

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**

AFFIDAVIT

I, MICHAEL JAMES BALTINS of Level 23, Governor Macquarie Tower, 1 Farrer Place,
Sydney NSW 2000, affirm:

1. I am a law graduate employed by Piper Alderman, the solicitors for the Applicants in these proceedings.
2. I make this affidavit based on my own knowledge or from my review of the relevant documents referred to herein.
3. Exhibited to me at the time of swearing this affidavit is a bundle of documents marked "MJB-1" (the **Exhibit**). References in this affidavit to page numbers are references to page numbers of the Exhibit.

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Signed: 

**AFFIDAVIT OF MICHAEL
JAMES BALTINS**

Taken by:

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. Between 23 April 2013 and 2 May 2013 I received documents entitled "Indication of Support" from a number of the members of the LM First Mortgage Income Fund ARSN 089 343 288 (the **LM FMIF**) or the LM Currency Protected Australian Income Fund (**LM CPIF**) in relation to the orders sought in the Originating Application in these proceedings dated 15 April 2013 (the **Originating Application**). Copies of the Indications of Support (collectively, the **Indications of Support**) are contained at pages 1 to 100 of the Exhibit.
5. At pages 101 to 166 of the Exhibit is a schedule prepared by Piper Alderman containing information in respect of all of the members of the LM FMIF (the **LM FMIF Register**). Each time that I received an Indication of Support from, or on behalf of, a member of the LM FMIF, I caused an entry to be made in the LM FMIF Register in the column headed "Support Trilogy?". In that column I recorded whether that member supported the orders sought in the Originating Application.
6. Between 23 April 2013 and 2 May 2013 I also received telephone calls from a number of the members of the LM FMIF in relation to these proceedings. Each time that I received a telephone call from, or on behalf of, a member of the LM FMIF, I said words to the effect of:

"Do you support the application to appoint Trilogy as the temporary Responsible Entity of the LM First Mortgage Income Fund?"

7. In each case the member, or the person speaking on behalf of the member, replied in words to the effect of either "yes", "no" following which I caused a corresponding entry to be made in the LM FMIF Register in the column headed "Support Trilogy?".
8. At pages 167 to 200 of the Exhibit is a schedule prepared by Piper Alderman containing information in respect of all of the members of the LM CPIF (the **LM CPIF Register**). Each time that I received an Indication of Support from, or on behalf of, a member of the LM CPIF, I caused an entry to be made in the LM CPIF Register in the column headed "Support Trilogy?" recording whether that member supported the orders sought in the Originating Application.



9. At page 201 of the Exhibit is a schedule prepared by Piper Alderman summarising the support of the members of the LM FMIF for the orders sought in the Originating Application, by number of units held directly or indirectly in the LM FMIF. For the purposes of the members of the LM CPIF, I have recorded the support as a proportion of the units held in the LM CPIF. By way of example, approximately 12.81% of the members of LM CPIF by value support the orders sought in the Originating Application. As the funds invested by the LM CPIF into the LM FMIF comprise approximately 23.42% of the total interests held in the LM FMIF, the support of the members of the LM CPIF equates in value to approximately 3.00% of the total interests held in the LM FMIF.

SWORN by MICHAEL JAMES BALTINS on ____ May 2013 in Sydney, Australia in the Presence of:



Deponent



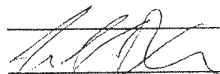
Witness

Name:

Solicitor/Justice of the Peace

I, William Ronald Fitzroy Ashman Nolan, Solicitor, Prac Cert No 53961, certify the following matters concerning the making of this statutory declaration/ affidavit by the person who made it:

1. I saw the face of the person/ I did not see the face of the person because the person was wearing a face covering, but I am satisfied that the person had a special justification for not removing the covering.
2. I have known the person for at least 12 months/ I have not known the person for at least 12 months, but I have confirmed the person's identity using an identification document and the document I relied on was:

 (sgd) Date: 6 / 5 / 2013

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461, IN ITS CAPACITY AS RESPONSIBLE ENTITY
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AND

Second Respondent:

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

EXHIBIT "MJB-1"

Bound and marked "MJB-1" is the Exhibit to the Affidavit of **MICHAEL JAMES BALTINS** sworn
on 3 May 2013.



Solicitor



Deponent

- I, **William Ronald Fitzroy Ashman Nolan**, Solicitor, Prac Cert No 53961, certify the following matters concerning the making of this statutory declaration/ affidavit by the person who made it:
1. I saw the face of the person/ I did not see the face of the person because the person was wearing a face covering, but I am satisfied that the person had a special justification for not removing the covering.
 2. I have known the person for at least 12 months/ I have not known the person for at least 12 months, but I have confirmed the person's identity using an identification document and the document I relied on was:



(Signed) Date: 6/5/2013

CERTIFICATE OF EXHIBIT

Filed on Behalf of the Applicants

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

Ref: AB:WN.384115
Phone No: +61 2 9253 9999
Fax No: +61 2 9253 9900