.5 million.
- (c) Physical Valuation – which includes internal and external/kerbside valuations (from an HSBC approved panel valuer

Credit and Lending Procedures

The following is a summary description of the credit and lending procedures adopted by HSBC.

A bank officer or broker is the intermediary for HSBC home loan customers at all times until the Mortgage Loan is underwritten. The bank officer or Broker understands the customer objectives and requirements and recommends a product, which is assessed as not unsuitable for the customer. The customer's information is collected and recorded in the origination system (ApplyOnline - AOL) for assessment.

The origination systems are the same for both channels and utilises the same credit and lending processes adopted by HSBC. AOL calculates the customer's repayments and uses serviceability calculations to determine whether the requested loan amount meets serviceability requirements. Data is also retrieved from credit bureaus to incorporate any available information on loans held and applied for at other financial institutions.

All applications are manually assessed by a Delegated Lending Authority (DLA) holder who assess and verify income and associated documentation along with valuation acceptance. If a mortgage loan requires lenders mortgage insurance and is outside of HSBC's Delegated Underwriting Agreement (DUA) with the Mortgage Insurer, the application will then also be sent to the Mortgage Insurer for assessment and approval.

All HSBC home loan applications are subject to underwriting criteria guidelines that are used in assessing Mortgage Loans. The criteria are intended as a guide and are used in determining the suitability of loan applicants. Criteria guidelines include:

- (a) applicant be a minimum of 18 years of age;
- (b) legal capacity of the applicant of entering into the loan contract;
- (c) purpose of the loan
- (d) employment/eligible income sources;
- (e) satisfactory credit checks;
- (f) satisfactory savings history/loan repayment history;
- (g) sound asset/liability position;
- (h) capacity to repay the Mortgage Loan; and
- (i) eligible residential collateral.

It is a requirement that an applicant's income required for servicing is evidenced and verified.

All bank officers involved in assessing/approving Mortgage Loans have ready, on-line access to HSBC's Credit Policy, and process and training materials. Any policy changes that impact process or policy requirements are only updated after a change management process and the relevant subject matter experts have assessed the impacts of the change, provided feedback and devised communication plans, which always include group communication, but can also include training, FAQs and local area communications.

Exceptional Lending Authority (ELA) holders are experienced lending officers who have been given authority to review and approve applications with higher risk exceptions to the bank's lending policy. If the Mortgage Loan is still declined, HSBC formally advises the customer in writing.

If a Mortgage Loan is approved, the application is then transferred for further processing to our operations area and FMS (an external settlement agent to perform settlement and registration). The operations area is responsible for setting up the loan account and FMS is responsible for checking that the security is in order, administering settlement and drawing down the Mortgage Loan.

Documentation is then prepared and a copy is forwarded to the customer.

Once all documentation is executed, it is returned to FMS for preparation of the file for settlement.

After settlement has been effected the Mortgage Loan is drawn down and fees charged. All the documentation is then imaged and originals are sent to a central storage facility and the title is sent away for stamping and registration. Once returned from the titles office, it too is filed centrally.

HSBC utilises QBE Lenders' Mortgage Insurance Limited for Mortgage Loans originated that required insurance. A delegated underwriting authority ("DUA") policy has been negotiated with HSBC's preferred insurer, which provides HSBC with the ability to write lenders mortgage insurance without prior approval. The DUA agreement is subject to the following conditions:

- (a) the home loan must be approved by HSBC;
- (b) the loan-to-value ratio must be within thresholds set;

- (c) a valuation has been completed; and
- (d) the security must be a registered mortgage held over a suitable residential property.

Applications with loan-to-value ratios outside the threshold are forwarded for approval on a case-by-case basis.

Depending on the loan type, scheduled payments can consist of either principal and interest or interest only. Interest on the Mortgage Loans is calculated on a daily "simple" interest basis, and is payable as follows:

- (a) principal and interest Mortgage Loans – (in arrears) either weekly/fortnightly/monthly;
- (b) interest only (in arrears) Mortgage Loans – paid monthly in arrears; and
- (c) interest only (in advance) Mortgage Loans – paid annually in advance.

For variable rate Mortgage Loans, prepayments may be made at any time without penalty.

For fixed rate Mortgage Loans, a prepayment penalty may be charged to the customer where part or the entire fixed rate Mortgage Loan is prepaid prior to the expiry of the fixed rate period. Customers are permitted to make up to \$10,000 of additional repayments over the fixed rate term of their loan without incurring a penalty.

Scheduled repayments are based on the loan amount, the prevailing interest rate and time to expiry of the loan. Scheduled payments are automatically amended when prevailing interest rates change.

With respect to certain Mortgage Loans, the security pledged to secure the Mortgage Loan may be changed at the customer's request (without the need to write a new Mortgage Loan or contract). In all cases, the replacement security must be an approved residential home or, in the limited circumstances described in this Information Memorandum, a cash deposit. Any change in security is at the discretion of HSBC.

Certain Mortgage Loans originated by HSBC provide the customer with the right to convert the variable rate at which interest accrues to a fixed rate, and vice-versa. Interest-only Mortgage Loans will convert to amortising Mortgage Loans after an agreed period of time.

In certain cases, exercise of such rights are conditional on the payment of a fee and in other cases, the right is subject to HSBC's approval.

HSBC offers a "100% offset" feature on certain products which provides customers with the means to offset the balance of eligible deposit accounts against the balance of eligible Mortgage Loans for interest calculation purposes. Interest is only charged on the amount by which the outstanding principal loan balance exceeds the credit balance of the linked deposit account.

Redraw Mortgage Loans

Borrowers may request a redraw of principal where they have made early or additional repayments to a loan for which redraw is available. The aggregate amount that may be advanced at any time is limited to the amount of additional principal repayments made by the borrower, provided all other required payments have been made. Redraws can generally be made when the following criteria are met or otherwise at the HSBC's discretion:

- the loan must have been fully drawn;
- the loan must not be in a fixed rate period;

HSBC has reserved the discretion to cancel its obligation to provide Home Loan Redraw in respect of such Mortgage Loans.

Loan Renewals and Variations

From time to time borrowers may seek to vary the terms of their loan or apply for additional funds.

A loan may be varied in certain circumstances where, for example, there is an addition or removal of a borrower, a change to the required repayment amount or loan term or a change from an amortising loan to an interest only loan.

Where there is an application for additional funds, HSBC may either provide a further advance under the existing loan or lend the required funds under a separate supplementary loan (in which case, a new loan account will be established in HSBC's records). The borrower may elect whether funds are advanced under the existing loan or under a separate supplementary loan.

Interest Only Periods

A borrower may request to make payments of interest only on the borrower's loan for a period of up to 3 years in the case of owner occupied loans and a period of up to 5 years in the case of investment loans. Any extension requires a credit assessment. If HSBC agrees to such a request it does so by either applying higher principal repayments upon expiration of the interest only period so that the loan is repaid within its original term, or by extending the loan term by a period matching the interest only period (without exceeding a 30-year term loan).

8 DESCRIPTION OF THE PARTIES

8.1 Trustee

Perpetual Corporate Trust Limited was incorporated in New South Wales on 27 October 1960 as T.E.A. Nominees (N.S.W.) Pty. Limited under the Companies Act, 1936 of New South Wales. The name was changed to Perpetual Corporate Trust Limited on 18 October 2006 and Perpetual Corporate Trust Limited now operates as a public unlisted company limited by shares under the Corporations Act. Perpetual Corporate Trust Limited is registered in New South Wales and its registered office is at Level 18, 123 Pitt Street, Sydney, Australia.

Perpetual Limited, a publicly listed company on the Australian Securities Exchange is the ultimate parent company of Perpetual Corporate Trust Limited.

The principal activities of Perpetual Corporate Trust Limited are the provision of trustee and other commercial services. Perpetual Corporate Trust Limited has obtained an Australian Financial Services Licence under Part 7.6 of the Corporations Act (AFSL No. 392673). Perpetual Corporate Trust Limited and its related companies provide a range of services including trustee, custodial investment management and administrative arrangements to the funds management, superannuation, property, infrastructure and capital markets.

8.2 Security Trustee

P.T. Limited, of Level 18, Angel Place, 123 Pitt Street, Sydney, NSW 2000 is appointed as the Security Trustee for the Trust on the terms set out in the Security Trust Deed. See Section 9.5 ("Security Trust Deed and General Security Deed") for a summary of certain of the Security Trustee's rights and obligations under the Transaction Documents. The Australian Business Number of P.T. Limited is 67 004 454 666.

Perpetual Trustee Company Limited has obtained an Australian Financial Services Licence under Part 7.6 of the Corporations Act (Australian Financial Services Licence No. 236643). Perpetual Trustee Company Limited has appointed P.T. Limited to act as its authorised representative No. 266797 under that licence.

8.3 HSBC Bank Australia Limited (HSBC) – Manager, Servicer, Seller, Derivative Counterparty, Additional Advance Facility Provider and Liquidity Facility Provider

HSBC is the Manager, Servicer, Seller, Derivative Counterparty, Additional Advance Facility Provider and Liquidity Facility Provider.

HSBC is a wholly owned, indirectly held, subsidiary of HSBC Holdings plc ("**HSBC Holdings**") and the principal operating company in Australia within HSBC Holdings and its subsidiaries ("**HSBC Group**"). The HSBC Group commenced operations in Australia in 1965, HSBC was incorporated in 1985 and awarded a commercial banking licence in 1986. HSBC's registered office is located at Level 36, Tower 1, International Towers Sydney, 100 Barangaroo Avenue, Sydney, New South Wales, Australia 2000. HSBC's Australian Company Number is ACN 006 434 162 and AFSL / Australian Credit License is 232595.

Today in Australia, HSBC offers an extensive range of financial services through a network of offices and retail branches.

Personal Financial Services

A comprehensive range of personal banking products and services are delivered through a variety of distribution channels, including the HSBC branch network, telephone banking, digital and third-party retail partners:

- Banking and Lending products including transaction and savings accounts, term deposits, home loans, personal loans and credit cards;
- A premier banking service through HSBC premier, with priority servicing and support, dedicated relationship managers and discounted packages;

- Executive relationship managers throughout the branch network, supporting private bank and high net worth customers;
- General Insurance through our partner, Allianz Australia Insurance;
- Investment options, including shares, Exchange Traded Funds (ETFs) and managed funds; and
- An ecosystem of third party sales agents, including 2500 brokers and over 1200 card merchants.

Commercial, Corporate and Institutional Banking

A range of products and services are offered to meet the local and international needs of domestic and international companies. Products and services are delivered through customer relationship teams, in conjunction with product-sales managers, as well as electronic banking. Our wide range of products and Services include:

- trade and receivables financing, supply chain solutions and other trade services;
- treasury and capital markets products;
- custody services and funds administration
- liquidity and cash management solutions;
- working capital solutions;
- risk management and other advisory services;
- transactional banking solutions;
- institutional asset management; and
- electronic banking.

HSBC Group

The parent company of the HSBC Group, HSBC Holdings, is a public limited company registered in England and Wales under registration number 617987. The liability of members is limited. It has its registered and head office at 8 Canada Square, London, E14 5HQ, United Kingdom; telephone number +44 20 7991 8888. HSBC Holdings was incorporated on 1 January 1959 under the Companies Act 1948 as a limited company and was re-registered under the Companies Act 1985 as a public limited company.

As at 31 December 2022, the HSBC Group had total assets of U.S.\$2,967 billion, and total shareholders' equity of U.S.\$187.5 billion with a CET1 ratio of 14.2%. For the year ended 31 December 2022, the HSBC Group's Profit before tax was U.S.\$17,528 million on total Revenue of U.S.\$51,727 million.

Headquartered in London, the HSBC Group operates through long-established businesses and has an international network of offices in 62 countries and territories. Within these regions, a comprehensive range of banking and related financial services is offered to personal, commercial, corporate, institutional, investment and private banking clients.

HSBC Group's products and services are delivered to clients through three global businesses: Wealth and Personal Banking, Commercial Banking and Global Banking and Markets.

Wealth and Personal Banking

Wealth and Personal Banking serves more than 38 million customers worldwide from retail customers to ultra-high net worth individuals and their families. HSBC Group provides Wealth and Personal Banking services to individuals under the HSBC Premier and Advance propositions aimed at mass affluent and emerging affluent customers who value international connectivity and benefit from HSBC Group's global reach and scale. For emerging high net worth and ultra-high net worth customers, we cater to them through our Global Private Banking

offering which includes services like investment Management, incorporating advisory, discretionary and brokerage services; Private Wealth Solutions, comprising trusts and estate planning. HSBC Group's Wealth and Personal Banking business offers locally-tailored products and services across multiple channels for our customers' everyday banking needs, as well as insurance, investment management, advisory and wealth solutions for those with more sophisticated requirements.

Commercial Banking

HSBC Group's Commercial Banking business serves customers in 54 countries and territories, which range from small enterprises focused primarily on their domestic markets through to corporates operating globally. HSBC Group's Commercial Banking business supports its customers with tailored financial products and services to allow them to operate efficiently and to grow. This includes providing customers with working capital, term loans, payment services and international trade facilitation, among other services. HSBC Group's Commercial Banking business offers its customers expertise in mergers and acquisitions, and provides access to financial markets.

Global Banking and Markets

HSBC Group's Global Banking and Markets business supports major government, corporate and institutional clients worldwide in achieving their long-term strategic goals through tailored and innovative solutions. HSBC Group's deep sector expertise extends across transaction banking, financing, advisory, capital markets and risk management. HSBC Group's Global Banking and Markets business serve clients in more than 50 countries and territories and continues to deliver a comprehensive range of transaction banking, financing, advisory, capital markets and risk management services.

9 DESCRIPTION OF THE TRANSACTION DOCUMENTS

The following summary describes the material terms of the Transaction Documents. The summary does not purport to be complete and is subject to the provisions of the Transaction Documents. All of the Transaction Documents are governed by the laws of New South Wales, Australia.

9.1 General Features of the Trust

Constitution of the Trust

The terms of the Trust are primarily governed by the Master Trust Deed, the Security Trust Deed and the Issue Supplement. An unlimited number of trusts may be established under the Master Trust Deed. The Trust is separate and distinct from any other trust established under the Master Trust Deed.

The Trust is a common law trust which was established in New South Wales by the execution of the Notice of Creation of Trust.

The Trustee has been appointed as trustee of the Trust. The Trustee will issue Notes in its capacity as trustee of the Trust.

The Trust will terminate on the earlier of:

- (a) the day before the eightieth anniversary of the date it was established; and
- (b) the date which the Manager notifies the Trustee that it is satisfied that the Secured Money of the Trust has been unconditionally and irrevocably repaid in full.

Capital

The beneficial interest in the Trust is represented by:

- (a) ten Residual Units; and
- (b) one Participation Unit.

The initial holder of the Residual Units is HSBC.

The initial holder of the Participation Unit is HSBC.

Purpose of the Trust

The Trust has been established for the purposes of the Trustee:

- (a) acquiring and dealing with Trust Receivables in accordance with the Transaction Documents;
- (b) issuing the Notes (and incurring other liabilities in accordance with the Transaction Documents);
- (c) entering into, performing its obligations and exercising its rights under the Transaction Documents; and
- (d) acquiring, dealing with and disposing of Authorised Investments in accordance with the Transaction Documents.

As at the Closing Date, and prior to the issue of the Notes, the Trust has not commenced operations and the Trust will, following the Closing Date, undertake no activity other than that contemplated by the Transaction Documents.

9.2 Master Trust Deed

Entitlement of holders of the Residual Units and holders of the Participation Units

The beneficial interest in the assets of the Trust is vested in the Residual Unitholder and the Participation Unitholder in accordance with the terms of the Master Trust Deed and the Issue Supplement.

Entitlement to payments

The Residual Unitholder and the Participation Unitholder have the right to receive distributions only if and to the extent that funds are available for distribution to them in accordance with the Issue Supplement.

Subject to this, the Residual Unitholder and the Participation Unitholder have no right to receive distributions other than a right to receive on the termination of the Trust the amount of the initial investment it made in respect of the Trust and any other surplus Trust Assets of the Trust on its termination in accordance with the terms of the Issue Supplement.

Transfer

The Residual Units and the Participation Units may be transferred in accordance with the Master Trust Deed. The Residual Units and the Participation Units may only be transferred if the Trustee agrees.

Ranking

The rights of the Secured Creditors under the Transaction Documents rank in priority to the interests of the Residual Unitholder and the Participation Unitholder.

Restricted rights

The Residual Unitholder and the Participation Unitholder are not entitled to:

- (a) exercise a right or power in respect of, lodge a caveat or other notice affecting, or otherwise claim any interest in, any Trust Asset;
- (b) require the Trustee or any other person to transfer a Trust Asset to it;
- (c) interfere with any powers of the Manager or the Trustee under the Transaction Documents;
- (d) take any step to remove the Manager or the Trustee;
- (e) take any step to end the Trust; or
- (f) interfere in any way with any other Trust.

Each Unitholder is bound by anything properly done or not done by the Trustee in accordance with the Transaction Documents whether or not the Unitholder approved of the thing done or not done.

Obligations of the Trustee

Pursuant to the Transaction Documents the Trustee in its capacity as trustee of the Trust undertakes to (among other things):

- (a) act as trustee of the Trust and to exercise its rights and comply with its obligations under the Transaction Documents;

- (b) if the Security Trustee asks, to give the Security Trustee any document or other information relating to the Trust in the Trustee's possession or control that the Security Trustee reasonably requires to exercise its rights or comply with its obligations under the Transaction Documents;
- (c) carry on the Trust Business at the direction of the Manager and as contemplated by the Transaction Documents;
- (d) not to do anything which is not part of the Trust Business without the Security Trustee's consent;
- (e) obtain, renew on time and comply with the terms of each authorisation necessary for it to enter into the Transaction Documents to which it is a party, comply with its obligations under them and allow them to be enforced;
- (f) to pay, at the direction of the Manager, all amounts for which the Trustee is liable in connection with the Trust Business, including rates and Taxes;
- (g) comply with all laws and requirements of authorities affecting it or the Trust Business and to comply with its other obligations in connection with the Trust Business;
- (h) at the direction of the Manager, take action that a prudent, diligent and reasonable person would take to ensure that:
 - (i) each Counterparty complies with its obligations in connection with the Transaction Documents; and
 - (ii) each Counterparty which does not comply with any of its obligations in connection with the Transaction Documents pays (subject to the terms of such Transaction Documents) to the Trustee or the Security Trustee an amount equal to any liability, loss or Costs suffered or incurred by either the Trustee or the Security Trustee which is caused by that non-compliance;
- (i) if it becomes aware that an Event of Default or Potential Event of Default has occurred, to notify the Security Trustee, giving full details of the event and any steps taken or proposed to remedy it, unless the Manager has already notified the Security Trustee;
- (j) not do anything to create any Encumbrances (other than a Permitted Encumbrance) over the Collateral;
- (k) (at the direction of the Manager) to open and operate the Collection Account in accordance with the Transaction Documents;
- (l) not to open or operate any bank account other than those which it is required to open and maintain in connection with the Trust Business and the Transaction Documents;
- (m) not commingle the Collateral of the Trust with any of its other assets (including the Collateral of any other trust) or the assets of any other person;
- (n) to conduct the Trust Business in the name of the Trust, to hold itself out as a separate entity and to correct any misunderstanding of which it is aware regarding its separate identity; and
- (o) without the Security Trustee's consent, not to amend any Transaction Document of the Trust.

The Trustee has no obligations in respect of the Trust other than those expressly set out in the Transaction Documents to which it is a party.

Powers of the Trustee

The Trustee has all the powers of a natural person and corporation in connection with the exercise of its rights and compliance with its obligations in connection with the Trust Business of the Trust.

Delegation by the Trustee

Subject to the below paragraphs, the Trustee may delegate any of its rights or obligations to an agent or delegate without notifying any other person of the delegation.

The Trustee is not responsible or liable to any Unitholder or Secured Creditor for the acts or omissions of any agent or delegate provided that:

- (a) the Trustee appoints the delegate in good faith and using reasonable care, and the delegate is not an officer or employee of the Trustee and the appointment is permitted under paragraph (c) below; or
- (b) the Trustee is obliged to appoint the delegate pursuant to an express provision of a Transaction Document or pursuant to an instruction given to the Trustee in accordance with a Transaction Document;
- (c) the delegate is a clearing system; or
- (d) the Manager consents to the delegation in accordance with paragraph (c).

The Trustee agrees that it will not delegate a material right or obligation or a material part of its rights or obligations under the Master Trust Deed or appoint any Related Entity of it as its delegate, unless it has received the prior written consent of the Manager and with notice of such consent to each Designated Rating Agency.

Trustee's voluntary retirement

The Trustee may retire as trustee of the Trust by giving the Manager at least 60 days' notice of its intention to do so. The retirement of the Trustee takes effect when:

- (a) a successor trustee is appointed for the Trust;
- (b) the successor trustee obtains title to, or obtains the benefit of, the Master Trust and each other Transaction Document of the Trust to which the Trustee is a party as trustee of the Trust.

Trustee's mandatory retirement

The Trustee must retire as trustee of the Trust if:

- (a) the Trustee becomes Insolvent;
- (b) it is required to do so by law;
- (c) the Trustee ceases to carry on business as a professional trustee; or
- (d) the Trustee merges or consolidates with another entity, unless that entity assumes the obligations of the Trustee under the Transaction Documents to which the Trustee is a party as trustee of the Trust and each Designated Rating Agency has been notified of the proposed retirement.

In addition, the Manager may request the Trustee to and the Trustee must (if so requested) retire as trustee of the Trust if the Trustee does not comply with a material obligation under the Transaction Documents unless:

- (a) the non-compliance has been waived by an Extraordinary Resolution of the Voting Secured Creditors, provided that a Rating Notification has been also provided in respect of such waiver; or
- (b) if the non-compliance can be remedied, the Trustee remedies the non-compliance within 30 days of being requested to do so by the Manager.

Appointment of successor trustee

If the Trustee retires as trustee of the Trust, the Manager must use its best endeavours to ensure that a successor trustee is appointed for the Trust as soon as possible, and in any event within 90 days. If no successor trustee is appointed within 30 days after notice of retirement or removal is given, the Trustee may appoint a successor trustee or apply to the court for a successor trustee to be appointed.

Fee

The Trustee is entitled to a fee (as agreed between the Manager and the Trustee from time to time) for performing its obligations under the Master Trust Deed in respect of the Trust. Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

Indemnity

The Trustee is indemnified out of the Trust Assets against any liability or loss arising from, and any Costs properly incurred in connection with, complying with its obligations or exercising its rights under the Transaction Documents and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to any Transaction Document. The Trustee is not indemnified against any such liability, loss or Costs out of the trust assets of any other trust established under the Master Trust Deed. However if any liabilities, losses or Costs referred above relate to more than one trust established under the Master Trust Deed, the Trustee may, in its absolute discretion, apportion them between those trusts.

To the extent permitted by law, this indemnity applies despite any reduction in value of, or other loss in connection with, the Trust Assets of the Trust as a result of any unrelated act or omission by the Trustee or any person acting on its behalf.

The indemnity does not extend to any liabilities, losses or costs to the extent that they are due to the Trustee's fraud, negligence or Wilful Default.

The Costs referred to above include all legal costs in accordance with any written agreement as to legal costs or, if no agreement, on whichever is the higher of a full indemnity basis or solicitor and own client basis.

These legal costs include any legal costs which the Trustee incurs in connection with proceedings brought against it alleging fraud, negligence or Wilful Default on its part in relation to the Trust. However, the Trustee must repay any amount paid to it in respect of those legal costs under the above paragraph if and to the extent that a court determines that the Trustee was fraudulent, negligent or in Wilful Default in relation to the Trust or the Trustee admits it.

Limitation of Trustee's liability

The Trustee enters into the Transaction Documents of the Trust only in its capacity as trustee of the Trust and in no other capacity. Notwithstanding any other provisions of the Transaction Documents, a liability arising under or in connection with the Transaction Documents of the Trust is limited to and can be enforced against the Trustee only to the extent to which it can be satisfied out of the Trust Assets of the Trust out of which the Trustee is actually indemnified for the liability. This limitation of the Trustee's liability applies despite any other provision of any Transaction Document of the Trust (other than as set out in the below paragraphs of this section titled "Limitation of Trustee's liability" of this Section 9.2 ("Master Trust Deed")) and extends to

all liabilities and obligations of the Trustee in any way connected with any representation, warranty, obligation, conduct, omission, agreement or transaction related to any Transaction Document of the Trust.

The parties (other than the Trustee) may not sue the Trustee in any capacity other than as trustee of the Trust, including seek the appointment of a receiver (except in relation to the Trust Assets of the Trust), a liquidator, an administrator or any similar person to the Trustee or prove in any liquidation, administration or arrangement of or affecting the Trustee (except in relation to the Trust Assets of the Trust).

The Trustee's limitation of liability shall not apply to any obligation or liability of the Trustee to the extent that it is not satisfied because under the Master Trust Deed or by operation of law there is a reduction in the extent of the Trustee's indemnification out of the Trust Assets of the Trust as a result of the Trustee's fraud, negligence or Wilful Default in relation to the Trust.

It is acknowledged that the Relevant Parties are responsible under the Master Trust Deed and the other Transaction Documents of the Trust for performing a variety of obligations relating to the Trust. No act or omission of the Trustee (including any related failure to satisfy its obligations or breach of representation or warranty under the Master Trust Deed or any other Transaction Document of the Trust) will be considered fraud, negligence or Wilful Default of the Trustee to the extent to which the act or omission was caused or contributed to by any failure by any Relevant Party or any other person to fulfil its obligations relating to the Trust or by any other act or omission of any Relevant Party or any other person.

No attorney, agent, receiver or receiver and manager appointed in accordance with the Master Trust Deed or any other Transaction Document of the Trust has authority to act on behalf of the Trustee in a way which exposes the Trustee to any personal liability and no act or omission of any such person will be considered fraud, negligence or Wilful Default of the Trustee for the purpose of this section.

Liability must be limited and must be indemnified

The Trustee is not obliged to do or not do anything in connection with the Transaction Documents (including enter into any transaction or incur any liability) unless:

- (a) the Trustee's liability is limited in a manner which is consistent with the section titled "Limitation of Trustee's liability" of this Section 9.2 ("Master Trust Deed"); and
- (b) it is indemnified against any liability or loss arising from, and any Costs properly incurred in connection with, doing or not doing that thing in a manner which is consistent with the section titled "Indemnity" of this Section 9.2 ("Master Trust Deed").

The Trustee is not obliged to use its own funds in performing its obligations under any Transaction Document except where the Trustee's right of indemnification out of the Trust Assets of the Trust does not apply due to the Trustee's fraud, negligence or Wilful Default in relation to the Trust (as described in the section titled "Limitation of Trustee's liability" of this Section 9.2 ("Master Trust Deed")). However, the Trustee is not entitled to be reimbursed or indemnified for general overhead costs and expenses of the Trustee incurred directly or indirectly in connection with the Trust.

Exoneraton

Neither the Trustee nor any of its directors, officers, employees, agents or attorneys will be taken to be fraudulent, negligent or in Wilful Default because:

- (a) any person other than the Trustee does not comply with its obligations under the Transaction Documents;
- (b) of the financial condition of any person other than the Trustee;

- (c) any statement, representation or warranty of any person other than the Trustee in a Transaction Document is incorrect or misleading;
- (d) of any omission from or statement or information contained in any information memorandum or any advertisement, circular or other document issued in connection with any Notes other than in respect of any corporate statements or information provided by the Trustee for inclusion in the document;
- (e) of the lack of the effectiveness, genuineness, validity, enforceability, admissibility in evidence or sufficiency of the Transaction Documents or any document signed or delivered in connection with the Transaction Documents;
- (f) of acting, or not acting (unless it has been instructed in accordance with the Transaction Documents to act), in accordance with instructions of:
 - (i) the Manager; or
 - (ii) any other person (including any Secured Creditors) permitted to give instructions or directions to the Trustee under the Transaction Documents (or instructions or directions that the Trustee reasonably believes to be genuine and to have been given by an appropriate officer of any such person); or
 - (iii) any person to whom the Manager has delegated any of its rights or obligations in its capacity as manager, as notified by the Manager to the Trustee.

For the avoidance of doubt:

- (A) for the purpose of paragraph (i), the Trustee will be able to rely on a direction from the Manager even if it has received notice of delegation by the Manager of any of its rights or obligations; and
 - (B) for the purpose of paragraph (iii), the Trustee is not required to investigate the scope of any such delegation or whether the delegate giving the instructions is entitled to give such instruction to the Trustee under the terms of its delegation;
- (g) of acting, or not acting (unless it has been instructed in accordance with the Transaction Documents to act), in good faith in reliance on:
 - (i) on any communication or document it believes to be genuine and correct and to have been signed or sent by the appropriate person; and
 - (ii) as to legal, accounting, taxation or other professional matters, on opinions and statements of any legal, accounting, taxation or other professional advisers used by it or any other party to a Transaction Document; and
 - (iii) on the contents of any statements, representation or warranties made or given by any party other than itself pursuant to the Master Trust Deed, or direction from the Manager provided in accordance with the Transaction Documents or from any other person permitted to give such instructions or directions under the Transaction Documents; and
 - (iv) on any calculations made by the Manager under any Transaction Document (including without limitation any calculation in connection with the collections);
- (h) it is prevented or hindered from doing something by law or order;
- (i) of any payment made by it in good faith to a fiscal authority in connection with Taxes (including Taxes assessed on the income of the Trust) or other charges in respect of the Trust even if the payment need not have been made;

- (j) of the exercise or non-exercise of a discretion on the part of the Manager or any other party to the Transaction Documents; or
- (k) of a failure by the Trustee to check any calculation, information, document, form or list supplied or purported to be supplied to it by the Manager under any Transaction Document or by any other person.

No supervision

Except as expressly set out in the Transaction Documents of the Trust, the Trustee has no obligation to supervise, monitor or investigate the performance of the Manager or any other person.

9.3 Management Deed

Appointment of the Manager

Under the Management Deed the Trustee appoints the Manager as its exclusive manager to perform the services described in the Management Deed on behalf of the Trustee.

Obligations of the Manager

Under the Management Deed, the Manager must (amongst other things):

- (a) direct the Trustee in relation to how to carry on the Trust Business, including:
 - (i) the Trustee entering into any documents in connection with the Trust (including the Transaction Documents of the Trust) and the form of those documents;
 - (ii) the Trustee issuing Units in the Trust;
 - (iii) the Trustee issuing Notes;
 - (iv) the Trustee acquiring, disposing of or otherwise dealing with any Trust Receivables;
 - (v) the Trustee acquiring, disposing of or otherwise dealing with Authorised Investments; and
 - (vi) the Trustee exercising its rights or complying with its obligations under the Transaction Documents;
- (b) comply with its obligations under the Transaction Documents; and
- (c) carry on the day-to-day administration, supervision and management of the Trust Business of the Trust in accordance with the Transaction Documents (including keeping accounting records and other records); and
- (d) give the Trustee any document or information in the Manager's possession or control that the Trustee reasonably requests relating to the Trust; and
- (e) keep or cause to be kept proper accounting records in accordance with all applicable laws and regulations in respect of the Trust; and
- (f) obtain, renew on time and comply with the terms of each authorisation necessary for it to enter into the Transaction Documents to which it is a party, comply with its obligations under them and allow them to be enforced; and
- (g) comply with all laws and requirements of authorities affecting it or the Trust Business and to comply with its other obligations in connection with the Trust Business; and

- (h) not, in performing its duties under the Transaction Documents, take any action which would cause the Trustee to be in breach of any law (including without limitation the National Credit Legislation), rule or regulation applicable to the Trustee; and
- (i) take such action as is consistent with its obligations under the Transaction Documents to assist the Trustee to perform its obligations under the Transaction Documents; and
- (j) make available for inspection by the Trustee, the Security Trustee or any auditor of the Trust during normal business hours and after the receipt of reasonable notice, the books of the Manager relating to the Trust; and
- (k) make all filings required in connection with the acquisition, disposal or holding by the Trustee of Trust Receivables with any Government Agency in Australia (excluding any filings in connection with the PPSA, any filings which the Servicer is required to make under the Servicing Deed and any filings which the Trustee is required to make personally); and
- (l) not direct the Trustee to take any action that would cause the Trustee to breach its obligations under the Transaction Documents; and
- (m) arrange for the delivery of any consents or notices required to be provided to the Trustee in connection with any proposed amendment to any Transaction Documents; and
- (n) promptly notify the Trustee if it becomes aware of the occurrence of a Manager Termination Event or an Event of Default or if it is required to retire by law; and
- (o) calculate and direct the Trustee to pay on time all amount for which the Trustee is liable in connection with the Trust Business, including rates and Taxes; and
- (p) if an application is made by the Manager to list any Notes on the Australian Securities Exchange, the Stock Exchange of Hong Kong or any other stock exchange or securities exchange market, to:
 - (i) give the Trustee such directions; and
 - (ii) take such actions on behalf of the Trustee that the Manager is permitted or authorised to undertake under applicable law,

as are necessary to ensure that the Trustee complies with all applicable listing rules, laws and regulations in connection with the listing of the relevant Notes and any ongoing compliance obligations under those rules, laws and regulations; and
- (q) prepare and submit to the Trustee for signing and filing on a timely basis all income or other Tax returns or elections required to be filed with respect to the Trust and ensure that the Trustee is directed on a timely basis to pay any Taxes required to be paid by the Trustee as trustee of the Trust; and
- (r) arrange for the audit of the Financial Report of the Trust for each financial year.

The Management Deed contains various provisions relating to the Manager's exercise of its powers and duties under the Management Deed, including provisions entitling the Manager to act on expert advice.

Delegation by the Manager

The Manager may employ agents and attorneys and may delegate any of its rights or obligations in its capacity as manager. The Manager agrees to exercise reasonable care in selecting delegates.

The Manager is responsible for any Loss arising due to any acts or omissions of any person appointed as delegate and for the payment of any fees of that person.

Manager's exoneration

Without limiting the Manager's liability for delegates and agents as described above, neither the Manager nor any of its directors, officers, employees, agents, attorneys or Related Entities is responsible or liable to any person:

- (a) because any person other than the Manager does not comply with its obligations under the Transaction Documents; or
- (b) because of the fraud, negligence or Wilful Default of the Trustee;
- (c) for the financial condition of any person other than the Manager; or
- (d) because any statement, representation or warranty of any person other than the Manager in a Transaction Document is incorrect or misleading; or
- (e) for the effectiveness, genuineness, validity, enforceability, admissibility in evidence or sufficiency of the Transaction Documents or any document signed or delivered in connection with the Transaction Documents (other than any representation or warranty given by the Manager in any Transaction Document as to the validity or enforceability of the Manager's obligations under the Transaction Documents); or
- (f) for acting, or not acting, in good faith in reliance on:
 - (i) any communication or document that the Manager believes to be genuine and correct and to have been signed or sent by the appropriate person; or
 - (ii) any opinion or advice of any professional advisers used by it in relation to any legal, accounting, taxation or other matters provided that such adviser has been appointed in good faith; or
- (g) for acting, or not acting in accordance with the instructions or directions of any person permitted to give instructions or direction to the Manager under the Transaction Documents (or instructions or directions that the Manager believes to be genuine and to have been given by an appropriate officer of any such person); or
- (h) because it is prevented or hindered from doing something by law or order; or
- (i) because of any payment made by it in good faith to a fiscal authority in connection with Taxes (including Taxes assessed on the income of a Trust) or other charges in respect of a Trust even if the payment need not have been made; or
- (j) for any error in a Note Register or Unit Register; or
- (k) for the performance of any Trust Receivable or Authorised Investment; or
- (l) if the Trustee acquires any Trust Receivable or Authorised Investment and the acquisition price or, in the case of an Authorised Investment, the rate of return, is not the best available at the time the Trustee acquired it; or
- (m) because of the exercise or non-exercise of a discretion under the Transaction Documents on the part of any other person to a Transaction Document.

However, the above does not relieve the Manager of its responsibilities or liabilities to any person in connection with a Transaction Document to the extent that any such relevant loss is caused by the Manager's fraud, negligence or material breach of its obligations under the Management Deed or any other Transaction Document to which the Manager is a party.

Manager indemnity

Except as set out in the section above entitled “Manager’s exoneration” in this Section 9.3 (“Management Deed”), the Manager indemnifies the Trustee from and against any relevant loss which the Trustee incurs or suffers directly as a result of:

- (a) a failure by the Manager to comply with its obligations under the Management Deed or any other any Transaction Document of the Trust to which it is a party; or
- (b) a representation or warranty given by it to the Trustee under any Transaction Document of the Trust to which it is a party being incorrect,

but excluding any such amounts which are due to the Trustee’s own negligence, fraud or Wilful Default.

Manager’s voluntary retirement

The Manager may retire as manager of the Trust upon giving the Trustee at least 90 days’ notice (or such shorter period as the Manager and the Trustee may agree) of its intention to do so.

Manager’s mandatory retirement

The Manager must retire as manager of the Trust if required by law.

Removal of the Manager

The Trustee may remove the Manager as manager of the Trust immediately by the giving of notice to the Manager. However, the Trustee may only give notice if at the time it gives the notice:

- (a) a Manager Termination Event is continuing in respect of the Trust; and
- (b) each Designated Rating Agency has been notified of the proposed removal of the Manager.

It is a “**Manager Termination Event**” if:

- (a) the Manager:
 - (i) does not comply with its obligations under clause 10.2 (“Notifications and instructions to Trustee”) of the Issue Supplement where such non-compliance will have a Material Adverse Effect; and
 - (ii) if the non-compliance can be remedied, does not remedy the non-compliance within 10 Business Days (or such longer period as is agreed between the Manager and the Trustee provided that Rating Notification has been provided in respect of that longer period) of the Manager receiving a notice from the Trustee or the Security Trustee requiring its remedy;
- (b) the Manager:
 - (i) does not comply with any of its obligations (other than an obligation referred to in paragraph (a) above) under any Transaction Document where such non-compliance will have a Material Adverse Effect; and
 - (ii) if the non-compliance can be remedied, does not remedy the non-compliance within 30 days (or such longer period as is agreed between the Manager and the Trustee provided that Rating Notification has been provided in respect of that longer period) of the Manager receiving a notice from the Trustee or the Security Trustee requiring its remedy; or

- (c) any representation or warranty made by the Manager in connection with the Transaction Documents is incorrect or misleading when made where:
 - (i) such failure will have a Material Adverse Effect; and
 - (ii) if such failure can be remedied, it is not remedied within 60 Business Days (or such longer period as is agreed between the Manager and the Trustee provided that Rating Notification has been provided in respect of that longer period) receiving a notice from the Trustee or the Security Trustee requiring its remedy; or
- (d) the Manager becomes Insolvent.

When retirement or removal takes effect

The retirement or removal of the Manager as manager of the Trust will only take effect once a either a successor manager is appointed for the Trust (other than where the Manager has voluntarily retired after the Notes have been repaid in full or otherwise redeemed) or the date on which the Trustee is required to commence acting as successor manager in the section above entitled “Manager’s exoneration” in this Section 9.3.

Appointment of successor manager

If the Manager retires or is removed as manager of the Trust (other than where the Manager has voluntarily retired after the Notes have been repaid in full or otherwise redeemed, in which case no successor manager is required to be appointed), the retiring Manager agrees to use its reasonable endeavours to appoint a person to replace the Manager as manager as soon as possible. A successor manager may only be appointed if each Designated Rating Agency has been notified of the proposed appointment of a successor manager.

If the Manager retires or is removed as manager of the Trust and a successor manager is not appointed within 90 days after the notice of retirement or removal of the Manager is given, the Trustee will (with effect from the expiry of the 90 day period) be taken to have been appointed as, and must act as, successor manager and will be entitled to the same rights and protections under the Transaction Documents of the Trust that it would have had if it had been party to them as Manager at the dates of those documents until a successor manager is appointed by the Trustee.

The Trustee is only required to act as manager of the Trust if it is entitled to the fee payable to the outgoing manager (or such other fee agreed with the outgoing Manager in respect of which it has given a Rating Notification).

If, following the retirement or removal of the Manager, the Trustee is required to act as manager of the Trust, the Trustee will not be responsible for, and will not be liable for, any inability to perform or deficiency in performing its duties and obligations as manager if it is unable to perform those duties and obligations due to:

- (a) the state of affairs of the previous Manager, its books and records, its business, data collection, storage or retrieval systems or its computer equipment or software, prior to, or at the time of, the removal or retirement of the Manager;
- (b) the inaccuracy, incompleteness or lack of currency of any data, information, documents or records of the Manager;
- (c) a failure by the previous Manager to comply with its obligations to deliver documents or a failure to perform by any other person under the Transaction Documents where such performance is reasonably necessary for the Trustee to perform those duties and obligations;
- (d) a failure by the Trustee, after using reasonable endeavours, to obtain sufficient access to the previous Manager’s systems, premises, information, documents, procedures,

books, records or resources which are reasonably necessary for it to perform those duties and obligations;

- (e) acts or omissions of the Manager or any of its agents;
- (f) failure of any other person to perform its obligations under and in accordance with the Transaction Documents (other than the Trustee or any Related Entity of the Trustee);
- (g) any future act of any government authority, act of God, flood, war (whether declared or undeclared), terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision and accidental, mechanical or electrical breakdown; or
- (h) the appointment of a controller (within the meaning of the Corporations Act) to the Manager.

For so long as the Trustee acts as manager, all limitations of liability, indemnities, protections, benefits, powers, rights and remedies available to the Trustee will apply to it as the manager of the Trust as well as in its capacity as the Trustee.

Manager's fees and expenses

The Manager is entitled to be paid a fee by the Trustee for performing its duties under the Management Deed in respect of the Trust (on terms agreed between the Manager and the Trustee).

Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

The Trustee agrees to pay or reimburse the Manager for:

- (a) the Manager's reasonable Costs in connection with the negotiation, preparation, execution and registration of any Transaction Document and the general on-going administration of the Transaction Documents and the performance of its obligations under such Transaction Documents;
- (b) Taxes (other than Excluded Taxes) and fees (including registration fees) and fines and penalties in respect of fees paid, or that the Manager reasonably believes are payable, in connection with any Transaction Document or a payment or receipt or any other transaction contemplated by any Transaction Document. However the Trustee need not pay a fine or penalty in connection with Taxes or fees to the extent that it has placed the Manager in sufficient cleared funds for the Manager to be able to pay the Taxes or fees by the due date; and
- (c) any other liability, cost or expense properly incurred by the Manager in its capacity as Manager of the Trust.

However, the amounts described in paragraphs (a) to (c) above are not payable to the extent they are due to the Manager's fraud, negligence or breach of its obligations under any Transaction Document for the Trust to which it is a party.

9.4 Servicing Deed

Appointment of the Servicer

Under the Servicing Deed the Trustee appoints the Servicer to service the Trust Receivables in accordance with the requirements of that deed and the Servicing Guidelines.

Obligations of the Servicer

Under the Servicing Deed, the Servicer must (among other things):

- (a) comply with its obligations under the Transaction Documents;
- (b) administer and service the Trust Receivables:
 - (i) in accordance with the Servicing Guidelines; and
 - (ii) in accordance with all applicable laws (including the National Credit Legislation if it applies to those Trust Receivables);
- (c) take all action which the Servicer considers reasonably necessary to protect or enforce the terms of any Trust Receivable (including taking action to enforce any rights against the relevant Obligor in respect of a Trust Receivable (including commencing legal proceedings or taking steps to sell the relevant Property) to the extent permitted by the terms of that Trust Receivable and to the extent that it is consistent with the Servicing Guidelines and the Servicer considers it appropriate (and in this regard the Servicer may exercise such discretion as would a Prudent Servicer in applying the Servicing Guidelines of that Trust to any defaulting Obligor);
- (d) with respect to any Insurance Policy of that Trust, take all reasonable action to:
 - (i) make claims on behalf of the Trustee to the extent it is able to make a claim under the Insurance Policy or otherwise assist the Trustee to make these claims;
 - (ii) not without the consent of the Trustee, do anything which could reasonably be expected to adversely affect or limit the rights of the Trustee under or in respect of the Insurance Policy; and
 - (iii) comply with all requirements and conditions of the Insurance Policy;
- (e) give all notices and other documents required to be given under the relevant Servicing Guidelines to the relevant Obligor (including, without limitation, instructions for payment of Collections);
- (f) subject to applicable law and regulations binding on the Servicer, determine and set, in accordance with the applicable Receivable Terms and the Issue Supplement, the interest rates applicable to the Trust Receivables chargeable to Obligor from time to time;
- (g) take all steps necessary pursuant to the relevant Receivable Terms and applicable laws and regulations to make relevant Obligor aware of changes to the variable interest rate and any other discretionary rate or margin (including moving from a fixed rate to a floating rate and vice versa) applicable to the Trust Receivable and any consequent changes in scheduled payments;
- (h) use all reasonable efforts to collect or arrange to collect all Collections in respect of the Trust Receivables;
- (i) remit all Collections (if any) received by it in respect of the Trust Receivables to the relevant Collection Account within such period of time of receipt by the Servicer of such Collections as may be specified in the Issue Supplement;
- (j) prior to remitting any Collections it receives in respect of the Trust Receivables of that Trust to the relevant Collection Account, hold those Collections on trust for the Trustee;
- (k) not:

- (i) create, attempt to create or consent to the creation of, any Encumbrance in respect of any Trust Receivable;
- (ii) release the relevant Obligor from any amount owing in respect of any Trust Receivable or otherwise discharge such Trust Receivable;
- (iii) enter into any agreement or arrangement which has the effect of extending the maturity of a Trust Receivable; or
- (iv) do anything which would render a Trust Receivable subject to any set-off, counterclaim or similar defence,

except in each case:

- (A) as required by law (including the National Credit Legislation, if it is relevant to that Trust) or the Banking Code of Practice or any binding order or directive or regulatory undertaking (including as determined by an Approved External Dispute Resolution Scheme); or
 - (B) to the extent that a Prudent Servicer would be expected to take such action pursuant to any of the foregoing; or
 - (C) as required or permitted by the Servicing Guidelines; or
 - (D) as otherwise as contemplated by the Transaction Documents;
- (l) maintain in full force and effect the authorisations necessary for it to enter into the Servicing Deed and the transactions contemplated by it and to comply with its obligations under the Servicing Deed;
- (m) comply in all material respects with all applicable laws in exercising its rights and carrying out its obligations under the Servicing Deed;
- (n) at the reasonable request of the Manager, prepare and give to the Manager, any Government Agency (including the Australian Prudential Regulation Authority, ASIC, the Reserve Bank of Australia, the Hong Kong Monetary Authority or the Prudential Regulation Authority of the Bank of England), an agent or independent contractor of any Government Agency as specified by that Government Agency or any stock exchange (including the Australian Securities Exchange or the Stock Exchange of Hong Kong) all ad hoc and periodic performance statistics, data, reports and other non-performance related reports and data in respect of the Trust Receivables as would reasonably be expected to be kept, or be reasonably capable of being produced, by a Prudent Servicer;
- (o) in respect of any document or information in the Servicer's possession or control relating to the Trust Receivables:
 - (i) give any such document or information to the Trustee and the Manager as the Trustee or the Manager may reasonably request; and
 - (ii) allow the Trustee and the Manager or its authorised agents to inspect copies of any such document or information during normal business hours and after the receipt of reasonable notice;
- (p) provide each Designated Rating Agency with complete, accurate and timely information in respect of the Trust Receivables where reasonably required to do so;
- (q) notify the Trustee and the Manager if it becomes aware of the occurrence of a Servicer Termination Event or an Event of Default and providing details of the relevant event or default;

- (r) to the extent the Seller is not otherwise obliged to do so in accordance with the Transaction Documents, take all necessary action to ensure that the Trustee complies with the Verification Provisions;
- (s) keep and maintain records in relation to each Trust Receivable, for the purposes of identifying amounts paid by each Obligor, any amount due from an Obligor and the balance from time to time outstanding on an Obligor's account and such other records (including data and performance statistics) as would be kept by a Prudent Servicer;
- (t) provide to the Trustee and the Manager promptly from time to time such information, documents, records, reports or other information relating to the Trust Receivables or the operations of the Servicer as may be reasonably requested by either of them (including, for the avoidance of doubt, data records maintained by the Servicer and which are requested by the Trustee or the Manager for the purpose of satisfying reporting obligations or requirements); and
- (u) electronically identify and continue to identify each Trust Receivable in its electronic database in order to identify such Receivables as being the property of the Trustee.

The Servicer agrees to exercise its rights and comply with its servicing obligations under the Transaction Documents with the same degree of diligence and care expected of a Prudent Servicer.

Servicing Guidelines

The Servicer and the Manager may amend the Servicing Guidelines from time to time. However, the Servicer has agreed:

- (a) not, without the prior approval of the Trustee, to amend the Servicing Guidelines in a manner which would materially change the rights or obligations of the Trustee;
- (b) not to amend the Servicing Guidelines in a manner which would breach the National Credit Legislation (to the extent it applies to the Trust Receivables); and
- (c) to notify the Manager and each Designated Rating Agency of any such amendments.

Delegation

The Servicer may employ agents and attorneys and may delegate any of its rights and obligations in its capacity as servicer. The Servicer agrees to exercise reasonable care in selecting delegates.

The Servicer is responsible for any loss arising due to any acts or omissions of any person appointed as a delegate and for the payment of any fees of that person.

Servicer's exoneration

Neither the Servicer nor any of its directors, officers, employees, agents, attorneys or Related Entities is responsible or liable to any person:

- (a) because any person other than the Servicer does not comply with its obligations under the Transaction Documents; or
- (b) because of the fraud, negligence or Wilful Default of the Trustee;
- (c) for the financial condition of any person other than the Servicer; or
- (d) because any statement, representation or warranty of any person other than the Servicer in a Transaction Document is incorrect or misleading; or

- (e) for the effectiveness, genuineness, validity, enforceability, admissibility in evidence or sufficiency of the Transaction Documents or any document signed or delivered in connection with the Transaction Documents (other than any representation or warranty given by the Servicer in any Transaction Document as to the validity or enforceability of the Servicer's obligations under the Transaction Documents); or
- (f) for acting, or not acting, in good faith in reliance on:
 - (i) any communication or document that the Servicer believes to be genuine and correct and to have been signed or sent by the appropriate person; or
 - (ii) any opinion or advice of any professional advisers used by it in relation to any legal, accounting, taxation or other matters provided that such adviser has been appointed in good faith; or
- (g) for acting, or not acting in accordance with the instructions or directions of any person permitted to give instructions or direction to the Servicer under the Transaction Documents (or instructions or directions that the Servicer believes to be genuine and to have been given by an appropriate officer of any such person); or
- (h) because it is prevented or hindered from doing something by law or order; or
- (i) because of any payment made by it in good faith to a fiscal authority in connection with Taxes (including Taxes assessed on the income of the Trust) or other charges in respect of the Trust even if the payment need not have been made; or
- (j) because of the exercise or non-exercise of a discretion under the Transaction Documents on the part of any other person to a Transaction Document; or
- (k) for any omission from or statement or information contained in any information memorandum or any advertisement, circular or other document issued in connection with any Notes.

However, these provisions do not relieve the Servicer from any liability to any person in connection with a Transaction Document to the extent that any such relevant loss is caused by the Servicer's fraud, negligence or material breach of its obligations under the Servicing Deed or any other Transaction Document to which it is a party.

Servicer's voluntary retirement

The Servicer may retire as servicer of the Trust by giving the Trustee at least 90 days' (or such shorter period as the Servicer and the Trustee may agree) written notice of its intention to do so.

Servicer's mandatory retirement

The Servicer must retire as servicer if required by law.

Removal of the Servicer

The Trustee may remove the Servicer as servicer of the Trust immediately by the giving of notice to the Servicer. However, the Trustee may only give notice if at the time it gives the notice:

- (a) a Servicer Termination Event is continuing in respect of the Trust; and
- (b) each Designated Rating Agency has been notified of the proposed removal of the Servicer.

It is a "**Servicer Termination Event**" if:

- (a) the Servicer fails to remit Collections (if any) received by it in respect of the Trust Receivables to the Collection Account on time and in the manner required under the Transaction Documents unless the Servicer pays the amount within 10 Business Days (or such longer period as is agreed between the Servicer and the Trustee provided that Rating Notification has been provided in respect of that longer period) of notice from either the Trustee or the Security Trustee;
- (b) the Servicer:
 - (i) does not comply with any of its other obligations under any Transaction Document where such non-compliance will have a Material Adverse Effect; and
 - (ii) if the non-compliance can be remedied, does not remedy the non-compliance within 20 Business Days (or such longer period as is agreed between the Servicer and the Trustee provided that Rating Notification has been provided in respect of that longer period) of the Servicer receiving a notice from the Trustee or the Security Trustee requiring its remedy;
- (c) any representation or warranty made by the Servicer in connection with the Transaction Documents is incorrect or misleading when made where:
 - (i) such failure will have a Material Adverse Effect; and
 - (ii) if such failure can be remedied, it is not remedied within 20 Business Days (or such longer period as is agreed between the Servicer and the Trustee provided that Rating Notification has been provided in respect of that longer period) of the Servicer receiving a notice from the Trustee or the Security Trustee requiring its remedy; or
- (d) the Servicer becomes Insolvent.

When retirement or removal takes effect

The retirement or removal of the Servicer as servicer of the Trust will only take effect once a successor servicer is appointed for the Trust (including where the Trustee acts as Servicer, as described below).

Appointment of successor servicer

If the Servicer retires or is removed as servicer of the Trust, the retiring Servicer agrees to use its reasonable endeavours to ensure a successor servicer is appointed for the Trust as soon as possible.

If the Servicer retires or is removed as servicer of the Trust and a successor servicer is not appointed within 90 days after the notice of retirement or removal of the Servicer is given, the Trustee will (with effect from the expiry of the 90 day period) be taken to have been appointed as, and must act as, successor servicer and will be entitled to the same rights under the Transaction Documents of the Trust that it would have had if it had been party to them as Servicer at the dates of those documents until a successor servicer is appointed by the Trustee. Without limiting the foregoing, upon its appointment to act as successor servicer in respect of a Trust, the Trustee may notify Obligor of any instructions for payment by the Obligor of Collections to, or at the direction of, the Trustee.

The Trustee is only required to act as servicer of the Trust if it is entitled to the fee payable to the outgoing servicer (or such other fee agreed with the Manager in respect of which it has given a Rating Notification).

If, following the retirement or removal of the Servicer, the Trustee is required to act as servicer of the Trust, the Trustee will not be responsible for, and will not be liable for, any inability to

perform or deficiency in performing its duties and obligations as servicer if it is unable to perform those duties and obligations due to:

- (a) the state of affairs of the previous Servicer, its books and records, its business, data collection, storage or retrieval systems or its computer equipment or software, prior to, or at the time of, the removal or retirement of the Servicer;
- (b) the inaccuracy, incompleteness or lack of currency of any data, information, documents or records of the Servicer;
- (c) a failure by the previous Servicer to comply with its obligations to deliver documents or a failure to perform by any other person under the Transaction Documents where such performance is reasonably necessary for the Trustee to perform those duties and obligations;
- (d) a failure by the Trustee, after using reasonable endeavours, to obtain sufficient access to the previous Servicer's systems, premises, information, documents, procedures, books, records or resources which are reasonably necessary for it to perform those duties and obligations;
- (e) acts or omissions of the Servicer or any of its agents;
- (f) failure of any other person to perform its obligations under and in accordance with the Transaction Documents (other than the Trustee or any Related Entity of the Trustee);
- (g) any future act of any government authority, act of God, flood, war (whether declared or undeclared), terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision and accidental, mechanical or electrical breakdown; or
- (h) the appointment of a controller (within the meaning of the Corporations Act) to the Servicer.

For so long as the Trustee acts as servicer, all limitations of liability, indemnities, protections, benefits, powers, rights and remedies available to the Trustee will apply to it as the servicer of the Trust as well as in its capacity as the Trustee.

Servicer to provide full co-operation

If the Servicer retires or is removed as servicer in respect of the Trust, it agrees to promptly deliver to the successor servicer all original documents in its possession relating to the Trust and the Trust Assets and any other documents and information in its possession relating to the Trust and the Trust Assets as are reasonably requested by the Trustee (where the Trustee is acting as servicer) or the successor servicer.

Indemnity

Subject to the terms of the Servicing Deed, the Servicer indemnifies the Trustee against any Loss which the Trustee incurs or suffers directly as a result of:

- (a) a failure by the Servicer to comply with its obligations under the Servicing Deed or any other Transaction Document to which it is a party; or
- (b) a representation or warranty given by it under the Servicing Deed or any other Transaction Document to which it is a party being incorrect,

but excluding any such amounts which are due to the Trustee's own negligence, fraud or Wilful Default.

The Servicer also indemnifies the Trustee against all Penalty Payments and Title Penalty Payments which the Trustee is required to pay personally or in its capacity as trustee of the

Trust and arising as a result of the performance or non-performance by the Servicer of its obligations or the exercise of its powers under the Servicing Deed, except to the extent that such Penalty Payments or Title Penalty Payments arise as a result of the fraud, negligence or Wilful Default of the Trustee.

Custody of Title Documents

The Servicer must, in respect of each Title Document in respect of a Trust that it may receive from time to time on behalf of the Trustee pursuant to a Transaction Document of that Trust:

- (a) hold each such Title Document as custodian under this deed at the direction of the Trustee, in electronic form or otherwise and in the same manner and to the same extent as it holds its own documents;
- (b) ensure that each such Title Document is capable of identification and is kept in a secure environment in accordance with the Servicer's standard safe-keeping practices (unless such Title Document is otherwise being dealt with by the Servicer in the ordinary course of its business, including in accordance with the Servicing Guidelines) and where scanned or in electronic form, are maintained on the Servicer's computer system;
- (c) ensure that it is capable of locating each such Title Document which is held by it in physical form; and
- (d) if requested by the Trustee, promptly provide all Title Documents the subject of that request to or at the direction of the Trustee.

Servicer's fees and expenses

The Servicer is entitled to be paid a fee by the Trustee for performing its duties under the Servicing Deed in respect of the Trust (on terms agreed between the Servicer and the Trustee). Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

The Trustee agrees to pay or reimburse the Servicer for:

- (a) all Costs incurred by the Servicer in connection with the enforcement and recovery of defaulted Trust Receivables, including Costs relating to any court proceedings, arbitration or other dispute; and
- (b) Taxes (other than Excluded Taxes) and fees (including registration fees) and fines and penalties in respect of fees paid, or that the Servicer reasonably believes are payable, in connection with any Transaction Document or a payment or receipt or any other transaction contemplated by any Transaction Document. However the Trustee need not pay a fine or penalty in connection with Taxes or fees to the extent that it has placed the Servicer in sufficient cleared funds for the Servicer to be able to pay the Taxes or fees by the due date.

However, the amounts referred to in (a) and (b) above are not payable to the extent they are due to the Servicer's fraud, negligence, wilful misconduct or breach of obligation under the Servicing Deed or any other Transaction Document to which it is a party.

9.5 Security Trust Deed and General Security Deed

Security Trust Deed

P.T. Limited is appointed as Security Trustee on the terms set out in the Security Trust Deed.

The Security Trustee is a professional trustee company.

The Security Trust Deed contains customary provisions for a document of this type that regulate the performance by the Security Trustee of its duties and obligations and the protections afforded to the Security Trustee in doing so.

General Security Deed

The Noteholders in respect of the Trust have the benefit of a security interest granted in favour of the Security Trustee by the Trustee over the all the Trust Assets of the Trust under the General Security Deed. Under the Security Trust Deed, the Security Trustee holds this security interest on behalf of the Secured Creditors (including the Noteholders) pursuant to the Security Trust Deed and may enforce the General Security Deed upon the occurrence of an Event of Default (as defined below).

Each of the Trustee, the Security Trustee, the Seller and the Servicer have agreed to do anything (such as depositing documents relating to the property secured by the security interest, obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Manager asks and reasonably considers necessary for the purposes of ensuring that the security interest under the General Security Deed is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective, enabling the relevant secured party to apply for any registration, give any notification, or take any other step, in connection with the security interest so that the security interest has the highest ranking priority reasonably possible, or enabling the relevant secured party to exercise rights in connection with the security interest.

Events of Default

It is an “**Event of Default**” in respect of the Trust if any of the following occur:

- (a) **(non-payment)** the Trustee does not pay any amount payable by it in respect of the Senior Obligations on time and in the manner required under the Transaction Documents unless, in the case of a failure to pay on time, the Trustee pays the amount within 10 Business Days of the due date;
- (b) **(non-compliance with other obligations)** the Trustee:
 - (i) does not comply with any of its obligations under any Transaction Document (other than an obligation to pay any amount payable by it under the Transaction Documents) where such non-compliance will have a Material Adverse Payment Effect; and
 - (ii) if the non-compliance can be remedied, does not remedy the non-compliance within 20 Business Days after written notice (or such longer period as may be specified in the notice) from the Security Trustee requiring the failure to be remedied;
- (c) **(Insolvency)** the Trustee becomes Insolvent, and the Trustee is not replaced as described in Section 9.2 (“Master Trust Deed”), and the accordance with the Master Trust Deed within 90 days (or such longer period as the Security Trustee, at the direction of an Ordinary Resolution of the Voting Secured Creditors, may agree) of becoming Insolvent;
- (d) **(encumbrance)** the General Security Deed is not or ceases to be valid and enforceable or any Encumbrance (other than a Permitted Encumbrance) is created or exists in respect of the Collateral for a period of more than 10 Business Days following the Trustee becoming aware of the creation or existence of such Encumbrance, where such event will have a Material Adverse Payment Effect;
- (e) **(voidable Transaction Document):**

- (i) all or any part of any Transaction Document (other than a Cashflow Support Facility) is terminated or is or becomes void, illegal, invalid, unenforceable or of limited force and effect; or
- (ii) a party becomes entitled to terminate, rescind or avoid all or any part of any Transaction Document (other than a Cashflow Support Facility),

where such event will have a Material Adverse Payment Effect; or

- (f) **(non-exercise of indemnity)** the Trustee is (for any reason) not entitled to fully exercise the right of indemnity conferred on it under the Master Trust Deed against the Trust Assets to satisfy any liability to a Secured Creditor and the circumstances are not rectified to the satisfaction of the Security Trustee within 20 Business Days after written notice (or such longer period as may be specified in the notice) from the Security Trustee requiring the circumstances to be rectified;
- (g) **(Trust)** without the prior consent of the Security Trustee (that consent having been approved by an Ordinary Resolution of the Voting Secured Creditors):
 - (i) the Trust is wound up, or the Trustee is required to wind up the Trust in accordance with the Master Trust Deed or any applicable law, or the winding up of the Trust commences; or
 - (ii) the Trust is held, or is conceded by the Trustee, not to have been constituted or to have been imperfectly constituted.

Actions following Event of Default

If an Event of Default is continuing, the Security Trustee must do any one or more of the following if it is instructed to do so by the Secured Creditors:

- (a) declare at any time by notice to the Trustee that an amount equal to the Secured Money of the Trust is either:
 - (i) payable on demand; or
 - (ii) immediately due for payment; or
- (b) take any action which it is permitted to take under the General Security Deed.

If, in the opinion of the Security Trustee, the delay required to obtain instructions from the Secured Creditors would be materially prejudicial to the interests of those Secured Creditors, the Security Trustee may (but is not obliged to) do these things without instructions from them.

Call meeting on the occurrence of an Event of Default

If the Security Trustee becomes aware that an Event of Default is continuing, the Security Trustee agrees to do the following as soon as possible and in any event within 5 Business Days of the Security Trustee becoming aware of the Event of Default:

- (a) notify all Secured Creditors of the Trust of:
 - (i) the Event of Default;
 - (ii) any steps which the Security Trustee has taken, or proposes to take, under the Security Trust Deed; and
 - (iii) any steps which the Trustee or the Manager has notified the Security Trustee that it has taken, or proposes to take, to remedy the Event of Default; and

- (b) call a meeting of the Secured Creditors. However, if the Security Trustee calls a meeting and before the meeting is held the Event of Default ceases to continue, the Security Trustee may cancel the meeting by giving notice to each person who was given notice of the meeting.

Voting Secured Creditors

The Voting Secured Creditors will be the only Secured Creditors entitled to:

- (a) vote in respect of an Extraordinary Resolution or Circulating Resolution (excluding any Extraordinary Resolution or Circulating Resolution which is also a Special Quorum Resolution) or Ordinary Resolution of the Secured Creditors of the Trust; or
- (b) otherwise direct or give instructions or approvals to the Security Trustee in accordance with the Transaction Documents.

If at any time there is a conflict between a duty the Security Trustee owes to a Secured Creditor, or a class of Secured Creditor, of the Trust and a duty the Security Trustee owes to another Secured Creditor, or class of Secured Creditor, of the Trust, the Security Trustee must give priority to the duties owing to the Voting Secured Creditors.

Application of proceeds following an Event of Default

Following the occurrence of an Event of Default and enforcement of the General Security Deed, the Security Trustee must apply all moneys received by it in respect of the Collateral in the order described in Section 6.14 ("Application of proceeds following an Event of Default").

Limitation of liability

The Security Trustee will have no liability under or in connection with any Transaction Document other than to the extent to which the liability is able to be satisfied out of the Security Trust Fund in relation to the Trust from which the Security Trustee is actually indemnified for the liability. This limitation will not apply to a liability of the Security Trustee to the extent that it is not satisfied because, under the Security Trust Deed or any other Transaction Document or by operation by law, there is a reduction in the extent of the Security Trustee's indemnification as a result of the Security Trustee's fraud, negligence or Wilful Default.

The Security Trustee is not obliged to do or not do anything in connection with the Transaction Documents (including enter into any transaction or incur any liability) unless:

- (a) the Security Trustee's liability is limited in a manner which is consistent with this section titled "*Limitation of liability*" of this Section 9.5 ("Security Trust Deed and General Security Deed"); and
- (b) it is indemnified to its satisfaction (acting reasonably) against any liability or loss arising from, and any Costs properly incurred in connection with, doing or not doing that thing.

The Security Trustee is not obliged to use its own funds in performing its obligations under any Transaction Document except where the Security Trustee's right of indemnification out of the Security Trust Fund does not apply due to the Security Trustee's fraud, negligence or Wilful Default.

However, the Security Trustee is not entitled to be reimbursed or indemnified for general overhead costs and expenses of the Security Trustee incurred directly or indirectly in connection with the business of the Security Trustee.

Indemnity

The Security Trustee is entitled to be indemnified by the Trustee for any liability or loss arising from, and any Costs incurred in connection with (among other things):

- (a) the Security Trustee acting in connection with a Transaction Document in good faith on telephone, fax, email or other written instructions purporting to originate from the offices of the Trustee or the Manager or to be given by an authorised officer of the Trustee or the Manager; or
- (b) an Event of Default; or
- (c) the Security Trustee exercising, or attempting to exercise, a right or remedy in connection with a Transaction Document after an Event of Default; or
- (d) the Collateral or any Transaction Document; or
- (e) any indemnity the Security Trustee gives a Controller or administrator of the Trustee

In addition, the Security Trustee is indemnified out of the Security Trust Fund in relation to the Trust against any liability or loss arising from, and any Costs properly incurred in connection with, complying with its obligations or exercising its rights under the Transaction Documents of the Trust.

However, the Security Trustee is not entitled to be indemnified for the amounts referred to above to the extent they are due to the Security Trustee's or any attorney's or receiver's fraud, negligence or Wilful Default.

Exoneration

Neither the Security Trustee nor any of its directors, officers, employees, agents or attorneys will be taken to be fraudulent, negligent or in Wilful Default because:

- (a) any person other than the Security Trustee does not comply with its obligations under the Transaction Documents; or
- (b) of the financial condition of any person other than the Security Trustee; or
- (c) any statement, representation or warranty of any person other than the Security Trustee in a Transaction Document is incorrect or misleading; or
- (d) of any omission from or statement or information contained in any information memorandum or any advertisement, circular or other document issued in connection with any Notes; or
- (e) of the lack of effectiveness, genuineness, validity, enforceability, admissibility in evidence or sufficiency of the Transaction Documents or any document signed or delivered in connection with the Transaction Documents; or
- (f) of acting, or not acting, in accordance with instructions of Secured Creditors or any other person permitted to give instructions or directions to the Security Trustee under the Transaction Documents (or instructions or directions that the Security Trustee believes to be genuine and to have been given by an appropriate officer of any such person); or
- (g) of acting, or not acting, in good faith in reliance on:
 - (i) any communication or document that the Security Trustee believes to be genuine and correct and to have been signed or sent by the appropriate person; or

- (ii) any opinion or advice of any professional advisers used by it in relation to any legal, accounting, taxation or other matters; or
- (h) of any error in the Unit Register or the Note Register; or
- (i) of giving priority to a Secured Creditor or class of Secured Creditors in accordance with the Security Trust Deed; or
- (j) it is prevented or hindered from doing something by law or order; or
- (k) of the exercise or non-exercise of a discretion on the part of any other party to the Transaction Documents; or
- (l) of a failure by the Security Trustee to check any calculation, information, document, form or list supplied or purported to be supplied to it by any other person under the Security Trust Deed or under any Transaction Document; or
- (m) of any act or omission required by law or by any court of competent jurisdiction.

Fees

The Trustee, under the Security Trust Deed, has agreed to pay to the Security Trustee from time to time a fee (as agreed between the Manager and the Security Trustee) in respect of the Trust. Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

Retirement of Security Trustee

The Security Trustee may retire as security trustee of the Security Trust by giving the Trustee and the Manager at least 90 days' notice of its intention to do so.

The Security Trustee must retire as security trustee if:

- (a) the Security Trustee becomes Insolvent; or
- (b) required by law; or
- (c) the Security Trustee ceases to carry on business as a professional trustee.

Removal of the Security Trustee

At the written direction of the Manager, the Trustee must remove the Security Trustee as security trustee of the Trust by giving the Security Trustee 90 days' written notice. However, the Manager may only give direction if at the time it gives the direction:

- (a) no Event of Default is continuing in respect of the Trust; and
- (b) the Designated Rating Agency has been notified of the proposed removal of the Security Trustee.

In addition, the Secured Creditors of the Trust may remove the Security Trustee as security trustee of the Security Trust in respect of the Trust by Extraordinary Resolution.

When retirement or removal takes effect

The retirement or removal of the Security Trustee as security trustee of the Security Trust takes effect when:

- (a) a successor security trustee is appointed for the Security Trust; and

- (b) the successor security trustee obtains title to, or obtains the benefit of, each Transaction Document of the Trust to which the Security Trustee is a party in its capacity as security trustee; and
- (c) the successor security trustee and each other party to the Transaction Document of the Trust to which the Security Trustee is a party in its capacity as security trustee have the same rights and obligations among themselves as they would have had if the successor security trustee had been party to them at the dates of those documents.

Appointment of successor security trustee

If the Security Trustee retires or is removed as security trustee of a Security Trust, the Manager agrees to use its best endeavours to ensure that a successor security trustee is appointed for that Security Trust as soon as possible. If no successor security trustee is appointed within 90 days after notice of retirement or removal is given, the Security Trustee may appoint a successor security trustee or apply to the court for a successor security trustee to be appointed.

9.6 Initial Derivative Contract

Basis Swap and Fixed Rate Swap

The Trustee will enter into interest rate swaps with the Derivative Counterparty to hedge the interest rate risk in respect of the Trust Receivables. The Trustee will enter into a basis swap ("**Basis Swap**") and a fixed rate swap in respect of the fixed rate Trust Receivables ("**Fixed Rate Swap**") with the Derivative Counterparty.

HSBC is the initial Derivative Counterparty in respect of the Basis Swap and the Fixed Rate Swap.

Under the Basis Swap, the Trustee will pay to the Derivative Counterparty in respect of the Basis Swap on each Payment Date an amount calculated by reference to the weighted average of the interest rates for all Performing Receivables which are charged a variable rate of interest as at the last day of the Collection Period ending immediately prior to that Payment Date. The Derivative Counterparty, in exchange for that payment by the Trustee, will pay to the Trustee an amount calculated by reference to the notional amount of the Basis Swap, the BBSW Rate plus a margin.

Under the Fixed Rate Swap, the Trustee will pay to the Derivative Counterparty in respect of the Fixed Rate Swap on each Payment Date an amount calculated by reference to the weighted average of the interest rates for all Performing Receivables which are charged a fixed rate of interest as at the last day of the Collection Period ending immediately prior to that Payment Date. The Derivative Counterparty, in exchange for that payment by the Trustee, will pay to the Trustee an amount calculated by reference to the notional amount of the Fixed Rate Swap, the BBSW Rate plus a margin.

Derivative Counterparty Downgrade

If, as a result of the withdrawal or downgrade of the Derivative Counterparty's credit rating by any Designated Rating Agency, the Derivative Counterparty does not have a short term credit rating or long term credit rating as designated in the relevant Derivative Contract, the applicable Derivative Counterparty may be required to take certain action within certain timeframes specified in that Derivative Contract. The Derivative Contract provides that such obligations only apply in respect of the Fixed Rate Swap.

This action may include in respect of the particular downgrade one or more of the following:

- (a) lodging collateral in respect of the Fixed Rate Swap as determined under the Derivative Contract;
- (b) entering into an agreement novating the Fixed Rate Swap to a replacement counterparty which holds the relevant ratings;

- (c) procuring another person to become a co-obligor or unconditionally and irrevocably guarantee the obligations of the Derivative Counterparty under the Fixed Rate Swap; or
- (d) entering into other arrangements in relation to its obligations under the Derivative Contract or in respect of the Fixed Rate Swap as agreed with the relevant Designated Rating Agency.

Additionally, in respect of the downgrade of a Derivative Counterparty below certain credit ratings, the relevant Derivative Counterparty may be required to both lodge collateral and to take one of the other courses of action described in paragraphs (b) to (d) (inclusive) above.

If the Derivative Counterparty lodges collateral with the Trustee, any interest or income on that collateral will be paid to that Derivative Counterparty, provided that any such interest or income will only be payable to the extent that any payment will not reduce the balance of the collateral to less than the amount required to be maintained.

The Trustee may only dispose of any investment acquired with the collateral lodged in accordance with paragraph (a) above or make withdrawals of the collateral lodged in accordance with paragraph (a) above if directed to do so by the Manager for certain purposes prescribed in the relevant Derivative Contract.

The complete obligations of a Derivative Counterparty following the downgrade of its credit rating is set out in the relevant Derivative Contract. The Manager and the Derivative Counterparty may agree from time to time to vary these obligations by notice to the Trustee, the Derivative Counterparty and each Designated Rating Agency in order that they be consistent with the then current published ratings criteria of each Designated Rating Agency. Any amendments so notified by the Manager will be effective to amend the relevant provisions of the Derivative Contract, provide that the Manager has given a Rating Notification in respect of such amendments.

Termination

A party to a Derivative Contract may have the right to terminate its Derivative Contract if (among other things):

- (a) the other party fails to make a payment under the Derivative Contract within 10 Business Days of the due date;
- (b) certain insolvency related events occur in relation to the other party;
- (c) a force majeure event occurs; and
- (d) due to a change in or a change in interpretation of law, it becomes illegal for the other party to make or receive payments, perform its obligations under any credit support document or comply with any other material provision of the Derivative Contract.

The Derivative Counterparty will also have the right to terminate its Derivative Contract if an Event of Default occurs and the Security Trustee has declared the Secured Money of the Trust immediately due and payable.

The Trustee will also have the rights to terminate its Derivative Contract if (among other things):

- (a) the Derivative Counterparty merges with, or otherwise transfers all or substantially all of its assets to, another entity and the new entity does not assume all of the Derivative Counterparty's obligations under the Derivative Contract; or
- (b) the Derivative Counterparty fails to comply with or perform any agreement or its obligations referred to in paragraphs (a) to (d) (inclusive) under the heading "Derivative Counterparty Downgrade" above within the timeframes specified in that Derivative Contract.

9.7 Liquidity Facility Agreement

General

The Liquidity Facility Provider grants to the Trustee a revolving loan facility in Australian dollars in respect of the Trust in an amount equal to the Liquidity Limit.

The Liquidity Facility is only available to be drawn to meet any Liquidity Shortfall (Third).

Liquidity Advances

If, on any Determination Date during the Liquidity Facility Availability Period, the Manager determines that there is a Liquidity Shortfall (Third) on that Determination Date, the Manager must request a drawing to be made under the Liquidity Facility (a “**Liquidity Advance**”) on the Payment Date immediately following that Determination Date in accordance with the Liquidity Facility Agreement and equal to the lesser of:

- (a) that Liquidity Shortfall (Third); and
- (b) the Available Liquidity Amount on that Determination Date.

Interest

Interest accrues daily (on the daily balance of each Liquidity Advance) from and including the first day of a Liquidity Interest Period to but excluding the last day of the Liquidity Interest Period, at a rate equal to the Liquidity Interest Rate. It will be calculated by reference to actual days elapsed and a year of 365 days. Interest is payable in arrears on each Payment Date.

The Liquidity Facility Agreement incorporates a fallback regime in the event of a temporary disruption or permanent discontinuation of BBSW (or other applicable benchmark rate) that is similar to the fallback regime which applies in relation to the BBSW Rate (and other Applicable Benchmark Rates) for the Offered Notes.

The first “**Liquidity Interest Period**” in respect of a Liquidity Advance commences on (and includes) its Liquidity Drawdown Date and ends on (but excludes) the next Payment Date. Each subsequent Liquidity Interest Period will commence on (and include) a Payment Date and end on (but exclude) the next Payment Date, provided that:

- (a) the last Liquidity Interest Period ends on the first Payment Date following the Liquidity Facility Termination Date on which all moneys payable to the Liquidity Facility Provider under the Liquidity Facility Agreement have been paid in full; and
- (b) a Liquidity Interest Period which would otherwise end after the date on which the Trust terminates ends on (but excludes) the termination date of the Trust.

Downgrade of Liquidity Facility Provider

- (a) If at any time (for so long as any Notes are outstanding) the Liquidity Facility Provider does not have the Required Liquidity Rating, the Liquidity Facility Provider:
 - (i) must within 14 calendar days of such downgrade (or such longer period as may be agreed by the Manager and the Liquidity Facility Provider (and notified in writing to the Trustee) and provided that Rating Notification has been given in respect of such longer period) do one of the following (as determined by the Liquidity Facility Provider in its discretion):
 - (A) procure a Replacement Liquidity Facility; or
 - (B) request the Manager to make a Collateral Advance Request for an amount equal to the Available Liquidity Amount; or

- (C) implement such other structural changes so that the downgrading of the Liquidity Facility Provider does not have an Adverse Rating Effect within 30 calendar days; and
 - (ii) may within 30 calendar days of such downgrade (or such longer period as may be agreed by the Manager and the Liquidity Facility Provider (and notified in writing to the Trustee) and provided that Rating Notification has been given in respect of such longer period) do one of the following (as determined by the Liquidity Facility Provider in its discretion):
 - (D) procure a Replacement Liquidity Facility; or
 - (E) implement such other structural changes so that the downgrading of the Liquidity Facility Provider does not have an Adverse Rating Effect.
- (b) If, on any Determination Date after a Collateral Advance has been made, the Manager would, but for the fact that the Liquidity Facility has been fully drawn, be required to direct the Trustee to request a Liquidity Advance in accordance with Section 6.5 ("Liquidity Draw") (and the Liquidity Facility Provider would, but for the fact that the Liquidity Facility has been fully drawn, be required to provide that Liquidity Advance), the Manager must direct the Trustee to transfer from the Collateral Account into the Collection Account an amount equal to the lesser of:
- (i) the Liquidity Advance; and
 - (ii) the Collateral Account Balance,
- by no later than 11.30am (Sydney time) on the immediately following Payment Date.
- Any such withdrawal from the Collateral Account will be deemed to be a Liquidity Advance.
- (c) If at any time after a Collateral Advance has been made:
- (i) the Liquidity Facility Provider obtains the Required Liquidity Rating (or, if the credit rating of the Liquidity Facility Provider continues to be less than the Required Liquidity Rating, but the Manager determines that it may give a direction under this paragraph (c) and it has provided Rating Notification in respect of that direction);
 - (ii) the Liquidity Facility Provider complies with sub-paragraph (a)(i) or (iii) above; or
 - (iii) the Liquidity Facility granted under the Liquidity Facility Agreement is terminated,
- then the Liquidity Facility Provider must notify the Manager of that event and the Manager must then direct the Trustee to, and the Trustee must, repay to the Liquidity Facility Provider the Collateral Account Balance (if any) within 1 Business Day of being so directed by the Manager, such amount to be applied towards repayment of the then outstanding Collateral Advances.
- (d) Subject to paragraph (e), all interest or other returns accrued (net of all costs properly incurred by the Trustee in respect of the operation of the Collateral Account under the Liquidity Facility Agreement) on the Collateral Account Balance or on any Authorised Investments purchased with the Collateral Account Balance, which have been credited to the Collateral Account must be paid by the Trustee directly to the Liquidity Facility Provider on each Payment Date and will not be distributed in accordance with the Cashflow Allocation Methodology.

- (e) If losses are realised on any Authorised Investments purchased with the Collateral Account Balance, no interest or other returns will be paid to the Liquidity Facility Provider under paragraph (d) until the aggregate of such interest or other returns exceeds the aggregate of such losses, in which case the Liquidity Facility Provider will be entitled only to receive such excess amount.

Availability Fee

The Trustee will pay to the Liquidity Facility Provider an availability fee, calculated on the daily balance of the Available Liquidity Amount. The fee will be:

- (a) calculated and accrue daily from the first day of the Liquidity Facility Availability Period on the basis of a 365 day year; and
- (b) paid monthly in arrears on each Payment Date in accordance with the Cashflow Allocation Methodology.

The availability fee may be varied from time to time by written agreement between the Manager and the Liquidity Facility Provider (and notified to the Trustee) provided a Rating Notification has been provided in respect of that variation.

Liquidity Event of Default

A **Liquidity Event of Default** occurs if:

- (a) the Trustee fails to pay:
 - (i) subject to paragraph (ii) below, any amount owing under the Liquidity Facility Agreement where funds are available for payment of that amount in accordance with the order of priority described in Section 6.10 ("Application of Total Available Income"); or
 - (ii) any amount due in respect of interest or any availability fee,

on time and in the manner required under the Liquidity Facility Agreement unless, in the case of a failure to pay on time, the Trustee pays the amount within 10 Business Days of the due date;
- (b) the Trustee:
 - (i) alters or the Manager instructs it to alter the priority of payments under Cashflow Allocation Methodology without the consent of the Liquidity Facility Provider; or
 - (ii) does not comply with any of its obligations under the Liquidity Facility Agreement and that non-compliance has a Material Adverse Effect;
- (c) an Event of Default occurs and the Security Trustee enforces the General Security Deed; or
- (d) a representation or warranty made or taken to be made by the Trustee in connection with the Liquidity Facility Agreement is found to have been incorrect or misleading when made or taken to be made and that breach has a Material Adverse Effect.

If a Liquidity Event of Default is continuing, then the Liquidity Facility Provider may:

- (a) declare at any time that the Liquidity Principal Outstanding, interest on the Liquidity Principal Outstanding and all other amounts actually or contingently payable under the Liquidity Facility Agreement are immediately due and payable; and/or
- (b) terminate the Liquidity Facility Provider's obligations in respect of the Liquidity Facility.

The Liquidity Facility Provider may do either or both of these things with immediate effect.

Termination of Liquidity Facility

The Liquidity Facility will terminate on the Liquidity Facility Termination Date.

The “**Liquidity Facility Termination Date**” is the earliest of:

- (a) the date which is one day after the date upon which all Notes have been fully and finally redeemed in full in accordance with the Transaction Documents;
- (b) the date upon which the Liquidity Facility Provider suspends or cancels its obligations under the Liquidity Facility Agreement due to illegality or impossibility;
- (c) the date upon which the Liquidity Limit is cancelled or reduced to zero by notice from the Trustee (provided that a Rating Notification has been given in respect of such cancellation or reduction, as applicable);
- (d) the date upon which the Liquidity Facility Provider terminates the Liquidity Facility following the occurrence of a Liquidity Event of Default; and
- (e) the date upon which the Liquidity Facility is terminated under the Liquidity Facility Agreement in connection with the appointment of a substitute Liquidity Facility Provider.

9.8 Additional Advance Facility Agreement

General

The Additional Advance Facility Provider grants to the Trustee a revolving loan facility in Australian dollars in respect of the Trust in an amount equal to the Additional Advance Limit.

The Additional Advance Facility is only available to be drawn to meet any Additional Advance Shortfall (Initial).

Additional Advance Facility Advances

If, on any Business Day during the Liquidity Availability Period, the Manager determines that there is an Additional Advance Shortfall (Initial) in accordance with Section 4.8(e) (“Funding of Additional Advances”), the Manager must request a drawing to be made under the Additional Advance Facility equal to the lesser of:

- (a) the Additional Advance Shortfall (Initial); and
- (b) the Available Additional Advance Amount.

Interest

Interest accrues daily (on the daily balance of each Additional Advance Facility Advance) from and including the first day of an Additional Advance Interest Period to but excluding the last day of the Additional Advance Interest Period, at a rate equal to the Additional Advance Interest Rate. It will be calculated by reference to actual days elapsed and a year of 365 days. Interest is payable in arrears on each Payment Date.

The Additional Advance Facility Agreement incorporates a fallback regime in the event of a temporary disruption or permanent discontinuation of BBSW (or other applicable benchmark rate) that is similar to the fallback regime which applies in relation to the BBSW Rate (and other Applicable Benchmark Rates) for the Offered Notes.

The first “**Additional Advance Interest Period**” in respect of an Additional Advance Facility Advance commences on (and includes) its Additional Advance Drawdown Date and ends on (but excludes) the next Payment Date. Each subsequent Additional Advance Interest Period

will commence on (and include) a Payment Date and end on (but exclude) the next Payment Date, provided that:

- (a) the last Additional Advance Interest Period ends on the first Payment Date following the Additional Advance Facility Termination Date on which all moneys payable to the Additional Advance Facility Provider under the Additional Advance Facility Agreement have been paid in full; and
- (b) an Additional Advance Interest Period which would otherwise end after the date on which the Trust terminates ends on (but excludes) the termination date of the Trust.

Availability Fee

The Trustee will pay to the Additional Advance Facility Provider an availability fee, calculated on the daily balance of the Available Additional Advance Amount. The fee will be:

- (a) calculated and accrue daily from the first day of the Additional Advance Facility Availability Period on the basis of a 365 day year; and
- (b) paid monthly in arrears on each Payment Date in accordance with the Cashflow Allocation Methodology.

The availability fee may be varied from time to time by written agreement between the Manager and the Additional Advance Facility Provider (and notified to the Trustee) provided a Rating Notification has been provided in respect of that variation.

Additional Advance Event of Default

An ***Additional Advance Event of Default*** occurs if:

- (a) the Trustee fails to pay:
 - (i) subject to paragraph (ii) below, any amount owing under the Additional Advance Facility Agreement where funds are available for payment of that amount in accordance with the order of priority described in Section 6.10 ("Application of Total Available Income"); or
 - (ii) any amount due in respect of interest or any availability fee,in the manner contemplated by the Additional Advance Facility Agreement, in each case within 10 Business Days of the due date for payment of such amount;
- (b) the Trustee:
 - (i) alters or the Manager instructs it to alter the priority of payments under Cashflow Allocation Methodology without the consent of the Additional Advance Facility Provider; or
 - (ii) does not comply with any of its obligations under the Additional Advance Facility Agreement and that non-compliance has a Material Adverse Effect;
- (c) an Event of Default occurs and the Security Trustee enforces the General Security Deed; or
- (d) a representation or warranty made or taken to be made by the Trustee in connection with the Additional Advance Facility Agreement is found to have been incorrect or misleading when made or taken to be made and that breach has a Material Adverse Effect.

If an Additional Advance Event of Default is continuing, then the Additional Advance Facility Provider may:

- (a) declare at any time that the Additional Advance Principal Outstanding, interest on the Additional Advance Principal Outstanding and all other amounts actually or contingently payable under the Additional Advance Facility Agreement are immediately due and payable; and/or
- (b) terminate the Additional Advance Facility Provider's obligations in respect of the Additional Advance Facility.

The Additional Advance Facility Provider may do either or both of these things with immediate effect.

Termination of Additional Advance Facility

The Additional Advance Facility will terminate on the Additional Advance Facility Termination Date.

The "**Additional Advance Termination Date**" is the earliest of:

- (a) the date which is one day after the date upon which all Notes have been fully and finally redeemed in full in accordance with the Transaction Documents;
- (b) the date upon which the Additional Advance Facility Provider cancels all of its obligations under the Additional Advance Facility Agreement due to illegality or impossibility;
- (c) the date upon which the Additional Advance Limit is cancelled or reduced to zero by notice from the Trustee (provided that a Rating Notification has been given in respect of such cancellation or reduction, as applicable);
- (d) the date upon which the Additional Advance Facility Provider terminates the Additional Advance Facility following the occurrence of an Additional Advance Event of Default; and
- (e) the date upon which the Additional Advance Facility is terminated under the Additional Advance Facility Agreement in connection with the appointment of a substitute Additional Advance Facility Provider.

9.9 Sale Deed

Seller may make offer

Under the Sale Deed the Seller may make an offer to the Trustee to sell Receivables by delivering the Offer to Sell to the Trustee.

Offer to Sell

Once given, the Offer to Sell from the Seller constitutes an offer by the Seller to sell and assign to the Trustee with effect from the commencement of business on the Settlement Date specified in the Offer to Sell, the Seller's right, title and interest in and to:

- (a) each Receivable identified in the Offer to Sell;
- (b) each Related Security (if any) in relation to each such Receivable;
- (c) the monetary rights from time to time in relation to each such Receivable and Related Security;
- (d) all title documents in relation to each such Receivable and Related Security;
- (e) any Insurance Policy which is referable to each such Receivable and Related Security;

- (f) each Other Secured Liability which is in existence from time to time in relation to each such Receivable; and
- (g) any other property in relation to each such Receivable as may be specified in the Offer to Sell.

The Trustee may accept the Offer to Sell from the Seller by paying the Settlement Amount (in cleared funds) to the Seller by no later than 4.00 pm on the relevant Settlement Date (being the Closing Date). Such acceptance shall constitute, without any further act or instrument by the parties, an immediate assignment of the Seller's entire right, title and interest in each of the items referred to paragraphs (a) - (g) above. This includes the right, title and interest in respect of any such item arising on or after the relevant Settlement Date and, immediately following such items and rights arising (including upon the making of redraw, further advance or any additional financial accommodation under a Receivable), such items vest in the Trustee in accordance with the assignment of those items.

Any sale, transfer or assignment to the Trustee of the Receivables, Related Securities and each other item referred to above is equitable only, subject to the occurrence of a Title Perfection Event and perfection of the Trustee's interest and title.

No assumption of obligations

The sale of Receivables by the Seller in accordance with the Sale Deed and the Offer to Sell does not constitute an assumption by the Trustee of any obligation or liability of the Seller or of any other person in relation to such Receivables.

In particular, the Seller retains the obligation (if any) to make such further advances or provide such other financial accommodation as the Seller was required to make or provide under such Receivables.

*The following is a general summary of certain Australian tax consequences under the Income Tax Assessment Act 1936 (Cth) and Income Tax Assessment Act 1997 (Cth) (together, “**Australian Tax Act**”), the Taxation Administration Act 1953 (“Taxation Administration Act”) and any relevant rulings, judicial decisions or administrative practice, at the date of this Information Memorandum for the purchase, ownership and disposition of Offered Notes by Noteholders who purchase Offered Notes during the original issuance at the stated offering price and hold the Offered Notes on capital account.*

It is not exhaustive and does not deal with the position of certain classes of holders of Offered Notes (including, without limitation, dealers in securities, custodians or other third parties who hold Offered Notes on behalf of any person). In addition, the summary does not consider the Australian tax consequences for persons who hold interests in Offered Notes through the Austraclear system or another clearing system.

This summary represents the Australian tax law enacted and in force as at the date of this Information Memorandum which is subject to change, possibly with retrospective effect.

This summary is not intended to be, nor should it be, construed as legal or tax advice to any particular investor. It is a general guide only and should be treated with appropriate caution. Prospective Noteholders should consult their professional advisers on the tax consequences, in their particular circumstances, of the purchase, ownership and disposition of the Offered Notes.

Withholding Taxes on interest payments

Interest Withholding Tax

The Australian Tax Act characterises securities as either “debt interests” (for all entities) or “equity interests” (for companies), including for the purposes of Australian interest withholding tax (“**IWT**”) imposed under Division 11A of Part III of the Australian Tax Act. For IWT purposes, “interest” is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts.

Generally, payments of interest under the Offered Notes made by the Trustee to a Noteholder that is:

- (a) a non-Australian resident (other than if the interest is paid to the Noteholder in carrying on business in Australia at or through a permanent establishment in Australia); or
- (b) an Australian resident receiving the interest in carrying on business outside Australia at or through a permanent establishment in that country,

will be subject to IWT at a rate of 10% unless an exemption applies.

Exemption under section 128F of the Australian Tax Act

An exemption from IWT is available, in respect of interest that is paid on the Offered Notes issued by the Trust, under section 128F of the Australian Tax Act if the following conditions are met:

- (a) the Trustee is a company as defined in section 128F(9) (which includes certain companies acting in their capacity as trustee) and a resident of Australia when it issues those Offered Notes and when interest (as defined in section 128A(1AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts;
- (b) the Offered Notes are debentures that are not equity interests, and are issued in a manner which satisfies the public offer test outlined in section 128F of the Australian Tax Act. There are five principal methods of satisfying the public offer test, the purpose

of which is to ensure that lenders in overseas capital markets are aware that the Trustee is offering those Offered Notes for issue. In summary, the five methods are:

- (i) offers to 10 or more unrelated financiers, securities dealers or entities that carry on the business of investing in securities;
 - (ii) offers to 100 or more investors of a certain type;
 - (iii) offers of listed notes;
 - (iv) offers via publicly available information sources; and
 - (v) offers to a dealer, manager or underwriter who offers to sell those Offered Notes within 30 days by one of the preceding methods;
- (c) the Trustee does not know or have reasonable grounds to suspect, at the time of issue, that those Offered Notes or interests in those Offered Notes were being, or would later be, acquired directly or indirectly by an “associate” of the Trustee (as defined in section 128F(9) of the Australian Tax Act), except as permitted by section 128F(5) of the Australian Tax Act; and
- (d) at the time of the payment of interest, the Trustee does not know, or have reasonable grounds to suspect, that the payee is an “associate” of the Trustee (as defined in section 128F(9) of the Australian Tax Act), except as permitted by section 128F(6) of the Australian Tax Act (see below).

Associates

Since the Trustee is a trustee of a trust, the entities that are “associates” of the Trustee for the purposes of section 128F of the Australian Tax Act include:

- (a) any entity that benefits, or is capable of benefiting, under the Trust (“**Beneficiary**”), either directly or through any interposed entities; and
- (b) any entity that is an associate of a Beneficiary. If the Beneficiary is a company, an associate of that Beneficiary for these purposes includes:
 - (i) a person or entity that holds more than 50% of the voting shares in, or otherwise controls, the Beneficiary;
 - (ii) an entity in which more than 50% of the voting shares are held by, or which is otherwise controlled by, the Beneficiary;
 - (iii) a trustee of a trust where the Beneficiary benefits or is capable of benefiting (whether directly or indirectly) under that trust; and
 - (iv) a person or entity that is an “associate” of another person or company which is an “associate” of the Beneficiary under sub-paragraph (i) above.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (c) and (d) above), the issue of the Offered Notes to, and the payment of interest to, the following “associates” will not be subject to IWT where the requirements of section 128F are otherwise satisfied:

- (A) onshore associates (i.e. Australian resident associates who do not acquire the Offered Notes in carrying on business at or through a permanent establishment outside Australia and non-resident associates who acquire the Offered Notes in carrying on business at or through a permanent establishment in Australia); or

- (B) offshore associates (i.e. Australian resident associates that acquire the Offered Notes in carrying on business at or through a permanent establishment outside Australia and non-resident associates who do not acquire the Offered Notes in carrying on business at or through a permanent establishment in Australia) who are acting in the capacity of:
 - (aa) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the relevant Offered Notes or a clearing house, custodian, funds manager or responsible entity of an Australian registered scheme; or
 - (ab) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of an Australian registered scheme.

Compliance with section 128F of the Australian Tax Act – Offered Notes

It is intended that the Offered Notes will be issued in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

Accordingly, the Offered Notes should not be acquired by any Offshore Associate of the Trustee or HSBC (other than a Permitted Offshore Associate).

Noteholders in Specified Countries

The Australian Government has signed new or amended double tax conventions (“**Specified Treaties**”) with a number of countries (the “**Specified Countries**”), which contain certain exemptions from IWT.

In broad terms, the Specified Treaties prevent IWT being imposed on interest derived by:

- (a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; or
- (b) a “financial institution” which is a resident in a Specified Country and which is unrelated to and dealing wholly independently with the Trustee. The term “financial institution” refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. However, interest paid under a back-to-back loan or an economically equivalent arrangement will not qualify for the exemption.

Specified Countries include the United States, the United Kingdom, Germany, France, Finland, Norway, Japan, New Zealand, South Africa and Switzerland.

The Australian Federal Treasury currently maintains a listing of Australia’s double tax conventions which is available to the public at the Federal Treasury’s website.

No payment of additional amounts

Despite the fact that Offered Notes (as described above) are intended to be issued in a manner which will satisfy the requirements of section 128F of the Australian Tax Act, if the Trustee is at any time required by law to deduct or withhold an amount in respect of any IWT imposed or levied by the Commonwealth of Australia in respect of any Class of the Offered Notes, the Trustee is not obliged to pay any additional amounts to the Noteholders in respect of such deduction or withholding.

Goods and Services Tax (“GST”)

If an entity makes a “taxable supply”, it is required to remit GST to the Australian Taxation Office at the rate of 10% based on the value of that supply. However, a supply will only be taxable to the extent that it is not “GST-free” or “input taxed”.

The Trust is a member of the GST Group of which HSBC is the representative member (“**HSBC GST Group**”). Accordingly, any GST liabilities on supplies made by the Trust or credit entitlements relating to acquisitions by the Trust will rest with HSBC. The Trust has entered into an indirect tax sharing agreement to ensure that it is liable only for an allocated share of the indirect tax liabilities of the HSBC GST Group. It is expected that the Trust’s allocated share of that liability will be nil.

References below to supplies or acquisitions that are made by the Trustee are a reference to supplies or acquisitions that will be made by Perpetual in its capacity as trustee.

Neither the issue of the Offered Notes nor the payment of interest or principal on the Offered Notes will involve taxable supplies. Services provided to the Trust and the Trustee will be a mixture of taxable and input taxed supplies for GST purposes. If a supply is taxable, the supplier has the primary obligation to account for GST in respect of that supply and must rely on a contractual provision to recoup that GST from the Trust or the Trustee (as appropriate).

GST will not be charged on supplies made between members of the HSBC GST Group. Accordingly, no GST should be chargeable on supplies made to the Trust by other members of the HSBC GST Group (for example the management and servicing services).

Since the Trust’s acquisitions of taxable supplies (e.g. from the Trustee and the Security Trustee) relate to the making of input taxed financial supplies by the Trust, HSBC (as representative member of the HSBC GST Group) will not be entitled to full input tax credits. However, HSBC may be entitled to claim “reduced input tax credits” (“**RITCs**”) for acquisitions made by the Trust which are included in the list of prescribed “reduced credit acquisitions” set out in section 70-5.02 of the GST Regulations. No RITCs are available for acquisitions that are not included in the list (for example, RITCs are not available for audit or rating agency fees or for most legal fees).

In general, a RITC is equivalent to 75% of the value of a full input tax credit, however in respect of the acquisition of services made by trustees, the RITC will be 55% if the trust concerned is a “recognised trust scheme”. Since the Trust and other members of the HSBC GST Group are regarded as a single entity, that single entity would not be a “recognised trust scheme”. The result would therefore be that the 55% RITC rate would not apply and that the 75% RITC rate would apply.

If the Trust or the Trustee acquires services in circumstances where the services are not connected with the indirect tax zone, the Trust (rather than HSBC as the representative member) may be liable for GST in respect of those services under certain “reverse charge” provisions. Such a GST liability may reduce the funds available for distribution by the Trust or the Trustee.

Other Tax Matters

Under Australian laws as presently in effect:

- (a) *income tax - offshore Noteholders* - assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Offered Notes, payment of principal and interest (as defined in section 128A(1AB) of the Australian Tax Act) to a Noteholder, who is a non-resident of Australia and who, during the taxable year, does not hold the Offered Notes in carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes; and
- (b) *income tax - Australian Noteholders* - Australian residents or non-Australian residents who hold the Offered Notes in carrying on business at or through a permanent

establishment in Australia (“**Australian Noteholders**”), will be assessable for Australian tax purposes on income either received or accrued to them in respect of the Offered Notes. Whether income will be recognised on a cash receipts or accruals basis will depend upon the tax status of the particular Noteholder and the terms and conditions of the Offered Notes. Special rules apply to the taxation of Australian residents who hold the Offered Notes in the course of carrying on business at or through a permanent establishment outside Australia, which may vary depending on the country in which that permanent establishment is located; and

- (c) *gains on disposal of Offered Notes – offshore Noteholders* – a Noteholder, who is a non-resident of Australia and who, during the taxable year, does not hold the Offered Notes in carrying on business at or through a permanent establishment in Australia will not be subject to Australian income or capital gains tax on gains realised during that year on the sale of the Offered Notes, provided such gains do not have an Australian source. A gain arising on the sale of Offered Notes by a non-Australian resident Noteholder to another non-Australian resident of Australia for tax purposes where the Offered Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia should not be regarded as having an Australian source; and
- (d) *gains on disposal of Offered Notes – Australian Noteholders* – Australian Noteholders will be required to include any gain or loss on disposal of the Offered Notes in their taxable income. Special rules apply to the taxation of Australian residents who hold the Offered Notes in carrying on business at or through a permanent establishment outside Australia, which may vary depending on the country in which that permanent establishment is located; and
- (e) *deemed interest* - there are specific rules that can apply to treat a portion of the purchase price of Offered Notes as interest for IWT purposes when certain Offered Notes originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in carrying on business at or through a permanent establishment outside Australia) or a non-resident who acquires them in carrying on business at or through a permanent establishment in Australia. As the Offered Notes are not issued at a discount, do not have a maturity premium and pay interest at least annually, these rules should not apply to the Offered Notes.

These rules do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Tax Act; and
- (f) *death duties* - no Offered Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death; and
- (g) *stamp duty and other taxes* - no ad valorem stamp duty, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Offered Notes; and
- (h) *TFN/ABN withholding* - section 12-140 of Schedule 1 to the Taxation Administration Act imposes a type of withholding tax (see below in relation to the rate of withholding tax) on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number (“TFN”), (in certain circumstances) an Australian Business Number (“ABN”) or provided proof of some other exception (as appropriate). Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Offered Notes, then the requirements of section 12-140 do not apply to payments to a Noteholder in registered form who is not a resident of Australia and not holding those Offered Notes in the course of carrying on business at or through a permanent establishment in Australia.

The rate of withholding tax under current law is currently 47%; and.

- (i) *supply withholding tax* - payments in respect of the Notes can be made free and clear of any “supply withholding tax”; and
- (j) *additional withholdings from certain payments to non-resident* – section 12-315 of Schedule 1 to the Taxation Administration Act gives the Governor-General power to make regulations requiring withholding from certain payments made to non- residents. However, section 12-315 expressly provides that the regulations will not apply to interest and other payments which are already subject to the current IWT rules or specifically exempt from those rules. Further, regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. Any future regulations should not apply to repayments of principal under the Offered Notes as, in the absence of any issue discount, such amounts will generally not be reasonably related to assessable income. The possible application of any future regulations to the proceeds of any sale of the Notes will need to be monitored; and
- (k) *garnishee directions* – the Commissioner of Taxation may give a direction requiring the Trustee to deduct or withhold from any payment to a holder of Offered Notes any amount in respect of tax payable by that other party. If the Trustee is served with such a direction, the Trustee will comply with that direction and make any deduction required by that direction.

11 SUBSCRIPTION AND SALE

11.1 Subscription

Pursuant to the Initial Dealer Agreement, each Dealer has agreed with the Trustee and the Manager, subject to the satisfaction of certain conditions, that it will use reasonable endeavours to procure subscriptions for or bid for the Offered Notes.

Australia

Each Dealer has acknowledged that:

- (a) no prospectus or other disclosure document in relation to the Offered Notes or any Transaction Document has been lodged with ASIC; and
- (b) no action has been taken or will be taken in any jurisdiction which would permit a public offering of the Offered Notes, or possession or distribution of the Information Memorandum or any other offering material in relation to the Offered Notes, in any jurisdiction where action for that purpose is required.

Each Dealer has represented, warranted and agreed, severally in respect of itself only, that it has not:

- (c) made or invited, and will not make or invite, an offer of the Offered Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (d) distributed or published, and will not distribute or publish, the Information Memorandum or any other offering material or advertisement relating to any Offered Notes in Australia,

unless:

either (i) the minimum aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternate currency) disregarding money lent by the offeror or its associates (as described in Division 2 of Part 1.2 in Chapter 1 of the Corporations Act) (ii) the offer or invitation is to a professional investor for the purposes of section 708 of the Corporations Act, or (iii) the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act;

- (e) the offer or invitation is not made to a “retail client” as defined for the purposes of section 761G of the Corporations Act;
- (f) such action complies with all applicable laws regulations and directives (including, without limitation, the financial services licensing requirements of the Corporations Act); and
- (g) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

European Economic Area

Each Dealer has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Offered Notes to any EEA Retail Investor in the European Economic Area (“EEA”). For the purposes of this provision:

- (a) the expression “EEA Retail Investor” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”);
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended) (the “**Prospectus Regulation**”); and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Offered Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Offered Notes.

The United Kingdom

Prohibition of sales to UK retail investors

Each Dealer has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Offered Notes to any UK Retail Investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “UK Retail Investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended) (“**EUWA**”);
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 of the United Kingdom (as amended) (“**FSMA**”) and any rules or regulations made under the FSMA (such rules and regulations as amended) to implement Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA and as amended; or
 - (iii) not a UK Qualified Investor; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Offered Notes to be offered so as to enable an investor to decide to purchase or subscribe for any Offered Notes.

Other regulatory restrictions

Each Dealer has represented, warranted and agreed that:

- (a) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Offered Notes in, from or otherwise involving the United Kingdom; and
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Offered Notes in circumstances in which section 21(1) of the FSMA does not apply to the Manager or the Trustee.

The United States of America

Each Dealer has represented, warranted and agreed that:

- (a) the Offered Notes have not been and will not be registered under the US Securities Act of 1933, as amended ("**Securities Act**") and the Trustee has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended ("**Investment Company Act**"). An interest in Offered Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the Securities Act ("**Regulation S**")) at any time except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the Securities Act;
- (b) it has offered and sold the Offered Notes, and will offer and sell the Offered Notes:
 - (i) as part of their distribution at any time; and
 - (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date,

only in accordance with Rule 903 of Regulation S.

Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Offered Notes, and it and they have complied and will comply with the offering restriction requirements of Regulation S;

- (c) at or prior to confirmation of the sale of the Offered Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases the Offered Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Notes covered hereby have not been registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulation authority of any state or other jurisdiction of the United States of America and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act."

Terms used in paragraphs (a), (b) and (c) above have the meanings given to them by Regulation S.;

- (d) it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of the Offered Notes in contravention of this paragraph and paragraphs (a), (b) and (c) above, except with its affiliates or with the prior written consent of the Trustee and the Manager; and
- (e) with respect to Offered Notes issued in accordance with US Treas. Reg. § 1.163-5(c)(2)(i)(D) (or substantially identical successor provisions) ("**D Rules**"):
 - (i) except to the extent permitted under the D Rules:
 - (A) it has not offered or sold, and until 40 days after the later of the commencement of the offering and the Closing Date (the "restricted period") will not offer or sell, the Offered Notes to a person who is within the United States or its possessions or to a United States person; and

- (B) it has not delivered and will not deliver within the United States or its possessions definitive Offered Notes that are sold during the restricted period;
- (ii) it has, and throughout the restricted period will have, in effect procedures reasonably designed to ensure that its employees or agents who directly engage in selling Offered Notes are aware that such Offered Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (iii) if it is a United States person, it is acquiring the Offered Notes for purposes of resale in connection with their original issue and if it retains Offered Notes for its own account, it will only do so in accordance with the requirements of US Treas. Reg. § 1.163-5(c)(2)(i)(D)(6); and
- (iv) with respect to each affiliate that acquires from it Offered Notes in bearer form for the purpose of offering or selling such Offered Notes during the restricted period, such Dealer either:
 - (A) repeats and confirms the representations and agreements contained in sub-paragraphs (i), (ii) and (iii) above on behalf of such affiliate; or
 - (B) agrees that it will obtain from such affiliate for the Trustee's benefit the representations and agreements contained in sub-paragraphs (i), (ii) and (iii) above.

Terms used in paragraph (e) above have the meanings given to them by the US Internal Revenue Code and regulations thereunder, including the D Rules.

Hong Kong

Each Dealer has represented, warranted and agreed that:

- (a) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document, any Offered Notes (except for Offered Notes which are a "**structured product**" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended (the "**SFO**")) other than:
 - (v) to "professional investors" as defined in the SFO and any rules made under the SFO; or
 - (vi) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32 of the Laws of Hong Kong), as amended ("**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) unless permitted to do so under the laws of Hong Kong, it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue (in each case, whether in Hong Kong or elsewhere), any advertisement, invitation, offering material or document relating to the Offered Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than with respect to Offered Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

Singapore

Each Dealer has acknowledged that the Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“**MAS**”) under the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (“**SFA**”). Accordingly, each Dealer has represented, warranted and agreed that it has not offered or sold any Offered Notes or caused such Offered Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute the Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Offered Notes, whether directly or indirectly, to any person in Singapore other than:

- (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the “**SFA**”)) (an “**Institutional Investor**”) pursuant to Section 274 of the SFA;
- (b) to a relevant person (as defined in Section 275(2) of the SFA) (a “**Relevant Person**”) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Where Offered Notes are subscribed for or purchased under section 275 by a Relevant Person who is:

- (a) a corporation (which is not an accredited investor as defined in Section 4A of the SFA (an “**Accredited Investor**”)), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an Accredited Investor; or
- (b) a trust (where the trustee is not an Accredited Investor), whose sole purpose of which is to hold investments and each beneficiary of the trust is an individual who is an Accredited Investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired Offered Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an Institutional Investor, an Accredited Investor or a Relevant Person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Notification under Section 309B of the SFA: Each Dealer acknowledges that the Manager has notified each Dealer that, unless otherwise specified before an offer of Offered Notes, the Offered Notes are “capital markets products other than prescribed capital market products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and “Specified Investment Products” (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Any reference to the SFA is a reference to the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Japan

The Offered Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (“**Financial Instruments and Exchange Act**”) and, accordingly, each Dealer has represented, warranted and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Offered Notes in Japan or to, or for the account or benefit of, any Japanese Person, or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the account or benefit of, any Japanese Person, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

For the purposes of this paragraph, “Japanese Person” means a “resident” of Japan as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended). Any branch or office in Japan of a non-resident will be deemed to be a resident irrespective of whether such branch or office has the power to represent such non-resident.

People’s Republic of China

Each Dealer has represented, warranted and agreed, that:

- (a) the Offered Notes are not being sold or offered and may not be sold or offered in the People’s Republic of China; and
- (b) it will only offer and sell the Offered Notes to People’s Republic of China resident investors from outside the People’s Republic of China in such a manner as complies with securities laws and regulations applicable to such cross border activities in the People’s Republic of China.

New Zealand

Each Dealer has represented, warranted and agreed that:

- (a) it has not offered or sold, and will not offer or sell, directly or indirectly, any Offered Notes; and
- (b) it has not distributed and will not distribute, directly or indirectly, any offering materials or advertisement in relation to any offer of Offered Notes,

in each case in New Zealand other than:

- (i) to persons who are “wholesale investors” as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the Financial Markets Conduct Act 2013 of New Zealand (the “**FMC Act**”), being a person who is:
 - (A) an “investment business”;
 - (B) “large”; or
 - (C) a “government agency”,in each case as defined in Schedule 1 to the FMC Act; or
- (ii) in other circumstances where there is no contravention of the FMC Act, provided that (without limiting paragraph (c)) above) Offered Notes may not be

offered or transferred to any “eligible investors” (as defined in the FMC Act) or any person that meets the investment activity criteria specified in clause 38 of Schedule 1 to the FMC Act.

General

Each Dealer:

- (a) has represented, warranted and agreed that:
 - (i) it has not and will not, and will not authorise any other person to, directly or indirectly, offer, sell, resell, re-offer or deliver Offered Notes or distribute the Information Memorandum or any circular, advertisement or other offering material in relation to the Offered Notes (or take any action, or omit to take any action, that could result in it directly or indirectly, offering, selling, reselling, reoffering, delivering or distributing as aforesaid) in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief after making due and proper enquiries, result in compliance with all applicable laws and regulations thereof, and all offers and sales of Offered Notes by it will be made on the same terms; and
 - (ii) it will not cause any advertisement of the Offered Notes to be published in any newspaper or periodical or posted in any public place and will not issue any circular relating to the Offered Notes (other than the Information Memorandum in accordance with the Dealer Agreement), except in any case in accordance with the terms of the Dealer Agreement and with the express written consent of the Manager; and
- (b) has acknowledged that no action has been, or will be, taken by the Trustee or any of the Dealers to permit a public offering of the Offered Notes in any country or jurisdiction where action for that purpose would be required. Accordingly, the Offered Notes may not be offered or sold, directly or indirectly, and neither the Information Memorandum nor any circular, prospectus, form of application, advertisement or other material, may be distributed in or from or published in any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws or regulation.

In these selling restrictions, “directive” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply.

Variation

These selling restrictions may be changed by the Trustee and the Manager in consultation with each Dealer following a change in any law or directive or in its interpretation or administration by an authority or the introduction of a new law or directive.

Glossary of Terms

A\$, AUD or Australian dollars	means the lawful currency of the Commonwealth of Australia.
Accrued Interest Adjustment	means, in respect of: (a) any Trust Receivable the subject of the Offer to Sell, all accrued but unpaid interest in respect of that Trust Receivable as at 5.00pm on the day immediately prior to the Closing Date; and (b) any Trust Receivable the subject of an Offer to Sell Back, all accrued but unpaid interest in respect of that Trust Receivable as at 5.00pm on the day immediately prior to the Settlement Date in respect of that Offer to Sell Back.
Additional Advance	means, in respect of a Trust Receivable, a Redraw or Further Advance in respect of that Trust Receivable.
Additional Advance Facility Advance	means a drawing made under the Additional Advance Facility Agreement.
Additional Advance BBSW Rate	means, for an Additional Advance Interest Determination Date, subject to clause 5.4 ("Temporary Disruption Fallback") and clause 5.5 ("Permanent Discontinuation Fallback") of the Additional Advance Facility Agreement, the per annum rate expressed as a decimal which is the level of BBSW for a period of one month provided by the "Administrator" (as defined in the Additional Advance Facility Agreement) and published as of the "Publication Time" (as defined in the Additional Advance Facility Agreement) on that Additional Advance Interest Determination Date, provided that if the first Additional Advance Interest Period is longer than one month, the BBSW Rate for the first Additional Advance Interest Period will be the rate determined by the Manager using straight line interpolation by reference to two rates where: (a) the first rate must be determined on the Additional Advance Interest Determination Date of that Additional Advance Interest Period as being the per annum rate expressed as a decimal which is the level of BBSW for a period of one month provided by the "Administrator" (as defined in the Additional Advance Facility Agreement) and published as of the "Publication Time" (as defined in the Additional Advance Facility Agreement) on that Additional Advance Interest Determination Date; and (b) the second rate must be determined on the Additional Advance Interest Determination Date of that Additional Advance Interest Period as being the per annum rate expressed as a decimal which is the level of BBSW for a period of two months provided by the "Administrator" (as defined in the Additional Advance Facility Agreement) and published as of the "Publication Time" (as defined in the Additional Advance Facility Agreement) on that Additional

Advance Interest Determination Date.

Additional Advance Drawdown Date	means the date on which an Additional Advance Facility Advance is made under the Additional Advance Facility Agreement.
Additional Advance Event of Default	has the meaning given to it in Section 9.8 ("Additional Advance Facility Agreement").
Additional Advance Facility Agreement	means: (a) the agreement entitled "Additional Advance Facility Agreement - Lion Series 2023-1 Trust" dated on or about 22 June 2023 between the Trustee and others; and (b) any other agreement which the Trustee and the Manager agree is an "Additional Advance Facility Agreement" in respect of the Trust and in respect of which a Rating Notification has been given.
Additional Advance Facility Availability Period	means the period commencing on the Closing Date and ending on the Additional Advance Facility Termination Date.
Additional Advance Facility Provider	means the person identified in the Additional Advance Facility Agreement as the additional advance facility provider. The initial Additional Advance Facility Provider is HSBC.
Additional Advance Facility Termination Date	has the meaning given to it in Section 9.8 ("Additional Advance Facility Agreement").
Additional Advance Interest Determination Date	means, in respect of a Additional Advance Interest Period: (a) where the Additional Advance BBSW Rate applies or the "Final Fallback Rate" (as defined in the Additional Advance Facility Agreement) applies under paragraph (a)(iii) of the definition of "Permanent Discontinuation Fallback" (as defined in the Additional Advance Facility Agreement), the first day of that Additional Advance Interest Period; and (b) otherwise, the fifth Business Day prior to the last day of that Additional Advance Interest Period, subject in each case to adjustment in accordance with the Business Day Convention.
Additional Advance Interest Period	has the meaning given to it in Section 9.8 ("Additional Advance Facility Agreement").
Additional Advance Interest Rate	means, in respect of an Additional Advance Facility Advance and an Additional Advance Interest Period: (a) the Additional Advance BBSW Rate for that Additional Advance Interest Period; plus (b) a margin (as determined under the Additional Advance Facility Agreement).
Additional Advance Limit	means at any time the lesser of:

- (a) an amount equal to the greater of:
 - (i) A\$500,000; and
 - (ii) 0.5% of the aggregate Outstanding Principal Balance of all Performing Receivables (calculated as of the last day of the immediately preceding Collection Period) (or such other percentage as the Manager and the Additional Advance Facility Provider may agree provided that Rating Notification has been given in respect of that other percentage); and
- (b) the amount (if any) to which the Additional Advance Limit has been reduced at that time in accordance with the Additional Advance Facility Agreement.

Additional Advance Principal Outstanding

means, on any day, an amount equal to:

- (a) the aggregate of all Additional Advance Facility Advances made on or before that day; less
- (b) any repayments or prepayments of all such Additional Advance Facility Advances made by the Trustee on or before that day.

Additional Advance Shortfall (Further)

has the meaning set out in Section 4.8 ("Funding of Additional Advances").

Additional Advance Shortfall (Initial)

has the meaning set out in Section 4.8 ("Funding of Additional Advances").

Adjustment Spread

means the adjustment spread as at the Adjustment Spread Fixing Date (which may be a positive or negative value or zero and determined pursuant to a formula or methodology) that is:

- (a) determined as the median of the historical differences between the BBSW Rate and AONIA over a five calendar year period prior to the Adjustment Spread Fixing Date using industry-accepted practices, provided that for so long as the Bloomberg Adjustment Spread is published and determined based on the five year median of the historical differences between the BBSW Rate and AONIA, that adjustment spread will be deemed to be acceptable for the purposes of this paragraph (a); or
- (b) if no such median can be determined in accordance with paragraph (a), set using the method for calculating or determining such adjustment spread determined by the Calculation Agent to be appropriate or, if the Calculation Agent is unable to determine the quantum of, or a formula or methodology for determining, such adjustment spread, then as determined by an alternative financial institution (appointed by the Manager in its sole discretion) acting in good faith and in a commercially reasonable manner.

Adjustment Spread

means the first date on which a Permanent Discontinuation

Fixing Date	Trigger occurs with respect to the BBSW Rate.
Administrator	means: (a) in respect of the BBSW Rate, ASX Benchmarks Pty Limited (ABN 38 616 075 417); (b) in respect of AONIA, the Reserve Bank of Australia; and (c) in respect of any other Applicable Benchmark Rate, the administrator for that rate or benchmark or, if there is no administrator, the provider of that rate or benchmark, or in each case, any successor administrator or, as applicable, any successor administrator or provider.
Administrator Recommended Rate	means the rate formally recommended for use as the replacement for the BBSW Rate by the Administrator of the BBSW Rate.
Adverse Rating Effect	means an effect which results in the downgrading or withdrawal of the then current rating of any of the Offered Notes by a Designated Rating Agency.
Aggregate Invested Amount	means, on any day in respect of a Class of Notes, the aggregate of the Invested Amount of all the Notes of that Class.
Aggregate Stated Amount	means, on any day in respect of a Class of Notes, the aggregate of the Stated Amount of all the Notes of that Class.
AONIA	means the Australian dollar interbank overnight cash rate (known as AONIA).
AONIA Fallback Rate	means, for an Interest Determination Date, the rate determined by the Calculation Agent to be Compounded Daily AONIA for that Interest Determination Date plus the Adjustment Spread.
Applicable Benchmark Rate	means initially, the BBSW Rate or, if a Permanent Fallback Effective Date has occurred with respect to the BBSW Rate, AONIA or the RBA Recommended Rate (as applicable at such time in accordance with Condition 6.10 ("Permanent Discontinuation Fallback")) of the Conditions (see Section 5 ("Conditions of the Offered Notes")).
Arranger	means the party specified as such in Section 2.1 ("Overview – Transaction Parties").
Arrears	subsist in relation to a Trust Receivable if the relevant Obligor fails to pay any amount due under that Trust Receivable on the day it was due. Delayed payments arising from payment holidays based on early repayments (agreed in writing by the Seller), or from maternity or paternity leave repayment reductions, which are granted by the Seller or the Servicer will not, by themselves, lead to a Trust Receivable being in Arrears.
Arrears Ratio	means, in respect of a Determination Date, the amount

(expressed as a percentage) calculated as follows:

$$A = \frac{B}{C}$$

where:

A = the Arrears Ratio in respect of that Determination Date;

B = the aggregate Outstanding Principal Balance of all Trust Receivables which have been in Arrears for more than 90 consecutive days as at the last day of the Collection Period immediately preceding that Determination Date; and

C = the aggregate Outstanding Principal Balance of all Trust Receivables as at the last day of the Collection Period immediately preceding that Determination Date.

ASIC	means the Australian Securities and Investments Commission
ASX	means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691) as the operator of the Australian Securities Exchange, as the context requires.
Austraclear	means Austraclear Limited (ABN 94 002 060 773).
Austraclear System	means the clearing and settlement system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between participants of that system.
Australian Credit Licence	has the meaning given to that term in the NCCP.
Australian Financial Services Licence	means an Australian financial services licence within the meaning of Chapter 7 of the Corporations Act.
Australian Tax Act	means the Income Tax Assessment Act 1936 or the Income Tax Assessment Act 1997, as the case may be.
Authorised Investments	means: (a) cash deposited in an interest bearing bank account in the name of the Trustee with an Eligible Bank; (b) any certificates of deposit or debt securities which: (i) have at least the Required Credit Rating at the time of the acquisition of such investment by the Trustee; (ii) mature (or be capable of being converted to immediately available funds in an amount at least equal to the aggregate outstanding principal amount of that investment plus any accrued interest) on or prior to the next date on which the proceeds from such Authorised Investments will be required to be applied in accordance with Section 6 ("Cashflow

Allocation Methodology”);

(iii) are denominated in Australian Dollars; and

(iv) are held in the name of the Trustee,

in each case which is an “authorised investment” within the meaning of section 289 of the *Duties Act 2001* (Qld) and do not constitute a securitisation exposure or a resecuritisation exposure (as defined in Prudential Standard APS 120 issued by the Australian Prudential Regulation Authority, including any amendment or replacement of that Prudential Standard).

Available Income

means, in respect of any Determination Date and the immediately following Payment Date, the amount calculated in accordance with Section 6.2 (“Available Income”).

Available Liquidity Amount

means on any day an amount equal to:

- (a) the Liquidity Limit on that day; less
- (b) the Liquidity Principal Outstanding on that day.

Available Additional Advance Amount

means on any day an amount equal to:

- (a) the Additional Advance Limit on that day; less
- (b) the Additional Advance Principal Outstanding on that day.

Average Arrears Ratio

means, in respect of a Determination Date, the amount (expressed as a percentage) calculated as follows:

$$A = \frac{B}{3}$$

where:

A = the Average Arrears Ratio in respect of that Determination Date;

B = the sum of the Arrears Ratio for that Determination Date and the Arrears Ratios for the 2 Determination Dates immediately preceding that Determination Date.

Bank

means an authorised deposit-taking institution (as defined in the Banking Act 1959 (Cth)).

Basis Swap

means:

- (a) the basis swap transaction entered between the Trustee, the Manager and the Basis Swap Provider substantially on the terms set out in Annexure 5 of the Initial Derivative Contract; or
- (b) any replacement basis swap transaction entered into on such other terms as agreed between the Trustee,

the Manager and the relevant Basis Swap Provider.

Basis Swap Provider	means HSBC or such other person who may be appointed under a Derivative Contract in respect of the Trust to act as the Basis Swap Provider.
BBSW	means the Australian dollar mid-rate benchmark for prime bank eligible securities (known as the Australian Bank Bill Swap Rate or BBSW).
BBSW Rate	means, for an Interest Determination Date, subject to Condition 6.9 Temporary Disruption Fallback”) and Condition 6.10 (“Permanent Discontinuation Fallback”) of the Conditions (see Section 5 (“Conditions of the Offered Notes”)), the per annum rate expressed as a decimal which is the level of BBSW for a period of one month provided by the Administrator and published as of the Publication Time on that Interest Determination Date, provided that if the first Interest Period is longer than one month, the BBSW Rate for the first Interest Period will be the rate determined by the Calculation Agent using straight line interpolation by reference to two rates where: (a) the first rate must be determined on the Interest Determination Date of that Interest Period as being the per annum rate expressed as a decimal which is the level of BBSW for a period of one month provided by the Administrator and published as of the Publication Time on that Interest Determination Date; and (b) the second rate must be determined on the Interest Determination Date of that Interest Period as being the per annum rate expressed as a decimal which is the level of BBSW for a period of two months provided by the Administrator and published as of the Publication Time on that Interest Determination Date. The rate calculated or determined in accordance with the above will be (if necessary) rounded upwards to 4 decimal places.
Bloomberg	means Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time), as the provider of term adjusted AONIA and the spread.
Bloomberg Adjustment Spread	means the term adjusted AONIA spread relating to the BBSW Rate provided by Bloomberg, on the Fallback Rate (AONIA) Screen (or by other means) or provided to, and published by, authorised distributors.
Business Day	means a day on which banks are open for general banking business in Sydney and Melbourne (not being a Saturday, Sunday or public holiday in that place).
Business Day Convention	means the convention for adjusting any date if it would otherwise fall on a day that is not a Business Day, such that the date is postponed to the next Business Day.
Calculation Agent	means the Manager.

Call Option	means the Trustee's option to redeem Offered Notes before the Maturity Date on each Call Option Date in accordance with Condition 8.2 ("Redemption of Notes – Call Option") of the Conditions (see Section 5 ("Conditions of the Offered Notes")).
Call Option Date	has the meaning given to it in Section 2.3 ("Overview – Key Dates").
Carryover Principal Charge-Off	has the meaning set out in Section 6.12 ("Allocation of Principal Charge-Offs").
Cashflow Allocation Methodology	means the cashflow allocation methodology described in Section 6 ("Cashflow Allocation Methodology").
Cashflow Support	means: (a) each Derivative Contract; (b) the Liquidity Facility Agreement; (c) the Additional Advance Facility Agreement; and (d) any other document which is from time to time agreed between the Trustee and the Manager to be a Cashflow Support Facility for the purposes of the Trust and in respect of which a Rating Notification has been given.
Circulating Resolution	means a written resolution of Secured Creditors made in accordance with paragraph 9 ("Circulating Resolutions") of the Meetings Provisions.
Class	means a class of Notes.
Class A Notes	means the Class A1 Notes and the Class A2 Notes.
Class A1 Note	means any Note designated as a "Class A1 Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class A1 Noteholder	means a Noteholder of a Class A1 Note.
Class A2 Note	means any Note designated as a "Class A2 Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class A2 Noteholder	means a Noteholder of a Class A2 Note.
Class B Interest	means, in respect of a Class B Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which has accrued on that Class B Note during that Interest Period in accordance with condition 6 ("Interest") of Section 5 ("Conditions of the Notes").
Class B Note	means any Note designated as a "Class B Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class B Noteholder	means a Noteholder of a Class B Note.
Class B Residual Interest	means, in respect of a Class B Note and a Payment Date and the Interest Period ending on (but excluding) that Payment

Date, the amount equal to:

- (a) the Class B Interest in respect of that Class B Note and that Payment Date; plus
- (b) any unpaid Class B Interest in respect of that Class B Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class B Interest); minus
- (c) the Class B Senior Interest in respect of that Class B Note and that Payment Date.

Class B Senior Interest

means, in respect of a Class B Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date:

- (a) zero, if the Stated Amount of that Class B Notes is zero (as at the first day of that Interest Period);
- (b) if paragraph (a) does not apply and that Payment Date is after the first Call Option Date, the aggregate of:
 - (i) the Class B Step-Down Interest in respect of that Class B Note and that Payment Date; plus
 - (ii) any unpaid Class B Step-Down Interest in respect of that Class B Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class B Step-Down Interest); or
- (c) if neither paragraph (a) nor paragraph (b) apply in respect of that Payment Date, the aggregate of:
 - (i) the Class B Interest in respect of that Class B Note and that Payment Date; plus
 - (ii) any unpaid Class B Interest in respect of that Class B Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class B Interest).

Class B Step-Down Interest

means, in respect of a Class B Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which would have accrued on that Class B Note during that Interest Period in accordance with condition 6 ("Interest") of the Conditions if the Interest Rate in respect of the Class B Notes for that Interest Period was equal to the Step-Down Interest Rate in respect of the Class B Notes and that Interest Period.

Class C Interest

means, in respect of a Class C Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which has accrued on that Class C Note during that Interest Period in accordance with condition 6 ("Interest") of Section 5 ("Conditions of the Notes").

Class C Note	means any Note designated as a “Class C Note” and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class C Noteholder	means a Noteholder of a Class C Note.
Class C Residual Interest Amount	means, in respect of a Class C Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the amount equal to: (a) the Class C Interest in respect of that Class C Note and that Payment Date; plus (b) any unpaid Class C Interest in respect of that Class C Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class C Interest); minus (c) the Class C Senior Interest in respect of that Class C Note and that Payment Date.
Class C Senior Interest Amount	means, in respect of a Class C Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date: (a) zero, if the Stated Amount of that Class C Notes is zero (as at the first day of that Interest Period); (b) if paragraph (a) does not apply and that Payment Date is after the first Call Option Date, the aggregate of: (i) the Class C Step-Down Interest in respect of that Class C Note and that Payment Date; plus (ii) any unpaid Class C Step-Down Interest in respect of that Class C Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class C Step-Down Interest); or (c) if neither paragraph (a) nor paragraph (b) apply in respect of that Payment Date, the aggregate of: (i) the Class C Interest in respect of that Class C Note and that Payment Date; plus (ii) any unpaid Class C Interest in respect of that Class C Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class C Interest).
Class C Step-Down Interest	means, in respect of a Class C Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which would have accrued on that Class C Note during that Interest Period in accordance with condition 6 (“Interest”) of Section 5 (“Conditions of the Notes”) if the Interest Rate in respect of the Class C Notes for that Interest

Period was equal to the Step-Down Interest Rate in respect of the Class C Notes and that Interest Period.

Class D Interest

means, in respect of a Class D Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which has accrued on that Class D Note during that Interest Period in accordance with condition 6 ("Interest") of Section 5 ("Conditions of the Notes").

Class D Note

means any Note designated as a "Class D Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.

Class D Noteholder

means a Noteholder of a Class D Note.

Class D Residual Interest

means, in respect of a Class D Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the amount equal to:

- (a) the Class D Interest in respect of that Class D Note and that Payment Date; plus
- (b) any unpaid Class D Interest in respect of that Class D Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class D Interest); minus
- (c) the Class D Senior Interest in respect of that Class D Note and that Payment Date.

Class D Senior Interest

means, in respect of a Class D Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date:

- (a) zero, if the Stated Amount of that Class D Notes is zero (as at the first day of that Interest Period);
- (b) if paragraph (a) does not apply and that Payment Date is after the first Call Option Date, the aggregate of:
 - (i) the Class D Step-Down Interest in respect of that Class D Note and that Payment Date; plus
 - (ii) any unpaid Class D Step-Down Interest in respect of that Class D Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class D Step-Down Interest); or
- (c) if neither paragraph (a) nor paragraph (b) apply in respect of that Payment Date, the aggregate of:
 - (i) the Class D Interest in respect of that Class D Note and that Payment Date; plus
 - (ii) any unpaid Class D Interest in respect of that Class D Note and prior Payment Dates which remains unpaid as at that Payment Date

(together with any Interest which has accrued on any such unpaid Class D Interest).

Class D Step-Down Interest

means, in respect of a Class D Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which would have accrued on that Class D Note during that Interest Period in accordance with condition 6 ("Interest") of Section 5 ("Conditions of the Notes") if the Interest Rate in respect of the Class D Notes for that Interest Period was equal to the Step-Down Interest Rate in respect of the Class D Notes and that Interest Period.

Class E Interest

means, in respect of a Class E Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which has accrued on that Class E Note during that Interest Period in accordance with condition 6 ("Interest") of Section 5 ("Conditions of the Notes").

Class E Note

means any Note designated as a "Class E Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.

Class E Noteholder

means a Noteholder of a Class E Note.

Class E Residual Interest

means, in respect of a Class E Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the amount equal to:

- (a) the Class E Interest in respect of that Class E Note and that Payment Date; plus
- (b) any unpaid Class E Interest in respect of that Class E Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class E Interest); minus
- (c) the Class E Senior Interest in respect of that Class E Note and that Payment Date.

Class E Senior Interest

means, in respect of a Class E Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date:

- (a) zero, if the Stated Amount of that Class E Notes is zero (as at the first day of that Interest Period);
- (b) if paragraph (a) does not apply and that Payment Date is after the first Call Option Date, the aggregate of:
 - (i) the Class E Step-Down Interest in respect of that Class E Note and that Payment Date; plus
 - (ii) any unpaid Class E Step-Down Interest in respect of that Class E Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class E Step-Down Interest); or

- (c) if neither paragraph (a) nor paragraph (b) apply in respect of that Payment Date, the aggregate of:
 - (i) the Class E Interest in respect of that Class E Note and that Payment Date; plus
 - (ii) any unpaid Class E Interest in respect of that Class E Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class E Interest).

Class E Step-Down Interest

means, in respect of a Class E Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which would have accrued on that Class E Note during that Interest Period in accordance with condition 6 ("Interest") of Section 5 ("Conditions of the Notes") if the Interest Rate in respect of the Class E Notes for that Interest Period was equal to the Step-Down Interest Rate in respect of the Class E Notes and that Interest Period.

Class F Interest

means, in respect of a Class F Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which has accrued on that Class F Note during that Interest Period in accordance with condition 6 ("Interest") of Section 5 ("Conditions of the Notes").

Class F Note

means any Note designated as a "Class F Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.

Class F Noteholder

means a Noteholder of a Class F Note.

Class F Residual Interest

means, in respect of a Class F Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the amount equal to:

- (a) the Class F Interest in respect of that Class F Note and that Payment Date; plus
- (b) any unpaid Class F Interest in respect of that Class F Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class F Interest); minus
- (c) the Class F Senior Interest in respect of that Class F Note and that Payment Date.

Class F Senior Interest

means, in respect of a Class F Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date:

- (a) zero, if the Stated Amount of that Class F Notes is zero (as at the first day of that Interest Period);
- (b) if paragraph (a) does not apply and that Payment Date is after the first Call Option Date, the aggregate of:

- (i) the Class F Step-Down Interest in respect of that Class F Note and that Payment Date; plus
 - (ii) any unpaid Class F Step-Down Interest in respect of that Class F Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class F Step-Down Interest); or
- (c) if neither paragraph (a) nor paragraph (b) apply in respect of that Payment Date, the aggregate of:
- (i) the Class F Interest in respect of that Class F Note and that Payment Date; plus
 - (ii) any unpaid Class F Interest in respect of that Class F Note and prior Payment Dates which remains unpaid as at that Payment Date (together with any Interest which has accrued on any such unpaid Class F Interest).

Class F Step-Down Interest

means, in respect of a Class F Note and a Payment Date and the Interest Period ending on (but excluding) that Payment Date, the Interest which would have accrued on that Class F Note during that Interest Period in accordance with condition 6 (“Interest”) of Section 5 (“Conditions of the Notes”) if the Interest Rate in respect of the Class F Notes for that Interest Period was equal to the Step-Down Interest Rate in respect of the Class F Notes and that Interest Period.

Class Margin

in respect of a Class of Notes, has the meaning given to it in Section 2.4 (“Overview – Key Terms of the Offered Notes”).

Clearing System

means the Austraclear System or any other clearing system that may be specified in the Issue Supplement.

Closing Date

has the meaning given to it in Section 2.3 (“Overview – Key Dates”).

Collateral

means all Trust Assets of the Trust which the Trustee acquires or to which the Trustee becomes entitled on or after the date of the General Security Deed.

Collateral Account

means a segregated account opened at the direction of the Manager in the name of the Trustee with an Eligible Bank to which the proceeds of any Collateral Advance are to be deposited.

Collateral Account Balance

means, at any time, the balance of the Collateral Account at that time plus, if any amount from the Collateral Account has been invested in Authorised Investments, the face value of such Authorised Investments.

Collateral Advance

means the principal amount of each advance made by the Liquidity Facility Provider under clause 2.3 (“Collateral Advance Request”) of the Liquidity Facility Agreement, or the balance of such advance outstanding from time to time as the context requires and includes any deemed Collateral Advance in accordance with clause 10.5 (“Repayment of Liquidity

	Advances”) of the Liquidity Facility Agreement.
Collateral Advance Request	means a request for a Collateral Advance made in accordance with clause 2.3 (“Collateral Advance Request”) of the Liquidity Facility Agreement.
Collateral Support	means, on any day: (a) in respect of a Derivative Contract, the amount of collateral (if any) paid or transferred to the Trustee by a Derivative Counterparty in accordance with the terms of a Derivative Contract that has not been applied before that day to satisfy the Derivative Counterparty’s obligations under the Derivative Contract; and (b) in respect of the Liquidity Facility Agreement, the Collateral Account Balance on that day.
Collection Account	means the bank account in the name of Trustee opened in accordance with the Transaction Documents for the Trust and designated by the Manager as the collection account for the Trust.
Collection Period	means the period from (and including) the first day of a calendar month to (and including) the last day of that calendar month, provided that the first Collection Period will commence on (and include) the Closing Date and will end on (and include) 31 July 2023.
Collections	means, in respect of a Collection Period, all amounts received by, or on behalf of, the Trustee in respect of the Trust Receivables, including, without limitation: (a) all principal, interest and fees; (b) the proceeds received under any Mortgage Insurance Policy; (c) any proceeds recovered from any enforcement action in respect of a Trust Receivable; (d) any proceeds received on any sale or Reallocation of any Trust Receivable; (e) any amount received as damages in respect of a breach of any representation, warranty or covenant in connection with any Trust Receivable; and (f) any amounts paid by the Seller in accordance with Section 4.11 (“Gross-up for Offset Accounts”). In respect of the first Collection Period it also includes (without double-counting), any Principal Adjustment paid by the Seller to the Trustee.
Compounded Daily	means, for an Interest Determination Date, the rate which is the rate of return of a daily compound interest investment, calculated in accordance with the formula below: $\left[\prod_{i=1}^{d_0} \left(1 + \frac{AONIA_{i-5BD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$

where:

d means the number of calendar days in the relevant Interest Period;

d₀ means the number of Business Days in the relevant Interest Period;

AONIA_{i-5BD} means the per annum rate expressed as a decimal which is the level of AONIA provided by the Administrator and published as of the Publication Time for the Business Day falling five Business Days prior to such Business Day "*i*";

i is a series of whole numbers from 1 to *d₀*, each representing the relevant Business Day in chronological order from (and including) the first Business Day in the relevant Interest Period to (and including) the last Business Day in such Interest Period; and

n_i for any Business Day "*i*", means the number of calendar days from (and including) such Business Day "*i*" up to (but excluding) the following Business Day.

If for any reason Compounded Daily AONIA needs to be determined for a period other than an Interest Period, Compounded Daily AONIA is to be determined as if that period were an Interest Period starting on (and including) the first day of that period and ending on (but excluding) the last day of that period.

Conditions	means the conditions of the Offered Notes set out in Section 5 ("Conditions of the Offered Notes").
Controller	has the meaning given to it in the Corporation Act.
Corporations Act	means the Corporations Act 2001 (Cth).
Costs	includes costs, charges, fees and expenses, including those incurred in connection with advisers.
Counterparty	means each party to any Transaction Document other than Trustee and the Security Trustee.
Cut-Off Date	has the meaning given to it in Section 2.3 ("Overview – Key Dates")
Day Count Fraction	means, for the purposes of the calculation of interest for any period, the actual number of days in the period divided by 365.
Dealer	means each person specified as such in Section 2.1 ("Overview – Transaction Parties").
Dealer Agreement	means the document entitled "Dealer Agreement - Lion Series 2023-1 Trust" dated 29 May 2023 between the Trustee and others.
Defaulting Party	in respect of a Derivative Contract, has the meaning given to it in that Derivative Contract.

Delinquent Receivable	means, at any time, a Trust Receivable: (a) that is then in Arrears for 90 consecutive days or more; or (b) is determined by the Servicer to be non-performing (having regard to the definition of that term in the Prudential Standard APS220 Credit Risk Management).
Derivative Contract	means: (a) the Initial Derivative Contract; and (b) each other Derivative Contract (as defined in the Master Definitions Schedule) in respect of the Trust entered into by the Trustee provided that a Rating Notification has been given respect of such Derivative Contract.
Derivative Counterparty	means, at any time, the counterparty under a Derivative Contract. The initial Derivative Counterparty is HSBC.
Designated Rating Agency	means each of S&P and Fitch.
Determination Date	means the day which is 4 Business Days prior to a Payment Date.
Eligible Bank	means any Bank with a rating equal to or higher than: (a) in respect of S&P: (i) a long term credit rating of A; or (ii) if the relevant entity does not have a long term credit rating from S&P, a short-term credit rating of A-1; and (b) in in respect of Fitch, a long term credit rating of A or a short term credit rating of F1, or such other credit ratings by the relevant Designated Rating Agency as may be notified by the Manager to the Trustee from time to time provided that a Rating Notification is given in respect of such other credit ratings.
Eligible Receivable	means a Trust Receivable which satisfies the Eligibility Criteria on the Closing Date.
Eligibility Criteria	has the meaning given to it in Section 4.3 ("Eligibility Criteria").
Encumbrance	means any: (a) security interest as defined in section 12(1) or section 12(2) of the PPSA; or (b) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit

arrangement; or

- (c) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or
- (d) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease, or licence to use or occupy; or
- (e) third party right or interest or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

Enforcement Expenses

means all expenses incurred or paid by the Servicer or the Trustee in connection with the enforcement of any Trust Receivable in accordance with the Transaction Documents.

Event of Default

has the meaning given to it in Section 9.5 ("Security Trust Deed and General Security Deed").

Excess Income Reserve

means the ledger account of the Collection Account established and maintained by the Trust Manager in accordance with Section 6.18 ("Excess Income Reserve")

Excess Income Reserve Amount

means, in respect of a Payment Date:

- (a) that is prior to the first Call Option Date, an amount equal to the lesser of:

- (i) the amount calculated as follows:

$$A \times (100\% - B)$$

where:

A = the amount of Total Available Income available to be applied on that Payment Date under Section 6.10(bb) ("Application of Total Available Income"); and

B = the then prevailing corporate tax rate (expressed as a percentage) applicable in Australia; and

- (ii) the amount calculated as follows:

$$A - B$$

where:

A = the Excess Income Reserve Target Balance; and

B = the balance of the Excess Income

Reserve on the Determination Date immediately preceding that Payment Date; and

- (b) that is on or after the first Call Option Date, the amount equal to:

$$A \times (100\% - B)$$

where:

A = the amount of Total Available Income available to be applied on that Payment Date under Section 6.10(bb) ("Application of Total Available Income"); and

B = the then prevailing corporate tax rate (expressed as a percentage) applicable in Australia.

Excess Income Reserve Liquidity Draw

has the meaning set out in Section 6.3 ("Excess Income Reserve Liquidity Draw").

Excess Income Reserve Loss Draw

has the meaning set out in Section 6.7 ("Excess Income Reserve Loss Draw").

Excess Income Reserve Target Balance

means, in respect of a Payment Date that is prior to the first Call Option Date, the amount equal to the greater of:

- (a) A\$750,000; and
- (b) the amount equal to 0.10% of the aggregate of the Aggregate Invested Amount of all Notes on the Closing Date.

Excluded Tax

means, in respect of a person, any FATCA Withholding Tax, as well as any Tax:

- (a) imposed or required to be withheld in relation to a payment to the person by reason of the person being either:
 - (i) a resident of Australia who participates in the transaction at or through a permanent establishment outside Australia; or
 - (ii) a non-resident of Australia who does not participate in the transaction at or through a permanent establishment in Australia;
- (b) which would not be required to be deducted or withheld by the payer if the person had provided the payer with any of its name, address, Australian business number (ABN), Australian tax file number, registration number or similar details or evidence of any relevant tax exemption or similar details;
- (c) imposed by any jurisdiction on the net income or profits of the relevant person but not any Tax calculated on or by reference to the gross amount of any payment (without allowance for any deduction)

derived by the person under any Transaction Document or any other document referred to in a Transaction Document; or

- (d) in a case where the payer receives a notice or direction under section 260-5 of Schedule 1 to the *Taxation Administration Act 1953*, section 255 of the *Income Tax Assessment Act 1936* or any analogous provisions, any amounts paid or deducted from sums payable to the person by the payer in compliance with such notice or direction.

Extraordinary Expense means, in relation to a Collection Period, the aggregate of any out of pocket expenses properly and reasonably incurred by the Trustee in relation to the Trust in respect of that Collection Period which are not incurred in the ordinary course of business of the Trust.

Extraordinary Expense Reserve means the ledger account of the Collection Account established and maintained by the Trust Manager in accordance with Section 6.19 ("Extraordinary Expense Reserve").

Extraordinary Expense Reserve Draw has the meaning given to it in Section 6.6 ("Extraordinary Expense Reserve Draw").

Extraordinary Expense Reserve Required Balance means A\$150,000.00.

Extraordinary Resolution means:

(a) a resolution passed at a meeting of Secured Creditors of the relevant Trust by at least 75% of the votes cast; or

(b) a Circulating Resolution made in accordance with paragraph 9.1(b) ("Passing resolutions by Circulating Resolution") of the Meetings Provisions.

Fallback Rate Fallback Rate means, in respect of a Permanent Discontinuation Fallback for an Applicable Benchmark Rate, the rate that applies to replace that Applicable Benchmark Rate in accordance with the definition of Permanent Discontinuation Fallback.

When calculating interest in circumstances where a Fallback Rate other than the Final Fallback Rate applies, that interest will be calculated as if references to the BBSW Rate were references to that Fallback Rate. When calculating interest in circumstances where the Final Fallback Rate applies, that interest will be calculated on the same basis as if the Applicable Benchmark Rate in effect immediately prior to the application of that Final Fallback Rate remained in effect but with necessary adjustments to substitute all references to that Applicable Benchmark Rate with corresponding references to the Final Fallback Rate.

Fallback Rate (AONIA) means the Bloomberg screen corresponding to the Bloomberg

ticker for the fallback for the BBSW Rate accessed via the Bloomberg screen <FBAK> <GO> Page (or, if applicable, accessed via the Bloomberg screen <HP> <GO>) or any other published source designated by Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time).

FATCA

means:

- (a) sections 1471 to 1474 of the United States of America Internal Revenue Code of 1986 or any associated regulations or other official guidance;
- (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the United States of America and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or
- (c) any agreement under the implementation of paragraphs (a) or (b) above, with the United States of America Internal Revenue Service, the United States of America government or any governmental or taxation authority in any other jurisdiction.

FATCA Withholding Tax

means any withholding or deduction made under or in connection with, or in order to ensure compliance with, FATCA.

Final Fallback Rate

means, in respect of an Applicable Benchmark Rate, the rate:

- (a) determined by the Calculation Agent as a commercially reasonable alternative for the Applicable Benchmark Rate taking into account all available information that in good faith it considers relevant, provided that any rate (inclusive of any spreads or adjustments) implemented by central counterparties and / or futures exchanges with representative trade volumes in derivatives or futures referencing that Applicable Benchmark Rate will be deemed to be acceptable for the purposes of this paragraph (a);
- (b) if the Calculation Agent is unable or unwilling to determine a reasonable alternative, determined by an alternative financial institution (appointed by the Manager in its sole discretion) acting in good faith and in a commercially reasonable manner; or
- (c) if and for so long as the Manager is unable to appoint an alternative financial institution or the appointed alternative financial institution is unable or unwilling to determine a rate in accordance with paragraph (b), which is the last provided or published level of that Applicable Benchmark Rate.

Fitch

means Fitch Australia Pty Ltd (ABN 93 081 339 184).

Fixed Rate Swap

means:

- (a) the fixed rate swap transaction entered between the Trustee, the Manager and the Fixed Rate Swap Provider substantially on the terms set out in

	Annexure 4 of the Initial Derivative Contract; or
	(b) any replacement fixed rate swap transaction entered into on such other terms as agreed between the Trustee, the Manager and the relevant Fixed Rate Swap Provider.
Fixed Rate Swap Provider	means HSBC or such other person who may be appointed under a Derivative Contract to act as the Fixed Rate Swap Provider.
Further Advance	means in relation to a Trust Receivable, any advance of further money to the relevant Obligor in respect of that Trust Receivable, but does not include any Redraw.
General Insurance Policy	means any insurance policy in force issued in respect of a Property.
General Security Deed	means the document entitled "General Security Deed – Lion Series 2023-1 Trust" dated on or about 22 June 2023 between the Trustee and others.
Government Agency	means: (a) any body politic or government in any jurisdiction, whether federal, state, territorial or local; (b) any minister, department, office, commission, instrumentality, agency, board, authority or organisation of any government or in which any government is interested; and (c) any corporation owned or controlled by any government.
GST	has the meaning it has in the GST Act.
GST Act	means A New Tax System (Goods and Services Tax) Act 1999 (Cth).
HSBC	means HSBC Bank Australia Limited (ABN 48 006 434 162)
Housing Loan	means a loan under a loan agreement secured by a Mortgage over residential Land.
Income Collections	means, in relation to the Trust Receivables and a Collection Period, the aggregate of (without double counting): (a) all Collections in respect of that Collection Period which are in the nature of interest, income, fees or charges (as determined by the Servicer); plus (b) any Recoveries received by, or on behalf of, the Trustee during that Collection Period; plus (c) any other Collections that the Manager determines are of a similar nature and should be included as Income Collections.

Ineligible Product

means, in respect of a Trust Receivable, any:

- (a) additional loan feature offered by the Seller from time to time with respect to other housing loans originated by the Seller;
- (b) alternative loan or mortgage product offered by the Seller from time to time; or
- (c) other variation to the terms of that Trust Receivable, which, if applied to or made in respect of that Trust Receivable, would cause the Trust Receivable to not satisfy the Eligibility Criteria (if, for these purposes only, the Eligibility Criteria was applied to the Trust Receivable immediately following such change).

Initial Derivative Contract

Means the ISDA Master Agreement (including all Schedules and Annexures) dated on or about 22 June 2023 between the Trustee and others.

Insolvent

a person is Insolvent if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property;
- (c) it is subject to any arrangement (including a deed of company arrangement or scheme of arrangement), assignment, moratorium, compromise or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to the Master Definitions Schedule);
- (d) an application or order has been made (and in the case of an application which is disputed by the person, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of the things described in any of the above paragraphs;
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to the Master Definitions Schedule reasonably deduces it is so subject);
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to any of the things described in the above paragraphs

happens in connection with that person under the law of any jurisdiction.

The reference to “person” in the above definition, when used in respect of the Trustee or the Security Trustee, is a reference to the Trustee or the Security Trustee:

- (a) in its personal capacity; and
- (b) in its capacity as trustee of the Trust or Security Trust (as applicable),

but not the Trustee or Security Trustee in its capacity as trustee of any other trust. Any non-payment of any amount owing by the Trustee as a result of the operation of the Cashflow Allocation Methodology or the limitation of liability described in the sections titled “Indemnity” and “Limitation of Trustee’s liability” of Section 9.2 (“Master Trust Deed”) will not result in the Trustee being Insolvent.

Insurance Policy

means, in respect of a Receivable, any:

- (a) General Insurance Policy;
- (b) Mortgage Insurance Policy;
- (c) Other insurance policy identified by the Seller or the Servicer as being referable to that Receivable.

Interest Determination Date

means, in respect of an Interest Period:

- (a) where the BBSW Rate applies or the Final Fallback Rate applies under paragraph (a)(iii) of the definition of Permanent Discontinuation Fallback, the first day of that Interest Period; and
- (b) otherwise, the fifth Business Day prior to the last day of that Interest Period,

subject in each case to adjustment in accordance with the Business Day Convention.

Interest Period

means, in respect of a Note:

- (a) initially, the period from (and including) the Issue Date of that Note to (but excluding) the first Payment Date following that Issue Date; and
- (b) thereafter, each period from (and including) each Payment Date to (but excluding) the next following Payment Date.

Interest Rate

means for a Note, the interest rate (expressed as a percentage rate per annum) for that Note determined in accordance with Condition 6.3 (“Interest Rate”) of the Conditions (see Section 5 (“Conditions of the Notes”).

Invested Amount

means at any time in respect of a Note:

- (a) the principal amount of that Note on its Issue Date; less
- (b) the aggregate of all principal repayments made in respect of that Note prior to that time.

Issue Date	in relation to a Note, the date on which that Note is, or is to be, issued.
Issue Supplement	Means the document entitled “Issue Supplement – Lion Series 2023-1 Trust” dated on or about 22 June 2023 between the Trustee and others.
Joint Lead Managers	means each person specified as such in Section 2.1 (“Overview – Transaction Parties”).
Land	means: (a) land (including tenements and hereditaments corporeal and incorporeal and every estate and interest in it whether vested or contingent, freehold or Crown leasehold, and whether at law or in equity) wherever situated and including any fixtures to land; and (b) any parcel and any lot, common property and land comprising a parcel within the meaning of the Strata Schemes Development Act 2015 (New South Wales) or the Community Land Development Act 1989 (New South Wales) or any equivalent legislation in any other Australian jurisdiction.
Liquidity Advance	has the meaning given to it in Section 9.7 (“Liquidity Facility Agreement”) and includes any withdrawal from the Collateral Account which is deemed to be a Liquidity Advance in accordance with the Liquidity Facility Agreement.
Liquidity BBSW Rate	means, for a Liquidity Interest Determination Date, subject to clause 5.4 (“Temporary Disruption Fallback”) and clause 5.5 (“Permanent Discontinuation Fallback”) of the Liquidity Facility Agreement, the per annum rate expressed as a decimal which is the level of BBSW for a period of one month provided by the “Administrator” (as defined in the Liquidity Facility Agreement) and published as of the “Publication Time” (as defined in the Liquidity Facility Agreement) on that Liquidity Interest Determination Date, provided that if the first Liquidity Interest Period is longer than one month, the BBSW Rate for the first Liquidity Interest Period will be the rate determined by the Manager using straight line interpolation by reference to two rates where: (a) the first rate must be determined on the Liquidity Interest Determination Date of that Liquidity Interest Period as being the per annum rate expressed as a decimal which is the level of BBSW for a period of one month provided by the “Administrator” (as defined in the Liquidity Facility Agreement) and published as of the “Publication Time” (as defined in the Liquidity Facility Agreement) on that Liquidity Interest Determination Date; and (b) the second rate must be determined on the Liquidity Interest Determination Date of that Liquidity Interest Period as being the per annum rate expressed as a decimal which is the level of BBSW for a period of two months provided by the “Administrator” (as defined in the Liquidity Facility Agreement) and published as of

the “Publication Time” (as defined in the Liquidity Facility Agreement) on that Liquidity Interest Determination Date.

Liquidity Draw	has the meaning given to it in Section 6.5 (“Liquidity Draw”).
Liquidity Drawdown Date	means the date on which a Liquidity Advance or Collateral Advance is or is deemed to be made under the Liquidity Facility Agreement.
Liquidity Facility Agreement	means: (c) the agreement entitled “Liquidity Facility Agreement – Lion Series 2023-1 Trust” dated on or about 22 June 2023 between the Trustee and others; and (d) any other agreement which the Trustee and the Manager agree is a “Liquidity Facility Agreement” in respect of the Trust and in respect of which Rating Notification has been given.
Liquidity Facility Availability Period	means the period from the date of the Liquidity Facility Agreement and ending on the Liquidity Facility Termination Date.
Liquidity Facility Provider	means the person identified in the Liquidity Facility Agreement as the liquidity facility provider. The initial Liquidity Facility Provider is HSBC.
Liquidity Facility Termination Date	has the meaning given to it in Section 9.7 (“Liquidity Facility Agreement”).
Liquidity Interest Determination Date	means, in respect of a Liquidity Interest Period: (a) where the Liquidity BBSW Rate applies or the “Final Fallback Rate” (as defined in the Liquidity Facility Agreement) applies under paragraph (a)(iii) of the definition of “Permanent Discontinuation Fallback” (as defined in the Liquidity Facility Agreement), the first day of that Liquidity Interest Period; and (b) otherwise, the fifth Business Day prior to the last day of that Liquidity Interest Period, subject in each case to adjustment in accordance with the Business Day Convention.
Liquidity Interest Period	has the meaning given to it in Section 9.7 (“Liquidity Facility Agreement”).
Liquidity Interest Rate	means, in respect of a Liquidity Advance and a Liquidity Interest Period, the Liquidity BBSW Rate for that Interest Period plus a margin (as determined under the Liquidity Facility Agreement).
Liquidity Limit	means at any time the lesser of: (a) the amount equal to the greater of: (i) A\$1,000,000; and (ii) 1.0% of the aggregate Outstanding Principal Balance of all Performing Receivables (calculated as of the last day of the immediately

preceding Collection Period) (or such other percentage as the Manager and the Liquidity Facility Provider may agree provided that Rating Notification has been given in respect of that other percentage); and;

- (b) the amount (if any) to which the Liquidity Limit has been reduced at that time in accordance with the Liquidity Facility Agreement.

Liquidity Principal Outstanding

means, on any day, an amount equal to:

- (a) the aggregate of all Liquidity Advances made on or before that day; less
- (b) any repayments or prepayments of all such Liquidity Advances made by the Trustee on or before that day.

Liquidity Shortfall (First)

means, in respect of a Determination Date and the immediately following Payment Date, the amount (if positive) equal to:

$$A - B$$

where:

A = the Required Payments in respect of that Payment Date;

B = the Available Income in respect of that Determination Date.

If this calculation is negative, the Liquidity Shortfall (First) is equal to zero.

Liquidity Shortfall (Second)

means, in respect of a Determination Date and the immediately following Payment Date, the amount (if positive) equal to:

$$A - B - C$$

where:

A = the Required Payments in respect of that Payment Date;

B = the Available Income in respect of that Determination Date;

C = the Excess Income Reserve Liquidity Draw (if any) in respect of that Determination Date.

If this calculation is negative, the Liquidity Shortfall (Second) is equal to zero.

Liquidity Shortfall (Third)

means, in respect of a Determination Date and the immediately following Payment Date, the amount (if positive) equal to:

$$A - B - C - D$$

where:

- A = the Required Payments in respect of that Payment Date;
- B = the Available Income in respect of that Determination Date;
- C = the Excess Income Reserve Liquidity Draw (if any) in respect of that Determination Date;
- D = the Principal Draw (if any) in respect of that Determination Date.

If this calculation is negative, the Liquidity Shortfall (Third) is equal to zero.

Loss Reserve	means the ledger account of the Collection Account established and maintained by the Trust Manager in accordance with Section 6.20 ("Loss Reserve").
Loss Reserve Draw	has the meaning set out in section 6.7 ("Loss Reserve Draw").
Loss Reserve Maximum Balance	means the amount equal to the greater of: (a) \$750,000; and (b) the amount equal to 0.10% of the aggregate of the Aggregate Invested Amount of all Notes on the Closing Date.
LVR	means the loan to value ratio and in respect of a Trust Receivable is expressed as a percentage and calculated by dividing the Outstanding Principal Balance of the Trust Receivable as at the Cut-Off Date for that Trust Receivable by the value of the Land secured by the Mortgage as set out in any valuation report obtained prior to the Cut-Off Date or, in the absence of a valuation report, as determined by the Servicer in accordance with the Servicing Guidelines.
Management Deed	means the document entitled "Lion Series Master Management Deed" dated 14 August 2020 between Trustee and others
Manager	such person who is, from time to time, acting as Manager pursuant to the Transaction Documents. The initial Manager is specified in Section 2.1 ("Overview – Transaction Parties").
Manager Termination Event	has the meaning given to it in Section 9.3 ("Management Deed").
Master Definitions Schedule	means the document entitled "Lion Series Master Definitions Schedule" dated 14 August 2020 between the Trustee and others.
Master Trust Deed	means the document entitled "Lion Series Master Trust Deed" dated 14 August 2020 between the Trustee and others.
Material Adverse Effect	means any event which materially and adversely affects or is likely to affect the amount of any payment due to be made to any Secured Creditor in relation to the Trust or materially and

	adversely affects the timing of such payment.
Maturity Date	has the meaning given to it in Section 2.3 (“Overview – Key Dates”).
Meetings Provisions	means the provisions relating to meetings of Secured Creditors set out in schedule 2 (“Meetings Provisions”) of the Security Trust Deed.
Mortgage	in relation to a Trust Receivable means each mortgage over Land situated in any State or Territory of Australia securing, amongst other things, the repayment of the Trust Receivable and the payment of interest and all other moneys in respect of the Trust Receivable notwithstanding that by its terms the mortgage may secure other liabilities.
Mortgage Insurance Policy	means any policy of insurance covering a Trust Receivable against losses in the nature of principal or interest, including timely payment cover.
Mortgage Insurer	means the insurer under a Mortgage Insurance Policy.
National Credit Legislation	means: (c) the NCCP; (d) the National Consumer Credit Protection (Fees) Act 2009 (Cth); (e) the National Consumer Credit Protection (Transitional and Consequential Provisions) Act 2009 (Cth) (“Transitional Act”); (f) any regulations made under any of the acts set out in paragraphs (c) to (e) above, including the NCCP Regulations; and (g) Division 2 of Part 2 of the Australian Securities and Investment Commission Act 2001 (Cth), so far as it relates to obligations in respect of an Australian Credit Licence issued under the NCCP.
NCCP	means the National Consumer Credit Protection Act 2009 (Cth).
NCCP Regulations	means the National Consumer Credit Protection Regulations 2010 (Cth).
Non-Representative	means, in respect of an Applicable Benchmark Rate, that the Supervisor of that Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of that Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate: (a) has determined that such Applicable Benchmark Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark Rate is intended to measure and that representativeness will not be restored; and (b) is aware that such determination will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such Supervisor or Administrator (as applicable) (howsoever described)

in contracts.

Note Deed Poll	Means the document entitled “Note Deed Poll – Lion Series 2023-1 Trust” dated on or about 22 June 2023 and signed by the Trustee.
Note Register	means the register of Notes in respect of the Trust established and maintained by the Trustee in accordance with the Master Trust Deed.
Noteholder	means, for a Note, each person whose name is entered in the Note Register as the holder of that Note.
Notes	means: (a) the Class A1 Notes; (b) the Class A2 Notes; (c) the Class B Notes; (d) the Class C Notes; (e) the Class D Notes; (f) the Class E Notes; and (g) the Class F Notes, as applicable.
Notice of Creation of Security Trust	means the document entitled “Notice of Creation of Security Trust – Lion Series 2023-1 Security Trust” 13 March 2023 signed by the Security Trustee.
Notice of Creation of Trust	means the document entitled “Notice of Creation of Trust – Lion Series 2023-1 Trust” dated 13 March 2023 signed by the Trustee.
Notional Charge-Off (First)	means, in respect of a Determination Date and the immediately following Payment Date, the amount (if positive) equal to: $A - B$ where: A = the Principal Losses in respect of the immediately preceding Collection Period; and B = the amount available to be applied from Total Available Income on that Payment Date under Section 6.10(o) (“Application of Total Available Income”). If this calculation is negative, the Notional Charge-Off (First) is equal to zero.
Notional Charge-Off (Second)	means, in respect of a Determination Date and the immediately following Payment Date, the amount (if positive) equal to: $A - B - C$

where:

- A = the Principal Losses in respect of the immediately preceding Collection Period;
- B = the amount available to be applied from Total Available Income on that Payment Date under Section 6.10(o) ("Application of Total Available Income"); and
- C = the Excess Income Reserve Loss Draw (if any) in respect of that Determination Date.

If this calculation is negative, the Notional Charge-Off (Second) is equal to zero.

**Permanent
Discontinuation Fallback**

means, in respect of:

- (a) the BBSW Rate, that the rate for any day for which the BBSW Rate is required on or after the BBSW Rate Permanent Fallback Effective Date will be:
- (i) if at the time the BBSW Rate Permanent Fallback Effective Date occurs, no AONIA Permanent Fallback Effective Date has occurred, the AONIA Fallback Rate;
 - (ii) if at the time the BBSW Rate Permanent Fallback Effective Date occurs, an AONIA Permanent Fallback Effective Date has occurred, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and
 - (iii) if neither paragraph (i) nor paragraph (ii) above apply, the Final Fallback Rate;
- (b) AONIA, that the rate for any day for which AONIA is required on or after the AONIA Permanent Fallback Effective Date will be:
- (iv) if at the time the AONIA Permanent Fallback Effective Date occurs, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and
 - (v) if paragraph (i) above does not apply, the Final Fallback Rate; and
- (c) the RBA Recommended Rate, that the rate for any day for which the RBA Recommended Rate is required on or after the RBA Recommended Rate Permanent Fallback Effective Date will be the Final Fallback Rate.

**Permanent
Discontinuation Trigger**

means, in respect of an Applicable Benchmark Rate:

- (a) a public statement or publication of information by or on behalf of the Administrator of the Applicable Benchmark Rate announcing that it has ceased or will

cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;

- (b) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate, the Reserve Bank of Australia (or any successor central bank for Australian dollars), an insolvency official with jurisdiction over the Administrator of the Applicable Benchmark Rate, a resolution authority with jurisdiction over the Administrator for the Applicable Benchmark Rate or a court or an entity with similar insolvency or resolution authority over the Administrator of the Applicable Benchmark Rate, which states that the Administrator of the Applicable Benchmark Rate has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate and a public statement or publication of information other than by the Supervisor, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;
- (c) a public statement by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, as a consequence of which the Applicable Benchmark Rate will be prohibited from being used either generally, or in respect of the Notes or that its use will be subject to restrictions or adverse consequences;
- (d) it has become unlawful for the Calculation Agent or any other party responsible for calculations of interest under the Conditions to calculate any payments due to be made to any Noteholder using the Applicable Benchmark Rate;
- (e) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, stating that the Applicable Benchmark Rate is Non-Representative; or
- (f) the Applicable Benchmark Rate has otherwise ceased to exist or be administered on a permanent or indefinite basis.

Permanent Fallback Effective Date

means, in respect of a Permanent Discontinuation Trigger for an Applicable Benchmark Rate:

- (a) in the case of paragraphs (a) and (b) of the definition of “Permanent Discontinuation Trigger”, the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided and is no longer published or provided;
- (b) in the case of paragraphs (c) and (d) of the definition of “Permanent Discontinuation Trigger”, the date from which use of the Applicable Benchmark Rate is prohibited or becomes subject to restrictions or adverse consequences or the calculation becomes unlawful (as applicable);
- (c) in the case of paragraph (e) of the definition of “Permanent Discontinuation Trigger”, the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided and is Non-Representative by reference to the most recent statement or publication contemplated in that paragraph and even if such Applicable Benchmark Rate continues to be published or provided on such date; or
- (d) in the case of paragraph (f) of the definition of “Permanent Discontinuation Trigger”, the date that event occurs.

Publication Time

means:

- (a) in respect of the BBSW Rate, 10.30am (Sydney time) or any amended publication time for the final intraday refix of such rate specified by the Administrator for the BBSW Rate in its benchmark methodology; and
- (b) in respect of AONIA, 4.00pm (Australian Eastern Standard Time (AEST)/Australian Eastern Daylight Time (AEDT)) or any amended publication time for the final intraday refix of such rate specified by the Administrator for AONIA in its benchmark methodology.

Obligor

means, in relation to a Trust Receivable, any person who is obliged to make payments (whether alone, jointly or severally) to the Seller or the Trustee (as applicable) in connection with that Trust Receivable, including any guarantor.

Offer to Sell

means the Offer to Sell (as defined in the Master Definitions Schedule) dated on or prior to the Closing Date from the Seller to the Trustee and the Manager.

Offer to Sell Back

means an offer by the Trustee to sell Trust Receivables back to the Seller in accordance with the Sale Deed.

Offered Notes

means:

- (a) the Class A1 Notes;

- (b) the Class A2 Notes
- (c) the Class B Notes;
- (d) the Class C Notes;
- (e) the Class D Notes;
- (f) the Class E Notes; and
- (h) the Class F Notes,

as applicable.

Offset Account

means a deposit account maintained by an Obligor with the Seller under which either:

- (a) interest that would otherwise be earned in respect of the deposit account is set off against interest due under the Trust Receivable of that Obligor; or
- (b) interest is not earned on the deposit account, but interest due under the Trust Receivable of that Obligor is calculated by deducting the credit balance of that deposit account from the balance of the Trust Receivable, and then applying the interest rate applicable to the Trust Receivable to the result.

Ordinary Resolution

means:

- (a) a resolution passed at a meeting of Secured Creditors by at least 50% of the votes cast; or
- (b) a Circulating Resolution made in accordance with paragraph 9.1(a) ("Passing resolutions by Circulating Resolution") of the Meetings Provisions.

Other Income

means, in respect of a Collection Period, any miscellaneous income and other amounts (deemed by the Manager to be in the nature of income or interest) received by or on behalf of the Trustee during that Collection Period in respect of the Trust Assets, including income earned on Authorised Investments or the Collections Account but excluding any interest on or other income attributable to any Collateral Support in respect of that Collection Period. If any amounts which properly constitute Other Income are received by the Trustee with deductions for fees or expenses, only the net amount received by the Trustee will be classified as Other Income.

Other Secured Liability

means, in respect of a Receivable and the Related Security in respect of that Receivable, any loan, financial obligation or other liability (other than that Receivable) made by, or owed to, the Seller, that is at any time secured (in whole or in part) by that Related Security.

Outstanding Principal Balance

means, in relation to a Trust Receivable, the outstanding principal balance of that Trust Receivable at that time.

Overpayment	means in respect of a Trust Receivable, any additional amounts of principal received above the regular Receivable Scheduled Payments due in respect of such Trust Receivable, paid by the relevant Obligor, which: (a) is permitted by the Receivable Terms; and (b) reduces the Outstanding Principal Balance of such Trust Receivable.
Participation Unit	means the participation unit in the Trust issued pursuant to the Master Trust Deed and the Notice of Creation of Trust.
Participation Unitholder	such person registered as the holder of the Participation Unit from time to time.
Payment Date	means the 18th day of each month, subject to the Business Day Convention. The first Payment Date occurs in August 2023
Penalty Payment	means: (a) any amount (including, without limitation, any civil or criminal penalty) for which the Trustee is liable under the National Credit Legislation and legal costs and other expenses payable or incurred by Trustee in relation to such liability; (b) any other liability payable by the Trustee, or legal costs or other expenses payable or incurred by the Trustee, in relation to such liability; (c) any amount which the Trustee agrees to pay (with the consent of the Servicer, such consent not to be unreasonably withheld) to an Obligor or other person in settlement of any liability or alleged liability or application for an order under the National Credit Legislation; (d) any reasonable legal costs or other costs and expenses payable or incurred by the Trustee in relation to that application or settlement; and (e) any other losses incurred by the Trustee as a result of any breach of the National Credit Legislation, to the extent to which a person can be indemnified for that liability, money or amount under the National Credit Legislation and includes all amounts ordered by a court or other judicial body or External Dispute Resolution Scheme to be paid by the Trustee in connection with paragraphs (a) through (e).
Performing Receivable	means a Trust Receivable that is not a Delinquent Receivable.
Permitted Encumbrance	means in respect of the Trust: (a) the General Security Deed;

- (b) any Encumbrance arising under or expressly permitted or contemplated by any other Transaction Document.

Permitted Offshore Associate

means any offshore associates (i.e. Australian resident associates who acquire or receive any payments under the Offered Notes in the course of carrying on business at or through a permanent establishment outside Australia and non resident associates who do not acquire or receive any payments under the Offered Notes in the course of carrying on business at or through a permanent establishment in Australia) who are acting in the capacity of:

- (a) in the case of section 128F(5) of the Australian Tax Act, a dealer, manager or underwriter in relation to the placement of the relevant Offered Notes or a clearing house, custodian, funds manager or responsible entity of an Australian registered scheme; or
- (b) in the case of section 128F(6) of the Australian Tax Act, a clearing house, paying agent, custodian, funds manager or responsible entity of an Australian registered scheme.

Potential Event of Default

means an event which, with the giving of notice or lapse of time, would be likely to become an Event of Default.

PPSA

means the Personal Property Securities Act 2009 (Cth) and includes any regulations made at any time under that Act

Prescribed Period

means the period of 120 days after the Closing Date.

Principal Adjustment

means, in respect of any Trust Receivable the subject of the Offer to Sell, an amount equal to all amounts (in the nature of principal) received by the Seller in respect of that Trust Receivable during the period from (but excluding) the Cut-Off Date specified in the Offer to Sell to (but excluding) the Closing Date.

Principal Charge-Off

means, in respect of a Determination Date and the immediately following Payment Date, the amount (if any) equal to:

$$A - B - C$$

where:

A = the Notional Charge-Off (First) in respect of that Determination Date;

B = the Excess Income Reserve Loss Draw in respect of that Determination Date; and

C = the Loss Reserve Draw in respect of that Determination Date.

Principal Collections

means, in relation to the Trust Receivables and a Collection Period, the aggregate of (without double counting):

- (a) all Collections in respect of that Collection Period

which are in the nature of principal (as determined by the Servicer) including all such Collections which constitute a repayment in respect of the Outstanding Principal Balance of any Trust Receivable; plus

- (b) any other Collections that the Manager determines are of a similar nature and should be included as Principal Collections,

but excludes any amount included as Income Collections in respect of that Collection Period.

Principal Draw

has the meaning given to it in Section 6.4 ("Principal Draw").

Principal Losses

means, in respect of a Collection Period, the aggregate principal losses (as determined by the Servicer and notified to the Manager) for all Trust Receivables which arise during that Collection Period after all enforcement action has been taken in respect of any Trust Receivables and after taking into account:

- (a) all proceeds received as a consequence of enforcement under any Trust Receivables (less the relevant Enforcement Expenses);
- (b) any proceeds of any claims under a Mortgage Insurance Policy; and
- (c) any payments received from the Seller, the Servicer or any other person for a breach of its obligations under the Transaction Documents,

and **Principal Loss** has a corresponding meaning.

Property

means the property the subject of a Related Security.

Prudent Servicer

means an appropriately qualified and reasonably prudent servicer of receivables similar to those which constitute the Trust Receivables.

RBA Recommended Fallback Rate

has the same meaning given to AONIA Fallback Rate but with necessary adjustments to substitute all references to AONIA with corresponding references to the RBA Recommended Rate.

RBA Recommended Rate

means, in respect of any relevant day (including any day "i"), the rate (inclusive of any spreads or adjustments) recommended as the replacement for AONIA by the Reserve Bank of Australia (which rate may be produced by the Reserve Bank of Australia or another administrator) and as provided by the Administrator of that rate or, if that rate is not provided by the Administrator thereof, published by an authorised distributor, in respect of that day.

rating

includes, in relation to any credit rating of an entity by Fitch, includes a private credit rating of that entity.

Rating Notification

in relation to the Trust and to an event or circumstance, means that the Manager has notified each Designated Rating Agency of the event or circumstance and that the Manager is satisfied

	that the event or circumstance is unlikely to result in an Adverse Rating Effect.
Reallocation	means reallocation of Trust Assets from one Trust to another Trust in accordance with the Master Trust Deed.
Receivable	means a Housing Loan.
Receivable Terms	means, in respect of a Trust Receivable, any agreement or other document that evidences the Obligor's payment or repayment obligations or any other terms and conditions of that Trust Receivable or Related Security.
Receiver	includes a receiver or receiver and manager.
Record Date	means, for a payment due in respect of a Note, the fifth Business Day immediately preceding the relevant Payment Date, or any other date specified in, or determined in accordance with, the Issue Supplement.
Recoveries	means amounts received from or on behalf of Obligors or under any Purchased Related Security in respect of a Trust Receivable that was previously the subject of a Principal Loss.
Redemption Amount	means, on any day in respect of a Note an amount equal to the aggregate of: (a) the Invested Amount of that Note (or such lesser amount if approved by an Extraordinary Resolution of the Noteholders of that Class of Notes); and (b) all accrued and unpaid interest in respect of that Note, on that day.
Redraw	means, in respect of a Trust Receivable, a re-advance by the Seller of some or all of the Overpayments that the relevant Obligor has paid on the Trust Receivable.
Registrar	means: (a) the Trustee; or (b) such other person appointed by the Trustee to maintain the Note Register for the Trust.
Related Entity	has the meaning it has in the Corporations Act.
Related Security	means, in respect of a Receivable, any Encumbrance which is given or is to be given as security for that Receivable.
Replacement Liquidity Facility	means a liquidity facility provided to the Trustee by an entity which has the Required Liquidity Rating from each Designated Rating Agency on substantially the same terms as the Liquidity Facility Agreement or on such other terms as may be agreed with that entity provided that a Rating Notification has been provided.
Repurchase Price	means, at any time in respect of a Trust Receivable, the then fair market price of that Purchased Receivable as determined by the Manager (acting reasonably and in good faith).

Required Credit Rating

means in respect of:

- (a) S&P:
 - (i) for certificates of deposit or debt securities with remaining maturities at the time of purchase of less than or equal to 60 days, a short term credit rating by S&P of at least A-1; or
 - (ii) for certificates of deposit or debt securities with remaining maturities at the time of purchase of more than 60 days, but less than or equal to 365 days, a short term credit rating by S&P of A-1+; and
- (b) Fitch:
 - (i) for certificates of deposit or debt securities with remaining maturities at the time of purchase of less than or equal to 30 days, a short term credit rating by Fitch of at least F1 or a long term credit rating by Fitch of at least A; or
 - (ii) for certificates of deposit or debt securities with remaining maturities at the time of purchase of more than 30 days but less than or equal to 365 days, a short term credit rating by Fitch of F1+ or a long term credit rating by Fitch of at least AA-,

or such other credit ratings by the relevant Designated Rating Agency as may be notified by the Manager to the Trustee from time to time provided that a Rating Notification is given in respect of such other credit ratings.

Required Liquidity Rating

means the rating (if any) of:

- (a) in the case of S&P:
 - (i) a long term credit rating of at least BBB+; or
 - (ii) a long term credit rating of at least BBB, together with a short term credit rating of at least A-2; or
 - (iii) a short term credit rating of at least A-2 (if the Liquidity Facility Provider does not have any long term credit rating from S&P); and
- (b) in the case of Fitch, a short term credit rating of at least F1 or a long term credit rating of at least A,

or such other credit rating or ratings by the relevant Designated Rating Agency as may be agreed by the Manager and the Liquidity Facility Provider from time to time (and notified in writing by the Manager to the Trustee) provided that the Manager has delivered to the Trustee a Rating Notification in respect of such other credit rating or ratings.

Required Payments

in respect of a Determination Date and the immediately following Payment Date, the aggregate of amounts payable on that Payment Date in accordance with Section 6.10(a) to Section 6.10(m) ("Application of Total Available Income") (inclusive) but excluding:

- (a) if on that Determination Date the Stated Amount of the Class B Notes is less than the Invested Amount of the Class B Notes, the amounts payable on that Payment Date in accordance with Section 6.10(i) ("Application of Total Available Income"); or
- (b) if on that Determination Date the Stated Amount of the Class C Notes is less than the Invested Amount of the Class C Notes, the amounts payable on that Payment Date in accordance with Section 6.10(j) ("Application of Total Available Income");
- (c) if on that Determination Date the Stated Amount of the Class D Notes is less than the Invested Amount of the Class D Notes, the amounts payable on that Payment Date in accordance with Section 6.10(k) ("Application of Total Available Income");
- (d) if on that Determination Date and the Stated Amount of the Class E Notes is less than the Invested Amount of the Class E Notes, the amounts payable on that Payment Date in accordance with Section 6.10(l) ("Application of Total Available Income"); and
- (e) if either:
 - (i) on that Determination Date the Stated Amount of the Class F Notes is less than the Invested Amount of the Class F Notes; or
 - (ii) that Payment Date is after the first Call Option Date,the amounts payable on that Payment Date in accordance with Section 6.10(m) ("Application of Total Available Income").

Residual Unitholder

such person who is registered as the holder of a Residual Unit.

Residual Units

means the residual units in the Trust issued pursuant to the Master Trust Deed and the Notice of Creation of Trust.

S&P

means S&P Global Ratings Australia Pty Ltd (ABN 62 007 324 852).

Sale Deed

means the document entitled "Lion Series Master Sale Deed" dated 14 August 2020 between the Trustee and others.

Secured Creditor

means:

- (a) the Security Trustee (for its own account);
- (b) the Trustee (for its own account);

- (c) the Manager;
- (d) each Noteholder;
- (e) each Derivative Counterparty;
- (f) the Liquidity Facility Provider;
- (g) each Dealer;
- (h) the Servicer; and
- (i) the Seller; and
- (j) any other persons so described in the Issue Supplement

Secured Money

means all amounts which:

at any time;

for any reason or circumstance in connection with the Transaction Documents (including any transaction in connection with them);

whether at law or otherwise (including liquidated or unliquidated damages for default or breach of any obligation); and

whether or not of a type within the contemplation of the parties at the date of the General Security Deed:

- (a) the Trustee is or may become actually or contingently liable to pay to any Secured Creditor (including money by way of principal, interest, distributions, fees, costs, indemnities, guarantees, charges, duties or expenses, or payment of liquidated or unliquidated damages as a result of any breach of or default under or in connection with a Transaction Document); or
- (b) any Secured Creditor has advanced or paid on the Trustee's behalf or at the Trustee's express or implied request; or
- (c) any Secured Creditor is liable to pay by reason of any act or omission on the Trustee's part, or that any Secured Creditor has paid or advanced in protecting or maintaining the Collateral or any security interest in the General Security Deed following an act or omission on the Trustee's part; or
- (d) the Trustee would have been liable to pay any Secured Creditor but the amount remains unpaid by reason of the Trustee being Insolvent.

This definition applies:

- (i) irrespective of the capacity in which the Trustee or the Secured Creditor of the Trust became entitled to, or liable in respect of, the amount concerned;
- (ii) whether the Trustee or the Secured Creditor

of the Trust is liable as principal debtor, as surety, or otherwise;

- (iii) whether the Trustee is liable alone, or together with another person;
- (iv) even if the Trustee owes an amount or obligation to the Secured Creditor of the Trust because it was assigned to the Secured Creditor, whether or not:
 - (A) the assignment was before, at the same time as, or after the date of the General Security Deed; or
 - (B) the Trustee consented to or was aware of the assignment; or
 - (C) the assigned obligation was secured before the assignment;
- (v) even if the General Security Deed was assigned to the Secured Creditor of the Trust, whether or not:
 - (A) the Trustee consented to or was aware of the assignment; or
 - (B) any of the Secured Money was previously unsecured;
- (vi) whether or not the Trustee has a right of indemnity from the Trust Assets.

Security Trust

means the Lion Series 2023-1 Security Trust.

Security Trust Deed

means the document entitled “Lion Series Master Security Trust Deed” dated 14 August 2020 between the Trustee and others.

Security Trust Fund

means:

- (a) the amount held by the Security Trustee under the Security Trust Deed in respect of the Security Trust;
- (b) any other property which the Security Trustee receives, has vested in it or otherwise acquires to hold in respect of the Security Trust, including the General Security Deed; and
- (c) any property which represents the proceeds of sale of any such property or proceeds of enforcement of the General Security Deed.

Security Trustee

such person who is, from time to time, acting as Security Trustee pursuant to the Transaction Documents. The initial Security Trustee is specified in Section 2.1 (“Overview – Transaction Parties”).

Seller

means the person specified as such in Section 2.1 (“Overview

– Transaction Parties”).

Senior Obligations

means:

- (a) the obligations of the Trustee in respect of principal and interest on the Class A1 Notes and any obligations of the Trustee ranking equally or senior to such obligations in respect of the Class A1 Notes (as determined in accordance with the order of priority set out in Section 6.10 (“Application of Total Available Income”)), at any time while the Class A1 Notes are outstanding;
- (b) the obligations of the Trustee in respect of principal and interest on the Class A2 Notes and any obligations of the Trustee ranking equally or senior to such obligations in respect of the Class A2 Notes (as determined in accordance with the order of priority set out in Section 6.10 (“Application of Total Available Income”)), at any time while the Class A2 Notes are outstanding but no Class A1 Notes are outstanding;
- (c) the obligations of the Trustee in respect of principal and interest (other than the Class B Residual Interest) on the Class B Notes and any obligations of the Trustee ranking equally or senior to such obligations in respect of the Class B Notes (as determined in accordance with the order of priority set out in Section 6.10 (“Application of Total Available Income”)), at any time while the Class B Notes are outstanding but no Class A1 Notes or Class A2 Notes are outstanding;
- (d) the obligations of the Trustee in respect of principal and interest (other than the Class C Residual Interest) on the Class C Notes and any obligations of the Trustee ranking equally or senior to such obligations in respect of the Class C Notes (as determined in accordance with the order of priority set out in Section 6.10 (“Application of Total Available Income”)), at any time while the Class C Notes are outstanding but no Class A1 Notes, Class A2 Notes or Class B Notes are outstanding;
- (e) the obligations of the Trustee in respect of principal and interest (other than the Class D Residual Interest) on the Class D Notes and any obligations of the Trustee ranking equally or senior to such obligations in respect of the Class D Notes (as determined in accordance with the order of priority set out in Section 6.10 (“Application of Total Available Income”)), at any time while the Class D Notes are outstanding but no Class A1 Notes, Class A2 Notes, Class B Notes or Class C Notes are outstanding;
- (f) the obligations of the Trustee in respect of principal and interest (other than the Class E Residual Interest) on the Class E Notes and any obligations of the Trustee ranking equally or senior to such obligations in respect of the Class E Notes (as determined in accordance with the order of priority set out in Section 6.10 (“Application of Total Available Income”)), at any time while the Class E Notes are outstanding but no

Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes or Class D Notes are outstanding;

- (g) the obligations of the Trustee in respect of principal and interest (other than the Class F Residual Interest) on the Class F Notes and any obligations of the Trustee ranking equally or senior to such obligations in respect of the Class F Notes (as determined in accordance with the order of priority set out in Section 6.10 ("Application of Total Available Income")), at any time while the Class F Notes are outstanding but no Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes are outstanding; or
- (h) the obligations of the Trustee under the Transaction Documents generally, at any time while no Notes are outstanding.

Servicer such person who is, from time to time, acting as Servicer pursuant to the Transaction Documents. The initial Servicer is HSBC.

Servicer Required Credit means in respect of:

- (a) S&P, a short term rating of at least "A-2"; and
- (i) Fitch, a long term rating equal to or higher than BBB or a short term rating equal to or higher than F2,

or, in each case, such other ratings or counterparty risk assessment by the relevant Designated Rating Agency as may be notified by the Manager to the Trustee in writing from time to time, provided that the Manager has delivered a Rating Notification in respect of such other credit ratings or counterparty risk assessment.

Servicer Termination Event has the meaning given to it in Section 9.4 ("Servicing Deed").

Servicing Deed means the document entitled "Lion Series Master Servicing Deed" dated 14 August 2020 between the Trustee and others.

Settlement Amount means, in respect of the Offer to Sell or an Offer to Sell Back (as applicable), the amount specified as such in the Offer to Sell or that Offer to Sell Back (as the case may be).

Settlement Date means, in respect of:

- (a) the Offer to Sell, the Closing Date or
- (b) an Offer to Sell Back, the date specified as such in that Offer to Sell Back.

Special Quorum Resolution means:

- (a) an Extraordinary Resolution passed at a meeting at which the requisite quorum is present as set out in paragraph 4.1 ("Number for a quorum") of the Meetings Provisions; or

	(b) a Circulating Resolution made in accordance with paragraph 9.1 ("Passing resolutions by Circulating Resolution") of the Meetings Provisions.
Stated Amount	means, at any time in respect of a Note, an amount equal to: (a) the Invested Amount of that Note; less (b) the amount of any Principal Charge-Offs allocated to that Note under Section 6.12 ("Allocation of Principal Charge-Offs") prior to that time which have not been reimbursed on or before that time under Section 6.13 ("Re-instatement of Carryover Principal Charge-Offs").
Step-Down Margin	means, in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, the lesser of: (a) the Margin for the relevant Class of Notes; and (b) 2.25%.
Step-Up Margin	has the meaning given to it in Section 2.4 ("Overview – Key Terms of the Notes").
Subordination Conditions	has the meaning set out in Section 6.16 ("Subordination Conditions").
Supervisor	means, in respect of an Applicable Benchmark Rate, the supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate, or any committee officially endorsed or convened by any such supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate.
Supervisor Recommended Rate	means the rate formally recommended for use as the replacement for the BBSW Rate by the Supervisor of the BBSW Rate.
Tax Account	means an account with an Eligible Bank established and maintained in the name of the Trustee and in accordance with the terms of the Master Trust Deed, which is to be opened by the Trustee when directed to do so by the Manager in writing.
Tax Amount	means, in respect of a Payment Date, the amount (if any) of Tax that the Manager reasonably determines will be payable in the future by the Trustee in respect of the Trust and which accrued during the immediately preceding Collection Period.
Tax Shortfall	means, in respect of a Payment Date, the amount (if any) determined by the Manager to be the shortfall between the aggregate Tax Amounts determined by the Manager in respect of previous Payment Dates and the amounts set aside and retained in the Tax Account on previous Payment Dates.
Taxes	means taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any Tax Authority

together with any related interest, penalties, fines and expenses in connection with them.

Temporary Disruption Fallback

means, in respect of:

- (a) the BBSW Rate, that the rate for any day for which the BBSW Rate is required will be the first rate available in the following order of precedence:
 - (i) firstly, the Administrator Recommended Rate;
 - (ii) next, the Supervisor Recommended Rate; and
 - (iii) lastly, the Final Fallback Rate;
- (b) AONIA, that the rate for any day for which AONIA is required will be the last provided or published level of AONIA; or
- (c) the RBA Recommended Rate, that the rate for any day for which the RBA Recommended Rate is required will be the last provided or published level of that RBA Recommended Rate (or if no such rate has been provided or published, the last provided or published level of AONIA).

Temporary Disruption Trigger

means, in respect of any Applicable Benchmark Rate which is required for any determination:

- (a) the Applicable Benchmark Rate in respect of the day for which it is required has not been published by the Administrator or an authorised distributor and is not otherwise provided by the Administrator by the date on which that Applicable Benchmark Rate is required; and
- (b) the Applicable Benchmark Rate is published or provided but the Calculation Agent determines that there is an obvious or proven error in that rate.

Threshold Rate

means the aggregate of:

- (a) the weighted average rate required to be set on the Trust Receivables which will ensure that the Trustee has sufficient funds available to at least meet the Required Payments in full (assuming that all parties comply with their obligations under the Transaction Documents and such Trust Receivables) and taking into account Trust Receivables where the Trustee or the Servicer does not have the discretion under the Receivables Terms to vary the interest rate of that Trust Receivable and any corresponding Derivative Contracts and moneys held in Authorised Investments; and
- (b) 0.25%.

Title Documents

means, in respect of a Receivable, includes the original or electronic form of the original of:

- (a) the certificate or other indicia of title (if any) in respect of the relevant Property (if any);
- (b) any valuation report obtained in connection with the Receivable;
- (c) any deed of priority or similar document entered into in connection with that Receivable;
- (d) the relevant Receivable Terms;
- (e) all other documents required to evidence the interest of the lender of record in the relevant Property; and
- (f) all other documents specified as such in the relevant Offer to Sell or Offer to Sell Back (as applicable),

as applicable.

Title Penalty Payment

means:

- (a) any civil or criminal penalty incurred by the Trustee in relation to a breach of the Verification Provisions;
- (b) any money ordered by a court or other judicial body to be paid by the Trustee in relation to any claim against the Trustee under the Verification Provisions; and
- (c) a payment by the Trustee (with the consent of the Servicer, such consent not to be unreasonably withheld) in settlement of a liability or alleged liability relating to a breach of the Verification Provisions,
- (d) and includes any legal costs incurred by the Trustee or which the Trustee is ordered by a court or other judicial body to pay in connection with paragraphs (a) to (c) above.

Title Perfection Event

means the Seller becomes Insolvent.

Total Available Income

means, in respect of a Determination Date and the immediately following Payment Date, the amount calculated in accordance with Section 6.7 ("Total Available Income").

Total Available Principal

means, in respect of a Determination Date and the immediately following Payment Date, the amount calculated in accordance with Section 6.1 ("Total Available Principal").

Transaction Documents

means (as applicable):

- (a) each of the following to the extent they apply to the Trust:
 - (i) the Master Definitions Schedule;
 - (ii) the Security Trust Deed;
 - (iii) the Master Trust Deed;
 - (iv) the Sale Deed;

- (v) the Servicing Deed;
- (vi) the Management Deed;
- (vii) the Transfer Deed;
- (b) the Notice of Creation of Trust;
- (c) the Notice of Creation of Security Trust;
- (d) the Issue Supplement;
- (e) the General Security Deed;
- (f) the Note Deed Poll;
- (g) the Conditions;
- (h) each Derivative Contract;
- (i) the Liquidity Facility Agreement;
- (j) the Additional Advance Facility Agreement;
- (k) the Dealer Agreement; and
- (l) any other document which the Trustee and the Manager agree is a “Transaction Document” for the purposes of the Trust and in respect of which a Rating Notification has been given.

Transfer Deed

means the document entitled “Lion Series Master Transfer Deed” dated 17 September 2020 between the Trustee and others.

Trust

means the Lion Series 2023-1 Trust.

Trust Assets

means all the Trustee’s rights, property and undertaking which are the subject of the Trust:

- (a) of whatever kind and wherever situated; and
- (b) whether present or future.

Trust Business

means the business of the Trustee in:

- (a) acquiring Trust Receivables;
- (b) administering, collecting and otherwise dealing with Trust Receivables;
- (c) issuing Notes;
- (d) acquiring, dealing with and disposing of Authorised Investments;
- (e) entering into, and exercising rights or complying with obligations under, the Transaction Documents to which it is a party and the transactions in connection with them; and

- (f) any other activities in connection with the Trust.

Trust Expenses	means all costs, charges and expenses reasonably and properly incurred by the Trustee in connection with the Trust and the Transaction Documents and any other amounts for which the Trustee is entitled to be reimbursed or indemnified out of the Trust Assets (but excluding any amount of a type otherwise referred to in Section 6.10 ("Application of Total Available Income") or Section 6.11 ("Application of Total Available Principal").
Trust Receivable	means, at any time, a Receivable which is then, or is then immediately to become, a Trust Asset and includes any Trust Related Security in respect of that Receivable.
Trust Related Security	means, at any time, a Related Security which is then, or is then immediately to become, a Trust Asset
Trustee	such person who is, from time to time, acting as Trustee pursuant to the Transaction Documents. The initial Trustee is specified in Section 2.1 ("Overview – Transaction Parties").
Unit	means the Participation Unit and each Residual Unit in the Trust.
Unitholder	means each Residual Unitholder and each Participation Unitholder.
Voting Secured Creditors	means, at any time: (a) for so long as any Class A1 Notes are outstanding, the Class A1 Noteholders, the Liquidity Facility Provider, the Additional Advance Facility Provider and each Derivative Counterparty; (b) if sub-paragraph (a) above does not apply, for so long as any Class A2 Notes are outstanding, the Class A2 Noteholders, the Liquidity Facility Provider, the Additional Advance Facility Provider and each Derivative Counterparty; (c) if none of sub-paragraphs (a) or (b) above apply, for so long as any Class B Notes are outstanding, the Class B Noteholders, the Liquidity Facility Provider, the Additional Advance Facility Provider and each Derivative Counterparty; (d) if none of paragraphs (a), (b) or (c) above apply, for so long as any Class C Notes are outstanding, the Class C Noteholders, the Liquidity Facility Provider, the Additional Advance Facility Provider and each Derivative Counterparty; (e) if none of paragraphs (a), (b), (c) or (d) above apply, for so long as any Class D Notes are outstanding, the Class D Noteholders, the Liquidity Facility Provider, the Additional Advance Facility Provider and each Derivative Counterparty; (f) if none of paragraphs (a), (b), (c), (d) or (e) above apply, for so long as any Class E Notes are

outstanding, the Class E Noteholders, the Liquidity Facility Provider, the Additional Advance Facility Provider and each Derivative Counterparty;

- (g) if none of paragraphs (a), (b), (c), (d), (e) or (f) above apply, for so long as any Class F Notes are outstanding, the Class F Noteholders, the Liquidity Facility Provider, the Additional Advance Facility Provider and each Derivative Counterparty; and
- (h) if none of sub-paragraphs (a), (b), (c), (d), (e), (f) or (g) above apply, the remaining Secured Creditors.

Wilful Default

means, in respect of Trustee or the Security Trustee, any intentional failure to comply with or intentional breach by the Trustee or the Security Trustee (as applicable) of any of its obligations under any Transaction Document, other than a failure or breach:

- (a) which arose as a result of a breach by a person, other than Trustee or the Security Trustee (as applicable) and the performance of the action (or the non-performance of which gave rise to such breach) is a precondition to Trustee or the Security Trustee performing its obligation under the relevant Transaction Document;
- (b) which is in accordance with a lawful court order or direction or required by law; or
- (c) which is in accordance with a proper instruction or direction given by the Manager or is in accordance with a proper instruction or direction given to it by any person (including any Secured Creditor) in circumstances where that person is permitted to give that instruction or direction under any Transaction Document or at law.

13 Pool Summary

The information in the following tables sets forth in summary format various details relating to the pool of Receivables provided on the basis of the information as at 28 February 2023. All amounts have been rounded to the nearest Australian dollar.

Pool Summary	Main Pool - 1bn
Total pool size	999,425,656.46
Total number of loans	2,786
Average loan size	358,731.39
Maximum loan size	1,523,549.15
Total property value (current)	2,268,062,173.00
Weighted Average current LVR	55.95%
% of pool with loans >80% LVR	3.21%
Weighted Average Term to Maturity (months)	298.52
Maximum Remaining Term to Maturity (months)	352.00
% of pool in arrears (by loan amount):	
1-30 days	-
31-60 days	-
61+ days	-
Total	-

Receivables by Loan Occupancy

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
Investment	645	23.15	229,691,838.80	22.98	356,111.38	56.98
Owner Occupied	2,141	76.85	769,733,817.66	77.02	359,520.70	55.65
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Loan to Valuation Ratio

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
≤ 0.00	-	-	-	-	-	-
> 0.00 and ≤ 50.00	1,328	47.67	338,063,523.24	33.83	254,565.91	34.67
> 50.00 and ≤ 55.00	184	6.60	76,427,076.27	7.65	415,364.54	52.44
> 55.00 and ≤ 60.00	210	7.54	88,625,220.14	8.87	422,024.86	57.54
> 60.00 and ≤ 65.00	228	8.18	105,627,927.02	10.57	463,280.38	62.69
> 65.00 and ≤ 70.00	284	10.19	132,370,451.46	13.24	466,093.14	67.60
> 70.00 and ≤ 75.00	298	10.70	140,735,256.03	14.08	472,265.96	72.78
> 75.00 and ≤ 80.00	183	6.57	85,504,489.63	8.56	467,237.65	77.02
> 80.00 and ≤ 85.00	51	1.83	22,112,854.06	2.21	433,585.37	82.80
> 85.00 and ≤ 90.00	20	0.72	9,958,858.61	1.00	497,942.93	86.53
> 90.00 and ≤ 95.00	-	-	-	-	-	-
> 95.00 and ≤ 100.00	-	-	-	-	-	-
> 100.00	-	-	-	-	-	-
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Product Type

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
Principal and Interest	2,701	96.95	962,760,032.18	96.33	356,445.77	55.85
Interest Only	85	3.05	36,665,624.28	3.67	431,360.29	58.53
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Geographical Distribution (State)

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
NSW & ACT	1,157	41.53	468,977,117.69	46.92	405,338.91	54.91
VIC	767	27.53	279,654,279.27	27.98	364,607.93	56.03
QLD	281	10.09	87,507,239.85	8.76	311,413.66	58.06
SA	110	3.95	23,846,812.05	2.39	216,789.20	53.10
WA	447	16.04	133,633,500.49	13.37	298,956.38	58.51
TAS	19	0.68	4,767,833.80	0.48	250,938.62	57.13
NT	5	0.18	1,038,873.31	0.10	207,774.66	56.47
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Geographical Distribution (Region)

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
Metro	2,521	90.49	919,912,055.51	92.04	364,899.67	55.90
Inner city	53	1.90	14,544,902.70	1.46	274,432.13	50.94
Non Metro	212	7.61	64,968,698.25	6.50	306,456.12	57.76
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Loan Size

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
≤30,000	68	2.44	1,268,566.95	0.13	18,655.40	13.85
>30,000 and ≤50,000	49	1.76	2,041,206.70	0.20	41,657.28	24.78
>50,000 and ≤100,000	238	8.54	18,255,037.92	1.83	76,701.84	29.42
>100,000 and ≤150,000	238	8.54	29,795,597.37	2.98	125,191.59	30.78
>150,000 and ≤200,000	278	9.98	49,393,337.72	4.94	177,673.88	38.02
>200,000 and ≤250,000	226	8.11	50,836,967.86	5.09	224,942.34	47.51
>250,000 and ≤300,000	243	8.72	66,968,629.46	6.70	275,591.07	51.10
>300,000 and ≤350,000	244	8.76	79,463,453.74	7.95	325,669.89	54.80
>350,000 and ≤400,000	221	7.93	82,640,098.75	8.27	373,937.10	57.64
>400,000 and ≤450,000	199	7.14	84,571,119.13	8.46	424,980.50	62.22
>450,000 and ≤500,000	159	5.71	75,280,920.14	7.53	473,464.91	60.41
>500,000 and ≤550,000	118	4.24	62,125,789.47	6.22	526,489.74	58.59
>550,000 and ≤600,000	99	3.55	56,961,606.10	5.70	575,369.76	62.04
>600,000 and ≤700,000	125	4.49	80,766,401.47	8.08	646,131.21	62.35
>700,000 and ≤800,000	97	3.48	72,806,321.67	7.28	750,580.64	59.81
>800,000 and ≤900,000	60	2.15	51,124,981.52	5.12	852,083.03	62.25
>900,000 and ≤1,000,000	53	1.90	50,175,723.56	5.02	946,711.77	62.01
>1,000,000 and ≤1,250,000	54	1.94	61,674,030.12	6.17	1,142,111.67	58.89
>1,250,000 and ≤1,500,000	16	0.57	21,752,317.66	2.18	1,359,519.85	54.97
>1,500,001 and ≤2,000,000	1	0.04	1,523,549.15	0.15	1,523,549.15	45.34
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Loan Seasoning

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
≤0	-	-	-	-	-	-
> 0 and ≤3	-	-	-	-	-	-
>3 and ≤6	-	-	-	-	-	-
>6 and ≤12	41	1.47	14,151,974.24	1.42	345,170.10	57.56
>12 and ≤18	312	11.20	91,952,443.94	9.20	294,719.37	51.32
>18 and ≤24	300	10.77	88,132,371.48	8.82	293,774.57	54.66
>24 and ≤36	1,137	40.81	439,425,507.50	43.97	386,478.02	58.79
>36 and ≤48	312	11.20	119,264,827.14	11.93	382,259.06	54.93
>48 and ≤60	160	5.74	62,484,944.45	6.25	390,530.90	58.69
>60 and ≤360	524	18.81	184,013,587.71	18.41	351,170.97	51.72
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Loan Maturity

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
≤0	-	-	-	-	-	-
> 0 and ≤5	16	0.57	1,299,612.23	0.13	81,225.76	26.54
>5 and ≤10	46	1.65	5,390,381.25	0.54	117,182.20	30.33
>10 and ≤15	168	6.03	33,996,442.55	3.40	202,359.78	39.85
>15 and ≤20	290	10.41	76,759,754.00	7.68	264,688.81	46.44
>20 and ≤25	628	22.54	241,281,380.31	24.14	384,206.02	54.77
>25 and ≤30	1,638	58.79	640,698,086.12	64.11	391,146.57	58.67
>30	-	-	-	-	-	-
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Mortgage Insurer

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
QBE Lenders' Mortgage Insurance Limited	250	8.97	94,399,705.88	9.45	377,598.82	70.96
Genworth Financial Mortgage Insurance Pty Limited						
No primary insurance	2,536	91.03	905,025,950.58	90.55	356,871.43	54.39
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Documentation Type

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
Full Documentation	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Employment Type

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
PAYG Employee	2,516	90.31	894,756,373.25	89.53	355,626.54	56.17
Self Employed	174	6.25	69,899,174.51	6.99	401,719.39	55.12
Other	96	3.45	34,770,108.70	3.48	362,188.63	52.13
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Interest type

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
Variable	2,476	88.87	868,729,337.39	86.92	350,859.99	55.07
Fixed	310	11.13	130,696,319.07	13.08	421,601.03	61.84
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Borrower Rate

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
≤ 0.00	-	-	-	-	-	-
> 0.00 and ≤ 2.00	121	4.34	47,443,293.60	4.75	392,093.34	59.80
> 2.00 and ≤ 2.50	133	4.77	60,815,625.93	6.09	457,260.35	64.01
> 2.50 and ≤ 3.00	28	1.01	9,925,905.00	0.99	354,496.61	63.69
> 3.00 and ≤ 3.50	3	0.11	1,196,396.29	0.12	398,798.76	72.08
> 3.50 and ≤ 4.00	3	0.11	652,338.55	0.07	217,446.18	42.30
> 4.00 and ≤ 4.50	5	0.18	2,726,633.91	0.27	545,326.78	53.56
> 4.50 and ≤ 5.00	311	11.16	137,094,148.91	13.72	440,817.20	54.02
> 5.00 and ≤ 5.50	1,022	36.68	375,745,512.99	37.60	367,657.06	55.59
> 5.50 and ≤ 6.00	781	28.03	250,085,687.50	25.02	320,212.15	55.02
> 6.00 and ≤ 7.00	330	11.84	103,232,029.13	10.33	312,824.33	55.95
> 7.00 and ≤ 8.00	45	1.62	9,774,651.88	0.98	217,214.49	44.78
> 8.00	4	0.14	733,432.77	0.07	183,358.19	47.55
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Interest Only Period

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
Principal and Interest	2,701	96.95	962,760,032.18	96.33	356,445.77	55.85
> 0 and ≤ 1 year	30	1.08	13,855,533.15	1.39	461,851.11	62.90
> 1 and ≤ 2 year	25	0.90	9,533,839.28	0.95	381,353.57	48.31
> 2 and ≤ 3 year	16	0.57	7,693,745.29	0.77	480,859.08	61.46
> 3 and ≤ 4 year	12	0.43	4,185,506.56	0.42	348,792.21	57.58
> 4 and ≤ 5 year	2	0.07	1,397,000.00	0.14	698,500.00	71.68
> 5 and ≤ 6 year	-	-	-	-	-	-
> 6 and ≤ 7 year	-	-	-	-	-	-
> 7 and ≤ 8 year	-	-	-	-	-	-
> 8 and ≤ 9 year	-	-	-	-	-	-
> 9 and ≤ 10 year	-	-	-	-	-	-
> 10 year	-	-	-	-	-	-
Total	2,786	100.00	999,425,656.46	100.00	358,731.39	55.95

Receivables by Top 10 Postcodes

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance (A\$)	By Loan Balance (%)	Average Loan Balance (A\$)	Weighted Avg LVR (%)
2155	24	0.86	11,791,434.23	1.18	491,309.76	63.54
2067	13	0.47	8,071,721.43	0.81	620,901.65	51.17
2090	13	0.47	8,024,603.40	0.80	617,277.18	50.69
2026	14	0.50	7,883,193.64	0.79	563,085.26	59.72
2093	9	0.32	7,197,200.00	0.72	799,688.89	37.28
3029	25	0.90	6,879,325.61	0.69	275,173.02	65.92
2137	13	0.47	6,738,874.24	0.67	518,374.94	58.73
2066	12	0.43	5,592,969.83	0.56	466,080.82	46.52
6164	20	0.72	5,581,255.32	0.56	279,062.77	62.74
2153	9	0.32	5,556,500.17	0.56	617,388.91	67.56
Total	152	5.46	73,317,077.87	7.34	482,349.20	56.51

DIRECTORY

TRUSTEE

Perpetual Corporate Trust Limited
Level 18, Angel Place, 123 Pitt Street
SYDNEY NSW 2000

SECURITY TRUSTEE

P.T. Limited
Level 18, Angel Place, 123 Pitt Street
SYDNEY NSW 2000

MANAGER, SERVICER, SELLER, LIQUIDITY FACILITY PROVIDER, ADDITIONAL ADVANCE FACILITY PROVIDER, DERIVATIVE COUNTERPARTY

HSBC Bank Australia Limited
Level 36, 100 Barangaroo Avenue
SYDNEY NSW 2000

ARRANGER, JOINT LEAD MANAGER and DEALER

The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch
Level 36, 100 Barangaroo Avenue
SYDNEY NSW 2000

JOINT LEAD MANAGER and DEALER

Australia and New Zealand Banking Group Limited
ANZ Tower, 242 Pitt Street
SYDNEY NSW 2000

JOINT LEAD MANAGER and DEALER

Commonwealth Bank of Australia (ABN 48 123 123 124)
Level 1, CBP South
11 Harbour Street
Sydney NSW 2000

JOINT LEAD MANAGER and DEALER

National Australia Bank Limited
Level 6
2 Carrington Street
Sydney NSW 2000

JOINT LEAD MANAGER and DEALER

Westpac Banking Corporation (ABN 33 007 457 141)
Level 2
275 Kent Street

Sydney NSW 2000

LEGAL ADVISERS TO HSBC

King & Woods Mallesons

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