

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 3383 of 2013

Applicants:

**RAYMOND EDWARD BRUCE AND
VICKI PATRICIA BRUCE**

AND

First Respondent:

**LM INVESTMENT MANAGEMENT
LIMITED (ADMINISTRATORS
APPOINTED) ACN 077 208 461 IN ITS
CAPACITY AS RESPONSIBLE ENTITY OF
THE LM FIRST MORTGAGE INCOME
FUND**

AND

Second Respondent:

**THE MEMBERS OF THE LM FIRST
MORTGAGE INCOME FUND
ARSN 089 343 288**

STEPHEN CHARLES RUSSELL of Level 21, 300 Queen Street, Brisbane in the
State of Queensland, solicitor, states on oath:

1. I am a solicitor of this Honourable Court and Managing Partner of Russells,
the Solicitors for the First Respondent ("LMIM").
2. Now produced and shown to me and marked "**SCR1**" to "**SCR13**" is an
indexed and paginated bundle of documents referred to in more detail in this
Affidavit.

PAGE 1

Signed

Solicitor/~~Barrister~~/Justice of the Peace

AFFIDAVIT OF STEPHEN CHARLES RUSSELL

Filed on behalf of the First Respondent

Form 46 Rule 431

RUSSELLS

Level 21
300 Queen Street

BRISBANE 4000

Phone: 07 3004 8888

Fax: 07 3004 8899

scr_20130471_024.docm

Inadequate Service of the Second Respondents

3. On Wednesday, 24 April, 2013, I had a conversation with Ms Banton about directions appropriate to be made on 29 April, 2013. There followed correspondence which is at exhibit "SCR1" hereof, pages 12 – 24.

4. I am informed by Ms Francene Mulder, who is Executive Director - Distribution/Product of LMIM, and I believe that she received the following documents, by post on 24 April, 2013, at the Gold Coast:-

- (a) A letter from Piper Alderman dated 19 April, 2013 received in the post by, by LMIM, at "SCR2", pages 25 – 38;
- (b) A copy of the Originating Application;
- (c) A copy of the Affidavit of Mr Bruce, sworn 14 April, 2013, but not containing any exhibits; and
- (d) A document soliciting support for the making of the orders sought by the Applicants.

5. I therefore believe that the earliest the members of the LM First Mortgage Income Fund ("the FMI Fund") will have received these documents is 24 April, 2013. The following day was a public holiday. The documents posted to the members (or some of them) did not include:-

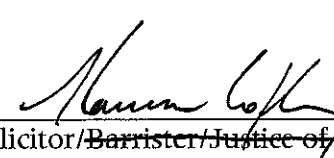
- (a) the exhibits to Mr Bruce's Affidavit; or
- (b) The Affidavit of Ms Banton, to be read by the Applicant's in support of the relief claimed.

6. At the time of swearing this Affidavit, Ms Banton's Affidavit has not been served and is not published on the website of Piper Alderman, despite informing me on 24 April, 2013 that she would serve that affidavit later that day.

PAGE 2



Signed



Solicitor/Barrister/Justice of the Peace

Late Service of Principal Affidavit

7. As appears from the email from Ms Banton to me of 6:05pm on Wednesday evening, 24 April, 2013 [page12], the Applicants were then contending that the matter would be heard on 29 April, 2013. About an hour later, however, I received an email from Ms Banton in which she confirmed that the Applicants intended to rely on further evidence and sought my agreement to directions that the matter be adjourned from 29 April, 2013, but only for a few days [pages 17 - 20].

8. This Application was filed on 15 April, 2013. I am not aware of any reason why, and the Applicants have not explained why, Ms Banton's Affidavit (or indeed any other evidence on which they propose to rely) was not filed and served at the same time, and has still not been served at the time of my swearing this affidavit.

Piper Alderman's Class Action and Other Retainers

9. I have looked at the website of Piper Alderman: and extracts therefrom [exhibit "SCR3", pages 39 - 41]. From those materials it appears that Piper Alderman is presently engaged in four other class actions, and that:-

Ms Banton and her team are investigating claims against the responsible entity of the Fund, LM Investment Management Limited (LM), its directors and other third parties, including advisors, associated with the fund's demise with a view to bringing a class action (or any other appropriate action).

...

On Friday, 12 April, Piper Alderman was successful in securing the appointment of a new and independent trustee, Korda Mentha, to the LM Managed Performance Fund, which was formerly operated by LM. Korda Mentha Partners David Winterbottom and Simon Vertullo will be handling the matter.

Piper Alderman has filed an application to replace the responsible entity of the LM First Mortgage Income Fund and expects that application to be heard shortly. The LM First Mortgage Income Fund will (similarly to the Performance Fund) be better served by having an independent RE (who is not in Administration) appointed to investigate and manage that fund. This will ensure that the same party is not acting on both sides of the fence (a factor that the judge in the Performance Fund matter before the Court

on Friday thought was determinative (amongst other things) in appointing a new trustee to the Performance Fund).

10. The reference on the website to Piper Alderman being successful in securing the appointment of "a new and independent trustee" is, I understand, a reference to the proceedings before de Jersey CJ, heard on 12 April, 2013. Copies of the written submissions made by Mr O'Donnell QC, instructed by Ms Banton, and the transcript of those proceedings, with the Chief Justice's reasons for Judgment are at "SCR4", pages 42 – 86 of my exhibits.

11. Immediately after the Chief Justice made that order (if not before), Ms Banton secured instructions from the "new and independent trustee [sic: trustees]" KordaMentha Pty Ltd and Calibre Capital Limited to act on their behalf in relation to the Managed Performance Fund, notwithstanding:-

- (a) the statement on the Piper Alderman website that "the appointment of the new and independent trustee" would "ensure that the same party is not acting on both sides of the fence"; and
- (b) the fact that Piper Alderman also acts for members of the Managed Performance Fund and of the The FMI Fund the subject of these proceedings.

12. A copy of a letter from Piper Alderman to King & Wood Mallesons dated 19 April, 2013, with enclosures is at "SCR5", pages 87 – 92 of my exhibits.

13. Further, an Originating Application (3691 of 2013) filed by leave by Piper Alderman on 24 April, 2013 is at "SCR6", pages 93 – 96 of my exhibits.

14. The Applicant's proposed nominee temporary responsible entity in this proceeding, Trilogy, was initially put up by Piper Alderman as a proposed new trustee in the proceedings before the Chief Justice in respect of the Managed Performance Fund. I refer to Ms Muller's affidavit in this regard.

15. I am informed by Mr Peter Schmidt, a member of the firm Norton Rose, and I believe that:-

- (a) His firm acted for LMIM for some time in relation to the affairs of one of the Schemes that is a major unitholder in the FMIF, namely LM Wholesale First Mortgage Income Fund ("the Wholesale Fund");
- (b) Piper Alderman acted for Trilogy when it took control of the Wholesale Fund, becoming its Responsible Entity.

16. I believe, therefore, that the reference on the Piper Alderman website to the effect that that firm "presently acts for a major portion of the unit holders [in The FMI Fund] by value" is a reference to Trilogy and to Mr and Mrs Bruce.

17. Further, before commencing these proceedings, the Applicants instituted and discontinued without serving, proceedings in the Federal Court of Australia, claiming identical relief to that claimed in those proceedings. Copies of the Application commenced in the Federal Court of Australia by the present Applicants on 12 April, 2013 (the day of the proceedings before the Chief Justice) and the Notice of Discontinuance of 17 April, 2013, are at "SCR7", pages 97 – 105 of my exhibits.

18. I have not been able to obtain a copy of the "Genuine Steps" Notice filed in those proceedings on 12 April, 2013. On my instructions, which I believe to be true, not only were there no "Genuine Steps" taken by the Applicants prior to instituting

the Federal Court proceedings (or these), they took no steps at all to raise any concerns with LMIM or any of the members of Fund.

19. Further, it appears that Trilogy has been, for many months prior to the appointment of administrators, seeking to acquire control of all of the funds (Managed Investment Schemes) in the LM Australia group. For example:-

- (a) On 10 October, 2012, the then board of LMIM circulated a letter to members of Funds that were subject to Trilogy's campaign. A copy is at ["SCR8"], pages 106 - 111 of my exhibits;
- (b) After it succeeded to control of the Wholesale Fund, Trilogy published a media release, at "SCR9", pages 112 - 114 of my exhibits, in which:-
 - (i) Trilogy deputy chairman Rodger Bacon said:-

... we remain firmly committed to our strategy on behalf of concerned investors and their advisers to bring about a change in RE of the LM Currency Protected Australian Income Fund ('Currency Protected Fund') and LM First Mortgage Income Fund ('Holding Fund').;

- (c) At the appendix, a three step strategy was articulated, with an arrow after step 3 pointing to:-

*Pool of assets
(mortgages over residential, commercial and industrial property)*

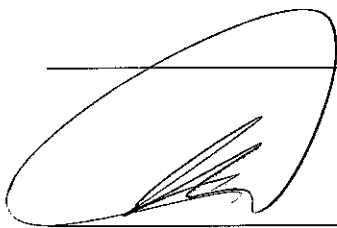
- (d) On 20 March, 2013 – the day after LMIM appointed voluntary administrators - Mr Bacon was quoted in the financial press, and in the Gold Coast Bulletin as saying that

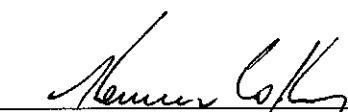
"the administration opened the way for unit-holders to ensure their best interests are served"; and that he "believe[s] the administration process will result in Trilogy being appointed manager to LM's funds and their responsible entity," he said.

20. I refer to the following documents:-
- (a) The Historical Company Extract in respect of Trilogy, at "SCR10", pages 115 – 172 of my exhibits;
 - (b) The Historical Company Extract in respect of Trilogy Capital Services Pty Ltd, at "SCR11", pages 173 – 200 of my exhibits;
 - (c) The Annual Financial Report of Trilogy, for the year ended 30 June, 2012, at "SCR12", pages 201 – 235 of my exhibits;
 - (d) The Interim Financial Report for the Pacific First Mortgage Fund for the six months ended 31 December, 2012, at "SCR13", pages 236 – 258 of my exhibits.

21. Based on this and other material (including numerous emails circulated to members of the The FMI Fund, and to various financial advisors of those persons and articles in the financial press), the First Respondent presently intends to resist these proceedings, on the grounds that they are being prosecuted for collateral purposes, in summary:-

- (a) That Piper Alderman, who already act for Trilogy, have secured, or wish to secure instructions from Trilogy if it becomes Responsible Entity of the The FMI Fund;
- (b) That Piper Alderman, who already act for other members of The FMI Fund, have secured, or wish to secure instructions from Trilogy if it becomes Responsible Entity of the The FMI Fund to act for it, and at the same time for the Members of The FMI Fund in a Class Action (for which no basis has been articulated);
- (c) Trilogy, which holds 19.8% of the units in The FMI Fund, wish to succeed to appointment as Responsible Entity, without calling a meeting of members;


Signed _____


Solicitor/Barrister/Justice of the Peace

(d) Piper Alderman acting in all of those those retainers, whilst at the same time acting for the new trustees of the Managed Performance Fund (despite the submissions made to the Chief Justice on 2013).

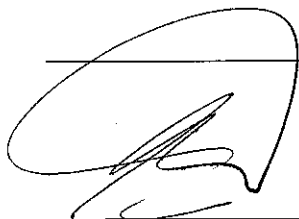
22. Further, I have been instructed that Piper Alderman and Trilogy have been corresponding with members of the The FMI Fund, and also communicating with financial advisors to those members and the financial press, in a campaign to secure support for their attempt to have Trilogy replace LMIM as Responsible Entity for the The FMI Fund. LMIM will contend that this correspondence and these communications have contained false and/or misleading statements.

23. Accordingly, I have issued and served subpoenas for the production of documents directed to Ms Banton, Piper Alderman, Mr Winterbottom and KordaMentha Pty Ltd and Trilogy. Depending on the documents produced in response to the calls on those subpoenas (on Friday, 17 May, 2013), and on other material that may come to light prior to then – including Ms Banton's Affidavit – the First Respondent may issue further subpoenas.

24. The subpoenas are returnable on 17 May, 2013 because they must be served on persons out of the State and Sections 29 and 30 of the *Service and Execution of Process Act* require at least 14 days notice to be given.

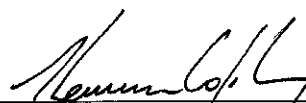
Length of Trial

25. Although it is difficult to say, in the absence of all of the Applicants' evidence, the trial of this proceeding will, in my view, likely occupy at least a day and possibly go into a second day. There is no prospect, in my view, that it could be resolved within two hours.



Signed

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Solicitor/Barrister/Justice of the Peace

26. As presently advised, the following are the principal grounds upon which the First Respondent will resist the proceedings, and which will require resolution of factual issues:-

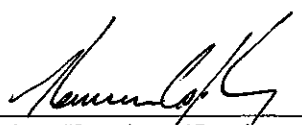
- (a) Whether the Application is brought for a collateral purpose;
- (b) The financial stability of Trilogy;
- (c) Whether the proposed nominee ;
- (d) Whether the conduct of Piper Alderman and/or Trilogy, in their communications with members of the The FMI Fund and the financial press, is such that, in the exercise of the Court's discretion, it would withhold any relief which it might otherwise be minded to grant on the Application;
- (e) Whether the proposed nominee holds an Australian Financial Services Licence that would permit it to act as temporary Responsible Entity;
- (f) That a substantial body of members is in favour of the First Respondent remaining as Responsible Entity;
- (g) That a substantial body of members is opposed to Trilogy becoming a temporary or permanent Responsible Entity;
- (h) That if Trilogy is appointed a temporary or permanent Responsible Entity, there will be a substantial duplication and wastage of costs;
- (i) That there are no currently subsisting conflicts of interest which as I understand from Ms Banton, the Applicants wish to agitate, which claims have been agitated in the media, albeit not yet in evidence.

27. I emphasise that this is not a concluded position on behalf of the First Respondent – principally because the Applicants have held back their material even to the time of swearing this my affidavit.

PAGE 9



Signed

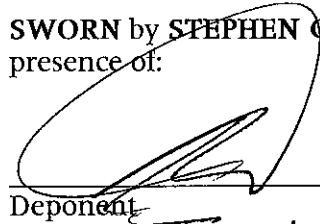


Solicitor/Barrister/Justice of the Peace


28. There are also several questions of law that arise from the Application.

29. All the facts and circumstances deposed to are within my own knowledge save such as are deposed to from information only and my means of knowledge and sources of information appear on the face of this my Affidavit.

SWORN by **STEPHEN CHARLES RUSSELL** on 1 May, 2013 at Brisbane in the presence of:



Deponent



Solicitor/~~Barrister~~/Justice of the Peace

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 3383 of 2013

Applicant:

**RAYMOND EDWARD BRUCE
AND VICKI PATRICIA BRUCE**

AND

First Respondent:

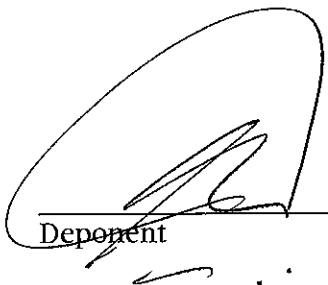
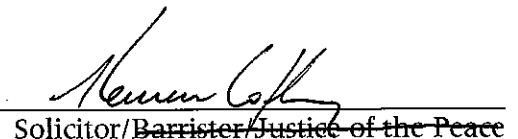
**LM INVESTMENT MANAGEMENT
LIMITED (ADMINISTRATORS
APPOINTED) ACN 077 208 461 IN ITS
CAPACITY AS RESPONSIBLE ENTITY
OF THE
LM FIRST MORTGAGE INCOME FUND**

AND

Second Respondent:

**THE MEMBERS OF THE
LM FIRST MORTGAGE INCOME FUND
ARSN 089 343 288**

Bound and marked "**SCRI**" to "**SCRI3**" are the exhibits to the Affidavit of
STEPHEN CHARLES RUSSELL sworn on 1 May, 2013 at Brisbane in the presence
of:-


Deponent
Solicitor/Barrister/Justice of the Peace

CERTIFICATE OF EXHIBIT

Filed on behalf of the Applicant

Form 47 Rule 435

RUSSELLS

Solicitors
Level 21
300 Queen Street
BRISBANE 4000
Phone: 3004 8888
Fax: 3004 8899

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SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 3383 of 2013

**Applicant: RAYMOND EDWARD BRUCE
AND VICKI PATRICIA BRUCE**

AND

**First Respondent: LM INVESTMENT MANAGEMENT
LIMITED (ADMINISTRATORS
APPOINTED) ACN 077 208 461 IN ITS
CAPACITY AS RESPONSIBLE ENTITY
OF THE
LM FIRST MORTGAGE INCOME FUND**

AND

**Second Respondent: THE MEMBERS OF THE
LM FIRST MORTGAGE INCOME FUND
ARSN 089 343 288**

INDEX "SCR1" TO "SCR13"

No	Document	Date	Page
"SCR1"	Correspondence between Russells and Ms Banton, Piper Alderman	24.04.13 - 26.04.13	12-24
"SCR2"	Letter from Piper Alderman to Unit Holders, with enclosures	19.04.13	25-38
"SCR3"	Extracts from website of Piper Alderman	26.04.13	39-41
"SCR4"	Submissions of O'Donnell QC, transcript of proceedings, reasons for Judgment	12.04.13	42-86
"SCR5"	Letter from Piper Alderman to King & Wood Mallesons, with enclosures	19.04.13	87-92
"SCR6"	Amended Originating Application	24.04.13	93-96
"SCR7"	Originating Application and Notice of Discontinuance filed in the Federal Court of Australia	12.04.13 & 17.04.13	97-105
"SCR8"	LMIM Board's letter to Members	10.10.12	106-111
"SCR9"	Trilogy Media Release	23.11.13	112-114
"SCR10"	Historical Search Trilogy Funds Management Limited	30.04.13	115-172
"SCR11"	Historical Search Trilogy Capital Services Pty Limited	29.04.13	173-200
"SCR12"	Trilogy Funds Management Limited Annual Financial Report to 30 June, 2013	31.10.12	201-235
"SCR13"	Pacific First Mortgage Fund Interim Financial Report for 6 months ended 31 December, 2012	14.03.12	236-258

Stephen Russell

From: Amanda Banton [ABanton@piperalderman.com.au]
Sent: Wednesday, 24 April 2013 6:05 PM
To: Stephen Russell
Subject: RE: Bruce & Anor v LM Investment Management Limited (Administrators Appointed) & Anor - Supreme Court of Queensland Proceeding 3383 of 2013

Mr Russell,

I confirm that we are presently instructed to seek a hearing on Monday. If that position changes I will let you know as soon as is possible.

Amanda Banton
Partner | Piper Alderman



PiperAlderman

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abanton@piperalderman.com.au | www.piperalderman.com.au

From: Stephen Russell [mailto:srussell@russellslaw.com.au]
Sent: Wednesday, 24 April 2013 5:06 PM
To: Amanda Banton
Cc: Davina Holland; Ilenna Copley; Derek Finch
Subject: RE: Bruce & Anor v LM Investment Management Limited (Administrators Appointed) & Anor - Supreme Court of Queensland Proceeding 3383 of 2013
Importance: High

Dear colleagues

We refer to our conversation earlier today.

We confirm that:-

1. You have advised that your clients have served the application and a copy of the affidavit of Mr Bruce on all members; and
2. Your clients have another affidavit to serve (by Ms Banton); and
3. You will propose a timetable for the remaining interlocutory steps.

Please advise when we may expect to receive your client's affidavit – especially bearing in mind that tomorrow is a public holiday, our clients are concerned to ensure that the members have been duly served, on appropriate notice, so that they may take advice on the relief that your clients seek, retain solicitors if any wish to do so, and appear and be heard.

Would you also confirm that the remaining affidavit is the only further material on which your clients intend to rely at the trial of the proceedings.

As soon as we see your clients' evidence, we will be able to form a view on the best mode of procedure at the trial.

We look forward to hearing from you as soon as convenient.

Yours faithfully

RUSSELLS

Stephen Russell
Managing Partner

Direct (07) 3004 8810
Mobile 0418 392 015
SRussell@RussellsLaw.com.au

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Postal—GPO Box 1402, Brisbane QLD 4001 / Street—Level 21, 300 Queen Street, Brisbane QLD 4000
Telephone (07) 3004 8888 / Facsimile (07) 3004 8899 / ABN 38 332 782 534
RussellsLaw.com.au

From: Amanda Banton [<mailto:ABanton@piperalderman.com.au>]
Sent: Wednesday, 24 April 2013 11:13 AM
To: Stephen Russell
Subject: RE: Bruce & Anor v LM Investment Management Limited (Administrators Appointed) & Anor - Supreme Court of Queensland Proceeding 3383 of 2013

Stephen,

I confirm the application has already been provided to members of the fund and that we will be seeking deemed service orders.

I also confirm that we will be seeking to have the matter heard on Monday.

Amanda Banton
Partner | Piper Alderman



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abanton@piperalderman.com.au | www.piperalderman.com.au

From: Stephen Russell [<mailto:srussell@russellslaw.com.au>]
Sent: Tuesday, 23 April 2013 7:48 PM
To: Amanda Banton
Cc: Davina Holland; Ilenna Copley
Subject: RE: Bruce & Anor v LM Investment Management Limited (Administrators Appointed) & Anor - Supreme Court of Queensland Proceeding 3383 of 2013

Amanda

Let's chat tomorrow regarding directions for service etc on 29 April.

Yours faithfully

RUSSELLS

Stephen Russell
Managing Partner

Direct (07) 3004 8810
Mobile 0418 392 015
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Telephone (07) 3004 8888 / Facsimile (07) 3004 8899 / ABN 38 332 782 534
RussellsLaw.com.au

From: Amanda Banton [<mailto:ABanton@piperalderman.com.au>]
Sent: Tuesday, 23 April 2013 5:48 PM
To: Stephen Russell
Cc: Davina Holland
Subject: Re: Bruce & Anor v LM Investment Management Limited (Administrators Appointed) & Anor - Supreme Court of Queensland Proceeding 3383 of 2013

Stephen,

I confirm receipt.

Thanks

Amanda Banton
Partner | Piper Alderman

t [+61 2 9253 9929](tel:+61292539929)
f [+61 2 9253 9900](tel:+61292539900)
abanton@piperalderman.com.au | www.piperalderman.com.au

On 23/04/2013, at 3:54 PM, "Stephen Russell" <srussell@russellslaw.com.au> wrote:

Dear Colleagues

Attached, is a copy of the First Respondent's Notice of Appearance, together with a copy of the letter under cover of which it was served on your Brisbane office this afternoon.

Yours faithfully

RUSSELLS

Stephen Russell
Managing Partner

Direct (07) 3004 8810
Mobile 0418 392 015
SRussell@RussellsLaw.com.au

Brisbane / Sydney

Postal—GPO Box 1402, Brisbane QLD 4001 / Street—Level 21, 300 Queen Street, Brisbane
QLD 4000

Telephone (07) 3004 8888 / Facsimile (07) 3004 8899 / ABN 38 332 782 534

RussellsLaw.com.au

Click [here](#) to report this email as spam.

<Notice of Appearance - Filed 23 April 2013.pdf>

<DOC230413-23042013152553.pdf>

WARNING: This e-mail is from Piper Alderman.
The contents are confidential and may be protected by legal
professional privilege. If you have received this e-mail in error,
please reply to us immediately and delete the document.

This message has been scanned by SurfControl plc. www.surfcontrol.com

Stephen Russell

From: Stephen Russell
Sent: Wednesday, 1 May 2013 3:25 PM
To: Stephen Russell
Subject: FW: Bruce & Anor v LM Investment Management Limited (Administrators Appointed) & Anor - Supreme Court of Queensland Proceeding 3383 of 2013

SaveToDatabase: 0
SentItem: -1

From: Amanda Banton [<mailto:ABanton@piperalderman.com.au>]
Sent: Wednesday, 24 April 2013 6:45 PM
To: Stephen Russell
Subject: RE: Bruce & Anor v LM Investment Management Limited (Administrators Appointed) & Anor - Supreme Court of Queensland Proceeding 3383 of 2013

Mr Russell,

I don't think it is appropriate to engage in correspondence about without prejudice communications in open correspondence (save as to say that there is no inconsistency in any event, between the conversation and my email).

At present the matter is listed for Monday and there is no agreement for it to be stood over with a timetable. We will write to you should the position change and I have instructions to do so.

Amanda Banton
Partner | Piper Alderman



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abanton@piperalderman.com.au | www.piperalderman.com.au

Stephen Russell

From: Davina Holland [DHolland@piperalderman.com.au] on behalf of Amanda Banton [ABanton@piperalderman.com.au]
Sent: Wednesday, 24 April 2013 7:18 PM
To: Stephen Russell; Dallys Pyers
Cc: Amanda Banton; Anne Freeman; Jasmin Shaw; Sarah Wooster; Davina Holland; Lisa Gallate
Subject: Bruce & Anor v LM Investment Management Limited (Administrators Appointed) & Anor
Attachments: letter & encl.pdf

Please find attached our letter dated 24 April 2013 together with enclosure.

Kind regards

Amanda Banton
Partner | Piper Alderman



PiperAlderman

t +61 2 9253 9929 | m +61 424 156 859 | f +61 2 9253 9900
abanton@piperalderman.com.au | www.piperalderman.com.au

WARNING: This e-mail is from Piper Alderman.
The contents are confidential and may be protected by legal professional privilege. If you have received this e-mail in error, please reply to us immediately and delete the document.

This message has been scanned by SurfControl plc. www.surfcontrol.com

Our Ref: AKB.LNG.384396
Your Ref:



24 April 2013

**By Email: SRussell@Russells.Law.com.au;
dpyers@russells.law.com.au
Original forwarded by Post**

Russells
Level 21
300 Queen Street
BRISBANE QLD 4000

Attention: Mr Stephen Russell

Dear Sir

**Raymond & Vicki Bruce v LM Investments Management Limited
(Administrators Appointed) in its capacity as Responsible Entity of the
LM First Mortgage Income Fund and The Members of The LM First
Mortgage Income Fund**

We refer to your email sent at 5.06pm this evening.

We attach for your consideration proposed timetable for the interlocutory steps
in this application, which culminates in the application being heard on
Thursday, 2 May 2013.

If these orders can be agreed, we will appear at the return date of the
application next Monday, 29 April 2013 and have the orders made by consent.

Please let us know as a matter of urgency if the proposed orders are agreed.

Yours faithfully
Piper Alderman

Per:

A handwritten signature in black ink, appearing to read "A Banton", written over the "Per:" line.

Amanda Banton
Partner

Encs.

Lawyers

Sydney • Melbourne
Brisbane • Adelaide

ABN 42 843 327 183

Level 23

Governor Macquarie Tower

1 Farrer Place

Sydney NSW 2000

DX 10216 Sydney Stock Exchange

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f +61 2 9253 9800

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Partner:

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t +61 2 9253 9929

abanton@piperalderman.com.au

Contact:

Lisa Gallate

Special Counsel

t +61 2 9253 3855

lgallate@piperalderman.com.au

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 3383 of 2013

Applicants: **RAYMOND EDWARD BRUCE AND
VICKI PATRICIA BRUCE**
AND
First Respondent: **LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED), ACN 077 208
461, IN ITS CAPACITY AS RESPONSIBLE ENTITY
OF THE LM FIRST MORTGAGE INCOME FUND**
AND
Second Respondent: **THE MEMBERS OF THE LM FIRST MORTGAGE
INCOME FUND ARSN 089 343 288**

CONSENT ORDER

Judge:

Date: 29 April 2013

Initiating document: Originating Application filed 15 April 2013

THE ORDER OF THE COURT IS THAT:

1. The Applicants are to file any further Affidavit material by Friday, 26 April 2013.
2. The First Respondent is to provide to the Applicants by its solicitors a list of the email addresses of the Second Respondents, where known by the First Respondent, by 12.00 noon on Friday, 26 April 2013.
3. The Respondents are to serve any Affidavit material by Tuesday, 30 April 2013.
4. The parties are to exchange Submissions by 5 pm on Wednesday, 1 May 2013.
5. The matter be listed for hearing on Thursday, 2 May 2013.

Consent Order
Filed on behalf of the Applicants
Form 59 Rule 661

Piper Alderman
Level 23, Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000
Tel: +61 2 9253 9999
Fax: +61 2 9253 9900
Ref: AKB.AF.380287-0001

28005449v1

Signed:

[REGISTRAR]

Stephen Russell

From: Dallys Pyers
Sent: Friday, 26 April 2013 12:32 PM
To: Stephen Russell
Subject: FW: LM Investment Management Limited (Administrators Appointed) & Ors ats Bruce & Anor
Attachments: scr_20130471_023.pdf
Saved: 0

Yours faithfully

RUSSELLS

Dallys Pyers
Secretary

Direct (07) 3004 8833
DPyers@RussellsLaw.com.au

Liability limited by a scheme approved under professional standards legislation

Brisbane / Sydney

Postal—GPO Box 1402, Brisbane QLD 4001 / Street—Level 21, 300 Queen Street, Brisbane QLD 4000
Telephone (07) 3004 8888 / Facsimile (07) 3004 8899 / ABN 38 332 782 534
RussellsLaw.com.au

From: Dallys Pyers **On Behalf Of** Stephen Russell
Sent: Friday, 26 April 2013 11:34 AM
To: 'abanton@piperalderman.com.au'
Cc: Ilenna Copley
Subject: LM Investment Management Limited (Administrators Appointed) & Ors ats Bruce & Anor

Dear Colleagues

Please refer to our attached letter, dated 26 April, 2013.

Yours faithfully

RUSSELLS

Stephen Russell
Managing Partner

Direct (07) 3004 8810
Mobile 0418 392 015
SRussell@RussellsLaw.com.au

Liability limited by a scheme approved under professional standards legislation

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Postal—GPO Box 1402, Brisbane QLD 4001 / *Street*—Level 21, 300 Queen Street, Brisbane QLD 4000

Telephone (07) 3004 8888 / Facsimile (07) 3004 8899 / ABN 38 332 782 534

RussellsLaw.com.au

RUSSELLS

26 April, 2013

Our Ref: Mr Russell
Your Ref: Ms Banton

EMAIL TRANSMISSION

Attention: Ms Amanda Banton
Piper Alderman
Solicitors
SYDNEY

email: ABanton@piperalderman.com.au

Dear Colleagues

**LM Investment Management Limited (Administrators Appointed) &
Ors ats Bruce & Anor**

We refer to your letter dated 24 April, 2013 and to your proposed directions for the adjournment and further conduct of your clients' application, presently returnable on 29 April, 2013.

We agree that the matter cannot be heard on that date.

We also agree that directions should be made on that date for the proper conduct of the proceedings and the hearing of the trial.

However, we repeat that we cannot agree to a timetable when we have not seen the material on which your clients intend to rely. We were expecting to receive a further affidavit by Ms Banton and we understand that it is a substantive document.

Your clients' nominee, Trilogy, for which we understand you also act, has been conducting a spirited publicity campaign which is inappropriate and embarrassing to the current court proceedings. We encourage your client to desist from its attacks on our clients in the media and in the advisor network.

The sooner you get Ms Banton's affidavit to us, the sooner we will be able to consider an appropriate timetable. Holding it back only delays things.

Our clients cannot supply the email addresses which are mentioned in the draft order. It would be unlawful to do so, constituting an infringement of section 2 of the National Privacy Principles.

Liability limited by a scheme approved under professional standards legislation

Brisbane / Sydney
Postal—GPO Box 1402, Brisbane QLD 4001 / Street—Level 21, 300 Queen Street, Brisbane QLD 4000
Telephone (07) 3004 8888 / Facsimile (07) 3004 8899
RussellsLaw.com.au
scr_20130471_023.docm

We note that your clients (the applicants and Trilogy) in any event have an electronic copy of the Registrar of Members of the Fund and that the rules make ample provision of service of the proceedings and all affidavits to be relied on by the applicants. We note in this regard that Ms Banton contended that your clients had already served all of the members of the Fund.

We should say, as a matter of comity, that it has come to our attention that, for some reason, your clients have withheld the exhibits from the affidavit of Mr Bruce, which has been received by post by some members. We cannot imagine why you would withhold court documents from parties to the proceedings.

We also note that copies of the originating application and Mr Bruce's affidavit are on your firm's website.

We are also of the view that, since Ms Banton's affidavit forms the evidence upon which the applicants will rely at the trial, the rules require it to be served on all parties.

Neither Mr Bruce's affidavit, nor our exceedingly detailed instructions, disclose any basis for not properly serving all of the members; nor for the undue haste with which you evidently intend to prosecute these proceedings.

Our client thinks it is of the highest importance that the members of the fund are all properly served and that they have adequate notice.

We await receipt of Ms Banton's affidavit.

Yours faithfully



Stephen Russell
Managing Partner

Direct (07) 3004 8810
Mobile 0418 392 015
SRussell@RussellsLaw.com.au

Stephen Russell

From: Stephen Russell
Sent: Friday, 26 April 2013 2:48 PM
To: Stephen Russell
Subject: FW: Raymond Bruce and Vicki Bruce v LM Investment Management Limited (Administrators Appointed) in its capacity as Responsible Entity of the LM First Mortgage Income Fund & Ors

SaveToDatabase: 0
SentItem: -1

From: Lisa Gallate <LGallate@piperalderman.com.au><mailto:LGallate@piperalderman.com.au>>
Date: 16 April 2013 7:22:29 PM AEST
To: "Pan, Philip (AU)" <Philip.Pan@au.kwm.com><mailto:Philip.Pan@au.kwm.com>>, "Costello, Emma (AU)" <Emma.Costello@au.kwm.com><mailto:Emma.Costello@au.kwm.com>>, "Mew, Cameron (AU)" <Cameron.Mew@au.kwm.com><mailto:Cameron.Mew@au.kwm.com>>
Cc: Amanda Banton
<ABanton@piperalderman.com.au><mailto:ABanton@piperalderman.com.au>>, Davina Holland
<DHolland@piperalderman.com.au><mailto:DHolland@piperalderman.com.au>>
Subject: Raymond Bruce and Vicki Bruce v LM Investment Management Limited (Administrators Appointed) in its capacity as Responsible Entity of the LM First Mortgage Income Fund & Ors

Dear Philip, Emma and Cameron

We attach an Originating Application seeking orders that Trilogy Funds Management Limited be appointed temporary responsible entity or trustee of the LM First Mortgage Income Fund. We also attach the supporting affidavit of Raymond Bruce (in more than one pdf due to the size of the exhibit).

The matter is listed for hearing on 29 April at 10.00am.

Could you please confirm by return whether you have instructions to accept service for LM Investment Management Limited (Administrators Appointed).

Regards
Lisa Gallate
Special Counsel | Piper Alderman

Confidentiality Notice:

This email and any attachments may be confidential and protected by legal privilege. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the e-mail or any attachment is prohibited. If you have received this email in error, please notify us immediately by replying to the sender and then delete this copy and the reply from your system. Thank you for your cooperation.

24 APR 2013



Piper Alderman

Our Ref: AKB.LNG.380287-0001

19 April 2013

LMIM ATF LM Wholesale Mortgage Income Fund
PO BOX 485
SURFERS PARADISE QLD 4217

Dear Unit holder

Raymond Edward Bruce and Vicki Patricia Bruce v LM Investment Management Limited (Administrators Appointed) in its capacity as Responsible Entity of the LM First Mortgage Income Fund and the Members of the LM First Mortgage Income Fund
Supreme Court of Queensland Proceedings No. 3383 of 2013

We act for Raymond Edward Bruce and Vicki Patricia Bruce (the **Bruces**) who are Unit holders in the LM First Mortgage Income Fund (**Income Fund**). You are a Unit holder in the Income Fund.

The **Bruces** have applied to the Supreme Court of Queensland for orders that the present Responsible Entity of the Income Fund be removed, and that Trilogy Funds Management Ltd (**Trilogy**) (or such other company as the court determines appropriate) be appointed by the Court as the temporary Responsible Entity or alternatively, as the trustee of the Income Fund.

The Application is listed for hearing by the Supreme Court at Brisbane on 29 April 2013.

All unit holders of the Income Fund are respondents to the application brought by the **Bruces**. You are entitled to appear on the hearing of the application (in person or by legal representation), to file affidavits, and to make submissions to the Court as to what orders should be made.

We are sending the following documents to you with this letter:

- (a) The Originating Application, and
- (b) The affidavit of Mr Raymond Bruce sworn on 14 April 2013.

A copy of the above documents can also be found on our website www.piperalderman.com.au. If you require a copy of Exhibit **REB1** to Mr **Bruce's** affidavit, or if you have any questions, please contact Piper Alderman on 02 9253 9999 or email lm@piperalderman.com.au.

If you don't intend to appear at the hearing, please call Sarah Wooster at Piper Alderman on 02 9253 9999 and advise if you support this application, or please complete the attached and return it to us at lm@piperalderman.com.au.

If you wish to obtain further information about or have any questions for Trilogy, please call the hotline that has been set up for unit holders on (07) 3039 2888 (Client Services) and 021 675 244 (New Zealand) or refer to their website which is www.trilogyfunds.com.au.

Yours faithfully
Piper Alderman

Per:

Amanda Banton
Amanda Banton
 Partner

Lawyers

Sydney • Melbourne
 Brisbane • Adelaide

ABN 42 843 327 183

Level 23

Governor Macquarie Tower

111, arch Place

Sydney NSW 2000

PX 10216 Sydney Stock Exchange

T +61 2 9253 9999

F +61 2 9253 9800

www.piperalderman.com.au

Partner

Amanda Banton

T +61 2 9253 9829

abanton@piperalderman.com.au

Contact

Lisa Gallate

Special Counsel

T +61 2 9253 3855

lgallate@piperalderman.com.au

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 3383 2013

Applicants:

RAYMOND EDWARD BRUCE AND
VICKI PATRICIA BRUCE
AND

First Respondent:

LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED), ACN 077
208 461, IN ITS CAPACITY AS RESPONSIBLE
ENTITY OF THE LM FIRST MORTGAGE
INCOME FUND

AND

Second Respondent:

THE MEMBERS OF THE LM FIRST
MORTGAGE INCOME FUND ARSN 089 343 288

ORIGINATING APPLICATION

To the respondents, LM Investment Management Limited (Administrators Appointed) (LM) and the members of the LM First Mortgage Income Fund (the Income Fund).

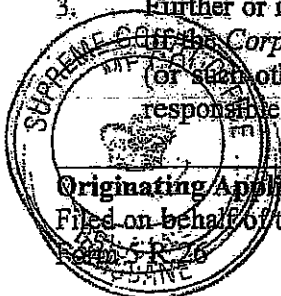
TAKE NOTICE that the Applicants are applying to the Court for the following orders:

Leave to Proceed

1. An order pursuant to section 440D of the *Corporations Act (Cth) 2001* (the *Corporations Act*) that the Applicants be granted leave to bring these proceedings against the First Respondent, in its capacity as responsible entity of the Income Fund.

Replacement of LM as responsible entity of the Income Fund

2. An order pursuant to sections 601FN and 601FP of the *Corporations Act*, that Trilogy Funds Management Limited (or such other company as the court determines appropriate) is appointed temporary responsible entity of the Income Fund.
3. Further or in the alternative to order 2 hereof, an order pursuant to regulation 5C.2.02 of the *Corporations Regulations 2001 (Cth)* that Trilogy Funds Management Limited (or such other company as the court determines appropriate) is appointed temporary responsible entity of the Income Fund.



Originating Application
Filed on behalf of the Applicants

Piper Alderman
Level 23, Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000
Tel: +61 2 9253 9999
Fax: +61 2 9253 9900
Ref: AKB.SP.380287-0001

27973857v1

4. In the alternative to orders 2 and 3 hereof, an order pursuant to section 80 of the *Trusts Act (Qld) 1973*, that Trilogy Funds Management Limited (or such other company as the court determines appropriate) be appointed responsible entity/trustee of the Income Fund until further order of the court or an extraordinary resolution of the Income Fund's members providing for an alternative appointment.

Notification Procedures

5. An order that the Applicants shall serve the originating application and any supporting affidavit (s) filed in respect of the originating application on the Australian Securities and Investments Commission (ASIC).
6. An order that the Applicants shall serve the Second Respondents, the members of the Income Fund (the Members) with the originating application and any supporting affidavit (s) filed in respect of the originating application (the **Originating Documents**) by:-
- 6.1 sending the Originating Documents by ordinary post to the Members at their last known address as contained on the Income Fund's register of members, and/or
- 6.2 sending the Originating Documents by email to the Members where the Members have an email address known to the Applicants.
7. An order that the Originating Documents be made available in pdf format on the websites of the:-
- 7.1 First Respondent, being www.lmaustralia.com, and
- 7.2 Applicants' solicitors, being www.piperalderman.com.au
- within 3 working days of the date of order.
8. An order that service of any further Court documents on the Members, including any orders made in respect of the originating application be effected by those Court documents being made available in pdf format on the websites of the:-
- 8.1 First Respondent, being www.lmaustralia.com, and
- 8.2 Applicants' solicitors, being www.piperalderman.com.au
- within 3 working days of the date of order.

This application will be heard by the Court at Brisbane

on: 20 April 2013 at 10 am

Filed in the Brisbane Registry on 15 April 2013

Registrar:

If you wish to oppose this application or to argue that any different order should be made, you must appear before the Court in person or by your lawyer and you shall be heard. If you do not appear at the hearing the orders sought may be made without further notice to you. In addition you may before the day for hearing file a Notice of Address for Service in this Registry. The Notice should be in Form 8 to the Uniform Civil Procedure Rules. You must serve a copy of it at the applicant's address for service shown in this application as soon as possible.

On the hearing of the application the Applicants intend to rely on the following affidavit:

1. Affidavit of Raymond Edward Bruce, sworn 14 April 2013.

If you intend on the hearing to rely on any affidavits they must be filed and served at the Applicants' address for service prior to the hearing date.

If you object that these proceedings have not been commenced in the correct district of the Court, you must apply to the Court for dismissal of the proceedings.

The First Respondent is sued in its capacity as responsible entity of the Income Fund.

THE APPLICANTS' ESTIMATE THE HEARING SHOULD BE ALLOCATED 2 HOURS.

PARTICULARS OF THE APPLICANTS:

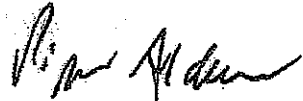
Applicants' Names: Raymond Edward Bruce and Vicki Patricia Bruce

Applicants' residential or business address: 167 Foreshore Road, RD1, KAITAIA
0481 NEW ZEALAND

Applicants' solicitor's name and firm name: Amanda Kim Banton
Piper Alderman
Solicitor's business address: Level 23, Governor Macquarie Tower,
1 Farrer Place, Sydney NSW 2000
Address for service: Level 23, Governor Macquarie Tower,
1 Farrer Place, Sydney NSW 2000
DX: 10216 Sydney Stock Exchange
Telephone: +61 2 9253 9999
Fax: +61 2 9253 9900
E-mail address: abanton@piperalderman.com.au

27973857v1

Signed:



Description: Solicitor for the Applicants

Dated: 15 April 2013

This application is to be served on:

LM Investment Management Limited
(Administrators Appointed)
of Level 4, RSL Centre, 9 Beach Road, Surfers Paradise QLD 4217

and

John Richard Park and Ginette Dawn Muller in their capacity as administrators of LM
Investment Management Limited
EIH Consulting
Corporate Centre One
Level 9, 2 Corporate Court
Bundall Qld 4217

and

The members of the LM First Mortgage Income Fund, by post and/or email

and

Australian Securities and Investments Commission

Attention: Tim Walker
GPO Box 9827
Sydney NSW 2001

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: /2013

Applicants:

RAYMOND EDWARD BRUCE AND
VICKI PATRICIA BRUCE

AND

First Respondent:

LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED), ACN 077
208 461, IN ITS CAPACITY AS RESPONSIBLE
ENTITY OF THE LM FIRST MORTGAGE
INCOME FUND

AND

Second Respondent:

THE MEMBERS OF THE LM FIRST
MORTGAGE INCOME FUND ARSN 089 343 288

AFFIDAVIT

I, **RAYMOND EDWARD BRUCE** of 167 Foreshore Road, RD1, KAITIA, 0481, New
Zealand, retired, say on oath:

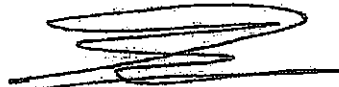
1. My wife and I are the Applicants in these proceedings.
2. Throughout this affidavit, I make references to various documents and page numbers. Those documents are contained in a paginated bundle of documents exhibited to this affidavit and marked "REB1" (the Exhibit) and the page numbers to which I refer are the page numbers within the Exhibit.
3. I make this affidavit based on my own knowledge or from my review of the relevant documents referred to herein.

Signed:



**AFFIDAVIT OF RAYMOND
EDWARD BRUCE**

Taken:



Piper Alderman
Level 23, Governor Macquarie Tower, 1 Farrer
Place, SYDNEY 2000

Filed on Behalf of the Applicants

Ref: AB:SB:380287
Phone No: +61 2 9253 9999
Fax No: +61 2 9253 9900

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4. My wife and I are members of the registered managed investment scheme known as the LM First Mortgage Income Fund, ARSN 089 343 288 (the Fund) and we invested approximately \$144,000 of our savings in the Fund.
5. I make this affidavit in support of the Originating Application dated 15 April 2013 (the Application) seeking, *inter alia*, the removal of the First Respondent (LM) as responsible entity of the Fund and the appointment of Trilogy Funds Management Limited (Trilogy) in its stead.

Background to the Fund

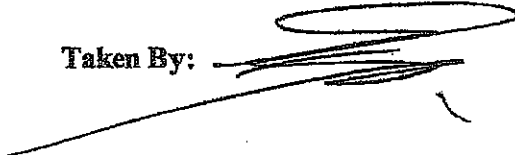
6. At pages 3 to 9 is a copy of an Australian Securities and Investment Commission (ASIC) extract for the Fund and at pages 10 to 36 is an ASIC extract for LM.
7. At pages 37 to 103 is the constitution of the Fund as lodged with ASIC on 11 April 2008 (the Constitution), together with the recent amendments made to the Fund's constitution.
8. LM established the Fund on 28 September 1999 and was appointed responsible entity (see page 3). LM has been the responsible entity of the Fund since its inception and remains the responsible entity.
9. In accordance with clause 2 of the Constitution (page 47), LM, in its capacity as responsible entity of the Fund, acts as trustee and holds the Fund's property on trust for members.
10. Monies were raised by LM for investment in the Fund through the issue of prospectuses/product disclosure statements and financial advisors (both in Australia and internationally) were the principal conduit for investments. An example of a Product Disclosure Statement issued by LM seeking investment in the Fund, dated 10 April 2008 (the PDS) is at pages 104 to 151.
11. At pages 152 to 201 is the Fund's annual financial report for the financial year ending 30 June 2012 (the Financial Report).

2

Signed:



Taken By:



2. The essential features of the Fund (which I understand from my own knowledge and from the Financial Report, the Constitution and the PDS) are as follows:-

- 12.1 Investors were to be paid interest income with the return of capital at maturity.
- 12.2 The majority of investors in the Fund (beyond the feeder funds, see paragraph 13.1 below) were retail investors (the LM Individual Investors) who invested their superannuation and savings in the Fund.
- 12.3 LM invested the monies raised in "*a diversified portfolio of Australian registered first mortgages over commercial, residential, industrial, retail, vacant land, interest bearing cash investments and "at call" securities*" (see page 114).
- 12.4 The Fund was intended to provide a secure interest income for investors and in this regard LM represented that it had investment strategies and conservative lending policies (see pages 114-116).

13. I have sighted a copy of the register of the Fund. In view of the personal details of the Fund's unit holders contained on the register, I have not exhibited a copy of it to this affidavit. However, from an inspection of the register I believe that:

13.1 The LM Currency Protected Australian Income Fund (Currency Fund), the LM Wholesale Mortgage Income Fund (Wholesale Fund) and the LM Institutional Currency Protected Australian Income Fund (Institutional Fund) are feeder funds to the Fund who hold the following approximate percentage of units in the Fund:

Currency Fund - 24.75% Wholesale Fund - 20.42% Institutional Fund - 1.90%

13.2 The balance of investors in the Fund are approximately 4,500 LM Individual Investors whose investments in the Fund range from approximately \$1,000 to \$8,000,000, with the majority of the investments in the range of \$20,000 - \$100,000.

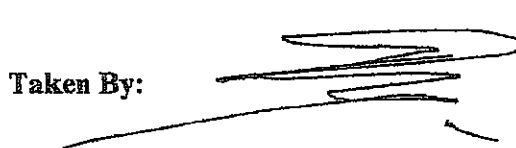
14. In the PDS (see page 114), LM represented that the Fund's assets as at 29 February 2008 totalled \$718,403,075.00, which comprised 96% Australian registered first mortgage securities and 4% cash and "at call" securities.

3


Signed:

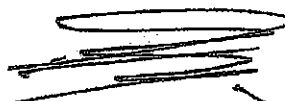



Taken By:



15. In 2009, LM closed the Fund to new investors and suspended redemptions as the majority of the underlying loan assets were in default and the Fund had resultant liquidity issues.
16. The Financial Report and the benchmark disclosure for investors issued by LM of 31 December 2012 (at pages 152 to 201 and 202 to 211 respectively), confirmed the following:
- 16.1 The Fund would not re-open and would continue the realisation strategy.
 - 16.2 The unit value in the Fund was 59 cents as at 16 November 2012.
 - 16.3 488,787,330 units were in issue as at 30 June 2012.
 - 16.4 The net loss before any distributions to unit holders as at 30 June 2012 was approximately \$88.6 million.
 - 16.5 Total "assets under management" were valued at \$343,976,757 (although the lion's share of the assets is loan receivables whose value was determined by LM's directors and may be less).
 - 16.6 Approximately \$9.1 million was paid to LM's related entity LM Administration Pty Ltd (LMA) for management fees in respect of the Fund for the period.
 - 16.7 Loan management fees were paid to LM of approximately \$4.8 million for the period.
 - 16.8 Impairments of approximately \$99.1 million were made in respect of the mortgage loans.
 - 16.9 Secured creditor (Deutsche Bank) lent the Fund \$29.4 million as at December 2012 and that facility expires on 30 June 2014 and is secured by the assets of the Fund.
 - 16.10 LMA owes the Fund approximately \$5.7 million in prepaid management fees (after set off of the amounts owing for management fees).



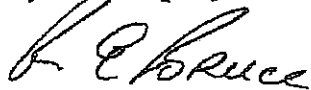
Appointment of Administrators to LM

17. On 19 March 2013, John Richard Park and Ginette Dawn Muller of FTI Consulting were appointed administrators of LM (the Administrators) by LM's directors (see page 12).
18. On 21 March 2013, the Administrators sent a circular to creditors of LM (Creditors' Circular – see pages 212-224), in which the Administrators confirmed that there is approximately \$304 million in funds under management for the Fund (see page 214). At page 216 of the Creditors' Circular, the Administrators stated "*Investors of the respective Funds are not creditors of the Company and should not attend the creditors meeting. This meeting is a procedural requirement under the Act and no detailed information of the Funds will be provided...*".
19. On 24 March 2013, the Administrators sent a circular to investors of the funds managed by LM (the Investors' Circular – see pages 225-229) and at page 226 stated "*...investors are not considered to be creditors of LMIM. Accordingly, investors are not required to attend the first meeting of creditors....*".
20. On 26 March 2013, the Administrators held various conference calls with the financial advisors who invested their clients' monies in the Fund because the Administrators had determined that the financial advisors were creditors of LM in view of their outstanding advisor commissions. I am informed by Shaan Palmer of Piper Alderman (who participated in the call on behalf of a financial advisor) and believe that during the call Ginette Muller said *inter alia* words to the following effect:-

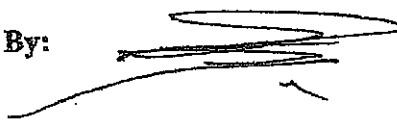
"The purpose of the appointment of voluntary administrators is to give the company some breathing space and to enable the company to enter into a moratorium where it can take stock of the situation it is in and not have to worry about creditor's payments but to place the company in the control of independent people who can continue to trade the business and look at the possibility of entering into a compromise or arrangement with their creditors through a Deed of Company Arrangement. So, the first meeting of creditors has been called for 2 April, the Tuesday after the Easter break and the purpose of that meeting is to communicate to as many creditors as possible in a timely manner the situation that the administrators have found with respect to the company, to get the message out there quickly, this company is in voluntary administration, we're having a look at it,

5

Signed:



Taken By:



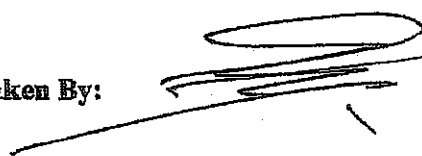
we're going to see what options are available in terms of a possible Deed of Company Arrangement.....A Deed of Company Arrangement is a proposal put forward by a third party or the directors sometimes which can talk about a restructuring of the funds, in this case, taking part of the business and continuing to trade back and winding down other parts, there can be a myriad of different possibilities and so I can't really go into the specifics, but what happens is, that proposal is handed to the administrators, which the administrators, as an independent party then make an assessment of the options and they go back to creditors and say that one or the other is better and for these reasons. The second meeting of creditors is then held, you get that report well in advance of the meeting. The second meeting of creditors is held and creditors are called to vote in favour of whichever outcome they think is in their best interest, and that determines the future of the company."

21. At the first meeting of creditors of LM, which was held on 2 April 2013 (at which the Fund's investors were told not to attend), the Administrators stated "Redemption claims and claims for principal and interest investments in funds are in nature of equity and are inadmissible in the administration for voting purposes or otherwise. The only exception will be where investors can properly particularize claims for breach of trust or misleading and deceptive conduct against LMM. In this case, unless those parties can provide a just estimate of the loss debt I propose to admit those parties for ST" (see page 3 of the Administrators' speaking notes, which was obtained from the Administrators' website and are at pages 230- 242).

22. The Administrators also confirmed that the unit value of the Fund had further reduced to 55 cents in the most recent accounts of the Fund, which are yet to be finalised and that all underlying loans are in default (see page 239).

Suspension of LM's Australian Financial Services Licence

23. On 9 April 2013, ASIC suspended LM's Australian Financial Services Licence (see page 243).



Appointment of a Replacement Responsible Entity

24. As the majority of the Fund's assets are impaired and unit holder value continues to decline, I am concerned that unit holders' interests are not being adequately protected. I believe that unit holders' interests would be better served by an independent responsible entity that does not have any potential conflicts or association with LM and will therefore have the interests of unit holders of the Fund as their primary duty.
25. Trilogy Funds Management Limited (Trilogy) is the responsible entity of the Wholesale Fund, which, as set out at paragraph 13.1 above is a feeder fund to the Fund. Trilogy consents to the appointment (see consent at page 244).

SWORN by RAYMOND EDWARD
BRUCE on 1st April 2013 in Kaitia,
New Zealand in the Presence of:



Deponent



Witness

Name: Raymond Edward Manning
Solicitor/Justice of the Peace
Solicitor Kaitia

AN INDICATION OF SUPPORT*

If you wish to support the appointment of Trilogy Funds Managements Limited as the Responsible Entity (RE) or Trustee to:

1. The LM First Mortgage Income Fund (Income Fund)
2. The LM Currency Protected Australian Income Fund (Currency Fund)

then please complete this form and return it to Piper Alderman at lm@piperalderman.com.au or by fax +61 2 9253 9900 by no later than 5pm Wednesday 24 April 2013.

Your name (as per unit registry)

First Name

Last Name

Your Fund

Income Fund

No. of units held

Currency Fund

No. of units held

Your Email Address:

Your Phone No:

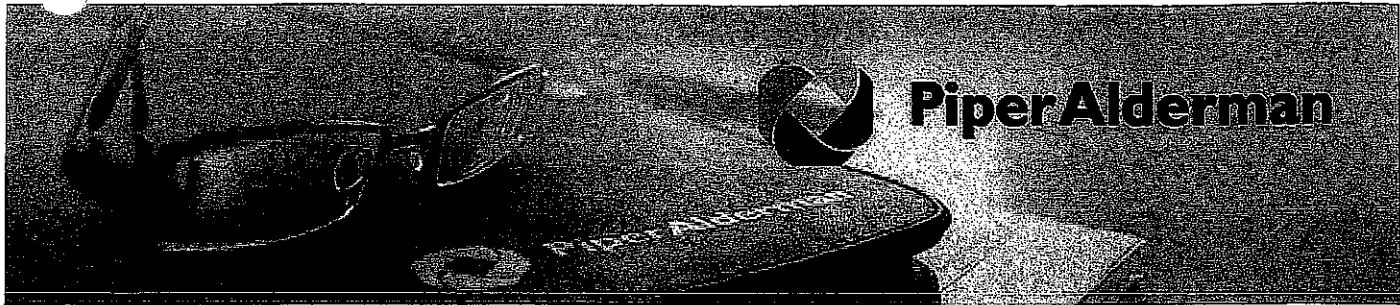
Return by email to:

lm@piperalderman.com.au

Or fax (free call):

+61 2 9253 9900

*This form does not constitute an appearance at the proceedings and is only for the purpose of the Applicants informing the Court of the Respondents position on the application. Piper Alderman will not appear for you in the Proceedings unless you contact us and instruct us to do so.

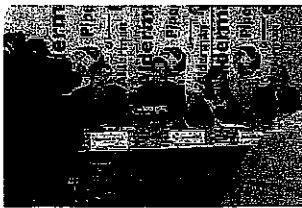


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At Piper Alderman, we listen to our clients and respond to their needs with practical, innovative legal solutions.

We bring together a national team whose approach is commercial and outcome driven, drawing on our proven expertise to add real value to every client's business.

请查阅本事务所简介



Piper Alderman announces Class Action against Vodafone

Piper Alderman has announced plans to go ahead with a class action against Vodafone in the Federal Court. The Action relates to Vodafone customers experiencing calls dropping out, reception issues, weak data and internet performance and poor customer service.

Our media release for this announcement can be viewed here, which includes the stories of some of our class members.

VODAFONE CLASS ACTION - sign up here



Piper Alderman partners named in Best Lawyers 2013

Piper Alderman is excited that the 2013 edition of Best Lawyers includes recognition for eleven of our partners.

Congratulations to Head of Property and Projects **Tony Britten-Jones** who was named *Best Lawyers' 2013 Adelaide Real Property "Lawyer of the Year."*

To see the whole list, click here.

Latest News

Piper Alderman welcomes Lehman Brothers Scheme of Arrangement - 18 Apr 2013

The Partner responsible for Piper Alderman's successful case against Lehman Brothers, Amanda Banton, welcomes a proposal for a Scheme of Company Arrangement that has been put forward by the liquidators of Lehman Brothers Australia this week. [Read more](#)

Shareholder and Investor Class Actions

White Sands Petroleum Limited Shareholder Class Action

[Click here for further information and to register your interest](#)

Equititrust Limited Class Action

[Click here for further information](#)

Vodafone Class Action

[Click here to register your interest and for updates on this matter](#)

CBA Class Action

[Click here for further information](#)

LM Investment Management Limited Class Action

[Click here for further information](#)

Latest Publications

Competition and Consumer News - April 2013

Competition and Consumer News Alert - April 2013

Building & Construction News - April 2013

Piper Alderman's e-Bulletin - April 2013

Wills Watch - April 2013

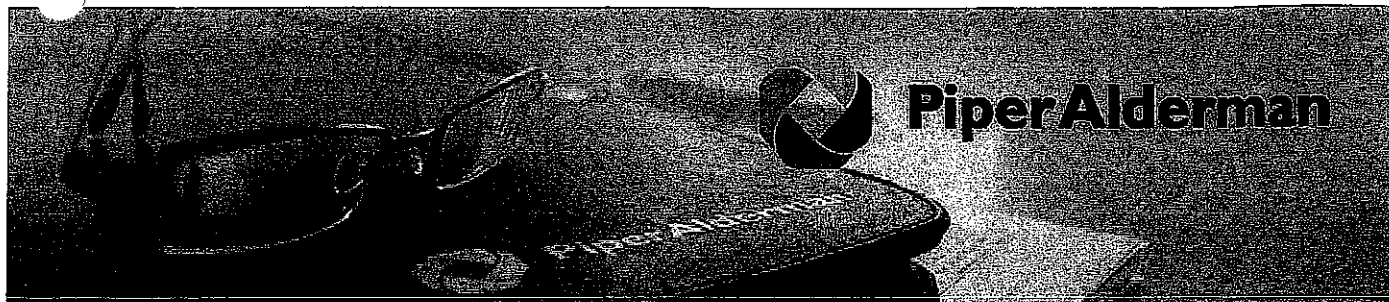
Fiscal Watch - April 2013

IPT Alert - The Trade Mark Clearing House now open for business - April 2013

Employment Matters - Special Edition - March 2013

IPT Alert - Key changes to Australian trade mark law in 2013 - March 2013

FST e-Bulletin - February 2013



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Firm / LM Investment Class Action

Firm LM Investment Management Limited

Our firm

Our approach

Our history

Alumni

Equititrust Limited Class Action

CBA Class Action

LM Investment Class Action

Piper Alderman has been assisting unit holders in relation to the ongoing demise of the LM First Mortgage Fund including in respect of a class action. The firm presently acts for a major portion of the unit holders by value.

Partner, Amanda Banton and her team are investigating claims against the responsible entity of the Fund, LM Investment Management Limited (LM), its directors and other third parties, including advisors, associated with the fund's demise with a view to bringing a class action (or any other appropriate action). Those actions will seek to recover the losses sustained by unit holders, many of whom are elderly persons who invested their life savings.

On Friday, 12 April, Piper Alderman was successful in securing the appointment of a new and independent trustee, Korda Mentha, to the LM Managed Performance Fund, which was formerly operated by LM. Korda Mentha Partners David Winterbottom and Simon Vertullo will be handling the matter.

Piper Alderman has filed an application to replace the responsible entity of the LM First Mortgage Income Fund and expects that application to be heard shortly. The LM First Mortgage Income Fund will (similarly to the Performance Fund) be better served by having an independent RE (who is not in Administration) appointed to investigate and manage that fund. This will ensure that the same party is not acting on both sides of the fence (a factor that the judge in the Performance Fund matter before the Court on Friday thought was determinative (amongst other things) in appointing a new trustee to the Performance Fund).

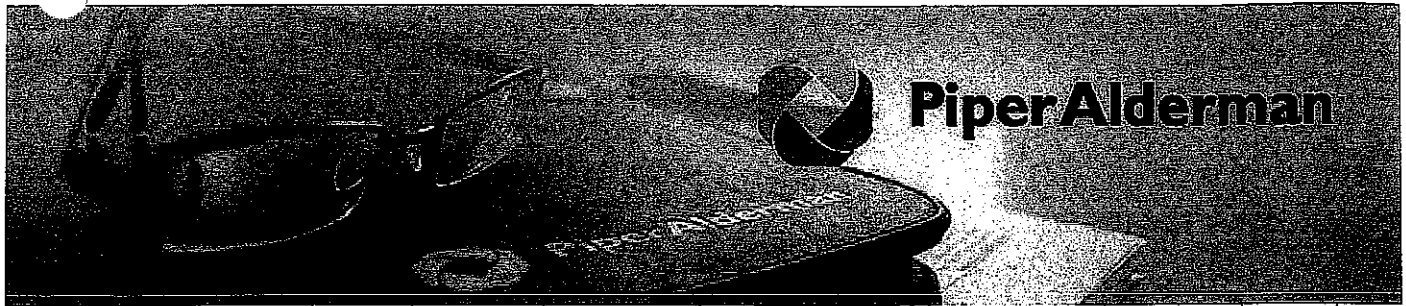
Unit holders of any of the LM funds should contact Piper Alderman on (02) 9253 9999 or by email to lm@piperalderman.com.au as a matter of urgency as the Administration process may have a significant effect on their rights.

Relevant documents

Orders from the Supreme Court of Queensland

Originating Application

Affidavit of Raymond Bruce


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[Firm](#) / Equitrust Limited Class Action

Firm

Equitrust Limited Class Action

[Our firm](#)
Update - Monday, 13th February 2012
[Our approach](#)

Piper Alderman is currently finalising the pleadings to commence a class action against Equitrust Limited ("the Company") and a number of its directors. The Court documents are expected to be filed in the coming weeks. Unit holders who have joined or propose to join the class action will enter a funding agreement with International Litigation Partners No. 1 Ltd in which the costs associated with the class action are covered by the funder in exchange for a percentage of any recovery from the action.

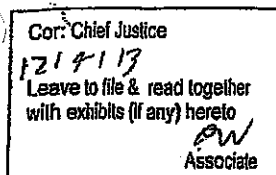
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The class action will plead a case for breach of duties by the Company and several of its directors, claims of imprudent investments by the Company and its directors, and for other breaches of the Corporations Act.

[Equitrust Limited Class Action](#)
[CBA Class Action](#)
[LM Investment Class Action](#)

It is essential that Piper Alderman has the names of those unit holders who wish to participate so that we are able to confirm who we represent and ensure that the claims are properly pleaded. Further, the pleadings will only seek to recover damages for those people who wish to participate and have indicated their agreement by signing and returning the funding agreement.

Should you wish to join the class action it is now urgent that you contact Piper Alderman. Please contact Shaan Palmer: spalmer@piperalderman.com.au.



S. COURT
O. AND

12 APR 2013

FILED
BRISBANE

"SCR4"

98h.

**PARK & MULLER, as administrators of LM INVESTMENT MANAGEMENT LIMITED
v MEMBERS OF THE MANAGED PERFORMANCE FUND**

O'Connell

**SUBMISSIONS BY SEVEN RESPONDENTS WHO ARE UNITHOLDERS OF THE
FUND**

Proper notice of the application should be given to all unitholders before any order for replacing the trustee or appointing a receiver to the assets of the fund is made

1. The managed performance fund is a unit trust. Each unitholder is a beneficiary of the trust. As at the last annual return there were 356,367,645 units on issue. The affidavits do not disclose how many beneficiaries held those units. LM Investment Management Limited ("LM") is the trustee (although styled "Manager" in the trust deed). These submissions are made by seven beneficiaries who hold units in the fund.
2. The fund was designed to be offered to investors outside Australia, global platform and portfolio operators and institutional/wholesale investors.¹ It is thought that many of the investors in the fund are located overseas (as are the respondents who are making these submissions).
3. The application should be properly notified to all unitholders in the fund. The application is one to replace the trustee of the trust, or to have the Court appoint a receiver to the assets of the trust. The primary consideration on the application must be what is the best interests of the beneficiaries. They should be properly notified of the application, and be given a reasonable opportunity to make submissions to the Court as to what should be done with their trust. The beneficiaries of the trust have been made respondents to the application, but have not been served. The method of giving notice the applicants have adopted has been:

COPY



to make available the application on the website
www.lminvestmentadministration.com;

Affidavit of Park, in 2859 of 2013, para.8(g)

- b. to send an e-mail from FTI Consulting, which is ex.1 to the affidavit of A. Banton with the application ~~and affidavit~~. The covering letter is inadequate. It does not tell the unitholder that the unitholder is a respondent to the proceeding. Nor does it tell the reader that the application can directly affect the interests of the unitholder, that the unitholder is entitled to appear at Court (personally or by legal representation) and to be heard on the questions of replacing the trustee or the Court appointing a receiver to the assets of the trust.

The applicants have brought this application for substantive orders without first obtaining an order from the Court that notice could be given by steps (a) and (b) above.

4. The Under the trust deed, the trustee is required, by cl.20, to maintain a register of members, which is to include an address for each member. Presumably the address is or includes an e-mail address or facsimile number. Orders could be fashioned for giving proper notice to each unitholder by the e-mail or other address recorded in the trustee's register of members. A suggested form of order is attached. An additional complication is that the unitholders, or many of the, are all located overseas.

Alternatively, if the Court determines to make a substantive order today, then the orders sought by the applicant should be refused and instead the Court should order removing the present trustee, and appointing of 333 Capital Pty Ltd and M.A. Korda and M. Mentha (of Korda Mentha Pty Ltd) as replacement trustee

5. The Court should order replacement of the trustee, rather than a appointing a receiver to the assets of the trust. Under the trust deed, by cl.23.1(b)(ii) the trustee must resign if (being a corporation) it becomes an externally body corporate as defined in the *Corporations Act 2001*. That occurred on 19 March 2013 when administrators were appointed to LM. Consequently, the present trustee is required to resign, although it has not done so yet. Further, in order to operate the trust, the trustee must hold an Australian Financial Services licence under Chapter 7 of the *Corporations Act*. On 9 April 2013 ASIC suspended the Australian Financial Services licence No.220281 held by the trustee until 9 April 2015.² Accordingly, it is appropriate to replace the present trustee. A replacement trustee is desirable in order that the new trustee can properly investigate

² There were some exemptions from that suspension, but none in respect of this trust

whether the trust has claims against the former trustee for mismanagement of the fund, including lending the bulk of the fund's assets to related parties of one director, Mr. Peter Drake.

6. The appointment of a receiver is not desirable. The fund is solvent and there is no suggestion that its assets are in jeopardy. The evidence of Mr. Park is that the fund has assets of approx.\$395m, with liabilities of \$16.5m.³ But there is no suggestion from Mr. Park that the assets of the fund are in immediate jeopardy. The replacement of the trustee would achieve everything that could be done by appointing a receiver. And appointing a receiver to a solvent operating fund is undesirable. It would send a message to the market that the fund was in some form of trouble.
7. Replacing the present trustee with Mr. Park and Ms. Muller is undesirable. They are the administrators of LM. LM is the trustee of a number of funds, including the LM First Mortgage Income Fund, the LM Cash Performance Fund, the LM Australian Income Fund - Currency Protected, the LM Currency Protected Australian Income Fund, the LM Institutional Currency Protected Australian Income Fund and others. Also, Mr. Park and Ms. Muller are administrators of the administration company (LM Administration Pty Ltd) which has provided administration services to LM in its role as trustee of all funds.
8. It is desirable that the new trustee of the managed performance fund act solely in the interests of that fund, and not be distracted by the interests of other funds, or of LM itself.
In particular:
 - a. the present trustee of the managed performance fund have caused the bulk of its assets to be advanced to companies related to one of its directors, Mr. Peter Drake. It appears from the affidavit of Park, para.13, that of the approx.\$395m of fund assets that have been lent to borrowers, some \$288m has been lent to companies associated with Mr. Drake. The unitholders wish for the performance of the trustee in its management of the fund, and lending so much of the funds' assets to related parties of one director, to be properly investigated. This may result in either a claim by the trust against LM or LM Administration. It is undesirable that if that claim eventuates, Mr. Park and Ms. Muller should be on

³ Affidavit of Park, paras.13 and 19

both sides of the fence. It is also undesirable that they should have the role of investigating whether the trust has such a claim, given their interest in those who would be defending such a claim;

b. the managed performance fund has entered into transactions with other funds managed by LM. The material shows that there have been a number of such transactions with the LM First Mortgage Income Fund. On a number of loans the LM First Mortgage Income Fund is the first mortgagee, and the managed performance fund is second mortgagee. Further, the managed performance fund appears to have paid development and construction costs on those loans, and to have funded interest payments by the borrower to LM First Mortgage Fund. There is potential for conflict in respect of such loans. There may be issues as to the amounts owing on the particular loan as between distinct funds, and there may be issues as to where, for example, the second ranking security holder may wish to develop the project so as to achieve a better return, whereas the fund holding the first ranking security may wish to sell it immediately;

c. if a deed of company arrangement is proposed for LM (or LM Administration) there is the potential for the deed to compromise any rights that the trust has against LM (or LM Administration). It is desirable that the Trust's interests in respect of any such deed of company arrangement are handled independently from the administrators. Otherwise, Mr. Park and Ms. Muller might be both lodging a proof of debt in the administration (on behalf of the trust) and making a decision as to admittance of the proof of debt of the amount for which it should be admitted, as administrators of LM.

9. Mr. Park and Ms. Muller say that if someone other than themselves is appointed as trustee, then there would be duplication of work for the new appointee to acquire an understanding of the affairs of the managed performance fund.⁴ That may be so, however, Mr. Park and Ms. Muller have only recently been appointed (19 March), and hence the scope for duplication does not seem large. And, more importantly, against that is to be balanced the desirability of having a trustee whose sole care is the best interests of the beneficiaries.

⁴ Affidavit of Park, para.25(b)

10. Further, the trustee is required to hold an Australian Financial Services licence, pursuant to Chapter 7 of the *Corporations Act*. Section 9(1)(f)(a)(i) precludes someone without such a licence from conducting a financial services business. A financial services business is defined in s.761A to mean the business of providing financial services. That includes dealing in a financial product: s.766C.
11. The respondents propose two members of Korda Mentha Group be appointed, Korda Mentha Pty Ltd and 333 Capital Pty Ltd. The latter company holds an Australian Financial Services Licence. Korda Mentha and 333 Capital are qualified to act as replacement trustees, and have no conflicting interest. There would be nothing to prevent them, as replacement trustee, acting in the sole interests of the beneficiaries.
12. Mr. Park and Ms. Muller do not give evidence that they hold an Australian Financial Services licence. Without such a licence they are not appropriate to be appointed as replacement trustee.

Transcript of Proceedings

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Transcript issued subject to correction upon revision.

SUPREME COURT OF QUEENSLAND

CIVIL JURISDICTION

de JERSEY, CHIEF JUSTICE

No 2859 of 2013

RE: LM ADMINISTRATION PTY LTD
(ADMINISTRATORS APPOINTED)

Applicant

and

LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED)

Respondent

and

GINETTE MULLER

Administrator

and

JOHN RICHARD PARK

Administrator

No 2869 of 2013

RE: LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED)

Applicant

and

LM ADMINISTRATION PTY LTD
(ADMINISTRATORS APPOINTED)

Applicant

and

WARNING: The publication of information or details likely to lead to the identification of persons in some proceedings is a criminal offence. This is so particularly in relation to the identification of children who are involved in criminal proceedings or proceedings for their protection under the *Child Protection Act 1999*, and complainants in criminal sexual offences, but is not limited to those categories. You may wish to seek legal advice before giving others access to the details of any person named in these proceedings.

THE MEMBERS OF THE MANAGED
PERFORMANCE FUND

Respondent

and

GINETTE MULLER

Administrator

and

JOHN RICHARD PARK

Administrator

BRISBANE

..DATE 12/04/2013

..DAY 1

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12042013 D.1 R(2)12-17/SDH (BRIS) BRIS13 (de Jaisy CJ)

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: If it please the Court, my name is Sullivan, initials TP, Senior Counsel, I appear with my learned junior, Ms Muir, instructed by King Wood and Mallesons for the applicants in both applications, your Honour.

THE CHIEF JUSTICE: And who are they?

MR SULLIVAN: John Richard Park and Ginette Muller, in the capacity as joint and several administrators, of LM Investments Management Limited and LM Administration Pty Ltd, and in the second case - excuse me, your Honour - essentially in their personal capacity for their appointment as receivers to certain trust properties, which, your Honour will see in due course, is associated with the corporate groups which have collapsed.

THE CHIEF JUSTICE: All right. Mr O'Donnell?

MR O'DONNELL: Your Honour, I'm only appearing in one of the matters, matter number 2869. In that matter, I appear for seven beneficiaries. I read out their names, CR Oxley, B Appleby, I and E Bouttell, E Hollahan, J Lewis, KT Nicoll, and G and J Farrimond. So it's O'Donnell QC, instructed by [indistinct] and Eden. Thank you, your Honour.

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: Your Honour, there are-----

THE CHIEF JUSTICE: Well, can we - now, there's an application, you told me, to extend the time for the convening of a meeting?

MR SULLIVAN: Yes, that was the one which I proposed to deal with first.

THE CHIEF JUSTICE: Do that first?

MR SULLIVAN: Yes, your Honour.

THE CHIEF JUSTICE: Get that out of the way. Yes. I assume that's uncontroversial, is it?

MR SULLIVAN: I think it is. I don't think my learned friend's appearing in that action.

THE CHIEF JUSTICE: No. He's not on that.

MR SULLIVAN: There is material in each of those applications referred to in the other application, your Honour, so I'd propose to read the material in bulk, but I have a separate set of submissions for the extension application

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: And I propose at the moment just to read the material in both, and give your Honour the submissions in the extension application, together with the relevant material. So if I could hand up to your Honour two copies of the material to be read. There is an affidavit of Melissa Federico and that is sworn on the 12th of April, 2013, for which leave is sought. There is an affidavit of Phillip Yong Pan, sworn on the 11th of April, 2013 of which leave is sought.

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There is a set of submissions, a draft order, and the relevant statutory provisions.

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THE CHIEF JUSTICE: In so far as this material concerns you, do you have any objection-----

MR O'DONNELL: No, your Honour.

THE CHIEF JUSTICE: -----objection to leave?

MR O'DONNELL: No, your Honour.

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THE CHIEF JUSTICE: Leave's granted.

MR SULLIVAN: And, your Honour, in the second matter, I'll hand up a material to be read list and that will include an affidavit of Richard John Park sworn the 12th of April, 2013, an affidavit of Phillip Yong Pan, sworn the 11th of April 2013, and an affidavit of Melissa Federico, same spelling as before, your Honour, sworn on the 12th of April, 2013. I'll hand those lists up, but I don't hand up any submissions in relation to that application at the moment. Your Honour, can I separately hand up to you simply a bundle of the authorities which are referred to in the outline of submissions? The majority of those your Honour would be very familiar with.

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THE CHIEF JUSTICE: But not all of them?

MR SULLIVAN: Well, I would say all of them.

THE CHIEF JUSTICE: Okay. I'll probably be familiar with very few of them. Mmm. But I'd like to think I know the principles. Now, why don't you - the other matter's obviously controversial. Why don't you tell me about the extension application?

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MR SULLIVAN: Certainly, your Honour. Just get my submissions for that. Your Honour, this is the - there are two companies of which the two administrators have been appointed administrators. It is, in effect, known as the LM Investment Group. It's the subject of that "Four Corners" report about three weeks ago.

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THE CHIEF JUSTICE: What was that about?

MR SULLIVAN: It's a series of entities which, where, for a large group of them, they were the responsible entity of the managed investment fund.

THE CHIEF JUSTICE: Right.

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MR SULLIVAN: And there is one trust fund, which is somewhat controversial, because it's not registered as a managed investment fund, and ASIC has raised the issue that perhaps it should have been registered as a management investment fund and it's the subject of a trust deed. That's what the second application will deal with. The amounts which have been invested in various funds is significant, and your Honour will see in the affidavit for the extension-----

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THE CHIEF JUSTICE: I think I heard some - I didn't see the "Four Corners" program, but I think I heard something about it in "AM" the following morning.

MR SULLIVAN: Your Honour, we're talking of hundreds of millions of dollars.

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: Several hundreds of millions of dollars invested in these funds. We've put into the material a chart, if your Honour - I'll just turn it up for your Honour.

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THE CHIEF JUSTICE: Well, would it be efficient if I - if I, at this stage, read your submissions in relation to the extension order?

MR SULLIVAN: Yes.

THE CHIEF JUSTICE: Why-----

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MR SULLIVAN: Can I just say this, your Honour, they're significant amounts of money, it's complex in terms of size. It's also complex in terms of the interrelation between funds and the corporate group. So you have one principal company and then you have a second company which has been acting as, in effect, the administrative services company.

THE CHIEF JUSTICE: Mmm.

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MR SULLIVAN: And there are - there are related party transactions that have occurred in respect of these entities. Your Honour would be aware that it's a very short time frame for the initial convening of the first second creditors meeting.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: And we've set out the affidavit with - and the submissions have references to the various paragraphs.

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THE CHIEF JUSTICE: Why you need more time?

MR SULLIVAN: Yes, and, whilst the cases say it's - it's sometimes unhelpful to look at other cases for convenient periods, can I say this? It is helpful, in this sense, just to see that the three months that's being sought is certainly not out of the ordinary and is, we would say, towards the

lower end of the scale in a matter of the complexity as this-----

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THE CHIEF JUSTICE: And where is - which - where is the affidavit by the administrators, in which they justify the extension?

MR SULLIVAN: It is in that - at - it is in proceeding 2859.

THE CHIEF JUSTICE: Can that be got out, please?

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MR SULLIVAN: Was filed on the 5th of April, 2013 of Mr John Richard Park; and the submissions, in effect, summarise the points he makes in the affidavit.

THE CHIEF JUSTICE: I'm read that.

MR SULLIVAN: Thank you, your Honour.

THE CHIEF JUSTICE: Yes. Yes, well, I will, Mr Sullivan, extend the time for the second meeting for three months.

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MR SULLIVAN: Yes, your Honour. Thank you. Your Honour will see that, in addition, there is an order for - under 447A, which allows flexibility, as we've explained in the submissions-----

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: -----to hold the meeting earlier than the period defined in the Act, and that allows the flexibility that, if the view is formed by the administrators that there's no use continuing on with the administration, investigating further things, but to call the meeting earlier, that allows it to be done. Can I just point you to two authorities on that?

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: The first is in the bundle that I handed up to your Honour, tab one, and I was just going to take - it's the decision in River City Motorways. That was the first of a series of decisions by Justice Logan in the Federal Court, dealing with the Clem 7 collapse; and your Honour will see in the order that has been made, three pages in, the order in paragraph 2. That's the same order which we seek.

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: And that has become a common order, where an extension is granted, to-----

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THE CHIEF JUSTICE: What, does 44 - 447A says the Court may make directions, does it?

MR SULLIVAN: Yes. It's - it's that case that O'Brien, the High Court decision, O'Brien, has said that's a very broad power to a Court-----

THE CHIEF JUSTICE: Mmm.

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MR SULLIVAN: -----to change how the part operates in relation to administrations.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: And if your Honour goes to the final case in the bundle, at tab 8, that's the decision of Riviera Group, which is one of the common decisions referred to. If your Honour looks at paragraph 20 of that decision.

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THE CHIEF JUSTICE: This is where Justice Austin laid down on the factors to be taken into account, is it?

MR SULLIVAN: That's correct, your Honour, and, if your Honour wished to look at it, I could - Justice Logan sets out a significant portion of those matters raised by Justice Austin.

THE CHIEF JUSTICE: I've read those.

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MR SULLIVAN: So paragraph 20 deals with that 447A point

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: And so I just want to let your Honour know that the common order to be made, it has a purpose, in that it increases flexibility.

THE CHIEF JUSTICE: Right.

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MR SULLIVAN: So that dealt with order 2. Order 3, 4 deal with giving further notice to creditors.

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: And 5 is a liberty to apply, which allows anybody, who can demonstrate a sufficient interest, to come back in relation to the matter; and 6 is the usual order as to costs, that they be costs in the administration.

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THE CHIEF JUSTICE: Yes. Order as per draft.

MR SULLIVAN: Thank you, your Honour.

THE CHIEF JUSTICE: Now-----

MR SULLIVAN: To just take a moment to put this to one side.

THE CHIEF JUSTICE: Can I take - put forward this? Will I need this material?

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MR SULLIVAN: Your Honour will need the affidavit material, but can put the other material, such as sections, submissions, the draft order in that matter, material to be read in that matter, to one side.

THE CHIEF JUSTICE: Mmm hmm.

MR SULLIVAN: Your Honour, I will now hand up to your Honour-----

THE CHIEF JUSTICE: That too-----

MR SULLIVAN: I've already handed up to your Honour the material to be read in that matter. Can I hand up a copy of the submissions by the applicant?

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THE CHIEF JUSTICE: Let me - let me be sure that I have the material. The material you're relying on in the second application is the affidavits by persons surnames, Federico, Pan, Park.

MR SULLIVAN: Yes, and the large affidavit from the first application.

THE CHIEF JUSTICE: Park.

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MR SULLIVAN: Will you - Park. Yes. If you want to duplicate it-----

THE CHIEF JUSTICE: That I got out before?

MR SULLIVAN: Yes, your Honour.

THE CHIEF JUSTICE: And an application?

MR SULLIVAN: Yes, your Honour. Now, I should say the-----

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THE CHIEF JUSTICE: When was the - can I have the application, please? The application.

MR SULLIVAN: Your Honour, that should be document one in the E-Court numbering system, filed on the 26th of March.

THE CHIEF JUSTICE: It's in 2869. Thank you. Mmm.

MR O'DONNELL: Is it convenient if I read my material now, your Honour?

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THE CHIEF JUSTICE: Have you finished reading the material?

MR SULLIVAN: Yes I have, your Honour.

THE CHIEF JUSTICE: And do you have an outline?

MR SULLIVAN: Yes, I do. I have an outline together with two different draft orders.

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THE CHIEF JUSTICE: Yes.

MR SULLIVAN: And certain of the statutory provisions referred to. I'll include two copies of the outline, one for the file and one for your Honour; and, your Honour, can I hand up a bundle of authorities as well? Thank you. Just a separate bundle to the other matter.

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THE CHIEF JUSTICE: Now, Mr O'Donnell?

MR O'DONNELL: Thank you, your Honour. I need leave to read and file the affidavit. It's an affidavit of Amanda Kim Banton, sworn today the 12th. My learned friend has a copy.

THE CHIEF JUSTICE: No objection? No objection to leave?

MR SULLIVAN: I have no objection, your Honour.

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MR O'DONNELL: I also hand up my written submissions and a form of draft order which my side proposes.

THE CHIEF JUSTICE: How should I run this?

MR SULLIVAN: Your Honour might have some benefit from reading the affidavit - the submissions first, and then hearing - probably hearing from myself first and then my learned friend.

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THE CHIEF JUSTICE: Well, I'll go outside and read the outlines, at this stage.

MR SULLIVAN: I should indicate that I'm - it's not clear - there's another set of persons which I think my learned friend is proposing be appointed receivers, if your Honour were going to put receivers in.

THE CHIEF JUSTICE: Mmm hmmm.

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MR SULLIVAN: But I'm just not sure whether ASIC has been given notice of that.

MR O'DONNELL: My instructing solicitor thinks ASIC has been told, your Honour.

THE CHIEF JUSTICE: Is that enough? Is that enough, Mr O'Sullivan - Mr Sullivan?

MR SULLIVAN: Well, maybe we might make an inquiry of what they were told, again, your Honour. We certainly had - had served ASIC with the application, and there's the letter from ASIC, in Mr Pan's short affidavit, stating that they know of the existence of the application and it do not intend to be heard today.

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THE CHIEF JUSTICE: Well, I'll go outside and read the outlines.

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THE COURT ADJOURNED AT 11.13 A.M.

THE COURT RESUMED AT 11.43 A.M.

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MR O'DONNELL: Your Honour, I have one more piece of evidence I need to tender. It's to tender a financial services licence held by our - the people we propose, if your Honour makes an order today, Company 333 Pty Ltd, so I tender that.

THE CHIEF JUSTICE: Exhibit 1.

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ADMITTED AND MARKED "EXHIBIT 1"

THE CHIEF JUSTICE: Mr Sullivan, does - do Mr Park and Ms Muller have licences?

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MR SULLIVAN: There are none before. This is presently an unregistered scheme.

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: Under a trust.

THE CHIEF JUSTICE: I know, but do they have-----

MR SULLIVAN: I'll get instructions, your Honour

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THE CHIEF JUSTICE: -----an Australian Financial Services licence.

MR SULLIVAN: I'll get instructions on that, your Honour. I should note, in relation to that licence, you'll see at the bottom, your Honour, it's in relation to wholesale finance. As I understand it, this trust also involves retail finance, so that licence wouldn't be able - is of - sorry. No. The licence is just wholesale.

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THE CHIEF JUSTICE: Exhibit 1.

MR SULLIVAN: Hold on. Yes. Your Honour, in the intervening period, I've spoken to Miss-----

THE CHIEF JUSTICE: Oh, the other - well - thing I wanted to ask you, though, so I'm clear about this, the directors - the composition of the board of directors of LMIM and LMA. Now, I know that Mr Drake is a director of LMIM.

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MR SULLIVAN: Your Honour, I'll just see. One of the affidavits has a number of company searches, I believe.

THE CHIEF JUSTICE: I'm interested in his power on the board, as it were.

MR SULLIVAN: Sorry. His-----

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THE CHIEF JUSTICE: He's one of how many directors, for example?

MR O'DONNELL: Just see if we can turn it up, your Honour. I did want to.

MR SULLIVAN: I did want to inform your Honour about ASIC. Ms Ann Gibbons from - a senior lawyer from ASIC is in the well of the Court and she's asked me to communicate their position in relation to the material served by my learned friend's side to this effect: if the issues raised are as important as they say they are, they ought to be properly served on ASIC with the material, and ASIC given a reasonable time to consider their position as to whether they wish to intervene. So that's the position.

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THE CHIEF JUSTICE: Is that right? What does that mean? That-----

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MR SULLIVAN: It means that-----

THE CHIEF JUSTICE: If I say the issues are as important, potentially, as they claim, then ASIC wants to be given an opportunity to look at them.

MR SULLIVAN: Well, they haven't been served with the material, as I understand it.

THE CHIEF JUSTICE: Oh, I see, by Mr O'Donnell's side?

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MR SULLIVAN: Yes and so they - I think what Ms Gibbons is saying is that, not having been served, they haven't had an opportunity to consider the substance of the material and whether they ought to intervene in light of the substance of the material

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: So I wanted to communicate that to your Honour.

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THE CHIEF JUSTICE: What - what is the - where do - does one find the requirement to serve ASIC-----

MR SULLIVAN: Ah-----

THE CHIEF JUSTICE: -----with proceedings of this character? I know I'm often informed ASIC's been served with this and has no wish to appear, but where - where does that reside, the requirement?

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MR SULLIVAN: I'm not sure there's - I suppose they've been served because of the complex nature of these matters, your Honour. I'm not able to point you to a particular section of the regulation at the moment.

THE CHIEF JUSTICE: All right.

MR SULLIVAN: But certainly the administrators took the position that, in relation to both applications, they ought to serve them on ASIC and did, amongst others.

THE CHIEF JUSTICE: But it is - it's like, when I was at the bar, that the Judges would impishly say, when you brought on a motion for probate, "Under what section of the legislation this, Mr De Jersey?", and we were all ready for those questions. This now points up a need, doesn't it, to look at any statutory requirement in relation to ASIC, because - because the point - the position taken by Mr O'Donnell's clients is really a very significant position, and if there's an obligation to keep ASIC informed as these things develop, then it should go to them, I think.

MR SULLIVAN: Well, we'll look for the specific power. I suppose, your Honour, I came today-----

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: -----making sure that we'd given notice to everybody we thought we'd given notice to.

THE CHIEF JUSTICE: Yes, yes.

MR SULLIVAN: And it's - my learned friend - it's their side, whether they give a notice to anybody beyond serving us outside the Court this morning

THE CHIEF JUSTICE: Mmm, because they're - yes, they've put a twist on - on to the proceeding, really, haven't they?

MR SULLIVAN: Yes. If there's not a specific power in the Act or the regulations, then my side has been overcautious in serving ASIC, but still I would submit, your Honour, proper, given the nature of this group.

THE CHIEF JUSTICE: To support ASIC's position here, you have to have some obligation to keep ASIC informed of the positions taken in proceedings.

MR SULLIVAN: There'd be no doubt, I would have thought-----

THE CHIEF JUSTICE: There'd be no - I doubt there'd be a provision to that effect.

MR SULLIVAN: Serving with the extension-----

THE CHIEF JUSTICE: But Ms Muir's found something there.

MR SULLIVAN: There - yes, in the schedule, schedule 1A, there are certain applications under the Corporations Act where it is obligatory to serve ASIC, but, of course, this isn't an application of the Corporations Act, but given the nature, amongst other things, there's an issue whether it's possible that this might, in fact, be an unregulated management investment scheme.

THE CHIEF JUSTICE: Yes.

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MR SULLIVAN: And if it turned out that it was, your Honour, then the appropriate order that I would perceive would be somebody making application under 601EE for the winding up of that scheme, but that's a matter which ASIC has raised and is being looked at both by ASIC and the administrators. Nobody's come to this Court at the moment and can confidently say to your Honour-----

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THE CHIEF JUSTICE: To wind it up, mmm.

MR SULLIVAN: ----- "You have jurisdiction under 601EE to make that order. It needs to be investigated. There's a proper fact-----

THE CHIEF JUSTICE: Well, from what you tell me, you've - you're going to quickly apprise ASIC of this proceeding and there's no need to adjourn it so that ASIC can have a look at Mr O'Donnell's presentation?

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MR SULLIVAN: Well, at least ASIC's been apprised of our material.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: They haven't been apprised of Mr-----

THE CHIEF JUSTICE: But there's no statutory obligation-----

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MR SULLIVAN: None that I can point to, your Honour.

THE CHIEF JUSTICE: -----to put - put that into ASIC's Court.

MR SULLIVAN: None that I can point to.

THE CHIEF JUSTICE: Mmm hmm.

MR SULLIVAN: But, obviously, as the regulator, given the circumstances of this case, they're probably seeking to remain informed of the circumstances, what is going on in the back stages.

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THE CHIEF JUSTICE: And they will be informed of Mr O'Donnell's material, no doubt, too. Mmm.

MR SULLIVAN: Your Honour, can I take you to the affidavit of Mr Park in the matter of - in 2859, and take your Honour to page 4 of the exhibits with the numbering down the bottom right-hand corner.

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THE CHIEF JUSTICE: Oh, yes, yes.

MR SULLIVAN: Your Honour, at page 3, will see that's LM Investments Management.

THE CHIEF JUSTICE: Hang on. LM-----

MR SULLIVAN: At page 3 at the top. This is the company-----

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THE CHIEF JUSTICE: Yes.

MR SULLIVAN: -----LM Investments Management Pty Ltd.

THE CHIEF JUSTICE: MIM, mmm.

MR SULLIVAN: And if your Honour goes to the next page-----

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: -----a third of the way down, "current company officers".

THE CHIEF JUSTICE: So he's one of four directors?

MR SULLIVAN: Yes, and there seems to be several.

THE CHIEF JUSTICE: The obvious significance is that, although this isn't a point taken by Mr O'Donnell, that the current administrators, who are appointed by this board of directors, and one of their interests will be the dealings with Mr Drake and his companies.

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MR SULLIVAN: Yes, your Honour.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: But these are two various-----

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THE CHIEF JUSTICE: Yes, I know that.

MR SULLIVAN: Yes. They're caught off-----

THE CHIEF JUSTICE: It's a matter of perceptions is what I was thinking.

MR SULLIVAN: Yes, your Honour. It - well, it may - it may, in one instance, be a matter of perception but it's a perception without substance

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THE CHIEF JUSTICE: Yes.

MR SULLIVAN: They're good officers. They're well experienced in complex administrations, liquidations and receiverships and, once you're appointed, it matters not a jot that a director has appointed you.

THE CHIEF JUSTICE: No, and-----

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MR SULLIVAN: Your obligation is-----

THE CHIEF JUSTICE: And you would say that the anxious concern of a beneficiary that - that the receiver or the trustee be the same person who was appointed to administer the company voluntarily by Mr Drake would be an uninformed concern?

MR SULLIVAN: That's correct.

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THE CHIEF JUSTICE: All right.

MR SULLIVAN: But, your Honour, I'll take your Honour-----

THE CHIEF JUSTICE: Albeit a natural human concern.

MR SULLIVAN: And that's accepted, and, your Honour, it's been accepted in the declaration of independence-----

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: -----that there is the possibility that, during the course of the administration, conflicts may arise.

THE CHIEF JUSTICE: May have to change, yes.

MR SULLIVAN: And - and I'll take your Honour-----

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THE CHIEF JUSTICE: Well, what he says in respect of that is, "Well, look, they were only appointed on the 19th of March. It's not as if they've been there for years and developing a comprehensive corporate knowledge of the affairs of the companies.

MR SULLIVAN: Well, the answer to that is they've had at least the month of-----

THE CHIEF JUSTICE: Apropos duplication, I mean.

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MR SULLIVAN: Well, there's past duplication, so there will be some past duplication, and they've sworn to, amongst other things, the contact they've had with secured creditors.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: The investigations they've made and so forth. But, accept, your Honour, that it's only, I think, approximately a month at this point in time, but there's the duplication moving forward, because what you then have, if you have two sets of insolvency-----

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: -----practitioners, each incurring costs, where there will be some commonality of interest-----

THE CHIEF JUSTICE: One - one - one set covering a range of targets and other, on his approach, with a single focus on one.

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MR SULLIVAN: Yes.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: That's correct, but there will be - what there will be is crossover.

THE CHIEF JUSTICE: Yes.

MR SULLIVAN: So there will be a duplication of costs and there will be the difficulties associated with two regimes running side by side.

THE CHIEF JUSTICE: I think - I think his point about the receivership is, on the face of it, a good one. Why would you appoint a receiver to a solvent institution such as this and give it the bad smell that necessarily attaches to that?

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MR SULLIVAN: What I'd say about that, your Honour, is I'd take your Honour to the trust deed first-----

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: -----just to explain why the administrators have brought the application, because it was the administrators that had raised with-----

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THE CHIEF JUSTICE: But could - but could they be appointed trustee?

MR SULLIVAN: They could.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: They could. I suppose the point taken in relation to receiver versus trustee is the receiver at this stage is, until further order of the Court, and the Court very much maintains control over-----

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THE CHIEF JUSTICE: Whereas the trustee would be a permanent replacement.

MR SULLIVAN: And there are powers in the trust deed, once you're a trustee, that you can exercise, and you'll see that we had alternatives in our application. We actually had "receiver or trustee".

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THE CHIEF JUSTICE: I don't think I actually saw that. I-----

MR SULLIVAN: Perhaps I could take your Honour to that.

THE CHIEF JUSTICE: Mmm. Mmm hmm.

MR SULLIVAN: It's paragraph 3 of the application, your Honour.

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THE CHIEF JUSTICE: Paragraph 3.

MR SULLIVAN: And section 80 under the Trusts Act is the jurisdiction of the Court to appoint.

THE CHIEF JUSTICE: I don't think I've got them in order here.

MR SULLIVAN: Your Honour, I have a copy of the Trusts Act, if

that would assist you. Sorry, your Honour. This is application 2869 of 13.

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THE CHIEF JUSTICE: Just look at these two orders that you gave me before. They both appear to provide the appointment of receivers.

MR SULLIVAN: That's correct. In the application we had sought, as an alternative, appointment of the trustee.

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THE CHIEF JUSTICE: Oh, in the application. I'm looking at the draft orders.

MR SULLIVAN: Oh, sorry, your Honour.

THE CHIEF JUSTICE: Why do I have two draft orders?

MR SULLIVAN: One is this de minimis powers of a receiver, my reference to section 420. The other one has slightly more extensive powers and they were derived from a - an order that I obtained previously from Justice Muir in a case called Mansukhani-----

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THE CHIEF JUSTICE: All right.

MR SULLIVAN: -----which has slightly more extensive powers, and it was just a matter of preference for your Honour.

THE CHIEF JUSTICE: Oh, now, in the application - I have that.

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MR SULLIVAN: Your Honour will see in paragraphs 1 and 2 was an application for receivers.

THE CHIEF JUSTICE: Yes, I see. I see that now.

MR SULLIVAN: Yes, and 3. The position which the administrative of Storm was that at this particular stage it was more appropriate for the appointment to be receivers under the supervision of the Court-----

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: -----rather than as trustees, and they had in mind that there are, amongst other things, powers within the trust deed once you are trustee, that could be exercised, and they include a decision, for instance, to wind up, to bring to an end, the trust and start to wind up. Now, I - your Honour, ultimately that may be an appropriate thing to be done in relation to this particular trust, but the administrators didn't want to take it on themselves to clothe them with that power at this point in time but take the more conservative route of, on an interim basis, filling in the difficulty which arose as a result of clause 23 of the trust deed. Could I take you to the affidavit in 2869, the large affidavit of Mr Park, the first one?

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: And page 100. Your Honour will see the trust deed starts at page 67.

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THE CHIEF JUSTICE: What page?

MR SULLIVAN: Page 67 of the exhibits, your Honour.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: It will have "deed poll" at the top.

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THE CHIEF JUSTICE: Yes. Yes.

MR SULLIVAN: And then at page 102, your Honour will see paragraph 23, or clause 23, and 23.1(b)(ii). Now, in the Mansukhani decision - and it's in the authority bundle I've handed up to your Honour.

THE CHIEF JUSTICE: Well, the - adopt - an appointment by the Court would have to be under the Trusts Act.

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MR SULLIVAN: That's correct, section 80.

THE CHIEF JUSTICE: Because this contemplates the unit holders appointing a new trustee.

MR SULLIVAN: That's correct, and that's also one of the reasons why the administrators decided that it wasn't appropriate for - for it, at this stage-----

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THE CHIEF JUSTICE: They shouldn't at this stage use this usurping the power of the-----

MR SULLIVAN: That-----

THE CHIEF JUSTICE: -----beneficiaries to appoint the trustee of their own choice.

MR SULLIVAN: That's correct, your Honour. At the end of the day, the beneficiaries under the deed have a right to hold a meeting and seek to appoint whoever they wish to as the trustee.

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: And whilst we - when we formed the application, put it as an alternative, the administrator didn't believe it was their position to, as your Honour say, usurp the right of the actual investors in this fund. Now, there may come a time where that is an appropriate order to seek, but not at this early stage. The receiver allows the benefit for - to provide a guiding mind to the trust and that's the risk which is apparent from 23.1(b)(ii). It provides that the manager must resign, if it becomes an externally administered body, as defined in the Corporations Act. That has occurred here. Now, it's unclear, your Honour, whether that's an automatic resignation or whether it requires a positive act. There's nothing in there which says that it needs a positive act that

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we can see, but the concern is that that leaves the trust without a guiding line

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: Now, the managed investment schemes, which are separate to this trust, have the corporate entity as the RE of those funds. This, of course, has not been registered, and, as I said to your Honour, there is a matter about whether it should have been registered, but at this stage we would submit you don't need a licence in relation to it, and certainly we appraised ASIC of the nature of the application we're bringing and ASIC hasn't come and asserted any licence is needed for this unregistered fund. If it should have been registered, your Honour, ultimately, it ought - it can be subject of a 601EE, the winding up order I've taken you to before, the point being - is that there is - the actual bare legal title is invested in a custodian entity and that's in our written submissions.

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THE CHIEF JUSTICE: Yes, I've seen all of that.

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MR SULLIVAN: Yes. But the custodian entity simply holds it. There needs to be somebody making decisions to reserve the property. Now, the administrators have fulfilled that role to date, quite properly, but they, given this deed, believe it was necessary to come to the Court, appraise the Court and get an order which regularises what - moving forward.

THE CHIEF JUSTICE: Mmm.

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MR SULLIVAN: Your Honour, can I take your Honour to the authorities now? And I've handed up, I believe, a second bundle of authorities to your Honour. Could I take your Honour to tab 11 in that bundle? Now, this is one of the early ASIC and Westpoint authorities, and a decision of Justice Siopis in the Federal Court.

THE CHIEF JUSTICE: You've extracted these in your outline, haven't you?

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MR SULLIVAN: Yes, I have, your Honour, but I just wanted to take your Honour-----

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: The relevant principles are from paragraph 19 and over the page, your Honour. One of the arguments - and particularly paragraph 26 - one of the arguments raised that there may have been theoretical conflicts-----

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THE CHIEF JUSTICE: I hope you don't expect a judgment as comprehensive as this out of me.

MR SULLIVAN: I just want to take your Honour to the relevant principles, that's all. So the issue that there may be-----

THE CHIEF JUSTICE: From paragraph 26.

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MR SULLIVAN: -----theoretical or hypothetical conflicts-----

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: -----and your Honour will see how Justice Siopis dealt with that in 32 and 33, referring to the English authorities.

THE CHIEF JUSTICE: Mmm. I've read that.

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MR SULLIVAN: Yes

THE CHIEF JUSTICE: That was in your outline.

MR SULLIVAN: And that's point. So, your Honour, looking at the matters which have been raised by my learned friend's material, none of them raise above the possible or theoretical. There's not a real conflict raised at this particular point this time.

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: The other point which was raised in the affidavit was the suggestion that that notice hadn't properly been given to the investors.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: Could I take your Honour to the affidavit of Miss Banton - my learned friend - particularly at page - paragraph 7.

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THE CHIEF JUSTICE: Just a moment. Mmm hmm.

MR SULLIVAN: Now, the first thing to note is that-----

THE CHIEF JUSTICE: Perhaps I should have a look at the letter that was sent.

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MR SULLIVAN: Your Honour, could I ask you to look at Miss Frederico's affidavit in 2869?

THE CHIEF JUSTICE: Mmm hmm. What page?

MR SULLIVAN: And your Honour will see at - the exhibits are paginated in the right-hand bottom corner. Page 1 you will see the letter and-----

THE CHIEF JUSTICE: Let me - let me read that. Wrong one. The letter enclosed the originating application which names the beneficiaries as respondents.

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MR SULLIVAN: It names them as respondents, your Honour, around will turn to page 4 of the exhibit.

THE CHIEF JUSTICE: Yes, "if you wish to be heard".

MR SULLIVAN: That's correct, and at page 5, your Honour, identifies "be served on members of LM Management Performance Fund and ASIC. So, with respect, there's nothing misleading about that. Secondly, there's actually no evidence that anybody was misled.

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: All you have is an expression of opinion by Miss Banton, who has dealt with a number of investors, who have obviously gone to a legal representative and she represents here today seven investors. So, far from it being misleading, it actually put people on notice and people have sought solicitors. So, with respect, there's nothing in that point. In the affidavit there, under the heading "potential conflicts", I've made a generic submission to your Honour that nothing rises above, as that suggests, a potential or hypothetical.

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THE CHIEF JUSTICE: Is that Amanda Banton's affidavit?

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MR SULLIVAN: That's correct, so above paragraph 10.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: And, if I could deal with each of the points raised there, the first one "investors are not creditors", with respect, that deals with a matter really involving the administration. At the end of the day, the administrators have to rule on proofs, and there's - your Honour, there's an issue - which is obviously one they had to consider - is whether particular investors have equity or whether they have a claim and that matter's not written in stone. It's a matter which Mr Park has deposed to in his last affidavit of today, at paragraph 10, that, "The administrator's independent review of claims of the investors is continuing. The administrator intends to update investors and creditors of any material developments." But that's just a matter which, in the ordinary course, administrators must do. Is it in the nature of a debt which they can prove for, is it something they can't prove for, but that's - doesn't create any real conflict.

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At paragraph 14 there's reference to the declaration of independence, and, your Honour, that is set out at page 27 of the original affidavit. The point there is at - made at paragraph 15 - that the administrators can see the possibility of conflicts. That's correct. If - but if conflicts arise, then they'll be dealt with in the usual way, including by seeking directions of this Court. So it's a proper acknowledgement, in that declaration, by the administrators, of that position. And your Honour - would have been surprised if there'd not been a concession of a possibility of conflicts down the track.

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The Westpoint case I took your Honour to was a case where the point being raised there was whether there should be one liquidator for the whole group or separate liquidators for separate corporations, and that type of point just raised

there is the type of point which was raised in Westpoint and the point made in west point is the same here, is that hypothetical and possible conflicts are not a reason not to make the appointment in the absence of a real conflict.

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Twenty-one claims - well, that talks again in very hypothetical terms of the possibility of claims being made. If individuals have claims, then those - they can be made, and, if the individuals, as a group, wish to a point another trustee following the mechanism set down in the trust deed; they can appoint another trustee, but the receiver is important because it's in their - in the short term, at the least, as a guiding line for the trust in light of clause 23. So again there's no real conflict arising from that.

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Your Honour, I'm happy to take you to any of the other authorities you wish to go to.

THE CHIEF JUSTICE: Sufficiently comprehended.

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MR SULLIVAN: They're of the same - the same ilk. The Mansukhani case was a case - I might just - that was a case I was in. That was a situation where there was a corporate trustee, it had gone to liquidation and there was an automatic termination clause within the deed. Now, in that case, there was evidence that there was dissipation of the assets and so there was perhaps the stronger need in that case to protect the assets. The point made here is that - is a slightly different point, because the assets are in the custodian but there is the lack of the guiding mind. But the - but the point there about hypothetical and real conflicts - one of the reasons for putting the receiver in was because there will be liabilities of the trust entity which have been incurred as a trustee, where there will be a lien - an equitable lien securing it, and the trust - or the receiver, I should say, is the mechanism ultimately whereby that lien could be enforced.

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THE CHIEF JUSTICE: Yes.

MR SULLIVAN: Excuse me for a moment, your Honour. My learned junior makes this point, and - and I suppose it goes to the - the short notice, is that there leant been any appraising of the other investors of the prospect of KordaMentha being appointed. Whether they had an issue with KordaMentha's is a matter which can't be spoken to on the material, your Honour. Unless there's something further at the moment that I could assist you with-----

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THE CHIEF JUSTICE: Thank you. Mr O'Donnell?

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MR O'DONNELL: Your Honour will appreciate our primary position is that there needs to be better notice to all beneficiaries in the trust. It's our submission the notice which the applicants gave, your Honour's been taken to, is not sufficient. If your Honour has Miss Frederico's affidavit there commencing at page 1.

THE CHIEF JUSTICE: Mmm.

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MR O'DONNELL: The letter in the application was sent but not the affidavits, so the unitholders didn't receive any of the affidavits the applicants rely upon.

THE CHIEF JUSTICE: Mmm.

MR O'DONNELL: The covering letter in paragraph 2 refers to appointing receivers. That does not say, "The application also involves changing your trust deed." Someone reading the LA might pick it up, but the letter doesn't tell them that. The letter also doesn't tell them simply that, "You are a party to the application and you have the right to appear and make submissions to the Court." If anything, in our submission, the covering letter in the third paragraph goes the other way, saying, "I will keep investors informed of the status of the application.", suggesting, "You don't need to do anything. I'll let you know."

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THE CHIEF JUSTICE: Some of those situations, parties approach the Court proactively for a direction-----

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MR O'DONNELL: Yes.

THE CHIEF JUSTICE: -----as to service before the thing is mounted.

MR O'DONNELL: Yes. In our submission, that would have been the better course here, particularly in - as many of the investors are overseas and, therefore, service by e-mail or by fax is far more desirable.

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THE CHIEF JUSTICE: Yes.

MR O'DONNELL: And, of course, the other unitholders don't know that we are here today saying that, if the Court is to make an order, it should be (a) appoint trustee rather than receivers and (b) appoint KordaMentha rather than Mr Parkin.

THE CHIEF JUSTICE: Well, Mr Sullivan took that point against you. He said what's good for the goose is good for the gander and I think, in support of his contention that the notification, which has been given, was adequate. But you - you would put the position that what you - that your alternative proposal should be notified to the members.

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MR O'DONNELL: Yes.

THE CHIEF JUSTICE: Mmm.

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MR O'DONNELL: And there is a possibility for unitholders to nominate someone else - that is, they could have a say as to who should be the replacement trustee.

THE CHIEF JUSTICE: Mmm.

MR O'DONNELL: After all, we're talking about the welfare of the trust, so the primary issue is what is in the best

interests of the beneficiaries.

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THE CHIEF JUSTICE: Mmm.

MR O'DONNELL: It's desirable, in our submission, that the beneficiaries be given a full opportunity to understand what's going on and to put their views before the Court.

THE CHIEF JUSTICE: And it's - it's a wealthy fund, if I can use that term.

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MR O'DONNELL: Yes. There's no suggestion that, if this is adjourned-----

THE CHIEF JUSTICE: Because the assets aren't in jeopardy.

MR O'DONNELL: No. Millions of dollars - there's no suggestion that anything's going to happen in, say, the next two weeks, that would put - that would need any sort of urgent action. So, to that extent, we have formulated a draft-----

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THE CHIEF JUSTICE: The primary objective is to investigate what's gone on.

MR O'DONNELL: Yes.

THE CHIEF JUSTICE: And pursue any necessary claims.

MR O'DONNELL: Yes, that's our submission.

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THE CHIEF JUSTICE: Mmm.

MR O'DONNELL: So we have annexed that - or produced to your Honour a draft order, which we say would appropriately give notice to all of the investors.

THE CHIEF JUSTICE: You misspelt the name of the administrator. Ginett it is, G-I-N-E-T-T.

MR O'DONNELL: Thank you, your Honour.

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THE CHIEF JUSTICE: Well, did you want to say anything else about the - about - Mr - Mr Sullivan dealt with your point about trustee as opposed to receiver.

MR O'DONNELL: Yes. In my submission, it's appropriate, if an order is to be made, to a point a replacement trustee. Under the trust deed, the current trustee is obliged to resign I think only to the extent of administration.

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THE CHIEF JUSTICE: Well, it's taken to have resigned after the - I could make a declaration. If the proceeding is properly constituted, the Court can make a declaration that the-----

MR O'DONNELL: Yes.

THE CHIEF JUSTICE: -----trustee's gone.

MR O'DONNELL: Yes.

THE CHIEF JUSTICE: But then I think - I got something in his response to you on that count, but it might be more appropriate to appoint a receiver, albeit a solvent trust, because the receivership could more readily be terminated, as necessary, than the appointment of a new trust - I suppose the Court could appoint a new trustee at some stage further down the track.

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MR O'DONNELL: The Court could appoint a new trustee now, rather than the receiver.

THE CHIEF JUSTICE: I know that, but he says that-----

MR O'DONNELL: Yes.

THE CHIEF JUSTICE: -----the power to appoint a trustee is primarily meant to be exercised by the members.

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MR O'DONNELL: No. We would disagree with that, your Honour. Under section 80 of the Trusts Act, the Court can replace the trustee.

THE CHIEF JUSTICE: I understand that, but under the trust deed-----

MR O'DONNELL: Under the trust deed, you have to have 50 per cent of them-----

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THE CHIEF JUSTICE: Mmm.

MR O'DONNELL: -----that's in favour of the replacing the trustee, which is very impractical, given that this trust was sold to investors worldwide, largely overseas investors.

THE CHIEF JUSTICE: Mmm.

MR O'DONNELL: There's no mechanism in the trust deed even for calling a meeting of members of the trust.

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THE CHIEF JUSTICE: Mmm.

MR O'DONNELL: So it doesn't seem to be a very practical option.

THE CHIEF JUSTICE: Is - or the other point - the only other point then is the - is the identity of - of the trustee or receiver.

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MR O'DONNELL: Yes.

THE CHIEF JUSTICE: And you've made your points about that.

MR O'DONNELL: And we say it should be KordaMentha rather than the applicant.

THE CHIEF JUSTICE: What about the - this licence issue, financial services licence issue?

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MR O'DONNELL: Yes, your Honour. It's our submission that the trustee does have to have a licence. Does your Honour have the Corporations Act?

THE CHIEF JUSTICE: I've looked at these provisions before. They're very complicated.

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MR O'DONNELL: They are. It's our submission that even though the fund is unregistered, and even if it does not have to be registered-----

THE CHIEF JUSTICE: Yes.

MR O'DONNELL: -----under chapter 5-----

THE CHIEF JUSTICE: It's still the provision of financial services.

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MR O'DONNELL: That's right, because it involves dealing in financial products. Financial products are defined as including units in a managed investment fund, even if it does not have to be registered.

THE CHIEF JUSTICE: Mmm.

MR O'DONNELL: So, for the trustee, for example, to redeem units, it has to have a licence.

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THE CHIEF JUSTICE: It's a very broad definition. I had a look at this some years - some time ago, I gave a judgment on it.

MR O'DONNELL: Yes. So it's our submission the trustee does need to revise-----

THE CHIEF JUSTICE: I can't remember if it survived the Court of Appeal or not.

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MR O'DONNELL: The current trustees-----

THE CHIEF JUSTICE: I'm to a point in my career where I'm not really troubled by that so much any more.

MR O'DONNELL: No. But the current trustee does have a licence, but its licence has been suspended by ASIC.

THE CHIEF JUSTICE: Yes. I know that.

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MR O'DONNELL: That's exhibited to Miss Banton's affidavit.

THE CHIEF JUSTICE: But there was an issue about your licence, the KordaMentha one, because the suggestion was confined to wholesale-----

MR O'DONNELL: Yes.

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THE CHIEF JUSTICE: -----operations or something. What's the point there?

MR O'DONNELL: That licence is, but KordaMentha has a number of service companies which hold different licences and are now proposing a different service company owned by KordaMentha called Calibre Capital Ltd, which holds a financial licence which he sends to both retail and wholesale clients.

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THE CHIEF JUSTICE: So you're telling me that your nominees do have the requisite licence?

MR O'DONNELL: Yes, your Honour, and I'm seeking to tender the alternate licence they hold, having both retail and wholesale.

THE CHIEF JUSTICE: Did I give you back the other one?

MR O'DONNELL: No. Your Honour still has it.

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THE CHIEF JUSTICE: Exhibit 1. All right. This will be Exhibit 2 then.

ADMITTED AND MARKED "EXHIBIT 2"

MR O'DONNELL: Thank you, your Honour.

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THE CHIEF JUSTICE: Yes. And, yes, finally, the issue about would should take on the role, if it's to be billed.

MR O'DONNELL: Yes, your Honour. We say-----

THE CHIEF JUSTICE: The big point taken against you there is that you could only point to theoretical conflicts and there seems to be a weight of authority saying the Court shouldn't be too perturbed about - about that, on the basis that they can be - arrangements can be made down the track if a real conflict emerges.

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MR O'DONNELL: That's right, but that involves the proposition that you appoint someone now and there may be a conflict later on after they've done months of work and incurred large fees. Then they come to Court, identify a conflict. They have to be replaced and all that work is largely lost. It's much better to sort out who's the appropriate trustee now. As my learned friend concedes, his clients have only begun work recently on the 19th of March, so they can't have done very much. The second - second aspect is, on the authorities my learned friend cites, there seem to be simple cases of a single corporate trustee and a single trust, where is this is a complicated case. Here the trustee was the trustee of a number of funds and at least half a dozen, involving very large amounts and substantial inter-company dealings.

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THE CHIEF JUSTICE: Yes, you've covered that in your outline.

MR O'DONNELL: Yes.

THE CHIEF JUSTICE: I'm seized of that.

MR O'DONNELL: And there are cases where one fund is first mortgagee, our fund might be the second mortgagee, and there can be different interests as to how best to realise the asset. We've also got the problem here that the former trustee appears to have lent the majority 390 odd million dollars worth of funds, the majority of it companies associated with one director-----

THE CHIEF JUSTICE: Yes.

MR O'DONNELL: -----which raises the immediate question should that be properly investigated now in the interests of this trust. The best person to investigate is someone independent. Otherwise you would have a situation where the applicants were both investigating on behalf of the trust-----

THE CHIEF JUSTICE: Yes, I read that in your outline.

MR O'DONNELL: -----but also sitting on the other side of the fence.

THE CHIEF JUSTICE: Yes. I've even underlined it.

MR O'DONNELL: Thank you, your Honour. So we say it's desirable to have - appoint someone right at the start, who is independent-----

THE CHIEF JUSTICE: Understand your point.

MR O'DONNELL: -----of any other relationship. And can I also say though this: the primary consideration in who should be the trustee must be what's in the best interests of the beneficiaries.

THE CHIEF JUSTICE: Mmm.

MR O'DONNELL: My side is the only beneficiary before your Honour, the only beneficiary expressing a view. We would prefer someone separate from the applicants. The applicants are not a beneficiary and they're not a trustee. They're the administrators of the trustee and they're effectively asking for additional work, so their interest, in our submission, is really of no weight in overall determining what's in the best interests of the parties. Thank you, your Honour.

THE CHIEF JUSTICE: Thank you. Thank you, Mr O'Donnell. I'm troubled about the service point, I have to confess, Mr Sullivan.

MR SULLIVAN: Your Honour-----

THE CHIEF JUSTICE: You've said all you can say on that,

haven't you?

MR SULLIVAN: Well, no, because two of the things that were said were incorrect.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: Firstly, it is true that the letter didn't say, "appointing trustees", but, your Honour, I'm not here seeking appointment of a trustee. So, whilst it - they got the application. So the letter attached the application, so they had the application. So the point my friend said I didn't say seeking to appoint a trustee. That's not what the administrators have now sought in this matter.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: The second point is - is that the covering letter in the second last paragraph identified that relevant documents would be posted on the website and that included the affidavit of John Park, filed in support of the application, as deposed that they were put up on the website. So what was sent on the e-mail and in the correspondence was the letter and the application and identifying that the affidavit was available on the website and it's deposed it was posted on the website. So, with respect, it's quite incorrect to say, "Oh, well, it was just the application." It was the application with the affidavit material on the website; and that is broadly similar to what was done in equity trust matter last year, which I acted for ASIC in and Miss Banton acted for other investors in. And the second point is, your Honour - so there is - and there's just no evidence that anybody has said they were misled about it. In fact, investors are here.

Secondly, the point made about my learned friend representing some investors, he represents seven investors, and, relatively speaking, they are a very small percentage. I'm not sure whether they come to a million dollars. They might come to a million dollars. So it's something like for 300 and something million dollars of the investments, a fraction of a per cent. So it shouldn't be thought that they represent the position of investors. And your Honour might well think that the fact the other - the other investors hadn't turned up is they don't have a problem with the application that's being made.

The next point in relation to the need for a licence - we say there's no need for a licence. ASIC has received it and there's no suggestion from ASIC that there is a need for a licence in relation to a Court appointed receiver of trust assets.

THE CHIEF JUSTICE: Yes, that may be so.

MR SULLIVAN: Yes, and it's just thrown in there, your Honour, as some - with respect, a red herring, where at the Bar table we're given a licence, firstly, which only dealt with wholesale people and apparently your Honour's been handed another licence, which I haven't seen, for some other entity,

which there's nothing in the material about, and I wouldn't have a clue as to its position, its standing, the terms of its licence and whether it's got sufficient to handle this fund. So your Honour shouldn't be distracted by what's been thrust to your Honour. What we're talking about here is a Court appointed receiver to trust assets on an interim basis, pursuant to the power of the Civil - Civil Proceedings Act, and also the power in the UCPR. So there is plenty of power, your Honour, in relation to that, to take action in relation to the preservation and management of trust assets and nothing in the Corporations Act requires a licence for that. If your Honour was troubled about that, then I'd ask for further time to look into it, given it was a matter only-----

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THE CHIEF JUSTICE: All right.

MR SULLIVAN: -----raised this morning.

THE CHIEF JUSTICE: Mr O'Donnell, could your nominees be appointed as receivers?

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MR O'DONNELL: Yes, your Honour.

THE CHIEF JUSTICE: And would they accept appointment as receivers, those two companies, if I - if I took that course?

MR O'DONNELL: Yes, your Honour.

THE CHIEF JUSTICE: On the terms that Mr O'Donnell has proposed?

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MR O'DONNELL: Mr Sullivan.

THE CHIEF JUSTICE: Mr Sullivan has proposed?

MR O'DONNELL: Yes, your Honour.

THE CHIEF JUSTICE: I'm not saying we can do that. I just wanted to know.

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MR SULLIVAN: Yes, and the final point is, your Honour, that we've included within the orders a liberty to apply. If your Honour goes to those orders, you'll see that they have - that has been included.

THE CHIEF JUSTICE: Yes, I've heard - I've seen that. I saw that.

MR SULLIVAN: Yes, and that's based on at least one of the authorities I have in there, saying that that's an appropriate provision in there to protect beneficiaries of trusts, that, if they're not happy with what's going on and what's happened, that they can apply to the Court.

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THE CHIEF JUSTICE: All right. Look, I'll give - I'll give judgment at 3 o'clock this afternoon. Adjourn until 3 p.m.

MR SULLIVAN: Oh, your Honour, I'm - excuse me, I'm sorry to

do it, but there may be a problem with corporate entities being appointed receivers.

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THE CHIEF JUSTICE: Well, that's why I asked the question, but I got a very confident affirmation from Mr O'Donnell.

MR SULLIVAN: Well, as we understand it, the - it - the practice of this Court it has to be individuals.

THE CHIEF JUSTICE: Has to be an actual person?

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MR SULLIVAN: Mmm.

THE CHIEF JUSTICE: That was the query in my mind.

MR SULLIVAN: Yes.

THE CHIEF JUSTICE: You could have - you could have a corporate trust deed.

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MR SULLIVAN: You can, your Honour.

THE CHIEF JUSTICE: All right. Thank you.

MR SULLIVAN: Thank you, your Honour.

THE COURT ADJOURNED AT 12.33 P.M. TILL 3.00 P.M.

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THE COURT RESUMED AT 3.00 P.M.

THE CHIEF JUSTICE: Have you given - have you given copies of these to - to Mr Sullivan, the consents?

MR O'DONNELL: Yes, yes, your Honour.

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THE CHIEF JUSTICE: You want - well, I'll mark the consent to act as trustees as Exhibit 3.

ADMITTED AND MARKED "EXHIBIT 3"

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THE CHIEF JUSTICE: And the other consent of Mr Winterbottom and Mr Furtulla as Exhibit 4.

ADMITTED AND MARKED "EXHIBIT 4"

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MR O'DONNELL: Yes, thank you, your Honour. Your Honour, our consent was contained in the affidavit material.

THE CHIEF JUSTICE: Yes.

MR O'DONNELL: I just wanted to send that up because there was some confusion at the end of the argument-----

THE CHIEF JUSTICE: Sorry?

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MR O'DONNELL: There was some confusion at the end of argument as to who we're proposing to be receivers, if your Honour decides to appoint receivers, but we want-----

THE CHIEF JUSTICE: Well, I don't think you can appoint a company as a receiver.

MR O'DONNELL: No, but, as your Honour will see from the consent, we're proposing two liquidators from KordaMentha-----

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THE CHIEF JUSTICE: As what?

MR O'DONNELL: As receivers.

THE CHIEF JUSTICE: Oh, yes, yes. I did see that. Mmm. Actually - what's - these are alternates in - is this - has this draft order come from you?

MR O'DONNELL: Yes, your Honour. It does. One is if your Honour decides to appoint trustees. The other is if your Honour decides to appoint receivers.

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THE CHIEF JUSTICE: All right, but if I appointed trustees, you'd need more than paragraph one, wouldn't you? Is that all you'd need?

MR O'DONNELL: Yes, yes.

THE CHIEF JUSTICE: It's only when you appoint receivers that you need to specify what the powers are, because the trust deed specifies the powers but the trustee is the appointment.

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MR O'DONNELL: Yes. I was assuming that from my learned friend's draft. He had that in his draft.

THE CHIEF JUSTICE: And is it called Calibre Capital Pty Ltd?

MR O'DONNELL: Yes, your Honour.

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THE CHIEF JUSTICE: All right. Is that - is that the one covered by the consent?

MR O'DONNELL: Yes, and it has the financial services licence.

THE CHIEF JUSTICE: Right. Thank you.

MR SULLIVAN: Your Honour, I don't think I did take you

through - I did some research about appointing corporations receivers. That's probably dead now, so-----

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THE CHIEF JUSTICE: You can't - you can't have a - I don't think you can have a corporation as a receiver. You can as a trustee, of course, but-----

MR SULLIVAN: You can't for corporation assets and it - and it would appear that generally you can't, it would seem, for Court appointed receivers for trust assets. If there was a limited class of corporations, I think it's the Company Trustee Act, it's the State Act.

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THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: It identifies a small class of what I'd call institutional professional trustee companies, or State instrumentalities like the Public Trustee-----

THE CHIEF JUSTICE: Mmm.

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MR SULLIVAN: -----of which these entities aren't.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: The only thing I'd add, your Honour, in relation to that licence that your Honour has had handed, of course, there's no affidavit material surrounding that, and your Honour will note that there's a number of conditions which attach to that, including the need to have a certain minimum net tangible asset position as a condition. There's just no material whether, if they're appointed to this, they'd meet the conditions within the licence and that's - that's the problem, and no disrespect to my learned friend, of just handing a licence to your Honour at the Bar table without the benefit of any affidavit material.

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THE CHIEF JUSTICE: Well, it would really be - it would really be a matter for them to satisfy themselves that they're operating in accordance with the law, wouldn't it?

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MR SULLIVAN: Except they're asking your Honour to make an appointment as trustee.

THE CHIEF JUSTICE: Mmm.

MR SULLIVAN: And that's the problem. You'd just be handed a licence from the Bar table. You don't know anything about the company, or we would - we'd satisfy the conditions.

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THE CHIEF JUSTICE: Yes. Could I see Exhibits 3 and 4, please?

TAKE IN ORDER

Transcript of Proceedings

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SUPREME COURT OF QUEENSLAND

☐ CIVIL JURISDICTION

de JERSEY CJ

No 2859 of 2013

RE: LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED) AND ANOR

Applicants

No 2869 of 2013

RE: LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED) AND ANOR

Applicants

AND

☐ THE MEMBERS OF THE MANAGED PERFORMANCE FUND

Respondent

BRISBANE

..DATE 12/04/2013

ORDER

WARNING: The publication of information or details likely to lead to the identification of persons in some proceedings is a criminal offence. This is so particularly in relation to the identification of children who are involved in criminal proceedings or proceedings for their protection under the *Child Protection Act 1999*, and complainants in criminal sexual offences, but is not limited to those categories. You may wish to seek legal advice before giving others access to the details of any person named in these proceedings.

THE CHIEF JUSTICE: This is an application for the appointment of Mr Park and Ms Muller, who are the administrators of two companies, LM Investment Management Limited and LM Administration Pty Ltd, as receivers and managers of the assets of The Managed Performance Fund. The application alternatively, seeks their appointment as trustees, pursuant to section 80 of the Trusts Act. They were appointed as administrators of those two companies on the 19th of March 2013.

The Managed Performance Fund, which I will call "the Fund", manages assets of approximately \$395 million and has liabilities of approximately \$16.5 million. The trust was not registered under chapter 5(c) of the Corporations Act, apparently in reliance on its being established for investors outside Australia, global platform and folio bond operators and institutional/wholesale investors. Whether or not that is right is an issue being reviewed by ASIC and the administrators.

One of the companies of which the applicants are administrators, namely LM Investment Management Limited, was trustee of the Fund. Because of clause 23.1(b)(ii) of the Trust Deed, upon that company going into administration, it was obliged to resign as trustee. The present application is premised on its no longer being trustee, although there is no evidence of any actual act of resignation. It is appropriate, to remove any doubt, that I order now that LM Investment Management Limited be removed as trustee of The Managed

Performance Fund. There is obvious need for the appointment of some entity to manage and control the Fund which is presently rudderless.

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There are approximately 350 million issued units in the Fund, which is a unit trust. I assume that there are numerous unit holders, many of them apparently located overseas. The application names the members of the Fund, as a category, as the respondents. Seven of them are represented here by Mr O'Donnell. His first contention in opposing the application was that the application was not adequately notified to the members of the Fund.

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On the 5th of April 2013 known investors in the Fund were either e-mailed or posted notice of the application and advised that the Court documents were published on the administrators' website, where they were, in fact, published. Mr O'Donnell suggested that the covering letter was apt to mislead. But it enclosed the originating application which clearly set out the relief being claimed and advised in the usual form of the right of a respondent to be heard. In all of the circumstances, I consider that the extent of notification was adequate.

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Mr Sullivan who appears for the applicants, urges their appointment as receivers not trustees on the basis that as trustees they would have unnecessarily wide powers and because their appointment as receivers may allow the Court more readily to intervene.

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On the other hand, the Fund is in a healthy financial state and there is no suggestion the assets of the Fund are in immediate jeopardy. A trustee could achieve everything a receiver could achieve. The Fund should have a trustee and the Court has statutory power to appoint one. While the trust deed provides for the possible appointment by members in clause 23.2, that would probably be a cumbersome and possibly, protracted process and that weighs in favour of a Court appointment now.

There is another, though somewhat less weighty consideration, favouring the appointment of a trustee rather than a receiver, and that is that appointing a receiver to a solvent operating fund may suggest to the market that the Fund is in some form of trouble which would be undesirable.

Mr Sullivan urges the appointment of the administrators as desirable because of the substantial amount of work they have done to date. Mr O'Donnell urges the appointment of KordaMentha Pty Ltd and Calibre Capital Pty Ltd.

It is necessary to say a little about what lies ahead for any replacement trustee. LM Investment Management Limited, the previous trustee, is, or was trustee of a number of other funds, including The LM First Mortgage Income Fund, The LM Cash Performance Fund, The LM Australia Income Fund Currency Protected, The LM Currency Protected Australian Income Fund, The LM Institutional Currency Protected Australian Income Fund, and others.

12072015 1(5) 7010(ENR) DRABIS (at Jersey CJ)
Mr O'Donnell submitted that a new trustee of the instant Fund should be left to act solely in the interests of that fund, not to be distracted by the interests of other funds and those of the company itself.

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It will be desirable for the new trustee to investigate a circumstance that approximately \$288 million of the approximately \$395 million Fund assets was lent to companies associated with Mr Peter Drake, a director of LM Investment Management Limited, which could lead to a claim by the Fund against that company or its associated administration company. If so, it would be difficult for the administrators to fill both roles.

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Also, the instant Fund has transacted with other funds managed by LM Investment Management Limited. In some, this fund is first mortgagee and in others is second mortgagee. There is the prospect of disputes as to amounts owing and as to strategy whether the secured property, for example, should be developed or sold immediately.

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By reference to cases like *ASIC v Westpoint Corporation Pty Ltd* [2006] FCA 135, Mr Sullivan stressed that the only conflicts raised here are theoretical, and that if they arose, in fact, receivers, or I would add trustees, could, if necessary, seek direction from the Court. With his favoured position, the appointment of a receiver, the Court could terminate the receivership in the event of a serious problem, appointing another. The guiding consideration should be the

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12042013 1(5)P-1/SAC(DNL) BRABIS (de Jersey CJ)

appointment of a trustee who will act optimally in the best interests of the beneficiaries. The potential complexity of the issues to be investigated here militates in favour of appointing trustees who can give their undivided attention to this particular Fund.

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I am also significantly influenced by the sorts of potential conflicts of interest raised by Mr O'Donnell. They exist and they would render it awkward for the administrators to act also as trustees and were they appointed as trustees, their appointment may turn out to be short lived. Of course, avoiding duplication is important and worthwhile but they have been administrators for only three and a-half weeks.

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Accordingly, in addition to removing IM Investment Management Limited as trustee, I appoint KordaMentha Pty Ltd and Calibre Capital Pty Ltd as the replacement trustees. No doubt, those companies, which are part of the KordaMentha stable, will ensure that they have any necessary licence to operate in the relevant financial market.

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...

THE CHIEF JUSTICE: The costs of all parties, assessed on the indemnity basis as necessary, to be paid from the Fund.

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...

Our Ref: AKB.AEF.999992
Your Ref:



PiperAlderman

19 April 2013

URGENT

**By Email: emma.costello@au.kwm.com;
cameron.mew@au.kwm.com; philip.pan@au.kwm.com
Original forwarded by Post**

King & Wood Mallesons
Level 33 Waterfront Place
1 Eagle Street
Brisbane Qld 4000

Attention: Mr Philip Pan/ Ms Emma Costello/ Mr Cameron Mew

Dear Sirs

The LM Managed Performance Fund ABN 95 595 833 174 (Fund)

We enclose by way of service Originating Application which our clients have instructed us to file today, and which we are seeking to be heard by the Court this afternoon.

Our clients will rely on an affidavit of Mr Vertullo which we will serve shortly.

In order to avoid the costs of the Application and hearing, please seek your clients' urgent instructions as to whether they will consent to orders in the form of the draft Consent Orders which are also enclosed. If Consent Orders cannot be agreed, we are instructed to proceed with the application on an urgent basis.

Yours faithfully
Piper Alderman

Per:

Amanda Banton
Partner

Lawyers

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SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 2013

Applicants: **KORDA MENTHA PTY LTD (ACN 100 169 391)**
AND
CALIBRE CAPITAL PTY LTD (ABN 66 108 318)
AND
First Respondent: **JOHN RICHARD PARK AND GINETTE MULLER AND)**
AND
Second Respondent: **LM ADMINISTRATION PTY LTD (ADMINISTRATORS**
APPOINTED
AND
Third Respondent **LM INVESTMENT LIMITED**
(ADMINISTRATORS APPOINTED)

ORIGINATING APPLICATION

To the respondents, John Richard Park and Ginette Muller , LM Administration Pty Ltd
(Administrators Appointed) and LM Investment Limited (Administrators Appointed).

TAKE NOTICE that the Applicants are applying to the Court under ss. 82, 90 and 96 of the
Trusts Act (QLD) 1973 ("the Act") and pursuant to the Court's equitable jurisdiction for the
following orders:

1. An abridgement of the time for service to enable the application to be heard;
2. Leave to proceed against the Second and Third Respondents;
3. An order that immediately from the time of this order the Respondents deliver up to
the Applicants' at the Applicants' offices at level 14, 12 Creek Street Brisbane QLD
4000 all books, records, documents and other matters (including electronic material)
in their possession or control pertaining to the trust known as the LM Managed
Performance Fund ("**Trust**") as required by clause 23.3 of the instrument creating the
Trust ("**Trust Deed**").

Originating Application

Filed on behalf of the Applicants
Form 5 R.26

Piper Alderman
Level 23, Governor Macquarie Tower
1 Farrer Place
SYDMEY NSW 2000
Tel: +61 2 9253 9999
Fax: +61 2 9253 9900
Ref: AKB.WN.380287-0001

4. Alternatively, an order that immediately from the time of this order the Respondents make available for inspection and copying by the Applicants at the registered office of LM Administration Pty Ltd (Administrators Appointed) all books, records, documents and other matters (including electronic material) in their possession or control pertaining to the Trust.

Administrative

5. An order that the Respondents pay the Applicants' costs, to be agreed or assessed, such costs not to be paid from Trust assets.
6. Such further or other orders as the Court considers appropriate.

This application will be heard by the Court at Brisbane.

on: April 2013 at 10 am

Filed in the Brisbane Registry on

April 2013

Registrar:

If you wish to oppose this application or to argue that any different order should be made, you must appear before the Court in person or by your lawyer and you shall be heard. If you do not appear at the hearing the orders sought may be made without further notice to you. In addition you may before the day for hearing file a Notice of Address for Service in this Registry. The Notice should be in Form 8 to the Uniform Civil Procedure Rules. You must serve a copy of it at the applicant's address for service shown in this application as soon as possible.

On the hearing of the application the Applicants intend to rely on the following affidavit:

1. Affidavit of Simon Michael Vertullo sworn 19 April 2013.

If you intend on the hearing to rely on any affidavits they must be filed and served at the Applicants' address for service prior to the hearing date.

If you object that these proceedings have not been commenced in the correct district of the Court, you must apply to the Court for dismissal of the proceedings.

The Respondent is sued in its capacity as responsible entity of the Income Fund.

THE APPLICANTS' ESTIMATE THE HEARING SHOULD BE ALLOCATED 2 HOURS.

PARTICULARS OF THE APPLICANTS:

Applicants' Names:

KORDA MENTHA PTY LTD
(ACN 100 169 391)
AND
CALIBRE CAPITAL PTY LTD
(ABN 66 108 318 985)

Applicants' residential or business address: Level 14, 12 Creek Street,
BRISBANE QLD 4000

Applicants' solicitor's name and firm name: Amanda Kim Banton
Piper Alderman

Solicitor's business address: Level 23, Governor Macquarie Tower,
1 Farrer Place, Sydney NSW 2000

Address for service: Level 36, 123 Eagle Street
Brisbane Qld 4000

DX: 10216 Sydney Stock Exchange

Telephone: +61 2 9253 9999

Fax: +61 2 9253 9900

E-mail address: abanton@piperalderman.com.au

Signed:



Description: Solicitor for the Applicants

Dated: 19th April 2013.

This application is to be served on:

John Richard Park and Ginette Muller
AND

LM Administration Pty Ltd (Administrators Appointed).

AND

LM Investment Limited (Administrators Appointed).

Australian Securities and Investments Commission
Attention: Tim Walker
GPO Box 9827
Sydney NSW 2001

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane

NUMBER: /2013

Applicants: **KORDA MENTHA PTY LTD (ACN 100 169 391)**
AND
CALIBRE CAPITAL PTY LTD (ABN 66 108 318)
AND
First Respondent: **JOHN RICHARD PARK AND GINETTE MULLER**
AND)
AND
Second Respondent: **LM ADMINISTRATION PTY LTD**
(ADMINISTRATORS APPOINTED
AND
Third Respondent **LM INVESTMENT LIMITED**
(ADMINISTRATORS APPOINTED)

CONSENT ORDER

Judge:

Date: 19 April 2013

Initiating document: Originating Application filed 19 April 2013

THE ORDER OF THE COURT IS THAT:

1. There be an abridgement of the time for service to 1.00pm on 19 April 2013.
2. Leave to proceed against the Second and Third Respondents.
3. By 4.00pm on 19 April 2013, the Respondents deliver up to the Applicants at the Applicants' offices at Level 14, 12 Creek Street, Brisbane QLD 4000, all books, records, documents

Consent Order

Filed on behalf of the Applicants
Form 59 Rule 661

Piper Alderman

Level 23, Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000
Tel: +61 2 9253 9999
Fax: +61 2 9253 9900
Ref: AKB.AF.380287-0001

27995001v1

and other matters (including electronic material) in their possession or control pertaining the trust known as the LM Managed Performance Fund ("Trust") as required by clause 23.3 of the instrument creating the Trust ("**Trust Deed**").

Signed:

[REGISTRAR]

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 3691 /2013

Applicants:

KORDA MENTHA PTY LTD (ACN 100 169 391)

AND

CALIBRE CAPITAL LIMITED (ABN 66 108 318) (IN
THEIR CAPACITY AS TRUSTEES OF THE LM
MANAGED PERFORMANCE FUND)

First Respondents

THE MEMBERS OF THE LM MANAGED
PERFORMANCE FUND

Second Respondents

JOHN RICHARD PARK AND GINETTE MULLER IN
THEIR CAPACITY AS JOINT AND SEVERAL
ADMINISTRATORS OF LM INVESTMENT
MANAGEMENT LIMITED (ADMINISTRATORS
APPOINTED) ACN 077 208 461

AMENDED ORIGINATING APPLICATION

To the respondents, the members of the LM Managed Performance Fund, and John Richard Park and Ginette Muller In their capacity as joint and several administrators of LM Investment Management Limited (Administrators Appointed).

TAKE NOTICE that upon the Applicants' undertaking that until further order of the Court or without first giving the Second Respondents by their solicitors seven days' written notice they will not:

- (a) deal with the assets of the LM Managed Performance Fund (Trust), or increase the liabilities of the Trust, other than carrying on the ordinary business of the Trust, except in so far as the Applicants consider it necessary to make any applications to the Court in respect of the Fund or their appointment as Trustee. For the avoidance of any doubt, carrying on the

Amended Originating Application

Filed on behalf of the Applicants
Form 5 R.26

Piper Alderman
Level 23, Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000
Tel: +61 2 9253 9999
Fax: +61 2 9253 9900
Ref: AKB.WN.380287-0001

ordinary course of business of the Trust includes any action to enforce and recover any loan, guarantee or security;

- (b) Make any distribution to unit holders of the Trust or any payment by way of redemption of units

the Applicants are applying to the Court under ss. 82 and 90 of the *Trusts Act* (QLD) 1973 ("the Act") and pursuant to the Court's equitable jurisdiction for the following orders:

1. A vesting order pursuant to sections 82 and 90 of the *Trusts Act* 1973 (Qld), vesting the choses in action in Schedule 1 to the Originating Application of LM Investment Management Limited ACN 077 208 461 (Administrators Appointed) in its former capacity as trustee of the Trust, or of the Trust Company (PTAL) Limited ACN 008 412 913 (Trust Company) as the Custodian of the Trust, in the Applicants in their capacity as joint and several trustees of the Trust.
2. An order that the section 440B notices issued by the Administrators of the former trustee of the trust to the trust company dated 10 April 2013 in respect of registered fixed and floating charges (PPSR number 201201240186427 and 201112190779630) are assigned to the Applicants.
3. An order that:
 - (a) within 7 days of the date of these orders, LIM and the Administrators of LMIM will provide the Applicants with a breakdown of the fees, costs, expenses and other liabilities that are the subject of the liens asserted by LMIM and the Administrators of LMIM over the Trust's assets; and
 - (b) when the books and records of the Trust and details of the liens claimed by LMIM and the Administrators of LMIM are provided to the Applicants, all parties will work co-operatively with each other to agree a process that allows the Applicants to be reasonably determine any quantum and any priority with

respect to the alleged liens of LMIM and the Administrators of LMIM.

4. An order that the Applicants' costs of the application be paid from the Trust's assets.
5. Such further or other orders as the Court considers appropriate.

This application will be heard by the Court at Brisbane on: April 2013 at am/pm

Filed in the Brisbane Registry on April 2013


Registrar:

On the hearing of the application the Applicants intend to rely on the following affidavit:

1. Affidavit of Simon Michael Vertullo sworn April 2013.

THE APPLICANTS ESTIMATE THE HEARING SHOULD BE ALLOCATED 2 HOURS.

PARTICULARS OF THE APPLICANTS:

Applicants' Names:	KORDA MENTHA PTY LTD (ACN 100 169 391) AND CALIBRE CAPITAL LIMITED (ABN 66 108 318 985)
Applicants' residential or business address:	Level 14, 12 Creek Street, BRISBANE QLD 4000
Applicants' solicitor's name and firm name:	Amanda Kim Banton Piper Alderman
Solicitor's business address:	Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000
Address for service:	Level 36, 123 Eagle Street Brisbane Qld 4000
DX:	10216 Sydney Stock Exchange
Telephone:	+61 2 9253 9999
Fax:	+61 2 9253 9900
E-mail address:	abanton@piperalderman.com.au
Signed:	

Description: Solicitor for the Applicants

Dated: April 2013.

This application is not intended to be served on anyone the Second Respondents.

Schedule 1

Those choses in action vested in LMIM or the Trust Company pursuant to:

1. Any loan agreements and any deeds of variation to those agreements executed by or on behalf of LMIM as Trustee or Manager, or by or on behalf of the Trust Company as Custodian, of the Trust.
2. Any charges or mortgages or other security interests granted to LMIM as Trustee or Manager, or to the Trust Company as Custodian, of the Trust.
3. Any deeds or contracts of guarantee and indemnity entered into in favour of LMIM as Trustee or Manager, or the Trust Company as Custodian, of the Trust.
4. Any agreements which confer on LMIM or the Trust Company any rights or entitlements in respect of the Trust, or any powers of management in respect of the above documents in respect of the Trust, but without vesting any of the obligations or liabilities under those agreements in the Applicants.

Form 15
Rules 8.01(1); 8.04(1)

Originating application

Federal Court of Australia
District Registry: Queensland
Division: General

FEDERAL COURT OF AUSTRALIA
QUEENSLAND DISTRICT REGISTRY

No. of 2013

12 APR 2013

FILED / RECEIVED

RAYMOND EDWARD BRUCE AND ANOTHER NAMED IN THE SCHEDULE

Applicants

LM INVESTMENT MANAGEMENT LIMITED (ADMINISTRATORS APPOINTED), ACN 077 208 461, IN ITS CAPACITY AS RESPONSIBLE ENTITY OF THE LM FIRST MORTGAGE INCOME FUND AND THE OTHERS NAMED IN THE SCHEDULE

Respondents

To the Respondents

The Applicants apply for the relief set out in this application.

The Court will hear this application, or make orders for the conduct of the proceeding, at the time and place stated below. If you or your lawyer do not attend, then the Court may make orders in your absence.

You must file a notice of address for service (Form 10) in the Registry before attending Court or taking any other steps in the proceeding.

Time and date for hearing: **9:30 AM FRIDAY 10 MAY 2013**

Place: Level 7, Harry Gibbs Commonwealth Law Courts Building
119 North Quay
BRISBANE QLD 4000

FOR DIRECTIONS ONLY

The Court ordered that the time for serving this application be abridged to

Date:

12 April 2013

Signed by an officer acting with the authority
of the District Registrar

Filed on behalf of:
Prepared by
Law firm
Tel
Email
Address for service

The Applicants
Amanda Banton
Piper Alderman
+61 2 9253 9999
abanton@piperalderman.com.au
Level 23, Governor Macquarie Tower, 1 Farrer Place, SYDNEY NSW 2000
DX 10216 Sydney Stock Exchange

Ref AKB.SP.380287-0001
Fax +61 2 9253 9900

DETAILS OF APPLICATION

This application is made under sections 601FN and 601FP of the *Corporations Act (Cth) 2001* (the *Corporations Act*), regulation 5C.2.02 of the *Corporations Regulations 2001 (Cth)* (the *Regulations*) and section 80 of the *Trusts Act (Qld) 1973* (the *Trusts Act*).

On the facts stated in the supporting affidavit, the Applicants seek:

Leave to Proceed

1. An order pursuant to section 440D of the *Corporations Act*, that the Applicants be granted leave to bring these proceedings against the First Respondent, in its capacity as responsible entity of the LM First Mortgage Income Fund (the *Income Fund*).

Replacement of LM as responsible entity of the Income Fund

2. An order pursuant to sections 601FN and 601FP of the *Corporations Act*, that Trilogy Funds Management Limited (or such other company as the court determines appropriate) is appointed temporary responsible entity of the *Income Fund*.
3. Further or in the alternative to order 2 hereof, an order pursuant to regulation 5C.2.02 of the *Regulations* that Trilogy Funds Management Limited (or such other company as the court determines appropriate) is appointed temporary responsible entity of the *Income Fund*.
4. In the alternative to orders 2 and 3 hereof, an order pursuant to section 80 of the *Trusts Act*, that Trilogy Funds Management Limited (or such other company as the court determines appropriate) be appointed responsible entity/trustee of the *Income Fund* until further order of the court or an extraordinary resolution of the *Income Fund*'s members providing for an alternative appointment.



Notification Procedures

5. An order that the First Respondent provide the Applicants with a current electronic version of the register of the members of the *Income Fund*, to include the email addresses of the members, where known (the *Register*), within 3 working days of the date of order.

6. An order that the Applicants shall serve the originating application and any supporting affidavit (s) filed in respect of the originating application on the Australian Securities and Investments Commission (ASIC).
7. An order that the Applicants shall serve the Second Respondents, the members of the Income Fund (the Members) with the originating application and any supporting affidavit (s) filed in respect of the originating application (the Originating Documents) by:-
 - 7.1 sending the Originating Documents by ordinary post to the Members at their last known address as contained on the Register; and
 - 7.2 sending the Originating Documents by email to the Members where the Members have an email address.
8. An order that the First Respondent make the Originating Documents available in pdf. format on the website of the First Respondent, being www.lmaustralia.com within 3 working days of the date of order.
9. An order that service of any further Court documents on the Members, including any orders made in respect of the originating application be effected by those Court documents being made available by the First Respondent in .pdf format on its website at www.lmaustralia.com.

Dated: 11 April 2013.



Applicants' address

The Applicants' address for service is:

Piper Alderman Lawyers
Level 23, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Email: abanton@piperalderman.com.au

The Applicants' address is:

167 Foreshore Road, RD1, KAITAIA 0500, NEW ZEALAND

Service on the Respondents

It is intended to serve this application on all Respondents and ASIC in the manner set out above.

Date: 11 April 2013



Signed by Megan Pearson
On behalf of Amanda Banton
Solicitor for the Applicants



Schedule

No. of 2013

Federal Court of Australia
District Registry: Queensland
Division: General

Applicants

Second Applicant **Vicki Patricia Bruce**

Respondents**Second Respondents****The Members of the LM First Mortgage Income Fund****Date: 11 April 2013**

3

**IN THE FEDERAL COURT OF AUSTRALIA (FCA)
QUEENSLAND REGISTRY - FEDERAL COURT OF AUSTRALIA
GENERAL DIVISION**

No: QUD192/2013

NOTICE OF FILING

This document was filed electronically in the FEDERAL COURT OF AUSTRALIA (FCA) on 17/04/2013.

DETAILS OF FILING

Document Lodged: Notice of Discontinuance - Form 48 - Rule 26.12(1)
File Number: QUD192/2013
File Title: Raymond Edward Bruce & Anor v LM Investment Management Limited
(Administrators Appointed) ACN 077 208 461 in its capacity as Responsible
Entity of the LM First Mortgage Income Fund and Ors
District Registry: QUEENSLAND REGISTRY - FEDERAL COURT OF AUSTRALIA



Dated: 17/04/2013

Warwick Soden
Registrar

Note

This Notice forms part of the document and contains information that might otherwise appear elsewhere in the document. The Notice must be included in the document served on each party to the proceeding.



Notice of discontinuance

No. QUD 192 of 2013

Federal Court of Australia
District Registry: Queensland
Division: General

RAYMOND EDWARD BRUCE AND ANOTHER NAMED IN THE SCHEDULE

Applicants

LM INVESTMENT MANAGEMENT LIMITED (ADMINISTRATORS APPOINTED) ACN 077 208 461, IN ITS CAPACITY AS RESPONSIBLE ENTITY OF THE LM FIRST MORTGAGE INCOME FUND AND THE OTHERS NAMED IN THE SCHEDULE

Respondents

Raymond Edward Bruce and Vicki Patricia Bruce, the Applicants, discontinue the whole of the proceeding.

The Applicants have not served the proceeding on the Respondents and discontinue the proceeding before the first return date fixed in the Originating Application in the proceeding, namely 10 May 2013.

There should be no order as to costs on the basis that the proceeding was never served on the Respondents.

The Applicants do not intend to serve a copy of this notice of discontinuance on the Respondents.

Date: 17 April 2013

A handwritten signature in black ink, appearing to read "A Banton".

Signed by Amanda Kim Banton, Partner
Lawyer for the Applicant

Filed on behalf of the	Applicants	
Prepared by	Amanda Banton	Ref AKB.390287
Law firm	Piper Alderman	
Tel	+61 2 9253 9999	Fax +61 2 9253 9900
Email	abanton@piperalderman.com.au	
Address for service	Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000	
	DX 10216 Sydney Stock Exchange	

[Form approved 01/08/2011]

Note in relation to costs

Under rule 26.12(7), unless the terms of a consent or an order of the Court provide otherwise, a party who files a notice of discontinuance under rule 26.12(2) is liable to pay the costs of each other party to the proceeding in relation to the claim, or part of the claim, that is discontinued.

SCHEDULE

No. QUD 192 of 2013

**Federal Court of Australia
District Registry: Queensland
Division: General**

Applicants

Second Applicant **Vicki Patricia Bruce**

Respondents

Second Respondents **The Members of the LM First Mortgage Income Fund**

Date: 17 April 2013



10 October 2012

Dear Investor

**A terrible thing that affects you is underway.
Recognised pirates are stealing your investments and will wipe out your unit price value.**

Incredibly, Trilogy Funds Management Limited (Trilogy) is writing to you to replace LM as manager of two LM funds which invest directly in the LM First Mortgage Income Fund. The funds are the LM Wholesale First Mortgage Income Fund and the LM Currency Protected Australian Income Fund and we are writing to you as an investor in either one or both of these funds. It is Trilogy's first step in a campaign they are mounting to gain control of the LM First Mortgage Income Fund, which will decimate the money you have invested in LM.

A prior Trilogy takeover of a City Pacific fund resulted in the unit price being slashed from 61 cents to 13 cents in Trilogy's management timeframe of 3.5 years. Shockingly, during that period, investors received the return of only 8 cents of their investment capital. (We refer you to two important articles below).

Scary, isn't it?

Trilogy's takeover bid is unethical and equal to piracy. It is opportunistic and without any consideration for your interests. Whilst we fully understand your frustration with the necessary time taken to realise liquidity from the fund, our constant communication with advisers and investors across all of the funds makes us confident that we will retain the necessary 51% majority required to manage the LM funds.

What Trilogy proposes is to commence the fund liquidity process that we have almost finalised, with no knowledge and with further delays and costs to you.

In the next few days we will provide further detailed information for investors in LM Currency Protected Australian Income Fund and LM Wholesale First Mortgage Income Fund addressing more specifically the misleading details of Trilogy's bid which they plan to take to vote on November 1.

Background on Trilogy

Trilogy is providing advisers and investors with misleading reasons to be concerned about LM's management of the Funds in their bid. They are unfairly preying on the frustration and emotions of investors like you who are anxiously awaiting liquidity.

Without any factual foundation, Trilogy's deceitful suggestion of inappropriate management on LM's behalf is unfair and misleading.

Any information Trilogy is utilising is superficial at best. Incredulously, Trilogy is pitching management fees and has absolutely zero knowledge of any of the assets that they want to sell for you. They are making the same hollow promises they made to City Pacific investors when they replaced the original manager of that fund.

Trilogy is not offering any magic solution for investors in the fund, who like many others throughout the world have suffered due to the Global Financial Crisis (GFC). The fund was closed in 2009 due to the GFC and not due to bad or poorly performing loans. It is LM's obligation to act in the best interests of investors in the fund. We stress that it is not in your best interests for Trilogy to take over the fund.

Reasons it is not in your best interests for Trilogy to manage the Fund

- It is important that investors understand the position of the fund and its assets entirely and comprehensively before making any decision with respect to any offer or vote that Trilogy or any entity presents. LM has communicated regularly with investors regarding the complex asset and financial analysis it is undertaking currently with respect to each asset. This includes the review of independent property experts. We are currently liaising with ASIC in relation to the strategy for the fund and the presentation of all information for investors.
- Trilogy has no knowledge of the assets of the fund.
- Trilogy wishes to simply sell all the assets of the fund. This does not require any asset management on their part, as in cases such as this, assets are usually placed in the hands of receivers, with the receivers conducting the sales process and charging the fund very high fees in addition to the management fee. Their track record demonstrates that theirs is too simplistic an approach which will likely result in disaster for investors in the fund.
- It would appear that Trilogy does not have the property expertise required to manage or adequately assess the assets of the fund, including development management expertise.
- LM has a team of 20 with the property and development management expertise required to undertake the review and to manage the property assets the fund now controls.
- Realising liquidity for investors is LM's prime concern. However, we must stress the importance of conducting this analysis for presentation to investors, as to sell all the assets without proper and thorough analysis would be premature and ill considered. Our analysis will determine for investors the value of conducting further development work on some assets, as well as the value of the continuing sales of other assets.
- In the current market it is common for property managers, banks and financial institutions to be conducting such proper analyses of property assets to ensure strategies for assets, whether they be hold or sale strategies, are the right strategies.
- We question Trilogy's expertise in the intense management required with assets of this nature. It would appear they do not have a depth of property development skill and they do not appear to have any strategy which involves actually managing the assets.
- On the face of it, Trilogy's course of action artificially raises the hopes of investors in need of liquidity, as it is without proper analysis, and will in fact add to the time, delay, frustration and potential loss for investors in realising their capital.
- LM has made it clear that following the release of the analysis we are conducting, if an orderly sell down of all assets is proven the best course of action, then LM will conduct same on behalf of investors, without any delay.
- LM is focused on bringing liquidity to investors. LM's currently orderly sell down of assets is progressing well, with the settlement of some major transactions occurring to bring liquidity into the fund towards the end of the year. LM's sales campaign has not stalled while we finalise the asset and financial analysis for investors.

Whilst it has been frustratingly slow for us all, we are close to finalising the investor information and providing the clarity advisers and investors are understandably concerned about and insistent on. We all want to get on with it! LM believes that it is in the best interests of investors to bear with us and not to act on any information received from Trilogy without first considering our proper fund analysis.

We will keep you informed.

Yours faithfully,

The Directors
LM Investment Management Ltd

The LM products are solely for distribution via financial advisers and intermediaries. LM requests investors consult a financial adviser before making any decisions on their investment. This communication is general information on the LM funds issued by LM Investment Management Ltd.

Read this Sydney Morning Herald news article dated 5 August 2011 to learn about the alarming shortcomings of Trilogy and its Directors.

Beware an angry debt collector

The managers of the City Pacific-founded First Mortgage Fund do not only have to worry about 11,000 angry (and largely retired) unitholders breathing down their neck. They now have a very determined debt collector on their tail.

Stephen Ecob from Collection Corporation of Australia in Hobart has had little success getting the responsible entity of the fund, Trilogy Funds Management, to cough up \$4.8 million in unpaid owners' corporation (aka strata) fees linked to the \$650 million Martha Cove marina project.

"They wouldn't even come to the front counter," Ecob said about his recent visit to the reception of the Trilogy office.

The First Mortgage Fund took possession of several large lots in the marina development on Port Phillip Bay that were seized from its now bankrupt former manager and debtor, City Pacific. City Pacific borrowed more than \$200 million from the fund (containing more than \$900 million of deposits) to develop the project.

"They are just milking the joint for fees and haven't even paid the rates," Ecob told CBD, clearly frustrated at the lack of response he was getting from the fund's new managers.

The debt collector's complaints about Trilogy and its co-manager Balmain might also raise tempers among First Mortgage investors, who have so far only received a capital return of 5¢ for each of their units that were originally worth \$1.

Despite having a debt collector on its case over unpaid strata fees, the managers Balmain Trilogy have still been able to pay themselves fees from the fund once worth \$1 billion. The fund paid out \$2.9 million in management fees in the last six months of last year.

The Trilogy Funds chairman, **Rodger Bacon**, was unable to provide a clear position on whether he thought the fund was liable for the strata fees.

"The various interested parties and companies that are involved and the receivers that are involved, I wouldn't even attempt to give you any clarification of that," Bacon said. He suggested CBD put a call through to his co-manager, the loan manager Balmain. Balmain's chief executive, **Andrew Griffin**, failed to return CBD's phone call.

WHICH BANKER?

Stephen Ecob had even less luck chasing another party who he says owes about \$2.4 million in strata fees in relation to Martha Cove.

"I have not been able to contact anybody in the Commonwealth Bank who deals with that," he told CBD. "You can't just walk into one of their branches and find the right person." Ecob claims the CBA owes the fees in relation to some of the land it took possession of at Martha Cove.

Read this Courier Mail news article dated 17 June 2009 to discover Trilogy's Managing Director was sued by corporate watchdog, ASIC.

Executive in raid on City Pacific fund was once sued

AN executive with a Brisbane finance group attempting to seize control of a \$630 million mortgage fund has previously been sued by the corporate regulator.

Trilogy Funds Management managing director Philip Ryan was a partner operating Lawyers Private Mortgages Pty Ltd, which the Federal Court ruled in 2006 had made dishonest, misleading and negligent representations to 37 investors who collectively provided \$1.4 million for a loan.

After the borrower defaulted, the Australian Securities & Investments Commission mounted a successful class action against Mr Ryan and his three partners in the Brisbane legal practice McCarthy Durie Ryan Neil Solicitors.

The court awarded investors \$792,509, which was later paid out by insurers.

Trilogy has now joined with property financier Balmain NB Corporation in a bid to oust struggling Gold Coast financier City Pacific from its oversight of the frozen First Mortgage Fund, which was once worth \$1 billion. Unitholders are set to vote on the Balmain Trilogy proposal next week.

Mr Ryan said yesterday he did not believe the matter should concern any of the more than 11,000 investors in the fund, who have been unable to access their money or receive distribution since mid-2008.

Mr Ryan stressed that he and his fellow directors had to bear personal liability for the actions of a rogue employee, who made the loan back in 1999. "There are completely different regulations today. Our compliance is totally different to what it was then," he said.

Mr Ryan also noted that ASIC had not banned him as a company director, while the Law Society had taken no action to have him struck off.

Trilogy chairman Rodger Bacon defended Mr Ryan. "He's a fine guy with great skills and abilities and has never been restricted by any legal body," Mr Bacon said.

City Pacific managing director John Ellis was reluctant to be drawn on the case yesterday.

"I would let the matter speak for itself," Mr Ellis said.

Meanwhile, City Pacific accused Balmain Trilogy yesterday of "deliberately misleading" unitholders and "blatant misrepresentation" about its proposed fees and charges. Mr Bacon responded by attacking City Pacific for "grasping at straws" and "trying to frighten unitholders with unsubstantiated allegations".

Balmain Trilogy had vowed to cap annual fees at 1.5 per cent of funds under management.

But explanatory notes released last week show the fund will pay 0.12 per cent annually for an

independent custodian and independent registry provider. Up to \$200,000 will also be used from the fund for one-off asset and legal reviews.

23 November 2012

LM Wholesale First Mortgage Income Fund – Welcome

Following our recent appointment as Responsible Entity (RE), we warmly welcome investors and advisers in the LM Wholesale First Mortgage Income Fund ('Wholesale Fund' or 'the Fund').

Through an Extraordinary General Meeting held in Sydney on 1 November 2012 (the Meeting), 69% of Members representing 53.8% of the value of the Wholesale Fund **voted in favour** of replacing LM Investment Management Limited (LM) with Trilogy Funds Management Limited (Trilogy) as RE. Our appointment took effect on 16 November 2012, when ASIC updated the register to note Trilogy Funds Management Limited as the new RE.

We believe that our appointment confirms widespread investor support for a change in RE and is a clear endorsement of our decision to bring about this change on behalf of investors in the Wholesale Fund.

Please note that we remain firmly committed to our strategy on behalf of concerned investors and their advisers to bring about a change in RE of the LM Currency Protected Australian Income Fund ('Currency Protected Fund') and LM First Mortgage Income Fund ('Holding Fund'). The accompanying Appendix shows the relationship between these funds and inextricable link between your investment and that of the Holding Fund (the units of which represent the sole asset of your Fund).

Our appointment as RE of the Wholesale Fund has provided immediate benefits for investors:

1. LM has started to communicate with you, the investor and your financial planner.
2. LM has introduced the same significant and ongoing fee reductions for the Fund as was proposed by us. Effective 1 November 2012 (the date of the Meeting), investors in the Wholesale Fund will now save more than \$2.2 million in management fees per year. On a combined basis, investors in the Holding Fund and its associated feeder funds will now save more than \$9.8 million in fees per year.

	Before Meeting	After Meeting	Annual saving
LM Wholesale First Mortgage Income Fund	\$3.8m	\$1.5m	\$2.3m
LM Currency Protected Australian Income Fund	\$4.4m	\$1.3m	\$3.1m
LM First Mortgage Income Fund	\$11.4m	\$6.8m	\$4.5m
	\$19.6m	\$9.6m	\$9.9m

Please note: All figures are based on the accounts for the year ended 30 June 2011

3. LM has listened to investors and has withdrawn its unpopular proposal to split the assets in the Holding Fund and implement a buy or hold scheme. Instead LM has agreed to sell down the fund's assets and allow all investors to share equally in the Fund's assets.
4. LM has followed Trilogy's lead and announced its intention to establish an investor committee to allow investors greater involvement in the fund. However, while Trilogy proposed an independent member selection process, LM intends to choose members itself.

What can Trilogy do as RE of the Wholesale Fund?


While Trilogy is not in a position to control the disposal of assets and won't be until we become the RE of the Holding Fund, we intend to use our influence as a 20% unitholder in the Holding Fund (see accompanying Appendix) to oversee LM's performance and exert due pressure to help protect the interest of Wholesale Fund investors.

1. We have met with the Wholesale Fund auditors Ernst & Young, who are also the auditors of the Holding Fund, to understand why the 2012 accounts are so late. Without access to the accounts, investors remain oblivious to the true financial state of the Fund and the value of their investment. This is particularly concerning given successive write downs in unit value and LM's 8 November admission that a further write down for the 2012 financial year is likely.
2. We have had meetings with ASIC to discuss the ongoing breaches by LM in respect of the late accounts and the failure to lodge an RG45 since August 2011.
3. As the RE of the Wholesale Fund, our first question to LM relates to the disposal of a Holding Fund asset, described as a 'student accommodation property' located in Cairns. The property was last purchased for \$10 million but recently sold for as little as \$3.85 million. We also understand that the carrying value of the loan was more than \$10 million. If this is correct, we need to understand how this gross loss of investor funds came about under LM's management.

We will hopefully be in a position to provide investors with an update on our discussions in the near future. In the mean time, we welcome the opportunity to discuss any concerns you may have or to share with you the vision for your Fund that your fellow investors have asked us to pursue.

Please feel free to contact Joe Christie on + 61 2 8028 2804 or j.christie@trilogyfunds.com.au or for New Zealand, David Jansen on + 64 21 675 244 or jansendw@gmail.com

Yours sincerely



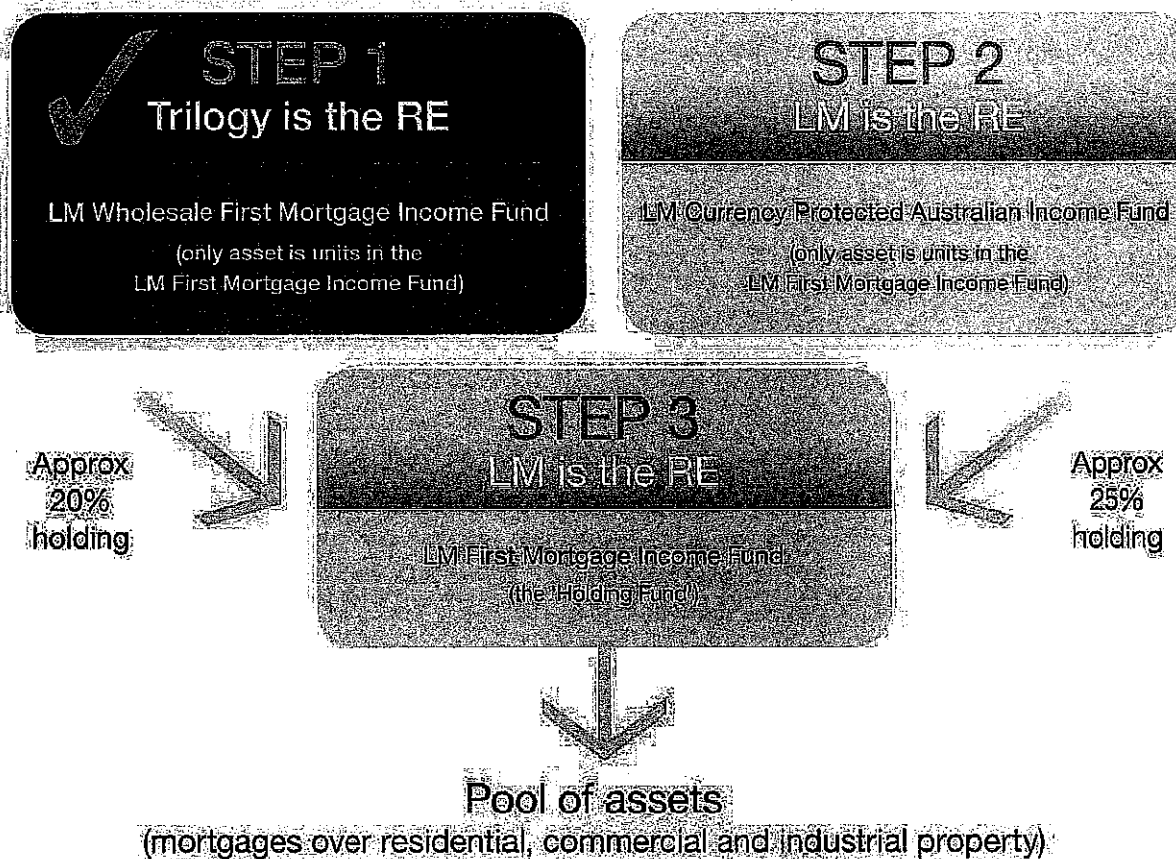
Rodger Bacon
Executive Deputy Chairman

This letter has been prepared as general information only and is not intended to take the place of professional financial advice. Recipients of this letters should conduct their own investigations and analysis regarding any information, representation or statement contained in this or any other written or verbal information made available to them.

Appendix

The Wholesale Fund holds units in the LM First Mortgage Income Fund (the Holding Fund) as its sole asset. As at 31 December 2011, the Wholesale Fund held in excess of 20% of the units in the Holding Fund. All the real assets (primarily commercial mortgages over real property) are held by the Holding Fund.

Our strategy for LM investors



Search Results for:	Historical Search	Organisation Number	080383679
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*Extracted from ABR's database at 15:56:09 on 30/04/2013

*Extracted from ASIC's database at 15:56:01 on 30/04/2013

This extract contains information derived from the Australian Securities and Investment Commission's (ASIC) database under section 1274A of the Corporations Act 2001. Please advise ASIC of any error or omission which you may identify.

Organisation Details

Organisation Name	TRILOGY FUNDS MANAGEMENT LIMITED
Australian Company Number	<u>080383679</u>
State of Incorporation	Queensland
Registration Date	13/10/1997
Governance Type	Constitution
Organisation Number Heading	ACN (Australian Company Number)
Australian Business Number	59080383679
Review Date	13/10/2013

Document Number	026434711
Details Type(current/ceased)	Current
Details Start Date	18/03/2010
Organisation Name	TRILOGY FUNDS MANAGEMENT LIMITED
Name Start Date	09/11/2004
Organisation Status	Registered
Organisation Type	Australian Public Company
Organisation Class	Limited By Shares
Organisation Sub-Class	Unlisted Public Company
Disclosing Entity Flag	Y

Document Number	013615923
Details Type(current/ceased)	Ceased/Former
Details Start Date	13/10/1997
Details End Date	08/11/2004
Organisation Name	MDRN INVESTMENTS LIMITED
Name Start Date	13/10/1997
Organisation Status	Registered
Organisation Type	Australian Public Company
Organisation Class	Limited By Shares
Organisation Sub-Class	Unlisted Public Company
Disclosing Entity Flag	N

Company Address

Document Number	022456310
Details Type(current/ceased/future)	Current

Address Type Registered Office
Address Start Date 10/05/2006
Address LEVEL 10 241 ADELAIDE STREET BRISBANE QLD 4000

Document Number 020244607
Details
Type(current/ceased/future) Ceased/Former
Address Type Registered Office
Address Start Date 21/07/2004
Address End Date 09/05/2006
Address SUITE 7B LEVEL 7 300 ADELAIDE STREET BRISBANE QLD 4000

Document Number 013615923
Details
Type(current/ceased/future) Ceased/Former
Address Type Registered Office
Address Start Date 13/10/1997
Address End Date 20/07/2004
Address 80 OLD CLEVELAND ROAD CAPALABA QLD 4157

Document Number 022456310
Details
Type(current/ceased/future) Current
Address Type Principal Place of Business
Address Start Date 28/04/2006
Address LEVEL 10 241 ADELAIDE STREET BRISBANE QLD 4000

Document Number 020244607
Details
Type(current/ceased/future) Ceased/Former
Address Type Principal Place of Business
Address Start Date 09/07/2004
Address End Date 27/04/2006
Address SUITE 7B LEVEL 7 300 ADELAIDE STREET BRISBANE QLD 4000

Document Number 019771271
Details
Type(current/ceased/future) Ceased/Former
Address Type Principal Place of Business
Address Start Date 26/09/2003
Address End Date 08/07/2004
Address MDRN INVESTMENTS LIMITED LEVEL 7 344 QUEEN STREET BRISBANE QLD 4000

Document Number 013615923
Details
Type(current/ceased/future) Ceased/Former
Address Type Principal Place of Business

Address Start Date 13/10/1997
Address End Date 25/09/2003
Address 80 OLD CLEVELAND ROAD CAPALABA QLD 4157

Company Office Holders

Document Number 013615937
Details Type(current/former) Current
Role Director
Appointment Date 13/10/1997
Full Name RYAN PHILIP ASHLEY
Birth Details 15/02/1961 MELBOURNE VIC
Address 25 BRISBANE CORSO FAIRFIELD QLD 4103

Document Number 020244607
Details Type(current/former) Current
Role Director
Appointment Date 09/07/2004
Full Name BACON RODGER INGLE
Birth Details 20/01/1946 SYDNEY NSW
Address UNIT 1B 65 KIRIBILLI AVENUE KIRIBILLI NSW 2061

Document Number 020244607
Details Type(current/former) Current
Role Director
Appointment Date 09/07/2004
Full Name BARRY JOHN COLLIS
Birth Details 20/02/1952 SYDNEY NSW
Address 153 SEAFORTH CRESCENT SEAFORTH NSW 2092

Document Number 024950346
Details Type(current/former) Current
Role Director
Appointment Date 29/07/2008
Full Name BUTCHER ROHAN CHARLES
Birth Details 19/09/1969 BRISBANE QLD
Address 262 SIMPSONS ROAD BARDON QLD 4065

Document Number 026044522
Details Type(current/former) Current
Role Director
Appointment Date 09/10/2009
Full Name WILLCOCKS ROBERT MOYSE
Birth Details 08/10/1948 BRISBANE QLD
Address 750 NEW SOUTH HEAD ROAD ROSE BAY NSW 2029

Document Number 025942696
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 14/10/2009
Cease Date 12/05/2012
Full Name CHAMIER NIGEL ADRIAN
Birth Details 16/06/1951 LONDON UNITED KINGDOM
Address 27 BENNISON STREET ASCOT QLD 4007

Document Number 023142527
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 14/08/2006
Cease Date 01/08/2011
Full Name GIBSON TREVOR JOHN
Birth Details 29/03/1955 SYDNEY NSW
Address 86 DUGANDAN ROAD BUNYA QLD 4055

Document Number 022471586
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 24/01/2006
Cease Date 29/07/2008
Full Name HOGAN DAVID JOHN
Birth Details 02/10/1946 SYDNEY NSW
Address UNIT 1 10 RAWSON STREET MOSMAN NSW 2088

Document Number 016549371
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 13/10/1997
Cease Date 31/01/2008
Full Name MCCARTHY JONATHAN JAMES
Birth Details 22/02/1953 BRISBANE QLD
Address 12 ESPLANADE WELLINGTON POINT QLD 4160

Document Number 020244607
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 09/07/2004
Cease Date 17/01/2007
Full Name CURLEY MICHAEL BERNARD
Birth Details 28/04/1947 BRISBANE QLD
Address 29 MAIN ROAD WELLINGTON POINT QLD 4160

Document Number 013615937
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 13/10/1997
Cease Date 09/07/2004
Full Name NEIL IAN ALEXANDER
Birth Details 27/08/1957 MARYBOROUGH QLD
Address 2 TAHOE COURT THORNLANDS QLD 4164

Document Number 013615937
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 13/10/1997
Cease Date 09/07/2004
Full Name DURIE BRUCE MICHAEL
Birth Details 12/06/1952 BRISBANE QLD
Address 13 EDWARD STREET ALEXANDRA HILLS QLD 4161

Document Number 016683390
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 13/10/1997
Cease Date 28/03/2001
Full Name CAMPBELL BRUCE CHARLES
Birth Details 09/09/1955 AYR QLD
Address UNIT 41 78 CAIRNS STREET KANGAROO POINT QLD 4169

Document Number 020244607
Details Type(current/former) Current
Role Secretary
Appointment Date 09/07/2004
Full Name RYAN PHILIP ASHLEY
Birth Details 15/02/1961 MELBOURNE VIC
Address 25 BRISBANE CORSO FAIRFIELD QLD 4103

Document Number 025147439
Details Type(current/former) Current
Role Secretary
Appointment Date 30/09/2008
Full Name HOGAN DAVID
Birth Details 02/10/1946 SYDNEY NSW
Address UNIT 1 10 RAWSON STREET MOSMAN NSW 2088

Document Number 016549371

Details Type(current/former) Ceased/Former
Role Secretary
Appointment Date 13/10/1997
Cease Date 09/07/2004
Full Name MCCARTHY JONATHAN JAMES
Birth Details 22/02/1953 BRISBANE QLD
Address 12 ESPLANADE WELLINGTON POINT QLD 4160

Document Number 023121807
Details Type(current/former) Current
Role Alternate Director
Appointment Date 03/11/2006
Full Name RYAN PHILIP ASHLEY
Birth Details 15/02/1961 MELBOURNE VIC
Address 25 BRISBANE CORSO FAIRFIELD QLD 4103

Document Number 024505422
Details Type(current/former) Current
Role Alternate Director
Appointment Date 30/09/2008
Full Name RYAN PHIL
Birth Details 15/02/1961 MELBOURNE VIC
Address 25 BRISBANE CORSO FAIRFIELD QLD 4103

Document Number 024505423
Details Type(current/former) Current
Role Alternate Director
Appointment Date 29/09/2008
Full Name BARRY JOHN
Birth Details 20/02/1952 SYDNEY NSW
Address 152 SEAFORTH CRESCENT SEAFORTH NSW 2092

Document Number 024503906
Details Type(current/former) Current
Role Alternate Director
Appointment Date 30/09/2008
Full Name BACON RODGER INGLE
Birth Details 20/01/1946 SYDNEY NSW
Address UNIT 1B 65 KIRIRIBILLI AVENUE KIRIRIBILLI NSW 2061

Document Number 028279320
Details Type(current/former) Current
Role Alternate Director
Appointment Date 10/09/2012
Full Name BUTCHER ROHAN CHARLES

Birth Details 19/09/1969 BRISBANE QLD
Address 262 SIMPSONS ROAD BARDON QLD 4065

Document Number 027037965
Details Type(current/former) Ceased/Former
Role Alternate Director
Appointment Date 08/09/2010
Cease Date 12/05/2012
Full Name CHAMIER NIGEL
Birth Details 16/06/1951 CROYDON UNITED KINGDOM
Address 27 BENNISON STREET ASCOT QLD 4007

Document Number 027037965
Details Type(current/former) Ceased/Former
Role Alternate Director
Appointment Date 08/09/2010
Cease Date 12/05/2012
Full Name WILLCOCKS ROBERT MOYSE
Birth Details 08/10/1948 BRISBANE QLD
Address 750 NEW SOUTH HEAD ROAD ROSE BAY NSW 2029

Document Number 022939074
Details Type(current/former) Ceased/Former
Role Alternate Director
Appointment Date 18/05/2006
Cease Date 01/08/2011
Full Name GIBSON TREVOR JOHN
Birth Details 29/03/1955 SYDNEY NSW
Address 86 DUGANDAN ROAD BUNYA QLD 4055

Document Number 022276490
Details Type(current/former) Ceased/Former
Role Alternate Director
Appointment Date 09/09/2005
Cease Date 29/07/2008
Full Name HOGAN DAVID JOHN
Birth Details 02/10/1946 SYDNEY NSW
Address UNIT 1 10 RAWSON STREET MOSMAN NSW 2088

Document Number 023581822
Details Type(current/former) Ceased/Former
Role Alternate Director
Appointment Date 22/03/2007
Cease Date 29/07/2008
Full Name BACON RODGER INGLE

Birth Details 20/01/1946 SYDNEY NSW
 Address UNIT 1B 65 KIRRIBILLI AVENUE KIRRIBILLI NSW 2061

Document Number 027755274
 Details Type(current/former) Current
 Role Appointed Auditor
 Appointment Date 26/11/2010
 Officer Organisation Number 134022870
 Officer Name BDO AUDIT PTY LTD
 Address BDO KENDALLS (QLD) LEVEL 18 300 QUEEN STREET BRISBANE QLD 4000
 Organisation Number Heading ACN (Australian Company Number)
 Australian Business Number 33134022870

Document Number 023550440
 Details Type(current/former) Ceased/Former
 Role Appointed Auditor
 Appointment Date 07/07/2006
 Cease Date 22/11/2010
 Officer Organisation Number 076649100
 Officer Name MGI WHITE HANCOCK
 Address 'CENTRAL PLAZA TWO' 66 EAGLE STREET BRISBANE QLD 4001
 Organisation Number Heading Number

Document Number 014671241
 Details Type(current/former) Ceased/Former
 Role Appointed Auditor
 Appointment Date 04/03/1998
 Cease Date 07/07/2006
 Full Name EDWARDS GEORGE ANTHONY
 Address C/- EVANS EDWARDS & ASSOCIATES 7 ARCHER STREET ROCKHAMPTON CITY QLD 4700
 Organisation Number Heading Number

Share Structure – Issued and Paid Capital

Document Number 022254602
 Details Type(current/ceased) Current
 Share Class Code CRP
 Share Class Title CUMULATIVE REDEEMABLE PREFERENCE SHARES
 Number of Shares Issued 265000
 Total Paid on Shares Issues \$ 265,000.00

Document Number 080383671
 Document Number Qualifier (AR 1998)
 Details Type(current/ceased) Current

Share Class Code	A
Share Class Title	A CLASS
Number of Shares Issued	27000
Total Paid on Shares Issues	\$ 27,000.00

Document Number	080383671
Document Number Qualifier	(AR 1998)
Details Type(current/ceased)	Current
Share Class Code	ORD
Share Class Title	ORDINARY SHARES
Number of Shares Issued	100400
Total Paid on Shares Issues	\$ 100,400.00

Document Number	5E0700476
Document Number Qualifier	(AR 2001)
Details Type(current/ceased)	Ceased/Former
Share Class Code	RED
Share Class Title	REDEEMABLE PREFERENCE
Number of Shares Issued	20000
Total Paid on Shares Issues	\$ 20,000.00

Note: For each class of shares issued by a proprietary company, ASIC records the details of the twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Charges Registered and Related Documents

ASC Charge Number	1141977
Charge Status	Satisfied
Date Registered	22/03/2005
Time Registered	102400
Charge Type(Fixed/Floating/Both)	Both Fixed & Floating
Date Created	18/03/2005
Australian Company Number	<u>071292594</u>
Organisation Name	INVESTEC BANK (AUSTRALIA) LIMITED

Document Number	<u>027041319</u>
Date Received	25/08/2010
Form Code	312
Date Processed	26/08/2010
Number of Pages(if Imaged)	2
Sub-form Code	312
Additional Description	NOTIFICATION OF
Sub-form Code	312A
Additional Description	DISCHARGE

ASC Charge Number	1354876
Charge Status	Satisfied
Date Registered	19/09/2006
Time Registered	113200
Charge Type(Fixed/Floating/Both)	Both Fixed & Floating
Date Created	28/08/2006
Australian Company Number	<u>071292594</u>
Organisation Name	INVESTEC BANK (AUSTRALIA) LIMITED

Document Number	<u>023097566</u>
Date Received	25/01/2007
Form Code	312
Date Processed	25/01/2007
Number of Pages(if Imaged)	1
Sub-form Code	312
Additional Description	NOTIFICATION OF
Sub-form Code	312A
Additional Description	DISCHARGE

Company Document Listing

Document Number	<u>028058559</u>
Date Received	31/01/2013
Form Code	484
Date Processed	01/02/2013
Number of Pages(if Imaged)	4
Effective Date	01/02/2013
Sub-form Code	484E
Additional Description	Change to Company Details Appointment or Cessation of A
Additional Description	Company Officeholder

Document Number	<u>028349193</u>
Date Received	31/10/2012
Form Code	388
Date Processed	20/12/2012
Number of Pages(if Imaged)	39
Effective Date	30/06/2012
Document Number Qualifier	(FR 2012)
Sub-form Code	388A
Additional Description	Financial Report Financial Report – Public Company Or
Additional Description	Disclosing Entity

Document Number	<u>028279320</u>
Date Received	13/09/2012
Form Code	484

Date Processed 14/09/2012
Number of Pages(if Imaged) 4
Effective Date 14/09/2012
Sub-form Code 484E
Additional Description Change to Company Details Appointment or Cessation of A
Additional Description Company Officeholder

Document Number 7E4451349
Date Received 14/05/2012
Form Code 484
Date Processed 14/05/2012
Number of Pages(if Imaged) 2
Effective Date 14/05/2012
Sub-form Code 484E
Additional Description Change to Company Details Appointment or Cessation of A
Additional Description Company Officeholder

Document Number 7E4444726
Date Received 10/05/2012
Form Code FS88
Date Processed 10/05/2012
Number of Pages(if Imaged) 3
Effective Date 10/05/2012
Sub-form Code FS88A
Additional Description Pds In-Use Notice -- By Afs Licensee

Document Number 7E4444725
Date Received 10/05/2012
Form Code 878
Date Processed 10/05/2012
Number of Pages(if Imaged) 2
Effective Date 10/05/2012
Sub-form Code 878
Additional Description Notice of Australian Offer Under Foreign Recognition Scheme

Document Number 027755274
Date Received 03/10/2011
Form Code 388
Date Processed 05/10/2011
Number of Pages(if Imaged) 38
Effective Date 30/06/2011
Document Number Qualifier (FR 2011)
Sub-form Code 388
Additional Description Financial Report
Sub-form Code 388E

Additional Description Company – Appoint Change Name/address of Auditor
Sub-form Code 388A
Additional Description Financial Report – Public Company or Disclosing Entity

Document Number 7E3957130
Date Received 19/09/2011
Form Code FS90
Date Processed 19/09/2011
Number of Pages(if Imaged) 2
Effective Date 16/09/2011
Sub-form Code FS90A
Additional Description Notice That a Product in a Pds Has Ceased to Be Available –
Additional Description By Afs Licensee

Document Number 027836207
Date Received 17/08/2011
Form Code 309
Date Processed 05/09/2011
Number of Pages(if Imaged) 29
Effective Date 25/05/2011
Sub-form Code 309A
Additional Description NOTIFICATION OF DETAILS OF A CHARGE

Document Number 027836208
Date Received 17/08/2011
Form Code 309
Date Processed 05/09/2011
Number of Pages(if Imaged) 28
Effective Date 25/05/2011
Sub-form Code 309A
Additional Description Notification of Details of a Charge

Document Number 027836206
Date Received 17/08/2011
Form Code 309
Date Processed 05/09/2011
Number of Pages(if Imaged) 29
Effective Date 25/05/2011
Sub-form Code 309A
Additional Description Notification of Details of a Charge

Document Number 027824266
Date Received 03/08/2011
Form Code 484
Date Processed 18/10/2011

Number of Pages(if Imaged) 3
Effective Date 18/10/2011
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 7E3763932
Date Received 27/06/2011
Form Code FS88
Date Processed 27/06/2011
Number of Pages(if Imaged) 3
Effective Date 27/06/2011
Sub-form Code FS88A
Additional Description PDS IN-USE NOTICE - BY AFS LICENSEE

Document Number 027445257
Date Received 25/03/2011
Form Code 878
Date Processed 25/03/2011
Number of Pages(if Imaged) 2
Effective Date 25/03/2011
Sub-form Code 878
Additional Description NOTICE OF AUSTRALIAN OFFER UNDER FOREIGN RECOGNITION SCHEME

Document Number 027151123
Date Received 30/11/2010
Form Code 315
Date Processed 04/01/2011
Number of Pages(if Imaged) 1
Effective Date 22/11/2010
Sub-form Code 315A
Additional Description NOTICE OF RESIGNATION OR REMOVAL OF AUDITOR
Additional Description RESIGNATION OF AUDITOR

Document Number 027068202
Date Received 16/11/2010
Form Code 5122
Date Processed 17/11/2010
Number of Pages(if Imaged) 6
Effective Date 16/11/2010
Sub-form Code 5122
Additional Description NOTICE OF DECLARATION RE MANAGED INVESTMENT SCHEME

Document Number 027080028
Date Received 16/11/2010

Form Code 5120
Date Processed 17/11/2010
Number of Pages(if Imaged) 6
Effective Date 16/11/2010
Sub-form Code 5120
Additional Description NOTICE OF EXEMPTION RE MANAGED INVESTMENT SCHEME

Document Number 7E3281050
Date Received 08/11/2010
Form Code FS90
Date Processed 08/11/2010
Number of Pages(if Imaged) 2
Effective Date 05/11/2010
Sub-form Code FS90A
Additional Description NOTICE THAT A PRODUCT IN A PDS HAS CEASED TO BE AVAILABLE -
Additional Description BY AFS LICENSEE

Document Number 7E3280355
Date Received 08/11/2010
Form Code FS88
Date Processed 08/11/2010
Number of Pages(if Imaged) 3
Effective Date 08/11/2010
Sub-form Code FS88A
Additional Description PDS IN-USE NOTICE - BY AFS LICENSEE

Document Number 7E3281108
Date Received 08/11/2010
Form Code FS88
Date Processed 08/11/2010
Number of Pages(if Imaged) 3
Effective Date 08/11/2010
Sub-form Code FS88A
Additional Description PDS IN-USE NOTICE - BY AFS LICENSEE

Document Number 027027904
Date Received 01/11/2010
Form Code 388
Date Processed 17/12/2010
Number of Pages(if Imaged) 38
Effective Date 30/06/2010
Document Number Qualifier (FR 2010)
Sub-form Code 388A
Additional Description FINANCIAL REPORT FINANCIAL REPORT - PUBLIC COMPANY OR
Additional Description DISCLOSING ENTITY

Document Number 027037965
Date Received 14/09/2010
Form Code 484
Date Processed 15/09/2010
Number of Pages(if Imaged) 6
Effective Date 15/09/2010
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 7E3050759
Date Received 20/07/2010
Form Code FS88
Date Processed 20/07/2010
Number of Pages(if Imaged) 3
Effective Date 20/07/2010
Sub-form Code FS88A
Additional Description PDS IN-USE NOTICE - BY AFS LICENSEE

Document Number 7E3050703
Date Received 20/07/2010
Form Code FS90
Date Processed 20/07/2010
Number of Pages(if Imaged) 2
Effective Date 19/07/2010
Sub-form Code FS90A
Additional Description NOTICE THAT A PRODUCT IN A PDS HAS CEASED TO BE AVAILABLE -
Additional Description BY AFS LICENSEE

Document Number 026508372
Date Received 07/06/2010
Form Code 343
Date Processed 09/06/2010
Number of Pages(if Imaged) 7
Effective Date 07/06/2010
Sub-form Code 343
Additional Description NOTICE UNDER SUBSECTION 329(1A) TO REMOVE AUDITOR

Document Number 026715619
Date Received 12/04/2010
Form Code 311
Date Processed 02/05/2010
Number of Pages(if Imaged) 15
Effective Date 01/03/2010

Sub-form Code 311A
Additional Description NOTIFICATION OF ASSIGNMENT OF CHARGE

Document Number 026439413
Date Received 09/04/2010
Form Code 350
Date Processed 12/04/2010
Number of Pages(if Imaged) 2
Effective Date 09/04/2010
Sub-form Code 350
Additional Description CERTIFICATION OF COMPLIANCE WITH STAMP DUTIES LAW BY
Additional Description PROVISIONAL CHARGE
Additional Description Alters 026 237 511

Document Number 026434713
Date Received 15/03/2010
Form Code 7051
Date Processed 18/03/2010
Number of Pages(if Imaged) 17
Effective Date 31/12/2009
Sub-form Code 7051
Additional Description HALF YEARLY REPORTS

Document Number 026434712
Date Received 15/03/2010
Form Code 7051
Date Processed 18/03/2010
Number of Pages(if Imaged) 17
Effective Date 31/12/2009
Sub-form Code 7051
Additional Description HALF YEARLY REPORTS

Document Number 026434711
Date Received 15/03/2010
Form Code 7051
Date Processed 18/03/2010
Number of Pages(if Imaged) 17
Effective Date 31/12/2009
Sub-form Code 7051
Additional Description HALF YEARLY REPORTS

Document Number 026434714
Date Received 15/03/2010
Form Code 7051
Date Processed 18/03/2010

Number of Pages(if Imaged) 17
Effective Date 31/12/2009
Sub-form Code 7051
Additional Description HALF YEARLY REPORTS

Document Number 026402486
Date Received 02/02/2010
Form Code 309
Date Processed 04/02/2010
Number of Pages(if Imaged) 35
Effective Date 07/07/2009
Sub-form Code 309A
Additional Description NOTIFICATION OF DETAILS OF A CHARGE

Document Number 026237511
Date Received 25/01/2010
Form Code 309
Date Processed 27/01/2010
Number of Pages(if Imaged) 45
Effective Date 23/12/2009
Sub-form Code 309A
Additional Description NOTIFICATION OF DETAILS OF A CHARGE
Additional Description Altered by 026 439 413

Document Number 026358094
Date Received 27/11/2009
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Date Processed 01/02/2010
Number of Pages(if Imaged) 39
Effective Date 30/06/2009
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Sub-form Code 388A
Additional Description FINANCIAL REPORT FINANCIAL REPORT – PUBLIC COMPANY OR
Additional Description DISCLOSING ENTITY

Document Number 025942696
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Number of Pages(if Imaged) 2
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Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 026044522
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Date Processed 13/10/2009
Number of Pages(if Imaged) 2
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Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 0L0306653
Date Received 18/03/2009
Form Code FS02
Date Processed 18/03/2009
Number of Pages(if Imaged) 24
Effective Date 18/03/2009
Sub-form Code FS02
Additional Description COPY OF AFS LICENCE

Document Number 025328328
Date Received 22/12/2008
Form Code 388
Date Processed 09/01/2009
Number of Pages(if Imaged) 5
Effective Date 22/12/2008
Sub-form Code 388C
Additional Description FINANCIAL REPORT FINANCIAL REPORT - SUPPLEMENTARY - COMPANY
Additional Description Alters 025 222 463

Document Number 024503906
Date Received 13/11/2008
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Date Processed 14/11/2008
Number of Pages(if Imaged) 5
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Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 025147439
Date Received 05/11/2008
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Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER
Document Number	<u>025222463</u>
Date Received	31/10/2008
Form Code	388
Date Processed	12/11/2008
Number of Pages(if Imaged)	30
Effective Date	30/06/2008
Document Number Qualifier	(FR 2008)
Sub-form Code	388A
Additional Description	FINANCIAL REPORT FINANCIAL REPORT – PUBLIC COMPANY OR
Additional Description	DISCLOSING ENTITY
Additional Description	Altered by 025 328 328
Document Number	<u>024505422</u>
Date Received	17/10/2008
Form Code	484
Date Processed	20/10/2008
Number of Pages(if Imaged)	5
Effective Date	20/10/2008
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER
Document Number	<u>024505423</u>
Date Received	17/10/2008
Form Code	484
Date Processed	20/10/2008
Number of Pages(if Imaged)	4
Effective Date	20/10/2008
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER
Document Number	<u>1F0215793</u>
Date Received	19/09/2008
Form Code	484
Date Processed	19/09/2008
Number of Pages(if Imaged)	4
Effective Date	19/09/2008
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER

Document Number 7E1784503
Date Received 01/09/2008
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Date Processed 01/09/2008
Number of Pages(if Imaged) 2
Effective Date 01/09/2008
Sub-form Code 350
Additional Description CERTIFICATION OF COMPLIANCE WITH STAMP DUTIES LAW BY
Additional Description PROVISIONAL CHARGE
Additional Description Alters 7E1 731 366

Document Number 024966371
Date Received 08/08/2008
Form Code 484
Date Processed 11/08/2008
Number of Pages(if Imaged) 4
Effective Date 11/08/2008
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 024950346
Date Received 07/08/2008
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Date Processed 08/08/2008
Number of Pages(if Imaged) 4
Effective Date 08/08/2008
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 024865828
Date Received 31/07/2008
Form Code FS89
Date Processed 09/09/2008
Number of Pages(if Imaged) 5
Effective Date 16/07/2008
Sub-form Code FS89B
Additional Description NOTICE OF CHANGE TO FEES AND CHARGES IN A PDS – BY BODY
Additional Description CORPORATE

Document Number 7E1731366
Date Received 28/07/2008
Form Code 309

Date Processed 28/07/2008
Number of Pages(if Imaged) 31
Effective Date 13/06/2008
Sub-form Code 309A
Additional Description NOTIFICATION OF DETAILS OF A CHARGE
Additional Description Altered by 7E1 784 503

Document Number 024474614
Date Received 16/04/2008
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Date Processed 05/05/2008
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Effective Date 15/04/2008
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 023107288
Date Received 04/02/2008
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Date Processed 05/02/2008
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Effective Date 05/02/2008
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 024193542
Date Received 02/01/2008
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Date Processed 02/01/2008
Number of Pages(if Imaged) 35
Effective Date 20/12/2007
Sub-form Code 309A
Additional Description NOTIFICATION OF DETAILS OF A CHARGE

Document Number 024497218
Date Received 21/12/2007
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Date Processed 05/02/2008
Number of Pages(if Imaged) 7
Effective Date 20/12/2007
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 024455465

Date Received	26/11/2007
Form Code	FS53
Date Processed	09/01/2008
Number of Pages(if Imaged)	6
Effective Date	22/11/2007
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number	<u>010501648</u>
Date Received	19/11/2007
Form Code	FS02
Date Processed	19/11/2007
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Effective Date	19/11/2007
Sub-form Code	FS02
Additional Description	COPY OF AFS LICENCE

Document Number	<u>023995265</u>
Date Received	31/10/2007
Form Code	388
Date Processed	26/05/2010
Number of Pages(if Imaged)	29
Effective Date	30/06/2007
Document Number Qualifier	(FR 2007)
Sub-form Code	388A
Additional Description	FINANCIAL REPORT FINANCIAL REPORT – PUBLIC COMPANY OR
Additional Description	DISCLOSING ENTITY

Document Number	<u>024024388</u>
Date Received	10/07/2007
Form Code	FS53
Date Processed	27/07/2007
Number of Pages(if Imaged)	6
Effective Date	06/07/2007
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number	<u>023581822</u>
Date Received	29/03/2007
Form Code	484
Date Processed	02/04/2007
Number of Pages(if Imaged)	5
Effective Date	02/04/2007
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A

Additional Description COMPANY OFFICEHOLDER

Document Number OL0304417

Date Received 22/03/2007

Form Code FS02

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Sub-form Code FS02

Additional Description COPY OF AFS LICENCE

Document Number 023559128

Date Received 21/03/2007

Form Code FS53

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Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 023559127

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Sub-form Code FS53A

Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 023087252

Date Received 06/03/2007

Form Code FS53

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Sub-form Code FS53A

Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 023550440

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Effective Date 30/06/2006

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Sub-form Code	388
Additional Description	FINANCIAL REPORT
Sub-form Code	388E
Additional Description	COMPANY – APPOINT CHANGE NAME/ADDRESS OF AUDITOR
Sub-form Code	388A
Additional Description	FINANCIAL REPORT – PUBLIC COMPANY OR DISCLOSING ENTITY

Document Number	<u>023097564</u>
Date Received	25/01/2007
Form Code	312
Date Processed	25/01/2007
Number of Pages(if Imaged)	1
Effective Date	25/01/2007
Sub-form Code	312C
Additional Description	NOTIFICATION OF RELEASE OF PROPERTY

Document Number	<u>023532190</u>
Date Received	25/01/2007
Form Code	484
Date Processed	09/02/2007
Number of Pages(if Imaged)	4
Effective Date	25/01/2007
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER

Document Number	<u>0L0501463</u>
Date Received	17/01/2007
Form Code	FS02
Date Processed	17/01/2007
Number of Pages(if Imaged)	24
Effective Date	17/01/2007
Sub-form Code	FS02
Additional Description	COPY OF AFS LICENCE

Document Number	<u>023426447</u>
Date Received	09/11/2006
Form Code	484
Date Processed	13/03/2007
Number of Pages(if Imaged)	5
Effective Date	09/11/2006
Sub-form Code	484
Additional Description	CHANGE TO COMPANY DETAILS
Sub-form Code	484G
Additional Description	NOTIFICATION OF SHARE ISSUE

Sub-form Code 484O
Additional Description CHANGES TO SHARE STRUCTURE

Document Number 023079431
Date Received 06/11/2006
Form Code FS53
Date Processed 09/11/2006
Number of Pages(if Imaged) 6
Effective Date 02/11/2006
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number 023121807
Date Received 06/11/2006
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Date Processed 08/11/2006
Number of Pages(if Imaged) 6
Effective Date 08/11/2006
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 023236795
Date Received 22/09/2006
Form Code 484
Date Processed 29/09/2006
Number of Pages(if Imaged) 5
Effective Date 26/09/2006
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 021374073
Date Received 19/09/2006
Form Code 309
Date Processed 19/09/2006
Number of Pages(if Imaged) 33
Effective Date 28/08/2006
Sub-form Code 309A
Additional Description NOTIFICATION OF DETAILS OF A CHARGE

Document Number 023092439
Date Received 12/09/2006
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Date Processed 18/10/2006

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Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 023092438
Date Received 12/09/2006
Form Code FS53
Date Processed 18/10/2006
Number of Pages(if Imaged) 6
Effective Date 06/09/2006
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 023108160
Date Received 05/09/2006
Form Code FS53
Date Processed 08/09/2006
Number of Pages(if Imaged) 11
Effective Date 04/09/2006
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 023090853
Date Received 04/09/2006
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Date Processed 04/09/2006
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Effective Date 21/08/2006
Sub-form Code 309A
Additional Description NOTIFICATION OF DETAILS OF A CHARGE

Document Number 023142527
Date Received 15/08/2006
Form Code 484
Date Processed 21/08/2006
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Effective Date 21/08/2006
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 1F0006273
Date Received 08/08/2006
Form Code 484

Date Processed 10/08/2006
Number of Pages(if Imaged) 3
Effective Date 10/08/2006
Sub-form Code 484
Additional Description CHANGE TO COMPANY DETAILS
Sub-form Code 484G
Additional Description NOTIFICATION OF SHARE ISSUE
Sub-form Code 484O
Additional Description CHANGES TO SHARE STRUCTURE

Document Number 023038433
Date Received 17/07/2006
Form Code 315
Date Processed 20/07/2006
Number of Pages(if Imaged) 2
Effective Date 07/07/2006
Sub-form Code 315A
Additional Description NOTICE OF RESIGNATION OR REMOVAL OF AUDITOR
Additional Description RESIGNATION OF AUDITOR

Document Number 0L0303774
Date Received 12/07/2006
Form Code FS02
Date Processed 12/07/2006
Number of Pages(if Imaged) 24
Effective Date 12/07/2006
Sub-form Code FS02
Additional Description COPY OF AFS LICENCE

Document Number 022825646
Date Received 07/07/2006
Form Code FS53
Date Processed 21/07/2006
Number of Pages(if Imaged) 11
Effective Date 01/07/2006
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number 021556363
Date Received 05/06/2006
Form Code 484
Date Processed 22/06/2006
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Effective Date 05/06/2006
Sub-form Code 484N

Additional Description	CHANGE TO COMPANY DETAILS CHANGES TO (MEMBERS) SHARE
Additional Description	HOLDINGS
Document Number	<u>022939074</u>
Date Received	25/05/2006
Form Code	484
Date Processed	30/05/2006
Number of Pages(if Imaged)	5
Effective Date	30/05/2006
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER

Document Number	<u>022811763</u>
Date Received	19/05/2006
Form Code	FS53
Date Processed	02/06/2006
Number of Pages(if Imaged)	6
Effective Date	12/05/2006
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number	<u>022811762</u>
Date Received	19/05/2006
Form Code	FS53
Date Processed	02/06/2006
Number of Pages(if Imaged)	6
Effective Date	12/05/2006
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number	<u>022814151</u>
Date Received	12/05/2006
Form Code	FS53
Date Processed	29/05/2006
Number of Pages(if Imaged)	11
Effective Date	12/05/2006
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number	<u>022456310</u>
Date Received	03/05/2006
Form Code	484
Date Processed	15/05/2006
Number of Pages(if Imaged)	3

Effective Date 03/05/2006
Sub-form Code 484
Additional Description CHANGE TO COMPANY DETAILS
Sub-form Code 484B
Additional Description CHANGE OF REGISTERED ADDRESS
Sub-form Code 484C
Additional Description CHANGE OF PRINCIPAL PLACE OF BUSINESS (ADDRESS)

Document Number 022861003
Date Received 09/03/2006
Form Code 388
Date Processed 06/05/2006
Number of Pages(if Imaged) 29
Effective Date 30/06/2005
Document Number Qualifier (FR 2005)
Sub-form Code 388A
Additional Description FINANCIAL REPORT FINANCIAL REPORT - PUBLIC COMPANY OR
Additional Description DISCLOSING ENTITY

Document Number 022348883
Date Received 21/02/2006
Form Code FS53
Date Processed 05/09/2006
Number of Pages(if Imaged) 6
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Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number 022471586
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Effective Date 02/02/2006
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 1F0098100
Date Received 27/01/2006
Form Code FS53
Date Processed 24/02/2006
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Sub-form Code FS53A

Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 010303263

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Sub-form Code FS02

Additional Description COPY OF AFS LICENCE

Document Number 022344790

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Date Processed 12/12/2005

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Sub-form Code FS53A

Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 022344789

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Date Processed 12/12/2005

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Sub-form Code FS53A

Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 022331268

Date Received 28/10/2005

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Date Processed 11/11/2005

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Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 022331269

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Additional Description

NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 022276490

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Sub-form Code 484E

Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A

Additional Description COMPANY OFFICEHOLDER

Document Number 022285350

Date Received 21/09/2005

Form Code FS53

Date Processed 03/10/2005

Number of Pages(if Imaged) 6

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Sub-form Code FS53A

Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 022254602

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Date Processed 30/09/2005

Number of Pages(if Imaged) 7

Effective Date 16/08/2005

Sub-form Code 484

Additional Description CHANGE TO COMPANY DETAILS

Sub-form Code 484H

Additional Description NOTIFICATION OF SHARE CANCELLATION – REDEEMABLE PREFERENCES

Sub-form Code 484O

Additional Description CHANGES TO SHARE STRUCTURE

Sub-form Code 484N

Additional Description CHANGES TO (MEMBERS) SHARE HOLDINGS

Document Number 020702200

Date Received 16/08/2005

Form Code FS53

Date Processed 23/08/2005

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Effective Date 10/08/2005

Sub-form Code FS53A

Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020967081
Date Received 22/07/2005
Form Code FS53
Date Processed 17/08/2005
Number of Pages(if Imaged) 6
Effective Date 18/07/2005
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number 020967080
Date Received 22/07/2005
Form Code FS53
Date Processed 17/08/2005
Number of Pages(if Imaged) 6
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Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number 021445524
Date Received 24/06/2005
Form Code 902
Date Processed 31/08/2005
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Effective Date 23/05/2005
Sub-form Code 902
Additional Description SUPPLEMENTARY DOCUMENT
Additional Description Alters 020 957 231

Document Number 020966763
Date Received 24/06/2005
Form Code FS53
Date Processed 26/07/2005
Number of Pages(if Imaged) 6
Effective Date 22/06/2005
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number 020957231
Date Received 26/05/2005
Form Code FS53
Date Processed 02/06/2005
Number of Pages(if Imaged) 6
Effective Date 23/05/2005
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Additional Description Altered by 021 445 524

Document Number 021043730

Date Received 30/03/2005

Form Code 309

Date Processed 30/03/2005

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Effective Date 18/03/2005

Sub-form Code 309A

Additional Description NOTIFICATION OF DETAILS OF A CHARGE

Document Number 021063755

Date Received 22/03/2005

Form Code 309

Date Processed 22/03/2005

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Effective Date 18/03/2005

Sub-form Code 309A

Additional Description NOTIFICATION OF DETAILS OF A CHARGE

Document Number 021085842

Date Received 02/03/2005

Form Code FS53

Date Processed 07/03/2005

Number of Pages(if Imaged) 6

Effective Date 25/02/2005

Sub-form Code FS53A

Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 021085841

Date Received 02/03/2005

Form Code FS53

Date Processed 07/03/2005

Number of Pages(if Imaged) 6

Effective Date 25/02/2005

Sub-form Code FS53A

Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 0L0302437

Date Received 01/03/2005

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Date Processed 01/03/2005

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Sub-form Code FS02

Additional Description	COPY OF AFS LICENCE
Document Number	<u>021085827</u>
Date Received	01/03/2005
Form Code	FS53
Date Processed	07/03/2005
Number of Pages(if Imaged)	6
Effective Date	28/02/2005
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE
Document Number	<u>021120307</u>
Date Received	23/02/2005
Form Code	FS53
Date Processed	25/02/2005
Number of Pages(if Imaged)	6
Effective Date	18/02/2005
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE
Document Number	<u>020675874</u>
Date Received	13/01/2005
Form Code	FS53
Date Processed	15/03/2005
Number of Pages(if Imaged)	6
Effective Date	07/01/2005
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE
Document Number	<u>020675875</u>
Date Received	13/01/2005
Form Code	FS53
Effective Date	10/01/2005
Document Under Requisition	Y
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE
Document Number	<u>020890105</u>
Date Received	25/11/2004
Form Code	FS53
Date Processed	29/11/2004
Number of Pages(if Imaged)	6
Effective Date	23/11/2004
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020890106
Date Received 25/11/2004
Form Code FS53
Date Processed 29/11/2004
Number of Pages(if Imaged) 6
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Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 019667614
Date Received 09/11/2004
Form Code 205
Date Processed 09/11/2004
Number of Pages(if Imaged) 1
Effective Date 14/10/2004
Sub-form Code 205A
Additional Description NOTIFICATION OF RESOLUTION CHANGING COMPANY NAME

Document Number 020814792
Date Received 09/11/2004
Form Code FS53
Date Processed 11/11/2004
Number of Pages(if Imaged) 6
Effective Date 09/11/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020814793
Date Received 09/11/2004
Form Code FS53
Date Processed 10/12/2004
Number of Pages(if Imaged) 6
Effective Date 09/11/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020684364
Date Received 15/10/2004
Form Code FS53
Date Processed 20/10/2004
Number of Pages(if Imaged) 6
Effective Date 13/10/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020684365
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Form Code FS53
Date Processed 20/10/2004
Number of Pages(if Imaged) 6
Effective Date 13/10/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number 020748408
Date Received 30/09/2004
Form Code 388
Date Processed 08/11/2004
Number of Pages(if Imaged) 17
Effective Date 30/06/2004
Document Number Qualifier (FR 2004)
Sub-form Code 388A
Additional Description FINANCIAL REPORT FINANCIAL REPORT - PUBLIC COMPANY OR
Additional Description DISCLOSING ENTITY

Document Number 020554662
Date Received 20/09/2004
Form Code FS53
Date Processed 23/09/2004
Number of Pages(if Imaged) 6
Effective Date 16/09/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number 020552214
Date Received 27/08/2004
Form Code FS53
Date Processed 08/09/2004
Number of Pages(if Imaged) 6
Effective Date 25/08/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS - BY AFS LICENSEE

Document Number 020378590
Date Received 16/08/2004
Form Code 410
Date Processed 24/08/2004
Number of Pages(if Imaged) 2
Effective Date 16/08/2004

Sub-form Code	410B
Additional Description	APPLICATION FOR RESERVATION OF A NEW NAME UPON CHANGE OF
Additional Description	NAME
Document Number	<u>020547462</u>
Date Received	28/07/2004
Form Code	FS53
Date Processed	06/09/2004
Number of Pages(if Imaged)	6
Effective Date	26/07/2004
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE
Document Number	<u>020380987</u>
Date Received	22/07/2004
Form Code	FS53
Date Processed	24/08/2004
Number of Pages(if Imaged)	6
Effective Date	21/07/2004
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE
Document Number	<u>020551906</u>
Date Received	15/07/2004
Form Code	FS53
Date Processed	26/08/2004
Number of Pages(if Imaged)	6
Effective Date	09/07/2004
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE
Document Number	<u>020551907</u>
Date Received	15/07/2004
Form Code	FS53
Date Processed	13/09/2004
Number of Pages(if imaged)	6
Effective Date	09/07/2004
Sub-form Code	FS53A
Additional Description	NOTIFICATION OF USE OF PDS – BY AFS LICENSEE
Document Number	<u>020244607</u>
Date Received	14/07/2004
Form Code	484
Date Processed	16/07/2004
Number of Pages(if Imaged)	15

Effective Date 16/07/2004
Sub-form Code 484
Additional Description CHANGE TO COMPANY DETAILS
Sub-form Code 484B
Additional Description CHANGE OF REGISTERED ADDRESS
Sub-form Code 484C
Additional Description CHANGE OF PRINCIPAL PLACE OF BUSINESS (ADDRESS)
Sub-form Code 484E
Additional Description APPOINTMENT OR CESSATION OF A COMPANY OFFICEHOLDER

Document Number 020551434
Date Received 05/07/2004
Form Code FS53
Date Processed 05/08/2004
Number of Pages(if Imaged) 6
Effective Date 01/07/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 019716544
Date Received 17/06/2004
Form Code FS53
Date Processed 27/07/2004
Number of Pages(if Imaged) 6
Effective Date 10/06/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 019716543
Date Received 17/06/2004
Form Code FS53
Date Processed 27/07/2004
Number of Pages(if Imaged) 6
Effective Date 10/06/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020454564
Date Received 02/06/2004
Form Code FS53
Date Processed 25/08/2004
Number of Pages(if Imaged) 6
Effective Date 31/05/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020454432
Date Received 25/05/2004
Form Code FS53
Date Processed 07/07/2004
Number of Pages(if Imaged) 6
Effective Date 20/05/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020297916
Date Received 07/05/2004
Form Code FS53
Date Processed 13/09/2004
Number of Pages(if Imaged) 6
Effective Date 04/05/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020417307
Date Received 27/04/2004
Form Code FS53
Date Processed 02/08/2004
Number of Pages(if Imaged) 6
Effective Date 21/04/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020374460
Date Received 01/04/2004
Form Code FS53
Date Processed 18/06/2004
Number of Pages(if Imaged) 6
Effective Date 26/03/2004
Sub-form Code FS53A
Additional Description NOTIFICATION OF USE OF PDS – BY AFS LICENSEE

Document Number 020074368
Date Received 19/03/2004
Form Code FS53
Date Processed 30/04/2004
Number of Pages(if Imaged) 6
Effective Date 18/12/2003
Sub-form Code FS53B
Additional Description NOTIFICATION OF USE OF PDS – BY BODY CORPORATE

Document Number 020074369
Date Received 19/03/2004
Form Code FS53
Date Processed 29/04/2004
Number of Pages(if Imaged) 6
Effective Date 17/12/2003
Sub-form Code FS53B
Additional Description NOTIFICATION OF USE OF PDS – BY BODY CORPORATE

Document Number 020074370
Date Received 19/03/2004
Form Code FS53
Date Processed 29/04/2004
Number of Pages(if Imaged) 6
Effective Date 11/03/2004
Sub-form Code FS53B
Additional Description NOTIFICATION OF USE OF PDS – BY BODY CORPORATE

Document Number 020074371
Date Received 19/03/2004
Form Code FS53
Date Processed 29/04/2004
Number of Pages(if Imaged) 6
Effective Date 11/03/2004
Sub-form Code FS53B
Additional Description NOTIFICATION OF USE OF PDS – BY BODY CORPORATE

Document Number 0L0301482
Date Received 10/03/2004
Form Code FS02
Date Processed 10/03/2004
Number of Pages(if Imaged) 22
Effective Date 10/03/2004
Sub-form Code FS02
Additional Description COPY OF AFS LICENCE

Document Number 019715604
Date Received 08/03/2004
Form Code FS53
Date Processed 26/03/2004
Number of Pages(if Imaged) 6
Effective Date 16/10/2003
Sub-form Code FS53B
Additional Description NOTIFICATION OF USE OF PDS – BY BODY CORPORATE

Document Number 019715603
Date Received 08/03/2004
Form Code FS53
Date Processed 26/03/2004
Number of Pages(if Imaged) 6
Effective Date 05/12/2003
Sub-form Code FS53B
Additional Description NOTIFICATION OF USE OF PDS – BY BODY CORPORATE

Document Number 019299718
Date Received 13/02/2004
Form Code FS53
Date Processed 19/02/2004
Number of Pages(if Imaged) 6
Effective Date 29/09/2003
Sub-form Code FS53B
Additional Description NOTIFICATION OF USE OF PDS – BY BODY CORPORATE

Document Number 019936456
Date Received 10/02/2004
Form Code FS53
Date Processed 13/02/2004
Number of Pages(if Imaged) 6
Effective Date 06/02/2004
Sub-form Code FS53B
Additional Description NOTIFICATION OF USE OF PDS – BY BODY CORPORATE

Document Number 019689276
Date Received 13/10/2003
Form Code 766C
Date Processed 13/10/2003
Number of Pages(if Imaged) 1
Effective Date 13/10/2003
Sub-form Code 766C
Additional Description SUPPLEMENTARY DISCLOSURE DOCUMENT FOR MANAGED INVESTMENT
Additional Description SCHEME
Additional Description Alters 017 886 488

Document Number 019771271
Date Received 06/10/2003
Form Code 484
Date Processed 22/10/2003
Number of Pages(if Imaged) 4
Effective Date 26/09/2003

Sub-form Code 484C
Additional Description CHANGE TO COMPANY DETAILS CHANGE OF PRINCIPAL PLACE OF
Additional Description BUSINESS (ADDRESS)

Document Number 019893208

Date Received 01/10/2003

Form Code 388

Date Processed 15/12/2003

Number of Pages(if Imaged) 19

Effective Date 30/06/2003

Document Number Qualifier (FR 2003)

Sub-form Code 388A

Additional Description FINANCIAL REPORT FINANCIAL REPORT - PUBLIC COMPANY OR

Additional Description DISCLOSING ENTITY

Document Number 017914441

Date Received 30/06/2003

Form Code 5122

Date Processed 03/07/2003

Number of Pages(if Imaged) 1

Effective Date 30/06/2003

Sub-form Code 5122

Additional Description NOTICE OF DECLARATION RE MANAGED INVESTMENT SCHEME

Document Number 017914444

Date Received 30/06/2003

Form Code 5124

Date Processed 01/07/2003

Number of Pages(if Imaged) 1

Effective Date 30/06/2003

Sub-form Code 5124

Additional Description NOTICE OF EXTENSION OF TRANSITIONAL PERIOD

Document Number 017886488

Date Received 06/01/2003

Form Code 764C

Date Processed 06/01/2003

Number of Pages(if Imaged) 38

Effective Date 14/01/2003

Sub-form Code 764C

Additional Description PROSPECTUS FOR MANAGED INVESTMENT SCHEME(S)

Additional Description Altered by 019 689 276

Additional Description Altered by 019 689 276

Document Number 018534469

Date Received	01/10/2002
Form Code	388
Date Processed	23/10/2002
Number of Pages(if Imaged)	26
Effective Date	30/06/2002
Document Number Qualifier	(FR 2002)
Sub-form Code	388A
Additional Description	FINANCIAL REPORT FINANCIAL REPORT – PUBLIC COMPANY OR
Additional Description	DISCLOSING ENTITY

Document Number	<u>5E0900965</u>
Date Received	30/09/2002
Form Code	316
Date Processed	30/09/2002
Number of Pages(if Imaged)	4
Effective Date	30/09/2002
Document Number Qualifier	(AR 2002)
Sub-form Code	316G
Additional Description	ANNUAL RETURN – UNLISTED PUBLIC COMPANY

Document Number	<u>017928108</u>
Date Received	30/08/2002
Form Code	764C
Date Processed	30/08/2002
Number of Pages(if Imaged)	39
Effective Date	07/09/2002
Sub-form Code	764C
Additional Description	PROSPECTUS FOR MANAGED INVESTMENT SCHEME(S)

Document Number	<u>018173073</u>
Date Received	24/07/2002
Form Code	852
Date Processed	30/07/2002
Number of Pages(if Imaged)	7
Effective Date	24/07/2002
Sub-form Code	852A
Additional Description	COPY OF OCCUPATIONAL LICENCE OF SECURITIES DEALER

Document Number	<u>016702356</u>
Date Received	28/12/2001
Form Code	754C
Date Processed	02/01/2002
Number of Pages(if Imaged)	35
Effective Date	28/12/2001
Sub-form Code	754C

Additional Description REPLACEMENT PROSPECTUS FOR MANAGED INVESTMENT SCHEME
Additional Description Alters 017 933 544

Document Number 016702341
Date Received 21/12/2001
Form Code 7109
Date Processed 24/12/2001
Number of Pages(if Imaged) 1
Effective Date 29/12/2001
Sub-form Code 7109
Additional Description NOTICE OF EXTENSION OF EXPOSURE PERIOD UNDER SECTION 727
Additional Description Alters 017 933 544

Document Number 016702340
Date Received 20/12/2001
Form Code 766C
Date Processed 20/12/2001
Number of Pages(if Imaged) 1
Effective Date 20/12/2001
Sub-form Code 766C
Additional Description SUPPLEMENTARY DISCLOSURE DOCUMENT FOR MANAGED INVESTMENT
Additional Description SCHEME
Additional Description Alters 016 700 486

Document Number 017933544
Date Received 14/12/2001
Form Code 764C
Date Processed 14/12/2001
Number of Pages(if Imaged) 32
Effective Date 22/12/2001
Sub-form Code 764C
Additional Description PROSPECTUS FOR MANAGED INVESTMENT SCHEME(S)
Additional Description Altered by 016 702 341
Additional Description Altered by 016 702 356
Additional Description Altered by 016 702 356

Document Number 017727453
Date Received 02/11/2001
Form Code 388
Date Processed 04/12/2001
Number of Pages(if Imaged) 25
Effective Date 30/06/2001
Document Number Qualifier (FR 2001)
Sub-form Code 388A
Additional Description FINANCIAL REPORT FINANCIAL REPORT - PUBLIC COMPANY OR

Additional Description

DISCLOSING ENTITY

Document Number 5E0700476
Date Received 29/10/2001
Form Code 316
Date Processed 29/10/2001
Number of Pages(if Imaged) 4
Effective Date 29/10/2001
Document Number Qualifier (AR 2001)
Sub-form Code 316G
Additional Description ANNUAL RETURN – UNLISTED PUBLIC COMPANY

Document Number 017485261
Date Received 20/09/2001
Form Code 207
Date Processed 01/10/2001
Number of Pages(if Imaged) 1
Effective Date 19/10/2000
Sub-form Code 207
Additional Description NOTIFICATION OF SHARE ISSUE

Document Number 017151000
Date Received 13/08/2001
Form Code 7036
Date Processed 22/08/2001
Number of Pages(if Imaged) 1
Effective Date 13/08/2001
Sub-form Code 7036A
Additional Description LICENSEE'S NOTICE OF CHANGES TO DETAILS OF PROPER AUTHORITY
HOLDERS SECURITIES DEALER

Document Number 016545523
Date Received 29/03/2001
Form Code 766C
Date Processed 29/03/2001
Number of Pages(if Imaged) 2
Effective Date 29/03/2001
Sub-form Code 766C
Additional Description SUPPLEMENTARY DISCLOSURE DOCUMENT FOR MANAGED INVESTMENT
Additional Description SCHEME
Additional Description Alters 016 700 486

Document Number 016695462
Date Received 29/03/2001
Form Code 304

Date Processed 04/04/2001
Number of Pages(if Imaged) 2
Effective Date 28/03/2001
Sub-form Code 304A
Additional Description NOTIFICATION OF CHANGE TO OFFICEHOLDERS OF AUSTRALIAN
Additional Description COMPANY

Document Number 016683390
Date Received 10/01/2001
Form Code 304
Date Processed 11/01/2001
Number of Pages(if Imaged) 2
Effective Date 02/01/2001
Sub-form Code 304C
Additional Description NOTIFICATION OF CHANGE OF NAME OR ADDRESS OF OFFICEHOLDER

Document Number 016700486
Date Received 11/12/2000
Form Code 764C
Date Processed 11/12/2000
Number of Pages(if Imaged) 23
Effective Date 19/12/2000
Sub-form Code 764C
Additional Description PROSPECTUS FOR MANAGED INVESTMENT SCHEME(S)
Additional Description Altered by 016 545 523
Additional Description Altered by 016 545 523
Additional Description Altered by 016 702 340
Additional Description Altered by 016 702 340

Document Number 016739130
Date Received 02/11/2000
Form Code A104
Date Processed 02/11/2000
Number of Pages(if Imaged) 4
Effective Date 02/11/2000
Sub-form Code A104
Additional Description SUPPLEMENTARY PAGES TO IMAGED DOCUMENT
Additional Description Alters 014 117 786

Document Number 014117786
Date Received 05/10/2000
Form Code 388
Date Processed 05/10/2000
Number of Pages(if Imaged) 23
Effective Date 30/06/2000

Document Number Qualifier (FR 2000)
Sub-form Code 388A
Additional Description FINANCIAL REPORT FINANCIAL REPORT - PUBLIC COMPANY OR
Additional Description DISCLOSING ENTITY
Additional Description Altered by 016 739 130

Document Number 016519431
Date Received 02/10/2000
Form Code 723
Date Processed 10/11/2000
Number of Pages(if Imaged) 17
Effective Date 30/06/2000
Sub-form Code 723B
Additional Description RETURN BY MANAGEMENT COMPANY - OTHER

Document Number 0E4885304
Date Received 29/09/2000
Form Code 316
Date Processed 29/09/2000
Number of Pages(if Imaged) 4
Effective Date 29/09/2000
Document Number Qualifier (AR 2000)
Sub-form Code 316G
Additional Description ANNUAL RETURN - UNLISTED PUBLIC COMPANY

Document Number 016549371
Date Received 20/09/2000
Form Code 304
Date Processed 22/09/2000
Number of Pages(if Imaged) 2
Effective Date 20/09/2000
Sub-form Code 304C
Additional Description NOTIFICATION OF CHANGE OF NAME OR ADDRESS OF OFFICEHOLDER

Document Number 016095010
Date Received 21/06/2000
Form Code 852
Date Processed 25/07/2000
Number of Pages(if Imaged) 7
Effective Date 21/06/2000
Sub-form Code 852A
Additional Description COPY OF OCCUPATIONAL LICENCE OF SECURITIES DEALER

Document Number 015340641
Date Received 11/05/2000

Form Code 5124
Date Processed 11/05/2000
Number of Pages(if Imaged) 1
Effective Date 11/05/2000
Sub-form Code 5124
Additional Description NOTICE OF EXTENSION OF TRANSITIONAL PERIOD

Document Number 015340609
Date Received 18/04/2000
Form Code 7021
Date Processed 11/05/2000
Number of Pages(if Imaged) 2
Effective Date 18/04/2000
Sub-form Code 7021B
Additional Description EXECUTED SUPPLEMENTAL DEED

Document Number 015885222
Date Received 02/02/2000
Form Code 304
Date Processed 04/02/2000
Number of Pages(if Imaged) 2
Effective Date 20/01/2000
Sub-form Code 304C
Additional Description NOTIFICATION OF CHANGE OF NAME OR ADDRESS OF OFFICEHOLDER

Document Number 015473369
Date Received 30/12/1999
Form Code 852
Date Processed 05/01/2000
Number of Pages(if Imaged) 5
Effective Date 30/12/1999
Sub-form Code 852A
Additional Description COPY OF OCCUPATIONAL LICENCE OF SECURITIES DEALER

Document Number 014793645
Date Received 24/12/1999
Form Code 764
Date Processed 07/01/2000
Number of Pages(if Imaged) 27
Effective Date 24/12/1999
Sub-form Code 764C
Additional Description COPY OF PROSPECTUS FOR MANAGED INVESTMENT SCHEME(S)

Document Number 014793512
Date Received 11/10/1999

Form Code	766A
Date Processed	12/10/1999
Number of Pages(if Imaged)	3
Effective Date	11/10/1999
Sub-form Code	766A
Additional Description	SUPPLEMENTARY PROSPECTUS FOR MANAGED INVESTMENT SCHEME(S)

Document Number	<u>0E3525847</u>
Date Received	01/10/1999
Form Code	316
Date Processed	01/10/1999
Number of Pages(if Imaged)	4
Effective Date	01/10/1999
Document Number Qualifier	(AR 1999)
Sub-form Code	316G
Additional Description	ANNUAL RETURN - UNLISTED PUBLIC COMPANY

Document Number	<u>015869816</u>
Date Received	30/09/1999
Form Code	304
Date Processed	30/09/1999
Number of Pages(if Imaged)	2
Effective Date	26/09/1999
Sub-form Code	304C
Additional Description	NOTIFICATION OF CHANGE OF NAME OR ADDRESS OF OFFICEHOLDER

Document Number	<u>015869815</u>
Date Received	30/09/1999
Form Code	388
Date Processed	30/09/1999
Number of Pages(if Imaged)	21
Effective Date	30/06/1999
Document Number Qualifier	(FR 1999)
Sub-form Code	388A
Additional Description	FINANCIAL REPORT FINANCIAL REPORT - PUBLIC COMPANY OR
Additional Description	DISCLOSING ENTITY

Document Number	<u>014571701</u>
Date Received	28/09/1999
Form Code	723
Date Processed	13/10/1999
Number of Pages(if Imaged)	14
Effective Date	30/06/1999
Sub-form Code	723B
Additional Description	RETURN BY MANAGEMENT COMPANY - OTHER

Document Number	<u>014793338</u>
Date Received	16/09/1999
Form Code	766A
Date Processed	17/09/1999
Number of Pages(if Imaged)	3
Effective Date	16/09/1999
Sub-form Code	766A
Additional Description	SUPPLEMENTARY PROSPECTUS FOR MANAGED INVESTMENT SCHEME(S)

Document Number	<u>014793280</u>
Date Received	03/08/1999
Form Code	764
Date Processed	06/08/1999
Number of Pages(if Imaged)	64
Effective Date	03/08/1999
Sub-form Code	764C
Additional Description	COPY OF PROSPECTUS FOR MANAGED INVESTMENT SCHEME(S)

Document Number	<u>015342840</u>
Date Received	07/07/1999
Form Code	304
Date Processed	07/07/1999
Number of Pages(if Imaged)	2
Effective Date	06/07/1999
Sub-form Code	304C
Additional Description	NOTIFICATION OF CHANGE OF NAME OR ADDRESS OF OFFICEHOLDER

Document Number	<u>015465013</u>
Date Received	02/07/1999
Form Code	852
Date Processed	02/07/1999
Number of Pages(if Imaged)	5
Effective Date	02/07/1999
Sub-form Code	852A
Additional Description	COPY OF OCCUPATIONAL LICENCE OF SECURITIES DEALER

Document Number	<u>014793229</u>
Date Received	30/06/1999
Form Code	5125
Date Processed	01/07/1999
Number of Pages(if Imaged)	2
Effective Date	30/06/1999
Sub-form Code	5125
Additional Description	NOTICE OF INTENTION TO RETIRE FROM OFFICE OF UNDERTAKING

Document Number 080383671
Date Received 23/10/1998
Form Code 316
Date Processed 17/11/1998
Number of Pages(if Imaged) 3
Effective Date 20/10/1998
Document Number Qualifier (AR 1998)
Sub-form Code 316G
Additional Description ANNUAL RETURN - UNLISTED PUBLIC COMPANY

Document Number 014671241
Date Received 25/09/1998
Form Code 388
Date Processed 30/09/1998
Number of Pages(if Imaged) 18
Effective Date 30/06/1998
Document Number Qualifier (FR 1998)
Sub-form Code 388
Additional Description FINANCIAL REPORT
Sub-form Code 388E
Additional Description COMPANY - APPOINT CHANGE NAME/ADDRESS OF AUDITOR
Sub-form Code 388A
Additional Description FINANCIAL REPORT - PUBLIC COMPANY OR DISCLOSING ENTITY
Sub-form Code 388G
Additional Description FINANCIAL REPORT - TRANSITIONAL PERIOD LODGEMENT (PUBLIC
Additional Description COYTHAT IS NOT A DISCLOSING ENTITY)

Document Number 014574485
Date Received 18/08/1998
Form Code 304
Date Processed 20/08/1998
Number of Pages(if Imaged) 2
Effective Date 13/08/1998
Sub-form Code 304C
Additional Description NOTIFICATION OF CHANGE OF NAME OR ADDRESS OF OFFICEHOLDER

Document Number 012122682
Date Received 07/07/1998
Form Code 766
Date Processed 07/07/1998
Number of Pages(if Imaged) 2
Effective Date 07/07/1998
Sub-form Code 766
Additional Description SUPPLEMENTARY PROSPECTUS - NON-MANAGED INVESTMENT SCHEME(S)

Document Number 014299002
Date Received 30/06/1998
Form Code 7021
Date Processed 30/06/1998
Number of Pages(if Imaged) 3
Effective Date 30/06/1998
Sub-form Code 7021B
Additional Description EXECUTED SUPPLEMENTAL DEED

Document Number 012122543
Date Received 16/06/1998
Form Code 766
Date Processed 16/06/1998
Number of Pages(if Imaged) 2
Effective Date 16/06/1998
Sub-form Code 766
Additional Description SUPPLEMENTARY PROSPECTUS - NON-MANAGED INVESTMENT SCHEME(S)

Document Number 012122322
Date Received 16/04/1998
Form Code 764
Date Processed 17/04/1998
Number of Pages(if Imaged) 65
Effective Date 16/04/1998
Sub-form Code 764B
Additional Description COPY OF APPLICATION FORM AND PROSPECTUS

Document Number 008693217
Date Received 08/04/1998
Form Code 7019
Date Processed 08/04/1998
Number of Pages(if Imaged) 3
Effective Date 08/04/1998
Sub-form Code 7019
Additional Description DECLARATION THAT COVENANTS NOT REQUIRED FOR DEED

Document Number 008693218
Date Received 08/04/1998
Form Code 7018
Date Processed 08/04/1998
Number of Pages(if Imaged) 3
Effective Date 08/04/1998
Sub-form Code 7018
Additional Description DECLARATION UNDER SUB-SECTION 1084(6) CORP LAW (OFFERING

Additional Description

SECURITIES FOR SUBSCRIPTION OR PURCHASE)

Document Number 008693219

Date Received 08/04/1998

Form Code 7025

Date Processed 08/04/1998

Number of Pages(if Imaged) 3

Effective Date 08/04/1998

Sub-form Code 7025

Additional Description INSTRUMENT OF APPROVAL OF TRUSTEE OR REPRESENTATIVE

Document Number 012122294

Date Received 06/04/1998

Form Code 7021

Date Processed 08/04/1998

Number of Pages(if Imaged) 61

Effective Date 06/04/1998

Sub-form Code 7021A

Additional Description EXECUTED PRINCIPAL DEED

Document Number 008625864

Date Received 13/03/1998

Form Code 852

Date Processed 13/03/1998

Number of Pages(if Imaged) 2

Effective Date 13/03/1998

Sub-form Code 852A

Additional Description COPY OF OCCUPATIONAL LICENCE OF SECURITIES DEALER

Document Number 013262852

Date Received 24/02/1998

Form Code 207

Date Processed 24/02/1998

Number of Pages(if Imaged) 3

Effective Date 18/02/1998

Sub-form Code 207

Additional Description NOTIFICATION OF ALLOTMENT OF SHARES

Document Number 013271757

Date Received 22/01/1998

Form Code 207

Date Processed 22/01/1998

Number of Pages(if Imaged) 3

Effective Date 19/01/1998

Sub-form Code 207

Additional Description

NOTIFICATION OF ALLOTMENT OF SHARES

Document Number 013615937
Date Received 14/10/1997
Form Code 215
Date Processed 16/10/1997
Number of Pages(if Imaged) 2
Effective Date 13/10/1997
Sub-form Code 215

Additional Description

NOTIFICATION OF INITIAL APPOINTMENT OF OFFICEHOLDERS

Document Number 013615924
Date Received 13/10/1997
Form Code 305
Date Processed 13/10/1997
Number of Pages(if Imaged) 1
Effective Date 13/10/1997
Sub-form Code 305

Additional Description

NOTIFICATION OF CONSENTING DIRECTORS

Document Number 013597349
Date Received 13/10/1997
Form Code 218
Date Processed 13/10/1997
Number of Pages(if Imaged) 22
Effective Date 13/10/1997
Sub-form Code 218

Additional Description

MEMORANDUM AND ARTICLES OF DIVISION 1 COMPANY

Document Number 013597350
Date Received 13/10/1997
Form Code 204
Date Processed 13/10/1997
Number of Pages(if Imaged) 1
Effective Date 13/10/1997
Sub-form Code 204

Additional Description

CERTIFICATE OF REGISTRATION DIVISION 1 PT 2.2

Document Number 013615923
Date Received 13/10/1997
Form Code 201
Date Processed 13/10/1997
Number of Pages(if Imaged) 2
Effective Date 13/10/1997
Sub-form Code 201A

Annual Returns

Annual Return Year	1998
Outstanding	N
Return Due Date	31/01/1999
Annual Return Year	1999
Outstanding	N
Return Due Date	31/01/2000
Annual Return Year	2000
Outstanding	N
Return Due Date	31/01/2001
Annual Return Year	2001
Outstanding	N
Return Due Date	31/01/2002
Annual Return Year	2002
Outstanding	N
Return Due Date	31/01/2003

Financial Report Details

Balance Date	30/06/1998
Report Due Date	25/10/1998
AGM Due Date	Unknown
AGM Held Date	25/09/1998
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	014671241
Balance Date	30/06/1999
Report Due Date	31/10/1999
AGM Due Date	Unknown
AGM Held Date	28/09/1999
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	015869815
Balance Date	30/06/2000
Report Due Date	31/10/2000

AGM Due Date	Unknown
AGM Held Date	28/09/2000
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	014117786

Balance Date	30/06/2001
Report Due Date	31/10/2001
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	017727453

Balance Date	30/06/2002
Report Due Date	31/10/2002
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	018534469

Balance Date	30/06/2003
Report Due Date	31/10/2003
AGM Due Date	Unknown
AGM Held Date	24/09/2003
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	019893208

Balance Date	30/06/2004
Report Due Date	31/10/2004
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	020748408

Balance Date	30/06/2005
Report Due Date	30/11/2005
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	022861003

Balance Date	30/06/2006
Report Due Date	30/11/2006
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	023550440

Balance Date	30/06/2007
Report Due Date	31/10/2007
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	023995265

Balance Date	30/06/2008
Report Due Date	31/10/2008
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	025222463

Balance Date	30/06/2009
Report Due Date	31/10/2009
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	026358094

Balance Date	30/06/2010
Report Due Date	30/09/2010
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	027027904

Balance Date	30/06/2011
Report Due Date	30/09/2011
AGM Due Date	Unknown
AGM Held Date	Unknown

Extended AGM Due Date	Unknown
Outstanding	N
Document Number	027755274
Balance Date	30/06/2012
Report Due Date	30/09/2012
AGM Due Date	Unknown
AGM Held Date	Unknown
Extended AGM Due Date	Unknown
Outstanding	N
Document Number	028349193

Contact Address

Section 146A of the Corporations Act 2001 states 'A contact address is the address to which communications and notices are sent by ASIC to the company.'

Details Type(current/ceased/future)	Ceased/Former
Address Type	Contact Address for ASIC use only
Address Start Date	28/06/2003
Address End Date	07/09/2006
Address	PO BOX 709 CAPALABA DC QLD 4157

End of Search Report

The materials presented on this site are distributed as an information source only. The information recorded in this document is provided on the basis that readers will be responsible for making their own assessment of the information and are advised to verify all relevant representations, statements and information. No liability (in contract, tort or otherwise) will be accepted for any loss or damage incurred as a result of reliance upon any material contained in this publication, or for any information or advice provided in this publication or incorporated into it.

Disclaimer: searchESS reserves the right to manually or electronically charge any fees which are due and payable by the customer at any stage.

Search Results for:	Historical Search	Organisation Number	109457838
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*Extracted from ABR's database at 09:00:23 on 29/04/2013

*Extracted from ASIC's database at 16:30:47 on 28/04/2013

This extract contains information derived from the Australian Securities and Investment Commission's (ASIC) database under section 1274A of the Corporations Act 2001. Please advise ASIC of any error or omission which you may identify.

Organisation Details

Organisation Name	TRILOGY CAPITAL SERVICES PTY LIMITED
Australian Company Number	<u>109457838</u>
State of Incorporation	Queensland
Registration Date	09/06/2004
Organisation Number Heading	ACN (Australian Company Number)
Australian Business Number	62109457838
Review Date	09/06/2013

Document Number	5E1220938
Details Type(current/ceased)	Current
Details Start Date	09/06/2004
Organisation Name	TRILOGY CAPITAL SERVICES PTY LIMITED
Name Start Date	09/06/2004
Organisation Status	Registered
Organisation Type	Australian Proprietary Company
Organisation Class	Limited By Shares
Organisation Sub-Class	Proprietary Company
Disclosing Entity Flag	N

Company Address

Document Number	022456311
Details Type(current/ceased/future)	Current
Address Type	Registered Office
Address Start Date	10/05/2006
Address	LEVEL 10 241 ADELAIDE STREET BRISBANE QLD 4000

Document Number	020244609
Details Type(current/ceased/future)	Ceased/Former
Address Type	Registered Office
Address Start Date	21/07/2004
Address End Date	09/05/2006
Address	SUITE 7B LEVEL 7 300 ADELAIDE STREET BRISBANE QLD 4000

Document Number	020244609
Details Type(current/ceased/future)	Ceased/Former

Address Type	Registered Office
Address Start Date	21/07/2004
Address End Date	21/07/2004
Address	SUITE 7B LEVEL 7 300 ADELAIDE STREET BRISBANE QLD 4000

Document Number	5E1220938
Details Type(current/ceased/future)	Ceased/Former
Address Type	Registered Office
Address Start Date	09/06/2004
Address End Date	20/07/2004
Address	MDRN SOLICITORS LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157

Document Number	022456311
Details Type(current/ceased/future)	Current
Address Type	Principal Place of Business
Address Start Date	28/04/2006
Address	LEVEL 10 241 ADELAIDE STREET BRISBANE QLD 4000

Document Number	020244609
Details Type(current/ceased/future)	Ceased/Former
Address Type	Principal Place of Business
Address Start Date	09/07/2004
Address End Date	27/04/2006
Address	SUITE 7B LEVEL 7 300 ADELAIDE STREET BRISBANE QLD 4000

Document Number	020244609
Details Type(current/ceased/future)	Ceased/Former
Address Type	Principal Place of Business
Address Start Date	09/07/2004
Address End Date	09/07/2004
Address	SUITE 7B LEVEL 7 300 ADELAIDE STREET BRISBANE QLD 4000

Document Number	5E1220938
Details Type(current/ceased/future)	Ceased/Former
Address Type	Principal Place of Business
Address Start Date	09/06/2004
Address End Date	08/07/2004
Address	LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157

Company Office Holders

Document Number	020244609
Details Type(current/former)	Current
Role	Director
Appointment Date	09/07/2004

Full Name	<u>BACON RODGER INGLE</u>
Birth Details	20/01/1946 SYDNEY NSW
Address	UNIT 1B 65 KIRIBILLI AVENUE KIRIBILLI NSW 2061
Document Number	020244609
Details Type(current/former)	Current
Role	Director
Appointment Date	09/07/2004
Full Name	<u>BARRY JOHN COLLIS</u>
Birth Details	20/02/1952 SYDNEY NSW
Address	153 SEAFORTH CRESCENT SEAFORTH NSW 2092
Document Number	020244609
Details Type(current/former)	Current
Role	Director
Appointment Date	09/07/2004
Full Name	<u>RYAN PHILLIP ASHLEY</u>
Birth Details	15/02/1961 MELBOURNE VIC
Address	25 BRISBANE CORSO FAIRFIELD QLD 4103
Document Number	023142528
Details Type(current/former)	Ceased/Former
Role	Director
Appointment Date	14/08/2006
Cease Date	01/08/2011
Full Name	<u>GIBSON TREVOR JOHN</u>
Birth Details	29/03/1955 SYDNEY NSW
Address	86 DUGANDAN ROAD BUNYA QLD 4055
Document Number	022471587
Details Type(current/former)	Ceased/Former
Role	Director
Appointment Date	24/01/2006
Cease Date	29/07/2008
Full Name	<u>HOGAN DAVID JOHN</u>
Birth Details	02/10/1946 SYDNEY NSW
Address	UNIT 1 10 RAWSON STREET MOSMAN NSW 2088
Document Number	5E1220938
Details Type(current/former)	Ceased/Former
Role	Director
Appointment Date	09/06/2004
Cease Date	31/01/2008
Full Name	<u>MCCARTHY JONATHAN JAMES</u>
Birth Details	22/02/1953 BRISBANE QLD

Address 13 THE ESPLANADE WELLINGTON POINT QLD 4160

Document Number 023121377
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 09/07/2004
Cease Date 17/01/2007
Full Name CURLEY MICHAEL BERNARD
Birth Details 28/04/1947 BRISBANE QLD
Address 8 MINDI ROAD DOONAN QLD 4562

Document Number 020244609
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 09/07/2004
Cease Date 17/02/2006
Full Name VERSI SILVANO JOSEPH JULIAN PETER
Birth Details 27/03/1949 TRIESTE ITALY
Address 30 PEARL BAY AVENUE MOSMAN NSW 2088

Document Number 020244609
Details Type(current/former) Ceased/Former
Role Director
Appointment Date 09/07/2004
Cease Date 29/11/2005
Full Name CHAMBERS JONATHAN FREDERICK
Birth Details 15/01/1952 CHARLTON VIC
Address 32 MIDDLE HEAD ROAD MOSMAN NSW 2088

Document Number 020244609
Details Type(current/former) Current
Role Secretary
Appointment Date 09/07/2004
Full Name RYAN PHILLIP ASHLEY
Birth Details 15/02/1961 MELBOURNE VIC
Address 25 BRISBANE CORSO FAIRFIELD QLD 4103

Document Number 020982504
Details Type(current/former) Current
Role Secretary
Appointment Date 23/12/2004
Full Name HOGAN DAVID JOHN
Birth Details 02/10/1946 SYDNEY NSW
Address UNIT 1 10 RAWSON STREET MOSMAN NSW 2088

Document Number 020244609
Details Type(current/former) Ceased/Former
Role Secretary
Appointment Date 09/07/2004
Cease Date 17/02/2006
Full Name VERSI SILVANO JOSEPH JULIAN PETER
Birth Details 27/03/1949 TRIESTE ITALY
Address 30 PEARL BAY AVENUE MOSMAN NSW 2088

Document Number 5E1220938
Details Type(current/former) Ceased/Former
Role Secretary
Appointment Date 09/06/2004
Cease Date 09/07/2004
Full Name MCCARTHY JONATHAN JAMES
Birth Details 22/02/1953 BRISBANE QLD
Address 13 THE ESPLANADE WELLINGTON POINT QLD 4160

Document Number 024505425
Details Type(current/former) Current
Role Alternate Director
Appointment Date 29/09/2008
Full Name BARRY JOHN
Birth Details 20/02/1952 SYDNEY NSW
Address 152 SEAFORTH CRESCENT SEAFORTH NSW 2092

Document Number 024503905
Details Type(current/former) Current
Role Alternate Director
Appointment Date 30/09/2008
Full Name BACON RODGER INGLE
Birth Details 20/01/1946 SYDNEY NSW
Address UNIT 1B 65 KIRIBILLI AVENUE KIRIBILLI NSW 2061

Document Number 022939075
Details Type(current/former) Ceased/Former
Role Alternate Director
Appointment Date 18/05/2006
Cease Date 01/08/2011
Full Name GIBSON TREVOR JOHN
Birth Details 29/03/1955 SYDNEY NSW
Address 86 DUGANDAN ROAD BUNYA QLD 4055

Document Number 023121808
Details Type(current/former) Ceased/Former

Role	Alternate Director
Appointment Date	03/11/2006
Cease Date	01/08/2011
Full Name	<u>RYAN PHILIP ASHLEY</u>
Birth Details	15/02/1961 MELBOURNE VIC
Address	25 BRISBANE CORSO FAIRFIELD QLD 4103

Document Number	022298930
Details Type(current/former)	Ceased/Former
Role	Alternate Director
Appointment Date	09/09/2005
Cease Date	29/07/2008
Full Name	<u>HOGAN DAVID JOHN</u>
Birth Details	02/10/1946 SYDNEY NSW
Address	UNIT 1 10 RAWSON STREET MOSMAN NSW 2088

Document Number	023581821
Details Type(current/former)	Ceased/Former
Role	Alternate Director
Appointment Date	22/03/2007
Cease Date	29/07/2008
Full Name	<u>BACON RODGER INGLE</u>
Birth Details	20/01/1946 SYDNEY NSW
Address	UNIT 1B 65 KIRIRIBILLI AVENUE KIRIRIBILLI NSW 2061

Share Structure – Issued and Paid Capital

Document Number	020244609
Details Type(current/ceased)	Current
Share Class Code	B
Share Class Title	CLASS B SHARES
Number of Shares Issued	40000
Total Paid on Shares Issues	\$ 40.00
Balance of Share Premium Account	\$ 39,960.00

Document Number	020658623
Details Type(current/ceased)	Current
Share Class Code	A
Share Class Title	CLASS A SHARES
Number of Shares Issued	640000
Total Paid on Shares Issues	\$ 640,000.00

Document Number	027138457
Details Type(current/ceased)	Current
Share Class Code	ORD

Share Class Title	ORDINARY
Number of Shares Issued	6633284
Total Paid on Shares Issues	\$ 2,664,663.55

Note: For each class of shares issued by a proprietary company, ASIC records the details of the twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Share Holders

Document Number	022861607
Details Type(current/ceased)	Current
Class Code	A
Number Held	60000
Beneficially Owned	N
Fully Paid	Y
Member Organisation Number	<u>010910835</u>
Member Name	DRANLEX PTY. LTD.
Address	LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator	N
Member Organisation Number Heading	ACN (Australian Company Number)

Document Number	022861607
Details Type(current/ceased)	Current
Class Code	A
Number Held	60000
Beneficially Owned	N
Fully Paid	Y
Full Name	<u>CURLEY MICHAEL BERNARD</u>
Address	8 MINDI ROAD DOONAN QLD 4562
Joint Holding Indicator	Y
Member Organisation Number Heading	ACN (Australian Company Number)

Document Number	022861607
Details Type(current/ceased)	Current
Class Code	A
Number Held	60000
Beneficially Owned	N
Fully Paid	Y
Full Name	<u>CURLEY FRANCES PATRICIA</u>
Address	8 MINDI ROAD DOONAN QLD 4562
Joint Holding Indicator	Y
Member Organisation Number Heading	ACN (Australian Company Number)

Document Number	023121377
Details Type(current/ceased)	Current
Class Code	A

Number Held 60000
Beneficially Owned N
Fully Paid Y
Member Organisation Number 010337078
Member Name DEBENGLLEN PTY LTD
Address LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 023121377
Details Type(current/ceased) Current
Class Code A
Number Held 60000
Beneficially Owned N
Fully Paid Y
Member Organisation Number 010337087
Member Name DEMIVILLE PTY LTD
Address LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 023121377
Details Type(current/ceased) Current
Class Code A
Number Held 60000
Beneficially Owned N
Fully Paid Y
Member Organisation Number 010413724
Member Name ALGUNA PTY. LTD.
Address LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 027251035
Details Type(current/ceased) Current
Class Code A
Number Held 85000
Beneficially Owned N
Fully Paid Y
Member Organisation Number 060522081
Member Name AIMWIN PTY. LIMITED
Address 153 SEAFORTH CRESCENT SEAFORTH NSW 2092
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)
Australian Business Number 88060522081

Document Number 027159222
Details Type(current/ceased) Current
Class Code A
Number Held 255000
Beneficially Owned N
Fully Paid Y
Member Organisation Number 137824803
Member Name BACON MANAGEMENT SERVICES PTY LIMITED
Address UNIT 1B 65 KIRRIBILLI AVENUE KIRRIBILLI NSW 2061
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 020244609
Details Type(current/ceased) Current
Class Code B
Number Held 10000
Beneficially Owned N
Fully Paid N
Member Organisation Number 010413724
Member Name ALGUNA PTY. LTD.
Address LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 020244609
Details Type(current/ceased) Current
Class Code B
Number Held 10000
Beneficially Owned N
Fully Paid N
Member Organisation Number 010337078
Member Name DEBENGLLEN PTY LTD
Address LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 020244609
Details Type(current/ceased) Current
Class Code B
Number Held 10000
Beneficially Owned N
Fully Paid N
Member Organisation Number 010337087
Member Name DEMIVILLE PTY LTD

Address	LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator	N
Member Organisation Number Heading	ACN (Australian Company Number)
Document Number	020244609
Details Type(current/ceased)	Current
Class Code	B
Number Held	10000
Beneficially Owned	N
Fully Paid	N
Member Organisation Number	<u>010910835</u>
Member Name	DRANLEX PTY. LTD.
Address	LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator	N
Member Organisation Number Heading	ACN (Australian Company Number)
Document Number	020244609
Details Type(current/ceased)	Current
Class Code	ORD
Number Held	65000
Beneficially Owned	N
Fully Paid	Y
Member Organisation Number	<u>010413724</u>
Member Name	ALGUNA PTY. LTD.
Address	LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator	N
Member Organisation Number Heading	ACN (Australian Company Number)
Document Number	020244609
Details Type(current/ceased)	Current
Class Code	ORD
Number Held	65000
Beneficially Owned	N
Fully Paid	Y
Member Organisation Number	<u>010337078</u>
Member Name	DEBENGLLEN PTY LTD
Address	LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator	N
Member Organisation Number Heading	ACN (Australian Company Number)
Document Number	022861607
Details Type(current/ceased)	Current
Class Code	ORD
Number Held	156259
Beneficially Owned	N

Fully Paid	Y
Full Name	<u>CURLEY MICHAEL BERNARD</u>
Address	8 MINDI ROAD DOONAN QLD 4562
Joint Holding Indicator	Y
Member Organisation Number Heading	ACN (Australian Company Number)
Document Number	022861607
Details Type(current/ceased)	Current
Class Code	ORD
Number Held	156259
Beneficially Owned	N
Fully Paid	Y
Full Name	<u>CURLEY FRANCES PATRICIA</u>
Address	8 MINDI ROAD DOONAN QLD 4562
Joint Holding Indicator	Y
Member Organisation Number Heading	ACN (Australian Company Number)

Document Number	023121377
Details Type(current/ceased)	Current
Class Code	ORD
Number Held	65000
Beneficially Owned	N
Fully Paid	Y
Member Organisation Number	<u>010337087</u>
Member Name	DEMIVILLE PTY LTD
Address	LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator	N
Member Organisation Number Heading	ACN (Australian Company Number)

Document Number	1F0118870
Details Type(current/ceased)	Current
Class Code	ORD
Number Held	215436
Beneficially Owned	Y
Fully Paid	Y
Member Organisation Number	<u>010910835</u>
Member Name	DRANLEX PTY. LTD.
Address	LEVEL 1 80 OLD CLEVELAND ROAD CAPALABA QLD 4157
Joint Holding Indicator	N
Member Organisation Number Heading	ACN (Australian Company Number)

Document Number	1F0118870
Details Type(current/ceased)	Current
Class Code	ORD
Number Held	149653
Beneficially Owned	Y

Fully Paid Y
Full Name HOGAN DAVID JOHN
Address UNIT 1 10 RAWSON STREET MOSMAN NSW 2088
Joint Holding Indicator Y
Member Organisation Number Heading ACN (Australian Company Number)
Document Number 1F0118870
Details Type(current/ceased) Current
Class Code ORD
Number Held 149653
Beneficially Owned Y
Fully Paid Y
Full Name HOGAN JANET BERYL
Address UNIT 1 10 RAWSON STREET MOSMAN NSW 2088
Joint Holding Indicator Y
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 025940114
Details Type(current/ceased) Current
Class Code ORD
Number Held 77589
Beneficially Owned N
Fully Paid Y
Member Organisation Number 055784962
Member Name NOBLESIDE PTY. LTD.
Address 25 BRISBANE CORSO FAIRFIELD QLD 4103
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 025940114
Details Type(current/ceased) Current
Class Code ORD
Number Held 79657
Beneficially Owned N
Fully Paid Y
Full Name QUILL MIRELLE
Address 25 BRISBANE CORSO FAIRFIELD QLD 4103
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 025940114
Details Type(current/ceased) Current
Class Code ORD
Number Held 163768
Beneficially Owned N
Fully Paid Y

Full Name GIBSON TREVOR
Address 86 DUGANDAN ROAD BUNYA QLD 4055
Joint Holding Indicator Y
Member Organisation Number Heading ACN (Australian Company Number)
Document Number 025940114
Details Type(current/ceased) Current
Class Code ORD
Number Held 163768
Beneficially Owned N
Fully Paid Y

Full Name GIBSON KAREN
Address 86 DUGANDAN ROAD BUNYA QLD 4055
Joint Holding Indicator Y
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 025940114
Details Type(current/ceased) Current
Class Code ORD
Number Held 718652
Beneficially Owned N
Fully Paid Y
Full Name CHRISTIE JOE
Address 3 THE BATTLEMENT CASTLECRAG NSW 2068
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 025940114
Details Type(current/ceased) Current
Class Code ORD
Number Held 26234
Beneficially Owned N
Fully Paid Y
Full Name MCCARTHY J.J.
Address PO BOX 4157 CAPALABA QLD 4157
Joint Holding Indicator Y
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 025940114
Details Type(current/ceased) Current
Class Code ORD
Number Held 26234
Beneficially Owned N
Fully Paid Y
Full Name RYAN P.A.
Address PO BOX 4157 CAPALABA QLD 4157
Joint Holding Indicator Y

Member Organisation Number Heading ACN (Australian Company Number)

Document Number 025940114
Details Type(current/ceased) Current
Class Code ORD
Number Held 44633
Beneficially Owned N
Fully Paid Y
Member Organisation Number 003508110
Member Name M. CHRISTIE PTY. LIMITED
Address 3 THE BATTLEMENT CASTLECRAIG NSW 2068
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)
Australian Business Number 75003508110

Document Number 7E3080614
Details Type(current/ceased) Current
Class Code ORD
Number Held 36249
Beneficially Owned N
Fully Paid Y
Full Name ARCHER JOHN
Address 54 FAWKNER STREET ABERFELDIE VIC 3040
Joint Holding Indicator Y

Member Organisation Number Heading ACN (Australian Company Number)
Document Number 7E3080614
Details Type(current/ceased) Current
Class Code ORD
Number Held 36249
Beneficially Owned N
Fully Paid Y
Full Name REID WENDY
Address 54 FAWKNER STREET ABERFELDIE VIC 3040
Joint Holding Indicator Y
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 025940114
Details Type(current/ceased) Current
Class Code ORD
Number Held 2022018
Beneficially Owned N
Fully Paid Y
Member Organisation Number 062459821
Member Name ROJACAN PTY LIMITED
Address UNIT 1 65 KIRIBILLI AVENUE KIRIBILLI NSW 2061

Joint Holding Indicator N
 Member Organisation Number Heading ACN (Australian Company Number)
 Australian Business Number 30062459821

 Document Number 027159222
 Details Type(current/ceased) Current
 Class Code ORD
 Number Held 627233
 Beneficially Owned N
 Fully Paid Y
 Member Organisation Number 060522081
 Member Name AIMWIN PTY. LIMITED
 Address 153 SEAFORTH CRESCENT SEAFORTH NSW 2092
 Joint Holding Indicator N
 Member Organisation Number Heading ACN (Australian Company Number)
 Australian Business Number 88060522081

Document Number 027138457
 Details Type(current/ceased) Current
 Class Code ORD
 Number Held 13333
 Beneficially Owned N
 Fully Paid Y
 Full Name SMART JUSTIN JAMES
 Address 16 SIXTH AVENUE SANDGATE QLD 4017
 Joint Holding Indicator N
 Member Organisation Number Heading ACN (Australian Company Number)

Document Number 027159222
 Details Type(current/ceased) Current
 Class Code ORD
 Number Held 2107570
 Beneficially Owned N
 Fully Paid Y
 Member Organisation Number 137824803
 Member Name BACON MANAGEMENT SERVICES PTY LIMITED
 Address UNIT 1B 65 KIRIBILLI AVENUE KIRIBILLI NSW 2061
 Joint Holding Indicator N
 Member Organisation Number Heading ACN (Australian Company Number)

Document Number 022861607
 Details Type(current/ceased) Ceased/Former
 Class Code A
 Number Held 340000
 Beneficially Owned Y

Fully Paid Y
Member Organisation Number 108873258
Member Name DOME CAPITAL PTY LIMITED.
Address 'ROYAL EXCHANGE' LEVEL 13 56 PITT STREET SYDNEY NSW 2000
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 025940114
Details Type(current/ceased) Ceased/Former
Class Code ORD
Number Held 2510335
Beneficially Owned N
Fully Paid Y
Member Organisation Number 108873258
Member Name DOME CAPITAL PTY LIMITED.
Address 'ROYAL EXCHANGE' LEVEL 13 56 PITT STREET SYDNEY NSW 2000
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 020244609
Details Type(current/ceased) Ceased/Former
Class Code A
Number Held 60000
Beneficially Owned N
Fully Paid N
Full Name CURLEY MICHAEL BERNARD
Address 29 MAIN ROAD WELLINGTON POINT QLD 4160
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 5E1220938
Details Type(current/ceased) Ceased/Former
Class Code ORD
Number Held 1
Beneficially Owned Y
Fully Paid Y
Full Name MCCARTHY JONATHAN JAMES
Address 13 THE ESPLANADE WELLINGTON POINT QLD 4160
Joint Holding Indicator N
Member Organisation Number Heading ACN (Australian Company Number)

Document Number 020244609
Details Type(current/ceased) Ceased/Former
Class Code ORD
Number Held 64998

Beneficially Owned	N
Fully Paid	Y
Full Name	<u>CURLEY MICHAEL BERNARD</u>
Address	29 MAIN ROAD WELLINGTON POINT QLD 4160
Joint Holding Indicator	N
Member Organisation Number Heading	ACN (Australian Company Number)

Charges Registered and Related Documents

ASC Charge Number	1139553
Charge Status	Satisfied
Date Registered	14/03/2005
Time Registered	154900
Charge Type(Fixed/Floating/Both)	Both Fixed & Floating
Date Created	11/03/2005
Australian Company Number	<u>005357522</u>
Organisation Name	AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

Document Number	<u>7E4059141</u>
Date Received	01/11/2011
Form Code	312
Date Processed	01/11/2011
Number of Pages(if Imaged)	2
Sub-form Code	312
Additional Description	NOTIFICATION OF
Sub-form Code	312A
Additional Description	DISCHARGE

Company Document Listing

Document Number	<u>028009982</u>
Date Received	26/04/2012
Form Code	902
Date Processed	30/04/2012
Number of Pages(if Imaged)	4
Effective Date	21/09/2010
Sub-form Code	902
Additional Description	Supplementary Document
Additional Description	Alters 027 251 035

Document Number	<u>7E4059141</u>
Date Received	01/11/2011
Form Code	312
Date Processed	01/11/2011

Number of Pages(if Imaged)	2
Effective Date	01/11/2011
Sub-form Code	312A
Additional Description	Notification of Discharge
Document Number	<u>027680080</u>
Date Received	03/08/2011
Form Code	484
Date Processed	19/08/2011
Number of Pages(if Imaged)	2
Effective Date	04/08/2011
Sub-form Code	484E
Additional Description	Change to Company Details Appointment or Cessation of A
Additional Description	Company Officeholder
Document Number	<u>027349640</u>
Date Received	18/11/2010
Form Code	902
Date Processed	29/11/2010
Number of Pages(if Imaged)	2
Effective Date	22/09/2010
Sub-form Code	902
Additional Description	Supplementary Document
Additional Description	Alters 027 159 222
Document Number	<u>027138457</u>
Date Received	04/11/2010
Form Code	484
Date Processed	05/11/2010
Number of Pages(if Imaged)	6
Effective Date	05/11/2010
Sub-form Code	484
Additional Description	Change to Company Details
Sub-form Code	484G
Additional Description	Notification of Share Issue
Sub-form Code	484O
Additional Description	Changes to Share Structure
Sub-form Code	484N
Additional Description	Changes to (Members) Share Holdings
Document Number	<u>027159222</u>
Date Received	20/09/2010
Form Code	484
Date Processed	01/11/2010
Number of Pages(if Imaged)	8

Effective Date 22/09/2010
Sub-form Code 484N
Additional Description Change to Company Details Changes to (Members) Share
Additional Description Holdings
Additional Description Altered by 027 349 640

Document Number 027251035
Date Received 20/09/2010
Form Code 484
Date Processed 21/09/2010
Number of Pages(if Imaged) 7
Effective Date 21/09/2010
Sub-form Code 484N
Additional Description Change to Company Details Changes to (Members) Share
Additional Description Holdings
Additional Description Altered by 028 009 982

Document Number 026678834
Date Received 10/08/2010
Form Code 902
Date Processed 13/08/2010
Number of Pages(if Imaged) 4
Effective Date 20/08/2009
Sub-form Code 902
Additional Description Supplementary Document
Additional Description Alters 025 940 114

Document Number 7E3080614
Date Received 02/08/2010
Form Code 484
Date Processed 02/08/2010
Number of Pages(if Imaged) 2
Effective Date 02/08/2010
Sub-form Code 484
Additional Description Change to Company Details
Sub-form Code 484O
Additional Description Changes to Share Structure
Sub-form Code 484G
Additional Description Notification of Share Issue
Sub-form Code 484N
Additional Description Changes to (Members) Share Holdings

Document Number 025940114
Date Received 18/08/2009
Form Code 484

Date Processed	01/09/2009
Number of Pages(if Imaged)	11
Effective Date	20/08/2009
Sub-form Code	484
Additional Description	Change to Company Details
Sub-form Code	484G
Additional Description	Notification of Share Issue
Sub-form Code	484O
Additional Description	Changes to Share Structure
Sub-form Code	484N
Additional Description	Changes to (Members) Share Holdings
Additional Description	Altered by 026 678 834

Document Number	<u>025586837</u>
Date Received	11/06/2009
Form Code	902
Date Processed	12/06/2009
Number of Pages(if Imaged)	2
Effective Date	02/06/2006
Sub-form Code	902
Additional Description	Supplementary Document
Additional Description	Alters 022 861 607

Document Number	<u>024503905</u>
Date Received	13/11/2008
Form Code	484
Date Processed	14/11/2008
Number of Pages(if Imaged)	5
Effective Date	14/11/2008
Sub-form Code	484E
Additional Description	Change to Company Details Appointment or Cessation of A
Additional Description	Company Officeholder

Document Number	<u>024505425</u>
Date Received	17/10/2008
Form Code	484
Date Processed	20/10/2008
Number of Pages(if Imaged)	4
Effective Date	20/10/2008
Sub-form Code	484E
Additional Description	Change to Company Details Appointment or Cessation of A
Additional Description	Company Officeholder

Document Number	<u>1F0215794</u>
Date Received	19/09/2008

Form Code 484
Date Processed 19/09/2008
Number of Pages(if Imaged) 4
Effective Date 19/09/2008
Sub-form Code 484E
Additional Description Change to Company Details Appointment or Cessation of A
Additional Description Company Officeholder

Document Number 024966372
Date Received 08/08/2008
Form Code 484
Date Processed 11/08/2008
Number of Pages(if Imaged) 4
Effective Date 11/08/2008
Sub-form Code 484E
Additional Description Change to Company Details Appointment or Cessation of A
Additional Description Company Officeholder

Document Number 023107287
Date Received 04/02/2008
Form Code 484
Date Processed 05/02/2008
Number of Pages(if Imaged) 4
Effective Date 05/02/2008
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 023782974
Date Received 05/06/2007
Form Code 484
Date Processed 06/06/2007
Number of Pages(if Imaged) 3
Effective Date 06/06/2007
Sub-form Code 484A2
Additional Description CHANGE TO COMPANY DETAILS CHANGE MEMBER NAME OR ADDRESS

Document Number 023581821
Date Received 29/03/2007
Form Code 484
Date Processed 02/04/2007
Number of Pages(if Imaged) 5
Effective Date 02/04/2007
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A

Additional Description	COMPANY OFFICEHOLDER
Document Number	<u>023532191</u>
Date Received	25/01/2007
Form Code	484
Date Processed	30/01/2007
Number of Pages(if Imaged)	4
Effective Date	30/01/2007
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER

Document Number	<u>023426446</u>
Date Received	09/11/2006
Form Code	484
Date Processed	13/11/2006
Number of Pages(if Imaged)	4
Effective Date	09/11/2006
Sub-form Code	484
Additional Description	CHANGE TO COMPANY DETAILS
Sub-form Code	484O
Additional Description	CHANGES TO SHARE STRUCTURE
Sub-form Code	484N
Additional Description	CHANGES TO (MEMBERS) SHARE HOLDINGS

Document Number	<u>023121808</u>
Date Received	06/11/2006
Form Code	484
Date Processed	08/11/2006
Number of Pages(if Imaged)	6
Effective Date	08/11/2006
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER

Document Number	<u>1F0118870</u>
Date Received	22/09/2006
Form Code	484
Date Processed	05/02/2007
Number of Pages(if Imaged)	9
Effective Date	22/09/2006
Sub-form Code	484
Additional Description	CHANGE TO COMPANY DETAILS
Sub-form Code	484G
Additional Description	NOTIFICATION OF SHARE ISSUE

Sub-form Code	484O
Additional Description	CHANGES TO SHARE STRUCTURE
Sub-form Code	484N
Additional Description	CHANGES TO (MEMBERS) SHARE HOLDINGS
Document Number	<u>023236796</u>
Date Received	22/09/2006
Form Code	484
Date Processed	29/09/2006
Number of Pages(if Imaged)	5
Effective Date	26/09/2006
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER

Document Number	<u>023142528</u>
Date Received	15/08/2006
Form Code	484
Date Processed	30/08/2006
Number of Pages(if Imaged)	4
Effective Date	15/08/2006
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER

Document Number	<u>023121377</u>
Date Received	09/08/2006
Form Code	484
Date Processed	11/08/2006
Number of Pages(if Imaged)	12
Effective Date	11/08/2006
Sub-form Code	484
Additional Description	CHANGE TO COMPANY DETAILS
Sub-form Code	484A1
Additional Description	CHANGE OFFICEHOLDER NAME OR ADDRESS
Sub-form Code	484E
Additional Description	APPOINTMENT OR CESSATION OF A COMPANY OFFICEHOLDER
Sub-form Code	484G
Additional Description	NOTIFICATION OF SHARE ISSUE
Sub-form Code	484O
Additional Description	CHANGES TO SHARE STRUCTURE
Sub-form Code	484N
Additional Description	CHANGES TO (MEMBERS) SHARE HOLDINGS
Additional Description	Updated by 023 149 784

Document Number 023149784
Date Received 09/08/2006
Form Code 370
Date Processed 14/08/2006
Number of Pages(if Imaged) 4
Effective Date 09/08/2006
Sub-form Code 370
Additional Description NOTIFICATION BY OFFICEHOLDER OF RESIGNATION OR RETIREMENT
Additional Description Updates 023 121 377

Document Number 022861607
Date Received 31/05/2006
Form Code 484
Date Processed 22/06/2006
Number of Pages(if Imaged) 15
Effective Date 02/06/2006
Sub-form Code 484
Additional Description CHANGE TO COMPANY DETAILS
Sub-form Code 484G
Additional Description NOTIFICATION OF SHARE ISSUE
Sub-form Code 484O
Additional Description CHANGES TO SHARE STRUCTURE
Sub-form Code 484N
Additional Description CHANGES TO (MEMBERS) SHARE HOLDINGS
Additional Description Altered by 025 586 837

Document Number 022939075
Date Received 25/05/2006
Form Code 484
Date Processed 30/05/2006
Number of Pages(if Imaged) 5
Effective Date 30/05/2006
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 022456311
Date Received 03/05/2006
Form Code 484
Date Processed 05/05/2006
Number of Pages(if Imaged) 3
Effective Date 05/05/2006
Sub-form Code 484
Additional Description CHANGE TO COMPANY DETAILS
Sub-form Code 484B

Additional Description	CHANGE OF REGISTERED ADDRESS
Sub-form Code	484C
Additional Description	CHANGE OF PRINCIPAL PLACE OF BUSINESS (ADDRESS)
 Document Number	 <u>022471587</u>
Date Received	02/02/2006
Form Code	484
Date Processed	09/02/2006
Number of Pages(if Imaged)	4
Effective Date	09/02/2006
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER
 Document Number	 <u>022667191</u>
Date Received	23/12/2005
Form Code	484
Date Processed	13/01/2006
Number of Pages(if Imaged)	4
Effective Date	23/12/2005
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER
 Document Number	 <u>022298930</u>
Date Received	16/09/2005
Form Code	484
Date Processed	20/09/2005
Number of Pages(if Imaged)	6
Effective Date	20/09/2005
Sub-form Code	484E
Additional Description	CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description	COMPANY OFFICEHOLDER
 Document Number	 <u>021170653</u>
Date Received	11/05/2005
Form Code	309
Date Processed	11/05/2005
Number of Pages(if Imaged)	31
Effective Date	22/04/2005
Sub-form Code	309A
Additional Description	NOTIFICATION OF DETAILS OF A CHARGE
 Document Number	 <u>021163448</u>
Date Received	14/03/2005

Form Code 309
Date Processed 14/03/2005
Number of Pages(if Imaged) 31
Effective Date 11/03/2005
Sub-form Code 309A
Additional Description NOTIFICATION OF DETAILS OF A CHARGE

Document Number 020982504
Date Received 18/01/2005
Form Code 484
Date Processed 21/01/2005
Number of Pages(if Imaged) 4
Effective Date 21/01/2005
Sub-form Code 484E
Additional Description CHANGE TO COMPANY DETAILS APPOINTMENT OR CESSATION OF A
Additional Description COMPANY OFFICEHOLDER

Document Number 020658623
Date Received 16/11/2004
Form Code 484
Date Processed 18/11/2004
Number of Pages(if Imaged) 10
Effective Date 18/11/2004
Sub-form Code 484
Additional Description CHANGE TO COMPANY DETAILS
Sub-form Code 484O
Additional Description CHANGES TO SHARE STRUCTURE
Sub-form Code 484N
Additional Description CHANGES TO (MEMBERS) SHARE HOLDINGS

Document Number 020244621
Date Received 14/07/2004
Form Code 484
Date Processed 29/07/2004
Number of Pages(if Imaged) 13
Effective Date 16/07/2004
Sub-form Code 484
Additional Description CHANGE TO COMPANY DETAILS
Sub-form Code 484G
Additional Description NOTIFICATION OF SHARE ISSUE
Sub-form Code 484O
Additional Description CHANGES TO SHARE STRUCTURE
Sub-form Code 484N
Additional Description CHANGES TO (MEMBERS) SHARE HOLDINGS

Document Number	<u>020244609</u>
Date Received	14/07/2004
Form Code	484
Date Processed	16/07/2004
Number of Pages(if Imaged)	15
Effective Date	16/07/2004
Sub-form Code	484
Additional Description	CHANGE TO COMPANY DETAILS
Sub-form Code	484B
Additional Description	CHANGE OF REGISTERED ADDRESS
Sub-form Code	484C
Additional Description	CHANGE OF PRINCIPAL PLACE OF BUSINESS (ADDRESS)
Sub-form Code	484E
Additional Description	APPOINTMENT OR CESSATION OF A COMPANY OFFICEHOLDER
Sub-form Code	484G
Additional Description	NOTIFICATION OF SHARE ISSUE
Sub-form Code	484O
Additional Description	CHANGES TO SHARE STRUCTURE
Sub-form Code	484N
Additional Description	CHANGES TO (MEMBERS) SHARE HOLDINGS

Document Number	<u>5E1220938</u>
Date Received	09/06/2004
Form Code	201
Date Processed	09/06/2004
Number of Pages(if Imaged)	3
Effective Date	09/06/2004
Sub-form Code	201C
Additional Description	APPLICATION FOR REGISTRATION AS A PROPRIETARY COMPANY

Contact Address

Section 146A of the Corporations Act 2001 states 'A contact address is the address to which communications and notices are sent by ASIC to the company.'

Details Type(current/ceased/future)	Ceased/Former
Address Type	Contact Address for ASIC use only
Address Start Date	17/04/2007
Address End Date	09/11/2007
Address	GPO BOX 3555 SYDNEY NSW 2001

End of Search Report

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Trilogy Funds Management Limited

ABN: 59 080 383 679

AFS Licence No: 261 425

**Annual Financial Report
For the year ended 30 June 2012**

Trilogy Funds Management Limited
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Trilogy Funds Management Limited Directors' report

The Directors of Trilogy Funds Management Limited (Responsible Entity) (Company), a wholly owned subsidiary of Trilogy Capital Services Pty Limited (TCS) present their report together with the financial report for the Company for the financial year ended 30 June 2012.

Corporate Information

The Company is incorporated and domiciled in Australia. The registered office and principal place of the Company is:

Brisbane Club Tower
Level 10
241 Adelaide Street, Brisbane, Queensland

Directors

The names of the directors in office at any time during, or since the end of the financial year are:

Name and qualifications	Age	Experience and special responsibilities
Robert M Wilcocks Independent Non-Executive Chairman BA, LL.B, LL.M	64	Chairman of the Audit, Compliance and Risk Management Committee Former partner with the law firm now called King & Wood Mallesons. Mr Wilcocks has been a director (including Chairman) of a number of listed public companies. He is currently a director of the following listed public companies: ARC Exploration Limited, APAC Resources Limited (Hong Kong listed) and Living Cell Technologies Limited. Chairman - Responsible Entity since 9 October 2009
Rodger I Bacon Executive Deputy Chairman BCom(Merit), AICD, SFFin	66	Member of the Audit, Compliance and Risk Management Committee Former executive director of Challenger International Limited Mr Bacon is a director of several public and private companies including, Financial Services Institute of Australasia and Trilogy Capital Services Pty Ltd. Director - Responsible Entity since 9 July 2004
John C Barry Executive Director BA, ACA	60	Member of the Audit, Compliance and Risk Management Committee Former executive director of Challenger International Limited Mr Barry is a director of several public and private companies including Trilogy Capital Services Pty Ltd and Chairman of Westpac RE Limited Director - Responsible Entity since 9 July 2004
Philip A Ryan Executive Director and Company Secretary LL.B, Grad Dip Leg Prac, FTIA, FFIN	51	Mr Ryan is a solicitor and member of the Queensland Law Society Inc. Member of the Compliance Committee Former partner of a Brisbane law firm Mr Ryan is a director of several private companies including Trilogy Capital Services Pty Ltd Director - Responsible Entity since 13 October 1997

Trilogy Funds Management Limited Directors' report

Directors (continued)

Rohan C Butcher Non-Executive Director Grad Dip PM, BASc(QS), Registered Builder, Licensed Real Estate Agent	43	Member of the Lending Committee Consultant to several major public and private companies providing development management services Director – Responsible Entity since 29 July 2008
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Nigel A Chamier Independent Non-Executive Director OAM, RN01KI, FAPI, FAIDC	61	Chairman of the Audit, Compliance and Risk Management Committee (resigned 14 May 2012) Chairman of NAC Investments (Qld) Pty Ltd and a Director of several private companies Mr Chamier is the Honorary Consul for Sweden Former Joint Managing Director (Qld) Jones Lang LaSalle Director – Responsible Entity since 14 October 2009 (resigned 14 May 2012)
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Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The Company holds an Australian Financial Services Licence (AFSL), and acts as the Responsible Entity for the following registered managed investment scheme's (Scheme's):

- Trilogy Monthly Income Trust (TMIT);
- Trilogy Wholesale First Mortgage Income Trust (TWFMIT);
- Pacific First Mortgage Fund (PFMF) (formerly City Pacific First Mortgage Fund)
- Trilogy Investor Choice Medlink Property Income Syndicate (Medlink);
- Trilogy Investor Choice Melbourne Campus Office Syndicate (Melbourne Campus);
- Trilogy HealthCare REIT (Healthcare REIT);
- Cape Park Funds (Cape Funds);
- Trilogy Epping Commercial Office Property Trust (TECOPT);
- Austgrowth Property Syndicate No 18 (APSPS);
- Austgrowth Property Syndicate No 18 Unit Trust (APSUT);
- Brisbane Property Syndicate (BNEPS) - (Property sold on 11 November 2011);
- Brisbane Property Syndicate Unit Trust (BNEUT) - (Property sold on 11 November 2011);
- Canberra Property Syndicate (CANPS) - (Property sold on 12 October 2012); and
- Canberra Property Syndicate Unit Trust (CANUT).

There has been no significant change in the nature of this activity during the year.

Review of operations

Financial summary

The Company produced a net profit after tax of \$10,588 for the year ended 30 June 2012 (2011: Profit \$55,686), after recording impairment losses of \$99,022 (2011: \$81,463). Total revenues reduced by 18.0% in comparison to the previous financial year, largely as a result of the decline in the gross asset value of the PFMF.

During the year, the Company repaid \$400,000 (2011: \$500,000) against its subordinated loan facility, resulting in a balance at year end of \$1,750,000 (2011: \$2,150,000). The total assets of the Company amounted to \$4,310,580 as at 30 June 2012 (2011: \$5,210,799).

Trilogy Funds Management Limited Directors' report

Dividends

No dividends were declared or paid during the year (2011: nil), or since the end of the year.

Significant changes in state of affairs

In the opinion of the Director's there were no significant changes in the state of affairs of the Company that occurred during the financial year.

Events subsequent to the end of the reporting period

Proposal to replace LM Investment Management (LM) as Responsible Entity

Subsequent to the end of the reporting period, the Company has issued a Notice of Meeting (NoM) and Explanatory Memorandum (EM) to unitholders in the LM Wholesale First Mortgage Income Fund (FMIF) and the LM Currency Protected Australian Income Fund (CPAIF), following a meeting convened by certain investors in those funds to occur on 1 November 2012 to consider and pass resolutions to replace LM with Trilogy Funds Management Limited as Responsible Entity for the FMIF and the CPAIF.

Appointment as Responsible Entity

A meeting was held on 4 June 2012 and resumed on 14 June 2012, to vote on a resolution to remove APGF Management Limited (APGF) as Responsible Entity of APS Number 21 and APS Number 24 (property syndicates), and replace them with Trilogy Funds Management Limited. Legal proceedings were issued subsequent to the unitholder meeting.

On 9 August 2012 Justice M. Wilson made a consent order that APGF be removed as Responsible Entity, and Trilogy Funds Management Limited be appointed Responsible Entity for the property syndicates subject to the following terms and conditions listed in the Commitments Note 19.

On 13 August 2012 the Company was listed on the ASIC register as Responsible Entity for both property syndicates.

The books and records of the Scheme were transferred to the New Responsible Entity on 17 August 2012.

Sale of investment properties

Canberra Property Syndicate and the Canberra Unit Trust

The investment property held by the Canberra Property Syndicate was sold on 12 October 2012. The Responsible Entity will proceed to wind-up the Scheme.

The Trilogy Healthcare REIT (Crows Nest)

A contract of sale for the Crows Nest property owned by Trilogy Healthcare REIT was signed on 22 October 2012, with settlement scheduled for 30 days after the exchange of contracts. The Responsible Entity will proceed to wind-up the Scheme following the settlement of the property.

Other than the items mentioned above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

Likely developments and expected results of operations

Further information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Environmental regulation

The operations of the Company are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Company.

Trilogy Funds Management Limited Directors' report

Options granted

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Meetings of Directors'	Board Meetings		Audit, Compliance and Risk Management Committee Meetings	
	A	B	A	B
Robert M Willcocks (*)	11	5	6	4
Rodger I Bacon	11	10	2	2
John C Barry	11	10	6	5
Philip A Ryan	11	11	-	-
Trevor J D Gibson (resigned 1 August 2011)	2	2	-	-
Rohan C Butcher	11	11	-	-
Nigel A Chamier (resigned 14 May 2012)	10	6	5	4

A = Number of meetings held during the time the director was in office during the period.

B = Number of meetings attended.

(*) Leave of absence granted.

Indemnification of Directors and Officers

During the year, TCS paid a premium (the disclosure of the premium is prohibited by the contract) on behalf of the Company for the year ended 30 June 2012 to indemnify all current and former directors and officers of the Company (including agents of the Company) out of the property of the Company against:

- (a) any liability for costs and expenses which may be incurred by that person in defending civil or criminal proceedings in which judgement is given in that person's favour, or in which the person is acquitted, or in the connection with an application in relation to any such proceedings in which the court grants relief to the person under the Corporations Act 2001 (Act); and
- (b) liability incurred by the person, as a director or officer of the Company or of a related body corporate, to another person (other than the Company or a related body corporate) unless the liability arises out of conduct involving a lack of good faith.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year for the auditor of the Company.

Litigation and contingent liabilities

Litigation involving borrowers of the PFMF and other Scheme's

The Responsible Entity of the PFMF is party to litigation with borrowers (Kosho Pty Ltd (Receiver & Manager Appointed) and City Co Pty Ltd (Receiver & Manager Appointed)) alleging it had breached the finance facility agreement or, alternatively, the Trade Practices Act 1974 (Cth). The maximum awardable amount for this contingent liability is estimated to be \$81 million. The Responsible Entity has filed a defence denying liability in respect of this claim in June 2010.

The Responsible Entity's evidence in chief was filed and served on 10 September 2012, the trial commenced on 24 September 2012 and was expected to run for 7 days. On 2 October 2012 the matter was adjourned to 26 November 2012 (for 3 days) by reason of the borrowers' request to tender additional evidence (to which the Responsible Entity objected). The borrowers were ordered to pay the Responsible Entity's costs, fixed at \$24,000, by reason of the adjournment.

The Company is also party to other proceedings in its capacity as Responsible Entity, however Directors are not aware of any material liability likely to arise to the Company as a result of litigation matters.

Trilogy Funds Management Limited Directors' report

Litigation and contingent liabilities (continued)

Dispute with borrower

The Company was awarded judgement for unpaid application fees due from a borrower during the year. The borrower subsequently appealed the ruling to the Queensland Court of Appeal, which was unsuccessful. The borrower has since sought leave to appeal to the High Court of Australia for which a decision is pending.

The Company has recently served a bankruptcy notice on the borrower and have received legal advice to the effect that if the bankruptcy action is successful, the borrower will be precluded from pursuing his appeal. The Company is unable to determine the likely amount of the recovery should it be successful in its action.

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party under section 237 of the Act.

Auditor's independence declaration

The Auditor's independence declaration is set out on page 6 and forms part of the Directors' report for the year ended 30 June 2012.

This report is made in accordance with a resolution of the Directors of the Company.



Philip A Ryan
Executive Director
Dated: 31 October 2012
Brisbane



Rodger I Bacon
Executive Deputy Chairman
Dated: 31 October 2012
Brisbane



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Australia

**DECLARATION OF INDEPENDENCE BY P A GALLAGHER TO THE DIRECTORS OF TRILOGY FUNDS
MANAGEMENT LIMITED**

As the lead auditor of Trilogy Funds Management Limited for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.



P A Gallagher

Director

BDO Audit Pty Ltd

Brisbane, 31 October 2012

Trilogy Funds Management Limited
Statement of comprehensive income
For the year ended 30 June 2012

	Note	2012 \$	2011 \$
Revenue and other income			
Revenue from borrowers	4(a)	474,897	367,801
Revenue from managed investment schemes	4(b)	4,903,592	6,218,462
Other revenue	4(c)	166,916	192,452
		<u>5,545,405</u>	<u>6,778,715</u>
Expenses			
Accounting fees		(2,865)	(4,379)
Amortisation expense		(1,834)	-
Auditor's remuneration	5	(12,965)	(25,060)
Director's fees	17	(100,325)	(106,222)
Expenses from managed investment schemes		(785,305)	(828,953)
Finance costs	6	(243,969)	(318,448)
Impairment losses			
• Trade and other receivables	9(a)	(72,698)	(81,463)
• Investments	10	(26,324)	-
Legal fees		(21,443)	(24,382)
Management fees	15(a)	(4,246,040)	(5,319,039)
Other expenses		(16,069)	(12,173)
		<u>(5,528,827)</u>	<u>(6,720,119)</u>
Profit for the year before tax		<u>15,578</u>	<u>58,596</u>
Income tax expense	7	(4,990)	(1,910)
Profit for the year		<u>10,588</u>	<u>56,686</u>
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income for the year		<u>10,588</u>	<u>56,686</u>

The Statement of comprehensive income is to be read in conjunction with the accompanying notes to the financial statements.

Trilogy Funds Management Limited
Statement of financial position
As at 30 June 2012

	Note	2012 \$	2011 \$
Current assets			
Cash and cash equivalents	8	2,691,317	2,140,107
Trade and other receivables	9	1,211,341	2,245,901
Total current assets		<u>3,902,658</u>	<u>4,386,008</u>
Non-current assets			
Trade and other receivables	9	149,000	218,254
Investments in joint ventures	10	-	-
Deferred tax assets	7	258,922	606,537
Total non-current assets		<u>407,922</u>	<u>824,791</u>
Total assets		<u>4,310,580</u>	<u>5,210,799</u>
Current liabilities			
Trade and other payables	11	1,665,581	1,735,163
Borrowings	12	-	100,000
Total current liabilities		<u>1,665,581</u>	<u>1,835,163</u>
Non-current liabilities			
Trade and other payables	11	149,000	149,000
Borrowings	12	1,744,687	2,138,449
Deferred tax liabilities	7	244,088	591,551
Total non-current liabilities		<u>2,137,775</u>	<u>2,879,000</u>
Total liabilities		<u>3,803,356</u>	<u>4,714,163</u>
Net assets	18(c)	<u>507,224</u>	<u>496,636</u>
Equity			
Share capital	13	392,400	392,400
Retained earnings		114,824	104,236
Total equity		<u>507,224</u>	<u>496,636</u>

The Statement of financial position is to be read in conjunction with the accompanying notes to the financial statements.

Trilogy Funds Management Limited
Statement of changes in equity
For the year ended 30 June 2012

	Share Capital			Cumulative redeemable preference shares	Retained earnings	Total equity
	Ordinary shares \$	A class shares \$		\$	\$	\$
Balance at 1 July 2010	100,400	27,000		285,000	47,560	439,960
Total comprehensive income						
Profit/(loss) for the year					56,686	56,686
Other comprehensive income for the year						
Total comprehensive income for the year					56,686	56,686
Transactions with owners, in their capacity as owners						
Dividends paid or provided for						
Shares issued during the year						
Balance at 30 June 2011	100,400	27,000		285,000	104,236	486,636
Total comprehensive income						
Profit/(loss) for the year					10,588	10,588
Other comprehensive income for the year						
Total comprehensive income for the year					10,588	10,588
Transactions with owners, in their capacity as owners						
Dividends paid or provided for						
Shares issued during the year						
Balance at 30 June 2012	100,400	27,000		285,000	114,824	507,224

The Statement of changes in equity is to be read in conjunction with the accompanying notes to the financial statements.

Trilogy Funds Management Limited
Statement of cash flows
For the year ended 30 June 2012

	Note	2012 \$	2011 \$
Cash flows from operating activities			
Receipts from customers		6,394,131	4,848,125
Payments to suppliers		(5,325,383)	(5,036,331)
Interest received		122,822	156,682
Finance costs		(240,360)	(315,881)
Net cash provided by/(used in) operating activities	14	951,210	(347,405)
Net cash provided by/(used in) investing activities		-	-
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		(400,000)	(500,000)
Net cash used in financing activities		(400,000)	(500,000)
Net increase/(decrease) in cash held		551,210	(847,405)
Cash at beginning of financial year		2,140,107	2,987,512
Cash at end of financial year	8	2,691,317	2,140,107

The Statement of cash flows is to be read in conjunction with the accompanying notes to the financial statements.

Trilogy Funds Management Limited
Notes to the financial statements
For the year ended 30 June 2012

Note 1 Reporting entity

Trilogy Funds Management Limited, a wholly owned subsidiary of Trilogy Capital Services Pty Limited (TCS) is a public company limited by shares, incorporated in Brisbane on 13 October 1997, and domiciled in Australia. The financial report is for the year ended 30 June 2012.

The Company holds an Australian Financial Services Licence (AFSL), and is the Responsible Entity and Manager for a number of managed investment scheme's (MIS).

The registered office of the Company is located at Brisbane Club Tower, Level 10, 241 Adelaide Street, Brisbane, Queensland, 4000.

Note 2 Basis of preparation

(a) Statement of compliance

The financial statements are a general purpose financial report which has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations and the *Corporations Act 2001 (Act)*. The financial statements cover Trilogy Funds Management Limited as an individual entity. The financial statements of the Scheme complies with International Financial Reporting Standards and interpretations in their entirety.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified where applicable, by the measurement at fair value for investment properties, financial assets and financial liabilities.

This financial report has been prepared for a for-profit entity.

The financial statements were approved by the Board of Directors of Trilogy Funds Management Limited on 31 October 2012.

(b) Interests in joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. The financial statements of the joint venture are prepared for the same reporting period as the Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist in the underlying records of the joint venture.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

(d) Key assumptions and sources of estimation

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have most significant effect on the amounts recognised are disclosed in:

- Note 9: Impairment losses (Trade and other receivables);
- Note 10: Investments in joint ventures (impairment losses);

Trilogy Funds Management Limited
Notes to the financial statements
For the year ended 30 June 2012

Note 2 Basis of preparation

(e) Key assumptions and sources of estimation

- Note 13: Cumulative redeemable preference shares;
- Note 15(a): Financial risk management (credit risk).

Note 3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated. The Scheme has not early adopted any accounting standard.

(a) Financial instruments

(i) Classification

Investments and financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are categorised as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired or originated. Designation is re-evaluated at each reporting date, but there are restrictions on reclassifying to other categories.

(ii) Recognition

The Scheme recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial assets are recognised using trade date accounting. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded.

(iii) Measurement

Financial instruments are measured initially at fair value plus transaction costs except where the instrument is classed at fair value through profit or loss in which the transaction costs are expensed immediately. Transaction costs on financial assets and financial liabilities are amortised over the life of the asset or liability using the effective interest method.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the profit or loss.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Financial assets classified as loans and receivables subsequently are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate.

(iv) Impairments

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

Trilogy Funds Management Limited

Notes to the financial statements

For the year ended 30 June 2012

Note 3 Significant accounting policies (continued)

(a) Financial instruments (continued)

(v) Derecognition

The Scheme derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with AASB 139.

The Scheme uses the weighted average method to determine realised gains and losses on derecognition of financial assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(vi) Specific instruments

Cash and cash equivalents

Cash comprises current deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(a) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from borrowers

Administration and performance

The Company derives a fee from borrowers for managing the lending operations of the mortgage investment schemes. The fee is recognised as revenue when the Company has a right to receive the revenue.

Application, settlement and exit fees

The Company is entitled to a fee from borrowers on the approved value of loans. The fee is recognised as revenue on the date the loan has settled.

Revenue from MIS

Trust establishment fees

The Company is entitled to an establishment fee on the date of acquisition of a property for a syndicate. The fee is recognised as revenue on the date of acquisition.

Equity generation fees

The Company is entitled to an equity generation fee for raising investor funds to reduce the debt on a property syndicate. The fee is recognised as revenue on a proportional basis to the amount of funds raised.

Selling and performance fees

The Company may be entitled to a fee from the sale of a property syndicate where the net proceeds from sale exceed a particular benchmark. The fee is recognised as revenue when the Company has a right to receive it.

Trilogy Funds Management Limited
Notes to the financial statements
For the year ended 30 June 2012

Note 3 Significant accounting policies (continued)

(a) Revenue recognition (continued)

Cost recovery fees

The Company levies a fee on the Pacific First Mortgage Fund (formerly City Pacific First Mortgage Fund) (PFMF) for the provision of custodian and investor registry services. This fee is determined by applying 12 basis points (bps) p.a. (plus GST, less reduced input tax credits (RITC)) to the gross asset value of the Scheme.

Interest revenue

Interest revenue is recognised using the effective interest method. All revenue is stated net of the amount of goods and services tax (GST).

Other

The Company incurs direct expenses on behalf of the MIS which it seeks recovery from the Scheme at cost. Cost recovery fees are recognised as revenue when the Company has a right to receive it.

(b) Expenses

All expenses, including management fees, are recognised in the profit or loss on an accruals basis.

(c) Taxation

Income tax

The income tax expense for the year is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of comprehensive income are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Trilogy Funds Management Limited

Notes to the financial statements

For the year ended 30 June 2012

Note 3 Significant accounting policies (continued)

(d) Interest bearing loans and liabilities

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(e) Borrowings costs

Borrowings are initially recognised at fair value, net of transactions costs incurred. Borrowings are subsequently measured at amortised costs using the effective interest rate method. Under this method, fees, costs, discounts and premiums directly related to the financial liability are spread over its expected life. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after reporting date.

Finance costs directly attributable to the acquisition, construction and production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other finance costs are recognised in the profit or loss in the period in which they are incurred.

(f) Trade and other receivables

Receivables are recognised and carried at original amount, less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of an amount is no longer probable. Bad debts are written off when identified.

Amounts are generally received within 30 days of being recorded as receivables.

(g) Impairment of assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset maybe impaired. The assessment will include considering external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset to its carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(h) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period, which remains unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Share capital

Share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Trilogy Funds Management Limited
Notes to the financial statements
For the year ended 30 June 2012

Note 3 Significant accounting policies (continued)**(i) Comparative figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

(k) New and amended standards and interpretations

A number of new standards, amendments and interpretations are effective for annual periods beginning after 1 July 2011, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements, except for the

(j) AASB 9 Financial Instruments (effective from 1 January 2015)

AASB 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities. It simplifies the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Financial assets are to be classified based on (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows. This replaces the numerous categories of financial assets in AASB 139. The Responsible Entity does not plan to adopt this standard early and the extent of the impact has not been determined.

Note 4 Revenue and other income	Note	2012	2011
		\$	\$
(a) Revenue from borrowers			
Administration and performance fees		202,399	153,291
Application and settlement fees		272,498	214,510
Total revenue from borrowers	15(a)	474,897	367,801
(b) Revenue from MIS			
Expense recoveries		481,719	468,113
Selling and performance fees		884,243	-
Management fees		3,562,160	5,802,270
Management fees waived/rebated		(24,530)	(51,921)
Total revenue from MIS	15(a)	4,903,592	6,218,462
(c) Other revenues			
Interest revenue		123,352	165,718
Other revenue		43,564	26,734
Total other revenues		166,916	192,452
Total revenue and other income		5,545,405	6,778,715

Note 5 Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Company:

- audit and review of the financial reports of the Company (i)	(8,715)	(21,060)
- other assurance services in relation to the Company (i)		
• compliance plan audit	(2,500)	(2,500)
	(11,215)	(23,560)
- other services (ii)		
• taxation services	(1,750)	(1,500)
	(1,750)	(1,500)
	(12,965)	(25,060)

(i) The Responsible Entity engaged BDO Audit Pty Ltd as the Company's auditor. Total remuneration paid and or payable to BDO Audit Pty Ltd for the year ended 30 June 2012 totalled \$11,215 (2011: \$23,560), which includes an over-accrual of \$11,310 from previous financial years.

Trilogy Funds Management Limited
Notes to the financial statements
For the year ended 30 June 2012

Note 5 Auditor's remuneration (continued)

(ii) Taxation services have been undertaken by BDO Pty Ltd, a related practice of BDO Audit Pty Ltd.

Note 6 Finance costs	Note	2012	2011
		\$	\$
Amortised borrowing costs	12(ii)	(2,567)	(2,567)
Interest expense	12(i)	(241,392)	(315,881)
		<u>(243,959)</u>	<u>(318,448)</u>

Note 7 Income tax expense

The major components of income tax expense are:

Income tax expense comprises:

Current tax	(4,838)	124,094
Deferred tax	(152)	(141,835)
Under provision in respect of prior years	-	15,831
Income tax expense	<u>(4,990)</u>	<u>(1,910)</u>

The aggregate amount of income tax expense attributable to the financial year differs from the amount calculated on the net operating profit. The differences are reconciled as follows:

Accounting profit before tax from continuing operations	15,578	58,596
Income tax expense calculated @ 30% (2011: 30%)	(4,673)	(17,579)
Less: Tax effect of;		
• Permanent differences	(317)	(162)
• Net over/under provision from prior year	-	15,831
Aggregate income tax expense	<u>(4,990)</u>	<u>(1,910)</u>

	Opening balance	Charged to income	Charged directly to equity	Exchange differences	Closing balance
2012					
Deferred tax assets	\$	\$	\$	\$	\$
Current year tax loss	124,094	(124,094)	-	-	-
Carried forward tax losses from prior years	26,670	(26,670)	-	-	-
Trade and other payables	455,773	(196,851)	-	-	258,922
	<u>606,537</u>	<u>(347,615)</u>	<u>-</u>	<u>-</u>	<u>258,922</u>
2012					
Deferred tax liabilities					
Trade and other receivables	591,551	(347,463)	-	-	244,088
	<u>591,551</u>	<u>(347,463)</u>	<u>-</u>	<u>-</u>	<u>244,088</u>
Net deferred tax	<u>14,986</u>	<u>(152)</u>	<u>-</u>	<u>-</u>	<u>14,834</u>
2011					
Deferred tax assets					
Current year tax loss	-	124,094	-	-	124,094
Carried forward tax losses from prior years	26,670	-	-	-	26,670
Trade and other payables	47,343	408,430	-	-	455,773
	<u>74,013</u>	<u>532,524</u>	<u>-</u>	<u>-</u>	<u>606,537</u>

Trilogy Funds Management Limited
Notes to the financial statements
For the year ended 30 June 2012

Note 7 Income tax expense (continued)

	Opening balance	Charged to income	Charged directly to equity	Exchange differences	Closing balance
2011					
Deferred tax liabilities	\$	\$	\$	\$	\$
Trade and other receivables	57,117	534,434	-	-	591,551
	57,117	534,434	-	-	591,551
Net deferred tax	16,896	(1,910)	-	-	14,986

Note 8 Cash and cash equivalents

	2012	2011
	\$	\$
Cash at bank and in hand	966,307	115,097
Short-term bank deposits	1,725,010	2,025,010
	2,691,317	2,140,107

The effective interest rate on short-term bank deposits was 5.70% p.a. (2011: 6.24% p.a.) these deposits have an average maturity of 183 days (2011: 142 days).

Note 9 Trade and other receivables

Trade receivables		43,355	11,536
Other receivable		57,129	84,340
Prepaid expenses		5,500	-
Interest receivable		36,237	35,707
Related party loan - MIS	15(a)	25	123,818
Related party receivable - MIS	15(a)	1,055,522	1,973,917
Related party receivable - Trilogy Capital Services Pty Ltd (TCS)	15(a)	149,000	218,254
Related party receivable - Cyre Trilogy Investment Management Pty Ltd (CTIM)	15(a)	14,460	16,583
		1,361,228	2,464,155
Impairment losses		(887)	-
		1,360,341	2,464,155
Represented by:			
Current		1,211,341	2,245,901
Non-current		149,000	218,254
		1,360,341	2,464,155

(a) Provision for impairment of receivables

At 30 June 2012, as part of the annual balance date review procedures the Company recorded impairment losses in respect of its trade receivables of \$72,698 (2011: \$81,463) for the year. During the year the Directors wrote off \$71,811 as a bad debt (2011: \$100,899).

Movement in the provision for impairment of receivables is as follows:

	Opening balance	Charge for the year	Amounts written off	Closing balance
2012	\$	\$	\$	\$
Trade receivables	-	72,698	(71,811)	887
	-	72,698	(71,811)	887
2011				
Trade receivables	19,436	81,463	(100,899)	-
	19,436	81,463	(100,899)	-

Trilogy Funds Management Limited

Notes to the financial statements

For the year ended 30 June 2012

Note 9 Trade and other receivables (continued)

(a) Provision for impairment of receivables (continued)

The Company considers that, based on evidence available as at 30 June 2012, the balance of net impaired trade debtors will be recovered in full and accordingly no further impairment losses have been recorded.

(b) Past due but not impaired receivables

The Company has a significant concentration of credit risk with respect to a single counterparty other than those receivables specifically provided for and mentioned within Note 9. The main source of credit risk to the Company is considered to relate to the class of assets described as Related party receivable - MIS.

The following table details the Company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount \$	Past due and impaired \$	Past due but not impaired (days overdue)			
			less than 30 \$	31 to 60 \$	61 to 90 \$	Greater than 90 \$
2012						
Trade receivables	43,355	-	20,181	14,708	4,645	3,821
Related party receivable - MIS	1,055,522	-	623,927	210,035	205,824	
Related party loan - MIS	25	-	25	-	-	-
Related party receivable - TCS	149,000	-	-	-	-	149,000
Related party receivable - CTIM	14,460	-	14,460	-	-	-
Total	1,262,362	-	658,593	224,743	210,469	152,821
2011						
Trade receivables	11,535	-	11,186	-	-	350
Related party receivable - MIS	1,973,917	-	519,296	924,961	517,636	12,024
Related party loan - MIS	123,818	-	123,818	-	-	-
Related party receivable - TCS	218,254	-	-	19,254	-	199,000
Related party receivable - CTIM	16,583	-	16,583	-	-	-
Total	2,344,108	-	670,853	944,215	517,636	211,374

The Company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

(c) Collateral pledged

No collateral is held over trade and other receivables.

Trilogy Funds Management Limited

Notes to the financial statements For the year ended 30 June 2012

Note 10 Investments in joint ventures

	2012	2011
	\$	\$
CTIM	26,324	-
Impairment losses	(26,324)	-
	<u>-</u>	<u>-</u>

The Company entered into a joint venture agreement with Cyre Funds Management Limited (CYRE) to form Cyre Trilogy Investment Management Pty Ltd, a property and investment management entity. Under the Heads of Agreement governing the operation, Trilogy Funds Management Ltd holds a 50% interest in CTIM. The results of operations from CTIM are not material, hence no disclosure has been made in this financial report.

(a) Provision for impairment of investments

At 30 June 2012, as part of the annual balance date review procedures the Company recorded impairment losses in respect of its investment in CTIM of \$26,324 (2011: Not applicable) for the year.

Movement in the provision for impairment of investments is as follows:

	Opening balance	Charge for the year	Amounts written off	Closing balance
	\$	\$	\$	\$
2012				
Investments	-	26,324	-	26,324
	<u>-</u>	<u>26,324</u>	<u>-</u>	<u>26,324</u>
2011				
Investments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note 11 Trade and other payables

	Note	2012	2011
		\$	\$
Audit and tax fees		20,325	26,410
GST payable		157,133	92,655
Income tax payable		4,839	-
Related party payable - Rojacan Pty Ltd	15(a)	149,000	149,000
Related party payable - MIS	15(a)	68,287	-
Related party payable - BTIM	15(a)	768,163	1,410,142
Related party payable - CTIM	15(a)	213,984	16,583
Related party payable - TCS	15(a)	287,556	6,849
Trade payables		145,304	182,524
		<u>1,814,581</u>	<u>1,884,163</u>
<i>Represented by:</i>			
Current		1,665,581	1,735,163
Non-current		149,000	149,000
		<u>1,814,581</u>	<u>1,884,163</u>

Note 12 Borrowings

Loan - Popandnic Pty Ltd (BESF)	-	100,000
Loan - Bacon Management Services Pty Limited (BMS)	1,744,687	2,138,449
	<u>1,744,687</u>	<u>2,238,449</u>
<i>Represented by:</i>		
Current	-	100,000
Non-current	1,744,687	2,138,449
	<u>1,744,687</u>	<u>2,238,449</u>

Trilogy Funds Management Limited

Notes to the financial statements For the year ended 30 June 2012

Note 12 Borrowings (continued)

The details of borrowings as at 30 June 2012 are set out below:

Facility	Secured	Maturity date	Facility 30 Jun 2012	Utilised 30 Jun 2012	Facility 30 Jun 2011	Utilised 30 Jun 2011
Loan BESF (i)	Yes	30/06/2012	-	-	200,000	100,000
Loan BMS (i)	Yes	28/07/2019	3,150,000	1,750,000	3,150,000	2,150,000
Total facilities			3,150,000	1,750,000	3,350,000	2,250,000
Less unamortised transaction costs (ii)				(5,313)		(11,551)
Total borrowing			3,150,000	1,744,687	3,350,000	2,238,449

(i) The Company entered into a loan agreement with Bacon Management Services Pty Limited ATF the Bacon Family Trust (an entity associated with an Executive Director of the Company) on 24 July 2009. The purpose of the loan was to provide funding in support of the Company's AFSL requirements (as at 30 June 2012 the amount of the loan which has been subordinated with ASIC totals \$1,750,000 (2011: \$2,250,000)). The interest rate charged on the facility is the business overdraft rate issued by Westpac Banking Corporation Limited (Westpac) plus 2.00% p.a. margin to be reset quarterly.

Interest	2012	2011
Variable	10.71%	11.81%

The loan was written on normal commercial terms and conditions. The Company repaid \$400,000 against the facility during the year (2011: \$500,000).

(ii) The Company entered into a loan agreement with Popandrie Pty Ltd ATF for the Bacon Executive Superannuation Fund (an entity associated with an Executive Director of the Company) on 30 June 2011 to fund the costs associated with the Epping Commercial Office Income Trust (EPCOIT). The Company ultimately resolved not to proceed with the property acquisition and the loan was subsequently repaid.

(iii) Deferred borrowing costs comprise all costs in relation to the establishment, arrangement and documentation of the debt facility. Such costs are recognised as part of the amortised cost of the borrowing using the effective interest method.

Note 13 Issued capital	2012 \$	2011 \$
(a) Share capital		
Ordinary shares		
100,400 (2011: 100,400) fully paid ordinary shares	100,400	100,400
	100,400	100,400
A class shares		
27,000 (2011: 27,000) fully paid A class shares	27,000	27,000
	27,000	27,000
Cumulative redeemable preference shares		
265,000 (2011: 265,000) fully paid cumulative redeemable preference shares	265,000	265,000
	265,000	265,000

Trilogy Funds Management Limited

Notes to the financial statements For the year ended 30 June 2012

Note 13 Issued capital (continued)

(b) Movement in share capital

	2012 Number	2011 Number
Balance at 1 July	392,400	392,400
New shares issued	-	-
Shares redeemed	-	-
Balance at 30 June	<u>392,400</u>	<u>392,400</u>

(c) Terms and conditions

The ordinary shares, A class shares and cumulative redeemable preference shares entitle the holder to receive notice of meetings and to cast one vote for each share held. All shares carry the right to receive dividends when declared at the discretion of the Directors, however the amount declared on the shares of any such class may be at a higher or lower rate than or at the same rate as the dividend declared on the shares of the other classes provided that the shares in each class are treated equally. Upon a reduction of capital or winding up of the company, each share class ranks equally with other shares in the capital of the Company.

Note 14 Reconciliation of cash flow from operations with profit for the year

	2012 \$	2011 \$
Profit for the year	10,588	56,686
<i>Adjustments for:</i>		
Amortised borrowing costs	2,567	2,567
Impairment - loans and other receivables	72,698	81,463
<i>Change in operating assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	1,103,813	(1,722,850)
(Increase)/decrease in deferred taxes	347,615	(532,524)
Increase/(decrease) in trade and other payables	(69,582)	1,232,819
Increase/(decrease) in deferred tax liabilities	(347,463)	534,434
<i>Adjustments for balance sheet:</i>		
(Increase)/decrease in trade and other receivables	(172,697)	-
Increase/(decrease) in trade and other payables	3,671	-
Net cash provided by operating activities	<u>951,210</u>	<u>(347,405)</u>

Note 15 Related party transactions

(a) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

		2012	2011
<i>Transactions recorded in the Statement of comprehensive income</i>	Note	\$	\$
Revenue from borrowers	4(a)	474,897	367,801
Revenue from managed investment scheme's (refer Table 15.1)	4(b)	<u>4,903,592</u>	<u>6,218,462</u>
		<u>5,378,489</u>	<u>6,586,263</u>

Trilogy Funds Management Limited

Notes to the financial statements For the year ended 30 June 2012

Note	15	Related party transactions (continued)	Note	2012	2011
	(a)	Transactions with related parties (continued)		\$	\$
<i>Transactions recorded in the Statement of comprehensive income</i>					
<i>Management fees expense</i>					
		Management fees - TCS (i)		(1,269,663)	(1,032,873)
		Management fees - Balmain Trilogy Investment Management Pty Limited (BTIM) (ii)		(2,170,278)	(4,286,166)
		Management fees - (CTIM) (iii)		(806,199)	-
				(4,246,040)	(5,319,039)
		Finance costs (iv)		(241,391)	(315,881)
		Director's fees		(100,325)	(106,222)
				(341,716)	(422,103)
				(4,587,756)	(5,741,142)

Transactions recorded in the Statement of financial position

Assets

Related party loan - MIS (refer table 15.1)	25	123,818
Related party receivable - MIS (refer table 15.1)	1,055,522	1,973,917
Related party receivable - TCS	149,000	218,254
Related party receivable - CTIM	14,460	16,583
Total assets	1,219,007	2,332,572

Liabilities

Related party payable - BTIM	(768,163)	(1,410,142)
Related party payable - CTIM	(213,964)	(16,583)
Related party payable - MIS (refer table 15.1)	(68,297)	-
Related party payable - Rojacan Pty Limited	(149,000)	(149,000)
Related party payable - TCS	(287,556)	(6,849)
Borrowings	(1,744,687)	(2,238,449)
Total liabilities	(3,231,666)	(3,821,023)
Net assets	(2,012,659)	(1,488,451)

(i) Represents charges by TCS to the Company for the provision of management, client service, accounting, administration and compliance services;

(ii) Upon the Company's appointment as Responsible Entity for the PFMF, it entered into an agreement with BTIM to provide asset management services to the Company on behalf of the Scheme. BTIM is a joint venture enterprise between TCS and Balmain Corporation;

(iii) Upon the Company's appointment as Responsible Entity for the Austgrowth funds, it entered into an agreement with CYRE to provide asset management services to the Company on behalf of the Scheme. CYRE Trilogy is a joint venture enterprise between TFM and CYRE; and

(iv) Represents interest charged on the loan from BMS to the Company.

Trilogy Funds Management Limited

Notes to the financial statements For the year ended 30 June 2012

Note 15 Related party transactions (continued)

(a) Transactions with related parties (continued)

Table 15.1	2012			2011		
	Revenue from MIS receivable (i)	Related party payable	Related party payable	Revenue from MIS receivable (i)	Related party payable	Related party payable
	\$	\$	\$	\$	\$	\$
TMIT	73,682	15,457	68,297	70,177	8,145	-
TWFMIT	(111)	-	-	-	-	-
PFMF	3,662,027	661,242	-	5,992,703	1,936,130	-
MediLink	51,941	4,792	-	52,254	4,803	-
Melbourne Campus	74,420	6,966	-	86,467	7,978	-
Cape Funds	874	1,238	-	277	277	-
TECOPT	-	-	-	-	123,818	-
APSPS	52,500	4,813	-	4,375	4,375	-
BNEPS	556,979	-	-	5,542	5,542	-
CANPS	431,280	361,039	-	6,667	6,667	-
Total	4,903,592	1,055,547	68,297	6,218,462	2,097,735	-

(i) Includes related party loans receivable.

Trilogy Monthly Income Trust (TMIT);

Trilogy Wholesale First Mortgage Income Trust (TWFMIT);

Pacific First Mortgage Fund (PFMF) (formerly City Pacific First Mortgage Fund);

Trilogy Investor Choice MediLink Property Income Syndicate (MediLink);

Trilogy Investor Choice Melbourne Campus Office Syndicate (Melbourne Campus);

Cape Park Funds (Cape Funds);

Trilogy Epping Commercial Office Property Trust (TECOPT);

Austgrowth Property Syndicate No 18 (APSPS);

Brisbane Property Syndicate (BNEPS); and

Canberra Property Syndicate (CANPS).

(c) Related party investments held by the Company

The Company has no investment in the MIS's it act's as Responsible Entity for.

Note 16 Dividends

	2012	2011
	\$	\$

No dividends were paid nor declared during the year, or the prior year.

The balance of the franking account at year end, adjusted for franking credits from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and franking credits that may be prevented from distribution in subsequent financial years.

52,211 52,211

Note 17 Key personnel

Fees paid to Directors for attendance at Board meetings during the year are as follows:

	(4,122)	(4,635)
Post employment benefits	(96,203)	(101,587)
Short term benefits	(100,325)	(106,222)
Total		

Trilogy Funds Management Limited

Notes to the financial statements

For the year ended 30 June 2012

Note 18 Financial risk management

Overview

The Company's assets principally consist of investments in short term deposits with financial

Specific financial risk exposures and management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk, and market risk relating to interest rate risk.

The nature and extent of the financial instruments employed by the Company are discussed below. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Board is responsible for developing and monitoring the Company's risk management policies, including those related to MIS. The Responsible Entity's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's Compliance Committee and its Audit, Compliance and Risk Management Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(a) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company and cause a loss. The Company manages the exposure to credit risk on an ongoing basis.

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date is as follows:

	Note	2012 \$	2011 \$
Financial assets			
Trade and other receivables	9	1,360,341	2,464,155
Total financial assets		<u>1,360,341</u>	<u>2,464,155</u>

All cash held by the Company is invested with approved deposit institutions (ADI's).

The Company has a single credit risk exposure in relation to the management fees receivables from the PFMF (a scheme for which it acts as Responsible Entity) totalling \$661,242 (2011: \$1,936,131), equating to 48.61% (2011: 78.57%) of total trade and other receivables.

This risk is minimised by regularly reviewing the Company's trade and other receivables. Refer note 9 for information regarding ageing of trade receivables, and impairments recorded during the period.

(b) Liquidity risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;

Trilogy Funds Management Limited

Notes to the financial statements

For the year ended 30 June 2012

Note 18 Financial risk management (continued)

(b) Liquidity risk (continued)

- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The timing of cash flows presented in the table below to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

2012	Contractual cash flows	Less than 1 month	1-3 months	3-12 months	Greater than 12 months
Financial liabilities	\$	\$	\$	\$	\$
Borrowings	1,744,687	-	400,000	-	1,344,687
Trade and other payables	1,814,581	1,613,855	31,035	20,690	149,000
Total contractual outflows	3,559,268	1,613,855	431,035	20,690	1,493,687

2011

Financial liabilities					
Borrowings	2,238,449	-	100,000	-	2,138,449
Trade and other payables	1,884,163	38,130	1,688,230	8,803	149,000
	4,122,612	38,130	1,788,230	8,803	2,287,449

Interest on borrowings have not been included as they have been paid to the end of the respective financial year.

(c) Capital management

Management controls the capital of the Company in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and to ensure that it can fund its operations and continue as a going concern.

The Company's capital management objectives aim to:

- ensure that the Company complies with its AFSL requirements;
- ensure sufficient capital resources to support the Company's operational requirements;
- continue to support the Company's credit worthiness; and
- safeguard the Company's ability to continue as a going concern.

Management effectively manages the Company's capital by assessing its financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt level, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year.

The Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by adjusted assets. Net debt is calculated as total borrowings less cash and cash equivalents. Adjusted assets are calculated as total assets less cash and cash equivalents. The gearing ratios as at 30 June 2012 and as at 30 June 2011 were as follows:

Trilogy Funds Management Limited

Notes to the financial statements

For the year ended 30 June 2012

Note 16 Financial risk management (continued)

(c) Capital management (continued)

	Notes	2012	2011
		\$	\$
Total borrowings	12	1,744,687	2,238,449
Less: Cash and cash equivalents	8	(2,691,317)	(2,140,107)
Net debt		(946,630)	98,342
Total assets		4,310,580	5,210,799
Less: Cash and cash equivalents	8	(2,691,317)	(2,140,107)
Adjusted		1,619,263	3,070,692
Gearing ratio		(58.5%)	(3.2%)

The Company's gearing ratio is low due to cash and cash equivalents being in excess of total borrowings.

AFSL adjusted net tangible asset requirement

It is a requirement of the Company's AFSL that it hold adjusted net tangible assets (NTA) (refer table below) of 0.50% of the value of total funds under management for all MIS for which it acts as Responsible Entity. The amount of this requirement as at 30 June 2012 totalled \$1,048,222 (2011: \$2,276,624).

	Notes	2012	2011
		\$	\$
Adjusted net assets			
Net assets from the Statement of financial position		507,224	496,636
<u>Adjustments:</u>			
Subordinated loan - BMS	12(i)	1,750,000	2,150,000
Other adjustments		(1,746)	(72,609)
Deferred tax assets		(258,922)	(606,537)
Deferred tax liabilities		244,088	591,551
Total adjusted net assets		<u>2,240,644</u>	<u>2,559,041</u>

The Company has maintained sufficient NTA in satisfaction of its AFSL for the year ended 30 June 2012.

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the Company's income or the value of its holdings of financial instruments. Market risk embodies the potential for both loss and gains. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

i. Interest rate risk

The majority of the Company's financial liabilities are interest bearing loans which are subject to variable interest rates. The following table summarises the balances at risk:

	2012	2011
	\$	\$
Loan BESF	-	100,000
Loan BMS	1,750,000	2,150,000
	<u>1,750,000</u>	<u>2,250,000</u>

Trilogy Funds Management Limited

Notes to the financial statements

For the year ended 30 June 2012

Note 18 Financial risk management (continued)

(d) Market risk (continued)

i. Interest rate risk (continued)

The following table provides a sensitivity analysis of a 3.00% p.a. increase/decrease in the interest rate for the above balances at risk at the end of the financial year.

As at 30 June 2012	Profit \$	Equity \$
+ 3% in interest rates	6,273	513,497
- 3% in interest rates	14,903	522,127
As at 30 June 2011		
+ 3% in interest rates	51,138	547,774
- 3% in interest rates	62,234	558,870

ii. Other market risk

The Company is not exposed to other material market risk on its financial assets and liabilities.

(e) Estimation of fair value

The carrying values approximate the value of the Scheme's financial assets and liabilities.

Note 19 Commitments

The Supreme Court of Queensland made a consent order on 9 August 2012 in the matter of APGF Management Limited vs. Vivian Annette Anderson (Chair person elected at a meeting of unitholders on 4 June 2012) that the following costs be paid on the terms stipulated below:

- \$665,278 (representing the balance of an MIS's unsecured facility with its former Responsible Entity) is due and payable by a MIS to APGF Management Limited upon the registration of the Company as Responsible Entity (refer Note 21). It is a condition of the Court Order that no interest be charged provided the Company ensure the payment is made on or before 31 December 2012;
- \$17,474 (representing unpaid management fees to a former Responsible Entity) is due and payable on demand by the MIS to APGF Administration Pty Ltd;
- \$12,913 (representing unpaid property management fees) is due and payable on demand by an MIS to APGF Investment Management Pty Ltd; and
- \$150,000 (representing a portion of the performance fees payable on sale of the property) is due and payable by an MIS to APGF Investment Management Pty Ltd.

In the event the MIS is unable to pay the amounts stated above by the due date, the Company will be liable for these debts.

Note 20 Litigation and contingent liabilities

Litigation involving borrowers of the PFMF

The Responsible Entity of the PFMF is party to litigation with borrowers (Kosho Pty Ltd (Receiver & Manager Appointed) and City Co Pty Ltd (Receiver & Manager Appointed)) alleging it had breached the finance facility agreement or, alternatively, the Trade Practices Act 1974 (Cth). The maximum awardable amount for this contingent liability is estimated to be \$81 million. The Responsible Entity has filed a defence denying liability in respect of this claim in June 2010.

The Responsible Entity's evidence in chief was filed and served on 10 September 2012, the trial commenced on 24 September 2012 and was expected to run for 7 days. On 2 October 2012 the matter was adjourned to 26 November 2012 (for 3 days) by reason of the borrowers' request to tender additional evidence (to which the Responsible Entity objected). The borrowers were ordered to pay the Responsible Entity's costs, fixed at \$24,000, by reason of the adjournment.

Trilogy Funds Management Limited

Notes to the financial statements

For the year ended 30 June 2012

Note 20 Litigation and contingent liabilities (continued)

Litigation involving borrowers of the PFMF (continued)

The Company is also party to other proceedings in its capacity as Responsible Entity for the PFMF, however Directors are not aware of any material liability likely to arise to the Company as a result of litigation matters.

Dispute with borrower

The Company was awarded judgement for unpaid application fees due from a borrower during the year. The borrower subsequently appealed the ruling to the Queensland Court of Appeal, which was unsuccessful. The borrower has since sought leave to appeal to the High Court of Australia for which a decision is pending.

The Company has recently served a bankruptcy notice on the borrower and have received legal advice to the effect that if the bankruptcy action is successful, the borrower will be precluded from pursuing his appeal. The Company is unable to determine the likely amount of the recovery should it be successful in its action.

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party under section 237 of the Act.

Note 21 Events subsequent to reporting date

Proposal to replace LM Investment Management (LM) as Responsible Entity

Subsequent to the end of the reporting period, the Company has issued a Notice of Meeting (NoM) and Explanatory Memorandum (EM) to unitholders in the LM Wholesale First Mortgage Income Fund (FMIF) and the LM Currency Protected Australian Income Fund (CPAIF), following a meeting convened by certain investors in those funds to occur on 1 November 2012 to consider and pass resolutions to replace LM with Trilogy Funds Management Limited as Responsible Entity for the FMIF and the CPAIF.

Appointment as Responsible Entity

A meeting was held on 4 June 2012 and resumed on 14 June 2012, to vote on a resolution to remove APGF Management Limited (APGF) as Responsible Entity of APS Number 21 and APS Number 24 (property syndicates), and replace them with Trilogy Funds Management Limited. Legal proceedings were issued subsequent to the unitholder meeting.

On 9 August 2012 Justice M. Wilson made a consent order that APGF be removed as Responsible Entity, and Trilogy Funds Management Limited be appointed Responsible Entity for the property syndicates subject to the following terms and conditions listed in the Note 19.

On 13 August 2012 the Company was listed on the ASIC register as Responsible Entity for both property syndicates.

The books and records of the Scheme were transferred to the New Responsible Entity on 17 August 2012.

Sale of investment properties

Canberra Property Syndicate (CANPS) and the Canberra Unit Trust (CANUT)

The investment property held by the Canberra Property Syndicate was sold on 12 October 2012. The Responsible Entity will proceed to wind-up the Scheme.

Trilogy Funds Management Limited
Notes to the financial statements
For the year ended 30 June 2012

Note 21 Events subsequent to reporting date

Sale of investment properties (continued)

The Trilogy Healthcare REIT (Crows Nest)

A contract of sale for the Crows Nest property owned by Trilogy Healthcare REIT was signed on 22 October 2012, with settlement scheduled for 30 days after the exchange of contracts. The Responsible Entity will proceed to wind-up the Scheme following the settlement of the property.

Other than the items listed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to affect significantly the operations of the Scheme, the results of those operations, or the state of affairs of the Scheme, in future financial years.

**Trilogy Funds Management Limited
Directors' declaration**

The Directors of Trilogy Funds Management Limited declare that:

- (a) The financial statements and notes, as set out on pages 7 to 30 are in accordance with the Corporations Act 2001, including;
 - (i) giving a true and fair view of the Scheme's financial position as at 30 June 2012 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2011;
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1; and
- (c) There are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolutions of the Directors of the Responsible Entity.



Philip A Ryan
Executive Director
Dated: 31 October 2012
Brisbane



Rodger I Bacon
Executive Deputy Chairman
Dated: 31 October 2012
Brisbane



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INDEPENDENT AUDITOR'S REPORT

To the members of Trilogy Funds Management Limited

Report on the Financial Report

We have audited the accompanying financial report of Trilogy Funds Management Limited, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company.

Directors' Responsibility for the Financial Report

The directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Trilogy Funds Management Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.



Opinion

In our opinion:

- (a) the financial report of Trilogy Funds Management Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

BDO Audit Pty Ltd

BDO
A handwritten signature in black ink, appearing to read 'P A Gallagher', is written over the printed name.

P A Gallagher

Director

Brisbane, 31 October 2012



PACIFIC FIRST MORTGAGE FUND

Interim Financial Report

For the six months ended December 31, 2012

Pacific First Mortgage Fund
(Formerly City Pacific First Mortgage Fund)
ARSN 088 139 477

Pacific First Mortgage Fund

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Pacific First Mortgage Fund

Directors' report

The Directors of Trilogy Funds Management Limited (Responsible Entity), the Responsible Entity of the Pacific First Mortgage Fund (Scheme), present their report together with the financial statements of the Scheme for the six months ended 31 December 2012 and the auditor's report thereon.

Responsible Entity

The Responsible Entity is incorporated and domiciled in Australia. The registered office and principal place of business of the Responsible Entity and the Scheme is:

Brisbane Club Tower
Level 10
241 Adelaide Street, Brisbane, Queensland

Directors

The names of the directors in office at any time during, or since the end of the period are:

Name	Position
Robert M Willcocks	Independent Non-Executive Chairman
Rodger I Bacon	Executive Deputy Chairman
John C Barry	Executive Director
Philip A Ryan	Executive Director and Company Secretary
Rohan C Butcher	Non-Executive Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Review of operations

The net loss attributable to unitholders for the six months ended 31 December 2012, after impairment losses of \$9,218,143 (31 Dec 2011: \$78,058,320) totalled \$6,514,123 (31 Dec 2011: loss \$68,745,917). The impairment losses of \$9,218,143 (31 Dec 2011: \$78,058,320) comprise impairments of interest receivable of \$5,364,289 (31 Dec 2011: \$13,464,457), mortgage loan impairments of \$3,846,001 (31 Dec 2011: \$64,469,873) and investment property impairments of \$7,853 (31 Dec 2011: \$123,990).

The impairment losses relate to an analysis of impaired mortgage loans during the period and at balance date to reflect the fair value of mortgage loans and interest receivable of those loans. These impairment losses represent estimates of losses that may be incurred based on a number of assumptions including amounts that may be received upon repayment or sale of the security properties and the period until funds are returned. In the current economic climate there is uncertainty as to the amount that could be realised on the sale of security properties, and the time it may take to achieve a sale. Accordingly, actual impairment losses incurred may differ significantly from these estimates.

Return of capital to unitholders

The Responsible Entity made a further return of capital to unitholders during the period totalling \$6,593,421 (\$0.0075 per unit) (31 Dec 2011: \$8,844,106).

Finance facility with Commonwealth Bank of Australia ("CBA")

In order to maintain the covenants of the Facility Agreement, the Scheme was required to repay \$9,000,000 during the reporting period. The balance of the facility at 31 December 2012 was \$10,000,000 (30 Jun 2012: \$19,000,000).

Pacific First Mortgage Fund

Directors' report

Events subsequent to the end of the reporting period

Finance facility with CBA

The finance facility with the CBA expired on the 28 February 2013. The Responsible Entity has successfully negotiated a further extension of the facility. The key terms of the extension are as follows:

- payment of a \$100,000 principal reduction;
- expiry 28 August 2013;
- 75% of settlement proceeds to be applied to repayment of the CBA facility;
- suspension of further capital repayments, distributions and redemptions in the absence of CBA's prior written consent: and
- reduction of the CBA facility to \$6,000,000 by 29 March 2013.

Following the above and other principal reductions made by the Responsible Entity, the remaining debt under the CBA facility stands at \$6,642,694 as at the date of this report.

Sale of security

Settlement of a residual security forming part of a mortgage asset has been effected on 28 February 2013. Net proceeds received totalled \$3,716,722 of which \$2,787,541 has been applied to the principal debt pursuant to the CBA finance facility.

Other than the items noted above, there has not arisen in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to affect significantly the operations of the Scheme, the results of those operations, or the state of affairs of the Scheme, in future financial periods.

Auditor's independence declaration

The Auditor's independence declaration is set out on page 3 and forms part of the Directors' report for the six months ended 31 December 2012.

This report is made in accordance with a resolution of the Directors of the Responsible Entity.



Philip A Ryan
Executive Director
Dated: 14 March 2013
Brisbane



Roger I Bacon
Executive Deputy Chairman
Dated: 14 March 2013
Brisbane

**DECLARATION OF INDEPENDENCE BY PAUL GALLAGHER TO THE DIRECTORS OF TRILOGY FUNDS
MANAGEMENT LTD AS RESPONSIBLE ENTITY FOR THE PACIFIC FIRST MORTGAGE FUND**

As lead auditor of Pacific First Mortgage Fund for the half-year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.



PA Gallagher

Director

BDO Audit Pty Ltd

Brisbane, 14 March 2013

Pacific First Mortgage Fund
Interim statement of profit or loss and other comprehensive income
For the six months ended 31 December 2012

	Note	31 Dec 2012	31 Dec 2011
		\$	\$
Revenue and other income			
Interest revenues - mortgage loans		5,364,290	12,765,536
Interest revenue - cash and cash equivalents		118,002	122,624
Fees income - mortgage loans		-	30,257
Rental income		-	3,189
Total revenue and other income		5,482,292	12,921,606
Expenses			
Auditor's remuneration		(79,920)	(78,173)
Direct property expenses and outgoings		-	484
<i>Impairment expense:</i>			
• Trade and other receivables	4	(5,364,289)	(13,464,457)
• Investment property	5	(7,853)	(123,990)
• Investment in financial assets - mortgage loans	6	(3,846,001)	(64,469,873)
Legal fees		(1,297,686)	(23,005)
Other expenses		(283,769)	(195,901)
Responsible Entity management fees	9(a)	(652,429)	(2,082,026)
		(11,531,947)	(80,436,941)
Loss from operating activities before finance costs		(6,049,655)	(67,515,335)
<i>Finance costs:</i>			
• Amortisation of loan transaction costs		(39,589)	(125,343)
• Interest expense		(424,879)	(1,105,239)
		(464,468)	(1,230,582)
Loss attributable to unitholders		(6,514,123)	(68,745,917)
Other comprehensive income:			
Other comprehensive income		-	-
Total comprehensive loss for the period		(6,514,123)	(68,745,917)

The Interim statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes to the financial statements.

Pacific First Mortgage Fund
Interim statement of financial position
As at 31 December 2012

	31 Dec 2012	30 Jun 2012
	\$	\$
Assets		
Cash and cash equivalents	2,790,632	9,527,617
Trade and other receivables	4 17,892	23,430
Mortgage loans	6 111,667,003	126,870,947
Investment property	5 -	217,500
Total assets	114,475,527	136,639,494
Liabilities		
Trade and other payables	845,402	901,826
Borrowings	7 10,000,000	19,000,000
Total liabilities (excluding liabilities attributable to unitholders)	10,845,402	19,901,826
Net assets attributable to unitholders	8 103,630,125	116,737,668
Total liabilities	114,475,527	136,639,494

The Interim statement of financial position is to be read in conjunction with the accompanying notes to the financial statements.

Pacific First Mortgage Fund
Interim statement of cash flows
For the six months ended 31 December 2012

	31 Dec 2012	31 Dec 2011
	\$	\$
Cash flows from operating activities		
Interest received - mortgage loans	-	231,154
Interest received - financial institutions	129,722	102,611
Responsible entity fees and other costs paid	(2,266,788)	(2,836,154)
Borrowing costs paid	(506,954)	(1,402,895)
Net cash provided by/(used in) operating activities	(2,644,020)	(3,905,284)
Cash flows from investing activities		
Mortgage loan funds advanced	(2,094,036)	(7,387,794)
Mortgage loan funds repaid	13,384,845	29,147,621
Acquisition of investment property	-	(3,102)
Proceeds from sale of investment property	209,647	-
Refund of deposit - investment property	-	41,250
Net cash provided by/(used in) investing activities	11,500,456	21,797,975
Cash flows from financing activities		
Repayment of borrowings	(9,000,000)	(2,900,000)
Payments for return of capital	(6,593,421)	(8,844,106)
Payments for redemption of units	-	(500,000)
Net cash provided by/(used in) financing activities	(15,593,421)	(12,244,106)
Net increase/(decrease) in cash held	(6,736,985)	5,648,585
Cash and cash equivalents as at 1 July	9,527,617	1,312,625
Cash and cash equivalents at 31 December	2,790,632	6,961,210

The Interim statement of cash flows is to be read in conjunction with the accompanying notes to the financial statements.

Pacific First Mortgage Fund
Notes to the interim financial statements
For the six months ended 31 December 2012

Note 1 Reporting entity

The Pacific First Mortgage Fund (Scheme) is a registered managed investment scheme under the Corporations Act 2001 (Act). The Scheme was constituted on 23 June 1998 and will terminate on 23 June 2078 unless terminated in accordance with the Constitution. The financial report of the Scheme is for the six months ended 31 December 2012.

The Scheme prepared a consolidated financial report for the year ended 30 June 2012, incorporating its controlled entity. Due to a change in strategy regarding the Scheme's investment property (Refer Note 5), there was no longer a requirement to operate a separate entity. As a result the Responsible Entity, deregistered its controlled entity. The Scheme is no longer required to prepare consolidated financial reports.

Note 2 Basis of preparation

(a) Statement of compliance

The interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 Interim Financial Reporting and the Act.

The interim financial report does not include all of the information required for a full Annual financial report, and should be read in conjunction with the annual financial report of the Scheme as at and for the year ended 30 June 2012.

The interim financial report has been prepared on an accruals basis and is based on historical cost modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(b) Key assumptions and sources of estimation

The preparation of Interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have most significant effect on the amounts recognised are disclosed in:

- Note 3(a): Material uncertainty regarding going concern;
- Note 4: Impairment losses (interest receivable); and
- Note 5: Impairment losses (mortgage loans).

Note 3 Significant accounting policies

The accounting policies and methods of computation applied by the Scheme in this Interim financial report are the same as those applied by the Scheme for the year ended 30 June 2012.

(a) Material uncertainty regarding going concern

The financial report has been prepared on a going concern basis, which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business.

During the six months ended 31 December 2012:

- All parties who had borrowed from the Scheme continue to be unable to repay or refinance existing mortgage loans due for repayment during the period, resulting in expected cash inflows to the Scheme not being received as anticipated;
- City Pacific Limited (Receivers and Managers Appointed) (In Liquidation) (Former Responsible Entity), the former responsible entity of the Scheme, cancelled income distributions to unitholders in July 2008. As a result, no income distributions were paid during the period;
- As disclosed in Notes 4, 5 and 6, the Scheme recognised impairment losses of \$9,218,143 (31 Dec 2011: \$78,058,320);

Pacific First Mortgage Fund
Notes to the interim financial statements
For the six months ended 31 December 2012

Note 3 Significant accounting policies (continued)

(a) Material uncertainty regarding going concern (continued)

- In October 2008 the Former Responsible Entity resolved that the Scheme was a "non-liquid" registered managed investment scheme in accordance with the Scheme's Constitution and the Act. As a result no redemptions were paid by the Scheme to unitholders from this date until the end of the current reporting period;
- Pursuant to the terms of the Scheme's finance facility, \$9,000,000 (31 Dec 2011: \$2,900,000) was repaid during the period. The repayment was required to ensure the Scheme maintained the facility's covenants;
- Return of capital payments totalling \$6,593,421 (30 Jun 2012: \$26,426,561) were repaid to unitholders; and
- Hardship redemptions totalling \$nil (31 Dec 2011: \$500,000) were paid to qualifying applicants.

The Directors of the Responsible Entity have prepared the financial statements on a going concern basis, as it is their intention to:

- Seek an extension to the facility pending the realisation of sufficient cash to repay the residual debt of \$10,000,000 as at the balance date (the extension of the facility until 28 August 2013 has been formalised and the residual debt reduced to \$6,642,694 subsequent to the reporting date, refer Notes 7 and 12);
- Recommence the return of capital payments to unitholders subject to the Scheme having sufficient liquidity;
- Continue to fund the maintenance and improvement (where applicable) of security properties in order to facilitate the sale of completed properties; and
- Continue, subject to market conditions, to dispose of saleable Scheme assets in a timely & structured fashion.

The Responsible Entity has prepared cash flow projections that support the Scheme's ability to meet financial liability repayments, and continue funding the maintenance and improvement (where applicable) of security properties.

To continue as a going concern, it will be necessary for the Scheme to:

- Continue the existing finance arrangements with its financier; and
- Realise sufficient cash funds from the repayment or refinancing of mortgage loans to:
 - Seek an extension to the facility pending the realisation of sufficient cash to repay the residual debt of \$10,000,000 as at the balance date (the extension of the facility until 28 August 2013 has been formalised and the residual debt reduced to \$6,642,694 subsequent to the reporting date, refer Notes 7 and 12);
 - Fund costs associated with the maintenance and improvement (where applicable) of security properties to facilitate their timely realisation;
 - Recommence the return of capital to unitholders; and
 - Fund all other costs associated with the operation of the Scheme.

In the unlikely event of the above matters proving unsuccessful, there exists material uncertainty that may cast significant doubt on the Scheme's ability to continue operating as a going concern. This could result in Scheme having to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts different from those stated in the financial statements. No adjustment for such eventuality has been made in the financial statements due to its unlikelihood in light of the Scheme's current projections.

Pacific First Mortgage Fund
Notes to the interim financial statements
For the six months ended 31 December 2012

Note 4 Trade and other receivables

	31 Dec 2012	30 Jun 2012
	\$	\$
Interest receivable - mortgages	93,735,841	118,760,876
Impairment losses	(93,735,841)	(118,760,876)
	-	-
Interest receivable - financial institutions	7,007	18,726
Other receivables	10,885	4,704
	<u>17,892</u>	<u>23,430</u>

(a) Impaired receivables

At 31 December 2012, as part of the annual balance date review procedures the Scheme recorded impairment losses in respect of interest receivable of \$5,364,289 (30 Jun 2012: \$23,701,366) for the period. During the period the repayment of 6 (30 Jun 2012: 9) mortgage loans resulted in realised impairment losses of \$30,389,324 (30 Jun 2012: \$29,965,178) in respect of interest receivable.

Movement in the provision for impairment of receivables is as follows:

	Opening balance \$	Charge for the period \$	Amounts written off \$	Closing balance \$
31 Dec 2012				
Interest receivables - mortgages	118,760,876	5,364,289	(30,389,324)	93,735,841
	<u>118,760,876</u>	<u>5,364,289</u>	<u>(30,389,324)</u>	<u>93,735,841</u>
30 Jun 2012				
Interest receivables - mortgages	125,024,688	23,701,366	(29,965,178)	118,760,876
	<u>125,024,688</u>	<u>23,701,366</u>	<u>(29,965,178)</u>	<u>118,760,876</u>

In assessing whether interest receivable may be impaired, the Responsible Entity's considerations included but were not limited to:

- Valuations of security properties completed by registered valuer listed on the Scheme's panel;
- Appraisals from real estate agents;
- Actual sale prices realised on completed projects;
- Recent offers to purchase security properties arising out of marketing campaigns;
- Current market conditions as at 31 December 2012;
- Status of individual loans; and
- Estimated time to realise mortgage loans and interest receivable.

These impairment losses represent estimates of losses that may be incurred based on a number of assumptions including amounts that may be received upon repayment of the loan or sale of the security property and the period in which funds are returned. In the current economic conditions there is uncertainty as to the amount that could be realised on the sale of security properties, and the time it may take to achieve a sale. Accordingly, actual impairment losses may differ significantly from these estimates.

The Responsible Entity considers that, based on evidence available as at 31 December 2012, the net impaired interest on remaining mortgage loans should be recovered in full and accordingly no further impairment losses have been recorded.

Property markets

The ongoing volatility in Australia's property markets may negatively impact asset values in the future, however, these financial statements set out the financial position as at the reporting date based on available evidence and accounting estimates.

It is common knowledge that the property market throughout Australia and particularly in south east Queensland has been very difficult in recent times and particularly over the past 4 years.

Pacific First Mortgage Fund
Notes to the interim financial statements
For the six months ended 31 December 2012

Note 4 Trade and other receivables (continued)

(a) Impaired receivables (continued)

Property markets (continued)

In the case of undeveloped land (rural or urban) and finished apartment buildings, there has been extraordinary weakness and very low transaction volumes, with some transactions exhibiting severely distressed sale values.

In carrying out the duties of Directors of the Responsible Entity under the Act, it is necessary to form a view of the value of the assets of the Scheme, and to increase the impairment provisions where the Directors consider that would be a prudent course when reporting to unitholders.

In this process the Directors seek and obtain the views of the Investment Manager of the Scheme (Balmain Trilogy Investment Management Pty Ltd) as it is they who have a good understanding of such assets and the markets in which they may be transacted.

These views take into account the plans for orderly realisation of assets and the stated policy of 'no fire sales of assets'.

On a regular basis or when circumstances are deemed to require it, the Directors also seek independent professional valuation reports to assist in forming their views on the fair values of the relevant assets. However, it must be recognised that establishing values in market conditions such as have prevailed in the last year can be a very difficult exercise. This is especially so if the assets are unusual or unique, such as those assets secured by property at Martha Cove.

Note 5 Investment property

	31 Dec 2012	30 Jun 2012
	\$	\$
Balance as at 1 July	217,500	511,159
Acquisitions - management rights	3,500	-
Less: Impairment losses - management rights	(3,500)	(27,807)
Refund of deposit	-	(16,500)
Acquisitions - residential apartment	520	642
Sale - residential apartment	(213,667)	-
Less: Impairment losses - residential apartment	(4,353)	(96,182)
Refund of deposit	-	(24,750)
Balance as at 31 December	<u>-</u>	<u>346,562</u>

The Investment Manager recommended that the Scheme acquire a residential apartment with a strategy to gradually gain control over the entire complex (in which the Scheme held a number of apartments as security for a mortgage loan) with the intention of capitalising on the potential development opportunity presented by the site, in order to maximise the recovery to unitholders. The Scheme paid a deposit to acquire an additional apartment, as well as the management rights over the entire complex.

Subsequent to the proposed acquisition of the additional apartment and the management rights, the south east Queensland property market experienced further significant deterioration, which no longer made the Investment Manager's strategy feasible. As a consequence, the apartment held by the Scheme was placed on the open market and sold, with settlement occurring on 17 September 2012. The planned acquisition of the additional apartment and management rights were aborted and the deposit monies returned to the Scheme.

Pacific First Mortgage Fund
Notes to the interim financial statements
For the six months ended 31 December 2012

Note 6 Investment in financial assets

	31 Dec 2012	30 Jun 2012
Mortgage loans	\$	\$
<i>Held directly:</i>		
Mortgage loans (i)	390,393,338	542,722,310
Impairment losses	<u>(278,726,335)</u>	<u>(415,851,363)</u>
	<u>111,667,003</u>	<u>126,870,947</u>
<i>Maturity analysis</i>		
Not longer than 3 months	390,393,338	542,722,310
Longer than 3 months but less than 12 months	-	-
Total mortgage loans before impairment	<u>390,393,338</u>	<u>542,722,310</u>

(i) All loans are secured by registered first and second mortgages and secured over real property in Australia.

As at 31 December 2012, as part of the balance date review procedures, the Scheme recorded impairment losses in respect of mortgage loans of \$3,846,001 (30 Jun 2012: \$120,231,589) for the period. During the period, 6 mortgage loans (30 Jun 2012: 9) were repaid in full or in part from the sale of underlying security properties or refinance, resulting in realised impairment losses of \$140,971,029 (30 Jun 2012: \$71,954,721) in respect of mortgage loans.

Movement in the provision for impairment of mortgage loans is as follows:

	Opening balance \$	Charge for the year \$	Amounts written off \$	Closing balance \$
31 Dec 2012				
Mortgage loans	415,851,363	3,846,001	(140,971,029)	278,726,335
	<u>415,851,363</u>	<u>3,846,001</u>	<u>(140,971,029)</u>	<u>278,726,335</u>
30 Jun 2012				
Mortgage loans	367,574,495	120,231,589	(71,954,721)	415,851,363
	<u>367,574,495</u>	<u>120,231,589</u>	<u>(71,954,721)</u>	<u>415,851,363</u>

(a) Impaired mortgage loans

In assessing whether mortgage loans may be impaired, the Responsible Entity considerations included but were not limited to:

- Valuations of security properties completed by registered valuers listed on the Scheme's panel;
- Appraisals from real estate agents;
- Actual sale prices realised on completed projects;
- Recent offers to purchase security properties arising out of marketing campaigns;
- Current market conditions as at 31 December 2012;
- Status of individual loans; and
- Estimated time to realise mortgage loans and interest receivable.

The provision for impairment losses represents estimates of losses that may be incurred based on a number of assumptions, including amounts that may be received upon repayment of the loan or sale of the security property and the period in which funds are recovered. In the current economic conditions there is uncertainty as to the amount that could be realised on the sale of security properties, and the time it may take to achieve a sale. Accordingly, actual impairment losses incurred may differ significantly from these estimates.

The Responsible Entity considers that, based on evidence available as at 31 December 2012, and subject to market conditions, all unimpaired principal on remaining mortgage loans should be recovered in full and accordingly no further impairment losses have been recorded.

Pacific First Mortgage Fund
Notes to the interim financial statements
For the six months ended 31 December 2012

Note 6 Investment in financial assets (continued)

(a) Impaired mortgage loans (continued)

Property markets

The ongoing volatility in Australia's property markets may negatively impact asset values in the future, however, these financial statements set out the financial position as at the reporting date based on available evidence and accounting estimates.

It is common knowledge that the property market throughout Australia and particularly in south east Queensland has been very difficult in recent times and particularly over the past 4 years.

In the case of undeveloped land or finished apartments, there has been extraordinary weakness and very low transaction volumes, some transactions have exhibited the characteristics of very distressed sale values.

In carrying out the duties of Directors of the Responsible Entity under the Act, it is necessary to form a view of the value of the assets of the Scheme, and to increase the impairment provisions where the Directors consider that would be a prudent course when reporting to unitholders.

In this process the Directors seek and obtain the views of the Investment Manager of the Scheme as it is they who possess a good understanding of such assets and the markets in which they may be transacted.

These views take into account the plans for orderly realisation of assets and the stated policy of 'no fire sales of assets'.

On a regular basis or when circumstances are deemed to require it, the Directors also seek independent professional valuation reports to assist in forming their views on the fair values of the relevant assets. However, it must be recognised that establishing values in market conditions such as have prevailed in the last year can be a very difficult exercise. This is especially so if the assets are unusual or unique, such as those assets secured by property at Martha Cove.

Note 7 Borrowings

	31 Dec 2012	30 Jun 2012
Finance facility (Commercial bills)	\$	\$
Multi option facility	10,000,000	19,000,000
	10,000,000	19,000,000

The details of borrowings as at 31 December 2012 are set out below:

Facility	Secured	Maturity date	Facility 31 Dec 2012	Utilised 31 Dec 2012	Facility 30 Jun 2012	Utilised 30 Jun 2012
			\$	\$	\$	\$
Multi option facility	Yes	28/02/2013	10,000,000	10,000,000	19,000,000	19,000,000
Total borrowings				10,000,000		19,000,000

The facility is secured by a fixed and floating charge over the assets of the Scheme, providing the financier with first priority over Scheme assets. The interest charged on the facility is variable and is 5.66% p.a. (30 Jun 2012: 6.13% p.a.) at 31 December 2012. The rate includes a margin of 2.50% p.a. (30 Jun 2012: 2.50% p.a.). Principal reductions to the loan have been made as required during the period to maintain the facilities loan covenants.

Pacific First Mortgage Fund
Notes to the interim financial statements
For the six months ended 31 December 2012

Note 8 Net asset value per unit

	31 Dec 2012			30 Jun 2012		
	Ordinary units	Contributed Capital	Accumulated Profit	Ordinary units	Contributed Capital	Accumulated Profit
	No	\$	\$	No	\$	\$
Balance at the beginning of the reporting period	879,122,759	814,005,922	116,737,668	884,410,563	841,688,392	273,205,601
<i>Units issued:</i>						
Units redeemed	-	-	-	(5,287,804)	(1,255,909)	(1,255,909)
Return of capital	-	(6,593,421)	(6,593,421)	-	(26,426,561)	(26,426,561)
Total						
comprehensive income for the year	-	-	(6,514,123)	-	-	(128,785,463)
Balance at the end of the reporting period	879,122,759	807,412,501	103,630,125	879,122,759	814,005,922	116,737,668

The net asset value per unit are:

Cents per unit as at 30 June 2012	0.13
Cents per unit as at 31 December 2012	0.12

Units in the Scheme entitle the unitholder to participate in distributions and proceeds on the winding up of the Scheme in proportion to the number of units held.

On a show of hands each unitholder present at a meeting in person or by proxy is entitled to one vote, and on a poll each member has one vote for each dollar of the value of the total units they have in the Scheme.

Note 9 Related party transactions

(a) Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with the Responsible Entity:

	31 Dec 2012	31 Dec 2011
<i>Transactions recorded in the Interim statement of profit or loss and other</i>		
<i>i. comprehensive income</i>	\$	\$
Responsible Entity management fees paid (i)	(511,620)	(713,684)
Responsible Entity management fees payable (i)	(140,809)	(1,368,342)
	(652,429)	(2,082,026)
Expenses reimbursed (ii)	(3,949)	(35)
	(656,378)	(2,082,061)
<i>ii. Balances recorded in the Interim statement of financial position</i>		
	31 Dec 2012	30 Jun 2012
	\$	\$
Responsible Entity management fees payable (iii)	(140,809)	(1,368,342)
	(140,809)	(1,368,342)

(i) The Responsible Entity is entitled to a management fee of 1.50% p.a. (plus GST less RITC). These fees are calculated on the total gross asset value of the Scheme. The Responsible Entity has waived a portion of its management fee during the period in line with its commitment to return \$0.04 per unit to unitholders in April 2011 and a further \$0.04 per unit in October 2011. The Responsible Entity has excluded the unpaid portion of the scheduled capital repayments from the gross asset value of the Scheme for purposes of calculating the management fee;

Pacific First Mortgage Fund
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For the six months ended 31 December 2012

Note 9 Related party transactions (continued)

(a) Transactions with related parties (continued):

(ii) The Responsible Entity incurs costs on behalf of the Scheme for which it is reimbursed; and

(iii) Due to the delay in a number of asset sales that were due to occur during the previous financial year, the Responsible Entity agreed to defer the payment of its management fee for the period 1 September 2011 to 31 December 2011.

Related party transactions

All transactions with related parties are conducted on normal commercial terms and conditions. There have been no guarantees provided or received for any related party receivables.

(b) Units in the Scheme held by other related parties

As at 31 December 2012 no Directors of the Responsible Entity held units in the Scheme (30 Jun 2012: nil).

Note 10 Financial risk management

The Scheme's financial risk management objectives and policies are consistent with those disclosed in the Annual financial report as at and for the year ended 30 June 2012.

(a) Credit risk

Loans secured by property at Martha Cove

As at 31 December 2012, the Scheme had the following mortgage loans and interest receivable, after impairment losses, secured by registered first and second mortgages over land situated at Martha Cove, Victoria. The recoverability of these loans is supported by independent valuations from registered panel valuers, appraisals from real estate agents, actual sales prices realised and estimates from management in relation to the fair value of the security property on an orderly realisation basis.

Marina Cove Pty Limited (Receivers and Managers Appointed) (in Liquidation) (Marina Cove) is a 100% owned entity by CP1 Limited (Receiver Appointed) (in Liquidation) (CP1 Limited) and the owner of various property holdings at Martha Cove, which comprises the security for the Scheme's mortgage loans and interest receivable noted above. In addition to Marina Cove there are several other property owners with land holdings at Martha Cove, some of which having sourced financing from other financiers and provided mortgage security over same.

CP1 Limited, Marina Cove Pty Limited and certain other development companies holding the Scheme's mortgage security assets at Martha Cove are in breach of the finance facilities provided by the Scheme and/or other financiers and have been placed under external administration as a result.

The properties located at Martha Cove are held in structures that are both cumbersome and complex in nature and, in some instances, involve the interests of other financiers, as well as the Scheme. Given the complex nature of the Scheme's exposure at Martha Cove (which is comprised of 9 separate precincts and over 123 allotments, the Responsible Entity undertook an international expressions of interest (EOI) campaign in October 2011. The portfolio was offered on an open basis, giving the option of acquiring any, some or all of the constituent precincts. This strategy was aimed at generating interest from as broad a spectrum of potential purchasers as possible and fostering competitive tension among them to increase the prospects of a reasonable recovery to unitholders. Several potential purchasers have indicated their interest in purchasing the selected precincts. Negotiations continue with these short-listed parties to procure an offer that the Responsible Entity considers to be in the best interests of the unitholders.

The adopted carrying value of the Martha Cove securities as at 31 December 2012 is reflective of the interest received to date and subsequent to the end of the reporting period (including the time value of money, costs to hold and realise the portfolio). The terms and conditions of these offers have not been disclosed as they are commercially sensitive and subject to further negotiations with the various parties.

Pacific First Mortgage Fund
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Note 11 Litigation and contingent liabilities

Kosho & City Co

The Responsible Entity of the Scheme is party to litigation with a borrower (Kosho Pty Ltd (Receiver & Manager Appointed)) and third party mortgagor (City Co Pty Ltd (Receiver & Manager Appointed)) alleging the Responsible Entity breached the finance facility agreement between it and Kosho or, alternatively, the Trade Practices Act 1974 (Cth). The maximum awardable amount for this contingent liability is estimated to be \$81 million. The Responsible Entity filed a defence denying liability in respect of this claim in June 2010.

Trial commenced in the Supreme Court of Queensland on 24 September 2012 and on 2 October 2012 was adjourned to 26 November 2012 for 2 additional days, culminating with the Responsible Entity putting forth its case. The Responsible Entity filed and served its written submissions on 7 December 2012 and on 20 February 2013 filed written submissions in reply to those filed by the Kosho interests.

The parties' closing oral submissions were listed to be heard by Justice Applegarth on 2 March 2013 but were adjourned to 28 March 2013 at the request of the Kosho parties and notwithstanding the Responsible Entity's objection to that adjournment.

Although difficult to predict in the absence of any indication by the Court, judgment may be handed down in the period June to August 2013.

Federal Court proceedings against former CPL directors and officers

The Responsible Entity is pursuing a claim against Messrs Philip Sullivan, Thomas Swan, Stephen McCormick and Ian Donaldson, former credit committee members and directors of the Former Responsible Entity, in the Federal Court of Australia.

The \$60 million claim was filed on 27 April 2012 and alleges breaches by the former directors and officers of their statutory duties under the Act. At the centre of the claim are loans provided by the Former Responsible Entity to borrowing entities Bullish Bear Holdings Pty Ltd (Receiver and Manager Appointed) and Atkinson Gore Agricultural Pty Ltd (Receivers and Managers Appointed) (In Liquidation) between 2006 and 2009, which resulted in substantial losses to the Scheme.

In September 2012 Mr McCormick (third respondent, first cross-claimant) lodged an application to have his cross claim determined in full prior and separately to the hearing of the Responsible Entity's claim. Mr McCormick's motion, which the Responsible Entity opposed, claimed that he ought to be indemnified by the Responsible Entity for legal costs he incurred in defending its claim against him, at least until the claim is determined.

On 26 February 2013 Mr McCormick's application was dismissed by Justice Emmett, who ordered Mr McCormick to pay the Responsible Entity's legal costs pertaining to that application. Following the Court's dismissal of the application, a trial date may be allocated at the upcoming directions hearing on Thursday, 14 March 2013, subject to:

- (i) a further application which may be brought by the defendants to have the proceedings moved to the Supreme Court of Queensland (and heard together with another action); and
- (ii) the schedule and convenience of the Court, particularly given that a trial judge has not yet been appointed in Justice Emmett's place following his appointment to the NSW Court of Appeal effective 7 March 2013.

The Directors are not aware of any material liability likely to arise to the Scheme as a result of litigation matters.

Pacific First Mortgage Fund
Notes to the interim financial statements
For the six months ended 31 December 2012

Note 12 Events subsequent to reporting date

Finance facility with CBA

The finance facility with the CBA expired on the 28 February 2013. The Responsible Entity has successfully negotiated a further extension of the facility. The key terms of the extension are as follows;

- payment of a \$100,000 principal reduction;
- expiry 28 August 2013;
- 75% of settlement proceeds to be applied to repayment of the CBA facility;
- suspension of further capital repayments, distributions and redemptions in the absence of CBA's prior written consent: and
- reduction of the CBA facility to \$6,000,000 by 29 March 2013.

Following the above and other principal reductions made by the Responsible Entity, the remaining debt under the CBA facility stands at \$6,642,694 as at the date of this report.

Sale of security

Settlement of a residual security forming part of a mortgage asset has been effected on 28 February 2013. Net proceeds received totalled \$3,716,722 of which \$2,787,541 has been applied to the principal debt pursuant to the CBA finance facility.

Other than the items noted above, there has not arisen in the interval between the end of the reporting period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to affect significantly the operations of the Scheme, the results of those operations, or the state of affairs of the Scheme, in future financial periods.

Pacific First Mortgage Fund
Directors' declaration

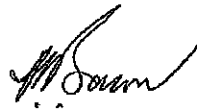
In the opinion of the Directors of Trilogy Funds Management Limited, the Responsible Entity of Pacific First Mortgage Fund (Scheme):

- (a) The attached financial statements and notes, as set out on pages 4 to 16, are in accordance with the Corporations Act 2001 (the Act), including;
- (i) giving a true and fair view of the Scheme's financial position as at 31 December 2012 and of its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Philip A Ryan
Executive Director
Dated: 14 March 2013
Brisbane



Rodger I Bacon
Executive Deputy Chairman
Dated: 14 March 2013
Brisbane

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Unitholders of the Pacific First Mortgage Fund

We have reviewed the accompanying half-year financial report of the Pacific First Mortgage Fund, which comprises the statement of financial position as at 31 December 2012, the statement of profit or loss and other comprehensive income, statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors of the Responsible Entity's Responsibility for the Half-Year Financial Report

The directors of the responsible entity of the Pacific First Mortgage Fund are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the responsible entity determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the disclosing entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Pacific First Mortgage Fund, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the responsible entity, would be in the same terms if given to the directors of the responsible entity as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Pacific First Mortgage Fund is not in accordance with the *Corporations Act 2001* including:

- A. giving a true and fair view of the disclosing entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- B. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter - Material Uncertainty Regarding Recoverability of Loans and Receivables

Without modifying the above conclusion, we draw attention to Note 6 of the half-year financial report, which indicates the scheme has loans and receivables with a carrying value of \$111,667,004 (30 June 2012: \$126,870,947). The ability of the Pacific First Mortgage Fund to recover from borrowers is dependent upon normal debt and property markets prevailing and the scheme achieving the desired exit strategies that will allow recovery of the loans and receivables. Note 6(b) identifies that whilst an impairment assessment was performed by the directors of the responsible entity as at 31 December 2012 for loans and receivables based on independent valuations or other information that represents the recoverable amount and an impairment loss recognised, loans and receivables could be realised for values either above or below the recoverable amounts used in the impairment assessment. Should the loans and receivables be realised at a value below the recoverable amounts used in the impairment assessment and/or adverse changes occur, further impairment losses could arise in a short period of time. Should either normal property and debt markets not prevail after 31 December 2012 or the scheme be unable to achieve the desired exit strategies that will allow recovery of the past due loans and receivables, then the carrying value of the past due loans and receivables may not be recoverable. No adjustments have been made to the carrying values of past due loans and receivables should the desired exit strategies not be achieved.

Emphasis of Matter - Material Uncertainty Regarding Continuation as a Going Concern

Without modifying the above conclusion, we draw attention to Note 3(a) Going Concern to the half-year financial report which indicates that the ability of the Fund to continue as a going concern is dependent upon the continuation of the existing finance arrangement, realising sufficient cash funding from the repayment or refinancing of existing mortgage loans of the Fund, provide funding for the ongoing business operations including the maintenance and improvement of security properties, and other operational costs of the Fund, and to recommence the return of capital payments to unit-holders. Due to the matters set out in Note 3(a) Going Concern, a material uncertainty exists which casts significant doubt about the Fund's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the ordinary course of business and at the amounts stated in the financial report. No adjustments have been made to the carrying value of assets or recorded amount of liabilities in the Fund should the Fund not continue as a going concern.

BDO Audit Pty Ltd



PA Gallagher

Director

Brisbane, 14 March 2013

pfmf

PACIFIC FIRST MORTGAGE FUND

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