

# Latitude Australia Personal Loans Series 2020-1 Trust Cashflow Allocation and Funding Deed

Dated 24 February 2020

Perpetual Corporate Trust Limited (ABN 99 000 341 533) in its capacity as trustee of the Latitude Australia Personal Loans Series 2020-1 Trust (“**Trustee**”)

KVD TM Pty Ltd (ABN 84 607 234 015) (“**Trust Manager**”)

P.T. Limited (ABN 67 004 454 666) in its capacity as trustee of the Latitude Australia Personal Loans Series 2020-1 Security Trust (“**Security Trustee**”)

Latitude Personal Finance Pty Ltd (ABN 54 008 443 810) (“**Servicer**”, “**Originator**” and “**Latitude**”)

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# Latitude Australia Personal Loans Series 2020-1 Trust **Cashflow Allocation and Funding Deed** Details

**Interpretation** – definitions are set out in clause 1 (“*Definitions and interpretation*”)

<b>Parties</b>	<b>Trustee, Trust Manager, Servicer, Originator, Latitude and Security Trustee</b>	
<b>Trustee</b>	Name	<b>Perpetual Corporate Trust Limited</b>
	ABN	99 000 341 533
	Capacity	as trustee of the Latitude Australia Personal Loans Series 2020-1 Trust
	Address	Level 18 Angel Place 123 Pitt Street Sydney NSW 2000
	Email	SecuritisationOps@perpetual.com.au
	Attention	Trust Manager - Transaction Management, Debt Market Services
<b>Trust Manager</b>	Name	<b>KVD TM Pty Ltd</b>
	ABN	84 607 234 015
	Address	Level 4 800 Collins Street Docklands VIC 3008
	Email	securitisation@latitudefinancial.com
	Attention	Treasurer
<b>Servicer, Originator and Latitude</b>	Name	<b>Latitude Personal Finance Pty Ltd</b>
	ABN	54 008 443 810
	Address	Level 4 800 Collins Street Docklands VIC 3008
	Email	securitisation@latitudefinancial.com
	Attention	Treasurer

<b>Security Trustee</b>	Name	<b>P.T. Limited</b>
	ABN	67 004 454 666
	Capacity	as trustee of the Latitude Australia Personal Loans Series 2020-1 Security Trust
	Address	Level 18 Angel Place 123 Pitt Street Sydney NSW 2000
	Email	SecuritisationOps@perpetual.com.au
	Attention	Trust Manager Trust Manager - Transaction Management, Debt Market Services
<b>Governing law</b>	Victoria	
<b>Date of deed</b>	See Signing page	

# Latitude Australia Personal Loans Series 2020-1 Trust **Cashflow Allocation and Funding Deed**

## General terms

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### **1 Definitions and interpretation**

#### **1.1 Incorporated definitions**

A term which has a defined meaning in the Master Definitions and Construction Deed has the same meaning when used in this document unless it is expressly defined in this document, in which case the meaning in this document prevails.

#### **1.2 Other defined terms**

In this document:

**Available Income** means, for any period, the amount calculated in accordance with clause 7.1 ("*Calculation of Available Income*").

**Breach of Representation Receivable** has the meaning given to it in clause 5.2(a) ("*Notice*").

**Carryover Charge-Off** means each of:

- (a) a Carryover Charge-Off (Redraw);
- (b) a Carryover Charge-Off (Class A);
- (c) a Carryover Charge-Off (Class B);
- (d) a Carryover Charge-Off (Class C);
- (e) a Carryover Charge-Off (Class D);
- (f) a Carryover Charge-Off (Class E); and
- (g) a Carryover Charge-Off (Seller),

as applicable.

**Carryover Charge-Off (Class A)** has the meaning given in clause 7.8 ("*Allocation of Charge-Offs*").

**Carryover Charge-Off (Class B)** has the meaning given in clause 7.8 ("*Allocation of Charge-Offs*").

**Carryover Charge-Off (Class C)** has the meaning given in clause 7.8 ("*Allocation of Charge-Offs*").

**Carryover Charge-Off (Class D)** has the meaning given in clause 7.8 ("*Allocation of Charge-Offs*").

**Carryover Charge-Off (Class E)** has the meaning given in clause 7.8 ("*Allocation of Charge-Offs*").

**Carryover Charge-Off (Redraw)** has the meaning given in clause 7.8 ("*Allocation of Charge-Offs*").

**Carryover Charge-Off (Seller)** has the meaning given in clause 7.8 (*“Allocation of Charge-Offs”*).

**Charge-Off** means, in respect of a Determination Date, the amount (if any) by which the Losses in respect of the immediately preceding Collection Period exceeds the aggregate of the amounts available to be applied from Total Available Income on the next Payment Date under clause 7.5(p) (*“Application of Total Available Income”*).

**Clean-Up Amount** has the meaning given to it in clause 3.1(a) (*“Procedure for exercise”*).

**Clean-Up Offer** has the meaning given to it in clause 3.1(a) (*“Procedure for exercise”*).

**Closing Date** means 26 February 2020 or such other date as agreed between the Trust Manager, the Trustee and the Dealers.

**GECO Grade** means the credit score assigned to a Receivable by the Originator at the Origination Date of the Receivable.

**Master Definitions and Construction Deed** means the deed entitled “Latitude Australia Personal Loans Series 2020-1 Trust Master Definitions and Construction Deed” dated on or about 18 February 2020 and signed by, among others, the parties to this document.

The **Pro-Rata Paydown Test** is satisfied on a Payment Date if:

- (a) the Aggregate Stated Amount of each Class of Notes is not less than the Aggregate Invested Amount of that Class of Notes on that Payment Date; and
- (b) on the Determination Date immediately prior to that Payment Date:
  - (i) the Aggregate Stated Amount of the Subordinated Notes on that Determination Date is equal to or greater than the amount equal to 55% of the Aggregate Stated Amount of all Notes on that Determination Date;
  - (ii) the Loss Ratio in respect of that Determination Date is:
    - (A) less than 6.5% in the case of a Determination Date occurring on or prior to the date which is 12 months after the Closing Date; or
    - (B) less than 12% in the case of a Determination Date occurring after the date which is 12 months after the Closing Date,as applicable; and
  - (iii) there are no unreimbursed Principal Draws;
- (c) the Payment Date is not a Call Option Date; and
- (d) the Aggregate Stated Amount of the Class A-S Notes has been reduced to zero.

**Required Payments** means, in respect of a Payment Date:

- (a) subject to paragraph (b), the aggregate of the payments payable on that Payment Date in accordance with clause 7.5(a) to clause 7.5(n) (“*Application of Total Available Income*”); and
- (b) if the Aggregate Stated Amount of any Class of Notes (other than the Class A Notes and Redraw Notes) is less than 95% of the Aggregate Invested Amount of that Class of Notes on that Payment Date (taking into account any reduction in the Stated Amount of that Class of Notes to be made on that Payment Date), the payment of Interest (including any unpaid Interest) to be made on that Class of Notes is not a Required Payment, on that Payment Date.

**Seller Amount** means, in respect of a Payment Date the lesser of:

- (a) the amount by which the Aggregate Invested Amount of the Seller Notes on the immediately preceding Determination Date exceeds the Seller Floor (or zero, if the Aggregate Invested Amount of the Seller Notes on the immediately preceding Determination Date does not exceed the Seller Floor); and
- (b) an amount equal to:

$$A \cdot \frac{B}{C}$$

where:

- A = the amount of Total Available Principal available for application under clause 7.7(a)(v) (“*Application of Total Available Principal*”), on that Payment Date;
- B = the Aggregate Invested Amount of the Seller Notes on the immediately preceding Determination; and
- C = the Aggregate Invested Amount of all Notes on the immediately preceding Determination Date (or on that Payment Date if clause 7.7(b) (“*Application of Total Available Principal*”) applies).

**Seller Floor** means A\$10,000,000.

**Stated Amount** means, at any time in respect of a Note, an amount equal to:

- (a) the Invested Amount of that Note at that time; less
- (b) the amount of any Charge-Offs which have been allocated to that Note under clause 7.8 (“*Allocation of Charge-Offs*”) prior to that time which have not been reimbursed on or before that time under clause 7.9 (“*Reinstatement of Carryover Charge-Offs*”).

**Subordinated Note** means each of:

- (a) a Class B Note;
- (b) a Class C Note;
- (c) a Class D Note;
- (d) a Class E Note; and
- (e) a Seller Note,

as applicable.

**Total Available Income** means, in respect of a Determination Date, the amount calculated in accordance with clause 7.4 (“*Calculation of Total Available Income*”) on that Determination Date.

**Total Available Principal** means, in respect of a Determination Date and the Collection Period immediately preceding that Determination Date, the amount calculated in accordance with clause 7.6 (“*Calculation of Total Available Principal*”).

### 1.3 General

Clause 1.2 (“*References to certain general terms*”) to clause 1.5 (“*Capacity*”) of the Master Definitions and Construction Deed and clause 6.1 (“*Awareness of certain events*”) of the Master Security Trust Deed apply to this document.

### 1.4 Purpose of the Trust

The Trust is established for the purpose of the Trustee:

- (a) acquiring (and disposing of) Acquired Receivables, and acquiring (and disposing of) Authorised Investments, in accordance with the Transaction Documents;
- (b) issuing (and redeeming) the Notes and the Units in accordance with the Transaction Documents; and
- (c) entering into, performing its obligations and exercising its rights under and taking any action contemplated by any of the Transaction Documents.

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## 2 Trust characteristics

### 2.1 Rating

The Trust will be a Rated Trust on the issue of the Notes on the Closing Date.

### 2.2 Transaction Documents

For the purposes of the Master Trust Deed and the Master Security Trust Deed:

- (a) this document is the “Relevant CAD” and the “Funding Deed” in respect of the Trust;
- (b) the Master Definitions and Construction Deed is the “Relevant MDCCD” in respect of the Trust; and
- (c) the Note Deed Poll is the “Note Deed Poll” in respect of the Trust.

### 2.3 Additional Units

For the purposes of clause 3.4 (“*Additional Units*”) of the Master Trust Deed, prior to the first Determination Date, the Trustee must, if so directed by the Trust Manager, issue the following additional Units upon receipt of the subscription price for those Units (being \$10 per Unit) from or on behalf of the relevant unitholder:

- (a) 30 Units to Deutsche Australia Limited; and
- (b) 35 Units to Vatpo Assets LLC.

The Trustee must not issue any other additional Units in the Trust.

## 2.4 Confirmation of other details

- (a) For the purposes of clause 11.4(a) (“*Denomination and location of Notes*”) of the Master Trust Deed, the denomination of each Note is the Initial Invested Amount of that Note.
- (b) For the purposes of clause 12.1 (“*Application*”) of the Master Trust Deed, the Notes are required to be registered in accordance with the provisions of clause 12.1 (“*Note Register*”) of the Master Trust Deed.

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## 3 Call Option

### 3.1 Procedure for exercise

- (a) At least 5 Business Days before any Call Option Date:
  - (i) the relevant Originator may by notice in writing to the Trustee, offer (“**Clean-Up Offer**”) to repurchase, its right, title and interest in the Acquired Receivables; or
  - (ii) Latitude may request the Trust Manager to direct the Trustee to Reallocate the Acquired Receivables to another Trust (as defined in the Master Trust Deed),

(or undertake a combination of the actions in (i) and (ii) in relation to all (but not some only) of the Acquired Receivables) in each case on that Call Option Date for an amount (“**Clean-Up Amount**”) equal to (as at that Call Option Date) the Outstanding Amount of such Acquired Receivables.

- (b) Any Clean-Up Offer under clause 3.1(a)(i) (“*Procedure for exercise*”) may be made:
  - (i) in accordance with clause 4 (“*Repurchase of Receivables*”) of the Master Origination and Sale Deed; or
  - (ii) on such other terms as the Trustee, the Trust Manager and the relevant Originator may agree from time to time.

The Trustee may accept or not accept the Clean-Up Offer, as directed by the Trust Manager.

- (c) Any Reallocation pursuant to clause 3.1(a)(ii) (“*Procedure for exercise*”) may be made:
  - (i) in accordance with clause 10 (“*Reallocation of assets*”) of the Master Trust Deed; or
  - (ii) on such other terms as the Trustee, the Trust Manager and Latitude may agree from time to time.

### 3.2 Application of Clean-Up Amount

If the Clean-Up Offer is accepted pursuant to clause 3.1(b) (“*Procedure for exercise*”) or the Acquired Receivables are Reallocated pursuant to clause 3.1(c) (“*Procedure for exercise*”), the Trustee must apply the Clean-Up Amount received by it, in accordance with clause 7 (“*Cashflow Allocation Methodology*”), on the relevant Call Option Date on which the Clean-Up Offer is accepted or the Reallocation occurs (as applicable).

### 3.3 Consent of Noteholders

If the Trust Manager determines, in respect of a Call Option Date and a Clean-Up Offer under clause 3.1(a)(i) ("*Procedure for exercise*") or a request to Reallocate under clause 3.1(a)(ii) ("*Procedure for exercise*"), that:

- (a) a Class of Notes have been issued and have not been redeemed (or deemed to be redeemed) in full on or before that Call Option Date; and
- (b) the Clean-Up Amount is less than the amount which is sufficient (together with all other Total Available Principal and Total Available Income to be applied on that Call Option Date in accordance with clause 7 ("*Cashflow Allocation Methodology*")) to ensure that the Trustee can redeem the Aggregate Invested Amount (as at 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 Trust 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 accepting the relevant Clean-Up Offer or Reallocating the Acquired Receivables (as applicable). The Trust Manager must not direct the Trustee to accept that Clean-Up Offer or undertake that Reallocation unless such consent is provided.

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## 4 Acquisition of Receivables

### 4.1 Note Proceeds

- (a) The Trustee must, if directed by the Trust Manager, use the proceeds of the issue of the Notes:
  - (i) on the Closing Date to fund the acquisition of the Initial Receivables and related Receivables Rights on the Closing Date in accordance with the Initial Reallocation Notice and the Master Trust Deed; and
  - (ii) in the case of Redraw Notes only, funding Redraws provided after the Closing Date in accordance with clause 4.4 ("*Redraws*") and the Conditions.
- (b) If there are any surplus proceeds of issue of such Notes over the amount required to be applied in accordance with clause 4.1(a), such surplus must be applied as Total Available Principal on the immediately following Payment Date.

### 4.2 Eligible Receivables

The Trust Manager must not direct the Trustee to acquire any Receivable unless such Receivable is represented by Latitude to be an Eligible Receivable.

### 4.3 No investigation

Neither the Trustee nor the Trust Manager are required to investigate whether any Receivable is an Eligible Receivable and the representations and warranties with respect of that Receivable in clause 5.1 ("*Representations and warranties*") are correct when made and are not liable to any person in any manner whatsoever if any Receivable is not an Eligible Receivable, or those representations and warranties in clause 5.1 ("*Representations and warranties*") have been breached.

### 4.4 Redraws

- (a) Prior to the occurrence of an Event of Default and enforcement of the General Security Agreement, Latitude may on any day make Redraws in

respect of an Acquired Receivable in accordance with the Relevant Documents for that Receivable.

- (b) Subject to clause 4.4(c) and clause 4.4(e), on receipt of a notice from Latitude, the Trust Manager may direct the Trustee to apply (and the Trustee must apply on that direction):
  - (i) on any day other than a Payment Date, Principal Collections received during that Collection Period; and
  - (ii) on any Payment Date, Total Available Principal in accordance with clause 7.7(a)(ii) ("*Application of Total Available Principal*"), towards funding or reimbursing Latitude for each Redraw made or to be made on or prior to that day.
- (c) The Trust Manager must not direct the Trustee to apply Principal Collections in accordance with clause 4.4(b)(i) unless the Trust Manager is satisfied that there will be sufficient Total Available Principal on the next Payment Date to fund any required Principal Draw under clause 7.2 ("*Principal Draw*") on that Payment Date.
- (d) Subject to clause 4.4(c), if there are insufficient funds available to the Trustee to fund or reimburse Latitude for the Redraws made on the Trust Receivables in accordance with clause 4.4(b), then the Trustee must, at the direction of the Trust Manager (such direction at the Trust Manager's discretion), issue Redraw Notes to Australian resident investors not holding the Redraw Notes in the course of carrying on business at or through a permanent establishment outside Australia and use the proceeds to meet such shortfall, provided that the Trust Manager has provided a Rating Notification in relation to the issue of those Redraw Notes.
- (e) The Trust Manager must not direct the Trustee to fund or reimburse Latitude for a Redraw in accordance with clause 4.4(b) or to issue any Redraw Notes in respect of a Redraw in accordance with clause 4.4(d) if after the provision of such Redraw in respect of an Acquired Receivable:
  - (i) the relevant Acquired Receivable would no longer be (or was not, as a result of the Redraw) an Eligible Receivable on the date the Redraw is made; or
  - (ii) the aggregate of all Redraws made in respect of Acquired Receivables would exceed (or exceeded, as a result of the Redraw) the amount equal to 2% of the aggregate Initial Invested Amount of the Notes issued on the Closing Date.

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## **5 Latitude representations and warranties**

### **5.1 Representations and warranties**

Latitude represents and warrants on the Closing Date (in respect of each Receivable referred to in the relevant Reallocation Notice given by a Disposing Trustee or Sale Notice given by an Originator in relation to the Closing Date, as applicable) that:

- (a) each Receivable is an Eligible Receivable on the relevant Cut-Off Date for that Receivable;
- (b) in respect of each Receivable the subject of a Sale Notice:

- (i) the relevant Originator is the sole legal and beneficial owner of the Receivables and related Receivables Rights free from any Security Interest;
  - (ii) the assignment of those Receivables and the related Receivables Rights to the Trustee in accordance with the Master Origination and Sale Deed will not be held by a court to be an undervalue transfer, a fraudulent conveyance, or a voidable preference under any law relating to insolvency;
  - (iii) the assignment of those Receivable and related Receivables Rights to the Trustee in accordance with the Master Origination and Sale Deed does not contravene any law and will not constitute a breach of the Relevant Documents in relation to any such Receivable or a default by the relevant Originator under any Security Interest. All consents required in relation to the assignment of those Receivable and Related Security have been obtained; and
  - (iv) immediately following the assignment of those Receivables and Related Securities to the Trustee in accordance with the Master Origination and Sale Deed, no such Receivable or Related Security will be subject to any right of rescission, set-off, counterclaim or similar defence; and
- (c) in respect of each Receivable and Related Receivables Rights the subject of a Reallocation Notice:
- (i) an Originator is the sole legal owner of the Receivables and related Receivables Rights and the relevant Disposing Trustee is the sole beneficial owner of the Receivables and related Receivables Rights free from any Security Interest;
  - (ii) the transfer of those Receivables and the related Receivables Rights to the Trustee in accordance with the Master Trust Deed will not be held by a court to be an undervalue transfer, a fraudulent conveyance, or a voidable preference under any law relating to insolvency; and
  - (iii) the transfer of those Receivable and related Receivables Rights to the Trustee in accordance with the Master Trust Deed does not contravene any law and will not constitute a breach of the Relevant Documents in relation to any such Receivable or a default by the relevant Originator or the relevant Disposing Trustee under any Security Interest. All consents required in relation to the transfer of those Receivable and Related Security have been obtained;
- (d) each Receivable is a valid and binding obligation of the Customer, enforceable in accordance with its terms against the Customer in all material respects except to the extent that it is affected by applicable equitable principles and laws relating to insolvency and creditors rights generally; and
- (e) there is no fraud, dishonesty, material misrepresentation or negligence on the part of any Originator or any of its Related Entities in connection with the selection and offer to the Trustee of the Receivables and related Receivables Rights.

## 5.2 Notice

If:

- (a) Latitude, the Trust Manager or the Trustee becomes aware that any representation or warranty given under clause 5.1 (“*Representations and warranties*”) in respect of an Acquired Receivable (a “**Breach Of Representation Receivable**”) is incorrect in a material respect when made, it must give notice (providing all relevant details) to the others within 10 Business Days of becoming aware;
- (b) Latitude extends the final maturity date of a Receivable on hardship grounds by longer than 12 months, it must give notice to the Trust Manager and Trustee within 10 Business Days of the grant of the extension; or
- (c) Latitude proposes to provide a Redraw under a Receivable but that Redraw is not able to be funded or reimbursed by the Trustee through the application of Principal Collections or Total Available Principal or by the issuance of Redraw Notes in accordance with clause 4.4 (“*Redraws*”), it must give notice to the Trust Manager and Trustee within 10 Business Days of the provision of that Redraw.

### 5.3 Remedy

If:

- (a) any representation or warranty given under clause 5.1 (“*Representations and warranties*”) in respect of an Acquired Receivable is incorrect in a material respect when made, and Latitude does not remedy the breach to the satisfaction of the Trustee within 10 Business Days of giving or receiving notice in respect of that Acquired Receivable under clause 5.2(a) (or any longer period that the Trustee permits); or
- (b) Latitude gives notice that it has extended the final maturity date of a Receivable on hardship grounds by longer than 12 months pursuant to clause 5.2(b) (“*Notice*”) or has provided a Redraw which is not permitted to be funded or reimbursed by the Trustee pursuant to clause 5.2(c) (“*Notice*”),

then Latitude must, within 2 Business Days, either:

- (i) procure that the Originator who initially sold that Acquired Receivable (either to the Trustee or relevant Disposing Trustee) delivers an Offer to Repurchase in respect of that Acquired Receivable to the Trustee; or
- (ii) in the case of a Breach of Representation Receivable only, pay damages to the Trustee for any direct loss suffered by the Trustee as a result. The maximum amount which Latitude is liable to pay is the Outstanding Amount in respect of the Acquired Receivable at the time of payment of the damages.

### 5.4 Offer to Repurchase

If Latitude procures delivery of an Offer to Repurchase in accordance with clause 5.3(b)(i) (“*Remedy*”):

- (a) that Offer to Repurchase must:
  - (i) specify a Settlement Date which is not later than the day which is 5 Business Days after the date on which the Offer to Repurchase is given;

- (ii) specify a repurchase price that is at least equal to the Outstanding Amount of that Acquired Receivable as at the Settlement Date;
  - (iii) otherwise comply with the requirements of clause 4 ("*Repurchase of Receivables*") of the Master Origination and Sale Deed;
- (b) the Trust Manger must direct the Trustee to accept that Offer to Repurchase in accordance with clause 4.5 ("*Acceptance of Offer to Repurchase*") of the Master Origination and Sale Deed; and
- (c) Latitude must procure that the Originator pays the relevant Repurchase Price to the Trustee on the relevant Settlement Date in accordance with clause 4.5 ("*Acceptance of Offer to Repurchase*") of the Master Origination and Sale Deed and pays any adjustment payable by the Originator to the Trustee as and when required in accordance with the relevant Sale Notice.

Upon payment of the relevant Repurchase Price by the Originator in accordance with clause 5.4(c) above, the Trustee's right, title and interest in relation to all the relevant Acquired Receivables, will be extinguished in favour of the Originator.

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## **6 Issue of Notes**

### **6.1 Notes to be issued on the Closing Date**

The Trustee will, on the direction of the Trust Manager, issue the following Notes on the Closing Date:

- (a) Class A-S Notes;
- (b) Class A-L Notes;
- (c) Class B Notes;
- (d) Class C Notes;
- (e) Class D Notes;
- (f) Class E Notes; and
- (g) Seller Notes,

each having an aggregate Initial Invested Amount as notified by the Trust Manager to the Trustee on or prior to the Closing Date.

### **6.2 Conditions precedent**

The obligation of the Trustee to issue the Notes referred to in clause 6.1 ("*Notes to be issued on the Closing Date*") is subject to the Trust Manager confirming to the Trustee that the conditions precedent set out in clause 11 ("*Conditions Precedent to Issue*") of the Dealer Agreement have been satisfied (or otherwise waived by the Dealers) and receipt by the Trust Manager of each of the following (in a form and substance satisfactory to the Trust Manager):

- (a) a copy of each executed Transaction Document;
- (b) confirmation from each Credit Rating Agency that:

- (i) the Class A-S Notes have been assigned a rating of Aaa(sf) (in the case of Moody's);
  - (ii) the Class A-L Notes have been assigned a rating of Aaa(sf) (in the case of Moody's);
  - (iii) the Class B Notes have been assigned at least a rating of Aa2(sf) (in the case of Moody's);
  - (iv) the Class C Notes have been assigned at least a rating of A2(sf) (in the case of Moody's);
  - (v) the Class D Notes have been assigned at least a rating of Baa2(sf) (in the case of Moody's); and
  - (vi) the Class E Notes have been assigned at least a rating of Ba2(sf) (in the case of Moody's);
- (c) a transaction opinion from King & Wood Mallesons; and
  - (d) a tax opinion from Greenwoods & Hebert Smith Freehills.

### 6.3 Excluded Issue

The Trust Manager must only direct the Trustee to issue Notes if:

- (a) the offer or invitation giving rise to the issue 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 issue complies with any applicable law or directive of the jurisdiction where it takes place.

The Trustee must only issue Notes in accordance with the Trust Manager's direction.

### 6.4 Note Register

The Trust Manager directs the Trustee to establish the Note Register for the Trust in Sydney accordance with clause 12 ("*Note Register*") of the Master Trust Deed on or prior to the Closing Date.

### 6.5 Use of Note proceeds

The Trust Manager must only direct the Trustee to use the issue proceeds of any Notes as provided in clause 4.1 ("*Note Proceeds*").

### 6.6 Further Notes

The Trustee may also issue Redraw Notes as described in clause 4.4(d) ("*Redraws*") and the Conditions, but no Redraw Notes will be issued on the Closing Date.

### 6.7 Transfer of Notes

Notes may only be transferred in accordance with condition 5 ("*Transfer of Notes*") of the Conditions. Clause 12.10 ("*Transfers of Notes*") of the Master Trust Deed does not apply in relation to the Notes.

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## **7 Cashflow Allocation Methodology**

### **7.1 Calculation of Available Income**

On each Determination Date, the Available Income is calculated by the Trust Manager (without double counting) as follows:

- (a) the Income Collections received during the immediately preceding Collection Period; plus
- (b) any Other Income in respect of the immediately preceding Collection Period; plus
- (c) any Net Swap Settlement in respect of the immediately following Payment Date; plus
- (d) the proceeds of any loan made by the Originator to the Trustee in accordance with clause 11.5 ("*Swap Break Costs*") of this document for that Determination Date.

### **7.2 Principal Draw**

If, on any Determination Date, there is a Payment Shortfall, the Trust Manager must direct the Trustee to allocate an amount of Total Available Principal (in accordance with clause 7.7 ("*Application of Total Available Principal*") on the Payment Date immediately following that Determination Date equal to the lesser of:

- (a) the Payment Shortfall; and
- (b) the amount of Total Available Principal available for application for that purpose on the following Payment Date in accordance with clause 7.7(a)(i) ("*Application of Total Available Principal*"),

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

### **7.3 Liquidity Draw**

If, on any Determination Date, there is a Liquidity Shortfall, the Trust Manager must, on behalf of the Trustee, request a drawing under the Liquidity Facility on the Payment Date immediately following that Determination Date equal to the lesser of:

- (a) the Liquidity Shortfall on that Determination Date; and
- (b) the Undrawn Liquidity Limit on that Determination Date,

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

### **7.4 Calculation of Total Available Income**

On each Determination Date, the Trust Manager will determine the Total Available Income which will be calculated as follows:

- (a) the Available Income for that Determination Date; plus
- (b) any amount debited from the Tax Ledger pursuant to clause 11.4(a)(ii) or 11.4(b) ("*Operation of Tax Ledger and Distribution Reserve Ledger*") on that Determination Date; plus
- (c) any Principal Draw for that Determination Date; plus

- (d) any Liquidity Draw for that Determination Date; less
- (e) any amount that would otherwise form part of Total Available Income on that Payment Date which the Trust Manager has determined to credit to the Distribution Reserve Ledger pursuant to clause 11.4(d) ("*Operation of Tax Ledger and Distribution Reserve Ledger*") on that Determination Date; plus
- (f) any amount debited from the Distribution Reserve Ledger pursuant to clause 11.4(e) ("*Operation of Tax Ledger and Distribution Reserve Ledger*") to be included in Total Available Income for that Payment Date.

## 7.5 Application of Total Available Income

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

- (a) first, A\$10 to the Unitholders;
- (b) next, any Tax Liabilities in relation to the Trust;
- (c) next, pari passu and rateably, in payment of any Accrual Adjustment payable to an Originator or a Disposing Trustee;
- (d) next, pari passu and rateably:
  - (i) the Trustee's fee payable on that Payment Date;
  - (ii) the Security Trustee's fee payable on that Payment Date;
  - (iii) any Trust Expenses incurred during the immediately preceding Collection Period;
- (e) next, to the Trust Manager, the Trust Manager Fee payable on that Payment Date;
- (f) next, to the Servicer, the Senior Servicing Fee payable on that Payment Date;
- (g) next, to the Back-up Servicer, the Back-up Servicing Fee payable on that Payment Date;
- (h) next, pari passu and rateably:
  - (i) towards payment to each Permitted Hedging Provider of the net amount due under each Permitted Hedging Agreement (if any), excluding any Subordinated Termination Payment; and
  - (ii) towards payment to the Liquidity Facility Provider of any interest and fees payable on or prior to that Payment Date under the Liquidity Facility Agreement;
- (i) next, to the Liquidity Facility Provider, towards payment of all outstanding Liquidity Draws made before that Payment Date;

- (j) next, pari passu and rateably:
  - (i) unless the Aggregate Stated Amount of the Redraw Notes is zero as at that Determination Date, to pay the Redraw Noteholders any interest that is due but remains unpaid in relation to the Redraw Notes; and
  - (ii) unless the Aggregate Stated Amount of the Class A-L Notes is zero as at that Determination Date, to pay the Class A-L Noteholders any interest that is due but remains unpaid in relation to the Class A-L Notes; and
  - (iii) unless the Aggregate Stated Amount of the Class A-S Notes is zero as at that Determination Date, to pay the Class A-S Noteholders any interest that is due but remains unpaid in relation to the Class A-S Notes
- (k) next, unless the Aggregate Stated Amount of the Class B Notes is zero as at that Determination Date, pari passu and rateably to pay the Class B Noteholders any interest that is due but remains unpaid in relation to the Class B Notes;
- (l) next, unless the Aggregate Stated Amount of the Class C Notes is zero as at that Determination Date, pari passu and rateably to pay the Class C Noteholders any interest that is due but remains unpaid in relation to the Class C Notes;
- (m) next, unless the Aggregate Stated Amount of the Class D Notes is zero as at that Determination Date, pari passu and rateably to pay the Class D Noteholders any interest that is due but remains unpaid in relation to the Class D Notes;
- (n) next, unless the Aggregate Stated Amount of the Class E Notes is zero as at that Determination Date, pari passu and rateably to pay the Class E Noteholders any interest that is due but remains unpaid in relation to the Class E Notes;
- (o) next, to be applied towards Total Available Principal, an amount equal to any unreimbursed Principal Draws;
- (p) next, to be applied towards Total Available Principal, an amount equal to any Losses in respect of the immediately preceding Collection Period;
- (q) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class A) and Carryover Charge-Off (Redraw) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (r) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class B) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (s) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class C) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (t) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class D) (as calculated in respect of previous

Determination Dates which have not been reimbursed before that Payment Date);

- (u) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class E) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (v) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Seller) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (w) next, *pari passu* and rateably:
  - (i) if the Aggregate Stated Amount of the Redraw Notes is zero as at that Determination Date, to pay the Redraw Noteholders any interest that is due but remains unpaid in relation to the Redraw Notes;
  - (ii) if the Aggregate Stated Amount of the Class A-S Notes is zero as at that Determination Date, to pay the Class A-S Noteholders any interest that is due but remains unpaid in relation to the Class A-S Notes;
  - (iii) if the Aggregate Stated Amount of the Class A-L Notes is zero as at that Determination Date, to pay the Class A-L Noteholders any interest that is due but remains unpaid in relation to the Class A-L Notes;
- (x) next, if the Aggregate Stated Amount of the Class B Notes is zero as at that Determination Date, *pari passu* and rateably to pay the Class B Noteholders any interest that is due but remains unpaid in relation to the Class B Notes;
- (y) next, if the Aggregate Stated Amount of the Class C Notes is zero as at that Determination Date, *pari passu* and rateably to pay the Class C Noteholders any interest that is due but remains unpaid in relation to the Class C Notes;
- (z) next, if the Aggregate Stated Amount of the Class D Notes is zero as at that Determination Date, *pari passu* and rateably to pay the Class D Noteholders any interest that is due but remains unpaid in relation to the Class D Notes;
- (aa) next, if the Aggregate Stated Amount of the Class E Notes is zero as at that Determination Date, *pari passu* and rateably to pay the Class E Noteholders any interest that is due but remains unpaid in relation to the Class E Notes;
- (bb) next, to the Servicer, the Junior Servicing Fee payable on that Payment Date and any Junior Servicing Fee that remains unpaid from a previous Payment Date;
- (cc) next, *pari passu* and rateably:
  - (i) towards payment to the Liquidity Facility Provider of any other amounts payable on or prior to that Payment Date under the Liquidity Facility Agreement to the extent not paid under clause 7.5(h)(ii) and clause 7.5(i); and

- (ii) towards payment to each Permitted Hedging Provider of any Subordinated Termination Payment;
- (dd) next, to pay to Latitude any fees and expenses incurred by Latitude in respect of the issuance of the Notes;
- (ee) next, towards payment of the interest for the Seller Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid interest for the Seller Notes in respect of preceding Interest Periods;
- (ff) next, in the following order of priority:
  - (i) first, towards payment of the interest payable to the Originator in accordance with clause 11.5 ("*Swap Break Costs*") for the Interest Period ending on (but excluding) that Payment Date and any unpaid interest payable to the Originator in accordance with clause 11.5 ("*Swap Break Costs*") in respect of preceding Interest Periods; and
  - (ii) second, towards repaying any outstanding loan made by the Originator to the Trustee in accordance with clause 11.5 ("*Swap Break Costs*");
- (gg) next, to pay to the Unitholders an amount equal to any unpaid Distribution Entitlements of the Unitholders relating to a prior Financial Year plus the amount determined by the Trust Manager to be a reasonable estimate of the Distribution Entitlements of the Unitholders for the current Financial Year attributable to the activities of the Trust in the prior Collection Period by way of:
  - (i) a distribution on their Units; or
  - (ii) subject to the unanimous written consent of all Unitholders, as a reinvestment of a distribution by way of a further subscription for Units in accordance with clause 17.9 ("*Investment by Unitholders*") of the Master Trust Deed,

less, in each case, the amounts determined by the Trust Manager to be retained in the Trustee Collection Account and credited to the Tax Ledger in relation to a Unitholder in accordance with clause 11.4(a)(i) ("*Operation of Tax Ledger and Distribution Reserve Ledger*") to fund the payment of Tax by the Trustee in relation to the relevant Unitholder (such amounts to be reasonably determined by the Trust Manager based on the distribution to a Unitholder and its calculation of the expected Tax Liability in relation to a Unitholder); and
- (hh) next, with the consent of the Unitholders and if directed to by the Trust Manager, to pay each Unitholder an amount in full or partial redemption of their Units in the Trust, but only to the extent that:
  - (i) all Distribution Entitlements for each Unitholder in respect of prior Financial Years have been paid or reinvested under clause 7.5(gg) above or clause 17.9 ("*Investment by Unitholders*") of the Master Trust Deed;
  - (ii) the Trust Manager reasonably considers that the Trust will be in a position to have met the Distribution Entitlement for the current Financial Year for each Unitholder within two months of the end of the current Financial Year; and

- (iii) no such full or partial redemption shall have the effect of fully redeeming all Units on issue.

## 7.6 Calculation of Total Available Principal

On each Determination Date, the Trust 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; less
- (b) the amount (if any) of Principal Collections applied during that Collection Period towards funding or reimbursing Redraws in accordance with clause 4.4(b)(i) ("*Redraws*"); plus
- (c) any Total Available Income to be applied on the Payment Date immediately following that Determination Date under clause 7.5(o) ("*Application of Total Available Income*") towards repayment of Principal Draws; plus
- (d) any Total Available Income to be applied on the Payment Date immediately following that Determination Date under clause 7.5(p) ("*Application of Total Available Income*") in respect of Losses for the immediately preceding Collection Period; plus
- (e) any Total Available Income to be applied on the Payment Date immediately following that Determination Date under clause 7.5(q), clause 7.5(r), clause 7.5(s), clause 7.5(t), clause 7.5(u) and clause 7.5(v) ("*Application of Total Available Income*") in respect of Carryover Charge-Offs; plus
- (f) any surplus proceeds of the issue of Notes to be applied as Total Available Principal in accordance with clause 4.1 ("*Note Proceeds*"); plus
- (g) in respect of the Determination Date on which a Clean-Up Offer is accepted or Acquired Receivables are Reallocated pursuant to clause 3.1(a)(ii) ("*Procedure for exercise*"), the Clean-Up Amount in respect of that Clean-Up Offer or Reallocation (as applicable).

## 7.7 Application of Total Available Principal

- (a) On each Determination Date prior to the occurrence of an Event of Default and enforcement of the General Security Agreement, the Trust Manager must direct the Trustee to pay (and the Trustee must pay) on the next Payment Date the following amounts out of the Total Available Principal (in respect of the relevant Determination Date) in the following order of priority (subject to clause 7.7(b)):
  - (i) first, as a Principal Draw (if required) under clause 7.2 ("*Principal Draw*") on that Payment Date;
  - (ii) next, to the extent permitted under clause 4.4 ("*Redraws*"), to fund or reimburse Redraws provided in relation to an Acquired Receivable in accordance with the Transaction Documents;
  - (iii) next, pari passu and rateably towards repayment of the Redraw Notes until the Aggregate Invested Amount of the Redraw Notes is reduced to zero;
  - (iv) next, if the Pro-Rata Paydown Test is not satisfied on that Payment Date, in the following order of priority:

- (A) first, pari passu and rateably towards repayment of the Class A-S Notes until the Aggregate Invested Amount of the Class A-S Notes is reduced to zero;
  - (B) next, pari passu and rateably towards repayment of the Class A-L Notes until the Aggregate Invested Amount of the Class A-L Notes is reduced to zero;
  - (C) next, pari passu and rateably towards repayment of the Class B Notes until the Aggregate Invested Amount of the Class B Notes is reduced to zero;
  - (D) next, pari passu and rateably towards repayment of the Class C Notes until the Aggregate Invested Amount of the Class C Notes is reduced to zero;
  - (E) next, pari passu and rateably towards repayment of the Class D Notes until the Aggregate Invested Amount of the Class D Notes is reduced to zero;
  - (F) next, pari passu and rateably towards repayment of the Class E Notes until the Aggregate Invested Amount of the Class E Notes is reduced to zero; and
  - (G) next, pari passu and rateably towards repayment of the Seller Notes until the Aggregate Invested Amount of the Seller Notes is reduced to zero;
- (v) next, if the Pro-Rata Paydown Test is satisfied on that Payment Date, in the following order of priority:
- (A) first, an amount equal to the Total Available Principal remaining for application under this clause 7.7(a)(v) less the Seller Amount is to be applied pari passu and rateably:
    - (aa) towards repayment of the Class A-L Notes until the Aggregate Invested Amount of the Class A-L Notes is reduced to zero;
    - (ab) towards repayment of the Class B Notes until the Aggregate Invested Amount of the Class B Notes is reduced to zero;
    - (ac) towards repayment of the Class C Notes until the Aggregate Invested Amount of the Class C Notes is reduced to zero;
    - (ad) towards repayment of the Class D Notes until the Aggregate Invested Amount of the Class D Notes is reduced to zero; and
    - (ae) towards repayment of the Class E Notes until the Aggregate Invested Amount of the Class E Notes is reduced to zero; and
  - (B) next, an amount equal to the Seller Amount is to be applied pari passu and rateably towards repayment of the Seller Notes until the Aggregate Invested Amount of the Seller Notes is reduced to zero;

- (vi) next, pari passu and rateably towards repayment of the Seller Notes until the Aggregate Invested Amount of the Seller Notes is reduced to zero;
- (vii) next, to pay to the Unitholders an amount equal to any unpaid Distribution Entitlements of the Unitholders relating to a prior Financial Year plus the amount determined by the Trust Manager to be a reasonable estimate of the Distribution Entitlements of the Unitholders for the current Financial Year attributable to the activities of the Trust in the prior Collection Period by way of:
  - (A) a distribution on their Units; or
  - (B) subject to the unanimous written consent of all Unitholders, as a reinvestment of a distribution by way of a further subscription for Units in accordance with clause 17.9 ("*Investment by Unitholders*") of the Master Trust Deed,

less, in each case, the amounts determined by the Trust Manager to be retained in the Trustee Collection Account and credited to the Tax Ledger in relation to a Unitholder in accordance with clause 11.4(a)(i) ("*Operation of Tax Ledger and Distribution Reserve Ledger*") to fund the payment of Tax by the Trustee in relation to the relevant Unitholder (such amounts to be reasonably determined by the Trust Manager based on the distribution to a Unitholder and its calculation of the expected Tax Liability in relation to a Unitholder);

- (viii) next, to meet any amounts that are due and payable, and have not yet been paid under clause 7.5 ("*Application of Total Available Income*"); and
- (ix) next, with the consent of the Unitholders and if directed to by the Trust Manager, to pay each Unitholder an amount in full or partial redemption of their Units in the Trust, but only to the extent that:
  - (A) all Distribution Entitlements for each Unitholder in respect of prior Financial Years have been paid or reinvested under clause 7.7(a)(vii) above or clause 17.9 ("*Investment by Unitholders*") of the Master Trust Deed;
  - (B) the Trust Manager reasonably considers that the Trust will be in a position to have met the Distribution Entitlement for the current Financial Year for each Unitholder within two months of the end of the current Financial Year; and
  - (C) no such full or partial redemption shall have the effect of fully redeeming all Units on issue.

(b) If, in respect of a Payment Date, the Trust Manager determines that:

- (i) the Pro-Rata Paydown Test is satisfied on that Payment Date, except for the condition in paragraph (b)(i) of the definition of Pro-Rata Paydown Test in clause 1.2 ("*Other defined terms*") (the "**Non-Satisfied Condition**"); and

- (ii) the Non-Satisfied Condition would be satisfied if retested on that Payment Date (as if references in the Non-Satisfied Condition to “Determination Date” were instead taken to be a reference to that “Payment Date”) after the application of the Total Available Principal on that Payment Date in accordance with clause 7.7(a)(iv),

the amount of Total Available Principal to be applied on that Payment Date in accordance with clause 7.7(a)(iv) shall be limited to the amount (the “**Sequential Paydown Amount**”) necessary for the Non-Satisfied Condition to be satisfied if retested on that Payment Date (as if references in the Non-Satisfied Condition to “Determination Date” were instead taken to be a reference to that “Payment Date”) after the application of such Total Available Principal. The balance of the Total Available Principal will then be applied on that Payment Date in the order or priority set out in clauses 7.7(a)(v)(A) and then clauses 7.7(a)(vii) and 7.7(a)(ix) (as applicable). In calculating the allocations to be made under clause 7.7(a)(v) on that Payment Date (including the Seller Amount) the Trust Manager must use the Aggregate Invested Amount of the Notes after the application of the Sequential Paydown Amount in accordance with clause 7.7(a)(iv) on that Payment Date.

## 7.8 Allocation of Charge-Offs

On each Determination Date, the Trust Manager must determine if there is a Charge-Off in respect of that Determination Date and must allocate any such 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 Seller Notes until the Aggregate Stated Amount of the Seller Notes is reduced to zero (a “**Carryover Charge-Off (Seller)**”);
- (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 is reduced to zero (a “**Carryover Charge-Off (Class E)**”);
- (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 is reduced to zero (a “**Carryover Charge-Off (Class D)**”);
- (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 is reduced to zero (a “**Carryover Charge-Off (Class C)**”);
- (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 is reduced to zero (a “**Carryover Charge-Off (Class B)**”); and
- (f) next, pari passu and rateably:
  - (i) to reduce the Aggregate Stated Amount of the Class A Notes until the Aggregate Stated Amount of the Class A Notes is reduced to zero (a “**Carryover Charge-Off (Class A)**”); and
  - (ii) to reduce the Aggregate Stated Amount of the Redraw Notes until the Aggregate Stated Amount of the Redraw Notes is reduced to zero (a “**Carryover Charge-Off (Redraw)**”).

## 7.9 Re-instatement of Carryover Charge-Offs

To the extent that on any Payment Date, amounts are available for allocation under clause 7.5(q), clause 7.5(r), clause 7.5(s), clause 7.5(t), clause 7.5(u) and

clause 7.5(v) (“*Application of Total Available Income*”), then an amount equal to these amounts shall be applied on that Payment Date to increase respectively:

- (a) first, pari passu and rateably:
  - (i) the Aggregate Stated Amount of the Class A Notes, until it reaches the Aggregate Invested Amount of the Class A Notes; and
  - (ii) the Aggregate Stated Amount of the Redraw Notes, until it reaches the Aggregate Invested Amount of the Redraw Notes;
- (b) next, the Aggregate Stated Amount of the Class B Notes until it reaches the Aggregate Invested Amount of the Class B Notes;
- (c) next, the Aggregate Stated Amount of the Class C Notes until it reaches the Aggregate Invested Amount of the Class C Notes;
- (d) next, the Aggregate Stated Amount of the Class D Notes until it reaches the Aggregate Invested Amount of the Class D Notes;
- (e) next, the Aggregate Stated Amount of the Class E Notes until it reaches the Aggregate Invested Amount of the Class E Notes; and
- (f) next, the Aggregate Stated Amount of the Seller Notes until it reaches the Aggregate Invested Amount of the Seller Notes.

#### **7.10 Application of proceeds following an Event of Default**

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

- (a) first, A\$10 to the Unitholders;
- (b) next, to any person with a prior ranking Security Interest (of which the Security Trustee is aware) over the Collateral to the extent of the claim under that Security Interest;
- (c) next, pari passu and rateably:
  - (i) to any Receiver appointed in accordance with the Master Security Trust Deed and the General Security Agreement, for its Costs in connection with it acting as receiver in accordance with the Transaction Documents; and
  - (ii) to the Security Trustee for its Costs incurred in relation to the enforcement of the General Security Agreement (other than any fees payable to the Security Trustee);
- (d) next, to any Receiver appointed in accordance with the Master Security Trust Deed and the General Security Agreement, for its fees;
- (e) next, to the Security Trustee for its Costs (other than Costs payable in accordance with clause 7.10(c)(ii)) and any fees payable to the Security Trustee;
- (f) next, in payment or provision for Tax Liabilities of the Trust;
- (g) next, pari passu and rateably, in payment of any Accrual Adjustment payable to an Originator or a Disposing Trustee;

- (h) next, pari passu and rateably:
  - (i) to the Security Trustee for its fees 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 (other than amounts payable in accordance with clause 7.10(c)(ii) or clause 7.10(e)); and
  - (ii) to the Trustee for its Costs, fees and other amounts (including all Secured Moneys) due to it for its own account in connection with its role as trustee of the Trust;
- (i) next, to pay pari passu and rateably:
  - (i) all Secured Money due to the Trust Manager; and
  - (ii) all Secured Money due to the Servicer (other than any Junior Servicing Fee);
- (j) next, to pay all Secured Money due to the Back-Up Servicer;
- (k) next, to pay pari passu and rateably:
  - (i) all Secured Money due to the Liquidity Facility Provider; and
  - (ii) all Secured Money due to each Permitted Hedging Provider, excluding any Subordinated Termination Payment;
- (l) next, all Secured Money owing to the Class A Noteholders and the Redraw Noteholders in relation to the Class A Notes and the Redraw Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class A Notes and the Redraw Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class A Notes and the Redraw Notes;
- (m) next, all Secured Money owing to the Class B Noteholders in relation to the Class B Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class B Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class B Notes;
- (n) next, all Secured Money owing to the Class C Noteholders in relation to the Class C Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class C Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class C Notes;
- (o) next, all Secured Money owing to the Class D Noteholders in relation to the Class D Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class D Notes; and

- (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class D Notes;
- (p) next, all Secured Money owing to the Class E Noteholders in relation to the Class E Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class E Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class E Notes;
- (q) next, to pay pari passu and rateably to each Secured Creditor any Secured Moneys owing to that Secured Creditor under any Transaction Document and not satisfied under the preceding paragraphs or payable in accordance with any of the following paragraphs;
- (r) next, to pay any Junior Servicing Fee due and payable to the Servicer;
- (s) next, to pay pari passu and rateably all Secured Moneys owing to each Permitted Hedging Provider to the extent not paid under clause 7.10(k)(ii);
- (t) next, to pay all Secured Money owing to the Seller Noteholders in relation to the Seller Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Seller Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Seller Notes;
- (u) next, in the following order of priority:
  - (i) first, towards payment of the interest payable to the Originator in accordance with clause 11.5 (“*Swap Break Costs*”) of this document for the Interest Period ending on (but excluding) that Payment Date and any unpaid interest payable to the Originator in accordance with clause 11.5 (“*Swap Break Costs*”) of this document in respect of preceding Interest Periods; and
  - (ii) second, towards repaying any outstanding loan made by the Originator to the Trustee in accordance with clause 11.5 (“*Swap Break Costs*”);
- (v) next, to any person with a subsequent ranking Security Interest (of which the Security Trustee is aware) over the Collateral to the extent of the claim under that Security Interest; and
- (w) next, to pay to the Unitholders an amount equal to any unpaid Distribution Entitlements of the Unitholders relating to a prior Financial Year plus the amount determined by the Trust Manager to be a reasonable estimate of the Distribution Entitlements of the Unitholders for the current Financial Year (in each case, taking into account the amounts paid to the Unitholders by way of a distribution on their Units less any amount determined by the Trust Manager to be retained in the Trustee Collection Account and credited to the Tax Ledger in relation to a Unitholder in accordance with clause 11.4(a)(i) (“*Operation of Tax Ledger and Distribution Reserve Ledger*”) to fund the payment of Tax by the Trustee (such amounts to be reasonably determined by the Trust

Manager based on the distribution to a Unitholder and its calculation of the expected Tax Liability in relation to a Unitholder); and

- (x) next, with the consent of the Unitholders and if directed by the Trust Manager, to pay to each Unitholder an amount in full or partial redemption of their Units but only to the extent that:
  - (i) all Distribution Entitlements for each Unitholder in respect of prior Financial Years have been paid under clause 7.10(w) above;
  - (ii) the Trust Manager reasonably considers that the Trust will be in a position to have met the Distribution Entitlement for the current Financial Year for each Unitholder within two months of the end of the current Financial Year; and
  - (iii) no such full or partial redemption shall have the effect of fully redeeming all Units on issue.

### **7.11 Collateral Support**

The proceeds of any Collateral Support will not be treated as Collateral available to be distributed in accordance with clause 7.10 (*“Application of proceeds following an Event of Default”*).

Following an Event of Default and enforcement of the General Security Agreement, any such Collateral Support shall (subject to, where applicable, the operation of any netting provisions in the relevant Permitted Hedging Agreement) be returned to the relevant Permitted Hedging Provider or to the Liquidity Facility provider (as applicable) except to the extent that the relevant Permitted Hedging Agreement or the Liquidity Facility Agreement (as applicable) requires it to be applied to satisfy any obligation owed to the Trustee by the relevant Permitted Hedging Provider or by the Liquidity Facility Provider (as applicable).

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## **8 Determinations and directions by Trust Manager**

### **8.1 Determinations**

On each Determination Date, the Trust Manager will (and where applicable, in respect of the Collection Period ending immediately prior to that Determination Date) determine or otherwise ascertain:

- (a) the Income Collections;
- (b) the Principal Collections;
- (c) the Other Income;
- (d) the Available Income;
- (e) the Total Available Income;
- (f) the Total Available Principal;
- (g) the Principal Draw, if any;
- (h) the Liquidity Draw, if any;
- (i) the Trust Expenses;

- (j) the Required Payments (and each amount comprising the Required Payments);
- (k) the Net Swap Settlement;
- (l) the Tax Benefits (if any);
- (m) the Tax Liabilities (if any);
- (n) the Charge-Offs (if any);
- (o) the Carryover Charge-Offs (if any);
- (p) the Enforcement Expenses, if any; and
- (q) any other relevant determinations.

## 8.2 Directions

The Trust Manager must:

- (a) notify the Trustee of each of the amounts calculated by it under clause 8.1 ("*Determinations*"); and
- (b) instruct the Trustee as to the payments to be made by the Trustee on the relevant Payment Date in accordance with clause 7 ("*Cashflow Allocation Methodology*").

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## 9 Events of Default

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

- (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; or
- (b) **(non-compliance with other obligations):**
  - (i) the Trustee fails to perform or observe any other provision (other than an obligation referred to in paragraph (a) above) of a Transaction Document including any breach of representation or warranty, where failure will have a Material Adverse Effect; and
  - (ii) in the opinion of the Security Trustee, that failure can be remedied, the Trustee does not remedy such failure within 30 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; or
- (c) **(Insolvency)** an Insolvency Event occurs in respect of the Trustee in its personal capacity, and the Trustee is not replaced in accordance with the Master Trust Deed within 60 days (or such longer period as the Security Trustee, at the direction of an Ordinary Resolution of the Ruling Secured Creditors, may agree) of that Insolvency Event; or
- (d) **(Security Interest)** the General Security Agreement is not or ceases to be valid and enforceable or any Security Interest (other than a Permitted Security Interest) 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 Security Interest, where such event will have a Material Adverse Effect; or

(e) **(voidable Transaction Document):**

- (i) all or a material 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 a material part of any Transaction Document (other than a Cashflow Support Facility),

where such event will have a Material Adverse Effect; or

(f) **(Trust)** without the prior consent of the Security Trustee (that consent having been approved by an Extraordinary Resolution of the Ruling 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;
- (ii) the Trust is held, or is conceded by the Trustee, not to have been constituted or to have been imperfectly constituted;
- (iii) unless another trustee is appointed to the Trust under the Transaction Documents, the Trustee ceases to be authorised under the Trust to hold the Trust Assets in its name and to perform its obligations under the Transaction Documents; or

(g) **(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 reasonable satisfaction of the Security Trustee within 30 days of the Security Trustee requiring the Trustee in writing to rectify them.

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## 10 Trust Manager, Trustee and Servicer Fees

### 10.1 Trust Manager's fee

For the purposes of clause 7.1 ("*Trust Manager Fees*") of the Trust Management Deed, the Trust Manager Fee will be calculated in accordance with clause 7.1(b)(1) and (2) ("*Trust Manager Fees*") the Trust Management Deed. Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

### 10.2 Servicer's fee

For the purposes of clause 8.1 ("*Servicing Fee*") of the Servicing Deed, the Trustee will pay the Servicer:

- (a) a Senior Servicing Fee calculated in accordance with clause 8.1(b) ("*Servicing Fee*") of the Servicing Deed; and
- (b) a Junior Servicing Fee calculated in accordance with clause 8.1(c) ("*Servicing Fee*") of the Servicing Deed,

and in each case payable fee monthly in arrear on each Payment Date. Any increase to the Senior Servicing Fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

### 10.3 Trustee's fee

For the purposes of clause 18 ("*Fees*") of the Master Trust Deed, the Trustee will receive a fee monthly in arrear on each Payment Date in an amount and calculated in such manner as may be agreed between the Trustee and the Trust Manager from time to time. Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

### 10.4 Security Trustee's fee

For the purposes of clause 9 ("*Fees*") of the Security Trust Deed, the Trustee will pay the Security Trustee a fee monthly in arrear on each Payment Date in an amount and calculated in such manner as may be agreed between the Trustee, the Security Trustee and the Trust Manager from time to time. Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

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## 11 Trustee Bank Accounts

### 11.1 Establishment of Trustee Bank Accounts

The Trust Manager shall cause to be established:

- (a) on or before the Closing Date, the Trustee Collection Account with an Eligible Bank; and
- (b) as and when collateral is required to be provided by a Liquidity Facility Provider in accordance with the terms of the relevant Liquidity Facility Agreement, the Liquidity Collateral Account; and
- (c) as and when collateral is required to be provided by a Permitted Hedging Counterparty in accordance with the terms of the relevant Permitted Hedging Agreement, the Trustee Swap Cash Collateral Account,

Each of the accounts listed in clauses 11.1(a) to 11.1(c) above shall:

- (d) be in the name of the Trustee and be a segregated Dollar denominated interest bearing account or such other currency or form as permitted under any Permitted Hedging Agreement;
- (e) only have signatories who are permitted under clause 10.1 ("*Nominated Signatories*") of the General Security Agreement; and
- (f) subject to clause 10 ("*Bank Accounts*") of the General Security Agreement, be operated in accordance with the following provisions of this clause 11 ("*Trustee Bank Accounts*").

### 11.2 Replacement Bank Accounts

- (a) If, at any time the bank or financial institution with which the Trustee Collection Account is held ceases to be an Eligible Bank, the Trust Manager must, upon becoming aware of the occurrence of that event, as soon as reasonably practicable and in any event, within 30 calendar days (or such longer period in respect of which a Rating Notification has been given), direct the Trustee to establish and the Trustee on that direction must establish a new Trustee Collection Account with an Eligible Bank and transfer the funds standing to the credit of the old Trustee Collection Account to the new Trustee Collection Account or.
- (b) If, at any time, the bank or financial institution with which the Liquidity Collateral Account is held ceases to be an Eligible Bank or to otherwise satisfy the requirements of each Credit Rating Agency, the Trust

Manager and the Trustee must comply with their obligations under the Liquidity Facility Agreement in relation to the replacement of the Liquidity Collateral Account; and

- (c) If, at any time, the bank or financial institution with which the Trustee Swap Cash Collateral Account is held ceases to be an Eligible Bank or to otherwise satisfy the requirements of each Credit Rating Agency, the Trust Manager and the Trustee must comply with their obligations under the relevant Permitted Hedging Agreement in relation to the replacement of the Trustee Swap Cash Collateral Account.

### 11.3 Operation of Trustee Collection Account

- (a) The Trust Manager will direct the Trustee to arrange for the following amounts to be deposited into the Trustee Collection Account (including directing the Trustee to exercise its rights under the Servicing Deed to require the Servicer to, and to procure the Originators to, transfer Collections to the Trustee Collection Account within two Business Days of the relevant amounts being allocated and reconciled in the Servicer's systems as Collections):
  - (i) **(Collections)** all Collections received by or on behalf of the Trustee on or after the first Cut-off Date;
  - (ii) **(disposal of Authorised Investments)** the proceeds of disposal of any Authorised Investments acquired with funds debited from the Trustee Collection Account;
  - (iii) **(interest)** any interest or other distribution earned on the Trustee Collection Account or on any Authorised Investments acquired with funds debited from the Trustee Collection Account;
  - (iv) **(other amounts)** any other amount to be deposited into the Trustee Collection Account in accordance with the Servicing Guidelines;
  - (v) **(Proceeds of disposals)** any net proceeds arising from any disposal of any Trust Assets (other than any Authorised Investments) after the Closing Date;
  - (vi) **(Initial subscriptions)** the issue proceeds of any Notes received by the Trustee on the Closing Date to be used to fund the acquisition of the Trustee's interest in the Initial Receivables and discharge any fees, costs and expenses incurred in connection with such acquisition; and
  - (vii) **(Permitted Hedging)** any Net Swap Settlement received from a Permitted Hedging Provider.
- (b) The Trust Manager shall direct the Trustee to arrange for the following amounts to be retained in or transferred from (as applicable) the Trustee Collection Account in the order determined by the Trust Manager acting reasonably:
  - (i) **(Available Funds)** on any date during the period from (and including) each Determination Date to (and including) the next succeeding Payment Date:
    - (A) to be retained in the Trustee Collection Account, an amount which the Unitholders have agreed to be reinvested in accordance with clause 17.9 ("*Investment*

by Unitholders”) of the Master Trust Deed not exceeding the aggregate amount, as determined by the Trust Manager on the relevant Determination Date (and less any amount which the Trust Manager determines to be credited to the Distribution Reserve Ledger pursuant to clause 11.4(d) (“*Operation of Tax Ledger and Distribution Reserve Ledger*”) which, had no amount been transferred or retained under this clause 11.3(b)(i)(A), would otherwise have been available to be distributed to the Unitholders on that Payment Date under clause 7.5 (“*Application of Total Available Income*”); and

- (B) to be withdrawn from the Trustee Collection Account an amount equal to the Available Funds in respect of that Determination Date (after allowing for any transfer or retention under clause 11.3(b)(i)(A) and any credit to the Distribution Reserve Ledger under clause 11.4(d) (“*Operation of Tax Ledger and Distribution Reserve Ledger*”), to be applied in accordance with clauses 7.5 (“*Application of Total Available Income*”) and 7.7 (“*Application of Total Available Principal*”) on the relevant Payment Date) together with any other amounts required to be included in Total Available Income or Total Available Principal in respect of that Determination Date in accordance with clause 7.4 (“*Calculation of Total Available Income*”) or clause 7.6 (“*Calculation of Total Available Principal*”) and which are held in the Trustee Collection Account;
- (ii) (**Authorised Investments**) to be withdrawn from the Trustee Collection Account amounts required to fund the acquisition of any Authorised Investments; and
- (iii) (**Misallocated Payments**) to be withdrawn from the Trustee Collection Account and paid to the relevant Originator (or as it directs), any Misallocated Payments; and
- (iv) (**Acquisition of Receivables**) in relation to the Closing Date amounts to fund the acquisition by the Trustee of Receivables in accordance with the Transaction Documents and to discharge any fees, costs and expenses incurred in connection with such acquisition.

#### 11.4 Operation of Tax Ledger and Distribution Reserve Ledger

- (a) The Trust Manager will establish and maintain, on behalf of the Trustee, a ledger in the Trustee Collection Account (a “**Tax Ledger**”) in respect of each Unitholder on which it shall record:
  - (i) as a credit entry, in respect of each Unitholder, an amount determined by the Trust Manager on each Determination Date to be equal to the Tax Liability which arises or may arise in connection with amounts to be distributed to that Unitholder on the immediately following Payment Date under clause 7 (“*Cashflow Allocation Methodology*”) and, to the extent necessary, any additional amount that the Trust Manager determines may be necessary in order to ensure that the amounts standing to the credit of the Tax Ledger will be sufficient to pay each Tax Liability, as determined by the Trust Manager on that Determination Date to be payable by the

Trust for that Financial Year, by the date at which such Tax Liability is due and payable; and

- (ii) as a debit entry, on each Determination Date, in respect of each Unitholder any Tax Liabilities paid or payable in the month following the relevant Payment Date to the Australian Taxation Office in connection with the distributions referred to in clause 11.4(a)(i).
- (b) If after finalisation of the Australian tax return for the Trust for a Financial Year, there is an amount (the “**Excess Amount**”) equal to the positive result (if any) of the following calculation:
  - (i) the aggregate amount credited to the Tax Ledger in respect of a Unitholder for the relevant Financial Year; less
  - (ii) the amount of Tax paid by the Trustee in relation to that Unitholder for that Financial Year (including an amount of interest withholding tax),

the Trust Manager will record in the Tax Ledger for that Unitholder as a debit entry on the following Determination Date an amount equal to the Excess Amount and such Excess Amount will be included in Total Available Income for the next occurring Payment Date.

- (c) The Trust Manager must give the Trustee all necessary instructions and directions required in order to pay the amounts referred to in clause 11.4(a)(ii) and the parties acknowledge and agree that the Trustee is entitled to pay such amounts to the Australian Tax Office.
- (d) The Trust Manager will establish and maintain, on behalf of the Trustee, a ledger in the Trustee Collection Account (the “**Distribution Reserve Ledger**”) on which it shall record as a credit entry on each Determination Date, any amount to be retained in the Trustee Collection Account pursuant to clause 11.3(b)(i)(A) (“*Operation of Trustee Collection Account*”) on the succeeding Payment Date.
- (e) If on a Determination Date, the Trust Manager determines that there is sufficient Total Available Income for the immediately following Payment Date (prior to making any allocation under this clause 11.4(e)) to pay the amounts under clauses 7.5(a) to 7.5(ff) (inclusive) (“*Application of Total Available Income prior to an Event of Default*”) on that Payment Date, the Trust Manager may record as a debit entry on the Distribution Reserve Ledger an amount (not exceeding the credit balance of the Distribution Reserve Ledger as at that Determination Date) to include in Total Available Income for that Payment Date for the purposes of making a distribution to the Unitholders under clause 7.5(gg) (“*Application of Total Available Income prior to an Event of Default*”).

## 11.5 Swap Break Costs

The Originator may, in its absolute discretion by providing notice to the Trustee and the Trust Manager, make a loan to the Trustee for the purposes of funding any Swap Break Costs in respect of a Determination that the Trustee would otherwise be unable to meet in accordance with the Transaction Documents. The loan will be an interest bearing loan with interest for each Interest Period to be paid on the Payment Date that is the last day of each such Interest Period to be calculated by multiplying:

- (a) 12%; by

- (b) the outstanding amount of the loan on the first day of the Interest Period; by
- (c) the Day Count Fraction for that Interest Period.

In this clause “Day Count Fraction” has the meaning given to that term in the Note Deed Poll and “Interest Period” has the meaning that term has in the Note Deed Poll as each reference to “Note” was a reference to the loan and as if a reference to “Issue Date” was a reference to the date the deposit was made. The loan under this clause becomes due and payable on the Maturity Date but may be prepaid by the Trustee in accordance with the Transaction Documents.

## **11.6 Operation of Trustee Swap Cash Collateral Account**

The Trust Manager will direct the Trustee to arrange for amounts to be deposited to and withdrawn from the Trustee Swap Cash Collateral Account in accordance with the terms of the relevant Permitted Hedging Agreement.

## **11.7 Operation of Liquidity Collateral Account**

The Trust Manager will direct the Trustee to arrange for amounts to be deposited to and withdrawn from the Liquidity Collateral Account in accordance with the terms of the relevant Liquidity Facility Agreement.

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# **12 Title Perfection Event**

## **12.1 Perfection of title**

Prior to the occurrence of a Title Perfection Event, the Trustee must not, and the Trust Manager must not direct the Trustee to:

- (a) take any step to perfect the Trustee’s interest in, and title to, the Acquired Receivables which are Trust Assets; or
- (b) disclose any information in respect of any sale, transfer or assignment under the Master Origination and Sale Deed or a Reallocation Notice, or give any notice to, or communicate with, any relevant Customer, except in accordance with the relevant Transaction Documents,

provided that nothing in this clause prohibits the Trustee from taking any action under the PPSA which is contemplated by the Transaction Documents.

## **12.2 Assistance**

Following the occurrence of a Title Perfection Event, upon request by the Trustee or the Trust Manager, Latitude will (and will procure each relevant Originator to):

- (a) give any notice to any Customer and any other relevant person of the assignment of the relevant Acquired Receivable to the Trustee pursuant Master Origination and Sale Deed or a Reallocation Notice; and
- (b) execute all such documents and do all such acts and things as the Trustee or the Trust Manager (as applicable) may reasonably require to assist the Trustee to protect or perfect the Trustee’s interest in and title to the relevant Acquired Receivable.

## **12.3 Indemnity**

Latitude indemnifies the Trustee against all liability and loss arising from, and any costs, damages, charges and expenses incurred in connection with the Trustee perfecting its interest in, and title to, the Acquired Receivables which are Trust Assets after a Title Perfection Event, including all registration fees, stamp duty,

legal fees and disbursements, and the cost of preparing and transmitting all necessary documentation.

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## **13 Personal Property Securities Act**

### **13.1 PPSA further steps**

If the Trust Manager determines that:

- (a) a Transaction Document (or a transaction in connection with it, including the assignment or transfer of any Acquired Receivables and Purchased Related Securities, but excluding any Acquired Receivables or Purchased Related Securities) is or contains a security interest for the purposes of the PPSA; and
- (b) failure to perfect that security interest may materially adversely affect all or any class of Secured Creditors,

each of the Trustee, the Security Trustee, Latitude and the Servicer agrees to do (and Latitude agrees to procure that each Originator will 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 Trust Manager asks and reasonably considers necessary for the purposes of:

- (i) ensuring that the security interest is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective; or
- (ii) 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
- (iii) enabling the relevant secured party to exercise rights in connection with the security interest.

### **13.2 Trustee and Security Trustee obligations**

- (a) Each of the Trustee and the Security Trustee agrees to comply with any reasonable directions given to it by the Trust Manager under this clause 13 ("*Personal Property Securities Act*"), on the condition that:
  - (i) the directions contain sufficient detail as to the action required of the Trustee or Security Trustee (or both of them);
  - (ii) if the directions are not sufficiently detailed to enable the Trustee or Security Trustee (as applicable) to comply, the Trustee or Security Trustee (as applicable) is not required to take any action other than to inform the Trust Manager that this is the case and specify the reason the Trustee or the Security Trustee (as applicable) is unable to comply; and
  - (iii) in the absence of any such directions, the Trustee or Security Trustee (as applicable) is not required to take any action with respect to the PPSA.
- (b) Neither the Trustee nor the Security Trustee is responsible or liable to any person for any loss arising in relation to the Trust or the Security Trust in connection with the registration, perfection or priority of any security interest in relation to the Transaction Documents (or any transaction in connection with a Transaction Document) under the PPSA

or for acting on any directions or requests given to it under this clause 13 ("*Personal Property Securities Act*") except to the extent that such loss is as a result of:

- (i) the Trustee's or Security Trustee's fraud or negligence; or
- (ii) a breach by the Trustee or the Security Trustee of its obligations under this clause 13 ("*Personal Property Securities Act*").

For the avoidance of doubt, this paragraph (b) operates as an exclusion of liability and nothing in sub-paragraph (i) creates a liability of the Trustee or the Security Trustee to any person to the extent that liability would not otherwise exist under the Transaction Documents.

- (c) Notwithstanding any other provision of the Transaction Documents, neither the Trustee nor the Security Trustee is required to:
  - (i) take any action with respect to, or in connection with, the PPSA, other than in compliance with a direction given under this clause 13 ("*Personal Property Securities Act*") or otherwise under this document, and subject to this clause 13 ("*Personal Property Securities Act*");
  - (ii) monitor the PPSA or the implementation of it or the registration, perfection, priority or effectiveness of any security interest under the PPSA; or
  - (iii) make enquiries or satisfy itself that a direction purported to be given under this clause 13 ("*Personal Property Securities Act*") has been given in accordance with this clause 13 ("*Personal Property Securities Act*").

### **13.3 Information under Part 8.4 of the PPSA**

If the Trustee or the Security Trustee is required to provide any information as a secured party under Part 8.4 of the PPSA, the Trust Manager agrees, to the extent that such information is in the possession or control of the Trust Manager, to provide, or procure the provision of, such information to the Trustee or the Security Trustee (as the case may be) within 5 Business Days of a request from the Trustee or the Security Trustee.

### **13.4 Costs of further steps and undertaking**

Everything Latitude and Servicer is required to do under this clause 13 ("*Personal Property Securities Act*") is at its own expense.

All costs and expenses (including time in attendance) incurred by the Trustee, the Security Trustee and the Trust Manager under this clause 13 ("*Personal Property Securities Act*") are Trust Expenses.

### **13.5 PPSA terms**

Unless the contrary intention appears, in this clause 13 ("*Personal Property Securities Act*"), a reference to a term defined in the PPSA has the meaning it has in the PPSA unless the contrary intention appears.

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## **14 Amendments to Master Security Trust Deed**

### **14.1 Actions following an Event of Default**

In accordance with clause 17.3 ("*Variation by Funding Deed*") of the Master Security Trust Deed, for the purposes of the Trust, the following new clause 5.8

("Consequences of an Event of Default") is inserted in the Master Security Trust Deed:

**“5.8 Actions following an Event of Default**

- (a) If an Event of Default in respect of a Trust is continuing, the Security Trustee must do any one or more of the following if it is instructed to do so by the Ruling Secured Creditors of the Trust:
  - (i) declare at any time by notice to the Trustee that an amount equal to the Secured Money of that Trust is either:
    - (A) payable on demand; or
    - (B) immediately due for payment; or
  - (ii) take any action which it is permitted to take under the General Security Agreement for that Trust.

If, in the opinion of the Security Trustee, the delay required to obtain instructions from the Ruling Secured Creditors of the Trust 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.

- (b) If the Security Trustee becomes aware that an Event of Default in respect of a Trust is continuing and the Security Trustee does not waive the Event of Default pursuant to clause 17.4 ("*Security Trustee may give certain waivers and make certain determinations*"), 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:
  - (i) notify all Secured Creditors of that Trust of:
    - (A) the Event of Default;
    - (B) any steps which the Security Trustee has taken, or proposes to take, under clause 5.8(a); and
    - (C) any steps which the Trustee or the Trust Manager has notified the Security Trustee that it has taken, or proposes to take, to remedy the Event of Default; and
  - (ii) call a meeting of the Ruling Secured Creditors of that Trust. 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.
- (c) At any meeting of Secured Creditors of a Trust called under this clause 5.8 if an Event of Default in respect of the Trust is continuing the Ruling Secured Creditors must vote on whether to instruct the Security Trustee by Extraordinary Resolution to do any one or more of the following:
  - (i) take any action which the Security Trustee may take under clause 5.8(a); or

- (ii) waive the Event of Default (or determine that the Event of Default has been remedied); or
- (iii) take any other action the Secured Creditors of the Trust may specify in the terms of that Extraordinary Resolution and which the Security Trustee agrees to take.

The Trust Manager of the Trust agrees to notify each Credit Rating Agency (if the Trust is a Rated Trust) of any such Extraordinary Resolution.

- (d) If the Ruling Secured Creditors of a Trust instruct the Security Trustee to take any action under clause 5.8(c), the Security Trustee must notify the Trustee, giving details of the action to be taken, no later than one Business Day after it receives the instructions.
- (e) No Secured Creditor of a Trust is entitled to exercise a right (including enforcing a right such as taking any action to recover any Secured Money of the Trust) which the Security Trustee has against the Trustee under any Transaction Document of the Trust independently of the Security Trustee unless the Ruling Secured Creditors of the Trust have instructed the Security Trustee in accordance with this clause 5 (“*How and when the Security Trustee acts*”) to exercise the right and the Security Trustee has not done so within 10 Business Days.”

## 14.2 Meetings and voting

- (a) In accordance with clause 17.2 (“*Variation by Funding Deed*”) of the Master Security Trust Deed, for the purposes of the Trust:
  - (i) subject to clause 14.2(a)(ii), the Ruling Secured Creditors will be the only Secured Creditors entitled to:
    - (A) vote in respect of an Extraordinary Resolution (excluding any Extraordinary Resolution which is also a Special Quorum Resolution) or Ordinary Resolution of the Trust; or
    - (B) otherwise direct or give instructions or approvals to the Security Trustee in accordance with the Transaction Documents in respect of the Trust; and
  - (ii) if a Transaction Document expressly provides for the passing of an Extraordinary Resolution or Ordinary Resolution by a class of Secured Creditors only (but not all Secured Creditors), then nothing in this clause 14.2(a) shall restrict the Secured Creditors of that class from being entitled to vote in respect of that Extraordinary Resolution or Ordinary Resolution (or to pass such Extraordinary Resolution or Ordinary Resolution by way of a Circulating Resolution);
  - (iii) in connection with any meeting for the passing of an Extraordinary Resolution (excluding any Extraordinary Resolution which is also a Special Quorum Resolution) or Ordinary Resolution of the Trust, each reference to the “Secured Creditors” in:
    - (A) Schedule 2 (“*Meetings Schedule*”) of the Security Trust Deed; and

- (B) the definition of “Written Resolution”, “Extraordinary Resolution”, “Meetings Schedule”, “Notification Date” and “Ordinary Resolution” in clause 1.1 (“*Master Definitions and Construction Agreement*”) of the Master Security Trust Deed,

will be taken to be a reference to the “Ruling Secured Creditors” or (in the case of a resolution of the type referred to in clause 14.2(a)(ii)) the Secured Creditors of the relevant Class (as the case may be);

- (iv) in accordance with paragraph 22 (“*Effect of notice and resolution*”) of the Meetings Schedule, any such Extraordinary Resolution or Ordinary Resolution is binding on all Secured Creditors (in the case of a meeting of the Ruling Secured Creditors) or (in the case of a resolution of the type referred to clause 14.2(a)(ii)) the Secured Creditors of the relevant Class (as the case may be);
- (v) despite clause 4 (“*Security Trustee’s duties to Secured Creditors*”) of the Master Security Trust Deed, if at any time there is a conflict between a duty the Security Trustee owes to a Secured Creditor, or class of Secured Creditors, of the Trust and a duty the Security Trustee owes to another Secured Creditor, or class of Secured Creditors, of the Trust, the Security Trustee must give priority to the duties owing to the Ruling Secured Creditors (for so long as any Notes are outstanding);
- (vi) the following words are inserted at the end of paragraph 1 (“*Meetings*”) of the Meetings Schedule:
- “The Security Trustee must call a meeting if asked to do so in writing by the Trustee or if required to do so under a Transaction Document”.
- (vii) in paragraph 8 (“*Votes*”) of the Meetings Schedule, each reference to “\$10,000” is replaced with “\$1,000”; and
- (viii) clause 5.2(a)(3) (“*Matters requiring an Extraordinary Resolution*”) of the Master Security Trust Deed is deleted and replaced with the following:
- “(3) the issuance of any Enforcement Notice or the exercise of any enforcement related rights, remedies or powers under clause 5.8 of this deed or the General Security Agreement of the Trust other than any action which the Security Trustee may take without instructions from the Secured Creditors under clause 5.8 of this deed or under the General Security Agreement.”
- (b) Nothing in clause 14.2(a) affects the rights of the Secured Creditors to vote in respect of the passing of a Special Quorum Resolution in accordance with the Security Trust Deed.
- (c) For the purposes of clause 5.7 (“*Alternative voting and direction regime*”) of the Master Security Trust Deed, the provisions of clauses 5.2 to 5.6 and the Meetings Schedule of the Master Security Trust Deed will apply in relation to the Trust subject only to the amendments referred to in clause 14.2(a).

### 14.3 Awareness of certain events

In accordance with clause 17.3 (*"Variation by Funding Deed"*) of the Master Security Trust Deed, the parties agree that in respect of the Trust clause 6.1(c) (*"Awareness of certain events"*) of the Master Security Trust Deed is amended by deleting the following words where they appear: ", Review Event, Early Amortisation Event, Potential Early Amortisation Event, Rapid Amortisation Event, Potential Rapid Amortisation Event or Advance Rate Reduction Event".

### 14.4 Appointment of successor security trustee

In accordance with clause 17.3 (*"Variation by Funding Deed"*) of the Master Security Trust Deed, the parties agree that in respect of the Trust clause 10.6(b) (*"Appointment of successor security trustee"*) of the Master Security Trust Deed is deleted and replaced with the following:

- "(b) If the Trust to which the Security Trust relates is a Rated Trust, a successor Trustee may only be appointed if the Trust Manager has given a Rating Notification in relation to the retirement or removal of the Security Trustee and appointment of any successor security trustee."

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## 15 Amendments to the Master Trust Deed

In accordance with clause 19.1 (*"Variation of Master Trust Deed by Funding Deed or Relevant MDCCD"*) of the Master Trust Deed, the parties agree that in respect of the Trust the Master Trust Deed is amended as follows:

- (a) clause 11.1 (*"Funding Deed"*) of the Master Trust Deed is deleted and replaced by the following:

### "11.1 Funding Deed and Note Deed Poll

- (a) A Funding Deed or a Note Deed Poll for a Trust may specify the terms of the Notes to which it refers to or if it relates to more than one class of Notes for each class to which it refers.
- (b) If a term of the Funding Deed or a Note Deed Poll for a Trust is inconsistent with any provision of this deed, the Funding Deed or the Note Deed Poll for that Trust shall prevail to the extent of the inconsistency, with respect only to that Trust and Notes to which that Funding Deed or that Note Deed Poll relates. In the event of any inconsistency between a Funding Deed and a Note Deed Poll in respect of a Trust, the Funding Deed will prevail to the extent of the inconsistency.
- (c) A Funding Deed for a Trust may expressly amend any provision of this deed with respect to that Trust and the relevant Notes. This deed and those Notes shall be construed accordingly."; and
- (b) clause 13.3 (*"Knowledge of the Trustee and Trust Manager"*) of the Master Trust Deed is amended by deleting the following words where they appear: ", Review Event, Early Amortisation Event, Potential Early Amortisation Event, Rapid Amortisation Event, Potential Rapid Amortisation Event or Advance Rate Reduction Event".

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## 16 Amendments to the Trust Management Deed

The parties agree that the following amendments apply to the Trust Management Deed as it applies to the Trust:

- (a) in clause 6.2 (“*Voluntary Retirement*”), the words “(at the direction of the Ruling Secured Creditors in relation to the relevant Trust)” are deleted;
- (b) in clause 6.4(b), the words “(at the direction of the Ruling Secured Creditors in relation to the relevant Trust)” are deleted; and
- (c) in clause 9.3 (“*Waivers*”), the following paragraph is inserted at the end of the clause:
  - (f) “The Trustee may agree to waive the occurrence of any event which would otherwise constitute a Manager Termination Event in respect of a Trust, provided that (in the case of a Rated Trust) a Rating Notification has been provided in respect of the waiver.”

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## 17 Amendments to the Servicing Deed

In accordance with clause 12.4(b) (“*Variation*”) of the Servicing Deed, the parties agree that the following amendments apply to the Servicing Deed, as it applies to the Trust:

- (a) clause 4(b) (“*Periodic Audits*”) is deleted;
- (b) clause 4(d) (“*Access Rights*”) is deleted;
- (c) in clause 4(e) (“*Servicing Guidelines – provision*”), the words “the Trustee, the Trust Manager or a Debtholder” are deleted and replaced with “the Trustee or the Trust Manager”;
- (d) clause 4(g) (“*Servicer’s Group Accounts*”) is deleted;
- (e) in clause 4(i) (“*Litigation*”), the words “the Trustee, the Trust Manager and Debtholders” are deleted and replaced with “the Trustee and the Trust Manager”;
- (f) in clause 4(j) (“*Third party claims*”), the words “the Debtholders and” are deleted;
- (g) in clause 4(q) (“*Release of Debt*”), the words “the consent of the Ruling Secured Creditors” are deleted and replaced with “the consent of the Trustee, acting on the directions of the Trust Manager”;
- (h) in clause 4(r) (“*Waivers*”), the words “the consent of the Ruling Secured Creditors” are deleted and replaced with “the consent of the Trustee, acting on the directions of the Trust Manager”;
- (i) clause 4(z) (“*Inform defaults*”) is deleted and replaced with the following:
  - “(z) (**Inform defaults**) inform the Trustee and the Trust Manager of any Event of Default, Servicer Termination Event, Trust Manager Termination Event or Title Perfection Event (as applicable) in respect of the Relevant Trust upon becoming actually aware of such event.”;
- (j) in clause 5.3(a) (“*Amendments to Servicing Guidelines*”), the words “consent of the Ruling Secured Creditors” are deleted and replaced with “consent of the Trustee, acting on the directions of the Trust Manager”;

- (k) in clause 5.3(b)(1) (“*Amendments to Servicing Guidelines*”), the words “, the Debtholders” are deleted;
- (l) clause 5.4 (“*Confirmation of Initial Servicing Guidelines*”) is deleted;
- (m) in clause 7.1(j) (“*Representations and warranties*”), the words “the Ruling Secured Creditors” are deleted and replaced with “the Trustee, acting on the directions of the Trust Manager”;
- (n) clause 9.2 (“*Servicer Review Event*”) is deleted;
- (o) clause 9.3 (“*Servicer Termination Event*”) is deleted and replaced with the following:

**“9.3 Removal of Servicer by Trustee**

- (a) The Trustee may remove the Relevant Servicer as servicer of in respect of a Relevant Trust by giving the Servicer 90 days’ notice. However, the Trustee may only give notice if at the time it gives the notice:
  - (i) a Servicer Termination Event is continuing in respect of that Relevant Trust; and
  - (ii) if that Trust is a Rated Trust, each Credit Rating Agency of that Trust has been notified of the proposed removal of the Relevant Servicer as servicer for that Trust.

Subject to clause 9.7, the Trustee may terminate all of the relevant Servicer’s rights and obligations (in its capacity as servicer of the Relevant Trust) under the Transaction Documents in relation to that Relevant Trust. The Trust Manager must, in the case of a Rated Trust, notify each relevant Credit Rating Agency of such termination.

- (b) If applicable to a Relevant Trust, the Trustee and the Trust Manager shall notify the Back-up Servicer of the occurrence of a Servicer Termination Event in respect of that Relevant Trust in accordance with the Back-up Servicing Agreement.”; and
- (p) in clause 12.3 (“*Waivers*”), the following paragraph is inserted at the end of the clause:
  - (f) “The Trustee may agree to waive the occurrence of any event which would otherwise constitute a Servicer Termination Event in respect of a Trust:
    - (i) while the Trust Manager is not the Servicer (or a Related Entity of the Servicer), at the direction of the Trust Manager; or
    - (ii) otherwise, at its own discretion,
 provided that (in the case of a Rated Trust) notification has been provided to each Credit Rating Agency of that Trust.”

## 17.2 Amendments to the Master Origination and Sale Deed

The parties agree that the following amendments apply to the Master Origination and Sale Deed as it applies to the Trust:

- (a) clause 4.5(b)(2) (“*Acceptance of Offer to Repurchase*”), is deleted;
- (b) in clause 4.5 (“*Acceptance of Offer to Repurchase*”), the following paragraph is inserted at the end of the clause:
  - (2) “without any further act or instrument by the parties, an immediate extinguishment of the Trustee’s right, title and interest in relation to all the repurchased Acquired Receivables, in favour of the Originator.”

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## 18 Miscellaneous

### 18.1 Limitation of liability and other general matters

Each of:

- (a) clause 2 (“*Limitation of liability*”) of the Master Definitions and Construction Deed;
- (b) clause 3 (“*Notices and other communications*”) of the Master Definitions and Construction Deed;
- (c) clause 3.5 (“*Exoneration*”) of the Trust Management Deed;
- (d) clause 18 (“*Dealing with interests*”) of the Master Security Trust Deed;
- (e) clause 20 (“*Rights and remedies*”) of the Master Security Trust Deed;
- (f) clause 21 (“*Protections and release*”) of the Master Security Trust Deed;
- (g) clause 22 (“*Performance and party relations*”) of the Master Security Trust Deed;
- (h) clause 23 (“*General*”) of the Master Security Trust Deed; and
- (i) clause 20 (“*GST*”) of the Master Trust Deed,

are incorporated into this document as if they were fully set out in this document and any clause references in such clauses were to the corresponding incorporated clause.

### 18.2 Confidentiality

Each party agrees not to disclose information provided by any other party that is not publicly available (including the existence or contents of any Transaction Document) except:

- (a) to any person in connection with an exercise of rights or a dealing with rights or obligations under a Transaction Document (including in connection with preparatory steps such as negotiating with any potential assignee of that party’s rights or other person who is considering contracting with the Security Trustee or a Receiver in connection with a Transaction Document); or
- (b) to officers, employees, agents, contractors, legal and other advisers and auditors of the Trustee, the Security Trustee or a Receiver, provided the

recipient agrees to act consistently with this clause 18.2 (“*Confidentiality*”); or

- (c) to any party to a Transaction Document or any Related Entity of any party to a Transaction Document, provided the recipient agrees to act consistently with this clause 18.2 (“*Confidentiality*”); or
- (d) with the consent of the party who provided the information (such consent not to be unreasonably withheld); or
- (e) to a Credit Rating Agency, in accordance with the Transaction Documents of the Trust; or
- (f) any disclosure the disclosing party reasonably believes is required by any law or stock exchange (except this paragraph does not permit a person to disclose any information under section 275(4) of the PPSA unless section 275(7) of the PPSA applies).

Each party consents to disclosures made in accordance with this clause 18.2 (“*Confidentiality*”).

### **18.3 Anti-money laundering**

- (a) Subject to paragraph (b), each party (the “**Provider**”) must, on the request of any other party (the “**Recipient**”), provide the Recipient with any information or document in the Provider’s possession or otherwise readily available to the Provider, where such information or document is required by the Recipient to comply with any applicable anti-money laundering or counter-terrorism financing laws including any such laws requiring the Recipient to carry out “know your customer” or other identification checks or procedures (“**Relevant Laws**”).
- (b) The Provider’s obligations under paragraph (a) are subject to any confidentiality, privacy or other obligations imposed by law on the Provider in relation to the requested information or document, except to the extent overridden by the Relevant Laws.
- (c) Each party must comply with any Relevant Laws applicable to it, to the extent required to comply with its obligations under the Transaction Documents. Any party may decline to perform any obligation under the Transaction Documents to the extent it forms the view, in its reasonable opinion, that notwithstanding that it has taken all action to comply with any applicable Relevant Laws, it is required by Relevant Laws to decline to perform any such obligation provided that:
  - (i) nothing in this clause 18.3 (“*Anti-money laundering*”) limits, relieves or discharges the Trustee from its payment obligations under the Transaction Documents or limits the exercise by any party of its rights in respect of such payment obligations; and
  - (ii) the Trustee and its officers, employees, agents in declining, in accordance with this clause 18.3, to perform the relevant obligation under the Transaction Documents shall not be considered to have acted fraudulently, negligently or in wilful default.
- (d) To the maximum extent permitted by law, each party and each Secured Creditor releases, to the extent that it is able, each other party from any confidentiality, privacy or general law obligations that such other party would otherwise owe and which would otherwise prevent such other party from providing any information or documents requested in

accordance with this clause or any similar clause in any other Transaction Document.

#### 18.4 Risk retention

- (a) The Trust Manager agrees to prepare and deliver to the Trustee and Latitude, in the form determined by the Trust Manager from time to time, a monthly investor report to be made available by the Trust Manager to the Noteholders by such method and in such form as is agreed between the Trust Manager and the Trustee (which may include via the Bloomberg service, any other replacement service designated by the Trust Manager or on the website of [www.latituedeinancial.com.au](http://www.latituedeinancial.com.au)) and containing:
- (i) material information relevant to the Noteholders; and
  - (ii) if applicable, confirmation of the ongoing retention (including the nature of such retention) by Latitude of a material net economic interest of not less than 5 per cent. of the nominal value of the securitisation to which the Transaction Documents relate in accordance with Article 6(3)(d) of Regulation (EU) 2017/2402 (the "**EU Securitisation Regulation**") (as in force at the Closing Date);
- (b) The Trust Manager agrees to use commercially reasonable efforts to disclose, on a timely basis, all information required to be made available pursuant to Article 7(1)(a), (e), (f) and (g) of the EU Securitisation Regulation (i) subject to the provisions of Article 43(8) of the Securitisation Regulation and any Requirement of Law applicable to Latitude, the Trustee and the Trust Manager and subject to and in accordance with any guidance and any transitional provision that is then current and issued by the European Banking Authority, the European Insurance and Occupational Pensions Authority, the European Securities and Markets Authority, the European Commission and/or any successor regulator; and (ii) provided that, prior to the endorsement by the European Commission of the final regulatory technical standards and implementing technical standards relating to such information, the Trust Manager will not be in breach of such undertaking if it fails to so comply due to events, actions and/or circumstances beyond its control). Such information will be made available on a website, repository or service notified to the Noteholders no later than the first Payment Date and/or any other or replacement website, repository or service subsequently designated by the Trust Manager and notified to the Noteholders.
- (c) Latitude undertakes that it will retain a material net economic interest of not less than 5 per cent. of the nominal value of the securitisation to which the Transaction Documents relate in accordance with Article 6 of the EU Securitisation Regulation (as in force at the Closing Date) until the Maturity Date by way of a retention in accordance with Article 6(3)(d) of the EU Securitisation Regulation (as in force at the Closing Date) of an originator's interest in an amount of not less than 5 per cent. of the securitised exposures (such retention being in the form of the Seller Notes) subject always to any requirement of law and provided that Latitude will not be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond the control of Latitude.

#### 18.5 Business Day Convention

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

### **18.6 Banking Code of Practice**

The parties to the Transaction Documents agree that the Banking Code of Practice 2019 does not apply to any Transaction Document or any transaction or service under any Transaction Document.

### **18.7 Notices to Noteholders**

Despite anything in the Master Trust Deed or the Master Security Trust Deed to the contrary, notices or communications to Noteholders may only be given in the manner set out in condition 13 ("*Notices*") of the Conditions.

### **18.8 Governing Law and Jurisdiction**

This document and the Trust are governed by the laws in force in Victoria. Each party submits to the non-exclusive jurisdiction of the courts of Victoria.

**EXECUTED** as a deed.

# Latitude Australia Personal Loans Series 2020-1 Trust **Cashflow Allocation and Funding Deed**

## Schedule 1 Eligibility Criteria

A Receivable is an Eligible Receivable if it satisfies the following **Eligibility Criteria** on the relevant Cut-Off Date for that Receivable:

- (a) the Relevant Documents do not specify a governing law other than Australian law;
- (b) the Receivable is denominated and payable only in Australian dollars;
- (c) as at the Origination Date of the Receivable, the Customer in respect of that Receivable was an Australian resident and at least 18 years of age;
- (d) the Receivable was originated by or on behalf of an Originator;
- (e) the Receivable was approved and originated on arm's length terms, in the ordinary course of business and in accordance with the Credit Guidelines (as at the Origination Date of the Receivable);
- (f) the Receivable is documented on the terms of the Credit Agreement and no material modification or amendment has been made to such credit documentation except where such modification or amendment is made in accordance with the Credit Guidelines;
- (g) at the time the Receivable was entered into, the Receivable (and its Origination) and the related Relevant Documents complied in all material respects with all applicable laws, including Consumer Credit Laws;
- (h) all files and records necessary to enforce the Receivable are held by the Servicer (or on its behalf) and are capable of being identified separately for the purposes of enforcement;
- (i) the obligations of each Customer in respect of the Receivable are in full force and effect, constitute the legal, valid and binding obligations of the Customer enforceable against it in accordance with the terms of the Relevant Documents, subject to any applicable bankruptcy, re-organisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject also (as to enforceability) to equitable principles of general application and are not subject to any dispute, offset, set-off or counterclaim;
- (j) the relevant Originator is, in respect of the Receivable, in compliance with all of its material obligations to the Customers in respect of that Receivable under the Relevant Documents or applicable law;
- (k) the Customer in relation to that Receivable was not Bankrupt or insolvent on the Origination Date or on the relevant Cut-Off Date;
- (l) all duties and Taxes have been paid in respect of the Receivable;
- (m) no payment in respect of the Receivable is in arrears by more than 90 days;

- (n) no payment has been written off in respect of the Receivable other than fees or other amounts written off in the ordinary course of business for reasons other than the Customer's inability to pay;
- (o) the Customer is required (including on an early termination by the Customer) to make payments to fully repay the outstanding principal balance and any accrued but unpaid interest, costs or fees due under the Credit Agreement subject to any mandatory hardship or oppressive conduct regimes under the Consumer Credit Laws;
- (p) the Customer has fully drawn the amount available under that Receivable (other than to the extent Redraws are available under that Receivable) and the relevant Originator has no obligation to make any further advance in respect of that Receivable;
- (q) the Receivable has a remaining term that does not exceed 84 months;
- (r) the Receivable has a GECO Grade of 'CR1', 'CR2', 'CR3' or 'CR4'; and
- (s) the Receivable has an Outstanding Principal Balance of less than A\$200,000.

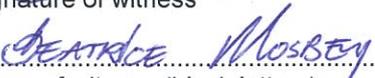
# Latitude Australia Personal Loans Series 2020-1 Trust **Cashflow Allocation and Funding Deed**

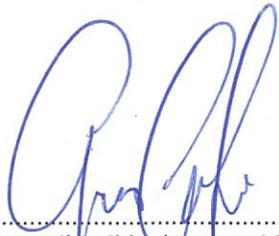


**SIGNED, SEALED AND DELIVERED** )  
by Gus Carfi )

as attorney for **KVD TM PTY LTD** )  
under power of attorney dated 14 )  
February 2020 )  
in the presence of: )

  
..... )  
Signature of witness )

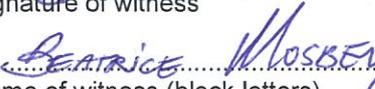
  
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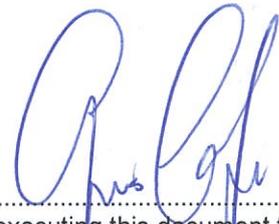
  
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By executing this document the )  
attorney states that the attorney has )  
received no notice of revocation of the )  
power of attorney )

**SIGNED, SEALED AND DELIVERED** )  
by Gus Carfi )

as attorney for **LATITUDE PERSONAL** )  
**FINANCE PTY LTD** under power of )  
attorney dated 14 February 2020 )  
in the presence of: )

  
..... )  
Signature of witness )

  
..... )  
Name of witness (block letters) )

  
..... )  
By executing this document the )  
attorney states that the attorney has )  
received no notice of revocation of the )  
power of attorney )