

16 December 2008

The Manager  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000Level 24 Gateway  
1 Macquarie Place  
Sydney NSW 2000  
P +612 9255 4100  
F +612 9241 2550**Allco Max Securities & Mortgage Trust (ASX: AXQ) – Update on warehouse facility, portfolio and portfolio tests**

Allco Max Securities & Mortgage Trust (MAX) provides the following update on its portfolio, as set out in the attached portfolio review, and its warehouse facility.

MAX advises that it has agreed with its warehouse facility provider to extend the period during which MAX must use its best endeavours to refinance or repay the outstanding notes held by the warehouse facility provider (Warehouse Notes). The agreed extension is to 16 December 2008.

In connection with the extension, MAX and the warehouse facility provider have agreed to maintain the margin payable of 215 basis points on the outstanding Warehouse Notes (that is an outstanding amount of A\$223.1 million).

The agreement is subject to Standard & Poor's confirmation that it will not have an adverse effect on the credit rating on the medium term notes issued by MAX under its debt programme.

Further, MAX has agreed to pay the warehouse facility provider an interim extension fee which accrues daily at a rate of 6.00% per annum from (and including) 21 November 2008 to (but excluding) 16 December 2008, unless an agreement is reached to restructure the agreement before then.

MAX continues to be in discussions with its financiers to seek a restructure of its debt facilities which may also facilitate a restructure of the portfolio tests. Whilst the financiers continue to engage with MAX in constructive negotiations, unless and until negotiations are finalised and restructuring documentation is signed, there can be no assurance that the restructure of MAX's debt facilities will be able to be concluded successfully.

Separately, MAX wishes to advise that it is in breach of the following portfolio tests in the compliance report for the period to 28 November 2008 completed by the Cashflow and Systems Manager.

- The Static Capital Adequacy Test continues to be in breach, currently by A\$26.3 million. The grace period expiration date was 13 November 2008. However, as announced on 13 November 2008, the Security Trustee under MAX's debt programme has granted MAX a conditional waiver. The conditional waiver was to expire on 31 December 2008 however this has been extended to 31 January 2009 following a resolution passed by MAX secured creditors.
- The MTN Liquidity Test continues to be in breach, currently by A\$7.8 million. The grace period expiration date was due to be 31 December 2008 however this has been extended to 31 January 2009 following a resolution passed by MAX secured creditors.

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- The Senior Expense Income Ratio Test continues to be in breach, as it is currently at 1.08 against the limit of 1.10. The grace period expiration date was due to be 30 December 2008 however this has been extended to 31 January 2009 following a resolution passed by MAX secured creditors.

To the extent that MAX was able to sell assets in its portfolio to remedy portfolio test breaches, based on current market conditions, MAX would expect to realise significant losses on the sale of those assets which would in turn reduce the underlying capital base of the Trust. As MAX has previously advised, the ability to rebalance the portfolio may be limited because MAX's ability to buy and sell assets is restricted where MAX is, or following the acquisition or sale would be, in breach of the portfolio tests.

As noted in previous releases, if MAX breaches a portfolio test (subject to some allowance for breach of certain tests during the 'ramp-up' period) and fails to correct the breach within any applicable grace period (or, in the case of the Static Capital Adequacy Test, if the conditional waiver is revoked or expires and the test remains in breach), an Early Amortisation Event will occur. The consequences of an Early Amortisation Event have been disclosed by AMIFL in previous releases.

MAX remains in voluntary suspension until discussions in relation to the restructure of the debt facilities are concluded.

Yours sincerely

**Allco Managed Investment Funds Limited**

as Responsible Entity for Allco Max Securities & Mortgage Trust



Tom Lennox  
**Company Secretary**

**For further information please contact:**

Computershare  
1300 738 983

## Portfolio Review

### Aggregate Portfolio

As at 28 November 2008 MAX has a portfolio of loans and securities with a par value of A\$937.1m. The weighted average duration of the MAX book is 3.66 years. The portfolio can be broken into three broad components as illustrated in the table below:

Asset Category	Par Value Portfolio size (A\$ million)	Weighted Average Margin (basis points)
1. Allco Portfolio (Allco Finance Group or MAX originated assets) <i>Allco and MAX sourced transactions as the mainstay of the MAX book.</i>	\$610.4	BBSW + 96 bps
2. Managed Portfolio (traded securities) <i>Second tier liquidity to support issued debt. Third party advised.</i>	\$191.6	BBSW + 51 bps
3. Free Liquidity (cash, liquid eligible assets) <i>Liquidity balances to support issued debt. Minimum \$75m.</i>	\$135.1	BBSW - 43 bps
<b>Total Portfolio</b>	<b>\$937.1</b>	<b>BBSW + 63 bps</b>

The following table provides a segregation of the types of assets held in the portfolio as at 28 November 2008:

Portfolio Rankings	Par Value (A\$ million)	Mark to Market Value (A\$ million)
Secured Debt	\$672.5	\$581.6
Unsecured Debt	\$264.5	\$229.0
Senior Debt	\$843.2	\$741.6
Authorised Subordinated Debt	\$93.8	\$68.9
<b>Total Portfolio</b>	<b>\$937.1</b>	<b>\$810.6</b>

The following table provides a segregation of the ratings categories for the assets held in the portfolio as at 28 November 2008. Please note that within these ratings there are A\$222.8 million par value of securities or loans (23.8% of the portfolio par value) that are not publicly rated but are classified based on the ratings of the counterparties. MAX reconfirms that it can only invest on acquisition in investment grade counterparties. Under the Investment Grade Ratings Test up to 10% of the assets in the MAX portfolio post-acquisition may be non-Investment Grade Assets due to having their ratings lowered.

<b>Ratings Categories</b>	<b>Par Value (A\$ million)</b>	<b>%</b>
AAA	\$231.4	25%
AA+, AA, AA-	\$105.2	11%
A+, A, A-	\$286.2	31%
BBB+, BBB, BBB-	\$239.1	26%
BB+, BB, BB-	\$45.0	5%
Lower than BB- rated	\$30.1	3%
<b>Total Portfolio</b>	<b>\$937.1</b>	<b>100%</b>

The majority of assets in the MAX portfolio are publicly rated by Standard & Poor's (S&P). Ratings range from AAA to D and are explained on S&P's website <http://www2.standardandpoors.com>.

In addition, the following designations are applied by S&P to certain asset ratings:

- **CreditWatch:** positive (CW Pos), negative (CW Neg) or developing (CW Dev).
- **Ratings Outlook:** positive (Pos Outlook), negative (Neg Outlook), developing (Dev Outlook) or Stable.

The following table provides a segregation of the types of assets held in the portfolio as at 28 November 2008:

<b>Type of Asset</b>	<b>Par Value (A\$ million)</b>	<b>Mark to Market Value (A\$ million)</b>
RMBS	\$188.0	\$173.6
CMBS	\$161.0	\$160.4
CDOs	\$91.4	\$37.2
Other loans and securities	\$497.0	\$439.3
<b>Total Portfolio</b>	<b>\$937.1</b>	<b>\$810.6</b>

The above tables do not include the mark to market value of associated derivative transactions. As at 28 November 2008, the mark to market value of derivatives held by MAX is negative A\$43.1 million. MAX notes that certain swap counterparties have early termination options and other rights of termination in certain other circumstances which may require MAX to pay the value of the transaction to the swap counterparty and, if a replacement derivative transaction is not entered into, result in MAX being unhedged in relation to the corresponding asset.

## Portfolio List

MAX's full asset portfolio as at 28 November 2008 is attached as Appendix 1. Tables which compare the A\$ exchange rates against the US, Euro and NZ currencies and the ratings and A\$ par values for MAX's assets, as at 30 June 2008 and 28 November 2008, are attached as Appendices 2 and 3 respectively.

## Review of specific asset categories in the MAX portfolio

### 1. RMBS

MAX holds A\$187.9 million par value (or 20.06% of the total portfolio) in residential mortgage backed securities (RMBS). These securities comprise underlying prime, sub-prime and/or non-conforming exposures.

The MAX Free Liquidity portfolio can only comprise A\$ prime RMBS, cash or cash equivalent securities. The par value amount of the Free Liquidity portfolio as at 28 November 2008 was A\$135.1 million, of which A\$42.5 million was held in A\$ prime RMBS securities. The remaining amount was held in cash.

RMBS assets (excluding the Mobius exposures) held by MAX as at 28 November 2008 are tabled below.

Asset Name	S&P Rating	Par value (A\$ million)
Apollo 2007-1E (Prime RMBS)	AAA	\$3.2
HBOS Swan Series 2007-1E (Prime RMBS)	AAA	\$4.1
Paragon Mortgages PLC	AA	\$9.8
Pepper Trust No 7	AAA	\$7.2
Progress Trust 2006-1 (Prime RMBS)	AAA	\$6.3
REDS Trust (Prime RMBS)	AAA	\$8.7
Sapphire IV NZ	A	\$5.0
SMHL (Prime RMBS)	AAA	\$8.6
Torrens Trust (Prime RMBS)	AAA	\$2.6
Torrens Trust (Prime RMBS)	AAA	\$9.0
Wide Bay Trust	BBB- (Negative Outlook)	\$2.6
<b>Aggregate</b>		<b>\$67.2</b>

MAX is reviewing developments in respect to the estimated payments dates for a number of its RMBS holdings. MAX has also been in discussions with S&P in relation to a number of possible adjustments to the estimated maturity dates for these assets which are expected to cause the MTN Liquidity Test to further breach.

MAX holds various investments in RMBS securities issued by Mobius. The aggregate par value of all Mobius related investments as at 28 November 2008 was A\$120.8 million (or 12.9% of the total portfolio).

The Mobius exposures held by MAX as at 28 November 2008 are tabled below.

<b>Asset Name</b>	<b>S&amp;P Rating</b>	<b>Par value (A\$ million)</b>
Allmortgage Trust (RMBS warehouse)	Not publicly rated	\$30.0
NCM 03 Class B (traded RMBS)	A	\$23.5
NCM 03 Class C (traded RMBS)	BBB	\$7.7
NCM 04 Class C (traded RMBS)	BBB+	\$22.8
NCM 04 Class D (traded RMBS)	CCC+	\$18.9
NCM 04 Class M (interest only strip)	CCC+	\$0.9
NCM 04 Standalone Trust (TMIC - LMI support)	Not publicly rated	\$17.0
<b>Aggregate</b>		<b>\$120.8</b>

MAX is reviewing developments in respect to the estimated payments dates for its Mobius holdings. MAX has also been in discussions with S&P in relation to a number of possible adjustments to the estimated maturity dates for these assets which are expected to cause the MTN Liquidity Test to further breach.

## **2. Aircraft / Airlines**

MAX holds A\$98.1 million par value (or 10.5% of the total portfolio) in aircraft and/or airline exposure. Assets held include Enhanced Equipment Trust Certificates (EETCs), Asset Backed Structures (ABS) and assets exposed to Qantas corporate risk.

Outside of the EETC investments MAX has provided loans to special purpose companies for the purpose of financing aircraft under operating leases to Qantas. MAX holds an aggregate exposure of A\$40.2 million par value as at 28 November 2008, which includes six mezzanine receivable loans, which are exposed to Qantas lease receivables (corporate credit risk) and one mezzanine asset loan which is exposed to aircraft value at lease maturity. MAX is reviewing developments with these Qantas assets regarding the appointment of receivers to Allco Finance Group on 5 November 2008 and the impact this may have on these transactions.

The EETC and ABS aircraft/airline exposures held by MAX as at 28 November 2008 are tabled below.

<b>Asset Name</b>	<b>S&amp;P Rating</b>	<b>Par value (A\$ million)</b>
AerCo Limited (ABS)	A-	\$5.8
AMR Corporation (EETC)	BBB	\$7.6
Continental Airlines Inc (EETC)	BBB	\$7.7

Continental Airlines Inc (EETC)	A-	\$5.7
Continental Airlines Inc (EETC)	BBB+	\$4.5
Lease Investment Flight Trust (ABS)	B+	\$10.3
Northwest Airlines (EETC)	A-	\$16.3
<b>Aggregate</b>		<b>\$57.9</b>

### 3. Collateralised Debt Obligation (CDO) securities

MAX holds a total of eleven CDOs with an aggregate par value of A\$91.4 million (or 9.7% of the total portfolio). As at 28 November 2008, the mark to market value of these securities was A\$37.2 million.

The CDO exposures held by MAX as at 28 November 2008 are tabled below.

<b>Asset Name</b>	<b>S&amp;P Rating</b>	<b>Par value (A\$ million)</b>
Belo Plc	AAA	\$7.6
Belo Plc	AA+	\$7.6
Bishopsgate CDO Limited Wentworth	AA+	\$5.0
Evergreen CDO	AA	\$9.8
Herald Limited Series 24 "Quartz AA"	BBB-	\$5.0
Khamsin Credit Products II - B (SGOX-2)	AA (CW Neg)	\$15.0
Khamsin Credit Products II (Silver Lake #2)	AA-	\$10.0
Obelisk Trust 2005-3 Mica	BBB+	\$6.5
Obelisk Trust 2006-1 Eden	BB	\$5.0
Obelisk Trust 2006-3 Eden	BB+	\$10.0
Rainbow ABS CDO 2003	A	\$9.8
<b>Aggregate</b>		<b>\$91.4</b>

Please note the following ratings actions subsequent to the report date of 28 November 2008:

- Khamsin Orient IC-Xpress CDO: S&P lowered the rating from AA (CW neg) to B- on 2 December 2008.
- Obelisk Mica 2005-3 CDO: S&P placed the rating on CreditWatch Negative (BBB+) on 5 December 2008. Obelisk Eden 2006-1 CDO: S&P placed the rating on CreditWatch Negative (BB) on 5 December 2008.
- Khamsin Silver Lake CDO: S&P lowered the rating from AA- (CW neg) to CCC+ on 2 December 2008.

Further to recent worsening of financial market conditions MAX is reviewing developments in respect to a number of underlying reference entities in its holding of CDO's. These developments have resulted in the recent ratings downgrades and have caused MAX to be in further breach of its Static Capital Adequacy Test.

#### 4. Property

MAX holds A\$205.9 million par value (or 22.0% of the total portfolio) in exposure to property transactions. Assets held include secured loans against properties with committed lease terms exceeding the maturity date of the debt and tradable commercial mortgage backed securities (CMBS) and real estate investment trust securities (REIT's).

MAX has provided loans to special purpose vehicles established for the purpose of refinancing select Record Realty Trust (ASX: RRT) property transactions. These loans have been structured as CMBS loan notes and the tranches held by MAX vary in respect to seniority of cash flows and security rights. MAX holds an aggregate par value of A\$100.5 million loan notes by Bridge Street CRC in respect to the ASX Building (20 Bridge Street, Sydney) and an aggregate par value of A\$35.3 million loan notes (including liquidity notes) by Gosford CRC in respect to the Gosford Workcover Head office (Gosford, NSW). These loan notes are privately rated. The private rating of the loan notes issued by Bridge Street CRC is supported by a liquidity facility provided by MAX, which is in turn dependent on funding being available under a back-to-back facility provided by another financier. The availability of funding under the back-to-back facility is subject to a ratings condition precedent which MAX no longer satisfies, and accordingly MAX is seeking to restructure the liquidity support arrangements to enable the rating of the Bridge Street CRC loan notes to be maintained. A loss of the rating for these notes would result in a further breach of the MTN Liquidity and Static Capital Adequacy Tests.

For further information on the Record Realty transactions MAX refers to releases it has made to the ASX, most recently 4 December 2008.

The tradable CMBS and REIT security exposures held by MAX as at 28 November 2008 are tabled below.

<b>Asset Name</b>	<b>S&amp;P Rating</b>	<b>Par value (A\$ million)</b>
Centro SC Securities (CMBS)	BBB-	\$9.5
CFS Retail Property Trust (REIT)	A	\$25.0
Fountain PI Trust (CMBS)	BBB+	\$15.7
GPT RE Limited (REIT)	BBB	\$10.0
Westfield Management Limited (REIT)	A-	\$10.0
<b>Aggregate</b>		<b>\$70.2</b>



## 5. Financial Institutions

MAX holds A\$188.7 million par value (or 20.1% of the total portfolio) in exposures to financial institutions.

The financial institution exposures held by MAX as at 28 November 2008 are tabled below.

<b>Asset Name</b>	<b>S&amp;P Rating</b>	<b>Par value (A\$ million)</b>
Bear Stearns Co Inc	AA- (Neg Outlook)	\$17.2
Challenger Treasury Limited	BBB+	\$5.0
Countrywide Financial Corporation	AA- (CW Neg)	\$15.0
Elm BV	A	\$19.6
Generali Finance	A	\$19.6
Glitnir Bank (formerly Islandsbanki)	D	\$0
Goldman Sachs Group Inc	AA- (Neg Outlook)	\$5.0
Hannover Re	A	\$11.8
Macquarie Bank Limited	A- (Neg Outlook)	\$24.6
Merrill Lynch & Co	A (CW Dev)	\$10.0
Morgan Stanley	A+ (Neg Outlook)	\$20.0
National Capital Instruments	A+	\$9.8
National Capital Trust	A+	\$11.0
SLM Corporation	BBB-	\$20.0
<b>Aggregate</b>		<b>\$188.7</b>

## 6. Industrial

MAX holds A\$72.5 million par value (or 7.7% of the total portfolio) in exposures to industrial credits. The industrial exposures held by MAX as at 28 November 2008 are tabled below.

<b>Asset Name</b>	<b>S&amp;P Rating</b>	<b>Par value (A\$million)</b>
Coca-Cola Amatil Limited	A-	\$5.5
CSR Limited	BBB+ (Neg Outlook)	\$10.0
Rock & Rubble	BBB	\$10.0
Tabcorp Holdings	BBB+	\$10.0
Telstra Corp Limited	A	\$20.0
Transurban Finance Company	A-	\$12.0
Woolworths Limited	A-	\$5.0
<b>Aggregate</b>		<b>\$72.5</b>

### For more information

Please refer to the Investor Information section of Allco's Max's website at [www.allcomax.com.au](http://www.allcomax.com.au) or contact our share registry, Computershare, as follows:

Enquiries within Australia: 1300 738 983

Enquiries outside Australia: 61 3 9415 4634

Web enquiries: [web.queries@computershare.com.au](mailto:web.queries@computershare.com.au)

## Appendix 1: Portfolio List (as at 28 November 2008)

Issuer Name	Asset Name	Asset Maturity Date	Base Currency	Par Value A\$
AerCo Limited	2x A4 Tranche LIBOR + 0.52% - 07/2025	15-Jul-25	USD	\$5,800,365.16
AMR Corporation	2001-2 A-2 7.858% - 10/2011	1-Oct-11	USD	\$7,608,034.08
Apollo 2007-1E	Class 1A BBSW +0.14% - 08/2038 (WAL 2.60)	13-Dec-09	AUD	\$3,200,357.42
Bear Stearns Co Inc	BBSW + 0.37% - 02/2010	24-Feb-10	AUD	\$15,000,000.00
Bear Stearns Co Inc	BBSW + 0.37% - 02/2010	24-Feb-10	AUD	\$2,200,000.00
Belo Plc	Libor +1.10% AAA 10/2011	6-Oct-11	USD	\$7,608,034.08
Belo Plc	Libor +1.30% AA+ 10/2011	6-Oct-11	USD	\$7,608,034.08
Bishopsgate CDO Limited Wentworth	BISH 2005-6X BBSW + 1.50% 09/2010	30-Sep-10	AUD	\$5,000,000.00
Bridge Street CRC	Class A BBSY +0.62% - 09/2012	30-Sep-12	AUD	\$60,500,000.00
Bridge Street CRC	Class B BBSY +0.62% - 09/2012	30-Sep-12	AUD	\$7,800,000.00
Bridge Street CRC	Class C BBSY +0.62% - 09/2012	30-Sep-12	AUD	\$11,700,000.00
Bridge Street CRC	Class D BBSY +0.62% - 09/2012	30-Sep-12	AUD	\$13,700,000.00
Bridge Street CRC	Class E BBSY +0.62% - 09/2012	30-Sep-12	AUD	\$6,800,000.00
Cash - BNY Global Custody	Max EUR Account	30-Jun-08	EUR	\$2,821.17
Cash - BNY Global Custody	Max Collection Account	30-Jun-08	AUD	\$39,277,742.17
Cash - BNY Global Custody	Max NZD Account	30-Jun-08	NZD	\$1,151.70
Cash - BNY Global Custody	Max USD Account	30-Jun-08	USD	\$509,641.46
Cash - BNY Global Custody	Max Liquidity Account	30-Jun-08	AUD	\$52,835,639.51
Centro SC Securities	BBSW + 0.85% 'BBB-' - 06/2013	20-Jun-13	AUD	\$9,500,000.00
CFS Retail Property Trust	BBSW + 0.29% - 07/2009	31-Jul-09	AUD	\$5,000,000.00
CFS Retail Property Trust	5.075% - 08/2012	21-Aug-12	AUD	\$20,000,000.00
Challenger Treasury Limited	7.000% - 04/2010	23-Apr-10	AUD	\$5,000,000.00
Coca-Cola Amatil Limited	BBSW + 0.30% - 08/2010	10-Aug-10	AUD	\$5,500,000.00
Continental Airlines Inc	2000-1 A2 7.918% - 05/2010	1-May-10	USD	\$7,706,938.53
Continental Airlines Inc	1999-1 A 6.545% - 02/2019	2-Feb-19	USD	\$5,667,443.85
Continental Airlines Inc	1999-2 A 7.256% - 03/2020	15-Mar-20	USD	\$4,531,646.96
Countrywide Financial Corporation	BBSW + 0.47% - 12/2010	16-Dec-10	AUD	\$15,000,000.00
CSR Limited	6.000% - 03/2009	17-Mar-09	AUD	\$10,000,000.00
Elm BV	5.252% - 05/2016	25-May-16	EUR	\$19,642,506.38
Evergreen CDO	CLN EURIBOR + 1.0% - 10/2009	9-Oct-09	EUR	\$9,821,253.19
Fountain PI Trust	7.096% - 09/2025	1-Sep-25	AUD	\$15,706,692.73
Generali Finance	5.479% - 02/2017	8-Feb-17	EUR	\$19,642,506.38
Glitnir Bank (formerly Islandsbanki)	BBSW + 0.30% - 11/2010	15-Nov-10	AUD	\$0.00
Goldman Sachs Group Inc	BBSW + 0.41% - 10/2009	21-Oct-09	AUD	\$5,000,000.00
Gosford CRC	Class B 8.19% - 01/2014	9-Jan-14	AUD	\$2,955,224.00
Gosford CRC	Class A 8.19% - 01/2014	9-Jan-14	AUD	\$16,916,528.23
Gosford CRC	Class C 8.19% - 01/2014	9-Jan-14	AUD	\$4,432,836.00
Gosford CRC	Class D 8.19% - 01/2014	9-Jan-14	AUD	\$5,417,910.00
Gosford CRC	Class E 8.19% - 01/2014	9-Jan-14	AUD	\$1,462,687.00
Gosford CRC	Liquidity Notes - 01/2014	9-Jan-14	AUD	\$4,000,000.00
GPT RE Limited	BBSW + 0.48% - 11/2010	7-Nov-10	AUD	\$10,000,000.00
Hannover Re	5.00% - 06/2015	1-Jun-15	EUR	\$11,785,503.83
HBOS Swan Series 2007-1E	Class A2 BBSW +0.14% - 09/2038 (WAL 2.25)	30-Jan-10	AUD	\$4,133,560.53
Herald Limited Series 24 "Quartz AA"	BBSW + 1.5% - 12/2010	20-Dec-10	AUD	\$5,000,000.00
Khamsin Credit Products (Netherlands) II	Silver Lake #2 BBSW+1.15% - 12/2016	21-Dec-16	AUD	\$10,000,000.00
Khamsin Credit Products (Netherlands) II - B	SGOX-2 BBSW + 1.25% - 03/2017	20-Mar-17	AUD	\$15,000,000.00
Lease Investment Flight Trust	1 Class A3 LIBOR + 0.43 % -07/2016 (WAL 5.3)	15-Sep-11	USD	\$10,309,533.98
Macquarie Bank Limited	LIBOR +0.25% - 09/2010	18-Sep-10	USD	\$16,737,674.98
Macquarie Bank Limited	EURIBOR +0.35% - 12/2011	6-Dec-11	EUR	\$7,857,002.55
Merrill Lynch & Co	6.085% - 10/2010	6-Oct-10	AUD	\$10,000,000.00
Mobius AllMortgage Trust	Class M1 BBSW +1.50% - 01/2051 (WAL 4.58)	30-Aug-12	AUD	\$30,000,000.00
Mobius NCM-03	Class B BBSW + 0.85% - 10/2050 (WAL 2.33)	30-Sep-10	AUD	\$23,500,000.00
Mobius NCM-03	Class C BBSW + 1.70% - 10/2050 (WAL 3.00)	31-May-11	AUD	\$7,650,000.00
Mobius NCM-04	A Class C BBSW + 0.85% - 11/2051 (WAL 2.75)	28-Feb-11	AUD	\$22,800,000.00
Mobius NCM-04	BBB Class D BBSW + 1.25% -	31-Jan-12	AUD	\$18,900,000.00

	11/2051 (WAL 3.67)			
Mobius NCM-04	Class M BBSW + 4.0% - 11/2051 (WAL 3.67)	31-Jan-12	AUD	\$900,974.84
Mobius NCM-04	Stand Alone Trust BBSW +1.20% - 11/2051	31-Jan-12	AUD	\$17,000,000.00
Morgan Stanley	BBSW +0.38% - 03/2013	1-Mar-13	AUD	\$13,000,000.00
Morgan Stanley	BBSW +0.45% - 08/2012	8-Aug-12	AUD	\$7,000,000.00
National Capital Instruments	NAB Float 49-16 Euribor +0.96% - 09/2016	29-Sep-16	EUR	\$9,821,253.19
National Capital Trust	BBSW +0.95% - 09/2016	14-Sep-16	AUD	\$11,000,000.00
Northwest Airlines	1999-2 Fixed 7.575% - 03/2019	1-Mar-19	USD	\$16,284,085.00
Obelisk Trust 2005-3 Mica	BBSW + 1.30% - 09/2010	22-Sep-10	AUD	\$6,500,000.00
Obelisk Trust 2006-1 Eden	BBSW + 1.1% - 04/2011	7-Apr-11	AUD	\$5,000,000.00
Obelisk Trust 2006-3 Eden	BBSW + 1.10% - 04/2013	7-Apr-13	AUD	\$10,000,000.00
Paragon Mortgages PLC	12x Class B1B EURIBOR +0.24% - 11/2038	15-Aug-10	EUR	\$9,821,253.19
Pepper Trust No 7	Class A3 BBSW +1.10% - 09/2048 (WAL 1.55)	15-Jun-09	AUD	\$7,239,615.60
Progress Trust 2006-1	Class A BBSW +0.14% - 03/2037 (WAL 2.25)	10-Oct-09	AUD	\$6,285,534.00
Qantas Airways Limited	VQQ Senior Receivables Loan 6.550% - 11/2015	13-Nov-15	AUD	\$21,204,958.00
Qantas Airways Limited	VQR Receivables Loan 7.2175% - 07/2016	15-Jul-16	AUD	\$803,241.39
Qantas Airways Limited	VQS Receivables Loan 7.190% - 07/2012	13-Jul-12	AUD	\$679,928.08
Qantas Airways Limited	VQP Receivables Loan 7.06% - 11/2014	14-Nov-14	AUD	\$723,489.93
Qantas Airways Limited	VQG Snr Zero Coupon Loan - 05/2016	20-May-16	USD	\$15,187,644.83
Qantas Airways Limited	VQI Receivables Loan 7.07% - 02/2014	14-Feb-14	AUD	\$770,272.17
Qantas Airways Limited	VQJ Receivables Loan 7.09250% - 01/2015	15-Jan-15	AUD	\$785,214.51
Rainbow ABS CDO 2003	Variable - 10/2010	11-Oct-10	EUR	\$9,821,253.19
REDS Trust	Class A-2 BBSW + 0.17% - 11/2037 (WAL 2.7)	17-Jul-09	AUD	\$8,740,927.25
Rock & Rubble	BBSW +0.85% - 08/2011	15-Aug-11	AUD	\$10,000,000.00
Sapphire IV NZ	2007-1 Class MZ BKBM +2.50% - 10/2041 (WAL 3.0)	12-Jan-11	NZD	\$5,046,681.81
SLM Corporation	6.500% - 05/2009	18-May-09	AUD	\$10,000,000.00
SLM Corporation	BBSW + 0.32% - 12/2010	15-Dec-10	AUD	\$10,000,000.00
SMHL	Class A BBSW +0.17% - 08/2036 (WAL 2.00)	12-Sep-09	AUD	\$8,600,394.06
Tabcorp Holdings	Tabcorp Investments No.4 Fixed 6.50% 10/2011	13-Oct-11	AUD	\$10,000,000.00
Telstra Corp Limited	7.250% - 03/2010	30-Mar-10	AUD	\$20,000,000.00
Torrens Trust	TORR 2005-2 A BBSW + 0.25% 07/2037 (WAL 2.4)	6-Mar-10	AUD	\$2,588,404.11
Torrens Trust	TORR 2005-3E BBSW +0.17% - 10/2036 (WAL2.60)	20-Jan-11	AUD	\$8,955,434.07
Transurban Finance Company	BBSW +0.45% - 09/2011	15-Sep-11	AUD	\$12,000,000.00
Westfield Management Limited	5.500% - 07/2010	15-Jul-10	AUD	\$10,000,000.00
Wide Bay Trust	2005-1 Class D BBSW +1.00% - 11/2036 (WAL 4.60)	27-Jun-10	AUD	\$2,592,267.51
Woolworths Limited	Woolworths Ltd BBSW +0.30% - 03/2011	14-Mar-11	AUD	\$5,000,000.00

## Appendix 2: Comparative exchange rates

The following table compares the A\$ exchange rates against the US, Euro and NZ currencies as at 30 June 2008 and 28 November 2008:

<b>Exchange Rates</b>	<b>30 June 2008</b>	<b>28 November 2008</b>
A\$ / US\$	0.9626	0.6572
A\$ / Euro	0.6096	0.5091
A\$ / NZ\$	1.2609	1.1889

## Appendix 3: Comparative portfolio ratings and A\$ par values

Issuer Name	Rating as at 30 June 2008	Rating as at 28 November 2008	Base Currency	Par Value A\$ as at 30 June 2008	Par Value A\$ as at 28 November 2008
AerCo Limited	A	A-	USD	\$4,639,517.95	\$5,800,365.16
AMR Corporation	A-	BBB	USD	\$5,194,265.53	\$7,608,034.08
Apollo 2007-1E	AAA	AAA	AUD	\$3,548,169.09	\$3,200,357.42
Bear Stearns Co Inc	AA-	AA-	AUD	\$15,000,000.00	\$15,000,000.00
Bear Stearns Co Inc	AA-	AA-	AUD	\$2,200,000.00	\$2,200,000.00
Belo Plc	AAA	AAA	USD	\$5,194,265.53	\$7,608,034.08
Belo Plc	AA+	AA+	USD	\$5,194,265.53	\$7,608,034.08
Bishopsgate CDO Limited Wentworth	AA+	AA+	AUD	\$5,000,000.00	\$5,000,000.00
Bridge Street CRC	Not publicly Rated	AAA	AUD	\$60,500,000.00	\$60,500,000.00
Bridge Street CRC	Not publicly Rated	AA	AUD	\$7,800,000.00	\$7,800,000.00
Bridge Street CRC	Not publicly Rated	A	AUD	\$11,700,000.00	\$11,700,000.00
Bridge Street CRC	Not publicly Rated	BBB	AUD	\$13,700,000.00	\$13,700,000.00
Bridge Street CRC	Not publicly Rated	BBB-	AUD	\$6,800,000.00	\$6,800,000.00
Cash - BNY Global Custody	AAA	AAA	EUR	\$119,996.67	\$2,821.17
Cash - BNY Global Custody	AAA	AAA	AUD	\$5,696,702.76	\$39,277,742.17
Cash - BNY Global Custody	AAA	AAA	NZD	\$75.18	\$1,151.70
Cash - BNY Global Custody	AAA	AAA	USD	\$176,475.20	\$509,641.46
Cash - BNY Global Custody	AAA	AAA	AUD	\$51,397,967.69	\$52,835,639.51
Centro SC Securities	BBB-	BBB-	AUD	\$9,500,000.00	\$9,500,000.00
CFS Retail Property Trust	A	A	AUD	\$5,000,000.00	\$5,000,000.00
CFS Retail Property Trust	A	A	AUD	\$20,000,000.00	\$20,000,000.00
Challenger Treasury Limited	BBB+	BBB+	AUD	\$5,000,000.00	\$5,000,000.00
Coca-Cola Amatil Limited	A-	A-	AUD	\$5,500,000.00	\$5,500,000.00
Continental Airlines Inc	BBB	BBB	USD	\$5,261,790.98	\$7,706,938.53
Continental Airlines Inc	A-	A-	USD	\$3,892,188.50	\$5,667,443.85
Continental Airlines Inc	A-	BBB+	USD	\$3,232,464.18	\$4,531,646.96
Countrywide Financial Corporation	BB+	Matured	AUD	\$5,000,000.00	Matured
Countrywide Financial Corporation	BB+	AA-	AUD	\$15,000,000.00	\$15,000,000.00
CSMS	BBB+	Sold	USD	\$5,194,265.53	Sold
CSR Limited	BBB+	BBB+	AUD	\$10,000,000.00	\$10,000,000.00
Elm BV	A	A	EUR	\$16,404,199.48	\$19,642,506.38
Evergreen CDO	AA	AA	EUR	\$8,202,099.74	\$9,821,253.19
Fountain PI Trust	BBB+	BBB+	AUD	\$15,723,725.76	\$15,706,692.73
Gasnet Australia Ops Limited	BBB	Matured	AUD	\$10,000,000.00	Matured
Generali Finance	A	A	EUR	\$16,404,199.48	\$19,642,506.38
Glitnir Bank (formerly Islandsbanki)	BBB+	D	AUD	\$10,000,000.00	\$0.00
Goldman Sachs Group Inc	AA-	AA-	AUD	\$5,000,000.00	\$5,000,000.00
Gosford CRC	Not publicly Rated	AA	AUD	\$2,955,224.00	\$2,955,224.00
Gosford CRC	Not publicly Rated	AAA	AUD	\$17,286,898.58	\$16,916,528.23
Gosford CRC	Not publicly Rated	A	AUD	\$4,432,836.00	\$4,432,836.00
Gosford CRC	Not publicly Rated	BBB	AUD	\$5,417,910.00	\$5,417,910.00
Gosford CRC	Not publicly Rated	BBB-	AUD	\$1,462,687.00	\$1,462,687.00
Gosford CRC	Not publicly Rated	AAA	AUD	\$4,000,000.00	\$4,000,000.00
GPT RE Limited	BBB+	BBB	AUD	\$10,000,000.00	\$10,000,000.00
Hannover Re	A	A	EUR	\$9,842,519.69	\$11,785,503.83
HBOS Swan Series 2007-1E	AAA	AAA	AUD	\$4,387,793.26	\$4,133,560.53
Herald Limited Series 24 "Quartz AA"	A-	BBB-	AUD	\$5,000,000.00	\$5,000,000.00
Khamsin Credit Products (Netherlands) II	A-	AA-	AUD	\$10,000,000.00	\$10,000,000.00
Khamsin Credit Products (Netherlands) II - B	AA	AA	AUD	\$15,000,000.00	\$15,000,000.00
Lease Investment Flight Trust	A-	B+	USD	\$7,762,022.87	\$10,309,533.98
Macquarie Bank Limited	A-	A-	USD	\$11,427,384.17	\$16,737,674.98

Macquarie Bank Limited	A-	A-	EUR	\$6,561,679.79	\$7,857,002.55
Merrill Lynch & Co	A	A	AUD	\$10,000,000.00	\$10,000,000.00
Mobius AllMortgage Trust	Not publicly Rated	BB+	AUD	\$30,000,000.00	\$30,000,000.00
Mobius NCM-03	A	A	AUD	\$23,500,000.00	\$23,500,000.00
Mobius NCM-03	BBB	BBB	AUD	\$7,650,000.00	\$7,650,000.00
Mobius NCM-04	A	BBB+	AUD	\$22,800,000.00	\$22,800,000.00
Mobius NCM-04	BBB	CCC+	AUD	\$18,900,000.00	\$18,900,000.00
Mobius NCM-04	BBB	CCC+	AUD	\$1,095,853.03	\$900,974.84
Mobius NCM-04	Not publicly Rated	BBB	AUD	\$17,000,000.00	\$17,000,000.00
Morgan Stanley	A+	A+	AUD	\$13,000,000.00	\$13,000,000.00
Morgan Stanley	A+	A	AUD	\$7,000,000.00	\$7,000,000.00
National Capital Instruments	A+	A+	EUR	\$8,202,099.74	\$9,821,253.19
National Capital Trust	A+	A+	AUD	\$11,000,000.00	\$11,000,000.00
Northwest Airlines	A	A-	USD	\$11,559,398.52	\$16,284,085.00
Obelisk Trust 2005-3 Mica	A+	BBB+	AUD	\$6,500,000.00	\$6,500,000.00
Obelisk Trust 2006-1 Eden	BBB	BB	AUD	\$5,000,000.00	\$5,000,000.00
Obelisk Trust 2006-3 Eden	BBB+	BB+	AUD	\$10,000,000.00	\$10,000,000.00
Paragon Mortgages PLC	AA	AA	EUR	\$8,202,099.74	\$9,821,253.19
Pepper Trust No 7	AAA	AAA	AUD	\$8,504,151.66	\$7,239,615.60
Progress Trust 2006-1	AAA	AAA	AUD	\$7,031,584.50	\$6,285,534.00
Qantas Airways Limited	Not publicly Rated	BBB+	AUD	\$22,207,686.31	\$21,204,958.00
Qantas Airways Limited	Not publicly Rated	BBB+	AUD	\$835,158.48	\$803,241.39
Qantas Airways Limited	Not publicly Rated	BBB+	AUD	\$746,198.50	\$679,928.08
Qantas Airways Limited	Not publicly Rated	BBB+	AUD	\$763,686.72	\$723,489.93
Qantas Airways Limited	Not publicly Rated	BBB+	USD	\$10,246,306.44	\$15,187,644.83
Qantas Airways Limited	Not publicly Rated	BBB+	AUD	\$820,712.00	\$770,272.17
Qantas Airways Limited	Not publicly Rated	BBB+	AUD	\$826,617.03	\$785,214.51
Rainbow ABS CDO 2003	A	A	EUR	\$8,202,099.74	\$9,821,253.19
REDS Trust	AAA	AAA	AUD	\$9,801,339.70	\$8,740,927.25
Rock & Rubble	BBB	BBB	AUD	\$10,000,000.00	\$10,000,000.00
Sapphire IV NZ	A	A	NZD	\$4,758,505.83	\$5,046,681.81
SLM Corporation	BBB-	BBB-	AUD	\$10,000,000.00	\$10,000,000.00
SLM Corporation	BBB-	BBB-	AUD	\$10,000,000.00	\$10,000,000.00
SMHL	AAA	AAA	AUD	\$9,911,534.39	\$8,600,394.06
Tabcorp Holdings	BBB+	BBB+	AUD	\$10,000,000.00	\$10,000,000.00
Telstra Corp Limited	A	A	AUD	\$20,000,000.00	\$20,000,000.00
Torrens Trust	AAA	AAA	AUD	\$2,961,063.12	\$2,588,404.11
Torrens Trust	AAA	AAA	AUD	\$10,366,208.21	\$8,955,434.07
Transurban Finance Company	A-	A-	AUD	\$12,000,000.00	\$12,000,000.00
Westfield Management Limited	A-	A-	AUD	\$10,000,000.00	\$10,000,000.00
Wide Bay Trust	BBB-	BBB-	AUD	\$2,779,818.67	\$2,592,267.51
Woolworths Limited	A-	A-	AUD	\$5,000,000.00	\$5,000,000.00

Please note: the A\$ par value of loans and securities denominated in (non-A\$) foreign currencies are calculated at the spot exchange rate at the time of reporting. With respect to asset Marked to Market valuations, the process of marking to market is conducted by independent financial institutions and is based on valuation procedures that follow accepted financial market practice. Valuation procedures are based on the assumption of a willing, but not forced buyer, and a willing, but not forced, seller. Although MAX believes this represents the most appropriate estimate of the carrying value of the assets as at the valuation date, it may not represent the price that could be obtained should the assets be sold.

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