

Information Memorandum



**Centuria Funds Management Limited
(ACN 607 153 588) as trustee of the
Centuria Capital No. 2 Fund
(ABN 24 858 616 727)
(Issuer)**

**Issue of Australian Dollar A\$35,000,000 Floating Rate Secured Notes due 21
April 2023 and A\$45,000,000 6.50% Fixed Rate Secured Notes due 21 April
2023**

irrevocably and unconditionally guaranteed by

**Centuria Capital Limited
(ABN 22 095 454 336)
(Unsecured Guarantor)**

irrevocably and unconditionally guaranteed, and secured, by

the Issuer

**Centuria Investment Holdings Pty Limited
(ABN 78 116 455 862)
as trustee of the
Centuria Capital No. 2 Office Fund
(ABN 62 172 815 196)**

**Centuria Investment Holdings Pty Limited
(ABN 78 116 455 862)
as trustee of the
Centuria Capital No. 2 Industrial Fund
(ABN 68 722 110 157)**

(Secured Guarantors)

**Sole Lead Manager and Initial Subscriber
National Australia Bank Limited
(ABN 12 004 044 937)**

**Co-Manager
Centuria Funds Management Limited
(ACN 607 153 588)**

**Co-Manager
Shaw and Partners Limited
(ABN 24 003 221 583)**

The date of this Information Memorandum is 11 October 2018

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Important Notice

Introduction

This Information Memorandum relates to an issue of A\$35,000,000 floating rate secured notes due 21 April 2023 and A\$45,000,000 6.50% fixed rate secured notes due 21 April 2023 (the **Notes**) by Centuria Funds Management Limited (ACN 607 153 588) as trustee of the Centuria Capital No. 2 Fund (ABN 24 858 616 727) (the **Issuer**).

The Notes are unconditionally and irrevocably guaranteed by Centuria Capital Limited (ABN 22 095 454 336) (the **Unsecured Guarantor**) pursuant to the guarantee (the **Guarantee**) set out in the security trust deed dated 5 April 2017 (the **Security Trust Deed**) between, among others, the Issuer, the Unsecured Guarantor and P.T. Limited (ABN 67 004 454 666) (the **Security Trustee**).

The Notes have the benefit of the Security (as described below) and granted by each of the Issuer, Centuria Investment Holdings Pty Limited (ABN 78 116 455 862) as trustee of the Centuria Capital No. 2 Office Fund (ABN 62 172 815 196) and Centuria Investment Holdings Pty Limited (ABN 78 116 455 862) as trustee of the Centuria Capital No. 2 Industrial Fund (ABN 68 722 110 157) (together the **Secured Guarantors** and together with the Unsecured Guarantor, the **Initial Guarantors**). The Terms and Conditions (as defined below) provide that in certain circumstances additional entities may accede to the Finance Documents (as defined in the Terms and Conditions) to become additional Secured Guarantors (such entities together with the Initial Guarantors, the **Guarantors**).

The Issuer has appointed National Australia Bank Limited (ABN 12 004 044 937) as Sole Lead Manager (the **Sole Lead Manager**) and as Initial Subscriber (the **Initial Subscriber**) and each of Centuria Funds Management Limited (ACN 607 153 588) and Shaw and Partners Limited (ABN 24 003 221 583) as a Co-Manager (each a **Co-Manager** and together, the **Co-Managers**) (the Sole Lead Manager, Initial Subscriber and Co-Managers each a **Manager** and together, the **Managers**) in respect of the Notes to be issued.

References to the **Information Memorandum** are to this Information Memorandum and any other document incorporated by reference in the section entitled "*The Issuer and the Guarantors*" below collectively and to any of such documents individually.

Prospective investors should read this Information Memorandum carefully prior to making any decision in relation to purchasing, subscribing for or investing in the Notes.

Issuer's responsibility

This Information Memorandum has been prepared and issued by the Issuer and each Initial Guarantor. The Issuer and each Initial Guarantor accepts responsibility for the information contained in this Information Memorandum other than information provided by the Sole Lead Manager and Initial Subscriber, the Co-Managers, the Note Trustee, the Security Trustee and the Agents (each as defined in the section of this Information Memorandum entitled "*Summary*" below) in relation to their respective details in the sections of this Information Memorandum entitled "*Summary*" and "*Directory*" below.

Place of issuance

Subject to all applicable laws and directives, the Issuer will only offer and issue Notes in Australia and New Zealand.

Terms and conditions of issue

The Notes will be issued under the note trust deed dated 5 April 2017 (the **Note Trust Deed**) between the Issuer and Perpetual Corporate Trust Limited (ABN 99 000 341 533) (the **Note Trustee**) and will comprise several tranches (each issue being a **Tranche**).

A pricing supplement (**Pricing Supplement**) will be issued for each Tranche of Notes in substantially the same form as set out in this Information Memorandum. Each Pricing Supplement will contain details of the initial aggregate principal amount, issue price, issue date, maturity date, details of interest payable (if any) together with any other terms and conditions not set out in the

section of this Information Memorandum entitled “*Terms and Conditions*” below that may be applicable to the Notes. The terms and conditions (the **Terms and Conditions**) applicable to the Notes are included in this Information Memorandum and may be supplemented, amended, modified or replaced by a Pricing Supplement.

Each Pricing Supplement or another supplement to this Information Memorandum may also supplement, amend, modify or replace any statement or information incorporated by reference in this Information Memorandum or a supplement to this Information Memorandum.

No independent verification

The only role of the Sole Lead Manager, the Initial Subscriber, the Co-Managers, the Note Trustee, the Security Trustee and the Agents in the preparation of this Information Memorandum has been to confirm to the Issuer and to each Initial Guarantor that their respective details in the section of this Information Memorandum entitled “*Summary*” and “*Directory*” below are accurate as at the Preparation Date (as defined below).

Apart from the foregoing, none of the Sole Lead Manager, the Initial Subscriber, the Co-Managers, the Note Trustee, the Security Trustee and the Agents have independently verified the information contained in this Information Memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is made, and no responsibility is accepted, by any of them, as to the accuracy or completeness of this Information Memorandum or any further information supplied by the Issuer in connection with the Notes.

The Sole Lead Manager and the Initial Subscriber, the Co-Managers, the Note Trustee, the Security Trustee and the Agents expressly do not undertake to any holder of a Note to review the financial condition or affairs of the Issuer, the Guarantors or any of their affiliates at any time or to advise any holder of a Note of any information coming to their attention with respect to the Issuer or a Guarantor and make no representations as to the ability of the Issuer or a Guarantor to comply with their respective obligations under the Notes.

Intending purchasers to make independent investment decision and obtain tax advice

This document contains only summary information concerning the Issuer, the Initial Guarantors and the Notes and should be read in conjunction with all of the documents which are deemed to be incorporated by reference herein. The information contained in this Information Memorandum is not intended to provide the basis of any credit or other evaluation in respect of the Issuer, any Guarantor, any of their respective affiliates or any Notes and should not be considered or relied on as a recommendation or a statement of opinion (or a representation or report of either of those things) by any of the Issuer, any Initial Guarantor, the Sole Lead Manager, the Initial Subscriber, the Co-Manager, the Note Trustee, the Security Trustee or the Agents that any recipient of this Information Memorandum should subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes.

Each investor contemplating subscribing for, purchasing or otherwise dealing in any Notes or any rights in respect of any Notes should:

- make and rely upon (and shall be taken to have made and relied upon) its own independent investigation of the financial condition and affairs of, and its own appraisal of the creditworthiness of, the Issuer, the Initial Guarantors, any of their respective affiliates and the Notes;
- determine for themselves the relevance of the information contained in this Information Memorandum, and must base their investment decision solely upon their independent assessment and such investigations as they consider necessary; and
- consult their own tax advisers concerning the application of any tax (including stamp duty) laws applicable to their particular situation.

No advice is given in respect of the legal or taxation treatment of investors or purchasers in connection with an investment in any Notes or rights in respect of them and each investor should consult their own professional adviser.

This Information Memorandum does not comprehensively describe the risks of an investment in any Notes. Prospective investors should consult their own professional, financial, legal and tax advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.

No offer

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, any Initial Guarantor, the Sole Lead Manager, the Initial Subscriber, the Co-Managers, the Note Trustee, the Security Trustee or the Agents (or, without limitation, their respective shareholders, subsidiaries, affiliates, related bodies corporate, officers, employees, representatives or advisors) to any person to subscribe for, purchase or otherwise deal in any Notes.

Selling restrictions and no disclosure

EACH INVESTOR OR POTENTIAL INVESTOR SUBSCRIBING FOR, PURCHASING OR OTHERWISE DEALING IN ANY NOTES IS DEEMED TO HAVE REPRESENTED AND WARRANTED TO THE ISSUER, THE SOLE LEAD MANAGER, THE INITIAL SUBSCRIBER, THE CO-MANAGERS, THE NOTE TRUSTEE, THE SECURITY TRUSTEE AND THE AGENTS THAT IT IS A PERSON TO WHOM IT IS LAWFUL TO MAKE ANY OFFER OF NOTES AND IT IS A PERSON TO WHOM AN OFFER OF NOTES FOR ISSUE OR SALE MAY BE MADE WITHOUT DISCLOSURE UNDER PART 6D.2 OR CHAPTER 7 OF THE CORPORATIONS ACT 2001 (CTH) (the CORPORATIONS ACT).

The distribution and use of this Information Memorandum, including any Pricing Supplement, advertisement or other offering material, and the offer or sale of Notes may be restricted by law in certain jurisdictions and intending purchasers and other investors should inform themselves about them and observe any, such restrictions. None of the Issuer, the Initial Guarantors or any of their affiliates or the Initial Subscriber, Sole Lead Manager, Co-Managers, Note Trustee, the Security Trustee or Agents represents that this Information Memorandum may be lawfully distributed or that any Notes may be lawfully offered in compliance with any applicable registration or other requirements in any jurisdiction, or under an exemption available in such jurisdiction, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by any of the Issuer, any Initial Guarantor, the Sole Lead Manager, the Initial Subscriber, the Co-Managers, the Note Trustee, the Security Trustee or the Agents (nor, without limitation, their respective shareholders, subsidiaries, affiliates, related bodies corporate, officers, employees, representatives or advisors) which would permit a public offering of any Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required.

Neither this Information Memorandum nor any other disclosure document in relation to the Notes has been lodged with the Australian Securities and Investments Commission (**ASIC**). A person may not make or invite an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia) or distribute or publish this Information Memorandum or any other offering material or advertisement relating to the Notes in Australia unless the minimum aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in another currency, in each case disregarding moneys lent by the offeror or its associates), the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act and such action complies with all applicable laws and directives, the offer or invitation (including any resulting issue or sale) does not constitute an offer to a “retail client” as defined in section 761G of the Corporations Act and such action does not require any document to be lodged with ASIC.

The Notes and the Guarantee have not been and will not be registered under the Securities Act 1933 (as amended) of the United States of America (the **U.S. Securities Act**) and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act (**Regulation S**) or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Sole Lead Manager agrees that it will not offer or sell Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, as determined and certified to the Paying Agent, by the Sole Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to the Sole Lead Manager to whom it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

This Information Memorandum is not a prospectus or other disclosure document for the purposes of the Corporations Act.

A person may not (directly or indirectly) offer for subscription or purchase or issue an invitation to subscribe for or buy Notes, nor distribute or publish this Information Memorandum or any other offering material or advertisement relating to the Notes except if the offer or invitation complies with all applicable laws and directives.

No authorisation

No person has been authorised to give any information or make any representations not contained in or consistent with this Information Memorandum in connection with the Issuer, the Initial Guarantors, any of their respective affiliates or the issue or sale of the Notes and, if given or made, such information or representation must not be relied on as having been authorised by the Issuer, the Initial Guarantors, the Sole Lead Manager, the Initial Subscriber, each Co-Manager, the Note Trustee, the Security Trustee or the Agents.

Agency and distribution arrangements

The Issuer, failing whom the Guarantors, have agreed or may agree to pay fees to the Note Trustee, the Security Trustee and the Agents for undertaking their respective roles and reimburse them for certain of their expenses properly incurred in connection with the Notes.

The Issuer, failing whom the Guarantors, may also pay a fee to the Sole Lead Manager, the Initial Subscriber and each Co-Manager in respect of the Notes subscribed by it, and may agree to reimburse the Sole Lead Manager, the Initial Subscriber and each Co-Manager for certain expenses properly incurred in connection with the Notes and may indemnify the Sole Lead Manager, the Initial Subscriber and each Co-Manager against certain liabilities in connection with the offer and sale of Notes.

The Issuer, the Guarantors, the Sole Lead Manager, the Initial Subscriber, each Co-Manager, the Note Trustee, the Security Trustee and the Agents, and their respective related entities, directors, officers and employees may have pecuniary or other interests in the Notes and may also have interests pursuant to other arrangements and may receive fees, brokerage and commissions and may act as a principal in dealing in any Notes.

Currency

In this Information Memorandum, references to “\$”, “A\$”, “AUD” or “Australian dollars” are to the lawful currency of the Commonwealth of Australia and references to “NZ\$” are to the lawful currency of New Zealand.

Currency of information

The information contained in this Information Memorandum is prepared as of its Preparation Date. Neither the delivery of this Information Memorandum nor any offer, issue or sale made in connection with this Information Memorandum at any time implies that the information contained in it is correct, that any other information supplied in connection with the Notes is correct or that there has not been any change (adverse or otherwise) in the financial conditions or affairs of the Issuer or any Guarantor at any time subsequent to the Preparation Date. In particular, none of the Issuer, any Guarantor or any of their respective affiliates is under any obligation to any person to update this Information Memorandum at any time after an issue of Notes.

In this Information Memorandum, **Preparation Date** means:

- in relation to this Information Memorandum, the date indicated on its face or, if this Information Memorandum has been amended, or supplemented, the date indicated on the face of that amendment or supplement;
- in relation to any annual reports and financial statements incorporated in this Information Memorandum, the date up to, or as at, the date on which such annual reports and financial statements relate; and
- in relation to any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on its face as being its date of release or effectiveness.

Documents Incorporated by Reference

This Information Memorandum is to be read in conjunction with all documents which are deemed to be incorporated into it by reference as set out below. This Information Memorandum shall, unless otherwise expressly stated, be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. Investors should review, amongst other things, the documents which are deemed to be incorporated in this Information Memorandum by reference when deciding whether to purchase any Notes.

The following documents are incorporated in, and taken to form part of, this Information Memorandum:

Finance Documentation

- The Note Trust Deed;
- the Security Trust Deed;
- each Security;
- each Pricing Supplement and all documents stated therein to be incorporated in this Information Memorandum; and
- all amendments and supplements to this Information Memorandum prepared by the Issuer from time to time and all documents stated herein or therein to be incorporated in this Information Memorandum.

Issuer and Secured Guarantors

Set out below are the documents supporting investments made by the Issuer and the Secured Guarantors:

- The most recent Annual reports by CIP, CMA and PLG lodged with ASX, an electronic copy of which is available free of charge at www.asx.com.au (ASX:CIP), (ASX:CMA), (ASX:PLG);
- all announcements made by CIP, CMA and PLG to the ASX, electronic copies of which are available free of charge at www.asx.com.au (ASX:CIP), (ASX:CMA), (ASX:PLG); and
- all other documents issued by CIP, CMA and PLG and stated to be incorporated by reference in this Information Memorandum.

Unsecured Guarantor

- The most recent Annual report of the Centuria Group lodged with ASX, an electronic copy of which is available free of charge at www.asx.com.au (ASX:CNI);
- all announcements made by the Centuria Group to the ASX, electronic copies of which are available free of charge at www.asx.com.au (ASX:CNI); and
- all other documents issued by the Centuria Group and stated to be incorporated by reference in this Information Memorandum.

For the purposes of the above **Centuria Group** means Centuria Capital Limited (ABN 22 095 454 336) and Centuria Capital Fund (ARSN 613 856 358) and each of their respective Subsidiaries (as such term is defined in the section of this Information Memorandum entitled “*Terms and Conditions*” below).

Any statement contained in this Information Memorandum or in any of the documents incorporated by reference in, and forming part of, this Information Memorandum shall be modified or superseded in this Information Memorandum to the extent that a statement contained in any document subsequently

incorporated by reference into this Information Memorandum modifies or supersedes such statement (including whether expressly or by implication).

Except as provided above, no other information, including any document incorporated by reference in any of the documents described above, is incorporated by reference into this Information Memorandum.

Any internet site addresses provided in this Information Memorandum are for reference only and the content of any such internet site is not incorporated by reference into, and does not form part of, this Information Memorandum.

Copies of Finance Documentation

Copies of the Note Trust Deed, a Pricing Supplement, the Security Trust Deed and the Security and documents incorporated by reference in this Information Memorandum may be obtained, without charge, from the offices of the Issuer or the Note Trustee specified in the section of this Information Memorandum entitled “*Directory*” during standard business hours.

Summary

The following is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and, in relation to any Notes, the applicable Terms and Conditions and any relevant Pricing Supplement. A term used below but not otherwise defined has the meaning given to it in the Terms and Conditions or in the section of this Information Memorandum entitled "Important Notice". A reference to a "Pricing Supplement" does not limit provisions or features which may be supplemented, amended, modified or replaced by a Pricing Supplement in relation to an issue of Notes.

Issuer:	Centuria Funds Management Limited as trustee of the Centuria Capital No. 2 Fund.	
Initial Guarantors:	Unsecured Guarantor:	Centuria Capital Limited.
	Secured Guarantors:	(i) the Issuer; (ii) Centuria Investment Holdings Pty Limited as trustee of the Centuria Capital No. 2 Office Fund; and (iii) Centuria Investment Holdings Pty Limited as trustee of the Centuria Capital No. 2 Industrial Fund.
Guarantee:	<p>The Notes are issued with the benefit of the Guarantee and the payment of principal and interest in respect of the Notes will be unconditionally and irrevocably guaranteed on a joint and several basis by the Guarantors as more fully set out in the Security Trust Deed.</p> <p>Guarantee by Unsecured Guarantor</p> <p>The Guarantee made by the Unsecured Guarantor is a direct, unsecured and unsubordinated obligations of the Unsecured Guarantor and ranks equally amongst themselves and pari passu with all present and future unsubordinated and unsecured obligations of the Unsecured Guarantor, except liabilities mandatorily preferred by law.</p> <p>Guarantee by Secured Guarantors</p> <p>The Guarantee made by the Secured Guarantors constitutes direct, secured, unconditional and unsubordinated obligations of the Secured Guarantors ranking equally among themselves and in priority to all unsecured obligations of the Secured Guarantors, except liabilities mandatorily preferred by law.</p>	
Issue Size:	A\$45,000,000 aggregate principal amount of Fixed Rate Notes. A\$35,000,000 aggregate principal amount of Floating Rate Notes.	
Sole Lead Manager:	National Australia Bank Limited (ABN 12 004 044 937).	

Co- Managers:	(i) Centuria Funds Management Limited (ACN 607 153 588); and (ii) Shaw and Partners Limited (ABN 24 003 221 583).
Initial Subscriber:	National Australia Bank Limited (ABN 12 004 044 937).
Registrar:	Perpetual Corporate Trust Limited (ABN 99 000 341 533) or such other person appointed by the Issuer under an Agency and Registry Services Agreement to perform registry functions and establish and maintain a Register (as defined below) on the Issuer's behalf from time to time (the Registrar).
Issuing Agent:	Perpetual Corporate Trust Limited or any other person appointed by the Issuer under an Agency and Registry Services Agreement to act as issuing agent on the Issuer's behalf from time to time (the Issuing Agent).
Paying Agent:	Perpetual Corporate Trust Limited or any other person appointed by the Issuer under an Agency and Registry Services Agreement to act as paying agent on the Issuer's behalf from time to time (the Paying Agent).
Calculation Agent:	Perpetual Corporate Trust Limited or any other person appointed by the Issuer to act as calculation agent on the Issuer's behalf from time to time (the Calculation Agent).
Agents:	Each of the Registrar, Issuing Agent, Paying Agent and Calculation Agent and any other person appointed by the Issuer to perform other agency functions with respect to any Tranche or Series of the Notes (each an Agent and, together, the Agents).
Note Trustee:	Perpetual Corporate Trust Limited or such other person appointed under the Note Trust Deed as trustee from time to time (the Note Trustee).
Security Trustee:	P.T. Limited (ABN 67 004 454 666) or such other person appointed under the Security Trust Deed as trustee from time to time (the Security Trustee).
Form of Notes:	Notes will be issued in registered form and will be debt obligations of the Issuer which are constituted by, and owing under, the Note Trust Deed. Notes take the form of entries in a register (the Register) maintained by the Registrar. No certificates in respect of any Notes will be issued unless the Issuer determines that certificates should be available or if certificates are required by any applicable law or directive.
Negative pledge:	Notes will have the benefit of a negative pledge given by the Secured Guarantors, as described in Condition 4.1 ("Negative pledge").
Financial covenants:	Notes will have the benefit of certain financial covenants as described in Condition 4.2 ("Financial covenants").

Substitution:	Under Condition 15 ("Substitution"), a Trustee of a Relevant Trust may be substituted by another entity owned by, or which owns, the Unsecured Guarantor and provided that the conditions set out in that Condition have been satisfied. See Condition 15 ("Substitution").
Other covenants:	Notes will have the benefit of certain other covenants, including certain restrictions on Disposals, as described in Condition 4.3 ("Other covenants"). The Note Trustee is not required to test any of the covenants contained in Condition 4.3 ("Other covenants") nor any other covenants.
Status of the Notes:	The Notes constitute direct, secured, unconditional and unsubordinated obligations of the Issuer ranking equally among themselves and in priority to all unsecured obligations of the Issuer, except liabilities mandatorily preferred by law.
Status of the Guarantee:	<p>The Guarantee made by the Unsecured Guarantor is a direct, unsecured and unsubordinated obligation of the Unsecured Guarantor and ranks equally amongst themselves and pari passu with all present and future unsubordinated and unsecured obligations of the Unsecured Guarantor, except liabilities mandatorily preferred by law.</p> <p>The Guarantee made by the Secured Guarantors constitutes direct, secured, unconditional and unsubordinated obligations of the Secured Guarantors ranking equally among themselves and in priority to all unsecured obligations of the Secured Guarantors, except liabilities mandatorily preferred by law.</p>
Security:	The Notes will have the benefit of the Security granted by the Secured Guarantors as more fully described in the section of this Information Memorandum entitled "Security Arrangements".
Status and ranking of Security:	<p>Amounts due under the Notes and the Note Trust Deed are secured by the Security (as defined in the Security Trust Deed and which for the avoidance of doubt, includes the Guarantee). The Security Trustee holds the Security on trust for the Beneficiaries (as defined in the Security Trust Deed, and which includes the Note Trustee and the Noteholders) and subject to the terms of the Security Trust Deed. By the Note Trustee being a party to the Security Trust Deed, the Noteholders receive, through the Note Trustee, the benefit of the Security Trust Deed and the Security.</p> <p>For further information on the Security, see the section of this Information Memorandum entitled "<i>Security Arrangements</i>".</p>
Interest:	<p>Each Note bears interest on its outstanding principal amount from (and including) its Interest Accrual Date to (but excluding) its Maturity Date (unless redeemed earlier) at the Interest Rate.</p> <p>Interest is payable in arrear on each Interest Payment Date or such other date on which a Note is redeemed, and adjusted, if necessary, in accordance with the Business Day Convention.</p> <p>All such information will be set out in the relevant Pricing Supplement.</p>

Currency:	The Notes will be issued in Australian dollars.
Denomination:	Notes will be issued in the single denomination of A\$1,000.
Minimum parcel size on initial issue:	A\$50,000, subject to the selling and issue restrictions, the transfer restrictions and the procedures set out in this section.
Settlement Procedures:	The Sole Lead Manager will settle its purchase of Notes on the Issue Date or may procure third party purchases are so settled through the Austraclear System in a manner consistent with the rules and regulations of the Austraclear System or as otherwise provided in the relevant Pricing Supplement.
Clearing Systems:	<p>Notes may be transacted either within or outside a clearing system.</p> <p>The Issuer intends to apply to Austraclear for approval for Notes to be traded on the Austraclear System. Upon approval by Austraclear, the Notes will be traded through Austraclear in accordance with the Austraclear Regulations. Such approval by Austraclear is not a recommendation or endorsement by Austraclear of such Notes.</p> <p>On admission to the Austraclear System, interests in the Notes may be held through Euroclear Bank S.A./N.V. (Euroclear) or Clearstream Banking, société anonyme (Clearstream). In these circumstances, entitlements in respect of holdings of interests in the Notes in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear while entitlements in respect of holdings of interests in the Notes in Clearstream would be held in the Austraclear System by J.P. Morgan Nominees Australia Limited as nominee of Clearstream.</p> <p>The rights of a holder of Notes held through Euroclear or Clearstream are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream and their respective nominees and the rules and regulations of the Austraclear System (in each case, the Regulations).</p> <p>In addition, any transfer of interests in Notes which are held through Euroclear or Clearstream and to the extent that such transfer will be recorded in the Austraclear System will be subject to the Corporations Act and such other requirements as set out in the Notes.</p> <p>Neither the Issuer nor any Guarantor will be responsible for the operation of the clearing arrangements which is a matter for the clearing institutions, their nominees, their participants and the investors.</p>
Title:	<p>Entry of the name of the person in the Register in respect of Notes in the registered form constitutes the obtaining or passing of title and is conclusive evidence that the person so entered is the registered holder of that Note subject to correction for fraud or error.</p> <p>Title to Notes which are held in the Austraclear System will be determined in accordance with the rules and regulations of the Austraclear System.</p> <p>Notes which are held in the Austraclear System will be registered in the name of Austraclear.</p>

Use of proceeds: The Issuer will use the proceeds from the issue of the Notes for general corporate purposes including to maintain and increase co-investment holdings in listed and unlisted property investments.

Payments: Payments to persons who hold Notes through the Austraclear System will be made in accordance with the Austraclear Regulations.

Payment Date: A Payment Date for a Note is the Maturity Date, an Interest Payment Date or any other relevant date on which a payment in respect of that Note is due, adjusted in accordance with the applicable Business Day Convention.

Record Date: The Record Date is the close of business (in the place where the Register is maintained) on the eighth day before the Payment Date.

Maturity and redemption: Subject to compliance with all relevant laws, regulations and directives, each Note will be redeemed on its Maturity Date at its outstanding principal amount, unless the Note has been previously redeemed or purchased and cancelled.

Notes are also redeemable prior to their scheduled maturity:

- at the option of the Issuer:
 - on certain Optional Redemption Dates;
 - in connection with certain asset disposals; or
 - following certain tax events;
- at the option of a Noteholder following the occurrence of a Change of Control,

each as more fully set out in Condition 7 (“Redemption and Purchase”) and the relevant Pricing Supplement.

Notes entered in the Austraclear System will be redeemed in a manner that is consistent with the Regulations.

Selling and issue restrictions: The Notes may only be issued or sold in or into Australia:

- (a) if the amount subscribed for, or the consideration payable to the Issuer, by the relevant Noteholder is a minimum of A\$500,000 (or its equivalent in other currencies) (disregarding amounts, if any, lent by the Issuer or other person offering the Notes or its associates (within the meaning of those expressions in Parts 6D.2 and 7.9 of the Corporations Act)) unless the issue or sale is otherwise in circumstances that do not require disclosure under Parts 6D.2 and 7.9 of the Corporations Act;
- (b) if the offer or invitation (including any resulting issue or sale) does not constitute an offer to a “retail client” as defined in section 761G of the Corporations Act;
- (c) such action does not require any document to be lodged with ASIC; and
- (d) the offer or invitation (including any resulting issue) complies with all

other applicable laws and directives in the jurisdiction in which the offer, invitation or issue takes place.

See the section of this Information Memorandum entitled “*Selling Restrictions*” for further details regarding selling and issue restrictions in certain other jurisdictions.

Transfer restrictions and procedures:

Notes may only be transferred in whole and in accordance with the Conditions. Transfers of Notes held in the Austraclear System will be made in accordance with the Regulations.

Unless otherwise specified in a Pricing Supplement, the Notes may only be transferred if the offer or invitation for the sale or purchase of Notes:

- (a) is for an aggregate consideration payable by each transferee of at least A\$500,000 (or its equivalent in an alternative currency and, in each case, disregarding moneys lent by the transferor or its associates to the transferee or its associates) or if the offer or invitation for the transfer otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
- (b) if the transferee is not a “retail client” as that term is defined for the purposes of section 761G of the Corporations Act; and
- (c) if the offer or invitation for the transfer complies with all other applicable laws and regulations in the jurisdiction in which the transfer takes place.

Taxes, withholdings, deductions and stamp duty:

All payments in respect of the Notes must be made without any withholding or deduction in respect of taxes, unless such withholding or deduction is required by law.

In the event that any such withholding or deduction is made, the Issuer will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so withheld or deducted.

Holders of Notes who do not provide their Tax File Number or Australian Business Number (if applicable) or claim an exemption may have tax withheld from payments at the highest marginal rate plus Medicare levy. No additional amounts will be payable by the Issuer in respect of any such withholding.

Any stamp duty incurred on the issuance of the Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the relevant Noteholder.

As at the date of this Information Memorandum, no stamp duty is payable under Australian law on the issuance, transfer, or redemption of the Notes.

A brief overview of the Australian taxation treatment of payment of interest on Notes is set out in the section of this Information Memorandum entitled “*Australian Taxation*” below.

Investors should obtain their own taxation and other applicable advice regarding the taxation and other fiscal status of investing in any Notes.

FATCA:

Financial institutions through which payments on Notes are made may be required to withhold United States of America (U.S.) tax pursuant to Sections

1471 through 1474 of the U.S. Internal Revenue Code of 1986 (FATCA) or similar laws implementing an inter-governmental approach on FATCA.

FATCA is particularly complex and its application to interest, principal or other amounts paid with respect to the Notes is not clear. If an amount in respect of

U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes, neither the Issuer, any Guarantor, nor any other person would, pursuant to the Terms and Conditions of the Notes, be required to pay additional amounts as a result of such deduction or withholding. Noteholders should consult their own tax advisers on how these rules may apply to payments they receive under the Notes.

See Condition 9 ("Taxation") of the Terms and Conditions for further information.

Events of Default: See Condition 11 ("Events of Default") of the Terms and Conditions.

Listing: It is not intended that the Notes be listed or quoted on any securities exchange.

Rating: Neither the Issuer nor the Notes have been, nor is it intended that they will be, rated by any credit ratings agency.

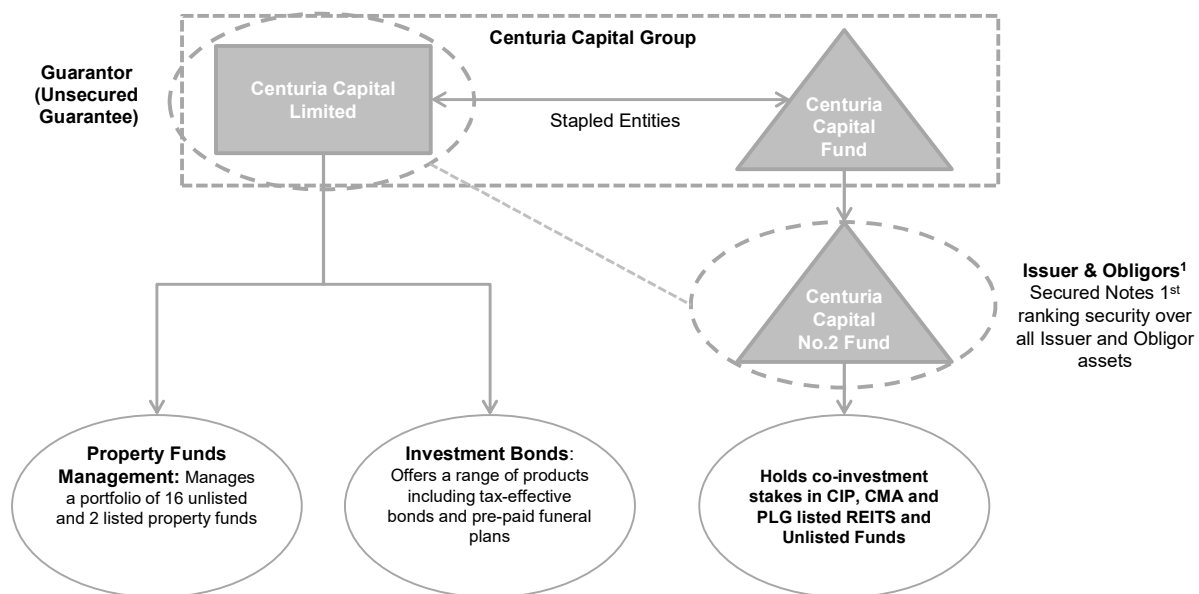
Governing law: The Notes and all related documentation will be governed by the laws of New South Wales, Australia.

Security Arrangements

This section contains a summary of the Security Trust Deed and the Security (as defined in the Security Trust Deed) (the **Security**). This summary is qualified in its entirety by reference to the provisions of the Notes, the Note Trust Deed, the Security Trust Deed, each Security and the other underlying documents described below.

Capitalised terms used in this section have the meaning given to them in, or by incorporation into, the Note Trust Deed and the Security Trust Deed, as applicable.

Company Structure



1. Obligors include Centuria Capital No. 2 Industrial Fund and Centuria Capital No. 2 Office Fund which are both wholly-owned by Centuria Capital No. 2 Fund

Terms not otherwise defined in this section have the meaning given to them in the section of this Information Memorandum entitled "*Terms and Conditions*".

1 Security

The obligations of the Issuer under the Notes will be secured by a first ranking General Security Deed granted by each Secured Guarantor in favour of the Security Trustee over all of each Secured Guarantor's present (and after-acquired) assets, and includes anything in respect of which a Secured Guarantor has at any time a sufficient right, interest or power to grant a security interest. These security interests secure amounts which each of them is or may become liable to pay to a Beneficiary in connection with a Finance Document.

The Security described above is governed by the laws of New South Wales.

Each Secured Guarantor's principal assets are described in the section entitled "*The Issuer and the Guarantors*".

2 Beneficiaries under the Security Trust Deed

The Security described in this section have been granted in favour of the Security Trustee, who holds them on trust for the Beneficiaries (as defined in the Security Trust Deed) in accordance with the terms of the Security Trust Deed. The Security Trustee, the Note Trustee and the Noteholders are the Beneficiaries for the purposes of the Security Trust Deed and are also Security Pool Beneficiaries as referred to below.

3 Security Pool

Pursuant to the terms of the Security Trust Deed, the Security will form part of a Security Pool to be known as the “Centuria Capital Security Trust Security Pool” to be held on trust by the Security Trustee for the Benefit of all Security Pool Beneficiaries which includes each Noteholder of the Notes. The Security Pool Beneficiaries will comprise, among others, the holders of any further Tranches and Series of Notes which may be issued by the Issuer. If such further Tranches and Series of Notes have the benefit of any additional security, such security will be added to and form part of the Security Pool and held on trust by the Security Trustee for the benefit of all Security Pool Beneficiaries at such time which will comprise, among others, each Noteholder and each holder of such further Tranche and Series of Notes.

In the event that such further Tranche and Series of Notes does not have the benefit of any additional security, the holders of such Tranche and Series of Notes will have the benefit of the Security in the Security Pool which has been granted in respect of these Notes and will themselves be Security Pool Beneficiaries (together with, among others, each Noteholder of these Notes).

4 Instructions by Beneficiaries under the Security Trust Deed

The rights under each Security are granted in favour of the Security Trustee. The Security Trust Deed provides that, in the exercise of all such rights, the Security Trustee shall act in accordance with the instructions of the relevant number of Beneficiaries.

When seeking instructions from all Beneficiaries under the Security Trust Deed, the Security Trustee will request the Note Trustee to obtain instructions from the Noteholders. The Note Trustee will seek instructions from the Noteholders by way of Ordinary Resolution or an Extraordinary Resolution pursuant to the terms of the Note Trust Deed. Under the Note Trust Deed, an “Ordinary Resolution” means a resolution passed at a meeting of Beneficiaries by at least 50 per cent. of the votes cast and an “Extraordinary Resolution” means a resolution passed at a meeting of Beneficiaries by at least 66⅔ per cent. of the votes cast.

This is subject to the matters set out in the sections entitled “*Instructions under the Security Trust Deed*” below.

4.1 Exercise of Enforcement Right

Except as described in the paragraph below, under the terms of the Security Trust Deed, the Security Trustee may not exercise an enforcement right except with the instructions of the Majority Beneficiaries. The “Majority Beneficiaries” means (a) if no Event of Default is subsisting, those Beneficiaries whose Exposures together exceed 66⅔ per cent. of the total Exposures of all Beneficiaries or (b) while an Event of Default subsists, those Beneficiaries whose Exposures together equal 66⅔ per cent. of the aggregate Exposures of all Beneficiaries.

In the absence of instructions, the Security Trustee need not act except where an Event of Default (except for an Event of Default triggered by the appointment of an administrator to a Secured Guarantor or a Fundamental Default) subsists and 30 days’ after having sought instructions in relation to that Event of Default, if the Security Trustee has not taken action, it must commence enforcement on the instructions of a Simple Majority. If an administrator is appointed to a Secured Guarantor and the Security Trustee has not received instructions in time to enable it to appoint a Controller under the relevant Security within the ‘decision period’ (as defined in the Corporations Act), the Security Trustee must appoint a Controller within that decision period.

4.2 Unanimous instructions under the Security Trust Deed

Under the Security Trust Deed, there are certain circumstances in which the Security Trustee must only act on the instructions of all Beneficiaries. These include:

- (i) a change to certain definitions in the Security Trust Deed;
- (ii) an exercise of any discretion in distribution of moneys received or recovered by the Security Trustee; and

- (iii) the release of (either in whole or part) any Security Interest other than as may be required by law or as otherwise permitted by the Finance Documents.

4.3 Seeking instructions in respect of the Security Pool

All consents, instructions, resolutions and directions in respect of the Security Pool and the Security Pool Transaction Documents will be made on a collective basis among all Security Pool Beneficiaries pursuant to the terms of the Security Trust Deed.

4.4 Procedures for seeking instructions under the Security Trust Deed

Under the Security Trust Deed, when seeking instructions from the Beneficiaries, the Security Trustee must specify in writing a period within which instructions are to be provided. Where an Event of Default has occurred and subsists because an administrator has been appointed to a Secured Guarantor or a Fundamental Default has occurred and subsists, the period will be at least 5 Business Days' but not more than 10 Business Days'. In the case of other instructions, the period will be at least 10 Business Days' or such longer period as required to take into account any requirements under the relevant Note Documents for a Representative to convene and hold meetings in order to obtain instructions or directions.

5 Procedures for seeking instructions under the Note Trust Deed

Under the Note Trust Deed, if the Security Trustee requests instructions from the Note Trustee for the taking of any action which requires a direction, approval, consent or determination of the Beneficiaries under the Security Trust Deed (or any class of them), the Note Trustee will:

- (i) notify each Noteholder and seek directions and instructions;
- (ii) calculate the aggregate Exposure of Noteholders directing in favour or and against the approval, consent, determination or direction; and
- (iii) notify the Security Trustee of the aggregate Exposure of Noteholders directing in favour for and against the approval, consent, determination or direction.

6 Distribution of recovered moneys

Under the Security Trust Deed, the Security Trustee will apply all money received or recovered by it which is available for distribution to the Beneficiaries in the following order of priority:

- (i) **First:** all amounts which, to the extent required by law, have priority over the payments below;
- (ii) **Second:** all fees, costs, charges and expenses of the Security Trustee, Controller or Attorney incurred in or incidental to the exercise or performance or attempted exercise or performance of any Power plus interest;
- (iii) **Third** to the Controller for its remuneration;
- (iv) **Fourth:** to the holder of a Security Interest which has priority in relation to the Security;
- (v) **Fifth:** to each Beneficiary of the Secured Moneys actually or contingently owing to it in accordance with the following order in rateable proportions determined by the Security Trustee:
 - (A) **First:** in payment of out of pocket costs, charges, duties and expenses owing to the Beneficiaries;
 - (B) **Second:** in payment of interest owing to the Represented Beneficiaries under the Notes;

(C) **Third:** in payment of principal owing to the Represented Beneficiaries under the Notes;

(D) **Fourth:** in payment of other Secured Moneys then owing to a Beneficiary,

until each Beneficiary has received its Secured Moneys in full;

(vi) **Sixth:** to the extent required by law, to other Security Interests of which the Security Trustee, Controller or Attorney has actual knowledge and which are due and payable; and

(vii) **Seventh:** to the relevant Secured Guarantor.

Notwithstanding the above, amounts distributed in accordance with the Security Trust Deed to the extent payable in respect of Notes will be paid to the Note Trustee (as required the Note Trust Deed) and distributed by it in the order described in the Note Trust Deed.

7 Release of security

As described above in section 4.2 entitled “Unanimous instructions under the Security Trust Deed”, the Security Trustee must not release any Security Interest existing for the benefit of a Beneficiary, without the consent of that Beneficiary (other than as may be required by law or as may otherwise be permitted by the Finance Documents).

8 Indemnity to Security Trustee

Under the Security Trust Deed, the Security Trustee has the benefit of an indemnity from any money received from the Security or otherwise forming part of the Security Trust Fund against:

- (i) all liabilities and expenses incurred by it under or in relation to any Finance Document;
- (ii) all actions, proceedings, costs, claims and demands in relation to any Finance Document; and
- (iii) amounts for which it is indemnified under any Finance Document.

9 Limitation of liability of Security Trustee

Under the Security Trust Deed, the Security Trustee and its Authorised Officers, employees, agents, successors or attorneys are not liable to the Beneficiaries for a broad range of matters. This includes any matter or thing done, or not done, by it or them in relation to any Finance Document.

The Issuer and the Initial Guarantors

The information in this section is a brief summary only of the Issuer and the Guarantors and their respective businesses and does not purport to be, nor is it, complete.

This document contains only summary information concerning the Issuer, the Guarantors and the Notes and should be read in conjunction with the documents which are deemed to be incorporated by reference herein. The information contained in this Information Memorandum is not intended to provide the basis of any credit or other evaluation in respect of the Issuer, any other Guarantor or any Notes and should not be considered or relied on as a recommendation or a statement of opinion (or a representation or report of either of those things) by any of the Issuer, the Guarantors, any of their respective affiliates, the Sole Lead Manager and the Initial Subscriber, the Co-Managers, the Note Trustee, the Security Trustee or the Agents that any recipient of this Information Memorandum should subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes.

This Information Memorandum does not describe the risks of an investment in any Notes. Prospective investors or purchasers should consult their own professional, financial, legal and tax advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.

Description of the Issuer

Centuria Capital No. 2 Fund

Centuria Capital No. 2 Fund (the **Issuer**) is a 100% owned subsidiary of Australian ASX-listed specialist investment manager, Centuria Capital Group (ASX:CNI).

The Issuer holds strategic equity investments in a number of listed and unlisted property investments including Centuria Industrial REIT (ASX:CIP), Centuria Metropolitan REIT (ASX:CMA) and Propertylink Group (ASX:PLG).

The primary assets of the Issuer comprise holdings in ASX-listed entities, unlisted property funds and other investments. As at 30 September 2018, the value of the ASX-listed investments (being investments in CIP, CMA and PLG) totalled \$304.9 million, whilst unlisted investments totalled \$19.9 million and other investments totalled \$99.3 million. As at 30 September 2018, the Issuer also had cash and other receivables of \$6.2 million, bringing total assets to \$430.3 million.

Centuria Industrial REIT (ASX:CIP)

The Secured Guarantors currently own 55,823,382 securities in CIP, which equates to a holding of 22.48% of the issued capital. As at the date of this Information Memorandum, CIP had a market capitalisation of \$676 million. CIP paid distributions of 19.4 cents per security in the last twelve months to 30 June 2018.

CIP holds an investment portfolio of 37 assets, independently valued at approximately \$999 million as at 30 June 2018.

Centuria Industrial REIT (CIP)			
Portfolio Snapshot	FY18	Geographic Diversification (value)	Tenant Diversification (by income)
Financial Metrics		<p>Geographic Diversification (value)</p> <p>Legend: NSW (42%), VIC (24%), QLD (19%), WA (13%), SA (1%), ACT (2%)</p>	<p>Tenant Diversification (by income)</p> <p>Legend: AWH (8.7%), WOOLWORTHS (8.7%), GREEN'S GENERAL FOODS (6.9%), VISY BOARD (5.7%), THE REJECT SHOP (4.6%), API (4.5%), ORORA (4.2%), VIP PETFOODS (3.8%), K & S FREIGHTERS (3.7%), BRADNAM'S WINDOWS/DOORS (3.6%)</p>
NTA per unit (\$)	2.56		
Gearing (%)	38.4%		
Property Metrics			
Number of assets	37		
Book value (\$m)	\$999.0m		
WACR (%)	6.76%		
GLA (sqm)	735,384		
Occupancy by income (%)	94.5%		
WALE by income (years)	5.1		

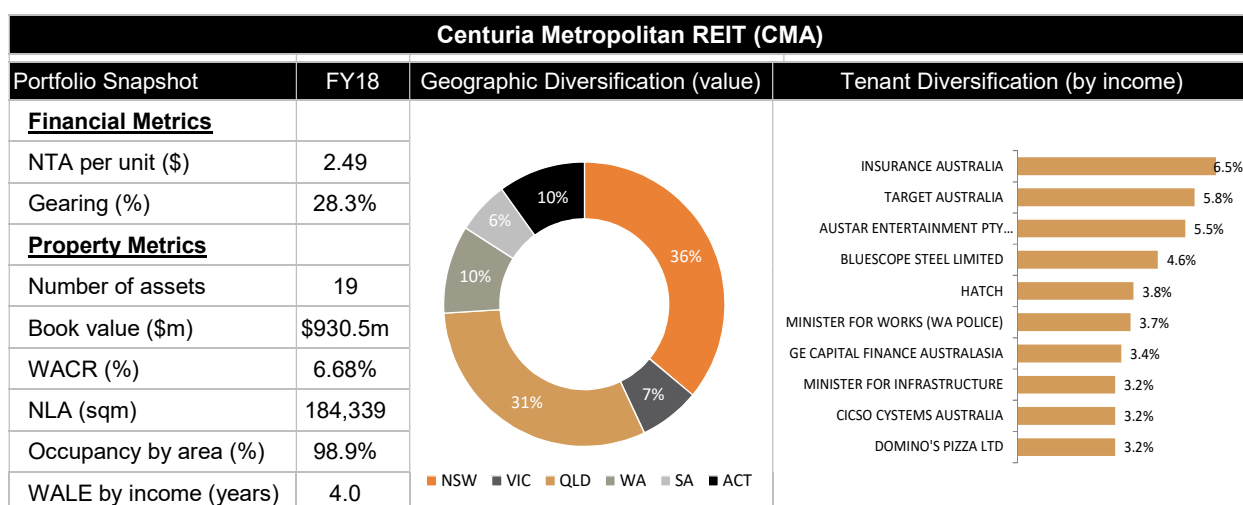
CIP's top ten tenants (by total income) as at 30 June 2018 include AWH (8.7%), Woolworths (8.7%), Green's General Foods (6.9%), Visy Board (5.7%), The Reject Shop (4.6%), API (4.5%), Orora (4.2%), VIP Petfoods (3.8%), K&S Freighters (3.7%) and Bradnam's Windows and Doors (3.6%).

Centuria Metropolitan REIT (ASX:CMA)

The Issuer currently owns 27,643,209 securities in CMA, which equates to a holding of 11.39% of the issued capital. As at the date of this Information Memorandum, CMA had a market capitalisation of \$590 million. CMA paid distributions of 18.1 cents per security in the last twelve months to 30 June 2018.

CMA holds an investment portfolio of 17 office and two industrial assets, independently valued at approximately \$930.5 million as at 30 June 2018.

On 10 October 2018, it was announced that CMA acquired interests in four high quality metropolitan office assets for \$500.9 million.



CMA's top ten tenants (by income) as at 30 June 2018 include Insurance Australia (6.5%), Target Australia (5.8%), Austar Entertainment Pty Limited (5.5%), Bluescope Steel Limited (4.6%), Hatch (3.8%), Minister for Works (WA Police) (3.7%), GE Capital Finance Australasia (3.4%), Minister for Infrastructure (3.2%), CISCO Systems Australia (3.2%) and Domino's Pizza Ltd (3.2%).

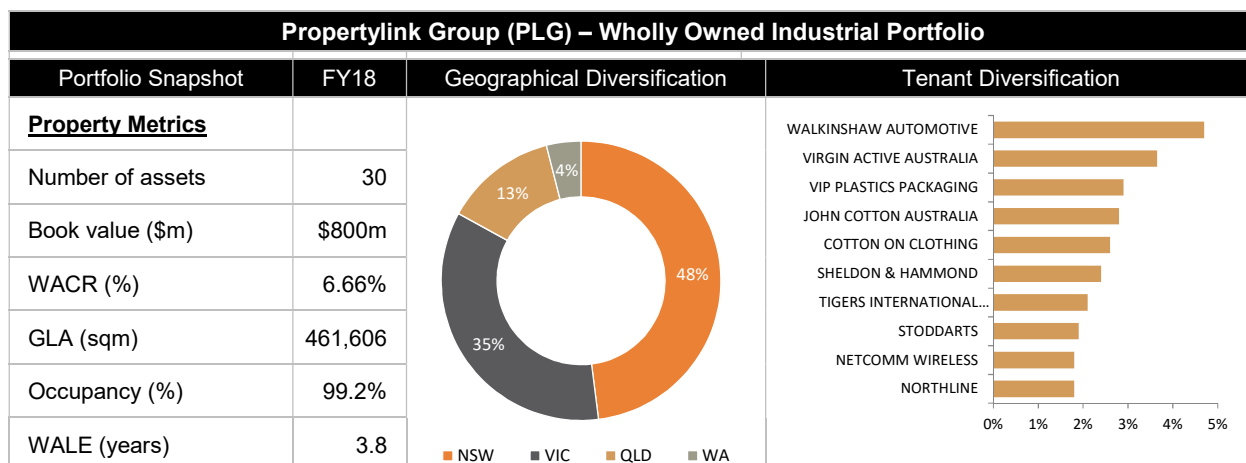
Propertylink Group (ASX:PLG)

The Secured Guarantors currently own 68,592,982 securities in PLG, which equates to a holding of 11.38% of the issued capital. As at the date of this Information Memorandum, PLG had a market capitalisation of \$690 million. PLG paid distributions of 7.3 cents per security in the last twelve months to 30 June 2018.

PLG's business comprises their:

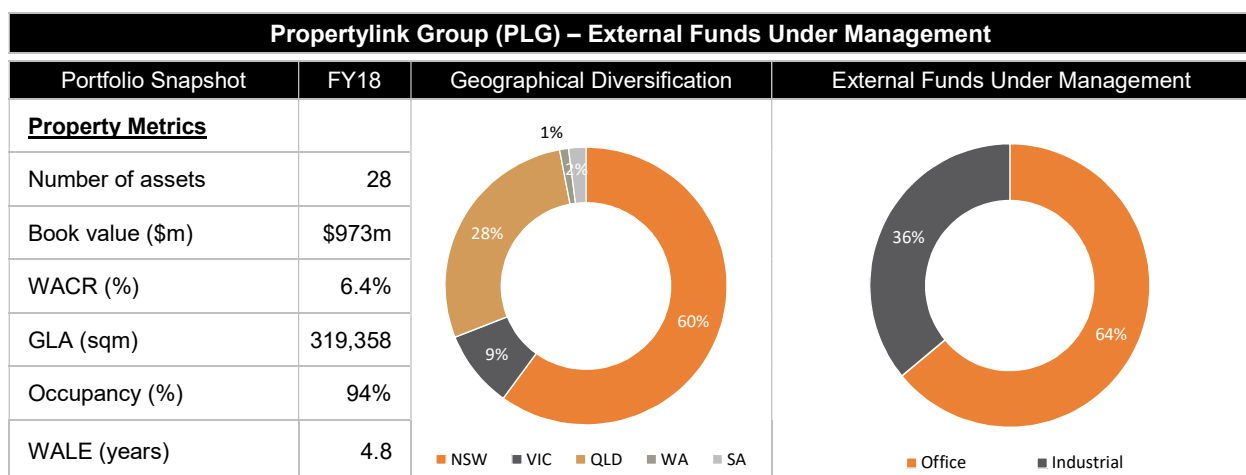
- Wholly owned industrial portfolio - \$800 million, 30 assets (76% of FY18 Revenue)
- Co-investments - \$101 million invested across 5 funds (9% of FY18 Revenue)
- Investment management - \$973 million in AUM across 5 external funds (15% of FY18 Revenue)

PLG's wholly owned industrial portfolio comprises 30 assets, independently valued at approximately \$800 million as at 30 June 2018.



PLG's top ten tenants (by income) across their wholly owned industrial portfolio as at 30 June 2018 contribute 25% of portfolio rental income, and include Walkinshaw Automotive, Virgin Active Australia, VIP Plastics Packaging, John Cotton Australia, Cotton On Clothing, Sheldon & Hammond, Tigers International Solutions, Stoddarts, NetComm Wireless and Northline.

PLG's has \$973 million in AUM across 2 external industrial funds (\$333 million AUM – 15 assets), 2 office funds (\$297 million AUM – 4 assets) and 1 diversified fund (\$343 million AUM – 9 assets) as outlined below.



Centuria Capital No. 2 Fund Pro forma Balance Sheet

The following table summarises the Centuria Capital No. 2 Fund Balance Sheet as at 30 September 2018, and pro-forma for both the Secured Notes issuance and additional equity raising announced by the Unsecured Guarantor on 10 October 2018.

A\$m	30-Sep-18	Secured Notes	Pro-Forma	Equity Raising	Pro-Forma
Cash	1.0	33.0	34.0	(8.0)	26.0
Other Receivables	5.2	-	5.2	-	5.2
Investments	424.1	22.0	446.1	78.0	524.1
Total Assets	430.3	55.0	485.3	70.0	555.3
Other Payables	34.8	(25.0)	9.8	-	9.8
Debt	123.7	80.0	203.7	-	203.7
Total Liabilities	158.5	55.0	213.5	-	213.5
Net Assets	271.8	-	271.8	70.0	341.8
Units Issued	244.4	-	244.4	70.0	314.4
Retained Earnings	27.4	-	27.4	-	27.4
Total Equity	271.8	-	271.8	70.0	341.8
LVR	29.0%		42.2%		36.9%

Description of the Unsecured Guarantor

Centuria Capital Limited

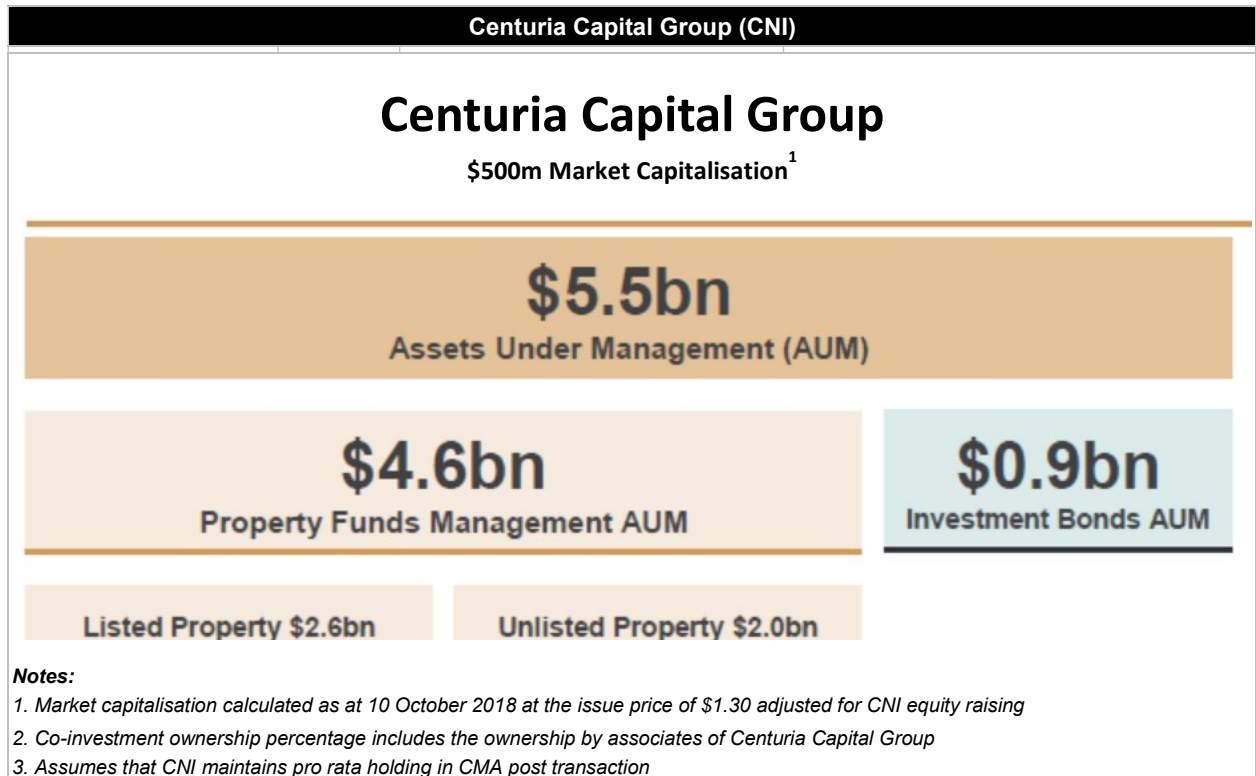
The Notes will be unconditionally and irrevocably guaranteed by Centuria Capital Limited (ABN 22 095 454 336) (the **Unsecured Guarantor**).

The Centuria Group is an Australian ASX-listed specialist investment manager, founded in 1998. As at the date of this Information Memorandum, Centuria Group had a market capitalisation of \$500 million.¹ On 10 October, 2018 the Unsecured Guarantor announced on the ASX that it would be raising additional equity.

The Centuria Group's primary lines of business include property funds management (managing a portfolio of 16 unlisted funds, and two listed funds) and investment bonds (offering a range of investment products including tax-effective bonds and pre-paid funeral plans). The Centuria Group also holds co-investment stakes in a number of listed and unlisted funds.

¹ Market capitalisation calculated as at 10 October 2018 at the issue price of \$1.30 adjusted for CNI equity raising

A summary of the Centuria Group is outlined below.



Property Funds Management Division

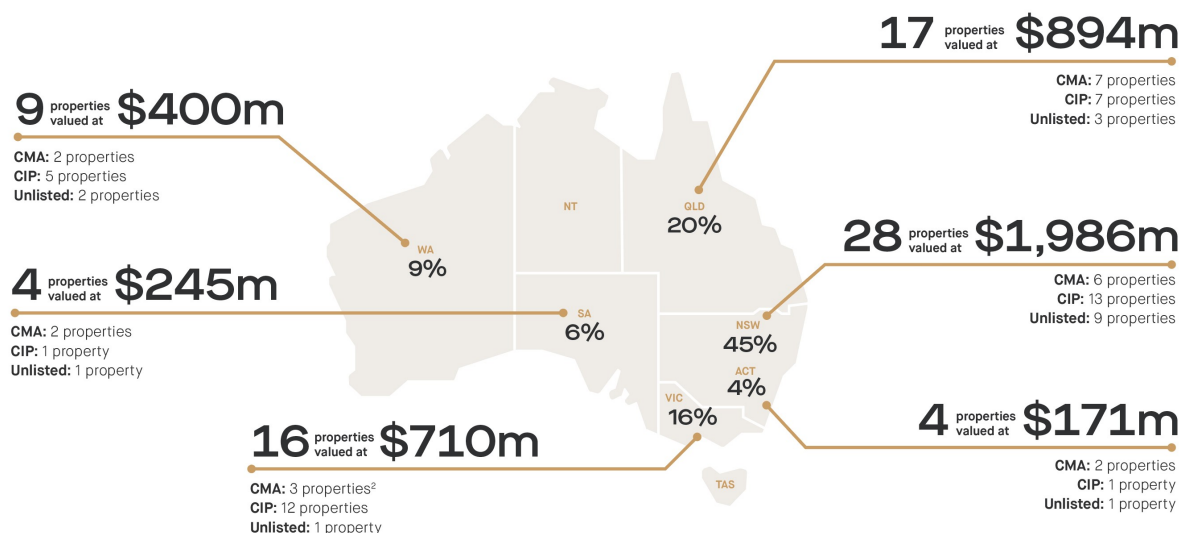
The Centuria Group's primary business is property funds management. The Centuria Group will manage a combined value of ~\$4.6 billion in AUM subsequent to the issuance and the acquisition by CMA of additional assets, across both unlisted and listed funds. The Centuria Group will manage:

- Unlisted Funds: 16 unlisted funds under management invested in 15 office assets and two retail assets, comprising assets principally held in CBD fringe and metropolitan locations (~\$2.0 billion in AUM); and
- Listed Funds: two listed funds invested in 21 office assets and 39 industrial assets across Australia. The two ASX-Listed REITs are CIP and CMA (~\$2.6 billion in AUM subsequent to the issuance).

A summary of the Centuria Group's property funds management AUM subsequent to the issuance and the acquisition by CMA of additional assets, is set out below.

Property Funds Management AUM

\$4.6 billion¹ property AUM across Centuria platforms



¹ Includes cash and other financial assets

² Includes 2 Kendall Street, Williams Landing, VIC, as if complete

Notes:

1. Includes cash and other financial assets.

2. Includes 2 Kendall Street, Williams Landing, VIC, as if complete.

Investment Bond Division

Centuria Life Limited (CLL) is a wholly-owned subsidiary of the Unsecured Guarantor, operating two friendly societies (Centuria Life Friendly Society and Over Fifty Guardian Friendly Society) and offering a range of tax effective and retirement planning investment products. Both friendly societies are regulated by Australian Prudential Regulation Authority (APRA) and authorised to issue insurance bonds and prepaid funeral plans.

As at 30 June 2018, CLL had total funds under management of \$865 million and approximately 92,838 policy holders.

Investment Bonds Funds Under Management	30 June 2018
Unitised Bonds (Centuria Life)	\$141m
Capital Guaranteed (Centuria Life)	\$216m
Prepaid Funeral Plans (Guardian)	\$508m
Total	\$865m

Investment Risks

By investing in the Notes, the holders of the Notes will be lending money to the Issuer and Guarantor and may be exposed to a number of risks which can be broadly classified as risks associated with the Notes, the market generally and Centuria Group's business. This section describes certain risks associated with Centuria Group's business. Prospective investors or purchasers should consult their own financial, legal and tax advisers about other risks associated with Centuria Group's business, the Notes or the market generally.

The material business risks that are likely to have an effect on Centuria Group's financial performance and/or position and therefore its ability to pay interest and principal on the Notes include, but are not limited to:

Property Sector Risks

Centuria Group is subject to the prevailing property market conditions in the sectors in which each of the funds under the control of Centuria Group operate and the jurisdiction in which each of its funds' assets are located. The demand for property as an asset class changes over time and can be influenced by general economic factors such as interest rates and economic cycles. A deterioration in investment market conditions in the property sector due to a sustained downturn in the domestic and/or global economic climate could adversely impact Centuria Group's earnings through directly reducing the value of Centuria Group's existing funds under management, reducing the value of property assets, and through reducing the attractiveness of the property sector to investors.

Property Liquidity

The property assets to which Centuria Group and the funds managed by Centuria Group are exposed are, by their nature, illiquid investments. There is a risk that Centuria Group may not be able to realise property assets within a short period of time or may not be able to realise property assets at valuation including selling costs, which could materially adversely affect the financial performance and/or position of Centuria Group.

Liquidity and realisation risk

The ongoing value of properties held by funds managed by Centuria Group may fluctuate due to a number of factors including rental levels, occupancy assumptions, vacancy periods, rental incomes and capitalisation rates, all of which may change for a variety of reasons. Valuations represent only the analysis and opinion of qualified experts at a certain point in time. There is no guarantee that a property will achieve a capital gain on its sale or that the value of the property will not fall as a result of the assumptions on which the relevant valuations are based proving to be incorrect.

Regulatory risk and changes in legislation

Centuria Group operates in a highly regulated environment and it, and the Centuria Funds Management business is subject to a range of industry specific and general legal and other regulatory controls (including Australian Financial Services Licensing and Anti Money Laundering / Counter Terrorism Funding requirements). Regulatory breaches may affect Centuria's operational and financial performance, through penalties, liabilities, restrictions on activities and compliance and other costs. ASIC routinely undertakes surveillance of Australian financial services licenses, and from time- to-time undertakes regulatory and enforcement action in relation to such licensees. If ASIC was to take such action against Centuria Group or Centuria's Funds Management business, then this action might result in Centuria Group or Centuria's Funds Management business being restricted or prohibited from providing financial services, including operating its Funds Management business, or might lead to the imposition of additional compliance costs or reputational damage. ASIC may make a public announcement of its regulatory action.

Changes in government legislation and policy in jurisdictions in which Centuria Group and the Centuria Funds Management business operate may affect the value of funds managed by Centuria Group and the financial performance and/or position of Centuria Group. This may include changes in

stamp duty or tenancy legislation, policies in relation to land development and zoning and delays in the granting of approvals or registration of subdivision plans.

Funds Management

Centuria Group manages a number of funds on behalf of third party investors. The majority of Centuria Group's income is derived from fees calculated with reference to the value of funds under the control of the Centuria Funds Management business. Centuria Group's financial performance and/or position may be adversely affected if it was not able to appropriately respond to the following risks:

- Significant or prolonged underperformance of the Centuria Funds that may affect the ability of Centuria to retain existing funds and to attract new funds under management.
- Unit-holder or competitor actions initiated to remove funds from the control of the Centuria Funds Management business.
- A number of funds under the control of the Centuria Funds Management business are fixed term funds or funds where strategic review dates fall due in the short to medium term. Unit-holder approval and/or endorsement is required for extensions or that key investors may terminate management arrangements or otherwise remove their funds from the control of Centuria Funds Management business at any time.
- The direct property funds that Centuria Funds Management manages have exposure to a variety of entities that lease or otherwise occupy the properties owned by these funds. Insolvency or financial distress leading to a default by a major lessee or lessees across a number of leases, or failure to secure new leases on acceptable terms, could give rise to earnings volatility and breach of financial covenants within these funds.
- To the extent that property values or income levels in a particular fund fall, there is a risk that the management fee income derived from that fund may be adversely impacted.

Reliance on third party equity

As a fund manager, growth in Centuria Group's earnings may be impacted by the ability of Centuria Group to establish new listed or unlisted funds. Specifically such income growth is dependent on the ability of Centuria Group to continue to source and maintain equity from new and existing investors for current and future funds.

Co Investments

Centuria Group's long term strategy is to continue holding co-investment positions in a number of the funds it manages. Factors influencing the financial performance of these managed funds may adversely impact the value of Centuria Group's assets or quantum of its earnings which may in turn impact the market price of Centuria's bonds.

Funding

Centuria Group and funds managed by the Centuria Funds Management business rely on access to various sources of capital, along with the refinancing and/or variation of existing debt facilities. An inability to obtain the necessary funding or refinancing on acceptable terms and at commercial rates or a material increase in the costs of such funding may have an adverse impact on Centuria Group's performance or financial position. Further, these debt facilities are subject to various covenants including interest coverage ratios and loan to valuation ratios. The use of debt funding may enhance returns and increase the number of assets that Centuria Group can acquire, but it may also substantially increase the risk of loss. Use of debt funding may adversely affect Centuria Group when economic factors such as rising interest rates and/or margins, severe economic downturns, availability of credit, reduction in asset values or further deterioration in the condition of debt and equity markets occur.

Information system disruption

Centuria Group relies on its infrastructure and information technology in order to operate its business. A severe disruption to or failure of Centuria Group's information technology systems may adversely impact the operations of Centuria Group and its current and future business and financial performance and/or position.

Personnel Risk

The ability of Centuria Group to successfully deliver on its strategy is dependent on retaining key employees. The loss of senior management, or other key personnel, could adversely impact on Centuria Group's current and future business and financial performance.

The following summary, which is not exhaustive, outlines some of the major risk factors in respect of an investment in the Notes.

Modification and Waivers binding

The Terms and Conditions of the Notes contain provisions for calling meetings of holders of the Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders in respect of certain matters, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Limitation in ability to redeem Notes

The Issuer must redeem the Notes on the Maturity Date, on the request of a Noteholder following a Change of Control or on the occurrence of an Event of Default or in other certain limited circumstances set out in Condition 7 ("Redemption and Purchase") of the Terms and Conditions of the Notes. The Issuer cannot assure Noteholders that, if required, it would have sufficient cash or other financial resources at any such time or would be able to arrange financing to redeem the Note in cash.

Market Price of the Notes

The market price of the Notes will be based on a number of factors, including:

- the prevailing interest rates being paid by companies similar to the Issuer;
- the overall condition of the financial and credit markets;
- prevailing interest rates generally and interest rate volatility;
- the financial condition, results of operation and prospects of the Issuer and Centuria Group;
- general market and economic conditions;
- the publication of earnings estimates or other research reports and speculation in the press or investment community; and
- changes in the industry and competition affecting Centuria Group.

Change of Law

The terms and conditions of the Notes are based on New South Wales law in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to New South Wales or Australian law or administrative practice after the date of this Information Memorandum.

Terms and Conditions

*The following are the terms and conditions of the Notes (the **Terms and Conditions**) which will apply to each Note issued by Centuria Funds Management Limited (ACN 607 153 588) as trustee of the Centuria Capital No. 2 Fund (ABN 24 858 616 727) (the **Issuer**) and guaranteed by each Guarantor and secured by each Secured Guarantor, as supplemented, amended, modified or replaced by the relevant Pricing Supplement.*

The Notes are constituted by, and owing under, the Note Trust Deed. Each Note will be issued in uncertificated form by inscription in the Register. The registered holders of Notes (and each person claiming through or under a Noteholder) are entitled to the benefit of, are bound by and are deemed to have notice of, all the provisions contained in the Note Trust Deed and the Terms and Conditions. Each such person is also deemed to have notice of and be bound by the Information Memorandum and the relevant Pricing Supplement.

Copies of each of the documents referred to above are available for inspection by Noteholders during normal business hours at the following Office of the Registrar:

Level 18, Angel Place
123 Pitt Street
Sydney NSW 2000
Attention: Manager, Transaction Management, Trust and Fund Services

Words and expressions defined or used in a Pricing Supplement shall have the same meaning where used in the Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of any inconsistency between the relevant Pricing Supplement or the Terms and Conditions (as applicable), the relevant Pricing Supplement will prevail.

1 Interpretation

1.1 Definitions

The following words have these meanings in these Terms and Conditions unless the contrary intention appears:

Accession Deed means each of:

- (a) any Security Trust Deed Accession Deed (Secured Guarantor) entered into after the Issue Date; and
- (b) any Security Trust Deed Accession Deed (Beneficiary) entered into after the Issue Date.

Accounting Standards means, for a person, all accounting standards or principles that it is required to comply with by Australian law.

Additional Amounts has the meaning given in Condition 9.2 ("Additional payment").

Agency and Registry Services Agreement means the document entitled "Agency and Registry Services Agreement" dated 5 April 2017 and executed by the Issuer, the Issuing Agent, the Paying Agent, the Calculation Agent and the Registrar for the paying agency, calculation agency and registry services for the Notes and any other agreement for those services.

Austraclear means Austraclear Ltd (ABN 94 002 060 773) or its successor.

Austraclear Regulations means the rules, regulations and operating manual of Austraclear from time to time.

Austraclear System means the system operated by Austraclear in accordance with the Austraclear Regulations.

Australian dollars or **A\$** means the lawful currency of Australia from time to time.

Authorised Officer means:

- (a) a director or secretary of the Unsecured Guarantor; or
- (b) the Chief Financial Officer of the Unsecured Guarantor.

BBSW means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the “AVG MID” on the Reuters Monitor System “BBSW” page (or any replacement page) at approximately 10:10am on the first day of that Interest Period. However, if such rate does not appear by 10:30am on that day, or if it is displayed but the Calculation Agent determines that there is an obvious error in that rate, **BBSW** means the rate determined by the Calculation Agent in good faith having regard to comparable indices then available. The rate calculated or determined by the Calculation Agent will be expressed as a percentage rate per annum and will be rounded up if necessary, to the next higher one ten-thousandth of a percentage point (0.0001 percent.).

Beneficiary has the meaning given in the Security Trust Deed and, for the avoidance of doubt, includes each Noteholder.

Business Day means a day on which:

- (a) commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency markets) in Sydney;
- (b) if a Note held in the Austraclear System is to be issued or paid on that day, the Austraclear System is operating; and
- (c) if a Note is to be issued or paid on that day, each other relevant clearing system (including Euroclear and/or Clearstream) is operating.

Business Day Convention in respect of a Note, means the convention specified in the Pricing Supplement for that Note and recorded in the Register, for adjusting any relevant date if it would otherwise fall on a day that is not a Business Day. The following terms, when used in conjunction with the term **Business Day Convention** and a date, shall mean that an adjustment will be made if that date would otherwise fall on a day that is not a Business Day so that:

- (a) if **Following** is specified, that date will be the following Business Day; and
- (b) if **Modified Following** or **Modified** is specified, that date will be the following Business Day unless that day falls in the next calendar month, in which case that date will be the preceding Business Day.

Calculation Agent means Perpetual Corporate Trust Limited (ABN 99 000 341 533) or such other person appointed by the Issuer pursuant to the Agency and Registry Services Agreement as calculation agent from time to time.

Capital Distribution means any distribution made by a Secured Guarantor of its share capital or an in specie distribution of its assets other than for the avoidance of doubt, a distribution of cash that is not a distribution of share capital.

Centuria Group means Centuria Capital Limited (ABN 22 095 454 336) and Centuria Capital Fund (ARSN 613 856 358) and each of their respective Subsidiaries from time to time.

Clearstream, Luxembourg means Clearstream Banking, société anonyme or its successor.

Collateral Security means any present or future Security Interest, guarantee or other document or agreement created or entered into by a Secured Guarantor or any other person as security for the payment of any of the Secured Moneys.

Condition means the correspondingly numbered condition in these Terms and Conditions.

Corporations Act means the *Corporations Act 2001* of the Commonwealth of Australia.

Day Count Basis means, in respect of the calculation of an amount of interest on any Note for any period of time (the **Calculation Period**), the day count basis specified in the relevant Pricing Supplement and:

- (a) if **Actual/365** or **Actual/Actual** is specified, the actual number of days in the Calculation Period in respect of which payment is being made (being inclusive of the first day, but exclusive of the last day, of that Calculation Period) divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of:
 - (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365); or
- (b) if **Actual/365 (Fixed)** is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365; or
- (c) if **Actual/360** is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360; or
- (d) if **30/360**, **360/360** or **Bond Basis** is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Basis} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (e) if **RBA Bond Basis** is specified, one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the

calculation Period falls in a leap year, the sum of:

- (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365); or
- (f) such other basis as may be specified in the relevant Pricing Supplement as being the applicable basis for the calculation of the amount of interest in respect of a Series of Notes.

Denomination means A\$1,000, being the notional face value of a Note.

Disposal means sell, assign, transfer, or otherwise dispose of or cease to hold, or part with possession of, or create a right to or an interest (including sub-leases) in an asset and **Dispose** has a corresponding meaning.

Distribution means:

- (a) any dividend, charge, interest, fee, payment or other distribution (whether cash or assets) or redemption, repurchase, defeasance, retirement or repayment on or in respect of any share capital of the Issuer or a Guarantor; or
- (b) any dividend or distribution to the unitholders of a Relevant Trust.

EBIT means, for any Relevant Period, the NPAT of the Centuria Group for that period, calculated in accordance with applicable Accounting Standards, after:

- (a) adding back the aggregate of:
 - (i) tax on net income of the Centuria Group for that period; and
 - (ii) Finance Charges for that period; and
- (b) excluding the net amount of:
 - (i) extraordinary, significant or non-recurring gains or losses (including transaction costs incurred in connection with any acquisition);
 - (ii) gains or losses from the sale of assets to the extent that such items are included in revenue or expense from ordinary activities;
 - (iii) gains or losses from assets arising from fair value adjustments on property; and
 - (iv) gains or losses from derivatives.

EBITDA means, for any Relevant Period, EBIT of the Centuria Group for that Relevant Period after adding back any amount attributable to amortisation of intangible assets or depreciation of tangible assets.

Euroclear means Euroclear Bank S.A./N.V. or its successor.

Euroclear System means the system operated by Euroclear.

Event of Default means an event specified in Condition.11 ("Events of Default").

Extraordinary Resolution means a resolution:

- (a) passed at a meeting (at which the requisite quorum is present in accordance with the Meetings Provisions) by a majority consisting of not less than 66 2/3rds per cent. of the votes cast; or
- (b) made by way of Written Resolution by Noteholders passed in accordance with the

Meetings Provisions.

Fifth Optional Redemption Date means, in relation to a Note, each date so specified in the relevant Pricing Supplement applying to that Note.

Finance Charges means, for any Relevant Period, all gross interest expenses of the Centuria Group including any outgoings in the nature of interest (including, but not limited to, line fees).

Finance Document means each of:

- (a) the Note Documents;
- (b) the Agency and Registry Services Agreement;
- (c) the Security Trust Deed;
- (d) any Security Trust Deed Accession Deed (Beneficiary) entered into after the Issue Date;
- (e) any Security Trust Deed Accession Deed (Secured Guarantor) entered into after the Issue Date;
- (f) the General Security Deed;
- (g) any general security deed entered into after the Issue Date by a Secured Guarantor pursuant to Condition 4.4 ("Addition of additional Secured Guarantor");
- (h) any Security Pool Collateral Security; and
- (i) each Security Pool Transaction Document.

Financial Indebtedness means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised under any acceptance credit, or bill acceptance, discount or endorsement facility;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with any applicable generally accepted accounting practices, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any redeemable shares where the holder has the right, or the right in certain conditions, to require redemption;
- (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (h) consideration for the acquisition of assets (excluding inventory bought in the ordinary course of business) or services payable more than 90 days after acquisition;
- (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (j) the amount of any liability in respect of any guarantee or indemnity for any of the items

referred to in paragraphs (a) to (i) inclusive above.

For the purposes of these Terms and Conditions, any possible increase in Financial Indebtedness resulting from changes to accounting definitions will be disregarded.

First Optional Redemption Date means, in relation to a Note, the date so specified in the relevant Pricing Supplement applying to that Note.

Fixed Rate Note means a Note that bears interest at a fixed rate.

Floating Rate Note means a Note that bears interest at a floating or variable rate.

Fourth Optional Redemption Date means, in relation to a Note, each date so specified in the relevant Pricing Supplement applying to that Note.

General Security Deed means the document entitled "General Security Deed" dated 5 April 2017 and made by the Initial Secured Guarantors and the Security Trustee.

Government Agency means any government or any governmental, semi-governmental or judicial entity or authority. It also includes any self-regulatory organisation established under statute or any stock exchange or other relevant authority.

GST means any goods and services or similar tax, together with any related interest, penalties, fines or other charge.

Guarantee means the unconditional and irrevocable guarantee of the Notes made by each Guarantor under, and in accordance with the terms set out in, clause 11 of the Security Trust Deed.

Guarantors means each of:

- (a) the Unsecured Guarantor;
- (b) the Secured Guarantors; and
- (c) each other person that has acceded to, and provided a Guarantee (and has not been released from such Guarantee) under, the Note Trust Deed from time to time.

Information Memorandum means the Information Memorandum dated 11 October 2018 prepared by, or on behalf of, and approved in writing by, the Issuer and the Initial Guarantors in connection with the issue of the Notes, and such documents as are incorporated by reference into it including the relevant Pricing Supplement, and any other amendments to it.

Initial Secured Guarantor means each of:

- (a) the Issuer;
- (b) Centuria Investment Holdings Pty Limited (ABN 78 116 455 862) as trustee of the Centuria Capital No. 2 Office Fund (ABN 62 172 815 196); and
- (c) Centuria Investment Holdings Pty Limited (ABN 78 116 455 862) as trustee of the Centuria Capital No. 2 Industrial Fund (ABN 68 722 110 157).

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it has a controller appointed, is in liquidation, in provisional liquidation, under administration or wound up or has had a receiver appointed to any part of its property (each as defined in the Corporations Act);

- (c) it is subject to:
 - (i) any arrangement, assignment, moratorium or composition with its creditors in respect of or affecting all or a material part of (or of a particular type of) its debts; or
 - (ii) protected from creditors under any statute or dissolved,

in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by an Extraordinary Resolution of Noteholders;
- (d) an application or order has been made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above;
- (e) it ceases, suspends or threatens to cease or suspend the conduct of all or substantially all of its business, or disposes or threatens to dispose of substantially all of its assets;
- (f) it is taken (under section 459(F)(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (g) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which the Note Trustee or the Noteholders reasonably deduces it is so subject);
- (h) it is otherwise unable to pay its debts when they fall due; or
- (i) something having a substantially similar effect to paragraphs (a) to (h) above happens in connection with that person (including, for the avoidance of doubt, with respect to a Relevant Trust) under the law of any jurisdiction.

Interest Accrual Date means, in relation to a Note, the Issue Date or such other date as may be specified as such in the relevant Pricing Supplement as the date on and from which interest accrues on that Note.

Interest Amount means, in relation to any Note, the amount of interest payable in respect of such Note as determined under Condition 6.4 ("Calculation of Interest Amount").

Interest Cover Ratio means, as at any date of determination, the ratio of EBITDA to Finance Charges as at such date for the Relevant Period for the Centuria Group.

Interest Payment Date means, in relation to any Note, each date specified in, or determined in accordance with the provisions of, the relevant Pricing Supplement as a date on which a payment of interest on that Note is due and adjusted, if necessary, in accordance with the applicable Business Day Convention.

Interest Period means, in relation to any Note, the period from and including an Interest Payment Date to but excluding the next Interest Payment Date, except that:

- (a) the first Interest Period commences on (and includes) the Interest Accrual Date; and
- (b) the final Interest Period ends on (but excludes) the Maturity Date or, if redeemed prior to that date, the Optional Redemption Date.

Interest Rate means, in relation to any Note, the rate of interest (expressed as a per cent. per annum) payable in respect of that Note specified in, or calculated or determined in accordance with the provisions of, the relevant Pricing Supplement.

Issue Date means, in relation to any Note, the date recorded or to be recorded in the Register as the date on which the Note is issued as specified in the relevant Pricing Supplement.

Issuing Agent means Perpetual Corporate Trust Limited in its capacity as issuing agent.

Margin means, in relation to a Floating Rate Note, the margin specified in, or determined in accordance with, the relevant Pricing Supplement.

Maturity Date means, in relation to any Note, the date specified in the relevant Pricing Supplement as the Maturity Date for that Note.

Meeting Provisions means the provisions for the convening of meetings and passing of resolutions by Noteholders set out in Schedule 2 to the Note Trust Deed.

Note means a medium term debt obligation of the Issuer issued in registered form evidencing the rights of a Noteholder to be paid certain moneys under the Note Trust Deed, constituted by, and owing under the Note Trust Deed and title to which is recorded in and evidenced by an inscription in the Register.

Noteholder means a person whose name is for the time being inscribed in the Register as a holder of a Note.

Note Document means, in respect of a Series and a Tranche, the Note Trust Deed and the relevant Pricing Supplement.

Note Trust has the meaning given in the Note Trust Deed.

Note Trustee means Perpetual Corporate Trust Limited in its capacity as trustee of the Note Trust constituted by the Note Trust Deed or such other person appointed under the Note Trust Deed as trustee of the Note Trust.

Note Trust Deed means the document entitled "Note Trust Deed" dated 5 April 2017 and executed by the Issuer and the Note Trustee.

NPAT means, for any financial period, (including any half year and/or full year), the net profit after tax for that financial period of the Centuria Group, as shown in the consolidated financial statements of the Centuria Group for that financial period.

Offshore Associate means an associate (as defined in section 128FA(8) of the Tax Act) that is either:

- (a) a non-resident of Australia which does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia; or
- (b) a resident of Australia that acquires the Notes in carrying on a business at or through a permanent establishment outside Australia.

Optional Redemption Date means each of the First Optional Redemption Date, Second Optional Redemption Date, Third Optional Redemption Date, Fourth Optional Redemption Date or Fifth Optional Redemption Date.

Ordinary Resolution means a resolution:

- (a) passed at a meeting (at which the requisite quorum is present as set out in the Meetings Provisions) by a majority consisting of more than 50 per cent. of the votes cast; or
- (b) made by way of Written Resolution by Noteholders passed in accordance with the Meetings Provisions.

Outstanding Principal Amount means, in relation to a Note, the principal amount outstanding on that Note from time to time.

Paying Agent means Perpetual Corporate Trust Limited in its capacity as paying agent or

such other person appointed by the Issuer pursuant to the Agency and Registry Services Agreement as paying agent from time to time.

Payment Date means, in respect of a Note, its Maturity Date, an Interest Payment Date or any other relevant date on which a payment in respect of that Note is due, adjusted in accordance with the applicable Business Day Convention.

Permitted Security Interest means:

- (a) [intentionally left blank];
- (b) any Security Interests granted by a Secured Guarantor:
 - (i) in connection with any new Financial Indebtedness of a Relevant Trust of which it is the Trustee incurred or entered into on or after the Issue Date; and/or
 - (ii) without limiting sub-paragraph (i) above, in connection with the refinancing, amendment, amendment and restatement or extension of any Financial Indebtedness of a Relevant Trust of which it is the Trustee after the Issue Date,provided that, Condition 4.2(a) ("Financial Covenants") is complied with;
- (c) a Security Interest arising by operation of law and in the ordinary course of trading so long as the Financial Indebtedness secured by that Security Interest is paid when due or contested in good faith and appropriately provisioned;
- (d) any netting and set-off arrangements arising in the ordinary course of a Secured Guarantor's banking arrangements;
- (e) any Security Interest approved by the Noteholders by way of Extraordinary Resolution pursuant to the Meeting Provisions;
- (f) any Security Interest provided for by one of the following transactions if the transaction does not secure payment or performance of an obligation:
 - (i) a transfer of an account or chattel paper;
 - (ii) a commercial consignment; or
 - (iii) a PPS Lease (as defined in the PPSA); and
- (g) any other Security Interest in respect of Financial Indebtedness securing up to a maximum aggregate amount at any time that does not exceed A\$2,000,000.

PPSA means the *Personal Properties Securities Act 2009* of the Commonwealth of Australia.

Pricing Convention means, unless otherwise specified in the relevant Pricing Supplement:

- (a) in respect of a Floating Rate Note, the FRN convention as published by the Australian Financial Markets Association; or
- (b) in respect of a Fixed Rate Note, the Reserve Bank of Australia bond basis.

Pricing Supplement means the Pricing Supplement executed by the Issuer and the Initial Guarantors and prepared in relation to the Notes of the relevant Tranche or Series (substantially in the form set out in the Information Memorandum) as a supplement, modification or replacement of these Terms and Conditions and giving details of that Tranche or Series.

Record Date in relation to a Payment Date means the close of business in the place where the Register is maintained on the date which is the eighth calendar day before the relevant

Payment Date, or any other date so specified in the relevant Pricing Supplement.

Redemption Amount means, unless otherwise specified in the relevant Pricing Supplement, the Outstanding Principal Amount as at the date of redemption and also includes any other amount in the nature of a redemption amount specified in, or determined in accordance with the relevant Pricing Supplement or these Terms and Conditions.

Register means a register of Noteholders maintained by the Registrar on behalf of the Issuer pursuant to the Agency and Registry Services Agreement in which is inscribed the information set out in Condition 10.1(b) ("Registrar's role").

Registrar means Perpetual Corporate Trust Limited in its capacity as registrar of the Notes or such other person appointed by the Issuer pursuant to the Agency and Registry Services Agreement to establish and maintain the Register on the Issuer's behalf from time to time.

Regulations mean the Austraclear Regulations or the terms and conditions and operating procedures of Euroclear or Clearstream from time to time.

Related Body Corporate has the meaning it has in the Corporations Act.

Relevant Financial Statements means the most recent audited financial statements of the Relevant Trust for a financial year adjusted to give pro-forma effect to the changes in the Relevant Trust's actual financial position including the incurrence of drawn Financial Indebtedness and the application of the proceeds thereof including any increase in EBIT resulting from any assets acquired by application of the new Financial Indebtedness (in all cases in accordance with applicable Accounting Standards).

Relevant Member has the meaning given in Condition 5.1(c) ("Notes lodged in Austraclear").

Relevant Period means, as at any date of determination, the period of twelve months most recently ended prior to the date of determination.

Relevant Trust means each of:

- (a) the Centuria Capital No. 2 Fund;
- (b) the Centuria Capital No. 2 Office Fund;
- (c) the Centuria Capital No. 2 Industrial Fund; and
- (d) any other trust which becomes a Secured Guarantor after the Issue Date pursuant to Condition 4.4 ("Accession of additional Secured Guarantor").

Relevant Trust Deed means each of:

- (a) the trust deed in relation to Centuria Capital No. 2 Fund (formerly named Centuria Special Opportunities Fund) dated 17 May 2016;
- (b) the trust deed in relation to the Centuria Capital No. 2 Office Fund dated 18 October 2016;
- (c) the trust deed in relation to the Centuria Capital No. 2 Industrial Fund dated 18 October 2016; and
- (d) the trust deed in relation to any other Relevant Trust.

Second Optional Redemption Date means, in relation to a Note, each date so specified in the relevant Pricing Supplement applying to that Note.

Secured Debt means all Financial Indebtedness of the Relevant Trust secured by a Security

Interest but excludes any Permitted Security Interest referred to under paragraphs (c), (d), (f) and (g) of the definition of Permitted Security Interest.

Secured Guarantor means each of:

- (a) each Initial Secured Guarantor; and
- (b) each other responsible entity or trustee of a Relevant Trust that has:
 - (i) acceded to, and provided a Guarantee (and has not been released from such Guarantee) under, the Note Trust Deed from time to time; and
 - (ii) acceded to the General Security Deed (and has not been released from the General Security Deed) from time to time.

Secured Moneys means all debts and monetary liabilities of each Secured Guarantor (whether alone or not) to or for the account of any of Beneficiary (whether alone or not) in any capacity under or in relation to any Finance Document, irrespective of whether the debts or liabilities:

- (a) are present or future;
- (b) are actual, prospective, contingent or otherwise;
- (c) are at any time ascertained or unascertained;
- (d) are owed or incurred by or for the account of the Secured Guarantor alone, or severally or jointly with any other person;
- (e) are owed to, or incurred for the account of, any Beneficiary, alone, or severally or jointly with any other person;
- (f) are owed to any other person as agent (whether disclosed or not) for or on behalf of any Beneficiary;
- (g) are owed or incurred as principal, interest, fees, charges, Taxes, damages (whether for breach of contract, tort or incurred on any other ground), losses, costs or expenses, or on any other account;
- (h) would have been payable to a Beneficiary but remains unpaid by reason of a Secured Guarantor being Insolvent; or
- (i) are the subject of a right of indemnity from any trust assets in respect of which a Secured Guarantor acts as trustee or responsible entity.

Security has the meaning given in the Security Trust Deed.

Security Pool means the Security Pool (as defined in the Security Trust Deed) known as the Centuria Capital No. 2 Fund Security Pool.

Security Pool Collateral Security means, in respect of a Security Pool, any Collateral Security set out as such in the Security Pool Register with respect to that Security Pool.

Security Pool Register means the register created and maintained by the Security Trustee in accordance with the terms of the Security Trust Deed setting out the details of each Security Pool.

Security Pool Transaction Document means each document identified as such in the Security Pool Register.

Security Interest includes any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind (including under sections 12(1) and (2) and (3) of the

PPSA) or any other right of, or arrangement with, any creditor to have its claims satisfied in priority to other creditors with, or from the proceeds of, any asset. It includes retention of title other than in the ordinary course of day-to-day trading and a deposit of money by way of security but it excludes a charge or lien arising in favour of a government agency by operation of statute unless there is default in payment of moneys secured by that charge or lien.

Security Trust has the meaning given in the Security Trust Deed.

Security Trust Deed means the document entitled "Security Trust Deed" dated 5 April 2017 between, among others, the Issuer, the Initial Secured Guarantors, the Note Trustee and the Security Trustee.

Security Trust Deed Accession Deed (Beneficiary) has the meaning given in the Security Trust Deed.

Security Trust Deed Accession Deed (Secured Guarantor) has the meaning given in the Security Trust Deed.

Security Trustee means P.T. Limited (ABN 67 004 454 666) in its capacity as trustee of the Security Trust constituted by the Security Trust Deed or such other person appointed under the Security Trust Deed as trustee of the Security Trust.

Series means Notes having identical terms (except for their respective Issue Dates, Interest Accrued Dates and Issue Price) and which are expressed to be consolidated and form a single series.

Specified Office means the office specified in the Information Memorandum or any other address notified to Noteholders from time to time.

Subsidiary has the meaning given in the Corporations Act, but an entity will also be taken to be a Subsidiary of an entity if it is controlled by that entity as determined by the Accounting Standards and, without limitation:

- (a) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and
- (b) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation.

Tax includes any tax, levy, impost, deduction, charge, rate, duty, GST or withholding (including stamp and transaction duties) which is levied or imposed by a Tax Authority, and any related interest, penalty, charge, fee, fine, expenses or other amount in connection with them except if imposed on, or calculated having regard to, the net income of a Noteholder.

Tax Act means the *Income Tax Assessment Act 1936* of the Commonwealth of Australia and, where applicable, the *Income Tax Assessment Act 1997* of the Commonwealth of Australia.

Tax Authority means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official, having power to tax to which the Issuer becomes subject in respect of payments made by it of principal or interest in respect of the Notes.

Test Date means each date on which:

- (a) any Security Interest has been granted by a Secured Guarantor pursuant to paragraph (b) of the definition of 'Permitted Security Interest';
- (b) new Financial Indebtedness of a Relevant Trust has been incurred or entered into by a Secured Guarantor after the Issue Date, unless on that date a Test Date arises under paragraph (a) above;
- (c) a Secured Guarantor has refinanced, amended, amended and restated or extended any

Financial Indebtedness of a Relevant Trust of which it is the Trustee after the Issue Date; and

- (d) any Capital Distribution has been made by a Secured Guarantor to any entity that is not a Secured Guarantor.

Third Optional Redemption Date means, in relation to a Note, each date so specified in the relevant Pricing Supplement applying to that Note.

Total Tangible Assets means the aggregate amount of all assets of the Relevant Trust as shown in the Relevant Financial Statements of the Relevant Trust, but adjusted if necessary (without any double counting) so as to exclude any intangible assets (including, but not limited to, goodwill and trademarks, as calculated in accordance with the Relevant Financial Statements of the Relevant Trust).

Tranche means Notes issued on the same Issue Date, the terms of which are identical in all respects.

Transfer and Acceptance Form means such form as the Registrar adopts in line with the then current market practice to effect a transfer of Notes.

Trustee means any person who performs the role of responsible entity or trustee of any Relevant Trust.

Unsecured Guarantor means Centuria Capital Limited.

1.2 References to certain general terms

Unless the contrary intention appears, a reference in these Terms and Conditions to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (c) anything (including an amount) is a reference to the whole and each part of it;
- (d) a document includes any variation or replacement of it;
- (e) "law" includes common law, principles of equity and laws made by parliament (and laws made by parliament include federal or state laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (f) a time of day is a reference to Sydney time;
- (g) if a notice must be given within a certain period of days, the day on which the notice is given, and the day on which the thing is to happen, are not to be counted in calculating that period;
- (h) the word "person" includes an individual, corporation, company, firm, tribunal, undertaking, association, organisation, partnership, joint venture, trust, limited liability company, unincorporated organisation or government or any agency, instrumentality or political subdivision thereof; in each case whether or not being a separate legal entity;
- (i) a particular person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns; and
- (j) the words "including", "for example" or "such as" when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples

of a similar kind.

1.3 Number

The singular includes the plural and vice versa.

1.4 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these Terms and Conditions.

1.5 Terms defined in Pricing Supplement

Terms which are defined in the relevant Pricing Supplement as having a defined meaning have the same meaning when used in these Terms and Conditions but if the relevant Pricing

Supplement gives no meaning or specifies that a definition is “Not Applicable”, then that definition is not applicable to the Notes.

1.6 GST

- (a) All payments to be made by the Issuer in respect of the Notes are to be made without regard to GST. If all or any part of such payment is the consideration for a taxable supply for GST purposes then, when the Issuer makes that payment, it must pay to the relevant Noteholder an additional amount equal to that payment (or part) multiplied by the appropriate rate of GST (currently 10 per cent.).
- (b) To the extent that GST is payable under paragraph (a) and the relevant Noteholder is registered for GST, that Noteholder will promptly provide to the Issuer a tax invoice complying with the relevant GST legislation.

1.7 Terms

- (a) The Issuer will issue the Notes on the terms set out in these Terms and Conditions as supplemented, amended, modified or replaced by the relevant Pricing Supplement to those Notes.
- (b) In relation to a Note, if there is any inconsistency between these Terms and Conditions and the relevant Pricing Supplement, the relevant Pricing Supplement applying to that Note prevails in respect of that Note.

2 Form, title and terms

2.1 Constitution under the Note Trust Deed

- (a) The Notes are debt obligations of the Issuer constituted by, and owing under, the Note Trust Deed.
- (b) Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Note Trust Deed.

2.2 Form

- (a) Each Note is issued in registered uncertificated form by entry in the Register.
- (b) Each Note is a separate debt obligation of the Issuer and may (subject to compliance with Condition 5 (“Transfers of Notes”)) be transferred separately from any other Note.

2.3 Currency and amounts

- (a) Notes will be issued in Australian dollars in a single denomination of A\$1,000.
- (b) Notes may only be issued or sold in or into Australia:
 - (i) if the amount subscribed for, or the consideration payable to the Issuer, by the relevant Noteholder is a minimum of A\$500,000 (or its equivalent in other currencies) (disregarding amounts, if any, lent by the Issuer or other person offering the Notes or its associates (within the meaning of those expressions in Parts 6D.2 and 7.9 of the Corporations Act)) unless the issue or sale is otherwise in circumstances that do not require disclosure under Parts 6D.2 and 7.9 of the Corporations Act;
 - (ii) if the offer or an invitation (including any resulting issue or sale) does not constitute an offer to a “retail client” as that term is defined in section 761G of the Corporations Act; and
 - (iii) such action does not require any document to be lodged with the Australian Securities and Investments Commission.
- (c) Subject to Condition 2.3(b), Notes may be issued or sold in Australia if the amount subscribed for, or the consideration payable to the Issuer, by the relevant Noteholder is a minimum of A\$50,000 (or its equivalent in other currencies).
- (d) Notes to be sold outside of Australia must be sold in compliance with all applicable laws and regulations of the jurisdiction in which the sale is to take place.

2.4 Note owners

- (a) Subject to paragraph (c) below, the person whose name is inscribed in the Register as the registered owner of any Note from time to time will be treated by the Issuer, the Paying Agent and the Registrar as the absolute owner of such Note for all purposes whether or not any payment in relation to such Note is overdue and regardless of any notice of ownership or any other interest inscribed in the Register. Two or more persons registered as Noteholders are taken to be joint holders with right of survivorship between them.
- (b) Subject to paragraph (c) below, upon a person acquiring title to a Note by virtue of becoming registered as the owner of that Note, all rights and entitlements arising by virtue of the Note Trust Deed in respect of that Note vest absolutely in the registered owner of the Note, so that no person who has previously been registered as the owner of the Note nor any other person has or is entitled to assert against the Issuer, any Guarantor or the Registrar or the registered owner of the Note for the time being and from time to time any rights, benefits or entitlements in respect of the Note.
- (c) None of the Issuer, any Guarantor nor the Registrar nor any other person is, except as required by order of a court of competent jurisdiction, or as required by law, obliged to take notice of any other claim to or in respect of Notes.
- (d) Without limitation, except as provided by statute or as required by order of a court of competent jurisdiction, no notice of any trust (whether express, implied or constructive) may be inscribed in the Register in respect of a Note and the Registrar is not obliged to recognise any trust.

2.5 Inscription conclusive

Each inscription in the Register in respect of a Note is:

- (a) sufficient and conclusive evidence to all persons and for all purposes that the person whose name is so inscribed is the registered owner of the Note;
- (b) evidence for the benefit of the relevant Noteholder, that a separate and individual

acknowledgement by the Issuer of its indebtedness to that person is constituted by and owing under the Note Trust Deed and of the vesting in such person of all rights vested in a Noteholder by the Note Trust Deed; and

- (c) evidence that the person whose name is so inscribed is entitled to the benefit of an unconditional and irrevocable undertaking by the Issuer constituted by the Note Trust Deed that the Issuer will make all payments of principal and interest (if any) in respect of the Note and otherwise comply with its obligations under and in accordance with these Terms and Conditions (and, for the avoidance of doubt, the Issuer is not obliged to make any payment in respect of a Note to any person who is not inscribed in the Register as the holder of that Note).

2.6 Manifest errors

The making of, or the giving effect to, a manifest error in an inscription into the Register will not avoid the constitution, issue or transfer of a Note. The Registrar must correct any manifest or proven error of which it becomes aware.

2.7 No certificate

- (a) Except as permitted under paragraph (b), no certificate or other evidence of title shall be issued by or on behalf of the Issuer to evidence title to a Note unless the Issuer determines that certificates should be made available or that it is required to do so under any applicable law or regulation.
- (b) The Issuer agrees, on request by a Noteholder, to procure the Registrar to provide (and the Registrar agrees to provide) to the Noteholder a certified extract of the particulars inscribed on the Register in relation to that Noteholder and the Notes held by it.

2.8 Austraclear System

If the Notes are held in the Austraclear System, the rights of a person holding an interest in those Notes are subject to the Austraclear Regulations. The Issuer is not responsible for anything the Austraclear System does or omits to do, provided that this does not affect a Noteholder's ability to enforce its rights in respect of any applicable Notes arising under, and in accordance with, these Terms and Conditions.

3 Status of the Notes and Security

3.1 Status of the Notes

The Notes constitute direct, secured, unconditional and unsubordinated obligations of the Issuer ranking equally among themselves and in priority to all unsecured obligations of the Issuer, except liabilities mandatorily preferred by law.

3.2 Guarantee

- (a) The Guarantee made by the Unsecured Guarantor is a direct, unsecured and unsubordinated obligations of the Unsecured Guarantor and ranks equally amongst themselves and *pari passu* with all present and future unsubordinated and unsecured obligations of the Unsecured Guarantor, except liabilities mandatorily preferred by law.
- (b) The Guarantee made by the Secured Guarantors constitutes direct, secured, unconditional and unsubordinated obligations of the Secured Guarantors ranking equally among themselves and in priority to all unsecured obligations of the Secured Guarantors, except liabilities mandatorily preferred by law.

3.3 Security

- (a) Amounts due under the Notes and the Note Trust Deed are guaranteed and secured by the Security (including the Guarantee). The Security Trustee holds the Security on trust

for the Beneficiaries (as defined in the Security Trust Deed, and which includes the Note Trustee and the Noteholders) subject to the terms of the Security Trust Deed. By the Note Trustee being a party to the Security Trust Deed, the Noteholders receive, through the Note Trustee, the benefit of the Security Trust Deed and the Security.

- (b) Pursuant to the terms of the Security Trust Deed, the Security will form part of a Security Pool to be known as the "Centuria Capital Security Trust Security Pool" to be held on trust by the Security Trustee for the benefit of all Security Pool Beneficiaries which includes each Noteholder of the Notes. The Security Pool Beneficiaries will comprise, among others, the holders of any further Tranches and Series of Notes which may be issued by the Issuer. If such further Tranches and Series of Notes have the benefit of any additional security, such security will be added to and form part of the Security Pool and will be held on trust by the Security Trustee for the benefit of all Security Pool Beneficiaries at such time which will comprise, among others, each Noteholder and each holder of such further Tranche and Series of Notes. In the event that such further Tranche and Series of Notes does not have the benefit of any additional security, the holders of such Tranche and Series of Notes will have the benefit of the Security in the Security Pool which has been granted in respect of these Notes and will themselves be Security Pool Beneficiaries (together with, among others, each Noteholder of these Notes). All consents, instructions, resolutions and directions in respect of the Security Pool and the Security Pool Transaction Documents will be made on a collective basis among all Security Pool Beneficiaries pursuant to the terms of the Security Trust Deed.

4 Negative Pledge and Financial and other Covenants

4.1 Negative pledge

Each Secured Guarantor will not create or permit to subsist any Security Interest upon the whole or any part of the present or future assets or revenues of its Relevant Trust other than a Permitted Security Interest.

4.2 Financial covenants

- (a) The Issuer shall ensure that the ratio of the aggregate principal amount of all Secured Debt to Total Tangible Assets of the Relevant Trusts of all Secured Guarantors will at all times be in aggregate not more than 0.65:1.
- (b) A Secured Guarantor may only:
 - (i) incur any new Financial Indebtedness after the Issue Date; and/or
 - (ii) refinance, amend, amend and restate or extend any Financial Indebtedness after the Issue Date,if, after giving pro-forma effect to the incurrence of such Financial Indebtedness and the application of the proceeds thereof, including any increase in EBIT resulting from any assets acquired by application of the new Financial Indebtedness, the Interest Cover Ratio is greater than 2:1.
- (c) If an Event of Default has occurred and is subsisting, no Guarantor will declare or pay a Distribution.

4.3 Other covenants

- (a) Each Secured Guarantor will ensure that it will not (whether in a single transaction or a series of related transactions) Dispose of any assets (other than, for the avoidance of doubt, cash), other than:
 - (i) Disposals:
 - (A) in the ordinary course of business and on arm's length commercial terms of any assets;

- (B) where the assets are waste, obsolete and are not required for the efficient operations of its business;
 - (C) in exchange for other assets comparable or superior as to type, value and quality;
 - (D) Permitted Security Interests; or
 - (E) where the assets are being disposed of to another Secured Guarantor; and
- (ii) where an amount equal to the net proceeds of the Disposal is used within 180 days after such Disposal to:
 - (A) purchase, acquire, develop, redevelop or construct productive assets for use by the Secured Guarantor in its business; and/or
 - (B) prepay or repay any secured Financial Indebtedness incurred by the Issuer in accordance with Condition 7.4 ("Early redemption at the option of the Issuer in connection with asset disposals"); or
- (iii) as shall be approved by an Extraordinary Resolution of Noteholders; or
- (iv) any Disposal not otherwise described in paragraphs (i) to (iii) above provided that:
 - (A) each such Disposal is for cash consideration on arm's length terms and at fair market value; and
 - (B) the aggregate fair market value of the assets Disposed of by the Secured Guarantor during any 12 month period does not, in aggregate, exceed A\$2,000,000.
- (b) Each Guarantor will do everything necessary to maintain its corporate existence.
- (c) Each Guarantor will comply with all laws binding on it where a failure to comply would have a material adverse effect on the ability of the Guarantor to comply with its obligations under the Notes, the Guarantee and/or the Security (as applicable).

4.4 Covenant testing

- (a) The Issuer will provide the Note Trustee not later than:
 - (i) 120 days after each 30 June; and
 - (ii) 90 days after each 31 December,

with a certificate signed by an Authorised Officer of the Unsecured Guarantor which certifies that the Secured Guarantors are in compliance with the covenant set out in Condition 4.2(a) ("Financial covenants") as at 30 June or 31 December, as applicable.
- (b) The Issuer will provide the Note Trustee not later than 30 days after each applicable Test Date with a certificate signed by an Authorised Officer of the Unsecured Guarantor which certifies whether, in the Authorised Officer's opinion and after having made all reasonable enquiries, the Centuria Group has where applicable:
 - (i) in respect of a Test Date arising under paragraph (a) of the definition of 'Test Date' complied with the covenants set out in Conditions 4.1 ("Negative pledge"), 4.2 ("Financial covenants") (on a pro forma basis) and 4.3(c) ("Other covenants") on that Test Date;
 - (ii) in respect of a Test Date arising under paragraph (b) of the definition of 'Test Date', complied with the covenants sets out in Conditions 4.2 ("Financial covenants") (on a pro forma basis) and 4.3(c) ("Other covenants") on that Test

Date;

- (iii) in respect of a Test Date arising under paragraph (c) of the definition of 'Test Date' complied with the covenants set out in Conditions 4.2 ("Financial covenants") (on a pro forma basis) and 4.3(c) ("Other covenants") on that Test Date; and
 - (iv) in respect of a Test Date arising under paragraph (d) of the definition of 'Test Date' complied with the covenants set out in Condition 4.1 ("Negative pledge") and 4.3(c) ("Other covenants") on that Test Date.
- (c) Where a Secured Guarantor has Disposed of an asset for an amount greater than A\$5,000,000 pursuant to paragraphs (i) and (ii) of Condition 4.3(a) ("Other covenants"), then the Issuer will provide the Note Trustee not later than 30 days after the date which is the earlier to occur of:
 - (i) 180 days after the Disposal; and
 - (ii) the date on which the net proceeds of the Disposal have been applied in accordance with Condition 4.3(a)(ii) ("Other covenants"),with a certificate signed by an Authorised Officer of the Unsecured Guarantor which certifies whether, in the Authorised Officer's opinion and after having made all reasonable enquiries, the relevant Secured Guarantor has complied with paragraphs (i) and (ii) of Condition 4.3(a) ("Other covenants") in respect of that Disposal.
- (d) In the case of any certificate to be provided under any of paragraphs (a), (b) or (c) above, in the event that the Centuria Group is not in compliance with any such covenant, such certificate will give reasonable detail of such non-compliance (including any relevant figures and calculations) and the steps being taken to remedy the same.
- (e) Upon the written request of a Noteholder (but not otherwise), the Note Trustee will provide a copy of any certificate provided to it under this Condition 4.4 ("Covenant testing").
- (f) If the Note Trustee (acting either on its own discretion or upon receipt of a written request of a Noteholder) requests, within 10 Business Days of the Issuer providing a certificate pursuant to Conditions 4.4(d) ("Covenant testing") or 4.4(e) ("Covenant testing") a Secured Guarantor will provide (at its own cost), any document or other information that the Note Trustee may reasonably request that is necessary or desirable to allow the Note Trustee or a Noteholder to determine whether or not the Secured Guarantor is in compliance with each of the covenants set out in Conditions 4.1 ("Negative pledge"), 4.2 ("Financial covenants"), 4.3(a)(i) ("Other covenants") and 4.3(c) ("Other covenants") above as at the relevant Test Date.

4.5 Accession of additional Secured Guarantor

If, following a Disposal permitted under Condition 4.3(a) ("Other covenants"), the Issuer determines that it is necessary for another responsible entity or trustee of a trust within the Centuria Group to accede as a Secured Guarantor in order to ensure that the Secured Guarantors are in compliance with their obligations under paragraph (b) of the definition of Permitted Security Interest, the Issuer must procure that within 10 Business Days of such Disposal that such responsible entity or trustee of the relevant trust has acceded to, and provided a Guarantee, under the Security Trust Deed and has, entered into a general security deed substantially on the same terms as the General Security Deed (as determined by the Security Trustee in its sole discretion), in each case, in accordance with the terms of the relevant Finance Documents and entered into, or provided, any other documents or

authorisations in connection with its accession as the Note Trustee or Security Trustee may reasonably require. The Noteholders authorise each of the Note Trustee and the Security Trustee to execute any such documents as may be required in order to effect the same.

5 Transfers of Notes

5.1 Notes lodged in Austraclear

- (a) Unless the relevant Pricing Supplement otherwise provides, the Notes will be lodged into the Austraclear System.
- (b) If the Notes are lodged into the Austraclear System, the Registrar will inscribe Austraclear in the Register as the Noteholder of those Notes. While those Notes remain in the Austraclear System:
 - (i) all payments and notices required of the Issuer or the Registrar in relation to those Notes will be made in accordance with the Austraclear Regulations; and
 - (ii) all dealings (including transfers and payments) in relation to those Notes within the Austraclear System will be governed by the Austraclear Regulations.
- (c) If Austraclear is inscribed in the Register in respect of a Note, despite any other provision of these Terms and Conditions, that Note is not transferable on the Register, and the Issuer may not, and must procure that the Registrar does not, register any transfer of that Note, and the relevant member of the Austraclear System to whose security account the Note is credited in respect of that Note (the **Relevant Member**) has no right to request any registration or any transfer of that Note, except that:
 - (i) for any repurchase, redemption or cancellation (whether on or before the Maturity Date of the Note), a transfer of that Note from Austraclear to the Issuer may be inscribed in the Register; and
 - (ii) either:
 - (A) Austraclear gives notices to the Registrar stating that the Relevant Member has stated to Austraclear that it needs to be registered in relation to the Note in order to pursue any rights against the Issuer; or
 - (B) Austraclear purports to exercise any power it may have under the Austraclear Regulations from time to time or these Terms and Conditions, to require Notes to be transferred on the Register to the Relevant Member,

the Note may be transferred on the Register from Austraclear to the Relevant Member, in any of these cases, the Note will cease to be held in the Austraclear System.
- (d) On admission to the Austraclear System, interests in the Notes may be held through the Euroclear System or Clearstream, Luxembourg. In these circumstances, entitlements in respect of holdings of interests in the Notes in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear while entitlements in respect of holdings of interests in the Notes in Clearstream, Luxembourg would be held in the Austraclear System by J.P. Morgan Nominees Australia Limited as nominee of Clearstream, Luxembourg.
- (e) The rights of a holder of interests in Notes held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, Luxembourg and their respective nominees and the rules and regulations of the Austraclear System.

- (f) In addition, any transfer of interests in Notes which are held through Euroclear or Clearstream, Luxembourg (to the extent such transfer will be recorded in the Austraclear System and is in respect of offers or invitations received in Australia) will be subject to the Corporations Act and the other requirements set out in the Notes.
- (g) For so long as any Note is lodged in the Austraclear System the right of a relevant Noteholder to be registered as the Noteholder of that Note, and the transfer of that Note, shall be governed by the relevant Regulations.

5.2 Transfers of Notes not held in Austraclear

Notes which are not held in the Austraclear System are transferable without the consent of the Issuer or the Registrar.

5.3 Compliance with law

- (a) Notes may only be transferred in accordance with all applicable laws and regulations of each relevant jurisdiction.
- (b) Notes which are transferred in respect of offers or invitations received in Australia:
 - (i) must be transferred for a consideration of not less than A\$500,000 (or its equivalent in other currencies) (disregarding amounts, if any, lent by the Issuer or other person offering the Notes or its associates) unless the transfer does not require disclosure under Parts 6D.2 and 7.9 of the Corporations Act; and
 - (ii) only if the transferee is not a “retail client” as that term is defined for the purposes of section 761G of the Corporations Act.

5.4 Transfers in whole

A Note is transferable in whole (but not in part).

5.5 Transfer and Acceptance Forms for Notes

A Note may be transferred by a duly completed and (if applicable) stamped Transfer and Acceptance Form obtainable from the Registrar. Unless a contrary intention is expressed in a Transfer and Acceptance Form, all contracts relating to the transfer of Notes are governed by the laws applicable to the Notes. The Issuer is not obliged to stamp the Transfer and Acceptance Form.

5.6 Registration requirements for transfer

Every Transfer and Acceptance Form in respect of Notes must be:

- (a) signed by the transferor and the transferee;
- (b) delivered to the office of the Registrar for registration;
- (c) accompanied by such evidence as the Registrar may reasonably require to prove the title of the transferor or the transferor's right to transfer those Notes; and
- (d) duly stamped, if necessary.

5.7 Registration of transfers

Subject to this Condition 5 (“Transfers of Notes”), the Registrar must register a transfer of Notes. Upon inscription of the name, address and all other required details of the transferee in the Register, the Issuer must recognise the transferee as the Noteholder entitled to the Notes that

are the subject of the transfer. Entry of such details in the Register constitutes conclusive proof of ownership by that transferee of those Notes subject to correction for manifest error. The transferor remains the owner of the relevant Notes until the required details of the transferee are inscribed in the Register in respect of those Notes. Subject to Condition 5.9 ("Marking of transfer"), the Registrar must register the transfer of a Note whether or not the Transfer and Acceptance Form to which the transfer relates has been marked by the Registrar.

5.8 No fee

No fee or other charge is payable to the Issuer or the Registrar in respect of the transfer or registration of any Note.

5.9 Marking of transfer

The Registrar may mark any Transfer and Acceptance Form in its customary manner. Such marking prohibits a dealing with the relevant Notes as specified in the marking notation for a period from the date of marking to the earliest of:

- (a) 15 days from the date of marking;
- (b) the date the Registrar cancels the marking notation on the Transfer and Acceptance Form; and
- (c) the date the Registrar receives notification of the execution of the marked Transfer and Acceptance Form by the transferee.

5.10 Destruction

Any Transfer and Acceptance Form may, with the prior written approval of the Issuer, be destroyed by the Registrar after the inscription in the Register of the particulars set out in the form. On receipt of such approval, the Registrar must destroy the Transfer and Acceptance Form as soon as reasonably practicable and promptly notify the Issuer in writing of its destruction.

5.11 Deceased persons/bankrupt persons/unincorporated associations

- (a) A person becoming entitled to a Note as a consequence of the death or bankruptcy of a Noteholder or of a vesting order or a person administering the estate of a Noteholder may transfer the Note or, if so entitled, become registered as the Noteholder of the relevant Note upon producing such evidence as to that entitlement or status as the Registrar considers sufficient.
- (b) The Registrar may decline to give effect to a transfer of any Notes inscribed in the Register in the name of a deceased person who has two or more personal representatives unless the Transfer and Acceptance Form is executed by all of them.
- (c) A transfer to an unincorporated association is not permitted.

5.12 Stamp duty

- (a) The Issuer will bear any stamp duty payable on the issue, subscription or redemption of the Notes.
- (b) The Noteholder is responsible for any stamp duties or other similar taxes which are payable in any jurisdiction in connection with any transfer, assignment or any other dealing with Notes.

5.13 Restrictions on transfers

Transfers of Notes which are not lodged in the Austraclear System cannot be made between a Record Date and the relevant Interest Payment Date if a redemption of such Note is to occur

during that period in accordance with these Terms and Conditions.

6 Interest

6.1 Application

Notes may bear a fixed or floating rate of interest as specified in the relevant Pricing Supplement.

6.2 Period of accrual of interest

- (a) Interest accrues on the Outstanding Principal Amount of Notes from the relevant Interest Accrual Date at the applicable Interest Rate. Interest ceases to accrue on such Notes from the relevant Maturity Date unless default is made in the payment of any principal amount in respect of such Notes.
- (b) In the event default is made, any overdue principal of a Note continues to bear interest at the default rate specified in the relevant Pricing Supplement (or, if no default rate is specified, the last applicable Interest Rate), both before and after any demand or judgment, until the date on which payment is made in full to the relevant Noteholder.

6.3 Interest Payment Dates

Interest is payable in arrear on the relevant Interest Payment Dates, or as otherwise specified in the relevant Pricing Supplement.

6.4 Calculation of Interest Amount

The Interest Amount must be calculated by the Calculation Agent named as such in the relevant Pricing Supplement by applying the Interest Rate to the Outstanding Principal Amount of each relevant Note, multiplying such sum by the relevant Day Count Basis for the relevant Interest Period. The rate determined by the Calculation Agent must be expressed as a percentage rate per annum.

6.5 Notification of Interest Rate and Interest Amount

The Issuer will procure that the Calculation Agent will, if requested in writing by a Noteholder, notify that Noteholder of the Interest Rate, the Interest Amount and the relevant Interest Payment Date. In relation to any Note, the Interest Amount and the Interest Payment Date (but in no event, the Interest Rate) so notified may be subsequently amended (or appropriate alternative arrangements made by the Calculation Agent by way of adjustment) without notice if and to the extent that the Interest Period is extended or shortened.

6.6 Notification, etc to be final

Except as provided in Condition 6.5 ("Notification of Interest Rate and Interest Amount"), all notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6 ("Interest") by the Calculation Agent are (in the absence of manifest or proven error) binding on the Guarantors, the Paying Agent, the Registrar, the Note Trustee and all Noteholders.

6.7 Calculation of Interest Rate for Floating Rate Notes

The Interest Rate applicable to the Floating Rate Notes during the Interest Period will be the sum of the Margin and the BBSW rate, in each case, as specified in the relevant Pricing Supplement;

In the event that the Calculation Agent is unable to determine the Interest Rate for any Interest Period, the Interest Rate for such Interest Period will be the Interest Rate applicable to the

Floating Rate Notes for the immediately preceding Interest Period.

6.8 Interpolation

If the relevant Pricing Supplement states that “Linear Interpolation” applies to an Interest Period, the Calculation Agent will determine the Interest Rate for that Interest Period using straight line interpolation by reference to two BBSW rates as may be specified in the relevant Pricing Supplement.

The first rate will be determined by the Calculation Agent as if the relevant Interest Period were for a period of time for which rates are available for a length of time immediately shorter to the length of the Interest Period or any alternative period as may be specified in the relevant Pricing Supplement.

The second rate will be determined by the Calculation Agent as if the relevant Interest Period were for a period of time for which rates are available for a length of time immediately longer to the length of the Interest Period or any alternative period as may be specified in the relevant Pricing Supplement.

6.9 Business Days

- (a) In the event that any Interest Payment Date or Maturity Date on a Fixed Rate Note is not a Business Day, interest on such Fixed Rate Note will be paid on the next succeeding Business Day without any additional interest.
- (b) If a payment is due under a Floating Rate Note on a day which is not a Business Day, the date for payment will be adjusted according to the Business Day Convention applicable to that Floating Rate Note.

6.10 Rounding

For the purposes of any calculations required under these Terms and Conditions (unless otherwise specified in the relevant Pricing Supplement):

- (a) all percentages resulting from the calculations must be rounded to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.);
- (b) all figures must be rounded to five decimal places (with halves being rounded up); and
- (c) all amounts that are due and payable must be rounded (with halves being rounded up) to one cent.

7 Redemption and Purchase

7.1 Redemption on maturity

The Issuer agrees to redeem each Note on its Maturity Date by payment of 100 per cent. of the Outstanding Principal Amount of each Note unless:

- (a) the Note has been previously redeemed; or
- (b) the Note has been purchased and cancelled.

7.2 Early redemption at the option of Noteholders (Noteholder put)

Upon the occurrence of a Change of Control, each Noteholder will have the right to require the Issuer to redeem all (but not some) of its Notes at a redemption price equal to 101 per cent. of

the Outstanding Principal Amount of each Note being redeemed (together with any accrued interest, if any, to the date of redemption) (the **Change of Control Redemption Price**) in accordance with this Condition 7.2 ("Early redemption at the option of the Noteholders (Noteholder put)"). Within 30 days' after a Change of Control, the Issuer shall deliver a notice to the Registrar and the Note Trustee requesting that the Note Trustee promptly notifies Noteholders stating:

- (a) that a Change of Control has occurred and that such Noteholder has the right to require the Issuer to redeem such Notes at the Change of Control Redemption Price;
- (b) the proposed redemption date (which shall be no earlier than 30 days' nor later than 50 days' from the date on which such notice is delivered) (the **Change of Control Redemption Date**) and setting out a form of the exercise notice to be provided by the Noteholders to the Issuer (with a copy to the Note Trustee, the Paying Agent and the Registrar) (the **Change of Control Event Exercise Notice**), together with instructions on how to submit that notice; and
- (c) that the last day on which the Noteholder may provide the Change of Control Event Exercise Notice in respect of all of its Notes to the Issuer (with a copy to the Note Trustee, the Paying Agent and the Registrar) is the day falling 10 days' prior to the Change of Control Redemption Date (the **Change of Control Exercise Date**).

To exercise its right under this Condition 7.2 ("Early redemption at the Option of Noteholders (Noteholder put)"), a Noteholder must deliver a duly completed and signed Change of Control Event Exercise Notice to the Issuer (with a copy to the Note Trustee, the Paying Agent and the Registrar) (or as otherwise directed) on or before the Change of Control Exercise Date.

If on or before the Change of Control Exercise Date, Noteholders representing 90 per cent. or more of the then aggregate Outstanding Principal Amount of all Notes then outstanding, have provided a Change of Control Event Exercise Notice to the Issuer indicating that they require the Issuer to redeem their Notes, the Issuer must redeem all remaining Notes outstanding on the Change of Control Redemption Date at the Change of Control Redemption Price.

In this Condition, "**Change of Control**" means, on any date, an event where a party other than a member of the Centuria Group which held (directly or indirectly) 50 per cent. or less of the issued shares of any of:

- (d) the Trustee of any Relevant Trust; or
- (e) the Unsecured Guarantor;

subsequently holds (directly or indirectly) more than 50.1 per cent. of the issued shares of that Initial Guarantor on that date.

7.3 Early redemption at the option of the Issuer (Issuer call)

The Issuer may redeem all or some of the Notes before their Maturity Date as follows:

- (a) on a First Optional Redemption Date (and on the following Interest Payment Date in respect of the Floating Rate Note) by payment of 102.00 per cent. of the Outstanding Principal Amount of each Note being redeemed;
- (b) on a Second Optional Redemption Date (and on the following Interest Payment Date in respect of the Floating Rate Note) by payment of 101.50 per cent. of the Outstanding Principal Amount of each Note being redeemed;
- (c) on a Third Optional Redemption Date (and on the following Interest Payment Date in respect of the Floating Rate Note) by payment of 101.00 per cent. of the Outstanding Principal Amount of each Note being redeemed;
- (d) on a Fourth Optional Redemption Date (and on the following Interest Payment Date in

respect of the Floating Rate Note) by payment of 100.50 per cent. of the Outstanding Principal Amount of each Note being redeemed; and

- (e) on a Fifth Optional Redemption Date (and on the following Interest Payment Date in respect of the Floating Rate Note) by payment of 100.00 per cent. of the Outstanding Principal Amount of each Note being redeemed; and

in each case, together with any accrued interest, if any, to the date of redemption.

However, the Issuer may only do so if:

- (f) the amount of Notes to be redeemed is a whole multiple of their Denomination; and
- (g) the Issuer has given at least 10 days' (and not more than 60 days') prior notice to the Registrar, the Note Trustee, the Noteholders and the Paying Agent.

7.4 Early redemption at the option of the Issuer in connection with asset disposals

If the Issuer is required to prepay Notes in accordance with Condition 4.3(a)(ii)(B) ("Other covenants"), the Issuer will give written notice thereof to the holders of all Notes then outstanding, which notice shall (i) refer specifically to this Condition 7.4 ("Early redemption at the option of Issuer in connection with asset disposals") and describe in reasonable detail the Disposal giving rise to such prepayment of Notes, (ii) specify the principal amount of each Note held by such holder to be prepaid, and (iii) specify a Business Day for such prepayment not less than 30 days' and not more than 60 days' after the date of such notice (the **Disposal Prepayment Date**).

The Issuer shall prepay on the Disposal Prepayment Date, the Notes at par, together with interest accrued thereon to (but excluding) the Disposal Prepayment Date.

In the case of each partial prepayment of the Notes, the principal amount of the Notes to be prepaid shall be allocated among all of the Notes at the time outstanding in proportion, as nearly as practicable, to the respective unpaid Outstanding Principal Amounts.

7.5 Early redemption for tax reasons

The Issuer may redeem all (but not some) of the Notes:

- (a) if a Fixed Rate Note, at any time; or
- (b) if a Floating Rate Note, on any Interest Payment Date,

before their Maturity Date at a redemption price equal to the Outstanding Principal Amount of each Note (together with any accrued interest, if any, to the date of redemption) if, as a consequence of an amendment to or a change in, or announced amendment to or prospective change in:

- (c) the law or a binding judicial decision, directive, ruling or determination; or
- (d) an administrative decision (with which the Issuer is required to comply, or habitually complies) interpreting, applying or clarifying those laws or judicial decisions, directives, rulings or determinations,

occurring after the Issue Date, the Issuer is required, or is likely to be required, to pay an additional amount in respect of a Note under Condition 9 ("Taxation").

However, the Issuer may only do so if the Issuer obtains (and provides copies to the Note Trustee and the Registrar to be made available to each Noteholder upon request):

- (i) a certificate signed by an Authorised Officer stating that such amendment or change has occurred or there is an announced amendment or prospective change

(irrespective of whether such amendment or change is then effective) describing the facts leading thereto and stating that such requirement cannot be avoided by the Issuer taking reasonable measures available to it; and

- (ii) an opinion of independent legal or tax advisers of recognised standing to the effect that such amendment or change has occurred or there is an announced amendment or prospective change (irrespective of whether such amendment or change is then effective) and that the Issuer has or will become obliged to pay such Additional Amounts as a result of such amendment or change or announced amendment or prospective change; and

has given not less than 30 days' (nor more than 60 days') prior notice to the Registrar, the Note Trustee, the Noteholders and the Paying Agent that it wishes to redeem the Notes early.

7.6 Partial redemptions

If only some of the Notes are to be redeemed under Condition 7.3 ("Early redemption at the option of the Issuer (Issuer call)"), the Notes to be redeemed will be specified in the notice and selected by the Issuer:

- (a) in a fair and reasonable manner; and
- (b) in compliance with any applicable law or directive.

7.7 Effect of notice of redemption

Any notice of redemption given under this Condition 7 ("Redemption and Purchase") is irrevocable.

7.8 Late payment

If an amount payable is not paid under this Condition 7 ("Redemption and Purchase") when due, then interest continues to accrue on the unpaid amount (both before and after any demand or judgment) at the default rate specified in the relevant Pricing Supplement (or, if no default rate is specified, the last applicable Interest Rate) until the date on which payment is made in full to the relevant Noteholder.

7.9 Purchase

The Issuer and any of its Related Bodies Corporate may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased under this Condition 7.9 ("Purchase") by the Issuer in its personal capacity or by any of its Related Body Corporate may be held, resold or cancelled at the discretion of the purchaser and (if the Notes are to be cancelled, the Issuer), subject to compliance with any legal and regulatory. Any Notes redeemed or purchased by the Issuer in its capacity as Trustee must be cancelled immediately and may not be reissued or resold.

8 Payments

8.1 Payment of principal

Payments of the principal in respect of a Note will be made to each person registered at 10.00 am on the Maturity Date or other date on which payment of principal is due as the Noteholder of the Note (or to the first person registered in the case of joint Noteholders).

8.2 Payment of interest

Payments of interest in respect of a Note will be made to each person registered at the close of business on the Record Date as the Noteholder of that Note (or to the first person registered in

the case of joint Noteholders).

8.3 Payments to Noteholders and Paying Agent

All payments under a Note must be made by the Issuer:

- (a) if the Notes are lodged in the Austraclear System by crediting, on the relevant Interest Payment Date, Maturity Date or other date on which a payment is due, the amount then due to the account of the Noteholder, in accordance with the Austraclear Regulations; or
- (b) if the Notes are not lodged in the Austraclear System, to the account notified by the relevant Noteholder to the Registrar or, in the absence of that notification, in the manner (if any) specified in the relevant Pricing Supplement,

and in either case, without set-off or counterclaim or any other deduction unless required by law.

8.4 Payments by cheque to a Noteholder

- (a) In the event that a Noteholder has failed to notify the Registrar of an account to which payments can be made, the Issuer may make payments by cheque in respect of Notes held by that Noteholder.
- (b) Any such cheque will be sent by prepaid ordinary post on the Business Day immediately preceding the relevant Interest Payment Date, Maturity Date or other date on which payment is due to the address of the Noteholder appearing in the Register at the close of business on the Record Date. Where two or more persons are inscribed in the Register on such date as joint Noteholders of the relevant Note, the Issuer will make payment to the first named holder in the Register.
- (c) Any cheque sent to a Noteholder is sent at the Noteholder's risk and is taken to be received by the Noteholder on the due date for payment. Where payments are made by cheque the Issuer will not be required to pay any additional amounts as a consequence of any Noteholder not receiving payment on the due date in immediately available funds.

8.5 Business Days

- (a) If a payment is due under a Note on a day which is not a Business Day the date for payment will be adjusted according to the Business Day Convention applicable to that Note.
- (b) If payment is to be made to an account on a Business Day on which banks are not open for general banking business in the city in which the account is located, the Noteholder is not entitled to payment of such amount until the next Business Day on which banks in such city are open for general banking business and is not entitled to any interest or other payment in respect of any such delay.

8.6 Payments subject to fiscal laws

All payments are subject to Condition 9 ("Taxation") and to any applicable fiscal or other laws and regulations.

8.7 Variation or termination of Paying Agent

The Issuer is entitled to vary or terminate the appointment of the Paying Agent and to appoint a new Paying Agent and approve any change in the Specified Office through which the Paying Agent acts, provided that there will at all times be a Paying Agent.

8.8 Notice of Change

Notice of any such change or change in the Specified Office of the Paying Agent will be given to Noteholders in accordance with Condition 14 ("Notices").

9 Taxation

9.1 Payments made free and clear without set-off, counterclaim or deductions

All payments under the Notes must be made free and clear of, and without withholding or deduction for, or by reference to any Tax, unless such withholding or deduction is required by law.

9.2 Additional payments

If the Issuer or a Guarantor is obliged by a law to make a deduction in respect of Tax from any payment under the Notes it shall promptly pay the relevant Noteholder on the due date for payment such additional amounts (**Additional Amounts**) as may be necessary so that the relevant Noteholder receives a net amount (after allowance for any further deduction) equal to the amount it would have received if no deduction had been made, except that no Additional Amounts shall be payable under this Condition 9 ("Taxation"):

- (a) to, or to a third party on behalf of, a Noteholder who is liable to such Taxes in respect of any Note by reason of the Noteholder having some connection with the Commonwealth of Australia (or a political subdivision of it) other than the mere holding of such Note or receipt of payment (whether in respect of principal, Redemption Amount, interest or otherwise) in respect of it;
- (b) to, or to a third party on behalf of, a Noteholder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or similar cause for exemption to any Tax Authority in the place where payment under the Note is made;
- (c) where the Note is presented to a particular paying agent, if the Note could have been presented to another paying agent without any such deduction or withholding;
- (d) where the Note is presented for payment more than 30 days after the due date except to the extent that a Noteholder would have been entitled to Additional Amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been a Business Day;
- (e) to, or to a third party on behalf of, a Noteholder who is liable to the Taxes in respect of the Note by reason of the Noteholder being an "Offshore Associate" of the Issuer not acting in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act;
- (f) to, or to a third party on behalf of an Australian resident Noteholder or a non-resident Noteholder carrying on business in Australia at or through a permanent establishment of the non-resident in Australia, if that person has not supplied an Australian business number, a tax file number or exemption details as may be necessary to enable the payment to be made without such withholding or deduction; or
- (g) in such other circumstances as may be specified in the relevant Pricing Supplement.

In addition, any amounts to be paid by the Issuer or any Guarantor on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (**FATCA Withholding**).

Neither any Guarantor nor the Issuer will be required to pay additional amounts on account of any FATCA Withholding.

10 Register

10.1 Registrar's role

The Issuer agrees, subject to the relevant Pricing Supplement, to procure that the Registrar does the following things:

- (a) establish and maintain the Register in Sydney or such other city in New South Wales as the Issuer and the Registrar may agree;
- (b) inscribe or cause to be inscribed in the Register:
 - (i) the principal amount of the Note;
 - (ii) the full name and address of the Noteholder;
 - (iii) any declaration of non-residence, tax file number or Australian business number or exemption details;
 - (iv) the Issue Date, Maturity Date and any interest rate and payment details of the Note;
 - (v) the Tranche and Series of the Note;
 - (vi) a copy of the relevant Pricing Supplement executed and provided to the Registrar by the Issuer in connection with the Tranche of Notes;
 - (vii) any payment instructions notified by the Noteholder or provided by the Issuer or the Paying Agent in respect of a Noteholder;
 - (viii) all subsequent transfers and changes of ownership of the Note;
 - (ix) the details of any marking which has been provided in respect of the Note; and
 - (x) such other information as is required by all applicable laws or as the Issuer and Registrar agree; and
- (c) comply with the obligations expressed in the Note Trust Deed and the Agency and Registry Services Agreement to be performed by the Registrar.

10.2 Registrar

- (a) In acting under the Agency and Registry Services Agreement in connection with the Notes, the Registrar acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.
- (b) The Issuer reserves the right at any time to terminate the appointment of the Registrar and to appoint successor or additional registrars, provided, however, that the Issuer must at all times maintain the appointment of a registrar with its Specified Office in the Commonwealth of Australia.

Notice of any such termination of appointment will be given to the Noteholder in accordance with Condition 14 ("Notices").

10.3 Multiple Noteholders

- (a) Subject to the Corporations Act, if more than four persons are the Noteholders of a Note, the names of only four such persons will be inscribed in the Register.

- (b) Subject to the Corporations Act, if more than one person is the holder of a Note, the address of only one of them will be inscribed on the Register. If more than one address is notified to the Registrar, the address recorded in the Register will be the address of the Noteholder whose name appears first in the Register.

10.4 Noteholder change of address

A Noteholder must promptly notify any change of address to the Registrar.

10.5 Closing of Register

The registration of the transfer of a Note may be suspended by the Registrar (and the Register shall be closed for the purpose of determining entitlements to payment under a Note) after the close of business on the Record Date or other day in accordance with the Austraclear Regulations prior to each Interest Payment Date (if any) and each Maturity Date (or other date on which payment of principal on the Notes is to be made) of the Notes or such other number of days as may be agreed by the Issuer and the Registrar and not contrary to the Austraclear Regulations and notified promptly by the Issuer to the Noteholders.

11 Events of Default

11.1 Events of Default

Each of the following is an Event of Default in respect of the Notes:

- (a) **(non-payment of principal)** the Issuer fails to pay any principal in respect of the Notes when due, unless that default is caused by a technical or administrative error by a bank or financial institution in the transmission of funds and is remedied within 2 Business Days' of its occurrence;
- (b) **(non-payment of interest)** the Issuer fails to pay any interest in respect of the Notes when due and the failure to pay continues for a period of 3 Business Days';
- (c) **(other non-compliance)** the Issuer or any other Guarantor:
 - (i) fails to comply with any of its obligations in connection with a Note (other than, in respect of the Issuer, in relation to the payment of money referred to in paragraphs (a) and (b) above) or any Note Document; and
 - (ii) if the non-compliance is capable of remedy, it is not remedied within 10 Business Days' after notice of such default shall have been given to the Issuer or the relevant Guarantor by the Note Trustee specifying such non-compliance;
- (d) **(cross default)** any Financial Indebtedness of the Issuer or any other Guarantor or, in each case, any of their Subsidiaries for amounts totalling more than A\$5,000,000 (or its equivalent in any other currency) in aggregate:
 - (i) is not satisfied on the later of their due date or the end of any applicable grace period; or
 - (ii) has become due and payable before its scheduled maturity by reasons of a default or, event of default;
- (e) **(insolvency)** the Issuer or any other Guarantor:
 - (i) is, or under legislation is presumed or taken to be, Insolvent; or

- (ii) stops or suspends or threatens to stop or suspend payment of all or a class of its debts;
- (f) **(obligations unenforceable)** any Finance Document is or becomes (or is claimed to be by the Issuer, any other Guarantor or anyone on their behalf) wholly or any part of a material provision of it void, voidable or unenforceable or any Finance Document ceases to wholly or in relation to any part of a material provision of it have full force and effect or the whole or any part of a material provision of it is declared by any court of competent jurisdiction to be void or unenforceable;
- (g) **(no litigation)** any judgement or award, or judgements or awards, in an amount exceeding in aggregate A\$5,000,000 (or its equivalent in any other currency) are obtained against the Issuer or any other Guarantor or any of their assets and are not set aside or satisfied within 30 days unless the Issuer or such Guarantor(s) (as applicable) are diligently and in good faith pursuing an appeal;
- (h) **(Relevant Trusts)** in respect of a Relevant Trust:
 - (i) the Relevant Trust is held or is conceded by the Trustee not to have been constituted or to have been imperfectly constituted;
 - (ii) subject to Condition 15 ("Substitution"), the Trustee ceases to be authorised under the Relevant Trust to hold the assets of the Relevant Trust in its name and to perform its obligations under the Finance Documents; or
 - (iii) subject to Condition 15 ("Substitution"), the Trustee ceases to be entitled to be indemnified out of the assets of the Relevant Trust in respect of its obligations under the Finance Documents or to have a lien over them;
- (i) **(cessation of business)** the Issuer or any other Guarantor ceases to carry on business generally and no other body corporate assumes the business of that person; and
- (j) **(enforcement against assets)** any expropriation, attachment, sequestration, distress or execution is levied or enforced against any asset or assets of the Issuer or any other Guarantor worth (in aggregate) more than A\$5,000,000.

11.2 Notification

If an Event of Default occurs, the Issuer or a Guarantor must promptly (and in any event within 2 days') after becoming aware of it notify the Note Trustee, the Registrar and the Noteholders of the occurrence of the Event of Default (specifying details of it).

11.3 Consequences of an Event of Default

If the Note Trustee is notified of an Event of Default in accordance with clause 11.2 or otherwise has knowledge of an Event of Default which is subsisting, the Note Trustee must:

- (a) in the case of an Event of Default under Condition 11.1(a) ("non-payment of principal"), Condition 11.1(b) ("non-payment of interest"), Condition 11.1(e) ("insolvency") or Condition 11.1(i)(ii) ("Relevant Trusts"), give written notice to the Security TrustDeed of that Event of Default in accordance with the Security TrustDeed;
- (b) convene a meeting of the Noteholders; and
- (c) if and only if so directed by way of a resolution of Noteholders holding at least 25 per cent. of the Outstanding Principal Amount of the Notes (which will be a "requisite number of Beneficiaries" for the purposes of clause 7.2(a) ("Acceleration and Enforcement") of the Security Trust Deed and a "Requisite Majority" for the purposes of clause 7.2(e) ("Acceleration and Enforcement") of the Security TrustDeed):
 - (i) by written notice (an **Acceleration Notice**), declare in respect of the Notes the

Redemption Amount (together with all accrued interest and all other amounts payable under each Note) to be due and payable immediately or on such other date specified in the Acceleration Notice; and

- (ii) give written notice to the Security Trustee of the delivery of the Acceleration Notice in accordance with clause 7.2(c) ("Acceleration and Enforcement") of the Security Trust Deed; and
- (iii) if permitted to do so in accordance with the Security Trust Deed, give an instruction to the Security Trustee under clause 7.2(e) ("Acceleration and Enforcement") of the Security Trust Deed.

11.4 Enforcement through Note Trustee

- (a) Subject to paragraph (b), the Noteholders hold all rights through the Note Trustee and do not have any direct rights to enforcement against the Issuer.
- (b) Subject to the terms of the Security Trust Deed, a Noteholder may enforce its rights directly against the Issuer to enforce any right or remedy under or in respect of any Note or the Note Trust Deed if the Note Trustee, having become bound to do so, fails to enforce its rights against the Issuer within five days' from the date that the Note Trustee is notified by a Noteholder of the failure, and such failure is continuing.

11.5 Obligations of Note Trustee on occurrence of Event of Default

The Note Trustee:

- (a) is under no obligation to monitor or make enquiries as to whether an Event of Default has occurred;
- (b) will rely only on the direction of the Noteholders, notification by the Security Trustee or notification by the Issuer in determining whether an Event of Default has occurred, and the Note Trustee is not to be regarded as having knowledge of the occurrence of an Event of Default in the absence of such direction or notification;
- (c) must promptly notify the Noteholders if it becomes aware of the occurrence of an Event of Default under paragraph (b) above;
- (d) will rely only on the direction of the Noteholders in determining whether to declare the Redemption Amount due and payable in accordance with Condition 11.3 ("Consequences of an Event of Default");
- (e) is not responsible to the Issuer or any other party for the consequences of any action it takes, upon the resolutions of the Noteholders given in accordance with these Terms and Conditions or pursuant to an Extraordinary Resolution or an Ordinary Resolution; and
- (f) is not taken to have knowledge or to be aware of the passing of a resolution referred to in Condition 11.3(c) ("Consequences of an Event of Default") or passing of an Extraordinary Resolution or an Ordinary Resolution referred to in paragraph (e) unless:
 - (i) it has convened or attended the meeting at which such resolution was passed; or
 - (ii) it receives a copy of such resolution certified as true and correct by the chairman of the meeting at which such resolution was passed; or
 - (iii) in the case of such a resolution passed in writing, it has been presented with the instrument or instruments by which the resolution was passed within the Notification Period (as such term is defined in the Meetings Provisions) for entry into the minute books.

12 Prescription

The Notes will become void unless claims in respect of principal and/or interest (as applicable) are made within a period of ten years (in the case of principal) and five years (in the case of interest) of the due date for that payment.

13 Amendments

- (a) Each of these Terms and Conditions and the relevant Pricing Supplement may be amended, without the consent of any Noteholder:
 - (i) for the purposes of curing any ambiguity, or correcting or supplementing any defective or inconsistent provisions; or
 - (ii) in any other manner which the Issuer and the Note Trustee deem necessary or desirable,and, in each case, which is not prejudicial to the interests of the Noteholders (in the opinion of the Note Trustee).
 - (b) Each of these Terms and Conditions and the relevant Pricing Supplement may otherwise be varied with the approval of the Noteholders by way of an Ordinary Resolution unless the variation affects timing or amount of payments, modifies or suspends the Maturity Dates or changes the Interest Rate or is another matter expressly set out in the Meeting Provisions as requiring an Extraordinary Resolution, in which case the approval of the Noteholders by way of an Extraordinary Resolution is required.
 - (c) Any such modification or amendment shall be binding on the Noteholders and any such modification or amendment shall be notified to the Noteholders in accordance with Condition 14 ("Notices") as soon as practicable after it has been made.
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14 Notices

14.1 Notices to the Issuer, the Guarantors, the Note Trustee, the Registrar and the Paying Agent

A notice or other communication to the Issuer, a Guarantor, the Note Trustee, the Registrar and the Paying Agent in connection with a Note must be in writing and may be sent by prepaid post or delivered to the address of the addressee, or by facsimile to the facsimile number of the addressee, specified in the section entitled "*Directory*" in the Information Memorandum or as otherwise agreed between those parties from time to time and notified by them to the Noteholders.

14.2 Notices to Noteholders

A notice or other communication to a Noteholder in connection with a Note must be in writing and may be given by:

- (a) an advertisement published in *The Australian Financial Review* or any other newspaper having general circulation in Australia or if an additional or alternate newspaper is specified in the relevant Pricing Supplement, that newspaper;
- (b) prepaid post or delivery to the address of the Noteholder as shown in the Register at the close of business seven days prior to the despatch of the relevant notice or communication; or
- (c) if the relevant Note held by that Noteholder is lodged with and settled through the

Austraclear System, the Issuer to the Registrar, who will in turn forward such notice or other communication to the operator of the Austraclear System for communication by that operator to the Noteholder.

14.3 Time when notice deemed effective

Unless a later time is specified in it a notice consent or other communication takes effect from the time it is received except where it is received after 5.00pm in the place of receipt or on a non-Business Day in that place in which case it will be taken to have been received at 9.00am on the next succeeding Business Day in that place. Any notice published in a newspaper will be deemed to have been given on the date of first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

15 Substitution

15.1 Substitution of the Issuer

The Issuer or any other Guarantor which is a Trustee of a Relevant Trust (or any previous substitute under these provisions) may, without the consent of the Noteholders or the Note Trustee, be replaced and substituted as Trustee of the Relevant Trust and, in the case of the Issuer, as principal debtor in respect of the Notes and, in the case of any other Guarantor, as a guarantor in respect of the Notes (and by subscribing for any Notes, each Noteholder expressly consents to such replacement and substitution) by:

- (a) any company incorporated in the Commonwealth of Australia of which 100 per cent. of the shares or other equity interests (as the case may be) carrying the right to vote are directly or indirectly owned by the Unsecured Guarantor; or
- (b) any company incorporated in the Commonwealth of Australia which directly or indirectly owns 100 per cent. of the shares or other equity interests (as the case may be) carrying the right to vote in the Unsecured Guarantor,

(in such capacity, the **Substitute**), provided that:

- (c) a deed poll, an amending deed to the general security deed (on the terms set out below), a Security Trust Deed Accession Deed (Secured Guarantor) and such other documents shall be executed by the Substitute, the Issuer and the other Guarantors (or any previous substitute under these provisions), as applicable, as may be necessary to give full effect to the substitution (together the **Substitution Documents**) and (without limiting the generality of the foregoing) pursuant to which:
 - (i) the Substitute shall become the trustee in accordance with, and pursuant to, the terms of the Relevant Trust Deed;
 - (ii) the Substitute shall, as applicable, undertake in favour of each Noteholder to be bound by these Terms and Conditions and the provisions of the Note Trust Deed and each other relevant Finance Document to which the Trustee (or any previous substitute) is a party as fully as if the Substitute had been named in such Finance Documents as the principal debtor in place of the Issuer (or any previous substitute);
 - (iii) the Substitute shall have entered into an amending deed in respect of the General Security Deed with the sole purpose of that document being to replace the Trustee of the Relevant Trust as a party with the Substitute so as to ensure that on and from the date on which the substitution takes effect there continues to exist a Security Interest over all of the Relevant Trust's present (and after-acquired) assets on the same terms as originally granted by the Trustee under the General Security Deed; and
 - (iv) the Substitute shall accede to the Security Trust Deed as a Secured Guarantor in accordance with the terms of the Security Trust Deed;

- (d) each of the Substitute and the other Guarantors agrees to indemnify each Noteholder, the Note Trustee and the Security Trustee against:
 - (i) any Tax that is imposed on such Noteholder by (or by any Tax Authority in or of) the Commonwealth of Australia with respect to any Note and that would not have been so imposed had the substitution not been made; and
 - (ii) any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution;
- (e) all necessary governmental and regulatory approvals and consents for:
 - (i) such substitution;
 - (ii) the granting of the Security Interest by the Substitute as described in paragraph (b)(i)(C) above; and
 - (iii) the performance by the Substitute and the other Guarantors of their respective obligations under the Substitution Documents having been obtained and being in full force and effect;
- (f) the Notes would continue to be eligible to be held within the Austraclear System or any other applicable clearing system;
- (g) the Substitute (or any previous substitute) shall have delivered or procured the delivery to the Note Trustee of a copy of one or more legal opinions (as applicable) addressed to the Note Trustee, the Security Trustee, the Agents, the Issuer, the Substitute and the other Guarantors from one or more leading firm of lawyers (as applicable) to the effect that the Substitution Documents constitute the legal, valid and binding obligations of the parties to them, such opinion(s) to be dated not more than seven days prior to the date of substitution of the Substitute and to be available for inspection by Noteholders at the Specified Offices of the Note Trustee;
- (h) there is no outstanding Event of Default in respect of the Notes;
- (i) any solicited credit rating assigned to the Notes will remain the same or be improved when the Substitute replaces and substitutes the relevant Trustee (or any previous substitute) in respect of the Notes, and this has been confirmed in writing by each rating agency which has assigned any credit rating to the Notes; and
- (j) the substitution complies with all applicable requirements established under the laws of the Commonwealth of Australia.

15.2 Release of the Issuer

Where the relevant Trustee being substituted was the Issuer, upon the execution of the Substitution Documents as referred to in Condition 15.1 ("Substitution of the Issuer") above, the Substitute shall be deemed to be named in the Notes as the principal debtor in place of the Issuer (or of any previous substitute under these provisions) and the Notes shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Substitution Documents shall operate to release the Issuer (or such previous substitute, as applicable) from all of its obligations in respect of the Notes.

15.3 Substitution Documents

The Substitution Documents shall be deposited with and held by the Note Trustee for so long as any Note remains outstanding and for so long as any claim made against the Substitute or the Issuer or (if different) the other Guarantors by any Noteholder in relation to the Notes or the Substitution Documents shall not have been finally adjudicated, settled or discharged. The Substitute and the other Guarantors shall acknowledge in the Substitution Documents the right of every Noteholder to the production of the Substitution Documents for the enforcement of any of the Notes or the Substitution Documents.

15.4 Notice of Substitution

Not later than 15 Business Days after the execution of the Substitution Documents, the Substitute shall give notice thereof to the Noteholders and the Note Trustee in accordance with Condition 14 ("Notices").

16 Further Issues

The issuer may from time to time and without the consent of the Noteholders or the Note Trustee create and issue further Notes or securities or other similar instruments. The Issuer may issue further Notes so as to form a single Series with any Tranche of Notes.

17 Meetings of Noteholders

Meetings of Noteholders may be convened in accordance with the Meeting Provisions. Any such meeting may consider any matters affecting the interests of Noteholders, including, without limitation, the variation of the terms of the Notes to the Issuer and the granting of approvals, consents and waivers, and the declaration of an Event of Default.

18 Governing law and submission to jurisdiction

18.1 Governing law

The Notes are governed by, and shall be construed in accordance with, the laws of the State of New South Wales, Australia.

18.2 Jurisdiction

The Issuer and each Guarantor submits irrevocably and unconditionally to the non-exclusive jurisdiction of the courts of the State of New South Wales, Australia and courts of appeal from them. The Issuer and each Guarantor waives any right it has to object to a suit, action or proceedings being brought in those courts of the State of New South Wales, Australia, including by claiming that the proceedings been brought in an inconvenient forum or that those courts do not have jurisdiction.

Form of Pricing Supplement – Floating Rate Notes

The Pricing Supplement to be issued in respect of the Floating Rate Notes will be substantially in the form set out below.

Series No.: 2

Tranche No.: 1



Centuria Funds Management Limited
(ACN 607 153 588)
as trustee of the Centuria Capital No. 2 Fund
(ABN 24 858 616 727)
(as *Issuer*)

Issue of

A\$35,000,000 Floating Rate Secured Notes due 21 April 2023

irrevocably and unconditionally guaranteed by

Centuria Capital Limited
(ABN 22 095 454 336)
(as *Unsecured Guarantor*)

irrevocably and unconditionally guaranteed, and secured, by

the Issuer

Centuria Investment Holdings Pty Limited
(ABN 78 116 455 862)
as trustee of the Centuria Capital No. 2 Office Fund
(ABN 62 172 815 196)
Centuria Investment Holdings Pty Limited
(ABN 78 116 455 862)
as trustee of the Centuria Capital No. 2 Industrial Fund
(ABN 68 722 110 157)
(as *Secured Guarantors*)

Neither the Notes nor the Guarantee have been nor will be, registered under the U.S. Securities Act of 1933 as amended (Securities Act) or the securities laws of any state of the United States or any other jurisdiction. Neither the Notes nor the Guarantee may be offered or sold at any time within the United States or to, or for the account or benefit of, U.S. persons (within the meaning of Regulation S under the Securities Act), unless the Notes and the Guarantee are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available and other than in accordance with all applicable securities laws of any state of the United States and each other jurisdiction in which the Notes are offered or sold.

The date of this Pricing Supplement is 11 October 2018.

This document constitutes the Pricing Supplement (as referred to in the Information Memorandum dated 11 October 2018 (the **Information Memorandum**)) relating to the issue of the Tranche of Notes referred to above. This Pricing Supplement is supplementary to, and should be read in conjunction with the Terms and Conditions of the Notes (the **Terms and Conditions of the Notes**) set out in the Information Memorandum as referred to in the Note Trust Deed made by the Issuer and the Note Trustee and dated 5 April 2017, a copy of which is available for inspection during normal business hours at the office of the Registrar specified in the Information Memorandum.

Terms used in this Pricing Supplement which are not defined in it have the meaning given to them in the Terms and Conditions of the Notes.

The obligations of the Issuer under the Tranche of Notes issued by it pursuant to this Pricing Supplement are unconditionally and irrevocably guaranteed by each Guarantor pursuant to the Security Trust Deed and are secured by the Secured Guarantors pursuant to the Security.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The particulars to be specified in relation to the Tranche of Notes referred to above are as follows:

1. Issuer: Centuria Funds Management Limited (ACN 607 153 588) as trustee of the Centuria Capital No. 2 Fund (ABN 24 858 616 727)
2. Guarantors:
 - (a) Unsecured Guarantor: Centuria Capital Limited
 - (b) Secured Guarantors:
 - (i) the Issuer;
 - (ii) Centuria Investment Holdings Pty Limited (ABN 78 116 455 862) as trustee of the Centuria Capital No. 2 Office Fund (ABN 62 172 815 196); and
 - (iii) Centuria Investment Holdings Pty Limited (ABN 78 116 455 862) as trustee of the Centuria Capital No. 2 Industrial Fund (ABN 68 722 110 157).
3. Type of Notes: Floating Rate Notes
4. Sole Lead Manager: National Australia Bank Limited (ABN 12 004 044 937)

Co-Managers:
 - (i) Centuria Funds Management Limited (ACN 607 153 588); and
 - (ii) Shaw and Partners Limited (ABN 24 003 221 583).
5. Initial Subscriber: National Australia Bank Limited (ABN 12 004 044 937)
6. Place of offering: Inside and outside Australia

7.	Issue Date:	22 October 2018
8.	Maturity Date:	21 April 2023
9.	Issue Price:	100 per cent., of the Aggregate Principal Amount
10.	Aggregate Principal Amount of Tranche:	A\$35,000,000
11.	Currency of Denomination and Payment:	Australian dollars
12.	Denomination:	A\$1,000
13.	Minimum parcel size on initial issue:	A\$50,000, subject to compliance with Condition 2.3(b)
14.	Status of Notes:	Condition 3 applies
15.	Record Date:	As per the Terms and Conditions
16.	Note Trustee:	Perpetual Corporate Trust Limited (ABN 99 000 341 533)
17.	Issuing and Paying Agent:	Perpetual Corporate Trust Limited (ABN 99 000 341 533)
18.	Registrar:	Perpetual Corporate Trust Limited (ABN 99 000 341 533)
19.	Calculation Agent:	Perpetual Corporate Trust Limited (ABN 99 000 341 533)
20.	Security Trustee:	P.T. Limited (ABN 67 004 454 666)
21.	PROVISIONS RELATING TO INTEREST	Condition 6
(a)	Interest Accrual Date:	Issue Date
(b)	Interest Rate:	The aggregate of 90 day BBSW plus the Margin specified below, payable quarterly in arrear (See Condition 6.7)
(c)	Margin:	4.25% per cent., per annum
(d)	Interest Payment Dates:	21 January, 21 April, 21 July and 21 October of each year, commencing on 21 January 2019 (Short First Coupon) up to, and including, the Maturity Date or, if redeemed earlier, an Optional Redemption Date
(e)	Business Day Convention:	Modified Following Business Day Convention (See definition of Business Day Convention in Condition 1.1 and see Condition 6.9(b))
(f)	Day Count Basis:	Actual/365 (Fixed) (See Condition 1.1)
(g)	Fallback Interest Rate:	As per Condition 6.7
(h)	Rounding:	As per Condition 6.10
(i)	Party responsible for calculating	Calculation Agent

	Interest Rate and Interest Amount:	
	(j) Linear Interpolation:	Not Applicable
22.	PROVISIONS RELATING TO REDEMPTION	Condition 7
	(a) Noteholder put:	Yes, the Notes may be redeemable before their Maturity Date at the option of the Noteholders on a Change of Control as set out in Condition 7.2
	(b) Issuer call:	Yes, the Notes may be redeemable before their Maturity Date at the option of the Issuer as set out in Condition 7.3
	(c) Optional Redemption Date:	First Optional Redemption Date means 21 October 2020; Second Optional Redemption Date means 21 April 2021; Third Optional Redemption Date means 21 October 2021; Fourth Optional Redemption Date means 21 April 2022; and Fifth Optional Redemption Date means 21 October 2022. (See Condition 7.3)
	(d) Redemption for Tax reasons:	Applicable
	(e) Early Termination Amount of each Note payable on redemption for taxation reasons (if applicable) or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7.5 or Condition 11, as applicable):	As per the Terms and Conditions
23.	Events of Default:	Condition 11 applies
	GENERAL PROVISIONS	
24.	Listing:	Not Applicable
25.	Clearing System:	Austraclear System, Euroclear and Clearstream
26.	Minimum transferable principal amount:	Condition 5.3 applies
27.	Australian interest withholding tax:	It is the Issuer's intention that the Notes will be issued in a manner which will comply with the public offer test under section 128FA of the <i>Income Tax Assessment Act 1936 (Cth)</i>
28.	Other terms or special conditions:	Not Applicable
29.	Austraclear Code:	CTFA04

30. ISIN:

AU3FN0045068

Each of the Issuer and the Guarantors accepts responsibility for the information contained in this Pricing Supplement.

Date: 11 October 2018

CONFIRMED

Issuer and Secured Guarantor

For and on behalf of
Centuria Funds Management Limited as trustee of the Centuria Capital No. 2 Fund

By:

Name: _____

Title: _____

Unsecured Guarantor

For and on behalf of
Centuria Capital Limited

By:

Name: _____

Title: _____

Secured Guarantor

For and on behalf of
Centuria Investment Holdings Pty Limited as trustee of the Centuria Capital No. 2 Office Fund

By:

Name: _____

Title: _____

Secured Guarantor

For and on behalf of

Centuria Investment Holdings Pty Limited as trustee of the Centuria Capital No. 2 Industrial Fund

By:

Name:

Title:

.....

Form of Pricing Supplement – Fixed Rate Notes

The Pricing Supplement to be issued in respect of the Fixed Rate Notes will be substantially in the form set out below.

Series No.: 2

Tranche No.: 1



Centuria Funds Management Limited
(ACN 607 153 588)
as trustee of the Centuria Capital No. 2 Fund
(ABN 24 858 616 727)
(as *Issuer*)

Issue of

A\$45,000,000 6.50% Fixed Rate Secured Notes due 21 April 2023

irrevocably and unconditionally guaranteed by

Centuria Capital Limited
(ABN 22 095 454 336)
(as *Unsecured Guarantor*)

irrevocably and unconditionally guaranteed, and secured, by
the Issuer

Centuria Investment Holdings Pty Limited
(ABN 78 116 455 862)
as trustee of the Centuria Capital No. 2 Office Fund
(ABN 62 172 815 196)
Centuria Investment Holdings Pty Limited
(ABN 78 116 455 862)
as trustee of the Centuria Capital No. 2 Industrial Fund
(ABN 68 722 110 157)
(as *Secured Guarantors*)

Neither the Notes nor the Guarantee have been nor will be, registered under the U.S. Securities Act of 1933 as amended (Securities Act) or the securities laws of any state of the United States or any other jurisdiction. Neither the Notes nor the Guarantee may be offered or sold at any time within the United States or to, or for the account or benefit of, U.S. persons (within the meaning of Regulation S under the Securities Act), unless the Notes and the Guarantee are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available and other than in accordance with all applicable securities laws of any state of the United States and each other jurisdiction in which the Notes are offered or sold.

The date of this Pricing Supplement is 11 October 2018.

This document constitutes the Pricing Supplement (as referred to in the Information Memorandum dated 11 October 2018 (**the Information Memorandum**)) relating to the issue of the Tranche of Notes referred to above. This Pricing Supplement is supplementary to, and should be read in conjunction with the Terms and Conditions of the Notes (**the Terms and Conditions of the Notes**) set out in the Information Memorandum and the Note Trust Deed made by the Issuer and the Note Trustee and dated 5 April 2017, a copy of which is available for inspection during normal business hours at the office of the Registrar specified in the Information Memorandum.

Terms used in this Pricing Supplement which are not defined in it have the meaning given to them in the Terms and Conditions of the Notes.

The obligations of the Issuer under the Tranche of Notes issued by it pursuant to this Pricing Supplement are unconditionally and irrevocably guaranteed by each Guarantor pursuant to the Security Trust Deed and are secured by the Secured Guarantors pursuant to the Security.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The particulars to be specified in relation to the Tranche of Notes referred to above are as follows:

1. Issuer: Centuria Funds Management Limited (ACN 607 153 588) as trustee of the Centuria Capital No. 2 Fund (ABN 24 858 616 727)
2. Guarantors:
 - (a) Unsecured Guarantor: Centuria Capital Limited
 - (b) Secured Guarantors:
 - (i) the Issuer;
 - (ii) Centuria Investment Holdings Pty Limited (ABN 78 116 455 862) as trustee of the Centuria Capital No. 2 Office Fund (ABN 62 172 815 196); and
 - (iii) Centuria Investment Holdings Pty Limited (ABN 78 116 455 862) as trustee of the Centuria Capital No. 2 Industrial Fund (ABN 68 722 110 157).
3. Type of Notes: Fixed Rate Notes
4. Sole Lead Manager: National Australia Bank Limited (ABN 12 004 044 937)
Co-Managers:
 - (i) Centuria Funds Management Limited (ACN 607 153 588); and
 - (ii) Shaw and Partners Limited (ABN 24 003 221 583).
5. Initial Subscriber: National Australia Bank Limited (ABN 12 004 044 937)
6. Place of offering: Inside and outside Australia
7. Issue Date: 22 October 2018
8. Maturity Date: 21 April 2023
9. Issue Price: 100 per cent. of the Aggregate Principal Amount

10.	Aggregate Principal Amount of Tranche:	A\$45,000,000
11.	Currency of Denomination and Payment:	Australian dollars
12.	Denomination:	A\$1,000
13.	Minimum parcel size on initial issue:	A\$50,000, subject to compliance with Condition 2.3(b)
14.	Status of Notes:	Condition 3 applies
15.	Record Date:	As per the Terms and Conditions
16.	Note Trustee:	Perpetual Corporate Trust Limited (ABN 99 000 341 533)
17.	Issuing and Paying Agent:	Perpetual Corporate Trust Limited (ABN 99 000 341 533)
18.	Registrar:	Perpetual Corporate Trust Limited (ABN 99 000 341 533)
19.	Calculation Agent:	Perpetual Corporate Trust Limited (ABN 99 000 341 533)
20.	Security Trustee:	P.T. Limited (ABN 67 004 454 666)
21.	PROVISIONS RELATING TO INTEREST	Condition 6
(a)	Interest Accrual Date:	Issue Date
(b)	Interest Rate:	6.50 per cent., per annum payable semi-annually in arrear to (but excluding) the Maturity Date
(c)	Interest Payment Dates:	21 April and 21 October in each year, commencing on 21 April 2019 (Short First Coupon) up to and including the Maturity Date or, if redeemed earlier, an Optional Redemption Date
(d)	Fixed Interest Amounts:	A\$32.50 per A\$1,000 in principal amount payable semi-annually, provided that the Fixed Coupon Amount on the first Interest Payment Date will be an amount equal to A\$32.32 per A\$1,000 in principal amount
(e)	Broken Amount(s):	Not Applicable
(f)	Applicable Business Day Convention:	(See definition of Business Day Convention in Condition 1.1 and see Condition 6.9(a))
	(i) for Interest Payment Dates:	Following Business Day Convention will apply
	(ii) any other date:	Following Business Day Convention will apply
(g)	Definition of Business Day:	As per the Terms and Conditions of the Notes
(h)	Day Count Basis:	RBA Bond Basis (See Condition 1.1)
(i)	Pricing Convention:	RBA Bond Basis
(j)	Other terms relating to the method of calculating	Not Applicable

	interest for Fixed Rate Notes:	
	(k) Party responsible for calculating Interest Rate and Interest Amount:	Calculation Agent
22.	PROVISIONS RELATING TO REDEMPTION	Condition 7
	(a) Noteholder put:	Yes, the Notes may be redeemable before their Maturity Date at the option of the Noteholders on a Change of Control as set out in Condition 7.2
	(b) Issuer call:	Yes, the Notes may be redeemable before their Maturity Date at the option of the Issuer as set out in Condition 7.3
	(c) Optional Redemption Date:	First Optional Redemption Date means 21 October 2020; Second Optional Redemption Date means 21 April 2021; Third Optional Redemption Date means 21 October 2021; Fourth Optional Redemption Date means 21 April 2022; and Fifth Optional Redemption Date means 21 October 2022. (See Condition 7.3)
	(d) Redemption for Tax reasons:	Applicable
	(e) Early Termination Amount of each Note payable on redemption for taxation reasons (if applicable) or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7.5 or Condition 11, as applicable):	As per the Terms and Conditions
23.	Events of Default:	Condition 11 applies
General Provisions		
24.	Listing:	Not Applicable
25.	Clearing System:	Austraclear System, Euroclear and Clearstream
26.	Minimum transferable principal amount:	Condition 5.3 applies
27.	Australian interest withholding tax:	It is the Issuer's intention that the Notes will be issued in a manner which will comply with the public offer test under section 128FA of the <i>Income Tax Assessment Act 1936</i> (Cth)

28. Other terms or special conditions: Not Applicable
29. Austraclear Code: CTFA03
30. ISIN: AU3CB0257830

Each of the Issuer and the Guarantors accepts responsibility for the information contained in this Pricing Supplement.

Date: 11 October 2018

CONFIRMED

Issuer and Secured Guarantor

For and on behalf of
Centuria Funds Management Limited as trustee of the Centuria Capital No. 2 Fund

By:

Name: _____

Title: _____

Unsecured Guarantor

For and on behalf of
Centuria Capital Limited

By:

Name: _____

Title: _____

Secured Guarantor

For and on behalf of
Centuria Investment Holdings Pty Limited as trustee of the Centuria Capital No. 2 Office Fund

By:

Name: _____

Title: _____

Secured Guarantor

For and on behalf of

Centuria Investment Holdings Pty Limited as trustee of the Centuria Capital No. 2 Industrial Fund

By:

Name:

Title:

Selling Restrictions

Under the Subscription Agreement dated 11 October 2018 between the Issuer, each other Initial Guarantor, the Sole Lead Manager and the Initial Subscriber (the **Subscription Agreement**) and subject to the Terms and Conditions contained in the Information Memorandum, the Notes will be offered by the Issuer through the Managers and the Initial Subscriber. The Issuer will have the sole right to accept any offers to purchase Notes and may reject any such offer in whole or (subject to the terms of such offer) in part.

None of the Issuer, any other Initial Guarantor, the Sole Lead Manager or the Initial Subscriber has represented that any Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or in accordance with any available exemption, or assumes any responsibility for facilitating that sale.

Persons into whose hands this Information Memorandum comes are required by the Issuer, each other Initial Guarantor, the Sole Lead Manager and the Initial Subscriber to comply with all applicable laws, regulations and directives in each country or jurisdiction in which they purchase, offer, sell, resell, reoffer or deliver Notes or have in their possession or distribute or publish the Information Memorandum or other offering material and to obtain any authorisation, consent, approval or permission required by them for the purchase, offer, sale, reoffer, resale or delivery by them of any Notes under any applicable law, regulation or directive in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales, reoffers, resales or deliveries, in all cases at their own expense, and none of the Issuer, the other Initial Guarantors, the Sole Lead Manager and the Initial Subscriber has responsibility for such matters. In accordance with the above, any Notes purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Notes in such jurisdiction.

The following selling restrictions apply to Notes.

This document does not constitute an offer of the Notes in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Notes may not be offered or sold, in any country outside Australia except to the extent permitted below.

United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act (**Regulation S**) or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Sole Lead Manager agrees that it will not offer or sell Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, as determined and certified to the Paying Agent, by the Sole Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to the Sole Lead Manager to whom it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Notes has been, or will be, lodged with the Australian Securities and Investments Commission (**ASIC**). The Sole Lead Manager and the Initial Subscriber have represented and agreed, that it has not (directly or indirectly) made or invited, and will not make or invite, an offer of the Notes for issue, purchase or sale in Australia (including an offer or invitation which is received by a person in Australia), and:

- has not distributed or published, and will not distribute or publish, any prospectus, offering circular or any other offering material or advertisement relating to the Notes in Australia; and
- has not made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia),

unless (a) the aggregate consideration payable by each offeree or invitee in Australia (including any person who receives an offer or invitation or offering materials in Australia) is at least A\$500,000 (or its equivalent in other currencies, in either case, disregarding moneys lent by the offeror or its associates), or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act, (b) such action complies with all applicable laws, regulations and directives in Australia (including without limitation, the licencing requirements set out in Chapter 7 of the Corporations Act), (c) such action does not require any document to be lodged with ASIC, and (d) the offer or invitation is not made to a person who is a “retail client” within the meaning of section 761G of the Corporations Act.

For the purposes of this selling restriction, the Notes include interests or rights in the Notes held in the Austraclear System.

The Sole Lead Managers and the Initial Subscriber have agreed in the Subscription Agreement to offer the Notes for sale in a manner which will allow payments of interest or amounts in the nature of interest on the Notes to be exempt from Australian withholding tax under section 128FA of the Tax Act, as amended. In particular, each Sole Lead Manager and the Initial Subscriber has agreed that it will not sell Notes to any person if, at the time of sale the relevant officers or employees of that Sole Lead Manager or the Initial Subscriber (as applicable) effecting the sale or otherwise directly involved in the offer, invitation or sale knew or had reasonable grounds to suspect that as a result of such sale, any Note or an interest in any Notes was being, or would later be, acquired (directly or indirectly) by an Offshore Associate of the relevant Issuer (other than one acting in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes or in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act).

An **Offshore Associate** of the Issuer means an associate (as defined in section 128FA of the Tax Act) of the Issuer that is either a non-resident of the Commonwealth of Australia which does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia or a resident of Australia that acquires the Notes in carrying on business at or through a permanent establishment outside of Australia.

United Kingdom

The Sole Lead Manager and the Initial Subscriber has represented, warranted and agreed that:

- (a) in relation to any Notes issued by the Issuer which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their business where the issue of the Notes would otherwise constitute a contravention of section 19 of the *Financial Services and Markets Act 2000* (the **FSMA**) by the

Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), the Sole Lead Manager and the Initial Subscriber has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum as completed by any Pricing Supplement in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Pricing Supplement in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **Prospectus Directive** means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

In addition, no person may offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For this purpose:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MIFID II**); or

- (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the **Insurance Mediation Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Directive;
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

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

The target market assessment in respect of the Notes by the distributor(s), solely for the purpose of its product governance determination under Article 10(1) of Delegated Directive (EU) 2017/593, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor subject to MiFID II subsequently offering, selling or recommending the Notes is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the distributor(s)’ target market assessment) and determining appropriate distribution channels.

New Zealand

No action may be taken to permit the Notes to be offered or sold to any retail investor, or otherwise under any regulated offer, in terms of the Financial Markets Conduct Act 2013 of New Zealand (the **FMCA**). In particular, no product disclosure statement under the FMCA has been or will be prepared or lodged in New Zealand in relation to the Notes.

The Sole Lead Manager and the Initial Subscriber has represented and agreed that it has not offered, sold or delivered and will not directly or indirectly offer, sell or deliver any Notes in New Zealand and it will not distribute any offering memorandum or advertisement in relation to any offer of Notes, in New Zealand other than to “wholesale investors” as that term is defined in clauses 3(2) and 3(3) of Schedule 1 to the FMCA, being:

- (a) a person who is and who has certified that they are:
 - (i) an “investment business”;
 - (ii) “large”; or
 - (iii) a “Government Agency”,
 in each case as defined in Schedule 1 to the FMCA; or
- (b) a person that meets and who has certified that they meet the “investment activity criteria” specified in clause 38 of Schedule 1 to the FMCA; or
- (c) a person who has certified that they are an “eligible investor” in accordance with clause 41 of Schedule 1 to the FMCA; or
- (d) a person who invests a minimum amount of NZ\$750,000 in the Notes.

No person may distribute this Information Memorandum, any series notice, terms or any information or other material that may constitute an advertisement (as defined in the FMCA) in relation to any offer of the Notes in New Zealand other than to any such persons as referred to in the applicable paragraphs above.

The following warning statement applies in relation to those New Zealand investors who are “wholesale investors” solely by reason of the minimum amount payable by them on acceptance of the offer being at least NZ\$750,000:

Warning

The law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important to make an informed decision.

The usual rules do not apply to this offer because there is an exclusion for offers where the amount invested upfront by the investor (plus any other investments the investor has already made in the financial products) is NZ\$750,000 or more. As a result of this exclusion, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for this investment.

Investments of this kind are not suitable for retail investors.

Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

Australian Taxation

Australian Taxation Summary

The following taxation summary is of a general nature only and addresses only some of the key Australian tax implications that may arise for a prospective Noteholder as a result of acquiring, holding or transferring Notes issued by the Issuer. The following is not intended to be and should not be taken as a comprehensive taxation summary for a prospective Noteholder.

The taxation summary is based on the Australian taxation laws in force (including the *Income Tax Assessment Act 1936 (Cth)* and *Income Tax Assessment Act 1997 (Cth)* (together, the **Tax Act**)) and the administrative practices of the Australian Taxation Office (the **ATO**) generally accepted as at the date of this Information Memorandum. Any of these may change in the future without notice and legislation introduced to give effect to announcements may contain provisions that are currently not contemplated and may have retroactive effect.

Prospective Noteholders should consult their professional advisers in relation to their tax position.

1.1 Taxation of interest on Notes

Australian Noteholders

Noteholders who are Australian tax residents that do not hold the Notes in carrying on business at or through a permanent establishment outside Australia, or who are non-residents that hold the Notes in carrying on business at or through a permanent establishment in Australia, will be taxable by assessment in respect of any interest income derived in respect of the Notes. Such Noteholders will generally be required to lodge an Australian income tax return. The timing of assessment of the interest (e.g. a cash receipts or accruals basis) will depend upon the tax status of the particular Noteholder, the Pricing Supplement for the Notes and the potential application of the “Taxation of Financial Arrangements” provisions of the Tax Act.

Tax at the current rate of 47% may be deducted from payments on the Notes if the Noteholder of the Notes does not provide a Tax File Number (**TFN**) or an Australian Business Number (**ABN**) (where applicable), or proof of a relevant exemption.

Offshore Noteholders

Interest (which for the purposes of withholding tax is defined in section 128A(1AB) of the Tax Act to include amounts in the nature of, or in substitution for, interest and certain other amounts, including premiums on redemption or, for a Note issued at a discount the difference between the amount repaid and the issue price) paid by the Issuer on debentures and certain other debt interests will, subject to certain exemptions, be subject to interest withholding tax at a current rate of 10%, where the interest is paid to a non-resident of Australia and not derived in carrying on business at or through an Australian permanent establishment, or to an Australian resident who derived the interest in carrying on business at or through a permanent establishment outside Australia.

Depending on their terms, Notes could in some cases be characterised as equity interests for tax purposes and be subject to different rules (e.g. Notes with returns contingent on the Issuer’s (or associate’s) performance or discretion, or convertible into shares in the Issuer (or associate)). The Issuer does not intend to issue any Notes that would be characterised as equity interests for tax purposes.

Various exemptions are available from interest withholding tax, including the “public offer” exemption, tax treaty exemptions, and pension fund exemption (each discussed further below).

Possible exemption 1: Public offer exemption

An exemption from Australian interest withholding tax will be available under section 128FA of the Tax Act in respect of any Notes issued by the Issuer if the Issuer is the trustee of an “eligible unit trust”, and the Notes are issued in a manner which satisfies the “public offer test”. The Issuer should constitute an “eligible unit trust” on the basis that it is a ‘public unit trust’ (because it indirectly has more than 50 unitholders).

There are five principal methods of satisfying the public offer test, being broadly:

- (a) offers to 10 or more unrelated persons carrying on business of providing finance, or investing or dealing in securities, in the course of operating in financial markets;
- (b) offers to 100 or more investors;
- (c) offers of listed Notes;
- (d) offers via publicly available electronic or other information sources; and
- (e) offers to a dealer, manager or underwriter who offers to sell those Notes within 30 days by one of the preceding methods.

The public offer test will not be satisfied where at the time of the issue, the Issuer knew, or had reasonable grounds to suspect that the Notes would be acquired by an Offshore Associate of the Issuer (subject to certain exemptions).

- (f) Accordingly, Notes issued by the Issuer should not be offered to or acquired by any Offshore Associate of the Issuer.
- (g) Even if the public offer test is initially satisfied in respect of the Notes, if such Notes later come to be held by an Offshore Associate of the Issuer, and at the time of payment of interest on those Notes, the Issuer knows or has reasonable grounds to suspect that such person is an Offshore Associate of the Issuer, the exemption under section 128FA does not apply to interest paid by the Issuer to such Offshore Associate in respect of those Notes (subject to certain exemptions).
- (h) For the purposes of this section, an “**Offshore Associate**” is an “associate” of the Issuer as defined in section 128FA(8) of the Tax Act who is:
 - (i) a non-resident of Australia that does not acquire the Notes or an interest in the Notes in carrying on a business in Australia at or through a permanent establishment of the associate in Australia; or
 - (ii) a resident of Australia that acquires the Notes or an interest in the Notes in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country.

The definition of “**associate**” includes any persons or entities which may benefit under the trust to which the Issuer is a trustee and/or any persons or entities who have a majority voting interest in the Issuer and/or as a result of holding rights to 50% or more of the share of income or corpus of the trust to which the Issuer is a trustee, or persons or entities whom are able to influence or control the Issuer. The Issuer is taken to be sufficiently influenced by another entity where the Issuer is accustomed or under an obligation or might reasonably be expected, to act in accordance with the directions, instructions or wishes of the other entity.

The Issuer intends to issue the Notes in a manner which will satisfy the requirements of section 128FA.

Possible exemption 2: Tax treaty exemption

Various Australian double tax agreements, including those with the United States of America, the

United Kingdom, Norway, Finland, the Republic of France, Japan, Switzerland, the Republic of South Africa and New Zealand (each a **Specified Country**), include exemptions from interest withholding tax for interest derived by:

- (a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and
- (b) certain unrelated banks, and financial institutions which substantially derive their profits by carrying on a business of raising and providing finance, which are resident in the Specified Country, and which are dealing wholly independently with the Issuer (interest paid under a back-to-back loan or economically equivalent arrangement will not qualify for this exemption).

The Australian government is progressively amending its other double tax agreements to include similar kinds of interest withholding tax exemption. Prospective Noteholders should obtain their own independent tax advice as to whether any of the exemptions under the relevant double tax agreements may apply to their particular circumstances.

Possible exemption 3: Pension fund exemption

An exemption is available in respect of interest paid to a non-resident superannuation fund where that fund is a superannuation fund maintained solely for foreign residents and the interest arising from the Notes is exempt from income tax in the country in which such superannuation fund is resident.

Payment of additional amounts

As set out in more detail in the Terms and Conditions of the Notes, if the Issuer is at any time compelled or authorised by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia in respect of the Notes, the Issuer must, subject to certain exceptions, pay such additional amounts as may be necessary in order to ensure that the net amounts received by the holders of those Notes after such deduction or withholding are equal to the respective amounts which would have been received had no such deduction or withholding been required. If there is a change in law or regulation as set out in Terms and Conditions of the Notes, requiring the Issuer to pay such additional amounts in relation to any Notes, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on giving not less than 30 nor more than 60 days' prior notice to the Noteholders.

1.2 Taxation of gains on disposal or redemption

Australian Noteholders

Noteholders who are Australian tax residents, or who are non-residents that hold the Notes in carrying on business at or through a permanent establishment in Australia, will be required to include any gain or loss on disposal or redemption of the Notes in their assessable income.

The determination of the amount and timing of any gain or loss on disposition or redemption of the Notes may be affected by the Traditional Securities rules or the "Taxation of Financial Arrangements" provisions of the Tax Act, which provide for a specialised regime for the taxation of financial instruments, and, where the Notes are denominated in a currency other than Australian Dollars, the foreign currency rules. Prospective Noteholders should obtain their own independent tax advice in relation to the determination of any gain or loss on disposal or redemption of the Notes.

Offshore Noteholders

A Noteholder who is a non-resident of Australia and who has never held the Notes in the course of carrying on a business through a permanent establishment in Australia will not be subject to Australian income tax on gains realised on the disposal or redemption of the Notes, provided such gains do not have an Australian source. A gain arising on the sale of the Notes by a non-Australian resident holder to another non-Australian resident where the Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia, should generally not be regarded as having an Australian source. However, the source of income for Australian taxation purposes is ultimately a question of fact.

Special rules can apply to treat a portion of the purchase price of Notes issued by the Issuer as interest for withholding tax purposes where deferred-return Notes (for example, Notes which pay a return that is deferred by more than 12 months) are sold to an Australian Noteholder. Any deemed interest under these rules is able to qualify for exemption from withholding tax as described above.

Collection powers

The ATO and other revenue authorities in Australia have wide powers for the collection of unpaid tax debts. This can include issuing a notice to an Australian resident requiring a deduction from any payment to a non-resident in respect of unpaid tax liabilities of that non-resident.

Death duties

The Notes will not be subject to death, estate or succession duties imposed by Australia or by any political subdivision or authority therein having power to tax if held at the time of death.

Stamp duty

No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of the Notes.

Goods and Services Tax ("GST")

Neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore non-resident subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest on the Notes would give rise to a GST liability.

New Zealand Taxation

New Zealand tax summary

Below is a general summary of the New Zealand tax implications that may arise in respect of Notes acquired, held or transferred by New Zealand tax residents.

The general summary does not constitute taxation advice and is based on New Zealand tax law as it applies at the date of this document. Taxation laws are subject to change and such changes may materially affect your tax position with respect to an investment in the Notes. It is strongly recommended that qualified financial and taxation advice is sought before deciding to invest.

New Zealand financial arrangement rules

The New Zealand financial arrangement rules should apply to New Zealand tax resident Noteholders.

The tax outcome under these rules depends on whether the New Zealand tax resident investor is a "cash basis" person.

Cash basis person thresholds

A "cash basis person" is a broadly a person who, in an income year:

- derives income and expenditure under financial arrangements of NZ\$100,000 or less; or
- has entered into financial arrangements, the value of which is NZ\$1.0m or less.

These tests require both assets and liabilities (or income and expenditure) to be aggregated as absolute values. For example, a person that borrows NZ\$100,000 and lends NZ\$1.0m will have financial arrangements of NZ\$1.1m.

In addition to being under the above thresholds the income deferred by returning on a cash basis must be no more than NZ\$40,000 in an income year.

Interest derived by cash basis persons

Interest derived by cash basis persons should be treated as taxable income and subject to tax at their marginal tax rate at the date of payment/credit to their account (i.e. on a “cash basis”). Any Australian withholding tax deducted on the interest should be creditable against that NZ tax liability (but cannot exceed that NZ tax liability).

Interest derived by non-cash basis persons

All other New Zealand resident investors will be required to spread interest income over the term of the Notes using one of the spreading methods prescribed in the financial arrangement rules.

Tax is payable on income allocated to each income year using the spreading method at the Noteholders marginal tax rate. Any Australian withholding tax deducted on the interest should be creditable against that NZ tax liability (but cannot exceed that NZ tax liability).

Base price adjustment

Both “cash basis” persons and other New Zealand resident investors will be required to perform a base price adjustment in the income year in which the Note matures, is redeemed, or in which the Noteholder transfers or otherwise disposes of the Note.

The “base price adjustment” is a “wash up” calculation which brings to account any income or gains which has not been accounted for over the term of the Note under a spreading method. Where the Noteholder incurs a loss, the loss may be deductible in some circumstances.

Foreign exchange gains / losses

Foreign exchange gains / losses on the Notes should be taxable / deductible to New Zealand resident investors. This will be when they are realised (for cash basis persons) or on an accruals basis (for all other investors) in accordance with their chosen spreading method.

Interest payments must be converted to New Zealand dollars at the date of payment.

Provisional tax

Noteholders should consider whether New Zealand’s provisional tax rules apply to their specific circumstances.

Goods and Services Tax (“GST”)

Neither the acquisition nor disposal of the Note should give rise to a liability for GST in New Zealand.

Issuer and a Secured Guarantor

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Attention: Chief Financial Officer

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Secured Guarantors

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