INFORMATION MEMORANDUM

Perpetual Corporate Trust Limited
(ABN 99 000 341 533) as trustee of the
LION SERIES 2020-1 TRUST

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

	Aggregate Initial Invested Amount	Initial Interest Rate	Expected Rating (S&P / Fitch)
Class A1 Notes	**A$920,000,000**	Bank Bill Rate (1 month) + 0.92%	**AAA(sf) / AAAsf**
Class A2 Notes	**A$30,000,000**	Bank Bill Rate (1 month) + 1.65%	**AAA(sf) / AAAsf**
Class B Notes	**A$27,000,000**	Bank Bill Rate (1 month) + 2.05%	**AA(sf) / NR**
Class C Notes	**A$10,000,000**	Bank Bill Rate (1 month) + 2.50%	**A(sf) / NR**
Class D Notes	**A$4,500,000**	Bank Bill Rate (1 month) + 3.75%	**BBB(sf) / NR**
Class E Notes	**A$4,000,000**	Bank Bill Rate (1 month) + 5.50%	**BB(sf) / NR**
Class F Notes	**A$4,500,000**	Bank Bill Rate (1 month) + 7.25%	**NR / NR**

Co-Arrangers

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

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

Joint Lead Managers and Dealers

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

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

National Australia Bank Limited
(ABN 12 004 044 937)

This Information Memorandum is dated 22 September 2020.

1 IMPORTANT INFORMATION

1.1 Purpose

This information memorandum ("**Information Memorandum**") has been prepared solely in connection with the Lion Series 2020-1 Trust. This Information Memorandum relates solely to a proposed issue of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (the "**Offered Notes**") by Perpetual Corporate Trust Limited in its capacity as trustee of the Lion Series 2020-1 Trust (the "**Trustee**"). This Information Memorandum does not relate to, and is not relevant for, any other purpose than to assist the recipient to decide whether to proceed with a further investigation of the Offered Notes. This Information Memorandum also contains information relating to the Class A1-R Notes (which may be issued by the Trustee in certain circumstances after the Closing Date). The Class A1-R Notes are not Offered Notes for the purposes of this Information Memorandum. No invitation for subscriptions for the Class A1-R Notes is being made by this Information Memorandum.

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

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

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

1.2 Notes are not guaranteed and are not deposits

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

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

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

1.3 Responsibility for information contained in this Information Memorandum

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

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

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

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

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

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

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

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

This Information Memorandum has been prepared by the Manager based on information available to it and based on the facts and circumstances existing as at 22 September 2020 ("Preparation Date"). No Relevant Person has any obligation to update this Information Memorandum after the Preparation Date having regard to information which becomes available, or facts and circumstances which come to exist, after the Preparation Date.

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

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

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

1.4 Authorised material

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

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

1.5 Independent investment decisions

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

1.6 Limited recourse

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

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

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

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

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

1.7 No disclosure under Corporations Act

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

(a) either:

(i) the amount payable by the offeree in relation to the relevant Offered Notes is A$500,000 or more (or its equivalent in an alternate currency, and in either case, disregarding moneys lent by the offeror or its associates); or

(ii) the offer is to a professional investor for the purposes of section 708 of the Corporations Act; or

(iii) the offer or invitation to the offeree is otherwise an offer or invitation that does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;

(b) the offer or invitation does not constitute an offer to a "retail client" under Chapter 7 of the Corporations Act (including, without limitation the financial services licensing requirements of the Corporations Act);

(c) the offer or invitation to the offeree complies with all applicable laws regulations and directives (including, without limitation, the financial services licensing requirements of the Corporations Act) and does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

1.8 Selling restrictions

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

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

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

(a) the Purchaser understands that the Offered Notes have not been and will not be registered under the United States Securities Act of 1933 ("**Securities Act**") or any U.S. securities laws. It acknowledges that an interest in the Offered Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, a "U.S. person" within the meaning of Rule 902(k) of Regulation S under the Securities Act ("**U.S. Person**") at any time except pursuant to an exemption from the registration requirements of the Securities Act;

(b) the Purchaser is not a U.S. Person and is purchasing such Offered Notes in an offshore transaction complying with Rule 903 and Rule 904 of Regulation S under the Securities Act;

(c) the Purchaser understands that this Information Memorandum not a "product disclosure statement", "prospectus" or "offer information statement" for the purposes of the Corporations Act and is not required to be lodged with ASIC;

(d) the Purchaser is not an Offshore Associate (as defined in Section 1.12 ("Offshore Associates") of the Trustee other than one acting in the capacity of a dealer, manager or underwriter in relation to the placement of the Offered Notes or in the capacity of a clearing house, custodian, funds manager or responsible entity of an Australian registered scheme;

(e) the Purchaser is not a "retail client" for the purposes of Chapter 7 of the Corporations Act;

(f) the Purchaser understands that the Offered Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes:

(i) a retail investor means a person who is one (or more) of:

(A) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**");

(B) 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;

(C) not a qualified investor as defined in Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) (the "**Prospectus Directive**"),

(ii) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Offered Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Offered Notes.

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

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

The target market assessment in respect of the Offered Notes by each distributor, 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 Offered Notes is eligible counterparties and professional clients each as defined in MiFID II and (ii) all channels for distribution of the Offered Notes to eligible counterparties and professional clients are appropriate. Any distributor subject to MiFID II subsequently offering, selling or recommending the Offered Notes is responsible for undertaking its own target market assessment in respect of the Offered Notes.

1.9 Section 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) Notification

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

1.10 European Risk Retention Rules

On the Closing Date and thereafter for so long as any Offered Notes remain outstanding, HSBC AU will, with reference to Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 (as amended, the "**EU Securitisation Regulation**") and certain related regulatory technical standards, implementing technical standards and official guidance (together, the "**EU Due Diligence and Retention Rules**"), each as in effect on the Closing Date, as an originator (as such term is defined for the purposes of the EU Securitisation Regulation), agree to retain a material net economic interest in this securitisation transaction in accordance with the text of Article 6(1) of the EU Securitisation Regulation (the "**EU Retention**").

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

For more information see Section 3 ("Risk factors").

1.11 Japanese Risk Retention Rules

In line with the final report titled "Global Developments in Securitisation Regulation" published on 16 November 2012 by the Board of the International Organization of Securities Commission (IOSCO) with its recommendations including those for the incentive alignment approach and risk retention requirements, on 30 April 2015 the Financial Services Agency of Japan amended its comprehensive supervisory guidelines for banks, insurance companies and financial instruments business operators (securities companies), respectively, when investing in securitisation products to require them to (i) confirm that an originator of such products will continue to retain part of the risks associated with the securitisation products and (ii), in cases where the originator will not continue to so retain, to make an in-depth analysis as to the status of the originator's involvement in the underlying assets and the quality of such assets.

Based upon the Basel III Document (Revisions to the securitisation framework) published in December 2014 and the Basel III Document (Revisions to the securitisation framework Amended to include the alternative capital treatment for "simple, transparent and comparable") published in July 2016, respectively, by the Basel Committee on Banking Supervision, on 15 March 2019, the Financial Services Agency of Japan published the amendments to its public notices relating to the capital ratio requirements, etc. for certain categories of financial institutions. The new Japanese risk retention rules for securitisation products contained in such amendments became applicable on 31 March 2019. Under the new Japanese risk retention rules, if a Japanese financial institution as investor subject to such rules fails to prove that it is in compliance with a 5% risk retention requirement or a

fallback provision, it would face the increased capital charge that is three times higher than that otherwise applied to compliant securitisation exposure.

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

Prospective Japanese Affected Investors (as defined Section 3 ("Risk Factors") below) should make their own independent investigation and seek their own independent advice (i) as to the scope and applicability of the new Japanese risk retention rules; (ii) as to the sufficiency of the information described in this Information Memorandum and (iii) as to the compliance with the new Japanese risk retention rules in respect of the transactions contemplated by this Information Memorandum. Neither HSBC AU nor any other party makes any representation that the information described in this Information Memorandum is sufficient in all circumstances for such purposes.

For more information see Section 3 ("Risk factors").

1.12 Offshore Associates

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

An "Offshore Associate" of the Trustee means an associate (as defined in s128F of the *Income Tax Assessment Act 1936* (Cth)) of the Trustee that is either a non-resident of Australia that does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the Notes in carrying on a business at or through a permanent establishment outside of Australia.

1.13 Credit Ratings

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

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

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

1.14 Disclosure of interests

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

(a) may from time to time, be a Noteholder or have other interests with respect to the Offered Notes and they may also have interests relating to other arrangements with respect to a Noteholder or an Offered Note; and

(b) may receive fees, brokerage and commissions or other benefits, and act as principal with respect to any dealing with respect to any Offered Notes,

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

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

(a) each Relevant Entity will or may from time to time have the Transaction Document Interests and may from time to time have the Note Interests and is, and from time to time may be, involved in a broad range of transactions including, without limitation, banking, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research (the "**Other Transactions**") in various capacities in respect of any member of the Group, both on the Relevant Entity's own account and/or for the account of other persons (the "**Other Transaction Interests**");

(b) each Relevant Entity in the course of its business (whether with respect to the Transaction Document Interests, the Note Interests, the Other Transaction Interests or otherwise) may act independently of any other Relevant Entity;

(c) to the maximum extent permitted by applicable law, no Relevant Entity has any duties or liabilities (including, without limitation, any advisory or fiduciary duty) to any person other than any contractual obligations of the Relevant Person as set out in the relevant Series Transaction Documents;

(d) a Relevant Entity may have or come into possession of information not contained in this Information Memorandum regarding any member of the Group that may be relevant to any decision by a potential investor to acquire the Offered Notes and which may or may not be publicly available to potential investors ("**Relevant Information**");

(e) to the maximum extent permitted by applicable law, no Relevant Entity is under any obligation to disclose any Relevant Information to any potential investor and this Information Memorandum and any subsequent course of conduct by a Relevant Entity should not be construed as implying that the Relevant Entity is not in possession of such Relevant Information; and

(f) each Relevant Entity may have various potential and actual conflicts of interest arising in the course of its business including in respect of the Transaction Document Interests, the Note Interests or the Other Transaction Interests. For example, the exercise of rights against a member of the Group arising from the Transaction Document Interests or from an Other Transaction may affect the ability of the Group member to perform its obligations in respect of the Offered Notes. In addition, the existence of the Transaction Document Interests or Other Transaction Interests may affect how a Relevant Entity as a Noteholder may seek to exercise any rights it may have as a Noteholder. These interests may conflict with the interests of the Group or a Noteholder and a Noteholder may suffer loss as a result. To the maximum extent permitted by applicable law, a Relevant Entity is not restricted from entering into, performing or enforcing its rights in respect of the Transaction Document Interests,

the Note Interests or the Other Transaction Interests and may otherwise continue to take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Noteholders or the Group and the Relevant Entities may in so doing act without notice to, and without regard to, the interests of any such person.

1.15 Repo-eligibility

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

1.16 Listing on a stock exchange

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

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2 OVERVIEW

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

2.1 Overview – Transaction Parties

Trust	Lion Series 2020-1 Trust
Trustee	Perpetual Corporate Trust Limited (ABN 99 000 341 533) in its capacity as trustee of the Trust
Manager	HSBC Bank Australia Limited (ABN 48 006 434 162)
Seller	HSBC Bank Australia Limited (ABN 48 006 434 162)
Transferor Trustee	BNY Trust (Australia) Registry Limited in its capacity as trustee of the Lion Series 2009-1 Trust
Servicer	HSBC Bank Australia Limited (ABN 48 006 434 162)
Security Trustee	P.T. Limited (ABN 67 004 454 666) in its capacity as trustee of the Lion Series 2020-1 Security Trust
Registrar	The Trustee
Liquidity Facility Provider	HSBC Bank Australia Limited (ABN 48 006 434 162)
Redraw Facility Provider	HSBC Bank Australia Limited (ABN 48 006 434 162)
Derivative Counterparty	HSBC Bank Australia Limited (ABN 48 006 434 162)
Co-Arranger, Joint Lead Manager and Dealer	The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch (ABN 65 117 925 970)
Co-Arranger, Joint Lead Manager and Dealer	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
Joint Lead Manager and Dealer	National Australia Bank Limited (ABN 12 004 044 937)
Participation Unitholder	HSBC Bank Australia Limited (ABN 48 006 434 162)
Residual Unitholder	HSBC Bank Australia Limited (ABN 48 006 434 162)
Designated Rating Agencies	Fitch Australia Pty Ltd (ABN 93 081 339 184) S&P Global Ratings Australia Pty Ltd (ABN 62 007 324 852)

2.2 Overview - General

Trust	The Trust was created on 14 August 2020 and was established for the purpose of the Trustee (in its capacity as trustee of the Trust): (a) acquiring and dealing with Trust Receivables in accordance with the Transaction Documents; (b) issuing Notes and incurring other liabilities in accordance with the Transaction Documents; (c) entering into, performing its obligations and exercising its rights under the Transaction Documents; and (d) acquiring, dealing with and disposing of Authorised Investments in accordance with the Transaction Documents.
Notes	The Notes are multi-class, secured, limited recourse, amortising, floating rate debt securities issued by the Trustee and are constituted by, and owing under, the Note Deed Poll. The Notes will be in uncertificated registered form and inscribed on a register maintained by the Trustee in Australia.
Form of Notes	The Notes will be issued in registered form. No certificates will be issued in respect of any Notes unless the Manager determines that certificates should be issued or they are required by law. Entries in the Note Register in relation to a Note are conclusive evidence of the things to which they relate (including that the person entered as the Noteholder is the owner of the Note or, if two or more persons are entered as joint Noteholders, they are the joint owners of the Note) subject to correction for fraud, error or omission. Title to any Notes which are held in the Austraclear System will be determined in accordance with the rules and regulations of the Austraclear System. Any Notes which are held in the Austraclear System will be registered in the name of Austraclear.
Class of Notes	The Notes to be issued on the Closing Date will be divided into 7 classes: Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes.
Offered Notes	The Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes comprise the Offered Notes. This Information Memorandum relates solely to a proposed issue of the Offered Notes by the Trustee.
Additional Notes	No further Notes (other than Class A1-R Notes) may be issued after the Closing Date.
Refinance of Class A1 Notes	The Trustee may issue Class A1-R Notes on a Class A1 Refinancing Date.

	The Manager agrees to use its reasonable endeavours to arrange, on behalf of the Trustee, the marketing and issuance of Class A1-R Notes on the first Class A1-R Refinancing Date. If the Manager is unable to arrange for the issuance of Class A1-R Notes on the first Class A1 Refinancing Date, the Manager may (at its discretion), in respect of any subsequent Class A1 Refinancing Date, arrange, on behalf of the Trustee, the marketing and issuance of Class A1-R Notes. The proceeds of the issuance of Class A1-R Notes must be sufficient to redeem the Class A1 Notes in full on the relevant Class A1 Refinancing Date. If the Manager is able to arrange for Class A1-R Notes to be issued by the Trustee on a Class A1-R Issue Date, the Trustee must use the proceeds of the issuance of Class A1-R Notes to redeem the Class A1 Notes in full on that Class A1-R Issue Date. See Section 6.16 (“Refinancing of Class A1 Notes”) for further details.
Denomination	The Notes will be denominated in A$. Each Note issued on the Closing Date will have an Invested Amount on the Closing Date equal to A$1,000.
Minimum parcel size on initial issue	A$500,000
Acquisition of Trust Receivables	The Trustee will use the proceeds of the Notes issued on the Closing Date to fund the acquisition of Trust Receivables from the Transferor Trustee in accordance with the Transfer Notice and Transfer Deed on the Closing Date. If there are any surplus proceeds of issue of such Notes over the amount required to fund such acquisition of Trust Receivables, such surplus must be applied as Total Available Principal on the first Payment Date following the Closing Date.
Security	The Notes will be secured over the Trust Assets of the Trust which are the subject of the security interest granted by the Trustee under the General Security Deed in favour of the Security Trustee. The Security Trustee holds that security interest on behalf of the Secured Creditors (including the Noteholders) pursuant to the terms of the Security Trust established under the Security Trust Deed and the Notice of Creation of Security Trust.
Terms and conditions of Notes	The terms and conditions of the Notes will primarily be set out in the Issue Supplement and the Note Deed Poll. See Section 5 (“Conditions of the Notes”) for further details.
Ranking	The Notes of each Class rank equally amongst themselves in respect of payments of interest and repayments of principal.

	The ranking of payments of principal and interest on each Class of Notes will primarily be set out in the Issue Supplement. See Section 6 ("Cashflow Allocation Methodology") for further details.
Interest	Each Note bears interest on its Invested Amount at its Interest Rate from (and including) the Closing Date to (but excluding) the date on which the Note is redeemed in accordance with the Conditions. No interest accrues on a Note at any time when the Stated Amount of that Note is zero.
Withholding Taxes	The Trustee agrees to make all payments in respect of a Note in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes, unless required by law or made for or on account of FATCA. If a law requires the Trustee to withhold or deduct an amount in respect of Taxes or for or on account of FATCA from a payment in respect of a Note, the Trustee agrees to withhold or deduct the amount and the Trustee agrees to pay an amount equal to the amount withheld or deducted to the relevant authority in accordance with applicable law. The Trustee is not liable to pay any additional amount to the Noteholder in respect of any such withholding or deduction (including, without limitation, for or on account of any withholding or deduction arising under or in connection with FATCA. The Offered Notes (other than the Class E Notes and Class F Notes) are intended to be issued in a manner which will satisfy the public offer test in section 128F of the Australian Tax Act. The Class E Notes and Class F Notes will not be issued in a manner which will satisfy the public offer test in section 128F of the Australian Tax Act.
Rating	The Offered Notes will initially have the rating specified in Section 2.4 ("Overview – Key Terms of the Notes"). The rating of the Offered Notes should be evaluated independently from similar ratings on other types of notes or securities. A rating is not a recommendation to buy, sell or hold securities, nor does it comment as to the market price or the suitability of securities for particular investors. In addition, the ratings of the Offered Notes do not address the expected timing of principal repayments under the Offered Notes, only the likelihood that principal will be received no later than the Maturity Date. A rating may be changed, suspended or withdrawn at any time by the relevant Designated Rating Agency.
Clearing System	The Trustee intends to apply to Austraclear for approval for the Offered Notes to be traded on the Austraclear System. Upon approval by Austraclear, the Notes will be traded through Austraclear in accordance with the rules and regulations of the Austraclear System. Such approval by Austraclear is not a recommendation or endorsement by Austraclear of such Offered Notes.

	Once the Offered Notes are lodged in the Austraclear System, interests in the Offered Notes may be held through Euroclear or Clearstream, Luxembourg, in which case, the rights of a holder of interests in Offered Notes so held will also be subject, *inter alia,* to the respective rules and regulations for accountholders of Euroclear and Clearstream None of the Trustee, the Security Trustee, the Manager, the Servicer, the Seller, the Co-Arrangers, the Joint Lead Managers, the Dealers or any other transaction party will be responsible for the operation of the clearing arrangements which is a matter for the clearing institutions, their nominees, their participants and the investors.
Transfer	Offered Notes may only be transferred in accordance with the Conditions. In particular, Offered Notes may only be transferred if: (a) the offer or invitation giving rise to the transfer is not: (i) an offer or invitation which requires disclosure to investors under Part 6D.2 of the Corporations Act; or (ii) an offer or invitation to a retail client for the purposes of Chapter 7 of the Corporations Act; and (b) the transfer complies with any applicable law or directive of the jurisdiction where the transfer takes place. Interests in any Offered Notes held in the Austraclear System may only be transferred in accordance with the rules and regulations of the Austraclear System. For a description of further restrictions on offers and sales of the Offered Notes, see Section 11 (“Subscription and Sale”).
Meetings	Noteholders of Offered Notes who are Voting Secured Creditors are entitled to participate in meetings of Voting Secured Creditors in respect of the Trust.
Governing Law	The Offered Notes will be governed by the laws of New South Wales.
Call Option	The Manager may (at its option) direct the Trustee to redeem all, but not some only, of the outstanding Notes on any Call Option Date. The Notes will be redeemed by the Trustee at the Redemption Amount for those Notes. The Trustee, at the direction of the Manager, must give at least 5 Business Days' notice to the relevant Noteholders of its intention to exercise its option to redeem the Notes on a Call Option Date.
Early Redemption	If a law requires the Trustee to withhold or deduct an amount in respect of Taxes from a payment in respect of a Note, then the Manager may (at its option) direct the Trustee to redeem all (but not some only) of the Notes by paying to the Noteholders the Redemption Amount for the Notes.

	The Trustee must notify the proposed redemption to the Registrar and the Noteholders and any stock exchange on which the Notes are listed at least 5 Business Days before the proposed redemption date.
Listing on a Stock Exchange	The Manager intends to make an application on or after the Closing Date to list the Class A1 Notes and Class A2 Notes on the Australian Securities Exchange. However, there can be no assurance that any such listing will be obtained.

2.3 Overview – Key Dates

Closing Date	22 September 2020
Cut-Off Date	31 July 2020
Payment Dates	The 22nd day of each month, subject to the Business Day Convention. The first Payment Date occurs in November 2020.
Determination Date	The day which is 4 Business Days prior to each Payment Date.
Call Option Date	Each Payment Date following the Determination Date on which the Aggregate Invested Amount of all Notes is less than 10% of the aggregate of the Aggregate Invested Amount of all Notes on the Closing Date.
Class A1 Refinancing Date	The Payment Date in September 2025 and each Payment Date thereafter.
Maturity Date	The Payment Date in September 2051.
Collection Period	The period from (and including) the first day of a calendar month to (and including) the last day of that calendar month, provided that the first Collection Period will commence on (and include) the Closing Date and will end on (and include) 31 October 2020.

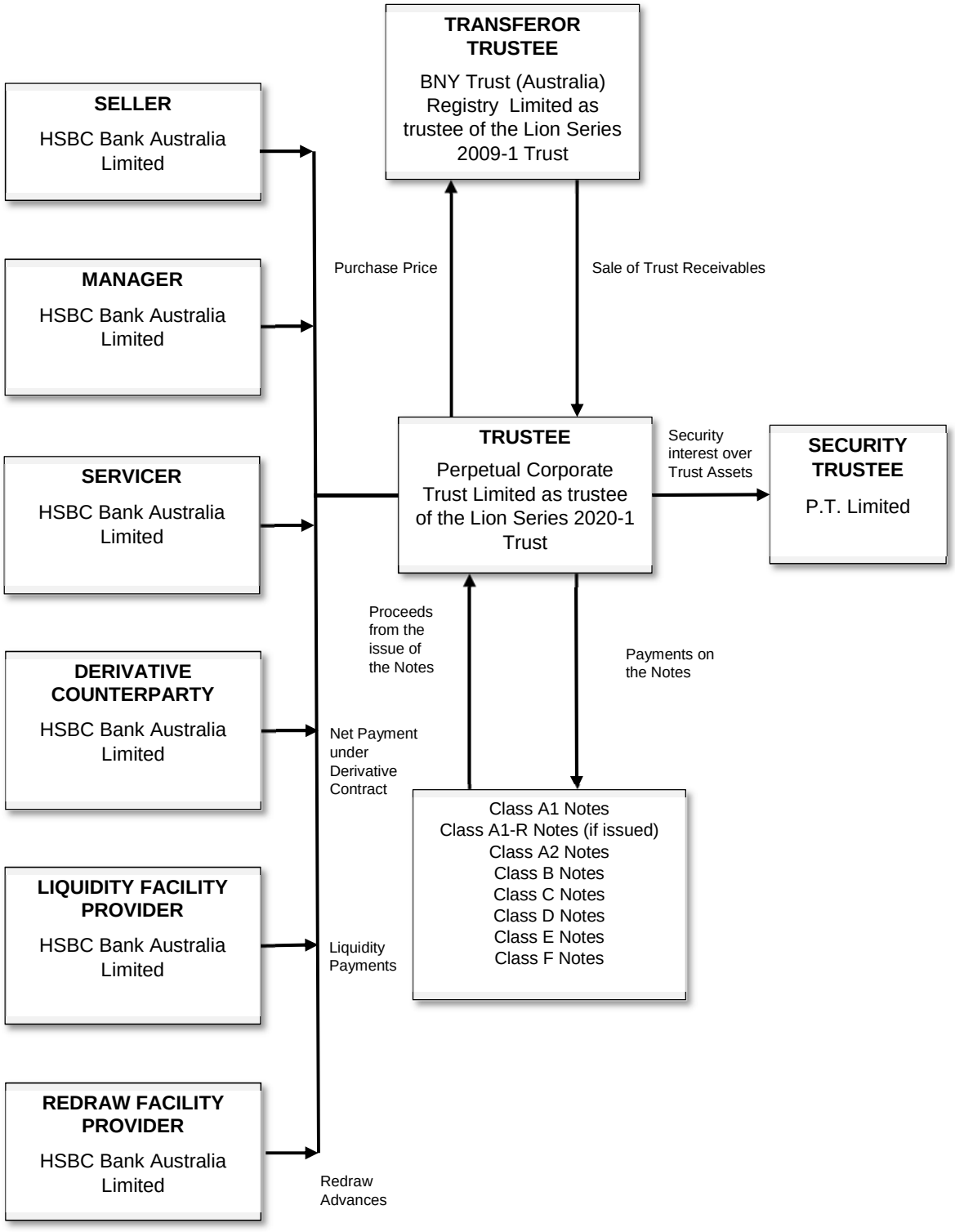
2.4 Overview – Key terms of the Notes

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

	Class A1 Notes	**Class A2 Notes**	**Class B Notes**	**Class C Notes**	**Class D Notes**	**Class E Notes**	**Class F Notes**
Currency	A$	A$	A$	A$	A$	A$	A$
Aggregate initial Invested Amount	A$920,000,000	A$30,000,000	A$27,000,000	A$10,000,000	A$4,500,000	A$4,000,000	A$4,500,000
Initial Invested Amount per Note	A$1,000	A$1,000	A$1,000	A$1,000	A$1,000	A$1,000	A$1,000
Issue Price	100%	100%	100%	100%	100%	100%	100%
Interest Frequency	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Payment Date	The 22nd day of each month, subject to the Business Day Convention. The first Payment Date occurs in November 2020.	The 22nd day of each month, subject to the Business Day Convention. The first Payment Date occurs in November 2020.	The 22nd day of each month, subject to the Business Day Convention. The first Payment Date occurs in November 2020.	The 22nd day of each month, subject to the Business Day Convention. The first Payment Date occurs in November 2020.	The 22nd day of each month, subject to the Business Day Convention. The first Payment Date occurs in November 2020.	The 22nd day of each month, subject to the Business Day Convention. The first Payment Date occurs in November 2020.	The 22nd day of each month, subject to the Business Day Convention. The first Payment Date occurs in November 2020.
Interest Rate	Bank Bill Rate (1 month) + Class Margin + (from the earlier of the first Class A1 Refinancing Date and the first Call Option Date) Step-Up Margin	Bank Bill Rate (1 month) + Class Margin + (from the first Call Option Date) Step-Up Margin	Bank Bill Rate (1 month) + Class Margin	Bank Bill Rate (1 month) + Class Margin	Bank Bill Rate (1 month) + Class Margin	Bank Bill Rate (1 month) + Class Margin	Bank Bill Rate (1 month) + Class Margin
Class Margin	0.92%	1.65%	2.05%	2.50%	3.75%	5.50%	7.25%
Step-Up Margin	0.25%	0.25%	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Maturity Date	The Payment Date in September 2051	The Payment Date in September 2051	The Payment Date in September 2051	The Payment Date in September 2051	The Payment Date in September 2051	The Payment Date in September 2051	The Payment Date in September 2051
Form of Notes	Registered	Registered	Registered	Registered	Registered	Registered	Registered
Governing Law	New South Wales	New South Wales	New South Wales	New South Wales	New South Wales	New South Wales	New South Wales
Expected ratings (Fitch)	AAAsf	AAAsf	NR	NR	NR	NR	NR
Expected ratings (S&P)	AAA(sf)	AAA(sf)	AA(sf)	A(sf)	BBB(sf)	BB(sf)	NR
Clearance	Austraclear	Austraclear	Austraclear	Austraclear	Austraclear	Austraclear	Austraclear
ISIN	AU3FN0055679	AU3FN0055612	AU3FN0055620	AU3FN0055638	AU3FN0055646	AU3FN0055653	AU3FN0055661
Common Code	222216745	222217253	222217458	222217741	222218829	222219019	222219183
Application for Listing	Australian Securities Exchange	Australian Securities Exchange	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

2.5 Structure Diagram



3 RISK FACTORS

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

Risk factors relating to the Offered Notes

The Offered Notes will only be paid from the Trust Assets

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

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

Limited Credit and Other Enhancements

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

- the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to the Class A1 Notes or the Class A1-R Notes (if issued);
- the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to the Class A2 Notes;
- the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to the Class B Notes;
- the Class D Notes, the Class E Notes and the Class F Notes to the Class C Notes;
- the Class E Notes and the Class F Notes to the Class D Notes; and
- the Class F Notes to the Class E Notes,

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

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

- the Liquidity Facility has been exhausted or is otherwise not available for drawing (see Section 9.6 ("Liquidity Facility Agreement")); or
- the aggregate Stated Amount of any subordinated Class of Notes is reduced to zero,

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

It may not be possible to sell the Offered Notes

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

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

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

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

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

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

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

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

- receipt by the Trustee of enforcement proceeds due to an Obligor having defaulted on its Trust Receivable;
- repurchase by the Seller of a Trust Receivable due to the making of a Further Advance by the Seller in respect of that Trust Receivable as described in

Section 4.4 (“Disposal of Trust Receivables - Further Advances”);

- repurchase by the Seller of a Trust Receivable, at the election of the Seller, due to the creation of an Ineligible Product Change in respect of that Trust Receivable at the request of the Obligor, as described in Section 4.5 (“Disposal of Trust Receivables - Ineligible Product Changes”);
- exercise of the Call Option Offer on a Call Option Date; and
- receipt of proceeds of enforcement of the General Security Deed prior to the Maturity Date of the Offered Notes.

In addition, Total Available Principal may be used:

- to fund payment delinquencies (in the form of Principal Draws); or
- during a Collection Period towards funding Redraws made by Obligors under the terms of the relevant Trust Receivable in the circumstances described in Section 4.6 (“Redraws”).

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

Reinvestment risk on payments received during a Collection Period

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

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

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

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

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

	Option Date for their less than their Aggregate Invested Amount. Such an Extraordinary Resolution will bind all Noteholders of that Class.
Investment in the Offered Notes may not be suitable for all investors	The Offered Notes are not a suitable investment for any investor that requires a regular or predictable schedule of payments or payment on any specific date. The Offered Notes are complex investments that should be considered only by investors who, either alone or with their financial, tax and legal advisors, have the expertise to analyse the prepayment, reinvestment, default and market risk, the tax consequences of an investment, and the interaction of these factors. Mortgage-backed securities, like the Offered Notes, usually produce more returns of principal to investors when market interest rates fall below the interest rates on the Trust Receivables and produce less returns of principal when market interest rates rise above the interest rates on the Trust Receivables. If borrowers refinance their Trust Receivables as a result of lower interest rates, Noteholders may receive an unanticipated payment of principal. As a result, Noteholders are likely to receive more money to reinvest at a time when other investments generally are producing a lower yield than that on the Offered Notes and are likely to receive less money to reinvest when other investments generally are producing a higher yield than that on the Offered Notes. Noteholders will bear the risk that the timing and amount of payments on the Offered Notes will prevent them from attaining the desired yield.
Ratings on the Offered Notes	The credit ratings of the Offered Notes should be evaluated independently from similar ratings on other types of Offered Notes or securities. A credit rating by a Designated Rating Agency is not a recommendation or suggestion, directly or indirectly, to any investor or any other person, to buy, sell, make or hold any Offered Note or to undertake any investment strategy with respect to any investment for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the taxation consequences in respect of any Offered Note. The Designated Rating Agencies are not advisers, and nor do the Designated Rating Agencies provide investors or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. The credit ratings of the Offered Notes may be subject to revision, suspension, qualification or withdrawal at any time by the relevant Designated Rating Agency. A revision, suspension, qualification or withdrawal of the credit rating of the Offered Notes may adversely affect the price of the Offered Notes. In addition, the credit ratings of the Offered Notes do not address the expected timing of principal repayments under the Offered Notes, only the likelihood that principal will be received no later than the Maturity Date. No Designated Rating Agency has been involved in the preparation of this Information Memorandum.
Repo-eligibility may not be granted or may be withdrawn	Application will be made by the Manager to the Reserve Bank of Australia ("**RBA**") for the Class A1 Notes and Class A2

Notes to be "eligible securities" (or "repo eligible") for the purposes of repurchase agreements with the RBA.

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

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

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

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

Risk factors relating to the transaction parties

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

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

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

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

To minimise the risk of finding a suitable substitute Servicer or Manager, the Trustee has, subject to certain terms and conditions in the Servicing Deed and the Management Deed,

	agreed to act as the Servicer or the Manager (as applicable) in respect of the Trust from the effective date of retirement or termination of the appointment of the Servicer or Manager (as applicable) until the appointment of a replacement Servicer or Manager (as applicable).
The Servicer may commingle collections on the Trust Receivables with its assets	Before the Servicer remits Collections to the Collection Account, the Collections may be commingled with the assets of the Servicer. If the Servicer becomes insolvent, the Trustee may only be able to claim those Collections as an unsecured creditor of the insolvent company. This could lead to a failure to receive the Collections on the Trust Receivables, delays in receiving the Collections, or losses on the Offered Notes.
The termination of any Derivative Contract may affect the payment on the Offered Notes	Under the Initial Derivative Contract, the Trustee will enter into: • a fixed rate swap transaction under which the Trustee will exchange certain fixed rate payments in respect of the Trust Receivables for variable rate payments based on the Bank Bill Rate; and • a basis swap transaction under which the Trustee will exchange certain variable rate payments in respect of the Trust Receivables for variable rate payments based on the Bank Bill Rate. If the Initial Derivative Contract (or any replacement Derivative Contract) is terminated or the Derivative Counterparty fails to perform its obligations, Noteholders will be exposed to the risk that the floating rate of interest payable with respect to the Offered Notes will be greater than the fixed rate payable by Obligors in respect of the Trust Receivables having a fixed rate of interest and/or the variable rate payable by Obligors in respect of the Trust Receivables having a variable rate of interest. However, this risk is reduced following the termination of the basis swap because the Manager will be required to direct the Servicer to adjust variable interest rates on the Trust Receivables as necessary to ensure that the weighted average of the interest rates payable across all Trust Receivables is at least equal to the Threshold Rate as described in Section 4.7 (“Threshold Rate and termination of Basis Swap”). However, an increase to variable interest rates charged on Trust Receivables following termination of the basis swap may also lead to increased rates of principal prepayment or Obligor defaults and therefore affect the yield on the Offered Notes. If the Derivative Contract terminates before its scheduled termination date, a termination payment by either the Trustee or the Derivative Counterparty may be payable. A termination payment could be substantial and in certain circumstances will be required to be paid in priority to amounts payable to Noteholders (see Sections 6.8 (“Application of Total Available Income”) and 6.12 (“Application of proceeds following an Event of Default”)).
The availability of various support facilities with respect to payment on the Offered Notes will ultimately be dependent on the financial condition of HSBC AU; HSBCAU and its affiliates may be	HSBC AU is acting as Liquidity Facility Provider, Fixed Rate Swap Provider and Basis Swap Provider. Accordingly, the availability of these various support facilities will ultimately be dependent on the financial strength of HSBC AU (or any replacement in the event that HSBC AU resigns or is removed from acting in any such capacities and a replacement is appointed).

subject to conflicts of interest

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

There is no assurance that:

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

If HSBC AU (or any replacement facility provider) encounters financial difficulties which impede or prohibit the performance of its obligations under the Liquidity Facility Agreement or Derivative Contract (as applicable), the Trustee may not have sufficient funds to pay on time the full amount of principal and interest due on the Offered Notes.

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

Representations and warranties in respect of the Trust Receivables

All of the Trust Receivables will be transferred from the Transferor Trustee to the Trustee on the Closing Date in accordance with the Transfer Deed.

The Seller has previously given to the Transferor Trustee certain representations and warranties in in respect of the Trust Receivables in connection with the initial sale of those Receivables to the Transferor Trustee. Under the Transfer Deed, the Transferor Trustee will also transfer to the Trustee the benefit of the representations and warranties previously given by the Seller to the Transferor Trustee in respect of the Trust Receivables. See Section 4.2 (“Seller representations and warranties”) for a description of the representations and warranties previously given by the Seller to the Transferor Trustee in respect of the Trust Receivables which will be transferred to the Trustee.

The Seller will not repeat for the benefit of the Trustee any of the representations and warranties in respect of the Trust Receivables previously given to the Transferor Trustee. In respect of any Trust Receivables where the representations and warranties originally given by the Seller to the Transferee Trustee were incorrect, the Trustee’s sole remedy for a breach of representation or warranty originally given by the Seller to the Transferor Trustee will be an indemnity claim against the Seller.

The Manager will certify to the Trustee on the Closing Date that (to the best of its knowledge and belief) each Trust Receivable is an Eligible Receivable on the Closing Date. In providing this certification the Manager is not required to investigate whether any Trust Receivable satisfies the Eligibility Criteria. Therefore, if at the time the Manager made the certification it did not then have knowledge of any circumstance that would cause such certification to be incorrect, there will not be any remedies available against the Manager in respect of such incorrect certification.

The Trustee has not investigated or made any enquiries regarding the accuracy of the Seller's representations and warranties previously given to the Transferor Trustee, or the Manager's certifications in respect of the Trust Receivables.

The Trustee will not have an indemnity against the Manager in respect of the certification that each Trust Receivable is an Eligible Receivable on the Closing Date being incorrect. The Trustee would be able to sue for damages for breach. The costs of any such suit will be Trust Expenses and paid in priority to payments of interest on the Offered Notes.

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

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

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

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

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

Redraw drawings will be paid before the Offered Notes

If there are insufficient amounts available to reimburse the Seller for Redraws as described in Section 4.6 ("Redraws"), the Manager must, if permitted under the Redraw Facility Agreement, direct the Trustee to make a drawing under the Redraw Facility Agreement. Repayment of Redraw Advances will rank ahead of Offered Notes with respect to payment of principal both prior to and after the occurrence of an Event of Default and enforcement of the General Security Deed and a Noteholder may not receive full repayment of principal on the Offered Notes.

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

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

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

Information Memorandum responsibility

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

Risk factors relating to the Trust Receivables

The Trust Assets are limited

The Trust Assets consist primarily of the Trust Receivables.

If the Trust Assets are not sufficient to make payments of interest or principal in respect of the Offered Notes in accordance with the Cashflow Allocation Methodology, then payments to Noteholders will be reduced.

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

Risks of equitable assignment

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

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

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

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

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

relation to the Trust Receivable (including a defence by way of a right of set-off); and

- any other equity, defence, remedy or claim of the relevant Obligor against the Seller (including a defence by way of a right of set-off) that arises from claims which are sufficiently closely connected to the Trust Receivable, and otherwise, which accrue before the first time when payment by the relevant Obligor to the Seller no longer discharges the obligation of the relevant Obligor under subsection 80(8) of the PPSA to the extent of the relevant payment;

- the Trustee may have to join the Seller as a party to any legal action which the Trustee may wish to take against any related Obligor;
- the Trustee's interest in the Trust Receivable may become subject to the interests of third parties created after the creation of the Trustee's equitable interest but prior to it acquiring a legal interest; and
- to effect a legal assignment of the Trust Receivables will require:
  - the execution of a further instrument in writing by the Seller in accordance with section 12 of the Conveyancing Act 1919 (NSW) or the applicable equivalent provision in each other Australian jurisdiction;
  - in relation to each Related Security which is a mortgage, the execution and registration of instruments of transfer under the applicable real property legislation in the Australian jurisdictions; and
  - depending on the situs of the Receivable and Related Security, the payment of stamp duty on the transfer of the Receivable and Related Security.

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

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

In addition, section 80(7) of the PPSA provides that an Obligor will be entitled to make payments and obtain a good discharge

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

Set-off risk

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

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

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

Delinquency and default risk

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

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

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

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

and deception by borrowers or their agents have occurred in the industry (including incidents affecting HSBC AU). Increased delinquency and default rates on the Trust Receivables may ultimately cause losses of the Offered Notes.

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

In particular, as has been widely reported, there has been an outbreak of the coronavirus disease known as COVID-19 in China, which has spread to many countries throughout the world including Australia, the United States, the United Kingdom and member states of the European Union. The outbreak has been declared to be a pandemic by the World Health Organization. This outbreak (and any future outbreaks) of COVID-19 has led (and is likely to continue to lead) to severe disruptions in the economies of nations where the coronavirus disease has arisen and may in the future arise, and has resulted in adverse impacts on the global supply chain, capital markets and economy in general. For example, governments worldwide have implemented measures to contain the spread of the virus including travel bans, quarantines, social distancing and restrictions on public gatherings and commercial activity. In Australia this has limited economic activity and may result in a significant economic contraction. These circumstances could also lead to job losses or wage reductions which may adversely affect the ability of Obligors to make timely payments on their Trust Receivables.

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

Mortgage Insurance Policies cover 9.82% of the Trust Receivables (by loan balance as at the Cut-Off Date). The Mortgage Insurance Policies are subject to some exclusions from coverage and rights of termination that may allow the Mortgage Insurer to reduce a claim or terminate lenders mortgage insurance cover in respect of a Trust Receivable in certain circumstances. Any such reduction or termination may affect the ability of the Trustee to pay principal and interest on the Offered Notes.

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

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

Substantial delays could be encountered in connection with the enforcement of a Trust Receivable and result in shortfalls in

	distributions to Noteholders to the extent not covered by the Mortgage Insurance Policy or if the Mortgage Insurer fails to perform its obligations. Further, enforcement expenses such as legal fees, real estate taxes and maintenance and preservation expenses (to the extent not covered by the Mortgage Insurance Policy) will reduce the net amounts recoverable by the Trustee from an enforced Trust Receivable. In the event that any Property fails to provide adequate security for the relevant Trust Receivable, Noteholders could experience a loss to the extent the loss was not covered by the Mortgage Insurance Policy or if the relevant Mortgage Insurer failed to perform its obligations under the relevant Mortgage Insurance Policy.
The Servicer's ability to change the features of the Trust Receivables may affect the payment on the Offered Notes	The features of the Trust Receivables may be changed by the Servicer, either on its own initiative or at the Obligor's request. Additional features in relation to a Trust Receivable which are not described in this Information Memorandum may be offered by the Seller or features that have been previously offered may cease to be offered by the Seller and any fees or other conditions applicable to such features may be added, removed or varied by the Seller. As a result of these changes and payments of principal by Obligors, the concentration of Trust Receivables with specific characteristics is likely to change over time, which may affect the timing and amount of payments investors receive. If the Servicer or Seller changes the features of the Trust Receivables or fails to offer desirable features offered by their competitors, Obligors might elect to refinance their loan with another lender to obtain more favourable features. In addition, the Trust Receivables included in the Trust are not permitted to have some features. If an Obligor chooses to add one of these features to his or her Trust Receivable that Trust Receivable may in some circumstances be repurchased by the Seller or otherwise repaid and removed from the Trust (together with any other Trust Receivables secured by the same Related Security), as discussed further in Section 4.5 ("Disposal of Trust Receivables -Ineligible Product Changes"). The removal of Trust Receivables from the Trust could cause investors to experience higher rates of principal prepayment than investors expected, which could affect the yield on Offered Notes.
Hardship cases may result in Investors not receiving their full interest payments	In respect of Trust Receivables where a customer is in financial difficulty (including, but not limited to, in connection with the economic impact of COVID-19), the Servicer may permit or require modification of loan contracts to, among other things, allow capitalisation of arrears, conversion to interest only, reduce interest margins and/or extend the loan term, subject to applicable law, the Servicing Guidelines and the Transaction Documents. If this affects a significant number of Obligors at the same time, the Trustee may not have sufficient funds to pay Noteholders the full amount of interest on the Offered Notes on the next Payment Date and the rate of repayment of principal may also be affected.
The expiration of fixed rate interest periods may result in significant repayment increases and	If Trust Receivables are or become subject to a fixed rate of interest, the fixed rates for those Trust Receivables will be set for a shorter time period (generally not more than 5 years) than the life of the loan (generally up to 30 years). Once the fixed rate period expires, the applicable variable rate may be higher

hence increased Obligor defaults	than the previous fixed rate, which in turn may lead to increased defaults and/or principal prepayments by Obligors.
The Servicer's ability to set the interest rate on variable-rate Trust Receivables may lead to increased delinquencies or prepayments	The interest rates on the variable-rate Trust Receivables are not tied to an objective interest rate index, but are set at the sole discretion of the Servicer (other than as described in Section 4.7 ("Threshold Rate and termination of Basis Swap"). If the Servicer increases the interest rates on the variable-rate Trust Receivables, Obligors may be unable to make their required payments under the Trust Receivables, and accordingly, may become delinquent or may default on their payments. In addition, if the interest rates are raised above market interest rates, Obligors may refinance their loans with another lender to obtain a lower interest rate. This could cause higher rates of principal prepayment than Noteholders expected and affect the yield on the Offered Notes.
The Seller's ability to amend or revise the Servicing Guidelines may lead to a delay or reduction in payments received	The Servicer and the Manager may amend or revise the Servicing Guidelines in the manner described in Section 9.4 ("Servicing Deed"). Subject to the restrictions described in Section 9.4 ("Servicing Deed"), this could lead to a delay or reduction in the payments received by the Noteholders and may adversely affect the ability of the Trustee to meet its obligations.
Enforcement of Trust Receivables can involve substantial costs and delays	In order to enforce the Trust Receivables in certain situations, a court order or other judicial or administrative proceedings may be needed in order to establish the Obligor's obligation to pay and to enable a sale by executive measures. Such proceedings may involve substantial legal costs and delays before the Servicer is able to enforce such Trust Receivable. Furthermore, pursuant to the Servicing Deed, in determining whether to take enforcement action in respect of a Trust Receivable the Servicer may exercise such discretion as would a Prudent Servicer in applying the Servicing Guidelines of that Trust to any defaulting Obligor. See Section 9.4 ("Servicing Deed") for further details regarding the Servicer's obligations with respect to enforcement of Trust Receivables.
Geographic concentration	Section 13 ("Pool Summary") contains details of the geographic concentration of the Trust Receivables as of the Cut-Off Date. To the extent that there is a high concentration of Trust Receivables secured by properties located within a single state or region within Australia, any deterioration in the real estate values or the economy of any of those states or regions could result in higher rates of delinquencies, foreclosures and losses than expected on the Trust Receivables. In addition, these states or regions may experience natural disasters, which may not be fully insured against and which may result in property damage and losses on the Trust Receivables. These events may in turn have a disproportionate impact on funds available to the Trust, which could cause investors to suffer losses.

Risk factors relating to security

Enforcement of General Security Deed	If an Event of Default occurs while any Offered Notes are outstanding, the Security Trustee may and, if directed to do so by an Extraordinary Resolution of Voting Secured Creditors, must, declare all amounts outstanding under the Offered Notes immediately due and payable and enforce the General Security

Deed in accordance with the terms of the General Security Deed and the Security Trust Deed. That enforcement may include the sale of the Trust Assets.

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

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

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

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

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

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

Risk factors relating to legal and regulatory risks

Personal Property Securities regime

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

Security interests for the purposes of the PPSA include traditional securities such as charges and mortgages over personal property. However, they also include transactions

that, in substance, secure payment or performance of an obligation (referred to as "in substance" security interests), including transactions that were not regarded as securities under the law that existed prior to the introduction of the PPSA. Further, certain other interests are deemed to be security interests whether or not they secure payment or performance of an obligation - these deemed security interests include assignments of receivables.

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

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

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

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

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

However, under Australian law:

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

Trustee would be entitled to exercise remedies against the Trustee in respect of any such breach by the Trustee).

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

Australian Taxation

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

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

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

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

National Credit Legislation

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

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

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

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

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

- grant an injunction preventing a regulated Trust Receivables from being enforced (or any other action in relation to the Trust Receivables) if to do so would breach the National Credit Legislation;
- order compensation to be paid for loss or damage suffered (or likely to be suffered) as a result of a breach of a civil penalty provision or a criminal offence in the National Credit Legislation;

- if a credit activity has been engaged in without a licence and no relevant exemption applies, an order it considers appropriate so that no profiting can be made from the activity, to compensate for loss and to prevent loss. This could include an order declaring a contract, or part of a contract, to be void, varying the contract, refusing to enforce, ordering a refund of money or return of property, payment for loss or damage or being ordered to supply specified services;
- vary the terms of the Trust Receivables on the grounds of hardship;
- vary the terms of the Trust Receivables, or a change to such documents, that are unjust, and reopen the transaction that gave rise to the Receivable or the change;
- reduce or annul any interest rate payable on the Trust Receivables which is unconscionable;
- declare that certain provisions of the Trust Receivables which are in breach of the legislation are void or unenforceable from the time it was entered or at any time on and after a specified day before the order is made;
- obtain restitution or compensation from the credit provider in relation to any breach of the National Credit Legislation in relation to the Trust Receivables; or
- seek various remedies for other breaches of the National Credit Legislation.

Applications may also be made to the Australian Financial Complaints Authority (**AFCA**), which has the power to resolve disputes with respect to a credit facility, where the amount claimed by someone other than a Small Business or Primary Producer (as defined in the Australian Financial Complaints Authority Rules) does not exceed A$1 million The scope to challenge an adverse determination by AFCA is limited, and a decision is not subject to judicial review. Any such order (by a court or AFCA) may affect the timing or amount of interest, fees or charges, or principal payments repayments under the relevant Trust Receivables (which might in turn affect the timing or amount of interest or principal payments under the Offered Notes).

Where a systemic contravention affects multiple Trust Receivables, there is a risk of a representative or class action under which orders could be made in respect of all affected Trust Receivables contracts.

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

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

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

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

In certain circumstances, where the terms of the Trust Receivables have been entered into by an individuals, their terms may be subject to review under Part 2 of the Australian Securities and Investments Commission Act 2001 (Cth) ("**National Unfair Terms Regime**") and/or Part 2B of the Fair Trading Act 1999 (Vic) ("**Victorian Unfair Terms Regime**") for being unfair.

Under the National Unfair Terms Regime, a term of a standard-form consumer contract or a small business contract will be unfair, and therefore void, if it causes a significant imbalance in the parties' rights and obligations under the contract and is not reasonably necessary to protect the supplier's legitimate interests and it would cause financial or non-financial detriment to a party if it was relied on. A consumer contract is one with a natural person, whose use of what is provided under the contract is predominantly for personal, domestic or household use or consumption. A small business contract is one where at the time the contract is entered into, at least one party to the contract is a business that employs fewer than 20 persons and either:

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

A term that is unfair will be void, however, in such a case, the contract will continue if it is capable of operating without the unfair term. Under the Victorian Unfair Terms Regime, a term in a consumer contract would be unfair and therefore void if it is a prescribed unfair term or if a court or Tribunal determines that in all the circumstances it causes a significant imbalance in the parties' rights and obligations arising under the contract to the detriment of the consumer.

The National Unfair Terms Regime commenced on 1 July 2010 while the application of the Victorian Unfair Terms Regime to credit contracts commenced in June 2009. The Victorian Unfair Terms Regime and/or the National Unfair Terms Regime

may apply to Trust Receivables, depending on when the Trust Receivables were entered into. However, the Victorian Unfair Terms Regime ceased applying to new contracts from 1 January 2011.

Trust Receivables and related mortgages and guarantees entered into before the application of either the Victorian Unfair Terms Regime or the National Unfair Terms Regime will become subject to the National Unfair Terms Regime going forward if those contracts are renewed or a term is varied (although, where a term is varied, the regime only applies to the varied term).

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

Australian Anti-Money Laundering and Counter-Terrorism Financing Regime

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

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

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

providing funds or services to a party or making any payments on behalf of a party.

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

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

European Union Risk Retention & Due Diligence Requirements and other regulatory initiatives

European Union ("**EU**") legislation comprising Regulation (EU) 2017/2402 (as amended, the "**EU Securitisation Regulation**") and certain related regulatory technical standards, implementing technical standards and official guidance (together, the "**EU Due Diligence and Retention Rules**") imposes certain restrictions and obligations with regard to securitisations (as such term is defined for purposes of the EU Securitisation Regulation). The EU Due Diligence and Retention Rules are in force throughout the EU (and are expected also to be implemented in the non-EU member states of the European Economic Area) in respect of securitisations the securities of which were issued (or the securitisation positions of which were created) on or after 1 January 2019. In addition, notwithstanding that the United Kingdom is no longer a member of the EU, the EU Securitisation Regulation continues to apply in the United Kingdom, pursuant to the withdrawal agreement between the EU and the United Kingdom, for the duration of the transition period (i.e. until 31 December 2020, unless such period is extended).

The EU Due Diligence and Retention Rules impose certain requirements (the "**EU Transaction Requirements**") with respect to originators, original lenders, sponsors and securitisation special purpose entities ("**SSPEs**") (as each such term is defined for purposes of the EU Securitisation Regulation). Although not expressly stated in the EU Due Diligence and Retention Rules (such that there is no certainty on this point), certain market participants take the view that the EU Transaction Requirements apply only to entities which are (i) supervised in the EU pursuant to specified EU financial services legislation, or (ii) established in the EU.

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

(a) a requirement under Article 6 of the EU Securitisation Regulation that the originator, the original lender or the sponsor of a securitisation commits to retain, on an ongoing basis, a material net economic interest in the relevant securitisation of not less than 5% in respect of certain specified credit risk tranches or asset exposures (the "**EU Retention Requirement**");

(b) a requirement under Article 7 of the EU Securitisation Regulation that the originator, sponsor and SSPE of a securitisation make available to holders of a securitisation position, EU competent authorities and (upon request) potential investors certain prescribed information; and

(c) a requirement under Article 9 of the EU Securitisation Regulation that originators, sponsors and original lenders of a securitisation apply to exposures to be securitised the same sound and well-defined criteria for credit-granting which they apply to non-securitised exposures, and have effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the obligor meeting its obligations under the credit agreement.

In addition, investors should be aware that Article 5 of the EU Securitisation Regulation, places certain conditions (the "**EU Investor Requirements**") on investments in securitisations by "institutional investors" (as such term is defined for the purposes of the EU Securitisation Regulation), being persons of the following types which are supervised in the EU in respect of the relevant activities (each an "**EU Institutional Investor**"): (a) a credit institution or an investment firm as defined in and for purposes of Regulation (EU) No 575/2013, as amended, known as the Capital Requirements Regulation (the "**CRR**") (b) an insurance undertaking or a reinsurance undertaking as defined in Directive 2009/138/EC, as amended, known as Solvency II, (c) an alternative investment fund manager as defined in Directive 2011/61/EU that manages or markets alternative investment funds in the EU, (d) an undertaking for collective investment in transferable securities ("**UCITS**") management company, as defined in Directive 2009/65/EC, as amended, known as the "UCITS Directive", or an internally managed UCITS, which is an investment company that is authorised in accordance with that Directive and has not designated such a management company for its management, and (e) with certain exceptions, an institution for occupational retirement provision ("**IORP**") falling within the scope of Directive (EU) 2016/2341, or an investment manager or an authorised entity appointed by such an institution for occupational retirement provision as provided in that Directive.

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

The EU Investor Requirements provide that, prior to investing in (or otherwise holding an exposure to) a securitisation, an EU Institutional Investor other than the originator, sponsor or original lender (each as defined in the EU Securitisation Regulation) must, among other things: (a) verify that, where the originator or original lender is established in a third country (that is, not within the EU or the EEA), the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending,

renewing and financing those credits and has effective systems in place to apply those criteria and processes to ensure that credit-granting is based on a thorough assessment of the obligor's creditworthiness, (b) verify that, if established in a third country, the originator, sponsor or original lender retains on an ongoing basis a material net economic interest which, in any event, shall not be less than 5%, determined in accordance with Article 6 of the EU Securitisation Regulation, and discloses the risk retention to institutional investors, (c) verify that the originator, sponsor or securitisation special purpose entity ("**SSPE**") has, where applicable, made available the information required by Article 7 of the EU Securitisation Regulation (which sets out transparency requirements for originators, sponsors and SSPEs), and (d) carry out a due-diligence assessment which enables the EU Institutional Investor to assess the risks involved, considering at least (i) the risk characteristics of the securitisation position and the underlying exposures, and (ii) all the structural features of the securitisation that can materially impact the performance of the securitisation position.

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

If any EU Institutional Investor fails to comply with the EU Investor Requirements as described above, it may be subject (where applicable) to an additional regulatory capital charge with respect to any securitisation position acquired by it or on its behalf, and it may be subject to other regulatory sanctions.

Certain aspects of the requirement for an originator, sponsor or original lender to retain a material net economic interest in accordance with Article 6 of the EU Securitisation Regulation are to be further specified in regulatory technical standards to be adopted by the European Commission as a delegated regulation. Such regulatory technical standards have not yet been adopted by the European Commission or published in final form. It remains unclear, in certain respects, what will be required for EU Institutional Investors to demonstrate compliance with the EU Investor Requirements.

On the Closing Date and thereafter for so long as any Offered Notes remain outstanding, the Seller will agree to retain a material net economic interest in this securitisation transaction in accordance with the text of Article 6(1) of the EU Securitisation Regulation (the "**EU Retention**").

As at the Closing Date, the EU Retention will be comprised of an interest in at least 100 randomly selected exposures equivalent (in total) to no less than 5% of the nominal value of the securitised exposures (where such non-securitised

exposures would otherwise have been included in this securitisation transaction) in accordance with Article 6(3)(c) of the EU Securitisation Regulation.

The Seller will undertake (in each case with reference to the EU Due Diligence and Retention Rules as in effect and applicable on the Closing Date):

(a) to retain the EU Retention on an ongoing basis;

(b) not to change the manner or form in which it retains the EU Retention, except as permitted by the EU Due Diligence and Retention Rules;

(c) not to utilise or enter into any credit risk mitigation techniques, short position or any other hedge against the credit risk of the EU Retention held by it, except as permitted by the EU Due Diligence and Retention Rules; and

(d) to confirm or cause to be confirmed the status of its compliance with paragraphs (a), (b) and (c) above (in each periodic report provided to Noteholders).

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

(a) For the purpose of Article 4 of the EU Securitisation Regulation, the Seller will represent and warrant that the Trustee, being the SSPE in respect of this securitisation transaction, is established in Australia, which is a country that:

  (i) is not listed as a high-risk and non-cooperative jurisdiction by the Financial Action Task Force; and

  (ii) has signed an agreement with a member state of the European Union that fully complies with the standards provided for in Article 26 of the Organisation for Economic Cooperation and Development ("**OECD**") Model Tax Convention on Income and on Capital.

(b) For the purposes of Article 7(1) of the EU Securitisation Regulation, the Seller, as an originator (as such term is defined for the purposes of the EU Securitisation Regulation), will undertake to make available to Noteholders and, upon request, to potential investors, in the format determined and prepared by the Seller:

  (i) for the purposes of Article 7(1)(a) of the EU Securitisation Regulation, quarterly loan level data in relation to the pool of loans held by the Trustee. The material referred to in this paragraph shall be made available at the latest one month after the end of the period the report covers;

  (ii) all documentation required by Article 7(1)(b) of the EU Securitisation Regulation, including but not limited to the Transaction Documents and this Information Memorandum. The material

referred to in this paragraph shall be made available before pricing of the Notes;

(iii) for the purposes of Article 7(1)(e) of the EU Securitisation Regulation, at least quarterly investor reports, containing the following information:

(A) all materially relevant data on the credit quality and performance of underlying exposures;

(B) information on events which trigger changes in the priority of payments or the replacement of any counterparties, and data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation; and

(C) information about the risk retained, including information on which of the modalities provided for in Article 6(3) of the EU Securitisation Regulation has been applied, in accordance with Article 6 of the EU Securitisation Regulation.

(iv) for the purposes of Article 7(1)(f) of the EU Securitisation Regulation, any inside information relating to the securitisation, to the extent the Seller (as an originator (as such term is defined for the purposes of the EU Securitisation Regulation)) or the Trustee (as the SSPE) is obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council (2) on insider dealing and market manipulation. The material referred to in this paragraph shall be made available without delay; and

(v) for the purposes of Article 7(1)(g) of the EU Securitisation Regulation, information as to any significant event such as:

(A) a material breach of the obligations provided for in the Transaction Documents, including any remedy, waiver or consent subsequently provided in relation to such a breach;

(B) a change in the structural features that can materially impact the performance of the securitisation;

(C) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation; and

(D) any material amendment to any Transaction Document.

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

(c) For the purposes of Article 7(2) of the EU Securitisation Regulation, the Seller as an originator (as such term is defined for the purposes of the EU Securitisation Regulation) is designated as the entity required to provide the information referred to in Article 7(1) of the EU Securitisation Regulation, and such information shall be made available by posting it to the following website: http://www.absperpetual.com.

(d) For the purposes of Article 8(1) of the EU Securitisation Regulation, the Seller will represent, warrant and undertake that the Notes are not part of a securitisation of one or more exposures where at least one of the underlying exposures is a securitisation position.

(e) For the purposes of Article 9(1) of the EU Securitisation Regulation, the Seller as an originator (as such term is defined for the purposes of the EU Securitisation Regulation) will represent, warrant and undertake that:

(i) it has applied and will apply to exposures to be acquired by the Trustee, the same sound and well-defined criteria for credit-granting which it has applied to non-securitised exposures;

(ii) it has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the obligor meeting his obligations under the credit agreement. For these purposes, 'thorough assessment of each obligor's creditworthiness' refers to the assessment and verification by the Seller (acting in accordance with the standards of a prudent mortgage lender) of the prospect of the relevant Obligor meeting its obligations under the relevant Trust Receivable, being in relation to the payment of any amounts due under the relevant Trust Receivable, an assessment of the Obligor's income, expenditure (where applicable) and credit history and carrying out relevant security checks and credit search, in each case, solely to the extent required by and in accordance with the Seller's lending standards at the relevant time.

The EU Due Diligence and Retention Rules provide that an entity shall not be considered an "originator" (as defined for purposes of the EU Securitisation Regulation) if it has been established or operates for the sole purpose of securitising exposures. See Section 7 ("Origination and Servicing of the

Trust Receivables") and Section 8.3 ("HSBC Bank Australia Limited (HSBC AU) – Manager, Servicer, Seller, Derivative Counterparty, Redraw Facility Provider and Liquidity Facility Provider") in this Information Memorandum for information regarding the Seller, its business and activities.

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

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

Prospective investors are themselves responsible for monitoring and assessing changes to the EU Due Diligence and Retention Rules and their regulatory capital requirements. Each investor who may be subject to the EU Due Diligence and Retention Rules should consult with their own legal and regulatory advisors to determine whether, and to what extent, the information described is sufficient for compliance by that investor with any applicable EU Due Diligence and Retention Rules. In the event that a regulator determines that the transaction did not comply or is no longer in compliance with the EU Due Diligence and Retention Rules or an investor has insufficient information to satisfy its due diligence and/or ongoing monitoring requirements under the EU Due Diligence and Retention Rules, then that investor may be required by its regulator to set aside additional capital against its investment in the Offered Notes or take other remedial measures in respect of its investment in the Offered Notes.

There can be no assurance that the regulatory capital treatment of the Offered Notes for any investor will not be

affected by any future implementation of, and changes to, the EU Due Diligence and Retention Rules or other regulatory or accounting changes.

Japanese Retention Rules

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

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

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

The Japanese Risk Retention Rules require, under the indirect regime, the Japanese Affected Investors to apply an increased risk weighting (i.e., three times higher than that otherwise applied to compliant securitisation exposure (capped at

1,250%)) to securitisation exposure they hold for regulatory capital purposes unless either:

(a) they can confirm that any of the following conditions is satisfied by the relevant originator:

(i) such originator holds each of the tranches of the securitisation exposure in the relevant securitisation transaction equally (except that such part of credit risk that is not effectively borne by the originator by way of hedging such credit risk or other method shall be deemed not to be held, hereinafter the same) and the total amount of relevant exposure is at least 5% of the aggregate amount of exposure of the underlying assets in such transaction;

(ii) it holds the most junior tranche in the securitisation exposure in the relevant securitisation transaction and the total amount of relevant exposure is at least 5% of the aggregate amount of exposure of the underlying assets in such transaction;

(iii) in the event that the most junior tranche in the securitisation exposure in the relevant securitisation transaction is less than 5%, it holds the whole of such tranche and each of the tranches (other than such most junior tranche) equally and the total amount of the relevant exposure is at least 5% of the aggregate amount of exposure of the underlying assets in such transaction; or

(iv) by continuously holding the securitisation exposure in such securitisation transaction, the credit risk borne by such originator is found to be at least equivalent to the credit risk satisfying any of the conditions mentioned above; or

(b) they can determine that the underlying assets were not "inappropriately originated", based on the situations of the originator's involvement in the underlying assets, the quality of the underlying assets or any other circumstances.

With respect to paragraph (b) above, JFSA has indicated that by way of example the following case (among other indicated cases) falls within the category described in paragraph (b) above: in the event that receivables, etc. composing the underlying assets for a securitisation product are randomly selected among a pool of assets containing many claims, etc. (excluding securitised products) and the originator holds the whole of claims, etc. (other than such underlying assets) on a continuing basis (or the originator holds certain claims, etc. on a continuing basis which are selected randomly at the same time when claims constituting the underlying assets are selected among the pool of assets), the credit risk to be borne by the originator is at least 5% of the entire exposure of such pool of assets. For such claims, etc. to be so randomly selected, it is necessary to confirm the sufficient amount and quality of such claims, etc. JFSA states that in terms of such amount the pool of assets generally is required to contain at least 100 claims, etc. while in terms of quality it should be

structured that claims, etc. with specific characteristics would not concentrate on those to be held by the originator when selecting claims, etc. among those to constitute the underlying assets of a securitisation product and those to held by the originator.

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

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

U.S. Foreign Account Tax Compliance Act

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

FATCA withholding

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

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

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

In any event, FATCA withholding is not expected to apply to payments made before the date that is two years after the date on which final regulations defining the term "foreign passthru payment" are filed with the U.S. Federal Register.

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

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

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

No additional amounts paid as a result of FATCA withholding

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

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

Common Reporting Standard (CRS)

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

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

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

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

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

Insolvency law reform

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

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

(a) an application for or a scheme of arrangement for the purpose of avoiding being wound up in insolvency;

(b) the appointment of a managing controller (that is, a receiver or other controller with management functions or powers); or

(c) the appointment of an administrator.

The ipso facto reform deems contractual rights unenforceable if they arise for specified reasons. In effect, the reform imposes a stay or moratorium on the enforcement of contractual rights while the company is subject to the Applicable Procedure (the "**stay**"). The length of the stay depends on the Applicable Procedure and the type of stay concerned.

In summary:

(a) *Appointment Trigger:* Any rights which trigger for the reason of the appointment of administrators, receivers or the proposal of an arrangement or compromise to creditors to avoid being wound up in insolvency will not be enforceable;

(b) *Financial Position Protection:* Any rights which arise for the reason of adverse changes in the financial position of a company which is in administration, has receivers appointed or is proposing or subject to a scheme to avoid being wound up in insolvency will not be enforceable. That is, the company has protection as a result of adverse changes in its financial position

during the Applicable Procedure. Once the Applicable Procedure has ended, the financial position protection also ends (except in limited circumstances where the company is wound up, in which case the financial position protection continues).

(c) *Anti-Avoidance:* The Corporations Act (as amended by the TLA Act) contains very broad anti-avoidance provisions. For example:

(i) The TLA Act deems that any contractual provision which is "in substance contrary to" the other stays will also be unenforceable; and

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

The ipso facto reform applies to contracts, agreements or arrangements entered into on or after 1 July 2018. Contracts, agreements or arrangements entered into before 1 July 2023 that are a result of novations or variations of a contract, agreement or arrangement entered into before 1 July 2018 will not be subject to the stay.

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

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

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

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

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

Although many of the Australian reforms were designed to support the reliability and robustness of BBSW, it is not

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

Prospective investors should be aware that the Reserve Bank of Australia ("**RBA**") has expressed a view that calculations of BBSW using 1-month tenors are not as robust as calculations using tenors of 3-months or 6-months, and that users of 1-month tenors such as the securitisation markets should be preparing to use alternative benchmarks such as the RBA cash rate 3-month BBSW. If one of these alternative methods of calculating the benchmark reference rate for Australian securitisation transactions becomes standard and does not apply to the Offered Notes (which currently reference one month BBSW), this could have a material adverse effect on the value and/or liquidity of the Offered Notes.

For the purposes of determining payments of interest on the Offered Notes, investors should be aware that the determination of the Bank Bill Rate under the conditions of the Offered Notes provides for certain fall back arrangements in the event that BBSW cannot be determined. Investors should also be aware that although the Manager needs to have regard, to the extent possible, to the comparable indices then available, the Manager retains discretion in connection with the determination of the BBSW fall back rate.

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

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

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

Regulatory developments in the Australian banking industry

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

The Royal Commission was established on 14 December 2017 and was authorised to inquire into misconduct by financial

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

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

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

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

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

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

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

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

Market and economic conditions during the past several years have caused significant disruption in the credit markets. Increased market uncertainty and instability in both Australian and international capital and credit markets, combined with declines in business and consumer confidence and increased unemployment, have contributed to volatility in domestic and international markets and may negatively affect the Australian housing market.

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

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

4 TRUST RECEIVABLES AND RELATED FEATURES

4.1 Acquisition of Trust Receivables by Trustee

(a) The Trust Assets will primarily consist of the Trust Receivables to be acquired by the Trustee on the Closing Date from the Transferor Trustee pursuant to the Transfer Notice issued under the Transfer Deed. These Trust Receivables were originated by the Seller. See Section 7 ("Origination and Servicing of the Receivables") for more detail regarding the mortgage lending business of the Seller and the origination and servicing of the Trust Receivables by the Servicer.

(b) No further Trust Receivables will be acquired by the Trustee in respect of the Trust after the Closing Date.

4.2 Seller representations and warranties

(a) The Seller has previously given to the Transferor Trustee certain representations and warranties in respect of the Trust Receivables in connection with the initial sale of those Trust Receivables to the Transferor Trustee. Under the Transfer Deed, the Transferor Trustee will assign to the Trustee the benefit of the representations and warranties previously given by the Seller to the Transferor Trustee in respect of the Trust Receivables. Those representations and warranties include the following:

(i) at the time the Permitted Originator entered into the related Receivable, the related Receivable Security complied in all material respects with all applicable laws, including the Consumer Credit Legislation where applicable;

(ii) the related Receivable Security have been or will be duly stamped;

(iii) the terms of the Receivable and the Receivable Security have not been impaired, waived, altered or modified in any respect, except by a written instrument forming part of the Receivable Security;

(iv) the related Receivable and the Receivable Security are enforceable in accordance with their terms against the relevant Obligor (subject to laws relating to insolvency and creditors' rights generally);

(v) the Receivable is an Eligible Receivable satisfying the eligibility criteria set out in Schedule 1 to the Transferor Trust Series Notice;

(vi) at the time the Permitted Originator entered into the related Receivable, it did so in good faith;

(vii) at the time that the Permitted Originator entered into the related Receivable, the Receivable was originated in the ordinary course of the Permitted Originator's business;

(viii) at the time the Permitted Originator entered into the related Receivable, it had not received any notice of the insolvency or bankruptcy of the Obligor or that the Obligor did not have the legal capacity to enter into the Receivable;

(ix) the Seller is the sole beneficial owner of the Receivable and the Receivable Security and no Encumbrance exists in relation to its right, title and interests in the Receivable or the Receivable Security (other than Encumbrances arising by operation of law or which will be released at the time of the assignment to the Trustee);

(x) it holds all documents necessary to enforce the provisions of, and the security created by, the related Receivable and the Receivable Security;

(xi) it has not received notice from any person that claims to have an Encumbrance ranking in priority to or equal with the related Receivable and the Receivable Security;

(xii) except if the Receivable and the Receivable Security is subject to a fixed rate of interest at any time and except as may be provided by applicable laws or any binding provision, the interest payable on the Receivable and the Receivable Security is not subject to any limitation and no consent, additional memoranda or other writing is required from the Obligor to give effect to a change in the interest rate payable on the Receivable and the Receivable Security and any change will be effective on notice being given to the Obligor in accordance with the terms of the Receivable and the Receivable Security;

(xiii) it is lawfully entitled to assign the Receivable and the Receivable Security upon the terms and conditions of the relevant Sale Notice and no consent to the sale and assignment of the Receivable and the Receivable Security notice of that sale and assignment is required to be given by or to any person including, without limitation, any Obligor;

(xiv) the Obligor has no right of rescission, set off or counterclaim in respect of the Receivable;

(xv) upon the acceptance of the offer contained in a Sale Notice, beneficial ownership of the Receivable and the Receivable Security will vest in the Trustee free and clear of all Encumbrances (other than Encumbrances arising by operation of law); and

(xvi) the sale of the Receivable and the Receivable Security does not constitute a transaction at an undervalue, a fraudulent conveyance or a voidable preference under any insolvency laws.

Capitalised terms used in sub-paragraphs (i) to (xvi) above have the meaning given to such terms (including by incorporation) in the Transferor Trust Master Trust Deed.

(b) The eligibility criteria referred to in Section 4.2(a)(v) (being the eligibility criteria applying at the time the relevant Trust Receivables were sold to the Transferor Trust) are substantially similar (but not the same in all respects) as the Eligibility Criteria applying to the Trust and described in Section 4.3 (“Eligibility Criteria”).

4.3 Eligibility Criteria

(a) The Seller will not repeat for the benefit of the Trustee any of the representations and warranties in respect of the Trust Receivables previously given to the Transferor Trustee nor will the Seller provide any new representations and warranties in respect of the Trust Receivables in respect of the Trust Receivables to the Trustee. However, the Manager will certify to the Trustee on the Closing Date that (to the best of its knowledge and belief) each Trust Receivable is an Eligible Receivable on the Closing Date. In providing this certification the Manager is not required to investigate whether any Trust Receivable satisfies the Eligibility Criteria.

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

(i) the Trust Receivable was advanced and is repayable in Australian dollars;

(ii) the term of the Trust Receivable does not exceed 30 years as at the Cut-Off Date and it matures at least 18 months prior to the Maturity Date;

(iii) the Trust Receivable is fully drawn (other than to the extent to which Redraws are available to the Obligor under such Trust Receivable) as at the Cut-Off Date;

(iv) the Trust Receivable is secured by a first ranking registered Mortgage over Land in Australia;

(v) the Land subject to the related Mortgage has erected on it a residential dwelling which is not under construction;

(vi) the sale of the Trust Receivable to the Trustee does not contravene or conflict with any applicable law;

(vii) the Trust Receivable is not in arrears by more than 30 days as at the Cut-Off Date;

(viii) the Trust Receivable has a total Outstanding Principal Balance of no more than A$2,000,000 as at the Cut-Off Date;

(ix) the Trust Receivable has been or will be duly stamped or taken by the relevant stamp duties authority to be duly stamped with all applicable stamp duty;

(x) the Trust Receivable has an LVR of less than or equal to 95%;

(xi) the Obligor has made at least one repayment under the Trust Receivable;

(xii) at the time the Seller entered into the Trust Receivable, the Trust Receivable complied in all material respects with all applicable laws, including the National Credit Legislation where applicable;

(xiii) the terms of the Trust Receivable have not been impaired, waived, altered or modified in any respect, except by a written instrument forming part of the Trust Receivable;

(xiv) the Trust Receivable is enforceable in accordance with its terms against the relevant Obligor (subject to laws relating to insolvency and creditors' rights generally);

(xv) at the time the Seller entered into the related Receivable, it did so in good faith;

(xvi) the Trust Receivable was originated in the ordinary course of the Seller's business;

(xvii) at the time the Seller entered into the related Trust Receivable, it had not received any notice of the insolvency or bankruptcy of the Obligor or that the Obligor did not have the legal capacity to enter into the Trust Receivable;

(xviii) the Seller is the sole legal owner and the Transferor Trustee is the sole beneficial owner of the Trust Receivable and no Encumbrance exists in relation to its right, title and interests in the Trust Receivable (other than Encumbrances arising by operation of law or which will be released at the time of the assignment to the Trustee);

(xix) the Servicer holds all documents necessary to enforce the provisions of, and the security created by, the Trust Receivable;

(xx) the Seller has not received notice from any person that claims to have an Encumbrance ranking in priority to or equal with the Trust Receivable;

(xxi) except if the Trust Receivable is subject to a fixed rate of interest at any time and except as may be provided by applicable laws or any binding provision, the interest payable on the Trust Receivable is not subject to any limitation and no consent, additional memoranda or other writing is required from the

Obligor to give effect to a change in the interest rate payable on the Trust Receivable and any change will be effective on notice being given to the Obligor in accordance with the terms of the Trust Receivable;

(xxii) the Transferor Trustee is lawfully entitled to assign the Trust Receivable and no consent to the sale and assignment of the Trust Receivable or notice of that sale and assignment is required to be given by or to any person including, without limitation, any Obligor;

(xxiii) upon the acceptance of the offer contained in a Transfer Notice, beneficial ownership of the Trust Receivable will vest in the Trustee free and clear of all Encumbrances (other than Encumbrances arising by operation of law); and

(xxiv) the sale of the Trust Receivable does not constitute a transaction at an undervalue, a fraudulent conveyance or a voidable preference under any insolvency laws.

4.4 Disposal of Trust Receivables – Further Advances

(a) If an Obligor applies for a Further Advance, HSBC AU (as Seller and, if applicable at the relevant time, the Servicer) has an absolute right to agree to or refuse to grant (on behalf of the Trustee) such Further Advance or to make an offer to an Obligor for a Further Advance.

(b) If HSBC AU makes a Further Advance in respect of a Trust Receivable HSBC AU (as Seller) must repurchase that Trust Receivable in the manner described in the following paragraphs unless another method is agreed between the Trustee, the Manager and the Seller.

(c) The Manager must direct the Trustee to issue to the Seller and Offer to Sell Back in respect of the Trust Receivable in respect of which the Further Advance was made. The Offer to Sell Back must:

(i) be for that Trust Receivable (and any other Trust Receivables also secured by the relevant Trust Related Security) ("**Affected Receivables**");

(ii) have a Settlement Amount that includes the Repurchase Price of the Affected Receivables; and

(iii) specify as the Settlement Date a date that is no later than the Payment Date immediately following the last day of the Collection Period in which the Offer to Sell Back is given, or such later date as agreed between the Manager and the Seller (and notified by the Manager to the Trustee) and in respect of which a Rating Notification has been given.

(d) The Seller:

(i) must accept the Offer to Sell Back by paying the Settlement Amount for the Affected Receivables to the Trustee on the relevant Settlement Date; and

(ii) must also pay an amount equal to the Accrued Interest Adjustment for the Affected Receivables.

4.5 Disposal of Trust Receivables – Ineligible Product Changes

(a) If an Obligor applies for an Ineligible Product Change, HSBC AU (as the Seller and, if applicable at the relevant time, the Servicer) has an absolute right to agree to or to refuse to agree to that Ineligible Product Change.

(b) If HSBC AU (as the Seller and, if applicable at the relevant time, the Servicer) agrees to an Ineligible Product Change in respect of a Trust Receivable:

(i) the Seller must notify the Manager; and

(ii) the Seller may in its discretion request the Manager to direct the Trustee (in which case the Manager must direct the Trustee) to issue an Offer to Sell Back in the manner described in the following paragraphs unless another method is agreed between the Trustee, the Manager and the Seller

(c) The Offer to Sell Back in respect of which the Seller has requested must:

(i) be for that Trust Receivable (and any other Trust Receivables also secured by the relevant Trust Related Security) ("**Affected Receivables**");

(ii) have a Settlement Amount that includes the Repurchase Price of the Affected Receivables; and

(iii) specify as the Settlement Date a date that is no later than the Payment Date immediately following the last day of the Collection Period in which the Offer to Sell Back is given, or such later date as agreed between the Manager and the Seller (and notified by the Manager to the Trustee) and in respect of which a Rating Notification has been given.

(b) The Seller:

(i) must accept the Offer to Sell Back by paying the Settlement Amount for the Affected Receivables to the Trustee on the relevant Settlement Date; and

(ii) must also pay an amount equal to the Accrued Interest Adjustment for the Affected Receivables.

4.6 Redraws

(a) If an Obligor applies for a Redraw, HSBC AU (as the Seller and, if applicable at the relevant time, as the Servicer) has an absolute right to agree to or to refuse to grant (on behalf of the Trustee) such Redraw or to make an offer to an Obligor for a Redraw.

(b) If:

(i) the Seller makes Redraw in respect of a Trust Receivable; and

(ii) at that time the Seller is the Servicer and the Servicer is permitted to retain Collections in accordance with Section 4.8 ("Depositing Collections"),

then with effect from the making of that Redraw, the amount of Collections (that would otherwise constitute part of the Principal Collections) required to be deposited by the Servicer into the Collections Account, in accordance with 4.8(a) ("Depositing Collections"), on the Payment Date immediately following the end of the Collection Period in which that Redraw was made will be reduced by an amount equal to the lesser of:

(A) the amount of that Redraw; and

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

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

(c) If:

(i) the Seller makes a Redraw in respect of a Trust Receivable; and

(ii) at that time:

(A) the Seller is not the Servicer; or

(B) the Servicer is not permitted to retain Collections in accordance with Section 4.8(a) ("Depositing Collections"),

then the Seller must notify the Manager of the amount of that Redraw.

(d) On receipt of a notice from the Seller under Section 4.6(c) in respect of a Redraw made during a Collection Period, the Manager may direct the Trustee to apply Principal Collections received during that Collection Period towards reimbursing the Seller in respect of that Redraw.

(e) The Manager must not direct the Trustee to apply Principal Collections received during a Collection Period in accordance with Section 4.6(d):

(i) if the aggregate of such payments during that Collection Period would exceed the aggregate of Principal Collections received up to that day during that Collection Period; and

(ii) unless the Manager is satisfied that there will be sufficient Total Available Principal on the Payment Date immediately following the end of that Collection Period to fund any required Principal Draw under Section 6.4 ("Principal Draw") on that Payment Date.

(f) If:

(i) the Seller makes a Redraw in respect of a Trust Receivable; and

(ii) in respect of that Redraw and the aggregate of:

(A) the reimbursement (if any) in accordance with Section 4.6(b); plus

(B) the reimbursement (if any) in accordance with Section 4.6(d)

is less than the amount of that Redraw (such shortfall being a "**Redraw Shortfall (Initial)**"), the Manager must direct the Trustee to make a drawing under the Redraw Facility Agreement in an amount equal to the lesser of:

(C) that Redraw Shortfall (Initial); and

(D) the Available Redraw Amount,

and the Manager must direct the Trustee to apply the proceeds of such drawing to reimburse the Seller in respect of that Redraw Shortfall (Initial).

(g) If:

(i) the Seller makes a Redraw in respect of a Trust Receivable; and

(ii) in respect of that Redraw and the aggregate of:

(A) the reimbursement (if any) in accordance with Section 4.6(b); plus

(B) the reimbursement (if any) in accordance with Section 4.6(d); plus

(C) the reimbursement (if any) in accordance with Section 4.6(f); plus

is less than the amount of that Redraw (such shortfall being a "**Redraw Shortfall (Further)**"), then:

(D) that Redraw Shortfall (Further) will be reimburseable by the Trustee to the Seller on the Payment Date immediately following the end of the Collection Period in which that Redraw was made to the extent there are funds available for that purpose in accordance with the Cashflow Allocation Methodology and

(E) the Trustee agrees to pay to the Seller interest on the daily balance of that un-reimbursed Redraw Shortfall (Further).

If, on any Payment Date, all amounts due in accordance with this Section 4.6(g) are not paid in full, on each following Payment Date the Trustee must pay so much of the amounts as are available for that purpose in accordance with the Cashflow Allocation Methodology until such amounts are paid in full.

4.7 Threshold Rate and termination of Basis Swap

(a) If, at any time, the Basis Swap is terminated, or ceases in accordance with its terms to be in effect:

(i) the Manager and the Trustee must endeavour to:

(A) within 10 Business Days, enter into one or more swaps which replace the Basis Swap on terms and with a counterparty in respect of which the Manager has provided Rating Notification; or

(B) within 10 Business Days, enter into such other arrangements in respect of which the Manager has provided Rating Notification; and

(ii) the Manager must comply with paragraph (b) below.

(b) The Manager shall, on each Payment Date occurring after the date on which the Basis Swap is terminated and prior to the date one or more replacement swaps or other arrangements are entered into in accordance with paragraph (a) above:

(i) calculate the Threshold Rate on that Payment Date;

(ii) notify the Trustee and the Servicer of that Threshold Rate; and

(iii) direct the Servicer reset or cause to be reset the variable interest rates on any one or more of the Trust Receivables so that the weighted average (rounded up to 4 decimal places) of the variable interest rates payable under the Trust Receivables is at least equal to the Threshold Rate for that Payment Date.

(c) If paragraph (b) above applies, the Servicer must, as soon as reasonably possible and subject to applicable law and regulations binding on the Servicer, and in accordance with the Receivable Terms, comply with directions from the Manager paragraph (iii) above.

4.8 Depositing Collections

(a) If the Servicer is the Seller and the Servicer has the Servicer Required Credit Rating, it is permitted to retain any Collections in respect of a Collection Period until 10.00 am (Sydney time) on the Payment Date immediately following the end of the relevant Collection Period, on or before which time it must deposit such Collections into the Collections Account (subject to Section 4.6 ("Redraws")).

(b) Subject to paragraph (a) above, the Servicer must remit all Collections it receives to the Collections Account within 2 Business Days of receipt of such Collections.

4.9 Gross Up for Offset Accounts

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

(a) interest that would otherwise be earned in respect of the deposit account is set off against interest due under the Trust Receivable of that Obligor; or

(b) interest is not earned on the deposit account, but interest due under the Trust Receivable of that Obligor is calculated by deducting the credit balance of that deposit account from the balance of the Trust Receivable, and then applying the interest rate applicable to the Trust Receivable to the result,

("**Offset Accounts**").

The Seller must pay the Servicer (as part of the Collections to be deposited by the Servicer into the Collection Account) any amount which would otherwise be received by the Servicer as a Collection to the extent that the obligation to pay such amounts is discharged or reduced by virtue of the terms of an Offset Account. The Seller must make such payment on the day that the relevant amount would otherwise have been received.

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

5 CONDITIONS OF THE NOTES

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

1 INTERPRETATION

1.1 Definitions

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

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

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

1.2 References to time

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

1.3 Business Day Convention

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

2 GENERAL

2.1 Issue Supplement

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

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

(a) Class A1 Notes;

(b) Class A1-R Notes;

(c) Class A2 Notes;

(d) Class B Notes;

(e) Class C Notes;

(f) Class D Notes;

(g) Class E Notes; and

(h) Class F Notes.

2.2 Currency and denomination

Notes are denominated in Australian dollars.

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

2.3 Clearing Systems

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

3 FORM

3.1 Constitution

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

3.2 Registered form

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

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

3.3 Effect of entries in Note Register

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

(a) an irrevocable undertaking by the Trustee to the Noteholder to:

(i) pay principal, any interest and any other amounts payable in respect of the Note in accordance with these conditions; and

(ii) comply with the other conditions of the Note; and

(b) an entitlement to the other benefits given to the Noteholder in respect of the Note under these conditions.

3.4 Note Register conclusive as to ownership

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

3.5 Non-recognition of interests

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

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

This condition applies whether or not a Note is overdue.

3.6 Joint Noteholders

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

3.7 Inspection of Note Register

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

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

3.8 Notes not invalid if improperly issued

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

3.9 Location of the Notes

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

4 STATUS

4.1 Status

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

4.2 Security

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

4.3 Ranking

The Notes of each class rank equally amongst themselves.

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

5 TRANSFER OF NOTES

5.1 Transfer

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

5.2 Title

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

5.3 Transfers in whole

Notes may only be transferred in whole.

5.4 Compliance with laws

Notes may only be transferred if:

(a) the offer or invitation giving rise to the transfer is not:

(i) an offer or invitation which requires disclosure to investors under Part 6D.2 of the Corporations Act; or

(ii) an offer to a retail client under Chapter 7 of the Corporations Act; and

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

5.5 No transfers to unincorporated associations

Noteholders may not transfer Notes to an unincorporated association.

5.6 Transfer procedures

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

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

To be valid, a transfer form must be:

(a) in the form set out in Schedule 2 of the Note Deed Poll;

(b) duly completed and signed by, or on behalf of, the transferor and the transferee; and

(c) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly signed.

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

5.7 Transfers of unidentified Notes

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

6 INTEREST

6.1 Interest on Notes

(a) Each Note bears interest at the Interest Rate:

(i) subject to sub-paragraph (ii), on its Invested Amount; or

(ii) on its Stated Amount, if on the first day of the relevant Interest Period the Stated Amount of that Note is zero,

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

(c) Interest for a Note and each Interest Period:

(i) accrues daily from and including the first day of an Interest Period to and including the last day of the Interest Period; and

(ii) is calculated on actual days elapsed and a year of 365 days; and

(iii) is payable in arrears on each Payment Date.

6.2 Interest Rate determination

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

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

6.3 Interest Rate

(a) The Interest Rate for a Note (other than a Class A Note) for each Interest Period is the sum of the Bank Bill Rate for that Note and that Interest Period and the relevant Class Margin for that Note.

(b) The Interest Rate for a Class A1 Note for each Interest Period:

(i) commencing prior to the earlier of:

(A) the first Call Option Date; and

(B) the first Class A1 Refinancing Date,

is the sum of the Bank Bill Rate for that Class A1 Note and that Interest Period and the Class Margin for that Class A1 Note and; and

(ii) commencing on or after the earlier of:

(A) the first Call Option Date; and

(B) the first Class A1 Refinancing Date,

is the sum of the Bank Bill Rate for that Class A1 Note and that Interest Period, the Class Margin for that Class A1 Note and the Step-Up Margin.

(c) The Interest Rate for a Class A Note (other than a Class A1 Note) for each Interest Period:

(i) commencing prior to the first Call Option Date is the sum of the Bank Bill Rate for that Class A Note and that Interest Period and the Class Margin for that Class A Note; and

(ii) commencing on or after the first Call Option Date is the sum of the Bank Bill Rate for that Class A Note and that Interest Period, the Class Margin for that Class A Note and the Step-Up Margin.

6.4 Calculation of interest payable on Notes

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

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

6.5 Notification of certain changes

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

6.6 Determination and calculation final

Except where there is an obvious error, any determination or calculation the Calculation Agent makes in accordance with these conditions is final and binds the Trustee and each Noteholder.

6.7 Rounding

For any determination or calculation required under these conditions:

(a) all percentages resulting from the determination or calculation must be rounded to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.); and

(b) all amounts that are due and payable resulting from the determination or calculation must be rounded (with halves being rounded up) to:

(b) in the case of Australian dollars, one cent; and

(c) in the case of any other currency, the lowest amount of that currency available as legal tender in the country of that currency; and

(c) all other figures resulting from the determination or calculation must be rounded to five decimal places (with halves being rounded up).

6.8 Default interest

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

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

7 ALLOCATION OF PRINCIPAL CHARGE-OFFS

The Issue Supplement contains provisions for:

(a) allocating Principal Charge-Offs to the Notes and reducing the Stated Amount of the Notes; and

(b) reinstating reductions in the Stated Amount of the Notes.

8 REDEMPTION

8.1 Redemption of Notes - Final Maturity

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

8.2 Redemption of Notes – Call Option

(a) The Manager may (at its option) direct the Trustee to redeem all (but not some only) of the Notes before the Maturity Date of the Notes and upon receipt of such direction the Trustee must redeem the Notes by paying to the Noteholders the Redemption Amount for the Notes.

(b) However, the Manager may only direct the Trustee to redeem the Notes under this condition 8.2 if:

(i) at least 5 Business Days before the proposed redemption date, the Trustee, at the direction of the Manager, notifies the proposed redemption to the Registrar and the Noteholders and any stock exchange on which the Notes are listed; and

(ii) the proposed redemption date is a Call Option Date.

8.3 Redemption for taxation reasons

(a) If the Trustee is required under condition 10.2 ("Withholding tax") to deduct or withhold an amount in respect of Taxes from a payment in respect of a Note the Manager may (at its option) direct the Trustee to redeem all (but not some only) of the Notes and upon receipt of such direction the Trustee must redeem the Notes by paying to the Noteholders the Redemption Amount for the Notes.

(b) The Trustee, at the direction of the Manager, must notify the proposed redemption to the Registrar and the Noteholders and any stock exchange on which the Notes are listed at least 5 Business Days before the proposed redemption date.

(c) For any redemption of Notes under this condition 8.3, the proposed redemption date must be a Payment Date.

8.4 Payment of principal in accordance with Issue Supplement

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

8.5 Late payments

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

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

8.6 Trustee may purchase Notes

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

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

8.7 Final Redemption

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

9 PAYMENTS

9.1 Payments to Noteholders

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

(b) amounts due on the Maturity Date for the relevant Note to the person who is the Noteholder at 4.00pm in the place where the Note Register is maintained on the due date.

9.2 Payments to accounts

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

(a) if the Note is held in a Clearing System, by crediting on the Payment Date, the amount due to the account previously notified by the Clearing System to the Trustee and the Registrar in accordance with the Clearing System's rules and regulations in the country of the currency in which the Note is denominated; and

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

9.3 Payments by cheque

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

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

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

9.4 Payments subject to law

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

10 TAXATION

10.1 No set-off, counterclaim or deductions

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

10.2 Withholding tax

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

(a) the Trustee agrees to withhold or deduct the amount; and

(b) the Trustee agrees to pay an amount equal to the amount withheld or deducted to the relevant authority in accordance with applicable law.

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

11 TIME LIMIT FOR CLAIMS

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

12 GENERAL

12.1 Role of Calculation Agent

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

12.2 Meetings of Secured Creditors

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

13 NOTICES

13.1 Notices to Noteholders

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

(a) sent by regular post (airmail, if appropriate) to the address of the Noteholder (as shown in the Note Register at close of business in the place where the Note Register is maintained on the day which is 3 Business Days before the date of the notice or communication); or

(b) given by an advertisement published in the Australian Financial Review or The Australian; or

(c) posted on an electronic source approved by the Manager and generally accepted for notices of that type (such as Bloomberg or Reuters); or

(d) distributed through the Clearing System in which the relevant Notes are held'.

13.2 When effective

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

13.3 When taken to be received

Communications are taken to be received:

(a) if published in a newspaper, on the first date published in all the required newspapers; or

(b) if sent by post, six Business Days after posting (or seven days after posting if sent from one country to another); or

(c) if distributed through a Clearing System, on the date of such distribution.

14 GOVERNING LAW

14.1 Governing law and jurisdiction

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

14.2 Serving documents

Without preventing any other method of service, any document in any court action in connection with any Notes may be served on the Trustee by being delivered to or left at the Trustee's address for service of notices in accordance with clause 23 ("Notices and other communications") of the Security Trust Deed or on a Noteholder by being delivered to or left at the Noteholder's address for service of notices in accordance with condition 13 ("Notices").

15 LIMITATION OF LIABILITY

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

6 CASHFLOW ALLOCATION METHODOLOGY

6.1 Total Available Principal

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

(a) the Principal Collections in respect of the immediately preceding Collection Period; plus

(b) the amount (if any) to be applied from Total Available Income on the immediately following Payment Date under Section 6.8(n) ("Application of Total Available Income") towards repayment of any Principal Draw outstanding from any previous Payment Date; plus

(c) the amount (if any) to be applied from Total Available Income on the immediately following Payment Date under Section 6.8(o) ("Application of Total Available Income") in respect of any Principal Losses for the immediately preceding Collection Period; plus

(d) the amount (if any) to be applied from Total Available Income on the immediately following Payment Date under Section 6.8(p) ("Application of Total Available Income") in respect of Carryover Principal Charge Offs; plus

(e) in respect of the first Determination Date only, any Principal Adjustment received by the Trustee from the Seller or the Transferor Trustee; plus

(f) in respect of the first Determination Date only, any surplus proceeds of the issue of Notes to be applied as Total Available Principal (as described in Section 2.2 ("Overview – General"); plus

(g) in respect of the Determination Date immediately following the Collection Period during which the Class A1-R Issue Date occurs, any surplus proceeds of the issue of Class A1-R Notes to be applied as Total Available Principal in accordance with Section 6.16(f) ("Refinancing of Class A1 Notes"); less

(h) the aggregate of all Principal Collections (if any) in respect of the immediately preceding Collection Period which have been applied by the Trustee towards reimbursing the Seller in respect of Redraws in accordance with Section 4.6 ("Redraws").

6.2 Available Income

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

(a) the Income Collections in respect of the immediately preceding Collection Period; plus

(b) the Other Income in respect of the immediately preceding Collection Period; plus

(c) any net payments due to be received by the Trustee under a Derivative Contract on the immediately following Payment Date.

6.3 Excess Income Reserve Draw

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

(a) that Liquidity Shortfall (First); and

(b) the balance of the Excess Income Reserve on that Determination Date,

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

6.4 Principal Draw

If, on any Determination Date, there is a Liquidity Shortfall (Second), the Manager must direct the Trustee to allocate an amount of Total Available Principal (in accordance with Section 6.9 ("Application of Total Available Principal")) on the immediately following Payment Date equal to the lesser of:

(a) that Liquidity Shortfall (Second); and

(b) the amount of Total Available Principal available for application for that purpose on that Payment Date in accordance with Section 6.9(a) ("Application of Total Available Principal"),

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

6.5 Liquidity Draw

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

(a) that Liquidity Shortfall (Third); and

(b) the Available Liquidity Amount on that Determination Date,

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

6.6 Extraordinary Expense Reserve Draw

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

(a) that Extraordinary Expense; and

(b) the balance of the Extraordinary Expense Reserve on that Determination Date,

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

6.7 Total Available Income

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

(a) the Available Income in respect of that Determination Date; plus

(b) any Excess Income Reserve Draw in respect of that Determination Date; plus

(c) any Principal Draw in respect of that Determination Date; plus

(d) any Liquidity Draw in respect of that Determination Date; plus

(e) any Extraordinary Expense Reserve Draw in respect of that Determination Date.

6.8 Application of Total Available Income

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

(a) first, A$100 to the holder of the Participation Unit;

(b) next, pari passu and rateably, in payment of any Accrued Interest Adjustment due to the Seller or the Transferor Trustee;

(c) next, any Taxes payable in relation to the Trust (after the application of the balance of the Tax Account towards payment of such Taxes);

(d) next, pari passu and rateably:

(i) the Trustee's fee payable on that Payment Date together with any other amounts which are due and payable on that Payment Date to it for its own account in connection with its role as trustee of the Trust (including any such amounts payable on any prior Payment Date which remain unpaid);

(ii) the Security Trustee's fee payable on that Payment Date together with any other amounts which are due and payable on that Payment Date to it for its own account in connection with its role as security trustee in relation to the Trust (including any such amounts payable on any prior Payment Date which remain unpaid); and

(e) next, pari passu and rateably:

(i) the Servicer's fee payable on that Payment Date together with any other amounts which are due and payable on that Payment Date to it for its own account in connection with its role as servicer in relation to the Trust (including any such amounts payable on any prior Payment Date which remain unpaid);

(ii) the Manager's fee payable on that Payment Date together with any other amounts which are due and payable on that Payment Date to it for its own account in connection with its role as manager in relation to the Trust (including any such amounts payable on any prior Payment Date which remain unpaid); and

(iii) the Trust Expenses incurred during the immediately preceding Collection Period (or any other preceding Collection Period) which remain unreimbursed at that Payment Date;

(f) next, pari passu and rateably:

(i) to each Derivative Counterparty, towards payment of the net amount (if any) due on that Payment Date under each Derivative Contract, excluding:

(A) any break costs in respect of the termination of a Derivative Contract to the extent that the Derivative Counterparty is the Defaulting Party; and

(B) any break costs in respect of the termination of the Fixed Rate Swap, to the extent that the Trustee has not received Prepayment Costs from Obligors during the immediately preceding Collection Period;

(ii) to the Liquidity Facility Provider:

(A) towards payment of any interest and fees payable on or prior to that Payment Date under the Liquidity Facility Agreement;

(B) towards repayment of all outstanding Liquidity Advances made prior to that Payment Date;

(iii) to the Redraw Facility Provider, towards payment of any interest and fees payable on or prior to that Payment Date under the Redraw Facility Agreement;

(g) next, pari passu and rateably:

(i) towards payment of the Interest on the Class A1 Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class A1 Notes in respect of previous Interest Periods; and

(ii) towards payment of the Interest on the Class A1-R Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class A1-R Notes in respect of previous Interest Periods;

(h) next, pari passu and rateably, towards payment of the Interest on the Class A2 Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class A2 Notes in respect of previous Interest Periods;

(i) next, pari passu and rateably, towards payment of the Interest on the Class B Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class B Notes in respect of previous Interest Periods;

(j) next, pari passu and rateably, towards payment of the Interest on the Class C Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class C Notes in respect of previous Interest Periods;

(k) next, pari passu and rateably, towards payment of the Interest on the Class D Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class D Notes in respect of previous Interest Periods;

(l) next, pari passu and rateably, towards payment of the Interest on the Class E Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class E Notes in respect of previous Interest Periods;

(m) next, pari passu and rateably, towards payment of the Interest on the Class F Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest on the Class F Notes in respect of previous Interest Periods;

(n) next, to be applied towards Total Available Principal, up to an amount equal to any Principal Draw unreimbursed from any previous Payment Date;

(o) next, to be applied towards Total Available Principal, up to an amount equal to any Principal Losses in respect of the immediately preceding Collection Period;

(p) next, to be applied towards Total Available Principal, up to an amount equal to any Carryover Principal Charge-Off unreimbursed from any previous Payment Date;

(q) next, as a deposit to the Extraordinary Expense Reserve until the balance of the Extraordinary Expense Reserve equals the Extraordinary Expense Reserve Required Balance;

(r) next, pari passu and rateably:

(i) to each Derivative Counterparty, towards payment of any amount due on that Payment Date under each Derivative Contract to the extent not paid under Section 6.8(f)(i);

(ii) to the Liquidity Facility Provider, towards payment of any amount due on that Payment Date under the Liquidity Facility Agreement to the extent not paid under Section 6.8(f)(ii);

(iii) to the Redraw Facility Provider, towards payment of any amount due on that Payment Date under the Redraw Facility Agreement to the extent not paid under Section 6.8(f)(iii) (excluding any amount payable under Section 6.9 ("Application of Total Available Principal");

(s) next, pari passu and rateably, to the Co-Arrangers, each Joint Lead Manager and each Dealer, towards payment of any indemnity amount due and payable under the relevant Dealer Agreement;

(t) next, to retain in the Tax Account an amount equal to the Tax Shortfall (if any) in respect of that Payment Date;

(u) next, to retain in the Tax Account an amount equal to the Tax Amount (if any) in respect of that Payment Date;

(v) next, if that Payment Date is on or after the first Call Option Date, an amount equal to the Excess Income Reserve Amount in respect of that Payment Date to be deposited to the Excess Income Reserve; and

(w) next, the surplus (if any) to the Participation Unitholder by way of distribution of the income of the Trust.

6.9 Application of Total Available Principal

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

(a) first, to fund any Principal Draw required in accordance with Section 6.4 ("Principal Draw");

(b) next, to the Seller, towards reimbursement of all Redraws funded by the Seller during or prior to the immediately preceding Collection Period and which have not previously been reimbursed to the Seller;

(c) next, to the Redraw Facility Provider, towards repayment of all outstanding Redraw Advances made prior to that Determination Date;

(d) next, if the Subordination Conditions are not satisfied on that Payment Date, in the following order of priority:

(i) first, pari passu and rateably:

(A) to the Class A1 Noteholders towards repayment of the Class A1 Notes until the Invested Amount of the Class A1 Notes has been reduced to zero; and

(B) to the Class A1-R Noteholders towards repayment of the Class A1-R Notes until the Invested Amount of the Class A1-R Notes has been reduced to zero;

(ii) next, pari passu and rateably, to the Class A2 Noteholders towards repayment of the Class A2 Notes until the Invested Amount of the Class A2 Notes has been reduced to zero; and

(iii) next, pari passu and rateably, to the Class B Noteholders towards repayment of the Class B Notes until the Invested Amount of the Class B Notes has been reduced to zero;

(iv) next, pari passu and rateably, to the Class C Noteholders towards repayment of the Class C Notes until the Invested Amount of the Class C Notes has been reduced to zero;

(v) next, pari passu and rateably, to the Class D Noteholders towards repayment of the Class D Notes until the Invested Amount of the Class D Notes has been reduced to zero;

(vi) next, pari passu and rateably, to the Class E Noteholders towards repayment of the Class E Notes until the Invested Amount of the Class E Notes has been reduced to zero;

(vii) next, pari passu and rateably, to the Class F Noteholders towards repayment of the Class F Notes until the Invested Amount of the Class F Notes has been reduced to zero;

(e) next, if the Subordination Conditions are satisfied on that Payment Date, pari passu and rateably:

(i) to the Class A1 Noteholders towards repayment of the Class A1 Notes until the Invested Amount of the Class A1 Notes has been reduced to zero;

(ii) to the Class A1-R Noteholders towards repayment of the Class A1-R Notes until the Invested Amount of the Class A1-R Notes has been reduced to zero;

(iii) to the Class A2 Noteholders towards repayment of the Class A2 Notes until the Invested Amount of the Class A2 Notes has been reduced to zero;

(iv) to the Class B Noteholders towards repayment of the Class B Notes until the Invested Amount of the Class B Notes has been reduced to zero;

(v) to the Class C Noteholders towards repayment of the Class C Notes until the Invested Amount of the Class C Notes has been reduced to zero;

(vi) to the Class D Noteholders towards repayment of the Class D Notes until the Invested Amount of the Class D Notes has been reduced to zero;

(vii) to the Class E Noteholders towards repayment of the Class E Notes until the Invested Amount of the Class E Notes has been reduced to zero;

(viii) to the Class F Noteholders towards repayment of the Class F Notes until the Invested Amount of the Class F Notes has been reduced to zero;

(f) next, the surplus (if any), to the Participation Unitholder.

6.10 Allocation of Principal Charge-Offs

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

(a) first, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class F Notes until the Stated Amount of the Class F Notes reaches zero;

(b) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class E Notes until the Aggregate Stated Amount of the Class E Notes reaches zero;

(c) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class D Notes until the Aggregate Stated Amount of the Class D Notes reaches zero;

(d) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class C Notes until the Aggregate Stated Amount of the Class C Notes reaches zero;

(e) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class B Notes until the Aggregate Stated Amount of the Class B Notes reaches zero;

(f) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class A2 Notes until the Aggregate Stated Amount of the Class A2 Notes reaches zero;

(g) next, pari passu and rateably:

(i) to reduce the Aggregate Stated Amount of the Class A1 Notes until the Aggregate Stated Amount of the Class A1 Notes reaches zero; and

(ii) to reduce the Aggregate Stated Amount of the Class A1-R Notes until the Aggregate Stated Amount of the Class A1-R Notes reaches zero,

(each a "**Carryover Principal Charge-Off**").

6.11 Re-instatement of Carryover Principal Charge-Offs

To the extent that on any Payment Date amounts are available for allocation under Section 6.8(p) ("Application of Total Available Income") then an amount equal to these amounts shall be applied on that Payment Date:

(a) first, pari passu and rateably:

(i) to increase the Aggregate Stated Amount of the Class A1 Notes until it reaches the Aggregate Invested Amount of the Class A1 Notes; and

(ii) to increase the Aggregate Stated Amount of the Class A1-R Notes until it reaches the Aggregate Invested Amount of the Class A1-R Notes;

(b) next, pari passu and rateably, to increase the Aggregate Stated Amount of the Class A2 Notes until it reaches the Aggregate Invested Amount of the Class A2 Notes;

(c) next, pari passu and rateably, the Aggregate Stated Amount of the Class B Notes until it reaches the Aggregate Invested Amount of the Class B Notes;

(d) next, pari passu and rateably, the Aggregate Stated Amount of the Class C Notes until it reaches the Aggregate Invested Amount of the Class C Notes;

(e) next, pari passu and rateably, the Aggregate Stated Amount of the Class D Notes until it reaches the Aggregate Invested Amount of the Class D Notes;

(f) next, pari passu and rateably, the Aggregate Stated Amount of the Class E Notes until it reaches the Aggregate Invested Amount of the Class E Notes; and

(g) next, pari passu and rateably, the Aggregate Stated Amount of the Class F Notes until it reaches the Aggregate Invested Amount of the Class F Notes.

6.12 Application of proceeds following an Event of Default

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

(a) first, to any person with a prior ranking claim (of which the Security Trustee has knowledge) over the Collateral to the extent of that claim;

(b) next, pari passu and rateably:

(i) to pay to any Receiver appointed in accordance with the Security Trust Deed, for its Costs, fees and remuneration in connection with it acting as receiver in accordance with the Transaction Documents;

(ii) next, to pay to the Security Trustee for its Costs and other amounts (including all Secured Moneys) due to it for its own account in connection with its role as security trustee in relation to the Trust;

(iii) next, to pay the Trustee for its Costs and other amounts (including all Secured Moneys) due to it for its own account in connection with its role as trustee of the Trust);

(c) next, to pay pari passu and rateably:

(i) all Secured Moneys owing to the Seller;

(ii) all Secured Moneys owing to the Manager;

(iii) all Secured Moneys owing to the Servicer; and

(d) next, to pay pari passu and rateably:

(i) all Secured Moneys owing to each Derivative Counterparty (excluding any break costs in respect of the termination of a Derivative Contract to the extent that the Derivative Counterparty is the Defaulting Party);

(ii) all Secured Moneys owing to the Liquidity Facility Provider;

(iii) all Secured Moneys owing to the Redraw Facility Provider;

(e) next, to pay all Secured Moneys owing to the Class A1 Noteholders and Class A1-R Noteholders in relation to the Class A1 Notes and Class A1-R Notes. This will be applied in the following order of priority:

(i) first, pari passu and rateably, to the Class A1 Noteholders and Class A1-R Noteholders towards payment of all unpaid Interest on the Class A1 Notes and Class A1-R Notes; and

(ii) next, pari passu and rateably, to the Class A1 Noteholders and Class A1-R Noteholders towards repayment of the Class A1 Notes and Class A1-R Notes until the Invested Amount of the Class A1 Notes and Class A1-R Notes has been reduced to zero;

(f) next, to pay all Secured Moneys owing to the Class A2 Noteholders in relation to the Class A2 Notes. This will be applied in the following order of priority:

(i) first, pari passu and rateably, to the Class A2 Noteholders towards payment of all unpaid Interest on the Class A2 Notes

(ii) next, pari passu and rateably, to the Class A2 Noteholders towards repayment of the Class A2 Notes until the Invested Amount of the Class A2 Notes has been reduced to zero;

(g) next, to pay all Secured Moneys owing to the Class B Noteholders in relation to the Class B Notes. This will be applied in the following order of priority:

(i) first, pari passu and rateably, to the Class B Noteholders towards payment of all unpaid Interest on the Class B Notes

(ii) next, pari passu and rateably, to the Class B Noteholders towards repayment of the Class B Notes until the Invested Amount of the Class B Notes has been reduced to zero;

(h) next, to pay all Secured Moneys owing to the Class C Noteholders in relation to the Class C Notes. This will be applied in the following order of priority:

(i) first, pari passu and rateably, to the Class C Noteholders towards payment of all unpaid Interest on the Class C Notes

(ii) next, pari passu and rateably, to the Class C Noteholders towards repayment of the Class C Notes until the Invested Amount of the Class C Notes has been reduced to zero;

(i) next, to pay all Secured Moneys owing to the Class D Noteholders in relation to the Class D Notes. This will be applied in the following order of priority:

(i) first, pari passu and rateably, to the Class D Noteholders towards payment of all unpaid Interest on the Class D Notes

(ii) next, pari passu and rateably, to the Class D Noteholders towards repayment of the Class D Notes until the Invested Amount of the Class D Notes has been reduced to zero;

(j) next, to pay all Secured Moneys owing to the Class E Noteholders in relation to the Class E Notes. This will be applied in the following order of priority:

(i) first, pari passu and rateably, to the Class E Noteholders towards payment of all unpaid Interest on the Class E Notes

(ii) next, pari passu and rateably, to the Class E Noteholders towards repayment of the Class E Notes until the Invested Amount of the Class E Notes has been reduced to zero;

(k) next, to pay all Secured Moneys owing to the Class F Noteholders in relation to the Class F Notes. This will be applied in the following order of priority:

(i) first, pari passu and rateably, to the Class F Noteholders towards payment of all unpaid Interest on the Class F Notes

(ii) next, pari passu and rateably, to the Class F Noteholders towards repayment of the Class F Notes until the Invested Amount of the Class F Notes has been reduced to zero;

(l) next, to pay pari passu and rateably, all Secured Moneys owing to each Derivative Counterparty to the extent not paid under the preceding paragraphs;

(m) next, to pay pari passu and rateably all Secured Money owing to the Secured Creditors to the extent not paid under the preceding paragraphs;

(n) next, to any person with a subsequent ranking claim (of which the Security Trustee has knowledge) over the Collateral to the extent of that claim; and

(o) next, to pay any surplus to the Trustee to be distributed in accordance with the terms of the Master Trust Deed.

6.13 Collateral Support

The proceeds of any Collateral Support will not be treated as Collateral available for distribution in accordance with Section 6.12 (“Application of proceeds following an Event of Default”).

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

(a) in the case of Collateral Support under a Derivative Contract, (subject to the operation of any netting provisions in the relevant Derivative Contract) be returned to the relevant Derivative Counterparty except to the extent that the relevant Derivative Contract requires it to be applied to satisfy any obligation owed to the Trustee in connection with such Derivative Contract; And

(b) in the case of Collateral Support under the Liquidity Facility Agreement, be returned to the Liquidity Facility Provider except to the extent that the Liquidity Facility Agreement requires it to be applied to satisfy any obligation owed to the Trustee by the Liquidity Facility Provider.

6.14 Subordination Conditions

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

(a) that Payment Date falls:

(i) on or after the Determination Date that falls on or after the second anniversary of the Closing Date; and

(ii) prior to the first Call Option Date; and

(b) on the Determination Date immediately prior to that Payment Date:

(i) the Aggregate Invested Amount of the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and Class F Notes on that Determination Date is equal to or greater than 16.0% of the Aggregate Invested Amount of all Notes on that Determination Date;

(ii) there are no Carryover Principal Charge-Offs; and

(c) the Average Arrears Ratio in respect of that Determination Date does not exceed 2.0%.

6.15 Call Option

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

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

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

(a) a Class of Notes have been issued and have not been redeemed in full on or before that Call Option Date; and

(b) the Call Option Offer Amount (together with all other Total Available Principal available to be applied towards redeeming the relevant Class of Notes on that Call Option Date) is less than the amount which is sufficient to ensure that the Trustee can redeem the Aggregate Invested Amount (as at the Determination Date immediately preceding the Call Option Date) of that Class of Notes (plus all accrued but unpaid interest in respect of such Class of Notes) in full,

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

6.16 Refinancing of Class A1 Notes

(a) Prior to the Determination Date immediately preceding the first Class A1 Refinancing Date, the Manager agrees to use its reasonable endeavours to arrange, on behalf of the Trustee, the marketing and issuance of Class A1-R Notes, in accordance with the remainder of this Section 6.16.

(b) If the Manager is unable to arrange for the issuance of Class A1-R Notes on the first Class A1 Refinancing Date in accordance with Section 6.16(a), the Manager may (at its discretion), in respect of any subsequent Class A1 Refinancing Date, arrange, on behalf of the Trustee, the marketing and issuance of Class A1-R Notes, in accordance with the remainder of this Section 6.16.

(c) The Manager may, at its cost, appoint such advisors, arrangers or dealers as it sees fit to assist with the marketing and issuance of the Class A1-R Notes.

(d) If the Manager is able to arrange for Class A1-R Notes to be issued by the Trustee on a Class A1 Refinancing Date (such date being the "**Class A1-R Issue Date**"):

(i) with a Class Margin:

(A) which is less than the aggregate of:

(aa) the Class Margin for the Class A1 Notes; plus

(ab) 0.25%; and

(B) in respect of which the Manager has given a Rating Notification;

(ii) with the same credit rating from each Rating Agency as the Class A1 Notes on the Class A1-R Issue Date;

(iii) with an aggregate initial Invested Amount equal to the Invested Amount of the Class A1 Notes as at the relevant Class A1 Refinancing Date (after taking into account any principal repayments to be made under Section 6.9 ("Application of Total Available Principal") on that day (plus any additional amount necessary for parcels of Class A1-R Notes to be issued);

(iv) with a new dealer agreement (the "**Class A1-R Dealer Agreement**") to be entered into in respect of such issuance; and

(v) in accordance with the public offer test outlined in Section 128F of the Income Tax Assessment Act 1936,

the Manager will direct the Trustee in writing (copied to each Designated Rating Agency) to issue those Class A1-R Notes on the relevant Class A1-R Issue Date.

(e) The Trustee (at the direction of the Manager) must give the Noteholders of the Class A1 Notes not less than 7 days' notice of the proposed redemption of the Class A1 Notes on the relevant Class A1-R Issue Date (where the relevant Class A1-R Issue Date is not the first Class A1 Refinancing Date).

(f) On the Class A1-R Issue Date, the Trustee must use the proceeds of the Class A1-R Note issuance into the Collections Account and apply such proceeds on the Class A1-R Issue Date towards redeeming the Class A1 Notes in full, with any surplus proceeds to be included as Total Available Principal for the Determination Date

immediately following the Collection Period in which the Class A1-R Issue Date occurs.

(g) For the avoidance of doubt, the Trustee may not issue Class A1-R Notes (and the Manager must not direct the Trustee to issue Class A1-R Notes) unless the issue proceeds of those Class A1-R Notes are sufficient (after taking into account any principal repayments to be made under Section 6.9 ("Application of Total Available Principal")) to redeem the Class A1 Notes in full and the conditions under Section 6.16(d) are satisfied.

(h) If the Call Option Date has occurred, or is expected to occur on the relevant Class A1 Refinancing Date, the obligations of the Manager under Section 6.16(a) or the exercise by the Manager of its rights under Section 6.16(b) (as applicable) are subject to the provisions of Section 6.15 ("Call option").

7 ORIGINATION AND SERVICING OF THE TRUST RECEIVABLES

HSBC AU is currently one of Australia's largest International mortgage lenders. As at 31 December 2019, HSBC AU acted as the primary servicer on approximately 70,000 residential mortgage loans having an aggregate unpaid balance of approximately A$24 billion (excluding non-performing loans and offset balances).

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

HSBC AU's Key Product Types

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

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

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

HSBC AU Fixed Loan

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

HSBC AU Home Value Loan

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

Origination of the Trust Receivables

HSBC AU originated the Trust Receivables in two ways:

(a) via its proprietary network, comprising relationship managers based in branches or HSBC AU's Sydney based contact centre; and

(b) via its third party channel.

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

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

Servicing of Trust Receivables

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

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

The Servicer is contractually obliged to administer the Trust Receivables:

(a) in accordance with all applicable laws;

(b) according to the Servicing Deed;

(c) with the same degree of diligence and care expected of an appropriately qualified and prudent servicer of similar receivables; and

(d) subject to the preceding bullet points, according to the Servicer's procedures and policies for servicing the Trust Receivables, which are under regular review and may change from time to time as a result of business changes, or legislative and regulatory changes.

Underwriting Policy

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

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

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

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

(a) the current rate payable by the applicant plus a serviceability buffer of 2.5% or

(b) a rate of 5.75%.

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

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

HSBC AU's Mortgage Loan lending is limited to a maximum of 90% of the market value of the property for principal and interest repayments, or 80% of the market value of the property for interest only repayments. Additionally HSBC AU applies a maximum of 90% of the market value of the property for owner occupier loan purpose, or 80% of the market value of the property for investment loan purpose. With the exception of medical professionals and staff, lenders mortgage insurance is mandatory for all Mortgage Loans where the loan-to-value ratio is:

(a) greater than 80% with respect to low density property;

(b) greater than 70% with respect to properties within a high density development.

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

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

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

There are three main types of property valuations:

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

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

(b) Desktop Valuation - valuations undertaken by an experienced valuer (from an HSBC AU approved panel valuer with local area knowledge of the property without physical inspection. Desktop Valuations are used for transactions of lower security risks for property values up to $1.5 million.

(c) Physical Valuation – which includes internal and external/kerbside valuations (from an HSBC AU approved panel valuer

Credit and Lending Procedures

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

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

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

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

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

(a) applicant be a minimum of 18 years of age;

(b) legal capacity of the applicant of entering into the loan contract;

(c) purpose of the loan

(d) employment/eligible income sources;

(e) satisfactory credit checks;

(f) satisfactory savings history/loan repayment history;

(g) sound asset/liability position;

(h) capacity to repay the Mortgage Loan; and

(i) eligible residential collateral.

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

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

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

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

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

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

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

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

(a) the home loan must be approved by HSBC AU;

(b) the loan-to-value ratio must be within thresholds set;

(c) a valuation has been completed; and

(d) the security must be a registered mortgage held over a suitable residential property

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

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

(a) principal and interest Mortgage Loans – (in arrears) either weekly/fortnightly/monthly;

(b) interest only (in arrears) Mortgage Loans – paid monthly in arrears; and

(c) interest only (in advance) Mortgage Loans – paid annually in advance.

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

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

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

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

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

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

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

Redraw Mortgage Loans

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

- the loan must have been fully drawn;

- the loan must not be in a fixed rate period;

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

Loan Renewals and Variations

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

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

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

Interest Only Periods

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

8 DESCRIPTION OF THE PARTIES

8.1 Trustee

Perpetual Corporate Trust Limited was incorporated in New South Wales on 27 October 1960 as T.E.A. Nominees (N.S.W.) Pty Limited under the Companies Act 1936 of New South Wales as a proprietary company. The name was changed to Perpetual Corporate Trust Limited on 18 October 2006 and Perpetual Corporate Trust Limited now operates as a limited liability public company under the Corporations Act. Perpetual Corporate Trust Limited is registered in New South Wales and its registered office is at Level 18, Angel Place, 123 Pitt Street, Sydney NSW 2000, Australia. The telephone number of Perpetual Corporate Trust Limited's principal office is +61 2 9229 9000.

Perpetual Corporate Trust Limited is a wholly owned subsidiary of Perpetual Limited, a publicly listed company on the ASX.

The principal activities of Perpetual Corporate Trust Limited are the provision of trustee and other commercial services. Perpetual Corporate Trust Limited has obtained an Australian Financial Services Licence under Part 7.6 of the Corporations Act (Australian Financial Services Licence No. 392673). Perpetual Corporate Trust Limited and its related companies provide a range of services including custodial and administrative arrangements to the funds management, superannuation, property, infrastructure and capital markets sectors and has prior experience serving as a trustee for asset-backed securities transactions involving residential mortgage loans.

8.2 Security Trustee

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

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

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

HSBC AU is the Manager, Servicer, Seller, Derivative Counterparty, Redraw Facility Provider and Liquidity Facility Provider.

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

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

Personal Financial Services

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

- day-to-day money management, including savings and current accounts, call and term deposits;

- lending products including home loans, personal loans, car loans and credit cards;
- packaged products and services including HSBC Premier;
- insurance products and services through partner, Allianz Australia Insurance Limited (AFS Licence No. 234708 and ABN 15 000 122 850); and
- financial planning through the HSBC AU's own network of trained and accredited financial planning executives.

Commercial, Corporate and Institutional Banking

A range of products and services are offered to meet the local and international needs of domestic and international companies. Products and services are delivered through customer relationship teams, electronic banking and the internet. Services include:

- trade services;
- treasury and capital markets products;
- liquidity and cash management;
- risk management;
- transactional services;
- infrastructure finance; and
- electronic banking.

HSBC Group

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

As at 31 December 2019, the HSBC Group had total assets of U.S.$2,715,152 million, and total shareholders' equity of U.S.$183,955 million. For the year ended 31 December 2019, the HSBC Group's operating profit was U.S.$10,993 million on total operating income of U.S.$71,024 million. The HSBC Group had a CRD IV transitional common equity tier 1 capital ratio of 14.7 per cent. and an estimated CRD IV end point basis common equity tier 1 ratio of 14.7 per cent. as at 31 December 2019.

Headquartered in London, the HSBC Group operates through long-established businesses and has an international network of offices in 64 countries and territories. Within these regions, a comprehensive range of banking and related financial services is offered to personal, commercial, corporate, institutional, investment and private banking clients.

HSBC Group's products and services are delivered to clients through four global businesses: Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets and Global Private Banking.

Retail Banking and Wealth Management

Retail Banking and Wealth Management serves approximately 40 million customers worldwide through four main business areas: Retail Banking, Wealth Management, Asset Management and Insurance. HSBC Group provides Retail Banking and Wealth Management services to individuals under the HSBC Premier and Advance propositions aimed at mass affluent and emerging affluent customers who value international connectivity and benefit from HSBC Group's global reach and scale. For customers who have simpler everyday banking needs, HSBC Group's Retail Banking and Wealth Management business selectively offers a full range of banking products and services reflecting local requirements.

Commercial Banking

HSBC Group's Commercial Banking business serves approximately 1.4 million customers in 53 countries and territories, which range from small enterprises focused primarily on their domestic markets through to corporates operating globally. HSBC Group's Commercial Banking business supports its customers with tailored financial products and services to allow them to operate efficiently and to grow. This includes providing customers with working capital, term loans, payment services and international trade facilitation, among other services. HSBC Group's Commercial Banking business offers its customers expertise in mergers and acquisitions, and provides access to financial markets.

Global Banking and Markets

HSBC Group's Global Banking and Markets business supports major government, corporate and institutional clients worldwide in achieving their long-term strategic goals through tailored and innovative solutions. HSBC Group's deep sector expertise extends across transaction banking, financing, advisory, capital markets and risk management. HSBC Group's Global Banking and Markets business serves approximately 4,100 clients in more than 50 countries and territories. HSBC Group's Global Banking and Markets business continues to deliver a comprehensive range of transaction banking, financing, advisory, capital markets and risk management services.

Global Private Banking

Global Private Banking serves high net worth individuals and families, including those with international banking needs. HSBC Group works closely with its clients to provide solutions to grow, manage and preserve wealth. HSBC Group's Global Private Banking business products and services include: Investment Management, incorporating advisory, discretionary and brokerage services; Private Wealth Solutions, comprising trusts and estate planning, designed to protect wealth and preserve it for future generations; and a full range of Private Banking services.

As part of a business update to simplify HSBC Group’s organisational structure, HSBC Group intends to move from four lines of business to three, by merging Global Private Banking and Retail Banking and Wealth Management to create one new organisation, Wealth and Personal Banking.

9 DESCRIPTION OF THE TRANSACTION DOCUMENTS

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

9.1 General Features of the Trust

Constitution of the Trust

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

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

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

The Trust will terminate on the earlier of:

(a) the day before the eightieth anniversary of the date it was established; and

(b) the date which the Manager notifies the Trustee that it is satisfied that the Secured Money of the Trust has been unconditionally and irrevocably repaid in full.

Capital

The beneficial interest in the Trust is represented by:

(a) ten Residual Units; and

(b) one Participation Unit.

The initial holder of the Residual Units is HSBC AU.

The initial holder of the Participation Unit is HSBC AU.

Purpose of the Trust

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

(a) acquiring and dealing with Trust Receivables in accordance with the Transaction Documents;

(b) issuing the Notes (and incurring other liabilities in accordance with the Transaction Documents);

(c) entering into, performing its obligations and exercising its rights under the Transaction Documents; and

(d) acquiring, dealing with and disposing of Authorised Investments in accordance with the Transaction Documents.

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

9.2 Master Trust Deed

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

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

Entitlement to payments

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

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

Transfer

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

Ranking

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

Restricted rights

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

(a) exercise a right or power in respect of, lodge a caveat or other notice affecting, or otherwise claim any interest in, any Trust Asset;

(b) require the Trustee or any other person to transfer a Trust Asset to it;

(c) interfere with any powers of the Manager or the Trustee under the Transaction Documents;

(d) take any step to remove the Manager or the Trustee;

(e) take any step to end the Trust; or

(f) interfere in any way with any other Trust.

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

Obligations of the Trustee

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

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

(c) if the Security Trustee asks, to give the Security Trustee any document or other information relating to the Trust in the Trustee's possession or control that the Security Trustee reasonably requires to exercise its rights or comply with its obligations under the Transaction Documents;

(d) carry on the Trust Business at the direction of the Manager and as contemplated by the Transaction Documents;

(e) not to do anything which is not part of the Trust Business without the Security Trustee's consent;

(f) obtain, renew on time and comply with the terms of each authorisation necessary for it to enter into the Transaction Documents to which it is a party, comply with its obligations under them and allow them to be enforced;

(g) to pay, at the direction of the Manager, all amounts for which the Trustee is liable in connection with the Trust Business, including rates and Taxes;

(h) comply with all laws and requirements of authorities affecting it or the Trust Business and to comply with its other obligations in connection with the Trust Business;

(i) at the direction of the Manager, take action that a prudent, diligent and reasonable person would take to ensure that:

(i) each Counterparty complies with its obligations in connection with the Transaction Documents; and

(ii) each Counterparty which does not comply with any of its obligations in connection with the Transaction Documents pays (subject to the terms of such Transaction Documents) to the Trustee or the Security Trustee an amount equal to any liability, loss or Costs suffered or incurred by either the Trustee or the Security Trustee which is caused by that non-compliance;

(j) if it becomes aware that an Event of Default or Potential Event of Default has occurred, to notify the Security Trustee, giving full details of the event and any steps taken or proposed to remedy it, unless the Manager has already notified the Security Trustee;

(k) not do anything to create any Encumbrances (other than a Permitted Encumbrance) over the Collateral;

(l) (at the direction of the Manager) to open and operate the Collection Account in accordance with the Transaction Documents;

(m) not to open or operate any bank account other than those which it is required to open and maintain in connection with the Trust Business and the Transaction Documents;

(n) not commingle the Collateral of the Trust with any of its other assets (including the Collateral of any other trust) or the assets of any other person;

(o) to conduct the Trust Business in the name of the Trust, to hold itself out as a separate entity and to correct any misunderstanding of which it is aware regarding its separate identity; and

(p) without the Security Trustee's consent, not to amend any Transaction Document of the Trust.

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

Powers of the Trustee

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

Delegation by the Trustee

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

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

(a) the Trustee appoints the delegate in good faith and using reasonable care, and the delegate is not an officer or employee of the Trustee and the appointment is permitted under paragraph (c) below; or

(b) the Trustee is obliged to appoint the delegate pursuant to an express provision of a Transaction Document or pursuant to an instruction given to the Trustee in accordance with a Transaction Document;

(c) the delegate is a clearing system; or

(d) the Manager consents to the delegation in accordance with paragraph (c).

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

Trustee's voluntary retirement

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

(a) a successor trustee is appointed for the Trust;

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

Trustee's mandatory retirement

The Trustee must retire as trustee of the Trust if:

(a) the Trustee becomes Insolvent;

(b) it is required to do so by law;

(c) the Trustee ceases to carry on business as a professional trustee; or

(d) the Trustee mergers or consolidates with another entity, unless that entity assumes the obligations of the Trustee under the Transaction Documents to which the Trustee is a party as trustee of the Trust and each Designated Rating Agency has been notified of the proposed retirement.

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

(a) the non-compliance has been waived by an Extraordinary Resolution of the Voting Secured Creditors, provided that a Rating Notification has been also provided in respect of such waiver; or

(b) if the non-compliance can be remedied, the Trustee remedies the non-compliance within 30 days of being requested to do so by the Manager.

Appointment of successor trustee

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

Fee

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

Indemnity

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

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

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

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

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

Limitation of Trustee's liability

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

paragraphs of this section titled “Limitation of Trustee’s liability” of this Section 9.2 (“Master Trust Deed”)) and extends to all liabilities and obligations of the Trustee in any way connected with any representation, warranty, obligation, conduct, omission, agreement or transaction related to any Transaction Document of the Trust.

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

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

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

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

Liability must be limited and must be indemnified

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

(a) the Trustee’s liability is limited in a manner which is consistent with the section titled “Limitation of Trustee’s liability” of this Section 9.2 (“Master Trust Deed”); and

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

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

Exoneration

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

(a) any person other than the Trustee does not comply with its obligations under the Transaction Documents;

(b) of the financial condition of any person other than the Trustee;

(c) any statement, representation or warranty of any person other than the Trustee in a Transaction Document is incorrect or misleading;

(d) of any omission from or statement or information contained in any information memorandum or any advertisement, circular or other document issued in connection with any Notes other than in respect of any corporate statements or information provided by the Trustee for inclusion in the document;

(e) of the lack of the effectiveness, genuineness, validity, enforceability, admissibility in evidence or sufficiency of the Transaction Documents or any document signed or delivered in connection with the Transaction Documents;

(f) of acting, or not acting (unless it has been instructed in accordance with the Transaction Documents to act), in accordance with instructions of:

(i) the Manager; or

(ii) any other person (including any Secured Creditors) permitted to give instructions or directions to the Trustee under the Transaction Documents (or instructions or directions that the Trustee reasonably believes to be genuine and to have been given by an appropriate officer of any such person); or

(iii) any person to whom the Manager has delegated any of its rights or obligations in its capacity as manager, as notified by the Manager to the Trustee.

For the avoidance of doubt:

(A) for the purpose of paragraph (i), the Trustee will be able to rely on a direction from the Manager even if it has received notice of delegation by the Manager of any of its rights or obligations; and

(B) for the purpose of paragraph (iii), the Trustee is not required to investigate the scope of any such delegation or whether the delegate giving the instructions is entitled to give such instruction to the Trustee under the terms of its delegation;

(g) of acting, or not acting (unless it has been instructed in accordance with the Transaction Documents to act), in good faith in reliance on:

(i) on any communication or document it believes to be genuine and correct and to have been signed or sent by the appropriate person; and

(ii) as to legal, accounting, taxation or other professional matters, on opinions and statements of any legal, accounting, taxation or other professional advisers used by it or any other party to a Transaction Document; and

(iii) on the contents of any statements, representation or warranties made or given by any party other than itself pursuant to the Master Trust Deed, or direction from the Manager provided in accordance with the Transaction Documents or from any other person permitted to give such instructions or directions under the Transaction Documents; and

(iv) on any calculations made by the Manager under any Transaction Document (including without limitation any calculation in connection with the collections);

(h) it is prevented or hindered from doing something by law or order;

(i) of any payment made by it in good faith to a fiscal authority in connection with Taxes (including Taxes assessed on the income of the Trust) or other charges in respect of the Trust even if the payment need not have been made;

(j) of the exercise or non-exercise of a discretion on the part of the Manager or any other party to the Transaction Documents; or

(k) of a failure by the Trustee to check any calculation, information, document, form or list supplied or purported to be supplied to it by the Manager under any Transaction Document or by any other person.

No supervision

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

9.3 Management Deed

Appointment of the Manager

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

Obligations of the Manager

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

(a) direct the Trustee in relation to how to carry on the Trust Business, including:

(i) the Trustee entering into any documents in connection with the Trust (including the Transaction Documents of the Trust) and the form of those documents;

(ii) the Trustee issuing Units in the Trust;

(iii) the Trustee issuing Notes;

(iv) the Trustee acquiring, disposing of other otherwise dealing with any Trust Receivables;

(v) the Trustee acquiring, disposing of or otherwise dealing with Authorised Investments; and

(vi) the Trustee exercising its rights or complying with its obligations under the Transaction Documents;

(b) comply with its obligations under the Transaction Documents; and

(c) carry on the day-to-day administration, supervision and management of the Trust Business of the Trust in accordance with the Transaction Documents (including keeping accounting records and other records); and

(d) give the Trustee any document or information in the Manager's possession or control that the Trustee reasonably requests relating to the Trust; and

(e) keep or cause to be kept proper accounting records in accordance with all applicable laws and regulations in respect of the Trust; and

(f) obtain, renew on time and comply with the terms of each authorisation necessary for it to enter into the Transaction Documents to which it is a party, comply with its obligations under them and allow them to be enforced; and

(g) comply with all laws and requirements of authorities affecting it or the Trust Business and to comply with its other obligations in connection with the Trust Business; and

(h) not, in performing its duties under the Transaction Documents, take any action which would cause the Trustee to be in breach of any law (including without limitation the National Credit Legislation), rule or regulation applicable to the Trustee; and

(i) take such action as is consistent with its obligations under the Transaction Documents to assist the Trustee to perform its obligations under the Transaction Documents; and

(j) make available for inspection by the Trustee, the Security Trustee or any auditor of the Trust during normal business hours and after the receipt of reasonable notice, the books of the Manager relating to the Trust; and

(k) make all filings required in connection with the acquisition, disposal or holding by the Trustee of Trust Receivables with any Government Agency in Australia (excluding any filings in connection with the PPSA, any filings which the Servicer is required to make under the Servicing Deed and any filings which the Trustee is required to make personally); and

(l) not direct the Trustee to take any action that would cause the Trustee to breach its obligations under the Transaction Documents; and

(m) arrange for the delivery of any consents or notices required to be provided to the Trustee in connection with any proposed amendment to any Transaction Documents; and

(n) promptly notify the Trustee if it becomes aware of the occurrence of a Manager Termination Event or an Event of Default or if it is required to retire by law; and

(o) calculate and direct the Trustee to pay on time all amount for which the Trustee is liable in connection with the Trust Business, including rates and Taxes; and

(p) if an application is made by the Manager to list any Notes on the Australian Securities Exchange, the Stock Exchange of Hong Kong or any other stock exchange or securities exchange market, to:

(i) give the Trustee such directions; and

(ii) take such actions on behalf of the Trustee that the Manager is permitted or authorised to undertake under applicable law,

as are necessary to ensure that the Trustee complies with all applicable listing rules, laws and regulations in connection with the listing of the relevant Notes and any ongoing compliance obligations under those rules, laws and regulations; and

(q) prepare and submit to the Trustee for signing and filing on a timely basis all income or other Tax returns or elections required to be filed with respect to the Trust and ensure that the Trustee is directed on a timely basis to pay any Taxes required to be paid by the Trustee as trustee of the Trust; and

(r) arrange for the audit of the Financial Report of the Trust for each financial year.

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

Delegation by the Manager

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

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

Manager's exoneration

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

(a) because any person other than the Manager does not comply with its obligations under the Transaction Documents; or

(b) because of the fraud, negligence or Wilful Default of the Trustee;

(c) for the financial condition of any person other than the Manager; or

(d) because any statement, representation or warranty of any person other than the Manager in a Transaction Document is incorrect or misleading; or

(e) for the effectiveness, genuineness, validity, enforceability, admissibility in evidence or sufficiency of the Transaction Documents or any document signed or delivered in connection with the Transaction Documents (other than any representation or warranty given by the Manager in any Transaction Document as to the validity or enforceability of the Manager's obligations under the Transaction Documents); or

(f) for acting, or not acting, in good faith in reliance on:

  (i) any communication or document that the Manager believes to be genuine and correct and to have been signed or sent by the appropriate person; or

  (ii) any opinion or advice of any professional advisers used by it in relation to any legal, accounting, taxation or other matters provided that such adviser has been appointed in good faith; or

(g) for acting, or not acting in accordance with the instructions or directions of any person permitted to give instructions or direction to the Manager under the Transaction Documents (or instructions or directions that the Manager believes to be genuine and to have been given by an appropriate officer of any such person); or

(h) because it is prevented or hindered from doing something by law or order; or

(i) because of any payment made by it in good faith to a fiscal authority in connection with Taxes (including Taxes assessed on the income of a Trust) or other charges in respect of a Trust even if the payment need not have been made; or

(j) for any error in a Note Register or Unit Register; or

(k) for the performance of any Trust Receivable or Authorised Investment; or

(l) if the Trustee acquires any Trust Receivable or Authorised Investment and the acquisition price or, in the case of an Authorised Investment, the rate of return, is not the best available at the time the Trustee acquired it; or

(m) because of the exercise or non-exercise of a discretion under the Transaction Documents on the part of any other person to a Transaction Document.

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

Manager indemnity

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

(a) a failure by the Manager to comply with its obligations under the Management Deed or any other any Transaction Document of the Trust to which it is a party; or

(b) a representation or warranty given by it to the Trustee under any Transaction Document of the Trust to which it is a party being incorrect,

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

Manager's voluntary retirement

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

Manager's mandatory retirement

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

Removal of the Manager

The Trustee may remove the Manager as manager of the Trust by giving the Manager 90 days' notice (or immediately by notice if the Manager is Insolvent). However, the Trustee may only give notice if at the time it gives the notice:

(a) a Manager Termination Event is continuing in respect of the Trust; and

(b) each Designated Rating Agency has been notified of the proposed removal of the Manager.

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

(a) the Manager:

  (i) does not comply with any of its obligations under any Transaction Document where such non-compliance will have a Material Adverse Effect; and

  (ii) if the non-compliance can be remedied, does not remedy the non-compliance within 30 days (or such longer period as is agreed between the Manager and the Trustee provided that Rating Notification has been provided in respect of that longer period) of the Manager receiving a notice from the Trustee or the Security Trustee requiring its remedy; or

(b) any representation or warranty made by the Manager in connection with the Transaction Documents is incorrect or misleading when made where:

  (i) such failure will have a Material Adverse Effect; and

  (ii) if such failure can be remedied, it is not remedied within 60 Business Days (or such longer period as is agreed between the Manager and the Trustee

provided that Rating Notification has been provided in respect of that longer period) receiving a notice from the Trustee or the Security Trustee requiring its remedy; or

(c) the Manager becomes Insolvent.

When retirement or removal takes effect

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

Appointment of successor manager

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

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

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

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

(a) the state of affairs of the previous Manager, its books and records, its business, data collection, storage or retrieval systems or its computer equipment or software, prior to, or at the time of, the removal or retirement of the Manager;

(b) the inaccuracy, incompleteness or lack of currency of any data, information, documents or records of the Manager;

(c) a failure by the previous Manager to comply with its obligations to deliver documents or a failure to perform by any other person under the Transaction Documents where such performance is reasonably necessary for the Trustee to perform those duties and obligations;

(d) a failure by the Trustee, after using reasonable endeavours, to obtain sufficient access to the previous Manager's systems, premises, information, documents, procedures, books, records or resources which are reasonably necessary for it to perform those duties and obligations;

(e) acts or omissions of the Manager or any of its agents;

(f) failure of any other person to perform its obligations under and in accordance with the Transaction Documents (other than the Trustee or any Related Entity of the Trustee);

(g) any future act of any government authority, act of God, flood, war (whether declared or undeclared), terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision and accidental, mechanical or electrical breakdown; or

(h) the appointment of a controller (within the meaning of the Corporations Act) to the Manager.

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

Manager's fees and expenses

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

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

The Trustee agrees to pay or reimburse the Manager for:

(a) the Manager's reasonable Costs in connection with the negotiation, preparation, execution and registration of any Transaction Document and the general on-going administration of the Transaction Documents and the performance of its obligations under such Transaction Documents;

(b) Taxes (other than Excluded Taxes) and fees (including registration fees) and fines and penalties in respect of fees paid, or that the Manager reasonably believes are payable, in connection with any Transaction Document or a payment or receipt or any other transaction contemplated by any Transaction Document. However the Trustee need not pay a fine or penalty in connection with Taxes or fees to the extent that it has placed the Manager in sufficient cleared funds for the Manager to be able to pay the Taxes or fees by the due date; and

(c) any other liability, cost or expense properly incurred by the Manager in its capacity as Manager of the Trust.

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

9.4 Servicing Deed

Appointment of the Servicer

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

Obligations of the Servicer

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

(a) comply with its obligations under the Transaction Documents;

(b) administer and service the Trust Receivables:

(i) in accordance with the Servicing Guidelines; and

(ii) in accordance with all applicable laws (including the National Credit Legislation if it applies to those Trust Receivables);

(c) take all action which the Servicer considers reasonably necessary to protect or enforce the terms of any Trust Receivable (including taking action to enforce any rights against the relevant Obligor in respect of a Trust Receivable (including commencing legal proceedings or taking steps to sell the relevant Property) to the extent permitted by the terms of that Trust Receivable and to the extent that it is consistent with the Servicing Guidelines and the Servicer considers it appropriate (and in this regard the Servicer may exercise such discretion as would a Prudent Servicer in applying the Servicing Guidelines of that Trust to any defaulting Obligor);

(d) with respect to any Insurance Policy of that Trust, take all reasonable action to:

(i) make claims on behalf of the Trustee to the extent it is able to make a claim under the Insurance Policy or otherwise assist the Trustee to make these claims;

(ii) not without the consent of the Trustee, do anything which could reasonably be expected to adversely affect or limit the rights of the Trustee under or in respect of the Insurance Policy; and

(iii) comply with all requirements and conditions of the Insurance Policy;

(e) give all notices and other documents required to be given under the relevant Servicing Guidelines to the relevant Obligor (including, without limitation, instructions for payment of Collections);

(f) subject to applicable law and regulations binding on the Servicer, determine and set, in accordance with the applicable Receivable Terms and the Issue Supplement, the interest rates applicable to the Trust Receivables chargeable to Obligors from time to time;

(g) take all steps necessary pursuant to the relevant Receivable Terms and applicable laws and regulations to make relevant Obligors aware of changes to the variable interest rate and any other discretionary rate or margin (including moving from a fixed rate to a floating rate and vice versa) applicable to the Trust Receivable and any consequent changes in scheduled payments;

(h) use all reasonable efforts to collect or arrange to collect all Collections in respect of the Trust Receivables;

(i) remit all Collections (if any) received by it in respect of the Trust Receivables to the relevant Collection Account within such period of time of receipt by the Servicer of such Collections as may be specified in the Issue Supplement;

(j) prior to remitting any Collections it receives in respect of the Trust Receivables of that Trust to the relevant Collection Account, hold those Collections on trust for the Trustee;

(k) not:

(i) create, attempt to create or consent to the creation of, any Encumbrance in respect of any Trust Receivable;

(ii) release the relevant Obligor from any amount owing in respect of any Trust Receivable or otherwise discharge such Trust Receivable;

(iii) enter into any agreement or arrangement which has the effect of extending the maturity of a Trust Receivable; or

(iv) do anything which would render a Trust Receivable subject to any set-off, counterclaim or similar defence,

except in each case:

(A) as required by law (including the National Credit Legislation, if it is relevant to that Trust) or the Banking Code of Practice or any binding order or directive or regulatory undertaking (including as determined by an Approved External Dispute Resolution Scheme); or

(B) to the extent that a Prudent Servicer would be expected to take such action pursuant to any of the foregoing; or

(C) as required or permitted by the Servicing Guidelines; or

(D) as otherwise as contemplated by the Transaction Documents;

(l) maintain in full force and effect the authorisations necessary for it to enter into the Servicing Deed and the transactions contemplated by it and to comply with its obligations under the Servicing Deed;

(m) comply in all material respects with all applicable laws in exercising its rights and carrying out its obligations under the Servicing Deed;

(n) at the reasonable request of the Manager, prepare and give to the Manager, any Government Agency (including the Australian Prudential Regulation Authority, ASIC, the Reserve Bank of Australia, the Hong Kong Monetary Authority or the Prudential Regulation Authority of the Bank of England), an agent or independent contractor of any Government Agency as specified by that Government Agency or any stock exchange (including the Australian Securities Exchange or the Stock Exchange of Hong Kong) all ad hoc and periodic performance statistics, data, reports and other non-performance related reports and data in respect of the Trust Receivables as would reasonably be expected to be kept, or be reasonably capable of being produced, by a Prudent Servicer;

(o) in respect of any document or information in the Servicer's possession or control relating to the Trust Receivables:

(i) give any such document or information to the Trustee and the Manager as the Trustee or the Manager may reasonably request; and

(ii) allow the Trustee and the Manager or its authorised agents to inspect copies of any such document or information during normal business hours and after the receipt of reasonable notice;

(p) provide each Designated Rating Agency with complete, accurate and timely information in respect of the Trust Receivables where reasonably required to do so;

(q) notify the Trustee and the Manager if it becomes aware of the occurrence of a Servicer Termination Event or an Event of Default and providing details of the relevant event or default;

(r) to the extent the Seller is not otherwise obliged to do so in accordance with the Transaction Documents, take all necessary action to ensure that the Trustee complies with the Verification Provisions;

(s) keep and maintain records in relation to each Trust Receivable, for the purposes of identifying amounts paid by each Obligor, any amount due from an Obligor and the balance from time to time outstanding on an Obligor's account and such other records (including data and performance statistics) as would be kept by a Prudent Servicer;

(t) provide to the Trustee and the Manager promptly from time to time such information, documents, records, reports or other information relating to the Trust Receivables or the operations of the Servicer as may be reasonably requested by either of them (including, for the avoidance of doubt, data records maintained by the Servicer and which are requested by the Trustee or the Manager for the purpose of satisfying reporting obligations or requirements); and

(u) electronically identify and continue to identify each Trust Receivable in its electronic database in order to identify such Receivables as being the property of the Trustee.

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

Servicing Guidelines

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

(a) not, without the prior approval of the Trustee, to amend the Servicing Guidelines in a manner which would materially change the rights or obligations of the Trustee;

(b) not to amend the Servicing Guidelines in a manner which would breach the National Credit Legislation (to the extent it applies to the Trust Receivables); and

(c) to notify the Manager and each Designated Rating Agency of any such amendments.

Delegation

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

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

Servicer's exoneration

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

(a) because any person other than the Servicer does not comply with its obligations under the Transaction Documents; or

(b) because of the fraud, negligence or Wilful Default of the Trustee;

(c) for the financial condition of any person other than the Servicer; or

(d) because any statement, representation or warranty of any person other than the Servicer in a Transaction Document is incorrect or misleading; or

(e) for the effectiveness, genuineness, validity, enforceability, admissibility in evidence or sufficiency of the Transaction Documents or any document signed or delivered in connection with the Transaction Documents (other than any representation or warranty given by the Servicer in any Transaction Document as to the validity or enforceability of the Servicer's obligations under the Transaction Documents); or

(f) for acting, or not acting, in good faith in reliance on:

(i) any communication or document that the Servicer believes to be genuine and correct and to have been signed or sent by the appropriate person; or

(ii) any opinion or advice of any professional advisers used by it in relation to any legal, accounting, taxation or other matters provided that such adviser has been appointed in good faith; or

(g) for acting, or not acting in accordance with the instructions or directions of any person permitted to give instructions or direction to the Servicer under the Transaction Documents (or instructions or directions that the Servicer believes to be genuine and to have been given by an appropriate officer of any such person); or

(h) because it is prevented or hindered from doing something by law or order; or

(i) because of any payment made by it in good faith to a fiscal authority in connection with Taxes (including Taxes assessed on the income of the Trust) or other charges in respect of the Trust even if the payment need not have been made; or

(j) because of the exercise or non-exercise of a discretion under the Transaction Documents on the part of any other person to a Transaction Document; or

(k) for any omission from or statement or information contained in any information memorandum or any advertisement, circular or other document issued in connection with any Notes.

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

Servicer's voluntary retirement

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

Servicer's mandatory retirement

The Servicer must retire as servicer if required by law.

Removal of the Servicer

The Trustee may remove the Servicer as servicer of the Trust by giving the Servicer 90 days' written notice (or immediately by notice if the Servicer is Insolvent). However, the Trustee may only give notice if at the time it gives the notice:

(a) a Servicer Termination Event is continuing in respect of the Trust; and

(b) each Designated Rating Agency has been notified of the proposed removal of the Servicer.

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

(a) the Servicer fails to remit Collections (if any) received by it in respect of the Trust Receivables to the Collection Account on time and in the manner required under the Transaction Documents unless the Servicer pays the amount within 10 Business Days (or such longer period as is agreed between the Servicer and the Trustee provided that Rating Notification has been provided in respect of that longer period) of notice from either the Trustee or the Security Trustee;

(b) the Servicer:

(i) does not comply with any of its other obligations under any Transaction Document where such non-compliance will have a Material Adverse Effect; and

(ii) if the non-compliance can be remedied, does not remedy the non-compliance within 20 Business Days (or such longer period as is agreed between the Servicer and the Trustee provided that Rating Notification has been provided in respect of that longer period) of the Servicer receiving a notice from the Trustee or the Security Trustee requiring its remedy;

(c) any representation or warranty made by the Servicer in connection with the Transaction Documents is incorrect or misleading when made where:

(i) such failure will have a Material Adverse Effect; and

(ii) if such failure can be remedied, it is not remedied within 20 Business Days (or such longer period as is agreed between the Servicer and the Trustee provided that Rating Notification has been provided in respect of that longer period) of the Servicer receiving a notice from the Trustee or the Security Trustee requiring its remedy; or

(d) the Servicer becomes Insolvent.

When retirement or removal takes effect

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

Appointment of successor servicer

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

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

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

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

(a) the state of affairs of the previous Servicer, its books and records, its business, data collection, storage or retrieval systems or its computer equipment or software, prior to, or at the time of, the removal or retirement of the Servicer;

(b) the inaccuracy, incompleteness or lack of currency of any data, information, documents or records of the Servicer;

(c) a failure by the previous Servicer to comply with its obligations to deliver documents or a failure to perform by any other person under the Transaction Documents where such performance is reasonably necessary for the Trustee to perform those duties and obligations;

(d) a failure by the Trustee, after using reasonable endeavours, to obtain sufficient access to the previous Servicer's systems, premises, information, documents, procedures, books, records or resources which are reasonably necessary for it to perform those duties and obligations;

(e) acts or omissions of the Servicer or any of its agents;

(f) failure of any other person to perform its obligations under and in accordance with the Transaction Documents (other than the Trustee or any Related Entity of the Trustee);

(g) any future act of any government authority, act of God, flood, war (whether declared or undeclared), terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision and accidental, mechanical or electrical breakdown; or

(h) the appointment of a controller (within the meaning of the Corporations Act) to the Servicer.

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

Servicer to provide full co-operation

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

Indemnity

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

(a) a failure by the Servicer to comply with its obligations under the Servicing Deed or any other Transaction Document to which it is a party; or

(b) a representation or warranty given by it under the Servicing Deed or any other Transaction Document to which it is a party being incorrect,

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

The Servicer also indemnifies the Trustee against all Penalty Payments and Title Penalty Payments which the Trustee is required to pay personally or in its capacity as trustee of the Trust and arising as a result of the performance or non-performance by the Servicer of its obligations or the exercise of its powers under the Servicing Deed, except to the extent that such Penalty Payments or Title Penalty Payments arise as a result of the fraud, negligence or Wilful Default of the Trustee.

Custody of Title Documents

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

(a) hold each such Title Document as custodian under this deed at the direction of the Trustee, in electronic form or otherwise and in the same manner and to the same extent as it holds its own documents;

(b) ensure that each such Title Document is capable of identification and is kept in a secure environment in accordance with the Servicer's standard safe-keeping practices (unless such Title Document is otherwise being dealt with by the Servicer in the ordinary course of its business, including in accordance with the Servicing Guidelines) and where scanned or in electronic form, are maintained on the Servicer's computer system;

(c) ensure that it is capable of locating each such Title Document which is held by it in physical form; and

(d) if requested by the Trustee, promptly provide all Title Documents the subject of that request to or at the direction of the Trustee.

Servicer's fees and expenses

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

The Trustee agrees to pay or reimburse the Servicer for:

(a) all Costs incurred by the Servicer in connection with the enforcement and recovery of defaulted Trust Receivables, including Costs relating to any court proceedings, arbitration or other dispute; and

(b) Taxes (other than Excluded Taxes) and fees (including registration fees) and fines and penalties in respect of fees paid, or that the Servicer reasonably believes are payable, in connection with any Transaction Document or a payment or receipt or any other transaction contemplated by any Transaction Document. However the Trustee need not pay a fine or penalty in connection with Taxes or fees to the extent that it has placed the Servicer in sufficient cleared funds for the Servicer to be able to pay the Taxes or fees by the due date.

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

9.5 Security Trust Deed and General Security Deed

Security Trust Deed

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

The Security Trustee is a professional trustee company.

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

General Security Deed

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

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

Events of Default

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

(a) (**non-payment**) the Trustee does not pay any amount payable by it in respect of the Senior Obligations on time and in the manner required under the Transaction Documents unless, in the case of a failure to pay on time, the Trustee pays the amount within 10 Business Days of the due date;

(b) (**non-compliance with other obligations**) the Trustee:

(i) does not comply with any of its obligations under any Transaction Document (other than an obligation to pay any amount payable by it under the Transaction Documents) where such non-compliance will have a Material Adverse Payment Effect; and

(ii) if the non-compliance can be remedied, does not remedy the non-compliance within 20 Business Days after written notice (or such longer period as may be specified in the notice) from the Security Trustee requiring the failure to be remedied;

(b) **(Insolvency)** the Trustee becomes Insolvent, and the Trustee is not replaced as described in Section 9.2 ("Master Trust Deed"), and the accordance with the Master Trust Deed within 90 days (or such longer period as the Security Trustee, at the direction of an Ordinary Resolution of the Voting Secured Creditors, may agree) of becoming Insolvent;

(c) **(encumbrance)** the General Security Deed is not or ceases to be valid and enforceable or any Encumbrance (other than a Permitted Encumbrance) is created or exists in respect of the Collateral for a period of more than 10 Business Days following the Trustee becoming aware of the creation or existence of such Encumbrance, where such event will have a Material Adverse Payment Effect;

(d) (**voidable Transaction Document**):

(i) all or any part of any Transaction Document (other than a Cashflow Support Facility) is terminated or is or becomes void, illegal, invalid, unenforceable or of limited force and effect; or

(ii) a party becomes entitled to terminate, rescind or avoid all or any part of any Transaction Document (other than a Cashflow Support Facility),

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

(e) (**non-exercise of indemnity**) the Trustee is (for any reason) not entitled to fully exercise the right of indemnity conferred on it under the Master Trust Deed against the Trust Assets to satisfy any liability to a Secured Creditor and the circumstances are not rectified to the satisfaction of the Security Trustee within 20 Business Days after written notice (or such longer period as may be specified in the notice) from the Security Trustee requiring the circumstances to be rectified;

(f) (**Trust**) without the prior consent of the Security Trustee (that consent having been approved by an Ordinary Resolution of the Voting Secured Creditors):

(i) the Trust is wound up, or the Trustee is required to wind up the Trust in accordance with the Master Trust Deed or any applicable law, or the winding up of the Trust commences; or

(ii) the Trust is held, or is conceded by the Trustee, not to have been constituted or to have been imperfectly constituted.

Actions following Event of Default

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

(a) declare at any time by notice to the Trustee that an amount equal to the Secured Money of the Trust is either:

(i) payable on demand; or

(ii) immediately due for payment; or

(b) take any action which it is permitted to take under the General Security Deed.

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

Call meeting on the occurrence of an Event of Default

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

(a) notify all Secured Creditors of the Trust of:

(i) the Event of Default;

(ii) any steps which the Security Trustee has taken, or proposes to take, under the Security Trust Deed; and

(iii) any steps which the Trustee or the Manager has notified the Security Trustee that it has taken, or proposes to take, to remedy the Event of Default; and

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

Voting Secured Creditors

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

(a) vote in respect of an Extraordinary Resolution or Circulating Resolution (excluding any Extraordinary Resolution or Circulating Resolution which is also a Special Quorum Resolution) or Ordinary Resolution of the Secured Creditors of the Trust; or

(b) otherwise direct or give instructions or approvals to the Security Trustee in accordance with the Transaction Documents.

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

Application of proceeds following an Event of Default

Following the occurrence of an Event of Default and enforcement of the General Security Deed, the Security Trustee must apply all moneys received by it in respect of the Collateral in the order described in Section 6.12 ("Application of proceeds following an Event of Default").

Limitation of liability

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

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

(a) the Security Trustee's liability is limited in a manner which is consistent with this section titled "*Limitation of liability*" of this Section 9.5 ("Security Trust Deed and General Security Deed"); and

(b) it is indemnified to its satisfaction (acting reasonably) against any liability or loss arising from, and any Costs properly incurred in connection with, doing or not doing that thing.

The Security Trustee is not obliged to use its own funds in performing its obligations under any Transaction Document except where the Security Trustee's right of indemnification out of the Security Trust Fund does not apply due to the Security Trustee's fraud, negligence or Wilful Default.

However, the Security Trustee is not entitled to be reimbursed or indemnified for general overhead costs and expenses of the Security Trustee incurred directly or indirectly in connection with the business of the Security Trustee.

Indemnity

The Security Trustee is entitled to be indemnified by the Trustee for any liability or loss arising from, and any Costs incurred in connection with (among other things):

(a) the Security Trustee acting in connection with a Transaction Document in good faith on telephone, fax, email or other written instructions purporting to originate from the

offices of the Trustee or the Manager or to be given by an authorised officer of the Trustee or the Manager; or

(b) an Event of Default; or

(c) the Security Trustee exercising, or attempting to exercise, a right or remedy in connection with a Transaction Document after an Event of Default; or

(d) the Collateral or any Transaction Document; or

(e) any indemnity the Security Trustee gives a Controller or administrator of the Trustee

In addition, the Security Trustee is indemnified out of the Security Trust Fund in relation to the Trust against any liability or loss arising from, and any Costs properly incurred in connection with, complying with its obligations or exercising its rights under the Transaction Documents of the Trust.

However, the Security Trustee is not entitled to be indemnified for the amounts referred to above to the extent they are due to the Security Trustee's or any attorney's or receiver's fraud, negligence or Wilful Default.

Exoneration

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

(a) any person other than the Security Trustee does not comply with its obligations under the Transaction Documents; or

(b) of the financial condition of any person other than the Security Trustee; or

(c) any statement, representation or warranty of any person other than the Security Trustee in a Transaction Document is incorrect or misleading; or

(d) of any omission from or statement or information contained in any information memorandum or any advertisement, circular or other document issued in connection with any Notes; or

(e) of the lack of effectiveness, genuineness, validity, enforceability, admissibility in evidence or sufficiency of the Transaction Documents or any document signed or delivered in connection with the Transaction Documents; or

(f) of acting, or not acting, in accordance with instructions of Secured Creditors or any other person permitted to give instructions or directions to the Security Trustee under the Transaction Documents (or instructions or directions that the Security Trustee believes to be genuine and to have been given by an appropriate officer of any such person); or

(g) of acting, or not acting, in good faith in reliance on:

(i) any communication or document that the Security Trustee believes to be genuine and correct and to have been signed or sent by the appropriate person; or

(ii) any opinion or advice of any professional advisers used by it in relation to any legal, accounting, taxation or other matters; or

(h) of any error in the Unit Register or the Note Register; or

(i) of giving priority to a Secured Creditor or class of Secured Creditors in accordance with the Security Trust Deed; or

(j) it is prevented or hindered from doing something by law or order; or

(k) of the exercise or non-exercise of a discretion on the part of any other party to the Transaction Documents; or

(l) of a failure by the Security Trustee to check any calculation, information, document, form or list supplied or purported to be supplied to it by any other person under the Security Trust Deed or under any Transaction Document; or

(m) of any act or omission required by law or by any court of competent jurisdiction.

Fees

The Trustee, under the Security Trust Deed, has agreed to pay to the Security Trustee from time to time a fee (as agreed between the Manager and the Security Trustee) in respect of the Trust. Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

Retirement of Security Trustee

The Security Trustee may retire as security trustee of the Security Trust by giving the Trustee and the Manager at least 90 days' notice of its intention to do so.

The Security Trustee must retire as security trustee if:

(a) the Security Trustee becomes Insolvent; or

(b) required by law; or

(c) the Security Trustee ceases to carry on business as a professional trustee.

Removal of the Security Trustee

At the written direction of the Manager, the Trustee must remove the Security Trustee as security trustee of the Trust by giving the Security Trustee 90 days' written notice. However, the Manager may only give direction if at the time it gives the direction:

(a) no Event of Default is continuing in respect of the Trust; and

(b) the Designated Rating Agency has been notified of the proposed removal of the Security Trustee.

In addition, the Secured Creditors of the Trust may remove the Security Trustee as security trustee of the Security Trust in respect of the Trust by Extraordinary Resolution.

When retirement or removal takes effect

The retirement or removal of the Security Trustee as security trustee of the Security Trust takes effect when:

(a) a successor security trustee is appointed for the Security Trust; and

(b) the successor security trustee obtains title to, or obtains the benefit of, each Transaction Document of the Trust to which the Security Trustee is a party in its capacity as security trustee; and

(c) the successor security trustee and each other party to the Transaction Document of the Trust to which the Security Trustee is a party in its capacity as security trustee have the same rights and obligations among themselves as they would have had if the successor security trustee had been party to them at the dates of those documents.

Appointment of successor security trustee

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

9.6 Initial Derivative Contract

Basis Swap and Fixed Rate Swap

The Trustee will enter into interest rate swaps with the Derivative Counterparty to hedge the interest rate risk in respect of the Trust Receivables. The Trustee will enter into a basis swap ("**Basis Swap**") and a fixed rate swap in respect of the fixed rate Trust Receivables ("**Fixed Rate Swap**") with the Derivative Counterparty.

HSBC AU is the initial Derivative Counterparty in respect of the Basis Swap and the Fixed Rate Swap.

Under the Basis Swap, the Trustee will pay to the Derivative Counterparty in respect of the Basis Swap on each Payment Date an amount calculated by reference to the weighted average of the interest rates for all Performing Receivables which are charged a variable rate of interest as at the last day of the Collection Period ending immediately prior to that Payment Date. The Derivative Counterparty, in exchange for that payment by the Trustee, will pay to the Trustee an amount calculated by reference to the notional amount of the Basis Swap, the Bank Bill Rate plus a margin.

Under the Fixed Rate Swap, the Trustee will pay to the Derivative Counterparty in respect of the Fixed Rate Swap on each Payment Date an amount calculated by reference to the weighted average of the interest rates for all Performing Receivables which are charged a fixed rate of interest as at the last day of the Collection Period ending immediately prior to that Payment Date. The Derivative Counterparty, in exchange for that payment by the Trustee, will pay to the Trustee an amount calculated by reference to the notional amount of the Fixed Rate Swap, the Bank Bill Rate plus a margin.

Derivative Counterparty Downgrade

If, as a result of the withdrawal or downgrade of the Derivative Counterparty's credit rating by any Designated Rating Agency, the Derivative Counterparty does not have a short term credit rating or long term credit rating as designated in the relevant Derivative Contract, the applicable Derivative Counterparty may be required to take certain action within certain timeframes specified in that Derivative Contract. The Derivative Contract provides that such obligations only apply in respect of the Fixed Rate Swap.

This action may include in respect of the particular downgrade one or more of the following:

(a) lodging collateral in respect of the Fixed Rate Swap as determined under the Derivative Contract;

(b) entering into an agreement novating the Fixed Rate Swap to a replacement counterparty which holds the relevant ratings;

(c) procuring another person to become a co-obligor or unconditionally and irrevocably guarantee the obligations of the Derivative Counterparty under the Fixed Rate Swap; or

(d) entering into other arrangements in relation to its obligations under the Derivative Contract or in respect of the Fixed Rate Swap as agreed with the relevant Designated Rating Agency.

Additionally, in respect of the downgrade of a Derivative Counterparty below certain credit ratings, the relevant Derivative Counterparty may be required to both lodge collateral and to take one of the other courses of action described in paragraphs (b) to (d) (inclusive) above.

If the Derivative Counterparty lodges collateral with the Trustee, any interest or income on that collateral will be paid to that Derivative Counterparty, provided that any such interest or income will only be payable to the extent that any payment will not reduce the balance of the collateral to less than the amount required to be maintained.

The Trustee may only dispose of any investment acquired with the collateral lodged in accordance with paragraph (a) above or make withdrawals of the collateral lodged in accordance with paragraph (a) above if directed to do so by the Manager for certain purposes prescribed in the relevant Derivative Contract.

The complete obligations of a Derivative Counterparty following the downgrade of its credit rating is set out in the relevant Derivative Contract. The Manager and the Derivative Counterparty may agree from time to time to vary these obligations by notice to the Trustee, the Derivative Counterparty and each Designated Rating Agency in order that they be consistent with the then current published ratings criteria of each Designated Rating Agency. Any amendments so notified by the Manager will be effective to amend the relevant provisions of the Derivative Contract, provide that the Manager has given a Rating Notification in respect of such amendments.

Termination

A party to a Derivative Contract may have the right to terminate its Derivative Contract if (among other things):

(a) the other party fails to make a payment under the Derivative Contract within 10 Business Days of the due date;

(b) certain insolvency related events occur in relation to the other party;

(c) a force majeure event occurs; and

(d) due to a change in or a change in interpretation of law, it becomes illegal for the other party to make or receive payments, perform its obligations under any credit support document or comply with any other material provision of the Derivative Contract.

The Derivative Counterparty will also have the right to terminate its Derivative Contract if an Event of Default occurs and the Security Trustee has declared the Secured Money of the Trust immediately due and payable.

The Trustee will also have the rights to terminate its Derivative Contract if (among other things):

(a) the Derivative Counterparty merges with, or otherwise transfers all or substantially all of its assets to, another entity and the new entity does not assume all of the Derivative Counterparty's obligations under the Derivative Contract; or

(b) the Derivative Counterparty fails to comply with or perform any agreement or its obligations referred to in paragraphs (a) to (d) (inclusive) under the heading "Derivative Counterparty Downgrade" above within the timeframes specified in that Derivative Contract.

9.7 Liquidity Facility Agreement

General

The Liquidity Facility Provider grants to the Trustee a revolving loan facility in Australian dollars in respect of the Trust in an amount equal to the Liquidity Limit.

The Liquidity Facility is only available to be drawn to meet any Liquidity Shortfall (Third).

Liquidity Advances

If, on any Determination Date during the Liquidity Facility Availability Period, the Manager determines that there is a Liquidity Shortfall (Third) on that Determination Date, the Manager must request a drawing to be made under the Liquidity Facility (a "**Liquidity Advance**") on the Payment Date immediately following that Determination Date in accordance with the Liquidity Facility Agreement and equal to the lesser of:

(a) that Liquidity Shortfall (Third); and

(b) the Available Liquidity Amount on that Determination Date.

Interest

Interest accrues daily (on the daily balance of each Liquidity Advance) from and including the first day of a Liquidity Interest Period to but excluding the last day of the Liquidity Interest Period, at a rate equal to the Liquidity Interest Rate. It will be calculated by reference to actual days elapsed and a year of 365 days. Interest is payable in arrears on each Payment Date.

The first "**Liquidity Interest Period**" in respect of a Liquidity Advance commences on (and includes) its Liquidity Drawdown Date and ends on (but excludes) the next Payment Date. Each subsequent Liquidity Interest Period will commence on (and include) a Payment Date and end on (but exclude) the next Payment Date, provided that:

(a) the last Liquidity Interest Period ends on the first Payment Date following the Liquidity Facility Termination Date on which all moneys payable to the Liquidity Facility Provider under the Liquidity Facility Agreement have been paid in full; and

(b) a Liquidity Interest Period which would otherwise end after the date on which the Trust terminates ends on (but excludes) the termination date of the Trust.

Downgrade of Liquidity Facility Provider

(a) If at any time (for so long as any Notes are outstanding) the Liquidity Facility Provider does not have the Required Liquidity Rating, the Liquidity Facility Provider must do one of the following (as determined by the Liquidity Facility Provider in its discretion):

    (i) procure a Replacement Liquidity Facility within 30 calendar days; or

    (ii) request the Manager to make a Collateral Advance Request for an amount equal to the Available Liquidity Amount within 14 calendar days; or

    (iii) implement such other structural changes so that the downgrading of the Liquidity Facility Provider does not have an Adverse Rating Effect within 30 calendar days,

    (or such longer periods as may be agreed by the Manager and the Liquidity Facility Provider (and notified in writing to the Trustee) and provided that Rating Notification has been given in respect of such longer periods) of such downgrade.

(b) If, on any Determination Date after a Collateral Advance has been made, the Manager would, but for the fact that the Liquidity Facility has been fully drawn, be required to direct the Trustee to request a Liquidity Advance in accordance with Section 6.5 ("Liquidity Draw") (and the Liquidity Facility Provider would, but for the fact that the Liquidity Facility has been fully drawn, be required to provide that Liquidity Advance), the Manager must direct the Trustee to transfer from the Collateral Account into the Collection Account an amount equal to the lesser of:

    (i) the Liquidity Advance; and

(ii) the Collateral Account Balance,

by no later than 11.30am (Sydney time) on the immediately following Payment Date.

Any such withdrawal from the Collateral Account will be deemed to be a Liquidity Advance.

(c) If at any time after a Collateral Advance has been made:

(i) the Liquidity Facility Provider obtains the Required Liquidity Rating (or, if the credit rating of the Liquidity Facility Provider continues to be less than the Required Liquidity Rating, but the Manager determines that it may give a direction under this paragraph (c) and it has provided Rating Notification in respect of that direction);

(ii) the Liquidity Facility Provider complies with sub-paragraph (a)(i) or (iii) above; or

(iii) the Liquidity Facility granted under the Liquidity Facility Agreement is terminated,

then the Liquidity Facility Provider must notify the Manager of that event and the Manager must then direct the Trustee to, and the Trustee must, repay to the Liquidity Facility Provider the Collateral Account Balance (if any) within 1 Business Day of being so directed by the Manager, such amount to be applied towards repayment of the then outstanding Collateral Advances.

(d) Subject to paragraph (e), all interest or other returns accrued (net of all costs properly incurred by the Trustee in respect of the operation of the Collateral Account under the Liquidity Facility Agreement) on the Collateral Account Balance or on any Authorised Investments purchased with the Collateral Account Balance, which have been credited to the Collateral Account must be paid by the Trustee directly to the Liquidity Facility Provider on each Payment Date and will not be distributed in accordance with the Cashflow Allocation Methodology.

(e) If losses are realised on any Authorised Investments purchased with the Collateral Account Balance, no interest or other returns will be paid to the Liquidity Facility Provider under paragraph (d) until the aggregate of such interest or other returns exceeds the aggregate of such losses, in which case the Liquidity Facility Provider will be entitled only to receive such excess amount.

Availability Fee

The Trustee will pay to the Liquidity Facility Provider an availability fee, calculated on the daily balance of the Available Liquidity Amount. The fee will be:

(a) calculated and accrue daily from the first day of the Liquidity Facility Availability Period on the basis of a 365 day year; and

(b) paid monthly in arrears on each Payment Date in accordance with the Cashflow Allocation Methodology.

The availability fee may be varied from time to time by written agreement between the Manager and the Liquidity Facility Provider (and notified to the Trustee) provided a Rating Notification has been provided in respect of that variation.

Liquidity Event of Default

A **Liquidity Event of Default** occurs if:

(a) the Trustee fails to pay:

(i) subject to paragraph (ii) below, any amount owing under the Liquidity Facility Agreement where funds are available for payment of that amount in accordance with the order of priority described in Section 6.8 ("Application of Total Available Income"); or

(ii) any amount due in respect of interest or any availability fee,

on time and in the manner required under the Liquidity Facility Agreement unless, in the case of a failure to pay on time, the Trustee pays the amount within 10 Business Days of the due date;

(b) the Trustee:

(i) alters or the Manager instructs it to alter the priority of payments under Cashflow Allocation Methodology without the consent of the Liquidity Facility Provider; or

(ii) does not comply with any of its obligations under the Liquidity Facility Agreement and that non-compliance has a Material Adverse Effect;

(c) an Event of Default occurs and the Security Trustee enforces the General Security Deed; or

(d) a representation or warranty made or taken to be made by the Trustee in connection with the Liquidity Facility Agreement is found to have been incorrect or misleading when made or taken to be made and that breach has a Material Adverse Effect.

If a Liquidity Event of Default is continuing, then the Liquidity Facility Provider may:

(a) declare at any time that the Liquidity Principal Outstanding, interest on the Liquidity Principal Outstanding and all other amounts actually or contingently payable under the Liquidity Facility Agreement are immediately due and payable; and/or

(b) terminate the Liquidity Facility Provider's obligations in respect of the Liquidity Facility.

The Liquidity Facility Provider may do either or both of these things with immediate effect.

Termination of Liquidity Facility

The Liquidity Facility will terminate on the Liquidity Facility Termination Date.

The "**Liquidity Facility Termination Date**" is the earliest of:

(a) the date which is one day after the date upon which all Notes have been fully and finally redeemed in full in accordance with the Transaction Documents;

(b) the date upon which the Liquidity Facility Provider suspends or cancels its obligations under the Liquidity Facility Agreement due to illegality or impossibility;

(c) the date upon which the Liquidity Limit is cancelled or reduced to zero by notice from the Trustee (provided that a Rating Notification has been given in respect of such cancellation or reduction, as applicable);

(d) the date upon which the Liquidity Facility Provider terminates the Liquidity Facility following the occurrence of a Liquidity Event of Default; and

(e) the date upon which the Liquidity Facility is terminated under the Liquidity Facility Agreement in connection with the appointment of a substitute Liquidity Facility Provider.

9.8 Redraw Facility Agreement

General

The Redraw Facility Provider grants to the Trustee a revolving loan facility in Australian dollars in respect of the Trust in an amount equal to the Redraw Limit.

The Redraw Facility is only available to be drawn to meet any Redraw Shortfall (Initial).

Redraw Advances

If, on any Business Day during the Liquidity Availability Period, the Manager determines that there is a Redraw Shortfall (Initial) in accordance with Section 4.6(f) ("Redraws"), the Manager must request a drawing to be made under the Redraw Facility equal to the lesser of:

(a) the Redraw Shortfall (Initial); and

(b) the Available Redraw Amount.

Interest

Interest accrues daily (on the daily balance of each Redraw Advance) from and including the first day of a Redraw Interest Period to but excluding the last day of the Redraw Interest Period, at a rate equal to the Redraw Interest Rate. It will be calculated by reference to actual days elapsed and a year of 365 days. Interest is payable in arrears on each Payment Date.

The first "**Redraw Interest Period**" in respect of a Redraw Advance commences on (and includes) its Redraw Drawdown Date and ends on (but excludes) the next Payment Date. Each subsequent Redraw Interest Period will commence on (and include) a Payment Date and end on (but exclude) the next Payment Date, provided that:

(a) the last Redraw Interest Period ends on the first Payment Date following the Redraw Facility Termination Date on which all moneys payable to the Redraw Facility Provider under the Redraw Facility Agreement have been paid in full; and

(b) a Redraw Interest Period which would otherwise end after the date on which the Trust terminates ends on (but excludes) the termination date of the Trust.

Availability Fee

The Trustee will pay to the Redraw Facility Provider an availability fee, calculated on the daily balance of the Available Redraw Amount. The fee will be:

(a) calculated and accrue daily from the first day of the Liquidity Facility Availability Period on the basis of a 365 day year; and

(b) paid monthly in arrears on each Payment Date in accordance with the Cashflow Allocation Methodology.

The availability fee may be varied from time to time by written agreement between the Manager and the Redraw Facility Provider (and notified to the Trustee) provided a Rating Notification has been provided in respect of that variation.

Redraw Event of Default

A **Redraw Event of Default** occurs if:

(a) the Trustee fails to pay:

(i) subject to paragraph (ii) below, any amount owing under the Redraw Facility Agreement where funds are available for payment of that amount in accordance with the order of priority described in Section 6.8 ("Application of Total Available Income"); or

(ii) any amount due in respect of interest or any availability fee,

in the manner contemplated by the Redraw Facility Agreement, in each case within 10 Business Days of the due date for payment of such amount;

(b) the Trustee:

(i) alters or the Manager instructs it to alter the priority of payments under Cashflow Allocation Methodology without the consent of the Redraw Facility Provider; or

(ii) does not comply with any of its obligations under the Redraw Facility Agreement and that non-compliance has a Material Adverse Effect;

(c) an Event of Default occurs and the Security Trustee enforces the General Security Deed; or

(d) a representation or warranty made or taken to be made by the Trustee in connection with the Redraw Facility Agreement is found to have been incorrect or misleading when made or taken to be made and that breach has a Material Adverse Effect.

If a Redraw Event of Default is continuing, then the Redraw Facility Provider may:

(a) declare at any time that the Redraw Principal Outstanding, interest on the Redraw Principal Outstanding and all other amounts actually or contingently payable under the Redraw Facility Agreement are immediately due and payable; and/or

(b) terminate the Redraw Facility Provider's obligations in respect of the Redraw Facility.

The Redraw Facility Provider may do either or both of these things with immediate effect.

Termination of Redraw Facility

The Redraw Facility will terminate on the Redraw Facility Termination Date.

The "**Redraw Facility Termination Date**" is the earliest of:

(a) the date which is one day after the date upon which all Notes have been fully and finally redeemed in full in accordance with the Transaction Documents;

(b) the date upon which the Redraw Facility Provider cancels all of its obligations under the Redraw Facility Agreement due to illegality or impossibility;

(c) the date upon which the Redraw Limit is cancelled or reduced to zero by notice from the Trustee (provided that a Rating Notification has been given in respect of such cancellation or reduction, as applicable);

(d) the date upon which the Redraw Facility Provider terminates the Redraw Facility following the occurrence of a Redraw Event of Default; and

(e) the date upon which the Redraw Facility is terminated under the Redraw Facility Agreement in connection with the appointment of a substitute Redraw Facility Provider.

9.9 Transfer Deed

Transferor Trustee may make offer

Under the Transfer Deed the Transferor Trustee and the Transferor Trust Back Trustee may make an offer to the Trustee to sell Receivables by delivering the Transfer Notice to the Trustee.

Transfer Notice

Once given, the Transfer Notice from the Transferor Trustee and the Transferor Trust Back Trustee constitutes an offer:

(a) by the Transferor Trustee to sell and assign to the Trustee with effect from the commencement of business on the Settlement Date specified in the Transfer Notice, the Transferor Trustee's right, title and interest in and to:

(i) each Receivable identified in the Transfer Notice;

(ii) each Related Security (if any) in relation to each such Receivable;

(iii) the monetary rights from time to time in relation to each such Receivable and Related Security;

(iv) all title documents in relation to each such Receivable and Related Security;

(v) any Insurance Policy which is referable to each such Receivable and Related Security;

(vi) each representation, warranty, undertaking, indemnity and other remedy in relation to any of the items referred to in paragraphs (a) – (e) (inclusive) arising under the transaction documents in respect of the Transferor Trust (including under the Transferor Master Trust Deed and including any representation and warranty as to such Receivables satisfying the eligibility criteria applicable to the Transferor Trust); and

(vii) any other property in relation to each such Receivable as may be specified in the Transfer Notice; and

(b) by the Transferor Trust Back Trustee to sell and assign to the Trustee with effect from the commencement of business on the Settlement Date specified in that Transfer Notice, the Transferor Trust Back Trustee's right, title and interest in and to any Trust Back Assets (as defined in the Transferor Master Trust Deed) in relation to each such Receivable and Related Security.

The Trustee may accept the Transfer Notice from the Transferor Trustee and the Transferor Trust Back Trustee by paying the Settlement Amount (in cleared funds) to the Transferor Trustee (or as it directs) by no later than 4.00 pm on the relevant Settlement Date (being the Closing Date). Such acceptance shall constitute, without any further act or instrument by the parties, an immediate assignment of the Transferor Trustee's entire right, title and interest in each of the items referred to in paragraph (a) above and the Transferor Trust Back Trustee's entire right, title and interest in each of the items referred to in paragraph (b) above. This includes the right, title and interest in respect of any such item arising on or after the relevant Settlement Date and, immediately following such items and rights arising (including upon the making of redraw, further advance or any additional financial accommodation under a Receivable), such items vest in the Trustee in accordance with the assignment of those items.

Any sale, transfer or assignment to the Trustee of the Receivables, Related Securities and each other item referred to above is equitable only, subject to the occurrence of a Title Perfection Event and perfection of the Trustee's interest and title. ***No assumption of obligations***

The sale of Receivables by the Transferor Trustee and the Transferor Trust Back Trustee in accordance with the Transfer Deed and the Transfer Notice does not constitute an assumption by the Trustee of any obligation or liability of the Transferor Trustee, the Seller or of any other person in relation to such Receivables.

In particular, the Seller retains the obligation (if any) to make such further advances or provide such other financial accommodation as the Seller was required to make or provide under such Receivables.

10 AUSTRALIAN TAXATION

*The following is a general summary of certain Australian tax consequences under the Income Tax Assessment Act 1936 (Cth) and Income Tax Assessment Act 1997 (Cth) (together, "**Australian Tax Act**"), the Taxation Administration Act 1953 ("Taxation Administration Act") and any relevant rulings, judicial decisions or administrative practice, at the date of this Information Memorandum for the purchase, ownership and disposition of Offered Notes by Noteholders who purchase Offered Notes during the original issuance at the stated offering price and hold the Offered Notes on capital account.*

It is not exhaustive and does not deal with the position of certain classes of holders of Offered Notes (including, without limitation, dealers in securities, custodians or other third parties who hold Offered Notes on behalf of any person). In addition, the summary does not consider the Australian tax consequences for persons who hold interests in Offered Notes through the Austraclear system or another clearing system.

This summary represents the Australian tax law enacted and in force as at the date of this Information Memorandum which is subject to change, possibly with retrospective effect.

This summary is not intended to be, nor should it be, construed as legal or tax advice to any particular investor. It is a general guide only and should be treated with appropriate caution. Prospective Noteholders should consult their professional advisers on the tax consequences, in their particular circumstances, of the purchase, ownership and disposition of the Offered Notes.

Withholding Taxes on interest payments

Interest Withholding Tax

The Australian Tax Act characterises securities as either "debt interests" (for all entities) or "equity interests" (for companies), including for the purposes of Australian interest withholding tax ("**IWT**") imposed under Division 11A of Part III of the Australian Tax Act. For IWT purposes, "interest" is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts.

Generally, payments of interest under the Offered Notes made by the Trustee to a Noteholder that is:

(a) a non-Australian resident (other than if the interest is paid to the Noteholder in carrying on business in Australia at or through a permanent establishment in Australia); or

(b) an Australian resident receiving the interest in carrying on business outside Australia at or through a permanent establishment in that country,

will be subject to IWT at a rate of 10% unless an exemption applies.

Exemption under section 128F of the Australian Tax Act

An exemption from IWT is available, in respect of interest that is paid on the Offered Notes issued by the Trust, under section 128F of the Australian Tax Act if the following conditions are met:

(a) the Trustee is a company as defined in section 128F(9) (which includes certain companies acting in their capacity as trustee) and a resident of Australia when it issues those Offered Notes and when interest (as defined in section 128A(1AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts;

(b) the Offered Notes are debentures that are not equity interests, and are issued in a manner which satisfies the public offer test outlined in section 128F of the Australian Tax Act. There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in overseas capital markets are aware that the Trustee is offering those Offered Notes for issue. In summary, the five methods are:

(i) offers to 10 or more unrelated financiers, securities dealers or entities that carry on the business of investing in securities;

(ii) offers to 100 or more investors of a certain type;

(iii) offers of listed notes;

(iv) offers via publicly available information sources; and

(v) offers to a dealer, manager or underwriter who offers to sell those Offered Notes within 30 days by one of the preceding methods;

(c) the Trustee does not know or have reasonable grounds to suspect, at the time of issue, that those Offered Notes or interests in those Offered Notes were being, or would later be, acquired directly or indirectly by an "associate" of the Trustee (as defined in section 128F(9) of the Australian Tax Act), except as permitted by section 128F(5) of the Australian Tax Act; and

(d) at the time of the payment of interest, the Trustee does not know, or have reasonable grounds to suspect, that the payee is an "associate" of the Trustee (as defined in section 128F(9) of the Australian Tax Act), except as permitted by section 128F(6) of the Australian Tax Act (see below).

Associates

Since the Trustee is a trustee of a trust, the entities that are "associates" of the Trustee for the purposes of section 128F of the Australian Tax Act include:

(a) any entity that benefits, or is capable of benefiting, under the Trust ("**Beneficiary**"), either directly or through any interposed entities; and

(b) any entity that is an associate of a Beneficiary. If the Beneficiary is a company, an associate of that Beneficiary for these purposes includes:

(i) a person or entity that holds more than 50% of the voting shares in, or otherwise controls, the Beneficiary;

(ii) an entity in which more than 50% of the voting shares are held by, or which is otherwise controlled by, the Beneficiary;

(iii) a trustee of a trust where the Beneficiary benefits or is capable of benefiting (whether directly or indirectly) under that trust; and

(iv) a person or entity that is an "associate" of another person or company which is an "associate" of the Beneficiary under sub-paragraph (i) above.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (c) and (d) above), the issue of the Offered Notes to, and the payment of interest to, the following "associates" will not be subject to IWT where the requirements of section 128F are otherwise satisfied:

(A) onshore associates (i.e. Australian resident associates who do not acquire the Offered Notes in carrying on business at or through a permanent establishment outside Australia and non-resident

associates who acquire the Offered Notes in carrying on business at or through a permanent establishment in Australia); or

(B) offshore associates (i.e. Australian resident associates that acquire the Offered Notes in carrying on business at or through a permanent establishment outside Australia and non-resident associates who do not acquire the Offered Notes in carrying on business at or through a permanent establishment in Australia) who are acting in the capacity of:

(aa) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the relevant Offered Notes or a clearing house, custodian, funds manager or responsible entity of a registered scheme; or

(ab) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

Compliance with section 128F of the Australian Tax Act – Offered Notes

It is intended that the Offered Notes (other than the Class E Notes and Class F Notes) will be issued in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

Accordingly, the Offered Notes (other than the Class E Notes and Class F Notes) should not be acquired by any Offshore Associate of the Trustee or HSBC AU (other than a Permitted Offshore Associate).

The Class E Notes and Class F Notes will not be issued in a manner which will satisfy the requirements of section 128F of the Australian Tax Act. Accordingly, the exemption from IWT under section 128F of the Australian Tax Act will not be available in respect of the Class E Notes and Class F Notes, and so IWT may be deducted on payments of interest in respect of such Notes to any person who is a non-resident (unless derived by that non-resident in the course of carrying on a business at or through a permanent establishment in Australia), or to any person who is an Australian resident which derives the interest income in the course of carrying on a business at or through a permanent establishment outside Australia, unless another exemption applies (e.g. under an applicable tax treaty).

Noteholders in Specified Countries

The Australian Government has signed new or amended double tax conventions ("**Specified Treaties**") with a number of countries (the "**Specified Countries**"), which contain certain exemptions from IWT.

In broad terms, the Specified Treaties prevent IWT being imposed on interest derived by:

(a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; or

(b) a "financial institution" which is a resident in a Specified Country and which is unrelated to and dealing wholly independently with the Trustee. The term "financial institution" refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. However, interest paid under a back-to-back loan or an economically equivalent arrangement will not qualify for the exemption.

Specified Countries include the United States, the United Kingdom, Germany, France, Finland, Norway, Japan, New Zealand, South Africa and Switzerland.

The Australian Federal Treasury currently maintains a listing of Australia's double tax conventions which is available to the public at the Federal Treasury's website.

No payment of additional amounts

Despite the fact that some Classes of Offered Notes (as described above) are intended to be issued in a manner which will satisfy the requirements of section 128F of the Australian Tax Act, if the Trustee is at any time required by law to deduct or withhold an amount in respect of any IWT imposed or levied by the Commonwealth of Australia in respect of any Class of the Offered Notes, the Trustee is not obliged to pay any additional amounts to the Noteholders in respect of such deduction or withholding.

Goods and Services Tax ("GST")

If an entity makes a "taxable supply", it is required to remit GST to the Australian Taxation Office at the rate of 10% based on the value of that supply. However, a supply will only be taxable to the extent that it is not "GST-free" or "input taxed".

The Trust is a member of the GST Group of which HSBC AU is the representative member ("**HSBC GST Group**"). Accordingly, any GST liabilities on supplies made by the Trust or credit entitlements relating to acquisitions by the Trust will rest with HSBC AU. The Trust has entered into an indirect tax sharing agreement to ensure that it is liable only for an allocated share of the indirect tax liabilities of the HSBC GST Group. It is expected that the Trust's allocated share of that liability will be nil.

References below to supplies or acquisitions that are made by the Trustee are a reference to supplies or acquisitions that will be made by Perpetual in its capacity as trustee.

Neither the issue of the Offered Notes nor the payment of interest or principal on the Offered Notes will involve taxable supplies. Services provided to the Trust and the Trustee will be a mixture of taxable and input taxed supplies for GST purposes. If a supply is taxable, the supplier has the primary obligation to account for GST in respect of that supply and must rely on a contractual provision to recoup that GST from the Trust or the Trustee (as appropriate).

GST will not be charged on supplies made between members of the HSBC GST Group. Accordingly, no GST should be chargeable on supplies made to the Trust by other members of the HSBC GST Group (for example the management and servicing services).

Since the Trust's acquisitions of taxable supplies (e.g. from the Trustee and the Security Trustee) relate to the making of input taxed financial supplies by the Trust, HSBC AU (as representative member of the HSBC GST Group) will not be entitled to full input tax credits. However, HSBC AU may be entitled to claim "reduced input tax credits" ("**RITCs**") for acquisitions made by the Trust which are included in the list of prescribed "reduced credit acquisitions" set out in section 70-5.02 of the GST Regulations. No RITCs are available for acquisitions that are not included in the list (for example, RITCs are not available for audit or rating agency fees or for most legal fees).

In general, a RITC is equivalent to 75% of the value of a full input tax credit, however in respect of the acquisition of services made by trustees, the RITC will be 55% if the trust concerned is a "recognised trust scheme". Since the Trust and other members of the HSBC GST Group are regarded as a single entity, that single entity would not be a "recognised trust scheme". The result would therefore be that the 55% RITC rate would not apply and that the 75% RITC rate would apply.

If the Trust or the Trustee acquires services in circumstances where the services are not connected with the indirect tax zone, the Trust (rather than HSBC AU as the representative member) may be liable for GST in respect of those services under certain "reverse charge" provisions. Such a GST liability may reduce the funds available for distribution by the Trust or the Trustee.

Other Tax Matters

Under Australian laws as presently in effect:

(a) *income tax - offshore Noteholders* - assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Offered Notes, payment of principal and interest (as defined in section 128A(1AB) of the Australian Tax Act) to a Noteholder, who is a non-resident of Australia and who, during the taxable year, does not hold the Offered Notes in carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes; and

(b) *income tax - Australian Noteholders* - Australian residents or non-Australian residents who hold the Offered Notes in carrying on business at or through a permanent establishment in Australia ("Australian Noteholders"), will be assessable for Australian tax purposes on income either received or accrued to them in respect of the Offered Notes. Whether income will be recognised on a cash receipts or accruals basis will depend upon the tax status of the particular Noteholder and the terms and conditions of the Offered Notes. Special rules apply to the taxation of Australian residents who hold the Offered Notes in the course of carrying on business at or through a permanent establishment outside Australia, which may vary depending on the country in which that permanent establishment is located; and

(c) *gains on disposal of Offered Notes – offshore Noteholders* – a Noteholder, who is a non-resident of Australia and who, during the taxable year, does not hold the Offered Notes in carrying on business at or through a permanent establishment in Australia will not be subject to Australian income or capital gains tax on gains realised during that year on the sale of the Offered Notes, provided such gains do not have an Australian source. A gain arising on the sale of Offered Notes by a non-Australian resident Noteholder to another non-Australian resident of Australia for tax purposes where the Offered Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia should not be regarded as having an Australian source; and

(d) *gains on disposal of Offered Notes – Australian Noteholders* – Australian Noteholders will be required to include any gain or loss on disposal of the Offered Notes in their taxable income. Special rules apply to the taxation of Australian residents who hold the Offered Notes in carrying on business at or through a permanent establishment outside Australia, which may vary depending on the country in which that permanent establishment is located; and

(e) *deemed interest* - there are specific rules that can apply to treat a portion of the purchase price of Offered Notes as interest for IWT purposes when certain Offered Notes originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in carrying on business at or through a permanent establishment outside Australia) or a non-resident who acquires them in carrying on business at or through a permanent establishment in Australia. As the Offered Notes are not issued at a discount, do not have a maturity premium and pay interest at least annually, these rules should not apply to the Offered Notes.

These rules do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Tax Act; and

(f) *death duties* - no Offered Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death; and

(g) *stamp duty and other taxes* - no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Offered Notes; and

(h) *TFN/ABN withholding* - section 12-140 of Schedule 1 to the Taxation Administration Act imposes a type of withholding tax (see below in relation to the rate of withholding tax) on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number ("**TFN**"), (in certain circumstances) an Australian Business Number ("**ABN**") or provided proof of some other exception (as appropriate). Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Offered Notes, then the requirements of section 12-140 do not apply to payments to a Noteholder in registered form who is not a resident of Australia and not holding those Offered Notes in the course of carrying on business at or through a permanent establishment in Australia.

The rate of withholding tax under current law is currently 47%; and.

(i) *supply withholding tax* - payments in respect of the Notes can be made free and clear of any "supply withholding tax"; and

(j) *additional withholdings from certain payments to non-resident* – section 12-315 of Schedule 1 to the Taxation Administration Act gives the Governor-General power to make regulations requiring withholding from certain payments made to non-residents. However, section 12-315 expressly provides that the regulations will not apply to interest and other payments which are already subject to the current IWT rules or specifically exempt from those rules. Further, regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. Any future regulations should not apply to repayments of principal under the Offered Notes as, in the absence of any issue discount, such amounts will generally not be reasonably related to assessable income. The possible application of any future regulations to the proceeds of any sale of the Notes will need to be monitored; and

(k) *garnishee directions* – the Commissioner of Taxation may give a direction requiring the Trustee to deduct or withhold from any payment to a holder of Offered Notes any amount in respect of tax payable by that other party. If the Trustee is served with such a direction, the Trustee will comply with that direction and make any deduction required by that direction.

11 SUBSCRIPTION AND SALE

11.1 Subscription

Pursuant to the Initial Dealer Agreement, each Dealer has agreed with the Trustee and the Manager, subject to the satisfaction of certain conditions, that it will use reasonable endeavours to procure subscriptions for or bid for the Offered Notes.

Australia

Each Dealer has acknowledged that:

(a) no prospectus or other disclosure document in relation to the Notes or any Transaction Document has been lodged with ASIC; and

(b) no action has been taken or will be taken in any jurisdiction which would permit a public offering of the Notes, or possession or distribution of the Information Memorandum or any other offering material in relation to the Notes, in any jurisdiction where action for that purpose is required.

Each Dealer has represented, warranted and agreed, severally in respect of itself only, that it has not:

(c) made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and

(d) distributed or published, and will not distribute or publish, the Information Memorandum or any other offering material or advertisement relating to any Notes in Australia,

unless:

(e) the minimum aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in an alternate currency) disregarding money lent by the offeror or its associates (as described in Division 2 of Part 1.2 in Chapter 1 of the Corporations Act) or the offer, distribution or publication otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act and is not made to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and

(f) such action complies with all applicable laws regulations and directives (including, without limitation, the financial services licensing requirements of the Corporations Act) and does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

European Economic Area or United Kingdom

Each Dealer has represented and warranted that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this document and the Information Memorandum to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom. For the purposes of this provision:

(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 Directive 2003/71/EC (as amended, the "**Prospectus Directive**"); and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

The United Kingdom

Each Dealer has represented, warranted and agreed that, in relation to each Class of Notes:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act ("**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Trustee; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

The United States of America

Each Dealer has represented, warranted and agreed that:

(a) the Notes have not been and will not be registered under the US Securities Act of 1933, as amended ("**Securities Act**") and the Trustee has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended ("**Investment Company Act**"). An interest in Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the Securities Act ("**Regulation S**")) at any time except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the Securities Act;

(b) it has offered and sold the Notes, and will offer and sell the Notes:

(i) as part of their distribution at any time; and

(ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date,

only in accordance with Rule 903 of Regulation S.

Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, it and they have complied and will comply with the offering restriction requirements of Regulation S;

(c) at or prior to confirmation of the sale of the Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases the Notes from it or through it during the restricted period a confirmation or notice to substantially the following effect:

"The Notes covered hereby which comprise an identifiable tranche of securities have not been registered under the US Securities Act 1933, as amended (the "**Securities Act**"), or with any securities regulation authority of any state or other jurisdiction of the

United States of America and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons (i) as part of their distribution at any time or (ii) otherwise until forty days after the later of the commencement of the offering and the Closing Date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act."

Terms used in paragraphs (a), (b) and (c) have the meanings given to them by Regulation S.;

(d) it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of the Notes in contravention of this paragraph and paragraphs (a), (b) and (c) above, except with its affiliates or with the prior written consent of the Trustee and the Manager;

Terms used in this paragraph (e) have the meanings given to them by the US Internal Revenue Code and regulations thereunder, including the D Rules.

Hong Kong

Each Dealer has represented, warranted and agreed that:

(a) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document, any Notes (except for Notes which are a "**structured product**" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended ("**SFO**")) other than:

(i) to "professional investors" as defined in the SFO and any rules made under the SFO; or

(ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32 of the Laws of Hong Kong), as amended ("**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) unless permitted to do so under the laws of Hong Kong, it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue (in each case, whether in Hong Kong or elsewhere), any advertisement, invitation, offering material or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

Singapore

Each Dealer has acknowledged that the Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore ("**MAS**") under the Securities and Futures Act (Chapter 289) (as amended) of Singapore ("**SFA**"). Each Dealer represents, warrants and agrees that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute the Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the SFA) (an "**Institutional Investor**") pursuant to Section 274 of the SFA;

(b) to an accredited investor (as defined in Section 4A of the SFA) (an "**Accredited Investor**") or other relevant person (as defined in Section 275(2) of the SFA) (a "**Relevant Person**") pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA; or

(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Where Notes are subscribed or purchased under section 275 by a Relevant Person who is:

(a) a corporation (which is not an Accredited Investor), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an Accredited Investor; or

(b) a trust (where the trustee is not an Accredited Investor), the sole purpose of which is to hold investments and each beneficiary of the trust is an individual who is an Accredited Investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for six months after that corporation or that trust has acquired Notes except:

(i) to an Institutional Investor, an Accredited Investor or a Relevant Person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is given for the transfer;

(iii) where the transfer is by operation of law;

(iv) pursuant to Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) ("**Financial Instruments and Exchange Act**") and, accordingly, each Dealer represents, warrants and agrees that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the account or benefit of, any Japanese Person, or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the account or benefit of, any Japanese Person, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

For the purposes of this paragraph, "Japanese Person" means any person resident in Japan or a juridical person having its main office in Japan as defined in Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended), including any corporation having its principal office in or other entity organised under the laws, regulations and ministerial guidelines of Japan. Any branch or office in Japan of a non-resident will be deemed to be a resident for the purpose whether such branch or office has the power to represent such non-resident.

Republic of China

Each Dealer has represented, warranted and agreed, that the Notes are not being sold or offered and may not be sold or offered in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People's Republic of China.

New Zealand

Each Dealer has represented and agreed that:

(a) it has not offered or sold, and will not offer or sell, directly or indirectly, any Notes; and

(b) it has not distributed and will not distribute, directly or indirectly, any offering materials or advertisement in relation to any offer of Notes,

in each case in New Zealand other than:

(i) to persons who are "wholesale investors" as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the Financial Markets Conduct Act 2013 of New Zealand ("**FMC Act**"), being a person who is:

(A) an "investment business";

(B) "large"; or

(C) a "government agency",

in each case as defined in Schedule 1 to the FMC Act; or

(ii) in other circumstances where there is no contravention of the FMC Act, provided that (without limiting paragraph (c)) above) Offered Notes may not be offered or transferred to any "eligible investors" (as defined in the FMC Act) or any person that meets the investment activity criteria specified in clause 38 of Schedule 1 to the FMC Act.

General

Each Dealer:

(a) has represented, warranted and agreed that:

(i) it has not and will not, and will not authorise any other person to, directly or indirectly, offer, sell, resell, re-offer or deliver Notes or distribute the Information Memorandum or any circular, advertisement or other offering material in relation to the Notes (or take any action, or omit to take any action, that could result in it directly or indirectly, offering, selling, reselling, reoffering, delivering or distributing as aforesaid) in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief after making due and proper enquiries, result in compliance with all applicable laws and regulations thereof, and all offers and sales of Notes by it will be made on the same terms; and

(ii) each Dealer will not cause any advertisement of the Notes to be published in any newspaper or periodical or posted in any public place and will not issue any circular relating to the Notes (other than the Information Memorandum in accordance with the Dealer Agreement), except in any case in accordance with the terms of the Dealer Agreement and with the express written consent of the Manager; and

(b) has acknowledged that:

(i) no action has been, or will be, taken by the Trustee or any of the Dealers to permit a public offering of the Notes in any country or jurisdiction where action for that purpose would be required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither the Information Memorandum nor any circular, prospectus, form of application, advertisement or other material, may be distributed in or from or published in any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws or regulation; and

(ii) the Notes are only to be sold in a manner that does not constitute an offer to the public for the purposes of the Prospectus Directive.

In these selling restrictions, "directive" includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply.

12 GLOSSARY

Glossary of Terms

A$, AUD or **Australian dollars**

means the lawful currency of the Commonwealth of Australia.

Accrued Interest Adjustment

means, in respect of:

(a) any Trust Receivable the subject of the Transfer Notice, all accrued but unpaid interest in respect of that Trust Receivable as at 5.00pm on the day immediately prior to the Closing Date;

(b) any Trust Receivable the subject of an Offer to Sell Back, all accrued but unpaid interest in respect of that Trust Receivable as at 5.00pm on the day immediately prior to the Settlement Date in respect of that Offer to Sell Back.

Adverse Rating Effect

means an effect which results in the downgrading or withdrawal of the then current rating of any of the Notes by a Designated Rating Agency.

Aggregate Invested Amount

means, on any day in respect of a Class of Notes, the aggregate of the Invested Amount of all the Notes of that Class.

Aggregate Stated Amount

means, on any day in respect of a Class of Notes, the aggregate of the Stated Amount of all the Notes of that Class.

Arrears

subsist in relation to a Trust Receivable if the relevant Obligor fails to pay any amount due under that Trust Receivable on the day it was due. Delayed payments arising from payment holidays based on early repayments (agreed in writing by the Seller), or from maternity or paternity leave repayment reductions, which are granted by the Seller or the Servicer will not, by themselves, lead to a Trust Receivable being in Arrears.

Arrears Ratio

means, in respect of a Determination Date, the amount (expressed as a percentage) calculated as follows:

$$A = \frac{B}{C}$$

where:

A = the Arrears Ratio in respect of that Determination Date;

B = the aggregate Outstanding Principal Balance of all Trust Receivables which have been in Arrears for more than 90 consecutive days as at the last day of the Collection Period immediately preceding that Determination Date; and

C = the aggregate Outstanding Principal Balance of all Trust Receivables as at the last day of the Collection Period immediately preceding that

Determination Date.

ASIC means the Australian Securities and Investments Commission

ASX means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691) as the operator of the Australian Securities Exchange, as the context requires.

Austraclear means Austraclear Limited (ABN 94 002 060 773).

Austraclear System means the clearing and settlement system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between participants of that system.

Australian Credit Licence has the meaning given to that term in the NCCP.

Australian Financial Services Licence means an Australian financial services licence within the meaning of Chapter 7 of the Corporations Act.

Australian Tax Act means the Income Tax Assessment Act 1936 or the Income Tax Assessment Act 1997, as the case may be.

Authorised Investments means:

(a) cash deposited in an interest bearing bank account in the name of the Trustee with an Eligible Bank;

(b) any certificates of deposit or debt securities which:

(i) have at least the Required Credit Rating at the time of the acquisition of such investment by the Trustee;

(ii) mature (or be capable of being converted to immediately available funds in an amount at least equal to the aggregate outstanding principal amount of that investment plus any accrued interest) on or prior to the next date on which the proceeds from such Authorised Investments will be required to be applied in accordance with Section 6 ("Cashflow Allocation Methodology");

(iii) are denominated in Australian Dollars; and

(iv) are held in the name of the Trustee,

in each case which do not constitute a securitisation exposure or a resecuritisation exposure (as defined in Prudential Standard APS 120 issued by the Australian Prudential Regulation Authority, including any amendment or replacement of that Prudential Standard).

Available Income means, in respect of any Determination Date and the immediately following Payment Date, the amount

calculated in accordance with Section 6.2 ("Available Income").

Available Liquidity Amount

means on any day an amount equal to:

(a) the Liquidity Limit on that day; less

(b) the Liquidity Principal Outstanding on that day.

Available Redraw Amount

means on any day an amount equal to:

(a) the Redraw Limit on that day; less

(b) the Redraw Principal Outstanding on that day.

Average Arrears Ratio

means, in respect of a Determination Date, the amount (expressed as a percentage) calculated as follows:

$$A = \frac{B}{3}$$

where:

A = the Average Arrears Ratio in respect of that Determination Date;

B = the sum of the Arrears Ratio for that Determination Date and the Arrears Ratios for the 2 Determination Dates immediately preceding that Determination Date.

Bank

means an authorised deposit-taking institution (as defined in the Banking Act 1959 (Cth).

Bank Bill Rate

means for a Note for an Interest Period:

(a) subject to paragraph (b) below, the rate designated as the "AVG MID" for prime bank eligible securities having a tenor of one month as displayed on the Bloomberg Screen BTMM AU Page under the heading "BBSW" at approximately 10.30am (Sydney time) on the first day of that Interest Period;

(b) in the case of the first Interest Period for a Note, the Bank Bill Rate will be determined by the Calculation Agent using straight line interpolation where:

(i) the first rate must be determined as specified in paragraph (a) above; and

(ii) the second rate must be determined as specified in paragraph (a) above as if reference to prime bank eligible securities having a tenor of one month was a reference to prime bank eligible securities having a tenor of two months; or

(c) if a rate for that Interest Period cannot be determined in accordance with the procedures in

paragraphs (a) or (b) above for any reason, the rate specified in good faith by the Calculation Agent at or around that time on the first day of that Interest Period, having regard, to the extent possible, to comparable indices then available.

The rate calculated or determined in accordance with the foregoing procedures will be rounded (if necessary) upwards to 4 decimal places.

Basis Swap means:

(a) the basis swap transaction entered between the Trustee, the Manager and the Basis Swap Provider substantially on the terms set out in Annexure 5 of the Initial Derivative Contract; or

(b) any replacement basis swap transaction entered into on such other terms as agreed between the Trustee, the Manager and the relevant Basis Swap Provider.

Basis Swap Provider means HSBC AU or such other person who may be appointed under a Derivative Contract in respect of the Trust to act as the Basis Swap Provider.

Bill has the meaning it has in the Bills of Exchange Act 1909 (Cth) and a reference to the drawing, acceptance or endorsement of, or other dealing with, a Bill is to be interpreted in accordance with that Act.

Business Day means a day on which banks are open for general banking business in Sydney and Melbourne (not being a Saturday, Sunday or public holiday in that place).

Business Day Convention means the convention for adjusting any date if it would otherwise fall on a day that is not a Business Day, such that the date is postponed to the next Business Day.

Calculation Agent means the Manager.

Call Option means the Trustee's option to redeem Notes before the Maturity Date on each Call Option Date in accordance with Condition 8.2 (“Redemption of Notes – Call Option”) of the Conditions (see Section 5 (“Conditions of the Notes”)).

Call Option Date has the meaning given to it in Section 2.3 (“Overview – Key Dates”).

Carryover Principal has the meaning set out in Section 6.10 (“Allocation of Principal Charge-Offs”).

Cashflow Allocation Methodology	means the cashflow allocation methodology described in Section 6 ("Cashflow Allocation Methodology").
Cashflow Support	means: (a) any Derivative Contract; (b) the Liquidity Facility Agreement; and (c) any other document which is from time to time agreed between the Trustee and the Manager to be a Cashflow Support Facility for the purposes of the Trust and in respect of which a Rating Notification has been given.
Circulating Resolution	means a written resolution of Secured Creditors made in accordance with paragraph 9 ("Circulating Resolutions") of the Meetings Provisions.
Class	means a class of Notes.
Class A Notes	means the Class A1 Notes, the Class A1-R Notes and the Class A2 Notes.
Class A1 Note	means any Note designated as a "Class A1 Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class A1 Noteholder	means a Noteholder of a Class A1 Note.
Class A1 Refinancing	has the meaning given to it in Section 2.3 ("Overview – Key Dates").
Class A1-R Dealer	has the meaning given to it in Section 6.16 ("Refinancing of Class A1 Notes")
Class A1-R Issue Date	has the meaning given to it in Section 6.16 ("Refinancing of Class A1 Notes").
Class A1-R Note	means any Note designated as a "Class A1-R Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class A1-R Noteholder	means a Noteholder of a Class A1-R Note.
Class A2 Note	means any Note designated as a "Class A2 Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class A2 Noteholder	means a Noteholder of a Class A2 Note.
Class B Note	means any Note designated as a "Class B Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class B Noteholder	means a Noteholder of a Class B Note.

Class C Note	means any Note designated as a "Class C Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class C Noteholder	means a Noteholder of a Class C Note.
Class D Note	means any Note designated as a "Class D Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class D Noteholder	means a Noteholder of a Class D Note.
Class E Note	means any Note designated as a "Class E Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class E Noteholder	means a Noteholder of a Class E Note.
Class F Note	means any Note designated as a "Class F Note" and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class F Noteholder	means a Noteholder of a Class F Note.
Class Margin	in respect of a Class of Notes, has the meaning given to it in Section 2.4 ("Overview – Key Terms of the Notes").
Clearing System	means the Austraclear System or any other clearing system that may be specified in the Issue Supplement.
Closing Date	has the meaning given to it in Section 2.3 ("Overview – Key Dates").
Co-Arranger	means each party specified as such in 2.1 ("Overview – Transaction Parties").
Collateral	means all Trust Assets of the Trust which the Trustee acquires or to which the Trustee becomes entitled on or after the date of the General Security Deed.
Collateral Account	means a segregated account opened at the direction of the Manager in the name of the Trustee with an Eligible Bank to which the proceeds of any Collateral Advance are to be deposited.
Collateral Account	means, at any time, the balance of the Collateral Account at that time plus, if any amount from the Collateral Account has been invested in Authorised Investments, the face value of such Authorised Investments.
Collateral Advance	means the principal amount of each advance made by the Liquidity Facility Provider under clause 2.3 ("Collateral Advance Request") of the Liquidity Facility Agreement, or the balance of such advance outstanding from time to time as the context requires and includes any deemed Collateral Advance in accordance with clause 10.5

("Repayment of Liquidity Advances") of the Liquidity Facility Agreement.

Collateral Advance Request means a request for a Collateral Advance made in accordance with clause 2.3 ("Collateral Advance Request") of the Liquidity Facility Agreement.

Collateral Support means, on any day:

(a) in respect of a Derivative Contract, the amount of collateral (if any) paid or transferred to the Trustee by a Derivative Counterparty in accordance with the terms of a Derivative Contract that has not been applied before that day to satisfy the Derivative Counterparty's obligations under the Derivative Contract; and

(b) in respect of the Liquidity Facility Agreement, the Collateral Account Balance on that day.

Collection Account means the bank account in the name of Trustee opened in accordance with the Transaction Documents for the Trust and designated by the Manager as the collection account for the Trust.

Collection Period means the period from (and including) the first day of a calendar month to (and including) the last day of that calendar month, provided that the first Collection Period will commence on (and include) the Closing Date and will end on (and include) 31 October 2020.

Collections means, in respect of a Collection Period, all amounts received by, or on behalf of, the Trustee in respect of the Trust Receivables, including, without limitation:

(a) all principal, interest and fees;

(b) the proceeds received under any Mortgage Insurance Policy;

(c) any proceeds recovered from any enforcement action in respect of a Trust Receivable;

(d) any proceeds received on any sale or Reallocation of any Trust Receivable;

(e) any amount received as damages in respect of a breach of any representation, warranty or covenant in connection with any Trust Receivable; and

(f) any amounts paid by the Seller in accordance with Section 4.9 ("Gross-up for Offset Accounts").

In respect of the first Collection Period it also includes (without double-counting), any Principal Adjustment paid by the Seller or the Transferor Trustee to the Trustee.

Conditions means the conditions of the Notes set out in Section 5 ("Conditions of the Notes").

Controller	has the meaning given to it in the Corporation Act.
Corporations Act	means the Corporations Act 2001 (Cth).
Costs	includes costs, charges, fees and expenses, including those incurred in connection with advisers.
Counterparty	means each party to any Transaction Document other than Trustee and the Security Trustee.
Cut-Off Date	has the meaning given to it in Section 2.3 ("Overview – Key Dates")
Day Count Fraction	means, for the purposes of the calculation of interest for any period, the actual number of days in the period divided by 365.
Dealer	means each person specified as such in Section 2.1 ("Overview – Transaction Parties").
Dealer Agreement	means each of: (a) the Initial Dealer Agreement; and (b) the Class A1-R Dealer Agreement (if any).
Defaulting Party	in respect of a Derivative Contract, has the meaning given to it in that Derivative Contract.
Delinquent Receivable	means a Trust Receivable that is in Arrears for more than 90 consecutive days.
Derivative Contract	means: (a) the Initial Derivative Contract; and (b) each other Derivative Contract (as defined in the Master Definitions Schedule) in respect of the Trust entered into by the Trustee provided that a Rating Notification has been given respect of such Derivative Contract.
Derivative Counterparty	means, at any time, the counterparty under a Derivative Contract. The initial Derivative Counterparty is HSBC AU.
Designated Rating	means each of S&P and Fitch.
Determination Date	means the day which is 4 Business Days prior to a Payment Date.
Eligible Bank	means any Bank with a rating equal to or higher than: (a) in respect of S&P:

(i) a long term credit rating of A; or

(ii) if the relevant entity does not have a long term credit rating from S&P, a short-term credit rating of A-1; and

(b) in in respect of Fitch, a long term credit rating of A or a short term credit rating of F1,

or such other credit ratings by the relevant Designated Rating Agency as may be notified by the Manager to the Trustee from time to time provided that a Rating Notification is given in respect of such other credit ratings.

Eligible Receivable means a Trust Receivable which satisfies the Eligibility Criteria on the Closing Date.

Eligibility Criteria has the meaning given to it in Section 4.3 ("Eligibility Criteria").

Encumbrance means any:

(a) security interest as defined in section 12(1) or section 12(2) of the PPSA; or

(b) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement; or

(c) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or

(d) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease, or licence to use or occupy; or

(e) third party right or interest or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

Enforcement Expenses means all expenses incurred or paid by the Servicer or the Trustee in connection with the enforcement of any Trust Receivable in accordance with the Transaction Documents.

Event of Default has the meaning given to it in Section 9.5 ("Security Trust Deed and General Security Deed").

Excess Income Reserve Amount means, in respect of a Payment Date, an amount equal to:

A x (100% - B)

where:

A = the amount of Total Available Income available to be applied on that Payment Date under Section 6.8(v) ("Application of Total Available Income"); and

B = the then prevailing corporate tax rate (expressed as a percentage) applicable in Australia.

Excess Income Reserve Draw has the meaning set out in Section 6.3 ("Excess Income Reserve Draw").

Excluded Tax means the following Taxes:

(a) any FATCA Withholding Tax;

(b) amounts imposed or required to be withheld in relation to a payment to the relevant person who is either:

(i) a resident of Australia who participates in the transaction at or through a permanent establishment outside Australia; or

(ii) a non-resident of Australia who does not participate in the transaction at or through a permanent establishment in Australia;

(c) a Tax which would not be required to be withheld or deducted by the Trustee in respect of an amount paid to, or to a third party on behalf of, the relevant person, if that person had supplied an appropriate Australian tax file number, (if applicable), Australian Business Number or details of an applicable exemption from these requirements;

(d) a Tax imposed by any jurisdiction on the net income or profits of the relevant person but not any Tax calculated on or by reference to the gross amount of any payment (without allowance for any deduction) derived by the person under any Transaction Document or any other document referred to in a Transaction Document; or

(e) in a case where the Trustee receives a notice or direction under section 260-5 of Schedule 1 to the *Taxation Administration Act 1953*, section 255 of the *Income Tax Assessment Act 1936* or any analogous provisions, any amounts paid or deducted from sums payable to the relevant person by the Trustee in compliance with such notice or direction.

Extraordinary Expense means, in relation to a Collection Period, the aggregate of any out of pocket expenses properly and reasonably incurred by the Trustee in relation to the Trust in respect of that Collection Period which are not incurred in the

ordinary course of business of the Trust.

Extraordinary Expense Reserve Draw has the meaning given to it in Section 6.6 ("Extraordinary Expense Reserve Draw").

Extraordinary Expense Reserve Provider means HSBC AU.

Extraordinary Expense Reserve Required Balance means A$150,000.00.

Extraordinary Resolution means:

(a) a resolution passed at a meeting of Secured Creditors of the relevant Trust by at least 75% of the votes cast; or

(b) a Circulating Resolution made in accordance with paragraph 9.1(b) ("Passing resolutions by Circulating Resolution") of the Meetings Provisions.

FATCA means:

(a) sections 1471 to 1474 of the United States of America Internal Revenue Code of 1986 or any associated regulations or other official guidance;

(b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the United States of America and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or

(c) any agreement under the implementation of paragraphs (a) or (b) above, with the United States of America Internal Revenue Service, the United States of America government or any governmental or taxation authority in any other jurisdiction.

FATCA Withholding Tax means any withholding or deduction required to be made under or in connection with, or in order to ensure compliance with, FATCA.

Fitch means Fitch Australia Pty Ltd (ABN 93 081 339 184).

Fixed Rate Swap means:

(a) the fixed rate swap transaction entered between the Trustee, the Manager and the Fixed Rate Swap Provider substantially on the terms set out in Annexure 4 of the Initial Derivative Contract; or

(b) any replacement fixed rate swap transaction entered into on such other terms as agreed between the Trustee, the Manager and the relevant Fixed Rate Swap Provider.

Fixed Rate Swap Provider	means HSBC AU or such other person who may be appointed under a Derivative Contract to act as the Fixed Rate Swap Provider.
Further Advance	means in relation to a Trust Receivable, any advance of further money to the relevant Obligor in respect of that Trust Receivable, but does not include any Redraw.
General Insurance Policy	means any insurance policy in force issued in respect of a Property.
General Security Deed	means the document entitled "General Security Deed – Lion Series 2020-1 Trust" dated 17 September 2020 between the Trustee and others.
Government Agency	means: (a) any body politic or government in any jurisdiction, whether federal, state, territorial or local; (b) any minister, department, office, commission, instrumentality, agency, board, authority or organisation of any government or in which any government is interested; and (c) any corporation owned or controlled by any government.
GST	has the meaning it has in the GST Act.
GST Act	means A New Tax System (Goods and Services Tax) Act 1999 (Cth).
HSBC AU	means HSBC Bank Australia Limited (ABN 48 006 434 162)
Housing Loan	means a loan under a loan agreement secured by a Mortgage over residential Land.
Income Collections	means, in relation to the Trust Receivables and a Collection Period, the aggregate of (without double counting): (a) all Collections in respect of that Collection Period which are in the nature of interest, income, fees or charges (as determined by the Servicer); plus (b) any Recoveries received by, or on behalf of, the Trustee during that Collection Period; plus (c) any other Collections that the Manager determines are of a similar nature and should be included as Income Collections.
Ineligible Product	means, in respect of a Trust Receivable, any: (a) additional loan feature offered by the Seller from time to time with respect to other housing loans originated by the Seller; (b) alternative loan or mortgage product offered by

the Seller from time to time; or

(c) other variation to the terms of that Trust Receivable,

which, if applied to or made in respect of that Trust Receivable, would cause the Trust Receivable to not satisfy the Eligibility Criteria (if, for these purposes only, the Eligibility Criteria was applied to the Trust Receivable immediately following such change).

Initial Dealer Agreement means the document entitled "Dealer Agreement - Lion Series 2020-1 Trust" dated 9 September 2020 between the Trustee and others.

Initial Derivative Contract means the ISDA Master Agreement (including all Schedules and Annexures) dated 17 September 2020 between the Trustee and others.

Insolvent a person is Insolvent if:

(a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);

(b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property;

(c) it is subject to any arrangement (including a deed of company arrangement or scheme of arrangement), assignment, moratorium, compromise or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to the Master Definitions Schedule);

(d) an application or order has been made (and in the case of an application which is disputed by the person, it is not stayed, withdrawn or dismissed within 30 days), resolution passed**,** proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of the things described in any of the above paragraphs;

(e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;

(f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to the Master Definitions Schedule reasonably deduces it is so subject);

(g) it is otherwise unable to pay its debts when they fall due; or

(h) something having a substantially similar effect to any of the things described in the above

paragraphs happens in connection with that person under the law of any jurisdiction.

The reference to "person" in the above definition, when used in respect of the Trustee or the Security Trustee, is a reference to the Trustee or the Security Trustee:

(a) in its personal capacity; and

(b) in its capacity as trustee of the Trust or Security Trust (as applicable),

but not the Trustee or Security Trustee in its capacity as trustee of any other trust. Any non-payment of any amount owing by the Trustee as a result of the operation of the Cashflow Allocation Methodology or the limitation of liability described in the sections titled "Indemnity" and "Limitation of Trustee's liability" of Section 9.2 ("Master Trust Deed") will not result in the Trustee being Insolvent.

Insurance Policy means, in respect of a Receivable, any:

(a) General Insurance Policy;

(b) Mortgage Insurance Policy;

(c) Other insurance policy identified by the Seller or the Servicer as being referable to that Receivable.

Interest Period means, in respect of a Note:

(a) initially, the period from (and including) the Issue Date of that Note to (but excluding) the first Payment Date following that Issue Date; and

(b) thereafter, each period from (and including) each Payment Date to (but excluding) the next following Payment Date.

Interest Rate means for a Note, the interest rate (expressed as a percentage rate per annum) for that Note determined in accordance with Condition 6.3 ("Interest Rate") of the Conditions (see Section 5 ("Conditions of the Notes").

Invested Amount means at any time in respect of a Note:

(a) the principal amount of that Note on its Issue Date; less

(b) the aggregate of all principal repayments made in respect of that Note prior to that time.

Issue Date in relation to a Note, the date on which that Note is, or is to be, issued.

Issue Supplement means the document entitled "Issue Supplement - Lion Series 2020-1 Trust" dated 17 September 2020 between the Trustee and others.

Joint Lead Managers means each person specified as such in Section 2.1 ("Overview – Transaction Parties").

Land means:

(a) land (including tenements and hereditaments corporeal and incorporeal and every estate and interest in it whether vested or contingent, freehold or Crown leasehold, and whether at law or in equity) wherever situated and including any fixtures to land; and

(b) any parcel and any lot, common property and land comprising a parcel within the meaning of the Strata Schemes Development Act 2015 (New South Wales) or the Community Land Development Act 1989 (New South Wales) or any equivalent legislation in any other Australian jurisdiction.

Liquidity Advance has the meaning given to it in Section 9.7 ("Liquidity Facility Agreement") and includes any withdrawal from the Collateral Account which is deemed to be a Liquidity Advance in accordance with the Liquidity Facility Agreement.

Liquidity Bank Bill Rate means, for a Liquidity Interest Period, the rate designated as the "AVG MID" for prime bank eligible securities having a tenor of one month as displayed on the "BBSW" page of the Bloomberg Monitor System on the first day of that Liquidity Interest Period.

However, if that rate is not displayed on that day, or if it is displayed but the Liquidity Facility Provider determines that there is an obvious error in that rate, "**Liquidity Bank Bill Rate**" means the rate set by the Liquidity Facility Provider in good faith and in a commercially reasonable manner on that day having regard, to the extent possible, to comparable indices then available.

The rate set by the Liquidity Facility Provider must be expressed as a percentage rate per annum and be rounded up to the nearest fourth decimal place.

Liquidity Draw has the meaning given to it in Section 6.5 ("Liquidity Draw").

Liquidity Drawdown Date means the date on which a Liquidity Advance or Collateral Advance is or is deemed to be made under the Liquidity Facility Agreement.

Liquidity Facility Agreement means:

(a) the agreement entitled "Liquidity Facility Agreement - Lion Series 2020-1 Trust" dated 17 September 2020 between the Trustee and others; and

(b) any other agreement which the Trustee and the Manager agree is a "Liquidity Facility Agreement" in respect of the Trust and in respect of which Rating Notification has been given.

Liquidity Facility Availability Period means the period from the date of the Liquidity Facility Agreement and ending on the Liquidity Facility Termination Date.

Liquidity Facility means the person identified in the Liquidity Facility

Agreement as the liquidity facility provider. The initial Liquidity Facility Provider is HSBC AU.

Liquidity Facility Termination Date has the meaning given to it in Section 9.6 ("Liquidity Facility Agreement").

Liquidity Interest Period has the meaning given to it in Section 9.6 ("Liquidity Facility Agreement").

Liquidity Interest Rate means, in respect of a Liquidity Advance and a Liquidity Interest Period, the Liquidity Bank Bill Rate for that Interest Period plus a margin (as determined under the Liquidity Facility Agreement).

Liquidity Limit means at any time the lesser of:

(a) the amount equal to the greater of:

(i) A$1,000,000; and

(ii) 1.0% of the aggregate Outstanding Principal Balance of all Performing Receivables (calculated as of the last day of the immediately preceding Collection Period) (or such other percentage as the Manager and the Liquidity Facility Provider may agree provided that Rating Notification has been given in respect of that other percentage); and;

(b) the amount (if any) to which the Liquidity Limit has been reduced at that time in accordance with the Liquidity Facility Agreement.

Liquidity Principal Outstanding means, on any day, an amount equal to:

(a) the aggregate of all Liquidity Advances made on or before that day; less

(b) any repayments or prepayments of all such Liquidity Advances made by the Trustee on or before that day.

Liquidity Shortfall (First) means, in respect of a Determination Date and the immediately following Payment Date, the amount (if positive) equal to:

A - B

where:

A = the Required Payments in respect of that Payment Date;

B = the Available Income in respect of that Determination Date.

If this calculation is negative, the Liquidity Shortfall (First)

is equal to zero.

Liquidity Shortfall means, in respect of a Determination Date and the immediately following Payment Date, the amount (if positive) equal to:

A - B - C

where:

A = the Required Payments in respect of that Payment Date;

B = the Available Income in respect of that Determination Date;

C = the Excess Income Reserve Draw (if any) in respect of that Determination Date.

If this calculation is negative, the Liquidity Shortfall (Second) is equal to zero.

Liquidity Shortfall (Third) means, in respect of a Determination Date and the immediately following Payment Date, the amount (if positive) equal to:

A - B – C - D

where:

A = the Required Payments in respect of that Payment Date;

B = the Available Income in respect of that Determination Date;

C = the Excess Income Reserve Draw (if any) in respect of that Determination Date;

D = the Principal Draw (if any) in respect of that Determination Date.

If this calculation is negative, the Liquidity Shortfall (Third) is equal to zero.

LVR means the loan to value ratio and in respect of a Trust Receivable is expressed as a percentage and calculated by dividing the Outstanding Principal Balance of the Trust Receivable as at the Cut-Off Date for that Trust Receivable by the value of the Land secured by the Mortgage as set out in any valuation report obtained prior to the Cut-Off Date or, in the absence of a valuation report, as determined by the Servicer in accordance with the Servicing Guidelines.

Management Deed means the document entitled “Lion Series Master Management Deed” dated 14 August 2020 between Trustee and others

Manager	such person who is, from time to time, acting as Manager pursuant to the Transaction Documents. The initial Manager is specified in Section 2.1 ("Overview – Transaction Parties").
Manager Termination Event	has the meaning given to it in Section 9.3 ("Management Deed").
Master Definitions Schedule	means the document entitled "Lion Series Master Definitions Schedule" dated 14 August 2020 between the Trustee and others.
Master Trust Deed	means the document entitled "Lion Series Master Trust Deed" dated 14 August 2020 between the Trustee and others.
Material Adverse Effect	means any event which materially and adversely affects or is likely to affect the amount of any payment due to be made to any Secured Creditor in relation to the Trust or materially and adversely affects the timing of such payment.
Maturity Date	has the meaning given to it in Section 2.3 ("Overview – Key Dates").
Meetings Provisions	means the provisions relating to meetings of Secured Creditors set out in schedule 2 ("Meetings Provisions") of the Security Trust Deed.
Mortgage	in relation to a Trust Receivable means each mortgage over Land situated in any State or Territory of Australia securing, amongst other things, the repayment of the Trust Receivable and the payment of interest and all other moneys in respect of the Trust Receivable notwithstanding that by its terms the mortgage may secure other liabilities.
Mortgage Insurance Policy	means any policy of insurance covering a Trust Receivable against losses in the nature of principal or interest, including timely payment cover.
Mortgage Insurer	means the insurer under a Mortgage Insurance Policy.
National Credit Legislation	means: (a) the NCCP; (b) the National Consumer Credit Protection (Fees) Act 2009 (Cth); (c) the National Consumer Credit Protection (Transitional and Consequential Provisions) Act 2009 (Cth) ("**Transitional Act**"); (d) any regulations made under any of the acts set out in paragraphs (a) to (c) above, including the NCCP Regulations; and (e) Division 2 of Part 2 of the Australian Securities and Investment Commission Act 2001 (Cth), so far as it relates to obligations in respect of an Australian Credit Licence issued under the NCCP.

NCCP	means the National Consumer Credit Protection Act 2009 (Cth).
NCCP Regulations	means the National Consumer Credit Protection Regulations 2010 (Cth).
Note Deed Poll	means the document entitled "Note Deed Poll - Lion Series 2020-1 Trust" dated 17 September 2020 and signed by the Trustee.
Note Register	means the register of Notes in respect of the Trust established and maintained by the Trustee in accordance with the Master Trust Deed.
Noteholder	means, for a Note, each person whose name is entered in the Note Register as the holder of that Note.
Notes	means: (a) the Class A1 Notes; (b) the Class A1-R Notes; (c) the Class A2 Notes; (d) the Class B Notes; (e) the Class C Notes; (f) the Class D Notes; (g) the Class E Notes; and (h) the Class F Notes, as applicable.
Notice of Creation of Security Trust	means the document entitled "Notice of Creation of Security Trust – Lion Series 2020-1 Security Trust" dated 14 August 2020 signed by the Security Trustee.
Notice of Creation of	means the document entitled "Notice of Creation of Trust – Lion Series 2020-1 Trust" dated 14 August 2020 signed by the Trustee.
Obligor	means, in relation to a Trust Receivable, any person who is obliged to make payments (whether alone, jointly or severally) to the Seller or the Trustee (as applicable) in connection with that Trust Receivable, including any guarantor.
Offer to Sell Back	means an offer by the Trustee to sell Trust Receivables back to the Seller in accordance with the Sale Deed.
Offered Notes	means the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

Offset Account	means a deposit account maintained by an Obligor with the Seller under which either: (a) interest that would otherwise be earned in respect of the deposit account is set off against interest due under the Trust Receivable of that Obligor; or (b) interest is not earned on the deposit account, but interest due under the Trust Receivable of that Obligor is calculated by deducting the credit balance of that deposit account from the balance of the Trust Receivable, and then applying the interest rate applicable to the Trust Receivable to the result.
Ordinary Resolution	means: (a) a resolution passed at a meeting of Secured Creditors by at least 50% of the votes cast; or (b) a Circulating Resolution made in accordance with paragraph 9.1(a) ("Passing resolutions by Circulating Resolution") of the Meetings Provisions.
Other Income	means, in respect of a Collection Period, any miscellaneous income and other amounts (deemed by the Manager to be in the nature of income or interest) received by or on behalf of the Trustee during that Collection Period in respect of the Trust Assets, including income earned on Authorised Investments or the Collections Account but excluding any interest on or other income attributable to any Collateral Support in respect of that Collection Period. If any amounts which properly constitute Other Income are received by the Trustee with deductions for fees or expenses, only the net amount received by the Trustee will be classified as Other Income.
Outstanding Principal Balance	means, in relation to a Trust Receivable, the outstanding principal balance of that Trust Receivable at that time.
Overpayment	means in respect of a Trust Receivable, any additional amounts of principal received above the regular Receivable Scheduled Payments due in respect of such Trust Receivable, paid by the relevant Obligor, which: (a) is permitted by the Receivable Terms; and (b) reduces the Outstanding Principal Balance of such Trust Receivable.
Participation Unit	means the participation unit in the Trust issued pursuant to the Master Trust Deed and the Notice of Creation of Trust.
Participation Unitholder	such person registered as the holder of the Participation Unit from time to time.
Payment Date	means the 22nd day of each month, subject to the Business Day Convention. The first Payment Date occurs

in November 2020

Penalty Payment means:

(a) any amount (including, without limitation, any civil or criminal penalty) for which the Trustee is liable under the National Credit Legislation and legal costs and other expenses payable or incurred by Trustee in relation to such liability;

(b) any other liability payable by the Trustee, or legal costs or other expenses payable or incurred by the Trustee, in relation to such liability;

(c) any amount which the Trustee agrees to pay (with the consent of the Servicer, such consent not to be unreasonably withheld) to an Obligor or other person in settlement of any liability or alleged liability or application for an order under the National Credit Legislation;

(d) any reasonable legal costs or other costs and expenses payable or incurred by the Trustee in relation to that application or settlement; and

(e) any other losses incurred by the Trustee as a result of any breach of the National Credit Legislation,

to the extent to which a person can be indemnified for that liability, money or amount under the National Credit Legislation and includes all amounts ordered by a court or other judicial body or External Dispute Resolution Scheme to be paid by the Trustee in connection with paragraphs (a) through (e).

Performing Receivable means a Trust Receivable that is not a Delinquent Receivable

Permitted Encumbrance means in respect of the Trust:

(a) the General Security Deed;

(a) any Encumbrance arising under or expressly permitted or contemplated by any other Transaction Document.

Permitted Offshore means any offshore associates (i.e. Australian resident associates who acquire or receive any payments under the Offered Notes in the course of carrying on business at or through a permanent establishment outside Australia and non resident associates who do not acquire or receive any payments under the Offered Notes in the course of carrying on business at or through a permanent establishment in Australia) who are acting in the capacity of:

(a) in the case of section 128F(5) of the Australian Tax Act, a dealer, manager or underwriter in relation to the placement of the relevant Offered Notes or a clearing house, custodian, funds manager or responsible entity of a registered

scheme; or

(b) in the case of section 128F(6) of the Australian Tax Act, a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

Potential Event of Default means an event which, with the giving of notice or lapse of time, would be likely to become an Event of Default.

PPSA means the Personal Property Securities Act 2009 (Cth) and includes any regulations made at any time under that Act

Principal Adjustment means, in respect of any Trust Receivable the subject of the Transfer Notice, an amount equal to all amounts (in the nature of principal) received by the Transferor Trust in respect of that Trust Receivable during the period from (but excluding) the Cut-Off Date specified in the Transfer Notice to (but excluding) the Closing Date.

Principal Charge-Off means, in respect of a Determination Date and the immediately following Payment Date, the amount (if any) by which the Principal Losses in respect of the immediately preceding Collection Period exceeds the amount available to be applied from Total Available Income on that Payment Date under Section 6.8(o) ("Application of Total Available Income").

Principal Collections means, in relation to the Trust Receivables and a Collection Period, the aggregate of (without double counting):

(a) all Collections in respect of that Collection Period which are in the nature of principal (as determined by the Servicer) including all such Collections which constitute a repayment in respect of the Outstanding Principal Balance of any Trust Receivable; plus

(b) any other Collections that the Manager determines are of a similar nature and should be included as Principal Collections,

but excludes any amount included as Income Collections in respect of that Collection Period.

Principal Draw has the meaning given to it in Section 6.4 ("Principal Draw").

Principal Losses means, in respect of a Collection Period, the aggregate principal losses (as determined by the Servicer and notified to the Manager) for all Trust Receivables which arise during that Collection Period after all enforcement action has been taken in respect of any Trust Receivables and after taking into account:

(a) all proceeds received as a consequence of enforcement under any Trust Receivables (less

the relevant Enforcement Expenses);

(b) any proceeds of any claims under a Mortgage Insurance Policy; and

(c) any payments received from the Seller, the Servicer or any other person for a breach of its obligations under the Transaction Documents,

and **Principal Loss** has a corresponding meaning.

Property means the property the subject of a Related Security.

Prudent Servicer means an appropriately qualified and reasonably prudent servicer of receivables similar to those which constitute the Trust Receivables.

rating includes, in relation to any credit rating of an entity by Fitch, includes a private credit rating of that entity.

Rating Notification in relation to the Trust and to an event or circumstance, means that the Manager has notified each Designated Rating Agency of the event or circumstance and that the Manager is satisfied that the event or circumstance is unlikely to result in an Adverse Rating Effect.

Reallocation means reallocation of Trust Assets from one Trust to another Trust in accordance with the Master Trust Deed.

Receivable means a Housing Loan.

Receivable Terms means, in respect of a Trust Receivable, any agreement or other document that evidences the Obligor's payment or repayment obligations or any other terms and conditions of that Trust Receivable or Related Security.

Receiver includes a receiver or receiver and manager.

Record Date means, for a payment due in respect of a Note, the fifth Business Day immediately preceding the relevant Payment Date, or any other date specified in, or determined in accordance with, the Issue Supplement.

Recoveries means amounts received from or on behalf of Obligors or under any Purchased Related Security in respect of a Trust Receivable that was previously the subject of a Principal Loss.

Redemption Amount means, on any day in respect of a Note an amount equal to the aggregate of:

(a) the Invested Amount of that Note (or such lesser amount if approved by an Extraordinary Resolution of the Noteholders of that Class of Notes); and

(b) all accrued and unpaid interest in respect of that Note,

on that day.

Redraw	means, in respect of a Trust Receivable, a re-advance by the Seller of some or all of the Overpayments that the relevant Obligor has paid on the Trust Receivable.
Redraw Advance	means a drawing made under the Redraw Facility Agreement.
Redraw Bank Bill Rate	means, for a Redraw Interest Period, the rate designated as the "AVG MID" for prime bank eligible securities having a tenor of one month as displayed on the "BBSW" page of the Bloomberg Monitor System on the first day of that Redraw Interest Period. However, if that rate is not displayed on that day, or if it is displayed but the Redraw Facility Provider determines that there is an obvious error in that rate, "**Redraw Bank Bill Rate**" means the rate set by the Redraw Facility Provider in good faith and in a commercially reasonable manner on that day having regard, to the extent possible, to comparable indices then available. The rate set by the Redraw Facility Provider must be expressed as a percentage rate per annum and be rounded up to the nearest fourth decimal place.
Redraw Drawdown Date	means the date on which a Redraw Advance is made under the Redraw Facility Agreement.
Redraw Event of Default	has the meaning given to it in Section 9.8 ("Redraw Facility Agreement").
Redraw Facility Agreement	means: (a) the agreement entitled "Redraw Facility Agreement - Lion Series 2020-1 Trust" dated 17 September 2020 between the Trustee and others; and (b) any other agreement which the Trustee and the Manager agree is a "Redraw Facility Agreement" in respect of the Trust and in respect of which Rating Notification has been given.
Redraw Facility Availability Period	means the period commencing on the Closing Date and ending on the Redraw Facility Termination Date.
Redraw Facility Provider	means the person identified in the Redraw Facility Agreement as the redraw facility provider. The initial Redraw Facility Provider is HSBC AU.
Redraw Facility Termination Date	has the meaning given to it in Section 9.8 ("Redraw Facility Agreement").
Redraw Interest Period	has the meaning given to it in Section 9.8 ("Redraw Facility Agreement").
Redraw Interest Rate	means, in respect of a Redraw Advance and a Redraw Interest Period: (a) the Redraw Bank Bill Rate for that Redraw Interest Period; plus

(b) a margin (as determined under the Redraw Facility Agreement).

Redraw Limit means at any time the lesser of:

(a) an amount equal to the greater of:

(i) A$500,000; and

(ii) 0.5% of the aggregate Outstanding Principal Balance of all Performing Receivables (calculated as of the last day of the immediately preceding Collection Period) (or such other percentage as the Manager and the Redraw Facility Provider may agree provided that Rating Notification has been given in respect of that other percentage); and

(b) the amount (if any) to which the Redraw Limit has been reduced at that time in accordance with the Redraw Facility Agreement.

Redraw Principal Outstanding means, on any day, an amount equal to:

(a) the aggregate of all Redraw Advances made on or before that day; less

(b) any repayments or prepayments of all such Redraw Advances made by the Trustee on or before that day.

Redraw Shortfall (Further) has the meaning set out in Section 4.6 (“Redraws”).

Redraw Shortfall (Initial) has the meaning set out in Section 4.6 (“Redraws”).

Registrar means:

(a) the Trustee; or

(b) such other person appointed by the Trustee to maintain the Note Register for the Trust.

Related Entity has the meaning it has in the Corporations Act.

Related Security means, in respect of a Receivable, any Encumbrance which is given or is to be given as security for that Receivable.

Replacement Liquidity Facility means a liquidity facility provided to the Trustee by an entity which has the Required Liquidity Rating from each Designated Rating Agency on substantially the same terms as the Liquidity Facility Agreement or on such other terms as may be agreed with that entity provided that a Rating Notification has been provided.

Repurchase Price means, at any time in respect of a Trust Receivable, the Outstanding Principal Balance of that Purchased Receivable plus accrued interest and fees due and owing

by the Obligor in respect of that Trust Receivable.

Required Credit Rating means in respect of:

(a) S&P:

(i) for certificates of deposit or debt securities with remaining maturities at the time of purchase of less than or equal to 60 days, a short term credit rating by S&P of at least A-1;

(ii) for certificates of deposit or debt securities with remaining maturities at the time of purchase of more than 60 days, but less than or equal to 365 days, a short term credit rating by S&P of A-1+; and

(b) Fitch:

(i) for certificates of deposit or debt securities with remaining maturities at the time of purchase of less than or equal to 30 days, a short term credit rating by Fitch of at least F1 or a long term credit rating by Fitch of at least A;

(ii) for certificates of deposit or debt securities with remaining maturities at the time of purchase of more than 30 days but less than or equal to 365 days, a short term credit rating by Fitch of F1+ or a long term credit rating by Fitch of at least AA-,

or such other credit ratings by the relevant Designated Rating Agency as may be notified by the Manager to the Trustee from time to time provided that a Rating Notification is given in respect of such other credit ratings.

Required Liquidity Rating means the rating (if any) of:

(a) in the case of S&P:

(i) a long term credit rating of at least BBB+; or

(ii) a long term credit rating of at least BBB, together with a short term credit rating of at least A-2; or

(iii) a short term credit rating of at least A-2 (if the Liquidity Facility Provider does not have any long term credit rating from S&P); and

(b) in the case of Fitch, a short term credit rating of at least F1 or a long term credit rating of at least A,

or such other credit rating or ratings by the relevant Designated Rating Agency as may be agreed by the Manager and the Liquidity Facility Provider from time to

time (and notified in writing by the Manager to the Trustee) provided that the Manager has delivered to the Trustee a Rating Notification in respect of such other credit rating or ratings.

Required Payments in respect of a Determination Date and the immediately following Payment Date, the aggregate of amounts payable on that Payment Date in accordance with Section 6.8(a) to Section 6.8(m) ("Application of Total Available Income") (inclusive) but excluding:

(a) if on that Determination Date the Stated Amount of the Class B Notes is less than the Invested Amount of the Class B Notes, the amounts payable on that Payment Date in accordance with Section 6.8(i) ("Application of Total Available Income"); or

(b) if on that Determination Date the Stated Amount of the Class C Notes is less than the Invested Amount of the Class C Notes, the amounts payable on that Payment Date in accordance with Section 6.8(j) ("Application of Total Available Income");

(c) if on that Determination Date the Stated Amount of the Class D Notes is less than the Invested Amount of the Class D Notes, the amounts payable on that Payment Date in accordance with Section 6.8(k) ("Application of Total Available Income");

(d) if on that Determination Date and the Stated Amount of the Class E Notes is less than the Invested Amount of the Class E Notes, the amounts payable on that Payment Date in accordance with Section 6.8(l) ("Application of Total Available Income"); and

(e) if either:

(i) on that Determination Date the Stated Amount of the Class F Notes is less than the Invested Amount of the Class F Notes; or

(ii) that Payment Date is after the first Call Option Date,

the amounts payable on that Payment Date in accordance with Section 6.8(m) ("Application of Total Available Income").

Residual Unitholder such person who is registered as the holder of a Residual Unit.

Residual Units means the residual units in the Trust issued pursuant to the Master Trust Deed and the Notice of Creation of Trust.

S&P means S&P Global Ratings Australia Pty Ltd (ABN 62 007

324 852).

Sale Deed means the document entitled "Lion Series Master Sale Deed" dated 14 August 2020 between the Trustee and others.

Secured Creditor means:

(a) the Security Trustee (for its own account);

(b) the Trustee (for its own account);

(c) the Manager;

(d) each Noteholder;

(e) each Derivative Counterparty;

(f) the Liquidity Facility Provider;

(g) each Dealer;

(h) the Servicer; and

(i) the Seller; and

(j) any other persons so described in the Issue Supplement

Secured Money means all amounts which:

at any time;

for any reason or circumstance in connection with the Transaction Documents (including any transaction in connection with them);

whether at law or otherwise (including liquidated or unliquidated damages for default or breach of any obligation); and

whether or not of a type within the contemplation of the parties at the date of the General Security Deed:

(a) the Trustee is or may become actually or contingently liable to pay to any Secured Creditor (including money by way of principal, interest, distributions, fees, costs, indemnities, guarantees, charges, duties or expenses, or payment of liquidated or unliquidated damages as a result of any breach of or default under or in connection with a Transaction Document); or

(b) any Secured Creditor has advanced or paid on the Trustee's behalf or at the Trustee's express or implied request; or

(c) any Secured Creditor is liable to pay by reason of any act or omission on the Trustee's part, or that any Secured Creditor has paid or advanced in protecting or maintaining the Collateral or any security interest in the General Security Deed following an act or omission on the Trustee's part;

or

(d) the Trustee would have been liable to pay any Secured Creditor but the amount remains unpaid by reason of the Trustee being Insolvent.

This definition applies:

(i) irrespective of the capacity in which the Trustee or the Secured Creditor of the Trust became entitled to, or liable in respect of, the amount concerned;

(ii) whether the Trustee or the Secured Creditor of the Trust is liable as principal debtor, as surety, or otherwise;

(iii) whether the Trustee is liable alone, or together with another person;

(iv) even if the Trustee owes an amount or obligation to the Secured Creditor of the Trust because it was assigned to the Secured Creditor, whether or not:

(A) the assignment was before, at the same time as, or after the date of the General Security Deed; or

(B) the Trustee consented to or was aware of the assignment; or

(C) the assigned obligation was secured before the assignment;

(v) even if the General Security Deed was assigned to the Secured Creditor of the Trust, whether or not:

(A) the Trustee consented to or was aware of the assignment; or

(B) any of the Secured Money was previously unsecured;

(vi) whether or not the Trustee has a right of indemnity from the Trust Assets.

Security Trust means the Lion Series 2020-1 Security Trust.

Security Trust Deed means the document entitled “Lion Series Master Security Trust Deed” dated 14 August 2020 between the Trustee and others.

Security Trust Fund means:

(a) the amount held by the Security Trustee under the Security Trust Deed in respect of the Security Trust;

(b) any other property which the Security Trustee

receives, has vested in it or otherwise acquires to hold in respect of the Security Trust, including the General Security Deed; and

(c) any property which represents the proceeds of sale of any such property or proceeds of enforcement of the General Security Deed.

Security Trustee such person who is, from time to time, acting as Security Trustee pursuant to the Transaction Documents. The initial Security Trustee is specified in Section 2.1 ("Overview – Transaction Parties").

Seller means the person specified as such in Section 2.1 ("Overview – Transaction Parties").

Senior Obligations means:

(a) the obligations of the Trustee in respect of principal and interest on the Class A1 Notes and the Class A1-R Notes and any obligations of the Trustee ranking equally or senior to the Class A1 Notes and Class A1-R Notes (as determined in accordance with the order of priority set out in Section 6.8 ("Application of Total Available Income")), at any time while the Class A1 Notes or Class A1-R Notes are outstanding;

(b) the obligations of the Trustee in respect of principal and interest on the Class A2 Notes and any obligations of the Trustee ranking equally or senior to the Class A2 Notes (as determined in accordance with the order of priority set out in Section 6.8 ("Application of Total Available Income")), at any time while the Class A2 Notes are outstanding but no Class A1 Notes or Class A1-R Notes are outstanding;

(c) the obligations of the Trustee in respect of principal and interest on the Class B Notes and any obligations of the Trustee ranking equally or senior to the Class B Notes (as determined in accordance with the order of priority set out in Section 6.8 ("Application of Total Available Income")), at any time while the Class B Notes are outstanding but no Class A1 Notes, Class A1-R Notes or Class A2 Notes are outstanding;

(d) the obligations of the Trustee in respect of principal and interest on the Class C Notes and any obligations of the Trustee ranking equally or senior to the Class C Notes (as determined in accordance with the order of priority set out in Section 6.8 ("Application of Total Available Income")), at any time while the Class C Notes are outstanding but no Class A1 Notes, Class A1-R Notes, Class A2 Notes or Class B Notes are outstanding;

(e) the obligations of the Trustee in respect of principal and interest on the Class D Notes and

any obligations of the Trustee ranking equally or senior to the Class D Notes (as determined in accordance with the order of priority set out in Section 6.8 ("Application of Total Available Income")), at any time while the Class D Notes are outstanding but no Class A1 Notes, Class A1-R Notes, Class A2 Notes, Class B Notes or Class C Notes are outstanding;

(f) the obligations of the Trustee in respect of principal and interest on the Class E Notes and any obligations of the Trustee ranking equally or senior to the Class E Notes (as determined in accordance with the order of priority set out in Section 6.8 ("Application of Total Available Income")), at any time while the Class E Notes are outstanding but no Class A1 Notes, Class A1-R Notes, Class A2 Notes, Class B Notes, Class C Notes or Class D Notes are outstanding;

(g) the obligations of the Trustee in respect of principal and interest on the Class F Notes and any obligations of the Trustee ranking equally or senior to the Class F Notes (as determined in accordance with the order of priority set out in Section 6.8 ("Application of Total Available Income")), at any time while the Class F Notes are outstanding but no Class A1 Notes, Class A1-R Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes are outstanding; or

(h) the obligations of the Trustee under the Transaction Documents generally, at any time while no Notes are outstanding.

Servicer — such person who is, from time to time, acting as Servicer pursuant to the Transaction Documents. The initial Servicer is HSBC AU.

Servicer Required Credit — means in respect of:

(a) S&P, a short term rating of at least "A-2"; and

(b) Fitch, a long term rating equal to or higher than BBB or a short term rating equal to or higher than F2,

or, in each case, such other ratings or counterparty risk assessment by the relevant Designated Rating Agency as may be notified by the Manager to the Trustee in writing from time to time, provided that the Manager has delivered a Rating Notification in respect of such other credit ratings or counterparty risk assessment.

Servicer Termination Event — has the meaning given to it in Section 9.4 ("Servicing Deed").

Servicing Deed — means the document entitled "Lion Series Master Servicing Deed" dated 14 August 2020 between the Trustee and others.

Settlement Amount means, in respect of the Transfer Notice or an Offer to Sell Back (as applicable), the amount specified as such in the Transfer Notice or that Offer to Sell Back (as the case may be).

Settlement Date means, in respect of:

(a) the Transfer Notice, the Closing Date or

(b) an Offer to Sell Back, the date specified as such in that Offer to Sell Back.

Special Quorum Resolution means:

(a) an Extraordinary Resolution passed at a meeting at which the requisite quorum is present as set out in paragraph 4.1 ("Number for a quorum") of the Meetings Provisions; or

(b) a Circulating Resolution made in accordance with paragraph 9.1 ("Passing resolutions by Circulating Resolution") of the Meetings Provisions.

Stated Amount means, at any time in respect of a Note, an amount equal to:

(a) the Invested Amount of that Note; less

(b) the amount of any Principal Charge-Offs allocated to that Note under Section 6.10 ("Allocation of Principal Charge-Offs") prior to that time which have not been reimbursed on or before that time under Section 6.11 ("Re-instatement of Carryover Principal Charge-Offs").

Step-Up Margin has the meaning given to it in Section 2.4 ("Overview – Key Terms of the Notes").

Subordination has the meaning set out in Section 6.14 ("Subordination Conditions").

Tax Account means an account with an Eligible Bank established and maintained in the name of the Trustee and in accordance with the terms of the Master Trust Deed, which is to be opened by the Trustee when directed to do so by the Manager in writing.

Tax Amount means, in respect of a Payment Date, the amount (if any) of Tax that the Manager reasonably determines will be payable in the future by the Trustee in respect of the Trust and which accrued during the immediately preceding Collection Period.

Tax Shortfall means, in respect of a Payment Date, the amount (if any) determined by the Manager to be the shortfall between the aggregate Tax Amounts determined by the Manager in respect of previous Payment Dates and the amounts set aside and retained in the Tax Account on previous Payment Dates.

Taxes means taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any Tax Authority together with any related interest, penalties, fines and expenses in connection with them.

Threshold Rate means the aggregate of:

(a) the weighted average rate required to be set on the Trust Receivables which will ensure that the Trustee has sufficient funds available to at least meet the Required Payments in full (assuming that all parties comply with their obligations under the Transaction Documents and such Trust Receivables) and taking into account Trust Receivables where the Trustee or the Servicer does not have the discretion under the Receivables Terms to vary the interest rate of that Trust Receivable and any corresponding Derivative Contracts and moneys held in Authorised Investments; and

(b) 0.25%.

Title Documents means, in respect of a Receivable, includes the original or electronic form of the original of:

(a) the certificate or other indicia of title (if any) in respect of the relevant Property (if any);

(b) any valuation report obtained in connection with the Receivable;

(c) any deed of priority or similar document entered into in connection with that Receivable;

(d) the relevant Receivable Terms;

(e) all other documents required to evidence the interest of the lender of record in the relevant Property; and

(f) all other documents specified as such in the relevant Offer to Sell, Offer to Sell Back or Transfer Notice (as applicable),

as applicable.

Title Penalty Payment means:

(a) any civil or criminal penalty incurred by the Trustee in relation to a breach of the Verification Provisions;

(b) any money ordered by a court or other judicial

body to be paid by the Trustee in relation to any claim against the Trustee under the Verification Provisions; and

(c) a payment by the Trustee (with the consent of the Servicer, such consent not to be unreasonably withheld) in settlement of a liability or alleged liability relating to a breach of the Verification Provisions,

(d) and includes any legal costs incurred by the Trustee or which the Trustee is ordered by a court or other judicial body to pay in connection with paragraphs (a) to (c) above.

Title Perfection Event means the Seller becomes Insolvent.

Total Available Income means, in respect of a Determination Date and the immediately following Payment Date, the amount calculated in accordance with Section 6.7 ("Total Available Income").

Total Available Principal means, in respect of a Determination Date and the immediately following Payment Date, the amount calculated in accordance with Section 6.1 ("Total Available Principal").

Transaction Documents means (as applicable):

(a) each of the following to the extent they apply to the Trust:

(i) the Master Definitions Schedule;

(ii) the Security Trust Deed;

(iii) the Master Trust Deed;

(iv) the Sale Deed;

(v) the Servicing Deed;

(vi) the Management Deed;

(vii) the Transfer Deed

(b) the Notice of Creation of Trust;

(c) the Notice of Creation of Security Trust;

(d) the Issue Supplement;

(e) the General Security Deed;

(f) the Note Deed Poll;

(g) the Conditions;

(h) each Derivative Contract;

(i) the Liquidity Facility Agreement;

(j) the Redraw Facility Agreement;

(k) each Dealer Agreement; and

(l) any other document which the Trustee and the Manager agree is a "Transaction Document" for the purposes of the Trust and in respect of which a Rating Notification has been given.

Transfer Deed means the document entitled "Lion Series Master Transfer Deed" dated 17 September 2020 between the Trustee and others.

Transfer Notice means the Transfer Notice (as defined in the Master Definitions Schedule) dated prior the Closing Date from the Transferor Trustee to the Trustee (and the Manager).

Transferor Master Trust Deed means the deed entitled "Master Trust Deed" dated 12 August 1999 to which the Transferor Trustee is bound.

Transferor Trust means the Lion Series 2009-1 Trust.

Transferor Trustee see Section 2.1 ("Overview – Transaction Parties").

Transferor Trust Back Trustee means BNY Trust (Australia) Registry Limited as trustee of the Lion Series 2009-1 Trust Back constituted under the Transferor Master Trust Deed.

Transferor Trust Series Notice means the document entitled "Lion Series 2009-1 Trust Series Notice" dated 16 July 2009 (as amended) between the Transferor Trustee and others.

Trust means the Lion Series 2020-1 Trust.

Trust Assets means all the Trustee's rights, property and undertaking which are the subject of the Trust:

(a) of whatever kind and wherever situated; and

(b) whether present or future.

Trust Business means the business of the Trustee in:

(a) acquiring Trust Receivables;

(b) administering, collecting and otherwise dealing with Trust Receivables;

(c) issuing Notes;

(d) acquiring, dealing with and disposing of Authorised Investments;

(e) entering into, and exercising rights or complying with obligations under, the Transaction Documents to which it is a party and the transactions in connection with them; and

(f) any other activities in connection with the Trust.

Trust Expenses means all costs, charges and expenses reasonably and properly incurred by the Trustee in connection with the Trust and the Transaction Documents and any other amounts for which the Trustee is entitled to be reimbursed or indemnified out of the Trust Assets (but excluding any amount of a type otherwise referred to in Section 6.8 ("Application of Total Available Income") or Section 6.9 ("Application of Total Available Principal").

Trust Receivable means, at any time, a Receivable which is then, or is then immediately to become, a Trust Asset and includes any Trust Related Security in respect of that Receivable.

Trust Related Security means, at any time, a Related Security which is then, or is then immediately to become, a Trust Asset

Trustee such person who is, from time to time, acting as Trustee pursuant to the Transaction Documents. The initial Trustee is specified in Section 2.1 ("Overview – Transaction Parties").

Unit means the Participation Unit and each Residual Unit in the Trust.

Unitholder means each Residual Unitholder and each Participation Unitholder.

Voting Secured Creditors means, at any time:

(a) for so long as any Class A1 Notes or Class A1-R Notes are outstanding, the Class A1 Noteholders and Class A1-R Noteholders, the Liquidity Facility Provider, the Redraw Facility Provider and each Derivative Counterparty;

(b) if sub-paragraph (a) above does not apply, for so long as any Class A2 Notes are outstanding, the Class A2 Noteholders, the Liquidity Facility Provider, the Redraw Facility Provider and each Derivative Counterparty;

(c) if none of sub-paragraphs (a) or (b) above apply, for so long as any Class B Notes are outstanding, the Class B Noteholders, the Liquidity Facility Provider, the Redraw Facility Provider and each Derivative Counterparty;

(d) if none of paragraphs (a), (b) or (c) above apply, for so long as any Class C Notes are outstanding, the Class C Noteholders, the Liquidity Facility Provider, the Redraw Facility Provider and each Derivative Counterparty;

(e) if none of paragraphs (a), (b), (c) or (d) above apply, for so long as any Class D Notes are outstanding, the Class D Noteholders, the Liquidity Facility Provider, the Redraw Facility Provider and each Derivative Counterparty;

(f) if none of paragraphs (a), (b), (c), (d) or (e) above apply, for so long as any Class E Notes are outstanding, the Class E Noteholders, the Liquidity Facility Provider, the Redraw Facility Provider and each Derivative Counterparty;

(g) if none of paragraphs (a), (b), (c), (d), (e) or (f) above apply, for so long as any Class F Notes are outstanding, the Class F Noteholders, the Liquidity Facility Provider, the Redraw Facility Provider and each Derivative Counterparty; and

(h) if none of sub-paragraphs (a), (b), (c), (d), (e), (f) or (g) above apply, the remaining Secured Creditors.

Wilful Default means, in respect of Trustee or the Security Trustee, any intentional failure to comply with or intentional breach by the Trustee or the Security Trustee (as applicable) of any of its obligations under any Transaction Document, other than a failure or breach:

(a) which arose as a result of a breach by a person, other than Trustee or the Security Trustee (as applicable) and the performance of the action (or the non-performance of which gave rise to such breach) is a precondition to Trustee or the Security Trustee performing its obligation under the relevant Transaction Document;

(b) which is in accordance with a lawful court order or direction or required by law; or

(c) which is in accordance with a proper instruction or direction given by the Manager or is in accordance with a proper instruction or direction given to it by any person (including any Secured Creditor) in circumstances where that person is permitted to give that instruction or direction under any Transaction Document or at law.

13 Pool Summary

The information in the following tables sets forth in summary format various details relating to the pool of Receivables provided on the basis of the information as at 31 July 2020. All amounts have been rounded to the nearest Australian dollar.

Pool Summary	
Total pool size	996,076,309.08
Total number of loans	2,855
Average loan size	348,888.37
Maximum loan size	1,439,947.40
Total property value (current)	2,228,885,937
Weighted Average current LVR	56.71%
% of pool with loans >80% LVR	3.70%
Weighted Average Term to Maturity (months)	310.13
Maximum Remaining Term to Maturity (months)	354.00
% of pool in arrears (by loan amount):	
1-30 days	0%
31-60 days	0%
61+ days	0%
Total	0%

Receivables by Loan Occupancy

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
Investment	746	26.13	255,825,065.25	25.68	342,929.04	61.72
Owner Occupied	2109	73.87	740,251,243.83	74.32	350,996.32	54.97
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Loan to Valuation Ratio

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
≤ 0.00	0	0.00	0.00	0.00	0.00	0.00
> 0.00 and ≤ 50.00	1367	47.88	327,649,376.31	32.89	239,684.99	34.03
> 50.00 and ≤ 55.00	174	6.09	71,517,740.43	7.18	411,021.50	52.63
> 55.00 and ≤ 60.00	210	7.36	88,669,045.34	8.90	422,233.55	57.51
> 60.00 and ≤ 65.00	225	7.88	96,224,725.37	9.66	427,665.45	62.73
> 65.00 and ≤ 70.00	251	8.79	113,354,032.98	11.38	451,609.69	67.61
> 70.00 and ≤ 75.00	283	9.91	132,475,345.03	13.30	468,110.76	72.85
> 75.00 and ≤ 80.00	273	9.56	129,373,376.08	12.99	473,895.15	77.49
> 80.00 and ≤ 85.00	46	1.61	23,680,414.79	2.38	514,791.63	82.64
> 85.00 and ≤ 90.00	26	0.91	13,132,252.75	1.32	505,086.64	86.81
> 90.00 and ≤ 95.00	0	0.00	0.00	0.00	0.00	0.00
> 95.00 and ≤ 100.00	0	0.00	0.00	0.00	0.00	0.00
> 100.00	0	0.00	0.00	0.00	0.00	0.00
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Product Type

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
Principal and Interest	2744	96.11	946,180,921.46	94.99	344,818.12	56.09
Interest Only	111	3.89	49,895,387.62	5.01	449,508.00	68.49
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Geographical Distribution (State)

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
NSW and ACT	1062	37.20	395,055,613.65	39.66	371,992.10	53.37
VIC	1005	35.20	364,731,850.25	36.62	362,917.26	58.71
QLD	288	10.09	86,967,542.58	8.73	301,970.63	61.12
SA	99	3.47	25,892,088.09	2.60	261,536.24	60.21
WA	384	13.45	118,841,783.49	11.93	309,483.81	57.20
TAS	12	0.42	2,508,255.14	0.25	209,021.26	65.82
NT	5	0.18	2,079,175.88	0.21	415,835.18	73.17
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Geographical Distribution (Region)

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
Metro	2500	87.57	891,301,699.70	89.48	356,520.68	56.48
Inner city	113	3.96	34,636,454.41	3.48	306,517.30	56.85
Non Metro	242	8.48	70,138,154.97	7.04	289,827.09	59.53
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Loan Size

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
≤ 30,000	47	1.65	930,912.46	0.09	19,806.65	3.75
> 30,000 and ≤ 50,000	63	2.21	2,577,933.78	0.26	40,919.58	7.73
> 50,000 and ≤ 100,000	160	5.60	12,470,480.72	1.25	77,940.50	15.68
> 100,000 and ≤ 150,000	220	7.71	27,805,369.73	2.79	126,388.04	26.74
> 150,000 and ≤ 200,000	242	8.48	43,126,714.12	4.33	178,209.56	35.61
> 200,000 and ≤ 250,000	326	11.42	73,633,915.94	7.39	225,870.91	44.94
> 250,000 and ≤ 300,000	307	10.75	84,470,818.12	8.48	275,149.24	52.41
> 300,000 and ≤ 350,000	324	11.35	105,290,660.73	10.57	324,971.18	56.68
> 350,000 and ≤ 400,000	254	8.90	95,607,883.94	9.60	376,408.99	60.63
> 400,000 and ≤ 450,000	203	7.11	86,798,939.41	8.71	427,580.98	60.68
> 450,000 and ≤ 500,000	168	5.88	80,025,030.16	8.03	476,339.47	63.13
> 500,000 and ≤ 550,000	128	4.48	66,999,767.50	6.73	523,435.68	63.09
> 550,000 and ≤ 600,000	106	3.71	60,771,898.35	6.10	573,319.80	62.51
> 600,000 and ≤ 700,000	100	3.50	64,682,946.75	6.49	646,829.47	64.21
> 700,000 and ≤ 800,000	64	2.24	47,915,789.49	4.81	748,684.21	61.12
> 800,000 and ≤ 900,000	44	1.54	37,271,958.78	3.74	847,089.97	63.43
> 900,000 and ≤ 1,000,000	42	1.47	39,791,078.36	3.99	947,406.63	63.02
> 1,000,000 and ≤ 1,250,000	44	1.54	48,559,968.37	4.88	1,103,635.64	62.97
> 1,250,000 and ≤ 1,500,000	13	0.46	17,344,242.37	1.74	1,334,172.49	65.11
> 1,500,000	0	0.00	0.00	0.00	0.00	-
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Loan Seasoning

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
≤ 0	0	0.00	0.00	0.00	0.00	0.00
> 0 and ≤ 3	0	0.00	0.00	0.00	0.00	0.00
> 3 and ≤ 6	47	1.65	16,495,940.37	1.66	350,977.45	51.81
> 6 and ≤ 12	177	6.20	69,278,613.77	6.96	391,404.60	56.78
> 12 and ≤ 18	451	15.80	170,649,649.66	17.13	378,380.60	58.63
> 18 and ≤ 24	253	8.86	91,429,612.09	9.18	361,381.87	57.94
> 24 and ≤ 36	711	24.90	260,297,363.38	26.13	366,100.37	56.89
> 36 and ≤ 48	452	15.83	164,871,321.00	16.55	364,759.56	56.05
> 48 and ≤ 60	212	7.43	73,546,542.86	7.38	346,917.66	54.20
> 60 and ≤ 360	552	19.33	149,507,265.95	15.01	270,846.50	55.91
> 360	0	0.00	0.00	0.00	0.00	0.00
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Loan Maturity

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
≤ 0	0	0.00	0.00	0.00	0.00	0.00
> 0 and ≤ 5	14	0.49	1,234,638.38	0.12	88,188.46	13.02
> 5 and ≤ 10	37	1.30	5,591,244.57	0.56	151,114.72	32.46
> 10 and ≤ 15	77	2.70	16,120,841.14	1.62	209,361.57	41.68
> 15 and ≤ 20	243	8.51	63,338,909.07	6.36	260,653.95	47.60
> 20 and ≤ 25	549	19.23	168,634,650.19	16.93	307,166.94	56.23
> 25 and ≤ 30	1935	67.78	741,156,025.73	74.41	383,026.37	58.18
> 30	0	0.00	0.00	0.00	0.00	0.00
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Mortgage Insurer

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
QBE LMI	241	8.44	97,774,907.98	9.82	405,705.01	73.55
Genworth Financial	1	0.04	54,094.71	0.01	54,094.71	11.76
Uninsured	2613	91.52	898,247,306.39	90.18	343,760.93	54.88
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Documentation Type

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
Full Documentation	2855	100.00	996,076,309.08	100.00	348,888.37	56.71
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Borrower Rate

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
≤ 0.00	0	0.00	0.00	0.00	0.00	0.00
> 0.00 and ≤ 2.00	0	0.00	0.00	0.00	0.00	0.00
> 2.00 and ≤ 2.50	21	0.74	12,058,063.49	1.21	574,193.50	60.31
> 2.50 and ≤ 3.00	1819	63.71	662,940,020.93	66.56	364,453.01	55.06
> 3.00 and ≤ 3.50	701	24.55	228,589,426.42	22.95	326,090.48	59.86
> 3.50 and ≤ 4.00	205	7.18	60,491,688.54	6.07	295,081.41	61.07
> 4.00 and ≤ 4.50	84	2.94	26,140,580.46	2.62	311,197.39	59.52
> 4.50 and ≤ 5.00	22	0.77	5,286,427.05	0.53	240,292.14	54.06
> 5.00 and ≤ 5.50	3	0.11	570,102.19	0.06	190,034.06	57.52
> 5.50 and ≤ 6.00	0	0.00	0.00	0.00	0.00	0.00
> 6.00 and ≤ 7.00	0	0.00	0.00	0.00	0.00	0.00
> 7.00 and ≤ 8.00	0	0.00	0.00	0.00	0.00	0.00
> 8.00	0	0.00	0.00	0.00	0.00	0.00
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Interest Only Period

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
Principal and Interest	2744	96.11	946,180,921.46	94.99	344,818.12	56.09
> 0 and ≤ 1 year	22	0.77	12,384,849.56	1.24	562,947.71	69.37
> 1 and ≤ 2 years	33	1.16	14,264,745.96	1.43	432,265.03	69.13
> 2 and ≤ 3 years	27	0.95	11,611,730.12	1.17	430,064.08	70.84
> 3 and ≤ 4 years	22	0.77	8,967,500.84	0.90	407,613.67	64.09
> 4 and ≤ 5 years	7	0.25	2,666,561.14	0.27	380,937.31	65.54
> 5 and ≤ 6 years	0	0.00	0.00	0.00	0.00	0.00
> 6 and ≤ 7 years	0	0.00	0.00	0.00	0.00	0.00
> 7 and ≤ 8 years	0	0.00	0.00	0.00	0.00	0.00
> 8 and ≤ 9 years	0	0.00	0.00	0.00	0.00	0.00
> 9 and ≤ 10 years	0	0.00	0.00	0.00	0.00	0.00
> 10 years	0	0.00	0.00	0.00	0.00	0.00
Total	**2,855**	**100.00%**	**996,076,309.08**	**100.00%**	**348,888.37**	**56.71%**

Receivables by Top 10 Postcodes

Full Description	No. of Accounts	% Total No. of Loans (%)	Total Loan Balance ($)	By Loan Balance (%)	Average Loan Balance (A$)	Weighted Avg LVR (%)
2066	19	0.67	11,054,894.37	1.11	581,836.55	50.81
3030	36	1.26	10,148,856.85	1.02	281,912.69	56.63
3000	35	1.23	9,918,301.49	1.00	283,380.04	55.44
2220	24	0.84	9,832,352.74	0.99	409,681.36	50.22
3150	21	0.74	8,243,480.08	0.83	392,546.67	55.97
2077	20	0.70	8,124,807.92	0.82	406,240.40	57.86
2155	16	0.56	7,270,594.97	0.73	454,412.19	54.44
2065	16	0.56	7,108,376.06	0.71	444,273.50	53.77
3977	19	0.67	6,866,995.95	0.69	361,420.84	65.93
2153	19	0.67	6,840,420.06	0.69	360,022.11	52.68
Total	**225**	**7.88%**	**85,409,080.49**	**8.57%**	**379,595.91**	**55.06%**

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SYDNEY NSW 2000

SECURITY TRUSTEE

P.T. Limited
Level 18, Angel Place, 123 Pitt Street
SYDNEY NSW 2000

MANAGER, SERVICER, SELLER, LIQUIDITY FACILITY PROVIDER, REDRAW FACILITY PROVIDER, DERIVATIVE COUNTERPARTY

HSBC Bank Australia Limited
Level 36, 100 Barangaroo Avenue
SYDNEY NSW 2000

CO-ARRANGER, JOINT LEAD MANAGER and DEALER

The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch
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SYDNEY NSW 2000

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