

25 June 2013

**MAX TRUST ARSN 115 268 660 (ASX : MXQ)  
MARKET UPDATE – PASS THROUGH NOTES TERMS**

1. **The Pass Through Note holders have agreed to relax the terms and conditions attached to the notes;**
2. **The Amendments should allow the acceleration of the repayment of the remaining deferred margin to noteholders;**
3. **The overall impact of the Amendments should be to bring forward the return of capital to Max Trust unitholders.**

The Trust Company (RE Services) Limited (“**The Trust Company**”) in its capacity as responsible entity for Max Trust (“**Max**”) is pleased to announce a number of amendments to the Pass Through Notes (“**PTN**”) documentation (“**Amendments**”).

**Background**

Max continues to operate in wind down mode with the proceeds of asset realisations being applied to repay deferred margin on PTNs.

Various asset sale restrictions (pricing obligations and timing constraints) as well as liquidity reserve obligations were introduced as a part of the 2009 debt restructure. At that time it was agreed that these restrictions and obligations would continue to apply until the PTNs had been repaid in full, including deferred margin.

Accordingly, notwithstanding the PTNs ceasing to accrue interest in March 2013 (when the principal was repaid), assets sales continue to remain subject to the terms and conditions attached to the PTNs.

In addition from September 2013 the existing terms of the PTNs require The Trust Company to conduct tender processes for the remaining assets in the portfolio until the PTNs are repaid in full.

In order to provide greater flexibility to The Trust Company to dispose of the remaining assets in the portfolio, The Trust Company issued a circular resolution requesting PTN holders to approve certain amendments to the terms and conditions attached to the PTNs.

**Amendments**

The Amendments give The Trust Company more flexibility to realise assets and facilitate the repayment of the outstanding deferred margin on PTNs, thereby bringing forward the return of capital to Max’s unitholders. The Amendments achieve this outcome by:



- (a) allowing asset sales via competitive tenders to occur at any time and at prevailing market prices (by removing timing constraints and minimum sale price requirements);
- (b) allowing monthly repayments to the holders of PTNs, subject to a minimum repayment of \$5 million (currently repayments can only be made on a quarterly basis); and
- (c) giving The Trust Company the ability to set the Liquidity Reserve at \$1 million or greater (the PTNs currently require this reserve to be maintained at \$9 million until such time as all secured creditors have been repaid).

A special resolution of noteholders authorising the Amendments was deemed passed on 25 June 2013. The amendments are now subject to documentation, which is expected to be completed in the coming weeks.

The Trust Company will make a further announcement following the Amendments being finalised.

**ENDS**

**For further information please contact:**

Shareholder General Enquiries  
Computershare  
1300 738 983



**THE  
TRUST  
COMPANY**

The Trust Company  
(RE Services) Limited  
ABN 45 003 278 831  
AFSL 235150