

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

IMF Bentham Limited (IMF)

ABN

45 067 298 088

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Secured debt securities (IMF Bentham Bonds). |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 414,048 IMF Bentham Bonds |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Refer to the terms and conditions of the IMF Bentham Bonds (Terms) in Schedule 2 of the Trust Deed (see Attachment 1 to this Appendix 3B).

The Terms have been amended in accordance with the restructure described in the notice of meeting sent to IMF Bentham Bond holders and lodged with ASX on 6 November 2018 (Restructure). |

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes. The IMF Bentham Bonds rank equally with all other IMF Bentham Bonds on issue (ASX:IMFHA).</p> <p>The IMF Bentham Bonds confer no rights on a holder to:</p> <ul style="list-style-type: none"> • vote at any shareholders meeting of IMF; • subscribe for new securities or participate in any bonus issue of IMF securities; • otherwise participate in the profits or property of IMF, except as set out in the Terms (see Attachment 1 to this Appendix 3B).
<p>5 Issue price or consideration</p>	<p>\$101.13 per IMF Bentham Bond.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>As announced on 5 November 2018, the funds raised from the issue will be used to fund potential redemptions associated with the Restructure and to fund growth initiatives and allow greater financial flexibility for IMF's balance sheet.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No.</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A.</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A.</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>N/A.</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A.						
6f	Number of +securities issued under an exception in rule 7.2	N/A.						
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A.						
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A.						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A.						
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	7 December 2018.						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="786 1529 1086 1563">Number</th> <th data-bbox="1086 1529 1388 1563">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="786 1563 1086 1653">204,608,858</td> <td data-bbox="1086 1563 1388 1653">Fully paid ordinary Shares</td> </tr> <tr> <td data-bbox="786 1653 1086 1794">760,000</td> <td data-bbox="1086 1653 1388 1794">IMF Bentham Bonds</td> </tr> </tbody> </table>	Number	+Class	204,608,858	Fully paid ordinary Shares	760,000	IMF Bentham Bonds
Number	+Class							
204,608,858	Fully paid ordinary Shares							
760,000	IMF Bentham Bonds							

	Number	+Class
9	72,000,000	Secured Notes
	11,345,773	Performance Rights
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	Not applicable to IMF Bentham Bonds. There has been no change to IMF's dividend policy.	

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A.
12	Is the issue renounceable or non-renounceable?	N/A.
13	Ratio in which the +securities will be offered	N/A.
14	+Class of +securities to which the offer relates	N/A.
15	+Record date to determine entitlements	N/A.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A.
17	Policy for deciding entitlements in relation to fractions	N/A.
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A.
19	Closing date for receipt of acceptances or renunciations	N/A.

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A.
21	Amount of any underwriting fee or commission	N/A.
22	Names of any brokers to the issue	N/A.
23	Fee or commission payable to the broker to the issue	N/A.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A.
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A.
28	Date rights trading will begin (if applicable)	N/A.
29	Date rights trading will end (if applicable)	N/A.
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A.
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A.
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A.

33 +Issue date

N/A.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which
+quotation is sought

+ See chapter 19 for defined terms.

39 +Class of +securities for which quotation is sought

--

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

--

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

--

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

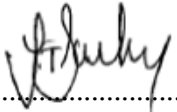
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 7 December 2018
(Director/Company secretary)

Print name: Jeremy Sambrook
.....

+ See chapter 19 for defined terms.

Attachment 1 – Trust Deed

+ See chapter 19 for defined terms.

IMF Bentham Bonds Trust Deed

IMF Bentham Limited

Issuer

Australian Executor Trustees Limited

Trustee

HARDY•BOWEN

LAWYERS

Level 1, 28 Ord Street, West Perth 6005
PO Box 1364, West Perth WA 6872
Tel + 61 8 9211 3600 Fax + 61 8 9211 3690
Our Ref – MPB:JTS:130377

Table of Contents

Clause	Page No
1. Benefit and burden of this Deed	1
1.1 Holders bound	1
1.2 Limit on Holders' rights	1
1.3 Enforcement on direction	1
1.4 Holder's right to take action.....	2
1.5 Untraceable Holders	2
2. Trust Deed	2
2.1 Trust Deed.....	2
2.2 Consistency with section 283DB(1) of the Corporations Act	3
2.3 Constitution and status	3
2.4 Debentures	3
2.5 Undertaking to pay.....	3
3. Declaration of trust	4
3.1 Trustee	4
3.2 Constitution of Trust.....	4
3.3 Declaration of Trust	4
3.4 Name of Trust.....	4
3.5 Commencement and termination of Trust	4
3.6 Perpetuity period	4
3.7 Beneficiaries	4
3.8 Safe custody of this Deed	4
3.9 Receipt of moneys	4
4. Trustee's powers and discretions	5
4.1 Extent of obligations	5
4.2 Excluded roles and duties.....	5
4.3 Binding nature of relationship	5
4.4 Powers of the Trustee.....	5
4.5 Trustee's capacity to transact	6
4.6 Trustee's reliance on information	6
4.7 Trustee not obliged to notify or investigate.....	7
4.8 Legal proceedings	7
4.9 Discretion of Trustee absolute	8
4.10 Consents may be conditional	8
4.11 Determination of matters of doubt.....	8
4.12 Conduct of business of the Issuer.....	8
5. Application and receipt of Money	8
5.1 Receipt of money.....	8
5.2 Trustee's power to Invest.....	9
5.3 Amounts contingently due.....	9
5.4 Trustee's receipts	9
6. New Financiers	10
6.1 Request for recognition of New Financiers	10
6.2 Execution of Priority Deed	10
7. Trustee's undertakings	10

Table of Contents

Clause	Page No
8. Trustee indemnity	11
8.1 Corporations Act.....	11
8.2 Indemnity.....	11
8.3 Indemnity additional.....	11
8.4 No obligation to act.....	11
8.5 Survival.....	11
9. Trustee's liability	11
9.1 Limitation of liability.....	11
9.2 Evidence of claims.....	12
9.3 Certificate	13
9.4 Not bound to give notice	13
9.5 No monitoring obligation	13
9.6 Holder capacity.....	13
9.7 Knowledge of the Trustee	13
9.8 Notification obligations when Issuer in liquidation	13
10. Fees and expenses	14
10.1 Fees	14
10.2 Costs and expenses	14
10.3 Remuneration when the Issuer is in liquidation	14
10.4 Time in attendance	14
11. Retirement and removal of Trustee	15
11.1 Right of Trustee to retire	15
11.2 Power of the Issuer to appoint a new trustee	15
11.3 Power of existing Trustee to appoint a new trustee.....	16
11.4 Retirement or removal of Trustee	16
11.5 Release of Trustee	16
11.6 Trustee must be a Eligible Trustee	16
11.7 ASIC.....	16
12. Covenants	16
12.1 Issuer's general duties.....	16
12.2 Reporting, updates to Key Financial Disclosures and publication of certain information 18	
12.3 No offers of debentures under section 708(14) of the Corporations Act.....	18
12.4 Compliance with laws and Authorisations	18
12.5 Benefit	18
13. Representations and warranties	19
13.1 Representations and warranties by the Trustee.....	19
13.2 Representations and warranties by the Issuer	19
13.3 Representations and warranties repeated	20
14. Issue of IMF Bentham Bonds	20
14.1 Issue.....	20
14.2 Conditions Precedent	20
14.3 Security	20
14.4 Entry in Register	21
14.5 No certificates.....	21
14.6 Statement of Holding	21

Table of Contents

Clause	Page No
14.7	Issuer dealing with IMF Bentham Bonds..... 21
14.8	Further issues..... 21
15.	Registers 22
15.1	Registers 22
15.2	Location of Register..... 22
15.3	Issuer not liable for mistakes 22
15.4	Trustee may accept correctness 23
15.5	Inspection 23
15.6	Change in information..... 23
15.7	Rectification of Registers 23
15.8	Closure of Registers 23
15.9	Appointment of Registry..... 23
15.10	Copy to the Trustee 24
15.11	Property in IMF Bentham Bonds situated where Register is 24
15.12	Clearing System sub-register..... 24
16.	Meetings of Holders..... 24
16.1	Meeting provisions..... 24
16.2	Holder Resolution 24
16.3	Special Resolution 25
17.	Title and Transfer of the IMF Bentham Bonds..... 25
17.1	Title 25
17.2	Effect of entry in Register..... 25
17.3	Register conclusive as to ownership 25
17.4	Non recognition of interests 25
17.5	Joint holders 25
17.6	Transfers in whole 26
17.7	Transfer 26
17.8	Market obligations..... 26
17.9	Issuer may request holding lock or refuse to register transfer 26
17.10	Issuer must request holding lock or refuse to register transfer 27
17.11	Notice of holding locks and refusal to register transfer 27
17.12	Delivery of instrument 27
17.13	Refusal to register..... 27
17.14	Transferor to remain Holder until registration 28
17.15	Effect of transfer 28
17.16	Estates 28
17.17	Transfer of unidentified IMF Bentham Bonds 28
18.	Payment of IMF Bentham Bonds 28
18.1	Payment of principal 28
18.2	Payment of interest..... 28
18.3	Payments to accounts 28
18.4	Payments by cheque 29
18.5	Unsuccessful attempts to pay 29
18.6	Payment to joint Holders..... 29
18.7	Payments subject to law 29
18.8	Payments on Business Days 29
18.9	Amounts payable on demand 29

Table of Contents

Clause	Page No
19. Alteration	30
19.1 Alteration of Terms	30
19.2 Alteration of Deed	30
19.3 Interpretation	30
20. Confidentiality	31
20.1 Financial information.....	31
20.2 Meaning.....	31
21. Discharge and release.....	31
21.1 Discharge and release.....	31
21.2 Distribution	31
22. Notices.....	31
22.1 Notices to Holders	31
22.2 Notices to the Trustee or the Issuer	32
22.3 When effective.....	32
22.4 Deemed receipt - postal, fax or email.....	33
22.5 Deemed receipt - general	33
22.6 Copies of notices	33
22.7 Email notices to Issuer and Trustee.....	33
23. GST	33
24. General	34
24.1 Payments of commission, brokerage etc	34
24.2 No waiver	34
24.3 Severability of provisions	34
24.4 Counterparts.....	34
24.5 Governing law, jurisdiction	34
25. Definitions and Interpretations	34
25.1 Definitions.....	34
25.2 Interpretation	35
Schedule 1 - Definitions	38
1. Definitions	38
1.1 Definitions.....	38
Schedule 2 - Terms of the IMF Bentham Bonds	52
1. Form of IMF Bentham Bonds	52
1.1 Constitution under Trust Deed	52
1.2 Form.....	52
1.3 Face Value	52
1.4 Currency.....	52
1.5 Clearing System	52
1.6 IMF Bentham Security	52
1.7 No certificates.....	52
1.8 ASX quotation.....	52
1.9 No other rights	52

Table of Contents

Clause	Page No
2. Interest.....	53
2.1 Interest	53
2.2 Interest Rate	53
2.3 Calculation of Interest Rate and interest payable.....	53
2.4 Notification of Interest Rate, interest payable and other items	54
2.5 Determination final.....	54
2.6 Calculations	54
2.7 Default interest	54
3. Redemption and Purchase.....	55
3.1 Redemption on Maturity Date	55
3.2 Early Redemption by the Issuer	55
3.3 Early Redemption by Holders following a Delisting Event	55
3.4 Early Redemption by Holders following a Change of Control Event	56
3.5 Effect of notice of Redemption	57
3.6 Purchase	58
4. Issuer Representations and Undertakings	59
4.1 Ranking and Security.....	59
4.2 General Security Deed	59
4.3 Restrictions.....	59
4.4 PPSA Provisions	60
5. Events of Default.....	62
5.1 Events of Default	62
5.2 Notification.....	63
5.3 Consequences of an Event of Default.....	63
5.4 Knowledge of Trustee.....	63
6. Title and transfer of IMF Bentham Bonds.....	64
7. Payments	64
8. Taxation	64
8.1 No set-off, counterclaim or deductions.....	64
9. General provisions and governing law	64
9.1 Time limit for claims	64
9.2 Amendments without consent.....	64
9.3 Amendments with consent.....	65
9.4 Further issues.....	65
9.5 Governing law.....	65
9.6 Jurisdiction	65
10. Interpretation.....	66
10.1 Interpretation	66
10.2 Document or agreement	66
Schedule 3 – Provisions for Meetings of Holders	67
1. Interpretation.....	67

Table of Contents

Clause	Page No
2. Convening	67
2.1 Ability to call meetings	67
2.2 Issuer's duty to call meetings	67
2.3 Trustee's duty to call meeting	68
2.4 Meeting under Corporations Act	68
3. Notice	68
4. Proxies	68
5. Chairman	69
6. Quorum and Adjournment	69
7. Right to Attend and Speak	70
8. Voting.....	70
9. Passing resolutions in writing	71
10. Special resolutions	72
11. Holder Resolutions	73
12. Effect and notice of resolutions	73
13. Minutes to be kept	73
14. Further procedures.....	74
Schedule 4 - General Security Deed	75
1. Definitions and interpretation	75
1.1 Incorporated definitions	75
1.2 Definitions.....	75
1.3 Interpretation	78
1.4 Bond Trust Deed	78
1.5 Capacity of Secured Party	78
1.6 Secured Party assumes no obligations	79
2. Grant of security interest	79
2.1 Grant	79
2.2 Nature and priority	79
2.3 Secured Moneys.....	79
3. Dealing with Secured Property	80
3.1 Dealing with and disposal of Secured Property	80
3.2 Crystallisation	80
4. Representations and warranties.....	81
4.1 Representations and warranties by the Grantor.....	81
4.2 Reliance on Representations and Warranties	83

Table of Contents

Clause	Page No
4.3	Grantor's Acknowledgment 83
5.	Undertakings 83
5.1	General Undertakings 83
5.2	Undertakings relating to Secured Property 85
5.3	Undertakings relating to Marketable Securities 87
5.4	Undertakings relating to Accounts (General)..... 87
5.5	Term of Undertakings 87
6.	Discharge and liabilities 88
6.1	Release 88
6.2	Liability post Discharge 88
6.3	Grantor's liability not affected 88
7.	Further assurances 88
8.	Enforcement 89
8.1	Powers on enforcement 89
8.2	Receivership 89
8.3	Termination..... 90
9.	Power of Attorney 90
10.	Performance of Grantor's obligations 91
11.	Inspection 91
12.	Statutory powers 91
12.1	Powers in augmentation 91
12.2	Notice not required 91
12.3	Exclusion of PPSA provisions 91
13.	Application of money received 92
13.1	Overriding application 92
13.2	Order of application 92
13.3	Money actually received 93
13.4	Amounts contingently due..... 93
13.5	Notice of subsequent Encumbrances..... 93
13.6	Conversion of currencies on application 93
14.	Other Encumbrances over Secured Property 94
15.	Protection of Secured Party, Controllers and Attorneys 94
15.1	Waiver by Grantor..... 94
15.2	No liability 94
15.3	No liability to account..... 94
15.4	No conflict..... 94
15.5	No notice or enforcement..... 95
15.6	Indemnity 95
16.	Protection of third parties 95
16.1	No enquiry 95

Table of Contents

Clause	Page No
16.2 Receipt	96
17. Survival of obligations	96
18. Continuing security	96
19. Other securities.....	97
20. Waivers, remedies cumulative.....	97
21. Severability of provisions and Secured Property	97
21.1 Severability of provisions	97
21.2 Restricted Secured Property.....	97
22. Supervening legislation	97
23. Assignments	98
24. Expenses, stamp duties and GST	98
24.1 Expenses.....	98
24.2 Stamp duties.....	98
24.3 GST.....	99
25. Notices.....	99
26. Authorised Officers	99
27. Governing law and jurisdiction.....	99
28. Set off.....	100
29. Registration.....	100
30. Counterparts	100
Schedule 1 – Powers on Enforcement.....	101
Schedule 5 –Priority Deed	105
1. Definitions and Interpretation	105
1.1 Definitions.....	105
1.2 Interpretation	107
1.3 Document or agreement	108
1.4 Principal.....	108
1.5 Consents and opinion	108
1.6 Application of this Deed	108
1.7 AET as trustee.....	108
1.8 Limitation of liability.....	108
2. [Termination of any Previous Priority Deeds	109
3. Priority of Security Interests	109

Table of Contents

Clause	Page No
3.1	Priority 109
3.2	Excess Receipts 110
3.3	Contingent obligations 110
4.	Account of Proceeds 110
5.	Exercise of default powers 111
5.1	Exercise..... 111
5.2	Realisation Proceeds..... 111
5.3	No marshalling..... 111
5.4	Cross default 111
5.5	Disclosure..... 111
6.	Consents and Acknowledgements..... 111
6.1	Company's consent 111
6.2	Acknowledgements..... 112
6.3	Secured Parties' consents 112
7.	No Support for Challenges 112
8.	Information 112
8.1	Notice of secured amounts 112
8.2	Notice of outgoings and receipts..... 112
9.	Notice of repayment 113
10.	Termination 113
11.	Assignment 113
12.	Further Assurances 113
13.	Waivers and Remedies Cumulative..... 113
14.	Severability of Provisions 113
14.1	Survival of Obligations 114
15.	Notices..... 114
16.	Service of Process <i>[only required if Additional Secured Party is non-Australian entity]</i> 114
17.	Governing Law and Jurisdiction 115
18.	Counterparts 115
	Schedule 6 – Notice Details 116

This Deed is made this day of 2014

Parties **IMF Bentham Limited (ACN 067 298 088)** of Level 10, 39 Martin Place, Sydney, 2000 (**Issuer**)

and

Australian Executor Trustees Limited (ABN 84 007 869 794) of Level 22, 207 Kent Street, Sydney, New South Wales, 2000 (**Trustee**)

Recitals

- A. The Issuer wishes to issue IMF Bentham Bonds in accordance with the terms of this Deed.
- B. The Issuer appoints the Trustee and the Trustee accepts the appointment as trustee for the Holders on the terms contained in this Deed.

This Deed provides

1. Benefit and burden of this Deed

1.1 Holders bound

- (a) Each Holder (and any person claiming through or under a Holder) is bound by, and is taken to have notice of this Deed and the other Transaction Documents.
- (b) It is a fundamental condition of receiving any of the rights or benefits under an IMF Bentham Bond that a Holder must perform all of the obligations and comply with all restrictions and limitations applicable to it under this Deed and the other Transaction Documents (including, for the avoidance of doubt, the Terms) in respect, of the IMF Bentham Bond.

1.2 Limit on Holders' rights

All of the rights against the Issuer in connection with the IMF Bentham Bonds are held by the Trustee for the Holders. Accordingly, subject to clause 1.4:

- (a) no Holder is entitled to directly enforce any rights, powers or remedies in connection with the IMF Bentham Bonds under this Deed or any other Transaction Document directly against the Issuer; and
- (b) the rights, powers and remedies of the Trustee under and in respect of this Deed are exercisable and enforceable by the Trustee only. No Holder may exercise any of them (whether in its own name or the Trustee's name).

1.3 Enforcement on direction

Subject to this Deed and the Transaction Documents and without limiting the Trustee's discretion and powers under this Deed and the other Transaction Documents, the Trustee need not take any action to enforce this Deed or any other Transaction Document in accordance with its respective terms unless all of the following conditions are met:

- (a) the Trustee is requested to take action by a Special Resolution;

- (b) the Trustee is indemnified to its reasonable satisfaction against:
 - (i) all actions, proceedings, claims and demands to which the Trustee may render itself liable by taking such action;
 - (ii) all Costs which the Trustee may incur in taking the action; and
 - (iii) all management time spent by employees or officers of the Trustee in relation to such action; and
- (c) the action is not prohibited under this Deed and the Trustee is not restricted or prohibited by any order of any competent court or any applicable law.

1.4 Holder's right to take action

No Holder is entitled to proceed directly against the Issuer to enforce any right or remedy under or in respect of any IMF Bentham Bond unless the Trustee, having become bound to proceed, fails to do so within a reasonable period and such failure is continuing.

1.5 Untraceable Holders

Subject to applicable law and the applicable ASX Listing Rules, where the Issuer:

- (a) is required to pay any money to a Holder; and
- (b) has made reasonable efforts to locate a Holder but is unable to do so,
- (c) then that money:
 - (i) in accordance with clause 18.5, is to be held by the Issuer for the Holder in a non-interest bearing deposit with a bank selected by the Issuer until the Holder or any legal personal representative of the Holder claims the amount or the amount is paid by the Issuer according to the legislation relating to unclaimed moneys; or
 - (ii) in circumstances where the Trustee has actual possession and control of such money (for whatever reason), must be paid by the Trustee to the Issuer and the Issuer is to hold that money in accordance with paragraph 1.5(c)(i) above.

The Trustee is not liable to any Holder for any money paid to the Issuer under this clause 1.5. The Issuer indemnifies the Trustee from any and all costs, losses, liabilities, expenses, demands or claims suffered or incurred by the Trustee in respect of any money paid to the Issuer under this clause 1.5.

2. Trust Deed

2.1 Trust Deed

This Deed:

- (a) is the trust deed for the Trust; and
- (b) is the trust deed in respect of the IMF Bentham Bonds required by section 283AB of the Corporations Act.

2.2 Consistency with section 283DB(1) of the Corporations Act

This Deed is to be interpreted so as not to give rise to the operation of section 283DB(1) of the Corporations Act.

2.3 Constitution and status

The IMF Bentham Bonds are unconditional secured debt obligations of the Issuer constituted by, and owing under, this Deed and issued on the Terms. The obligations of the Issuer in respect of each IMF Bentham Bond:

- (a) constitute separate and independent acknowledgments of the indebtedness of the Issuer;
- (b) are subject to the terms of this Deed (including the Terms) and the other Transaction Documents;
- (c) are direct, secured and unsubordinated; and
- (d) rank equally and without any preference amongst themselves as described in the Terms.

2.4 Debentures

The IMF Bentham Bonds are "secured notes" for the purposes of section 283BH of the Corporations Act (as modified by ASIC Class Order [CO 12/1482] *When debentures can be called secured notes*).

2.5 Undertaking to pay

- (a) In respect of each IMF Bentham Bond, the Issuer undertakes to the Trustee (on behalf of each Holder), to pay the amounts due and payable in respect of that IMF Bentham Bond under and in accordance with this Deed.
- (b) Subject to clause 1.5, the Trustee directs the Issuer to pay such amounts under this Deed directly to the Holders, unless:
 - (i) a Controller has been appointed to the Issuer;
 - (ii) the Issuer is directed by the Trustee to make the payments to the Trustee by the giving of notice to that effect not less than 5 Business Days before the scheduled date for the making of the payment; or
 - (iii) the Issuer advises the Trustee that it is not likely to meet its obligations under this Deed,in which event the payment must be made to the Trustee.
- (c) The payment of an amount due under an IMF Bentham Bond to either the Holder or the Trustee discharges the obligation of the Issuer to pay that amount under that IMF Bentham Bond to each of the Holder and the Trustee.

3. Declaration of trust

3.1 Trustee

The Trustee is appointed and agrees to act as the trustee of the Trust established under this Deed with effect from the date of this Deed.

3.2 Constitution of Trust

The Trust is constituted on the execution of this Deed by the Issuer and the Trustee.

3.3 Declaration of Trust

The Trustee declares that, on execution of this Deed, it holds the sum of \$10, and that it will hold the Trust Fund, on trust at any time for the benefit of itself and the persons who are Holders from time to time on the terms of this Deed.

3.4 Name of Trust

The trust established under this Deed will be known as the "IMF Bentham Bonds Trust".

3.5 Commencement and termination of Trust

The Trust commences on the date of this Deed and unless determined earlier ends on the earlier of:

- (a) the day occurring immediately before the 80th anniversary of the date of this Deed; or
- (b) the day on which this Deed is terminated under clause 21.1.

3.6 Perpetuity period

The perpetuity period applicable to the Trust is the period of 80 years commencing on the date of this Deed.

3.7 Beneficiaries

Subject to the rights of the Trustee, the Holders are the persons beneficially entitled to the Trust Fund from time to time on the terms of this Deed. They hold that beneficial entitlement as equitable tenants in common, provided that joint holders of an IMF Bentham Bond shall hold as between themselves and the Issuer as joint tenants.

3.8 Safe custody of this Deed

The Trustee will hold its counterparts of this Deed in safe custody for itself and the Holders.

3.9 Receipt of moneys

- (a) Prior to the enforcement of the General Security Deed, all money received by the Trustee in respect of amounts payable under this Deed must be applied by the Trustee in accordance with clause 5.

- (b) After the occurrence of an Event of Default and enforcement of the General Security Deed, all proceeds must be applied in accordance with the General Security Deed.
-

4. Trustee's powers and discretions

4.1 Extent of obligations

The Trustee has no obligations except those expressly set out in the Transaction Documents and those arising under Chapter 2L of the Corporations Act.

4.2 Excluded roles and duties

The Trustee's appointment as trustee does not mean that it:

- (a) is a trustee for the benefit of; or
- (b) is a partner of; or
- (c) has a fiduciary duty to, or other fiduciary relationship with,

any Holder, the Issuer, or any other person, except as provided in the Transaction Documents.

4.3 Binding nature of relationship

Each Holder is bound by anything properly done or not done by the Trustee in accordance with the Transaction Documents, whether or not on instructions, and whether or not the Holder gave an instruction or approved of the thing done or not done.

4.4 Powers of the Trustee

Subject to the Transaction Documents, the Trustee may exercise any of the following powers (in addition to those powers of trustees arising under any law or otherwise specified in the Transaction Documents):

- (a) the power to delegate to any person the trusts, powers or discretions vested in the Trustee by this Deed, including this right of delegation, on such terms and conditions as the Trustee, in the interests of Holders, thinks fit, but so that the Trustee is responsible for any acts or omissions of any person to whom the delegation is made to the same extent as if the delegation had not been made:
 - (i) if that person is a Related Body Corporate of the Trustee; or
 - (ii) if the Trustee did not select a person competent to perform the delegated trusts, powers or discretions;
- (b) on the instructions of the Holders by Special Resolution, the power to waive any breach by the Issuer of any of the obligations binding on the Issuer under the Transaction Documents, on such terms as the Holders instruct;
- (c) the power to waive any breach by the Issuer of any of the obligations binding on the Issuer under the Transaction Documents, on such terms as the Trustee thinks fit;

- (d) the power to seek the advice of any barrister, solicitor or accountant or any other expert that the Trustee determines is necessary for the purposes of the discharge of the duties, trusts and powers vested in the Trustee under this Deed or imposed upon it by law;
- (e) the power to rely on the advice of any barrister, solicitor or accountant or any other expert, whether obtained by the Trustee or by the Issuer; and
- (f) subject to the Transaction Documents, may represent the Holders generally in:
 - (i) any investigation, negotiation, action, transaction or proceeding relating to or affecting the interests of the Holders, including without limitation the right to attend and vote at meetings of creditors of the Issuer; or
 - (ii) the enforcement of the rights of the Holders or the Trustee,

and in representing the Holders, has an absolute discretion to act or to refrain from acting and to commence, prosecute, vary or discontinue, abandon, waive or compromise any action, proceeding or claim on any terms or conditions as it thinks fit.

4.5 Trustee's capacity to transact

The Trustee, any Related Body Corporate of the Trustee or its directors or officers may:

- (a) be a Holder;
- (b) be a shareholder of the Issuer and/or any Related Body Corporate of the Issuer;
- (c) be a director or officer of the Issuer or a Related Body Corporate of the Issuer;
- (d) act in any representative capacity for a Holder; and
- (e) have an interest or enter into a contract or transaction with:
 - (i) the Issuer or any Related Body Corporate of the Issuer; or
 - (ii) the Trustee or any Related Body Corporate of the Trustee,

and may retain and is not required to account for any benefit derived by doing so, but the Trustee may not act in a manner which would preclude the Trustee from acting as trustee under Chapter 2L of the Corporations Act.

4.6 Trustee's reliance on information

- (a) The Trustee is:
 - (i) entitled to accept a certificate signed by any two directors or a director and company secretary of the Issuer as to any factual matter as conclusive evidence of the matter;
 - (ii) entitled to accept and act on any information, statement, certificate, report, balance sheet or account supplied by the Issuer or the auditor of the Issuer or any duly authorised officer of the Issuer;

- (iii) may assume without investigation that any document or information provided to it is genuine and accurate if it believes in good faith that this is the case; and
 - (iv) entitled to accept and act upon the statements and opinions contained in any statement, certificate, report, balance sheet or account given pursuant to the provisions of this Deed as conclusive evidence of the contents of it.
- (b) The Trustee is not bound to call for further evidence other than such certificate, statement, report, balance sheet or accounts nor to enquire as to their accuracy and is not responsible for any costs, losses, liabilities, expenses, demands or claims that may be occasioned by it relying on them provided the Trustee has no knowledge that the relevant certificate, statement, report, balance sheet or accounts was not accurate or, as the case may be, the relevant document was not authentic.

4.7 Trustee not obliged to notify or investigate

Subject to section 283DA of the Corporations Act, the Trustee need not:

- (a) notify any person of the execution of this Deed;
- (b) take any steps to ascertain whether there has occurred (and will not be deemed to have knowledge that such has occurred until it has received written notice from the Issuer or a Holder in relation to such) any:
 - (i) Event of Default; or
 - (ii) event which constitutes or which would, with the giving of notice or the lapse of time or the issue of a certificate, constitute an Event of Default;
- (c) enquire as to whether the provisions of this Deed have been complied with;
- (d) notify any Holder of any breach by the Issuer of any provision of this Deed or the occurrence of an Event of Default;
- (e) request information or otherwise keep itself informed about the circumstances of the Issuer or consider or provide to any Holder any information with respect to the Issuer (whenever coming into its possession);
- (f) investigate the adequacy, accuracy or completeness of any information provided by the Issuer; or
- (g) assess, investigate or keep under review the business, financial condition, status or affairs of the Issuer.

This clause 4.7 in no way limits the Trustee's obligations under clause 7 or Schedule 3 of this Deed.

4.8 Legal proceedings

The Trustee may:

- (a) apply to the court for directions in relation to any question arising either before, or after the Holders' rights become enforceable;

- (b) assent to and approve of or oppose any application to the court made by or at the instance of any Holder or by the Issuer; and
- (c) at any time after the Holders' rights become enforceable, apply to the court for:
 - (i) an order that the Trust be carried into execution under the direction of the court; and
 - (ii) for any other order or direction in relation to the administration of the Trust as the Trustee may deem expedient.

4.9 Discretion of Trustee absolute

The Trustee will, as regards all the powers, authorities and discretions vested in it by the Transaction Documents, have absolute and uncontrolled discretion as to the exercise of them in all respects.

4.10 Consents may be conditional

Any consent, authority, determination or waiver given by the Trustee for the purpose of this Deed may be given on such terms and be subject to such conditions (if any) as the Trustee thinks fit subject to the provisions of the Transaction Documents.

4.11 Determination of matters of doubt

The Trustee may as between itself and the Holders determine all questions and matters of doubt arising in relation to any of the covenants, provisions and obligations of this Deed and its construction, meaning, operation or effect and every such determination whether made upon a question actually raised or implied in the acts or proceedings of the Trustee is conclusive and binding on all Holders.

4.12 Conduct of business of the Issuer

- (a) The Trustee is not bound to interfere with the conduct of the business of any member of the Issuer Group.
- (b) Nothing in this clause implies that the Trustee has any right or power to so interfere otherwise than in accordance with any express provision of a Transaction Documents or any statutory obligation, power or authority.

5. Application and receipt of Money

5.1 Receipt of money

- (a) Prior to the enforcement of the rights granted to the Trustee pursuant to the General Security Deed, all money received by the Trustee in respect of amounts payable under this Deed must be held by the Trustee on trust to be applied in the following order:
 - (i) firstly, in payment of all Costs incurred by or other amounts owing to, the Trustee under or in connection with this Deed (including all remuneration payable to the Trustee and any amount payable under clause 8.2 or under any other liability of the Trustee incurred under or in connection with this Deed);

- (ii) secondly, in or towards payment equally and rateably of all amounts of interest due but remaining unpaid in respect of the IMF Bentham Bonds;
 - (iii) thirdly, in or towards payment equally and rateably of all amounts of principal due but remaining unpaid in respect of the IMF Bentham Bonds; and
 - (iv) fourthly, the balance (if any) to the Issuer.
- (b) After the enforcement of the rights granted to the Trustee pursuant to the General Security Deed, all money received by the Trustee in respect of amounts payable under this Deed must be applied in accordance with the terms of the General Security Deed and the Priority Deed.

5.2 Trustee's power to Invest

All money received by the Trustee and not required to be immediately applied in accordance with this Deed may, until it is so required be deposited with any bank or other deposit taking institution which has a short-term credit rating of not less than "A-1" or its equivalent by a recognised rating agency. The Trustee may vary any such investment.

5.3 Amounts contingently due

- (a) If at the time of a distribution of any money under clause 5.1, any part of the amounts due but unpaid in respect of the IMF Bentham Bonds is contingently owing, the Trustee may retain an amount equal to the amount contingently owing or any part of it.
- (b) If the Trustee retains any amount under clause 5.3(a) it must place that amount on short-term interest bearing deposit until the amount contingently owing becomes actually due and payable or otherwise ceases to be contingently owing at which time the Trustee must:
 - (i) pay to the Trustee the amount which has become actually due to it; and
 - (ii) apply the balance of the amount retained, together with any interest on the amount contingently owing, in accordance with clause 5.1.

5.4 Trustee's receipts

The receipt of any officer of the Trustee for any money payable to or received by the Trustee under this Deed effectually discharges the payer from:

- (a) any future liability to pay the amount specified in the receipt; and
- (b) being concerned to see to the application of, or being answerable or accountable for any loss or misapplication of, the amount specified in the receipt.

6. New Financiers

6.1 Request for recognition of New Financiers

If the Issuer requires any financier to be recognised as a New Financier, it must provide the Trustee with:

- (a) a notice, signed by a director of the Issuer, setting out:
 - (i) details of the new financing arrangements, including the name of each financier or, in the case of debt instruments, the name of the proposed trustee, agent or other representative for the holders of such debt instruments, together with a confirmation from the Issuer that the proposed arrangements constitute a Permitted Secured Finance Arrangement;
 - (ii) a statement that the arrangement will not give rise to an Event of Default;
 - (iii) the IMF Bentham Bonds shall continue to constitute secured notes for the purposes of section 283BH of the Corporations Act (as modified by ASIC Class Order [CO 12/1482] *When debentures can be called secured notes*).
 - (iv) any additional information reasonably requested by the Trustee; and
- (b) a completed and duly executed Priority Deed signed by the Issuer, the New Financier or the applicable security trustee in respect of such new financing and any previous New Financier or the applicable security trustee in respect of such New Financier, together with such evidence of due execution on behalf of all such parties as the Trustee may reasonably require.

6.2 Execution of Priority Deed

If the Trustee has received the documentation required from the Issuer pursuant to clause 6.1 the Trustee is irrevocably instructed by the Issuer and the Holders, to execute, within 5 Business Days, the Priority Deed provided by the Issuer in such number of counterparts as may be requested by the Issuer and return the same to the Issuer. If the Trustee believes there are inadequacies in the documentation provided by the Issuer pursuant to clause 6.1, it shall immediately notify the Issuer of such deficiency.

7. Trustee's undertakings

The Trustee must:

- (a) comply with its duties under Chapter 2L of the Corporations Act;
- (b) act honestly and in good faith and comply with all applicable laws in performing its duties and in the exercise of its discretions under this Deed;
- (c) exercise such diligence and prudence as a person carrying on the business of a professional trustee would exercise in performing its duties and in the exercise of its discretions under this Deed;
- (d) keep accounting records which correctly record and explain all amounts paid and received by the Trustee in its capacity as trustee under this Deed; and

- (e) keep the assets of the Trust separate from all other assets of the Trustee which are held in a capacity other than as trustee under this Deed.

8. Trustee indemnity

8.1 Corporations Act

The Trustee's right of indemnity and any limitation on the Trustee's liability under this Deed is subject to the Corporations Act.

8.2 Indemnity

The Trustee, its officers, directors, employees and attorneys (together included in the defined term Trustee for the purposes of this clause 8.2) is entitled to be indemnified by the Issuer and, without limitation, out of the property of the Trust Fund in respect of all costs, losses, liabilities, expenses, demands or claims suffered or properly incurred by the Trustee in the execution of the Trust or any of the powers, authorities or discretions vested in the Trustee under the Transaction Documents, but this indemnity does not extend to:

- (a) any such costs, losses, liabilities, expenses, demands or claims to the extent arising out of a Trustee Default; or
- (b) any Taxes (excluding any Indirect Tax) imposed on the Trustee's remuneration for its services as Trustee.

The Trustee may retain and pay out of any money in its hands in priority to any claim by a Holder, all sums necessary to effect and satisfy an amount due and payable to the Trustee under this clause 8.

8.3 Indemnity additional

Any indemnity to which the Trustee is entitled under this Deed is in addition to, and without prejudice to, any indemnity allowed by law or equity to the Trustee.

8.4 No obligation to act

The Trustee is not obliged to carry out any act or refrain from doing any act (including incurring any liability) under any Transaction Document until such time as it is placed in funds or is otherwise indemnified to its reasonable satisfaction against any expense or liability which it may incur as a result of doing so.

8.5 Survival

The provisions of this clause 8 shall survive the termination of any Transaction Document and where the Trustee ceases for any reason to be trustee of the Trust.

9. Trustee's liability

9.1 Limitation of liability

- (a) Subject to clause 9.1(e), the Trustee is not liable to the Issuer, the Holders or any other person in any capacity other than as trustee of the Trust.
- (b) Subject to clause 9.1(e), the Trustee's liability to the Issuer or any other person arising under or in connection with any Transaction Document is

limited to and can be enforced by the Issuer or such other person against the Trustee only to the extent to which it can be satisfied out of any property held by the Trustee out of which the Trustee is actually indemnified for the liability. This limitation of the Trustee's liability applies despite any other provision of any Transaction Document and extends to all liabilities and obligations of the Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to any Transaction Document.

- (c) Subject to clause 9.1(e), the Issuer and any Holder may not sue the Trustee in any capacity other than as trustee of the Trust, including seeking the appointment of a receiver (except in relation to property of the Trust), a liquidator, an administrator or any other similar person to the Trustee or prove in any liquidation of or affecting the Trustee (except in relation to the property of the Trust).
- (d) Subject to clause 9.1(e), the Issuer and each Holder waive their rights and release the Trustee from any personal liability in respect of any loss or damage which any of them may suffer as a consequence of a failure of the Trustee to perform its obligations under any Transaction Document, which cannot be paid or satisfied out of any property held by the Trustee.
- (e) The provisions of this clause will not apply to any obligation or liability of the Trustee to the extent arising as a result of the Trustee's fraud, negligence or wilful default.
- (f) The Issuer acknowledges that it is responsible under the Transaction Documents for performing a variety of obligations under the Transaction Documents. No act or omission of the Trustee (including any related failure to satisfy its obligations or breach of representation or warranty under the Transaction Documents) will be considered fraud, negligence or wilful default of the Trustee for the purposes of clause 9.1(e) to the extent to which the act or omission was caused or contributed to by any failure of the Issuer or any other person (except the Trustee and its Related Body Corporate's officers, employees, agents and any other person where the Trustee is liable for the acts or omissions of such other person under the terms of the Transaction Documents) to fulfil its obligations relating to the Trust or by any other act or omission of the Issuer or any such other person.
- (g) No attorney, agent or delegate appointed in accordance with the Transaction Documents has authority to act on behalf of the Trustee in anyway which exposes the Trustee to any personal liability and no act or omission of any such person will be considered fraud, negligence or wilful default of the Trustee for the purpose of clause 9.1(e).

9.2 Evidence of claims

The Trustee will be entitled and is authorised by the Issuer to call for (and will be entitled to accept as conclusive evidence thereof) a certificate from any receiver, administrator or liquidator of the Issuer as to:

- (a) the amounts of the claims of the creditors which have been admitted in any liquidation, dissolution or other winding up and which will not have been satisfied in full out of the other assets of the Issuer; and
- (b) the persons entitled to those assets and their respective entitlements.

9.3 Certificate

Save in the case of manifest or proven error, any certificate given by any receiver, administrator or liquidator of the Issuer will be conclusive and binding on the Trustee and all Holders.

9.4 Not bound to give notice

The Trustee is not bound to give notice to any person of the execution of the Transaction Documents and the Trustee is not bound to take any steps to ascertain whether any event has happened upon the happening of which IMF Bentham Bonds become immediately payable.

9.5 No monitoring obligation

Notwithstanding any other provisions of the Transaction Documents, but subject to the Trustee's obligations under the Corporations Act, the Issuer acknowledges that the Trustee has no obligation to monitor compliance by the Issuer with its covenants and obligations under the Transaction Documents or any other activities or status of the Issuer whatsoever.

9.6 Holder capacity

The Trustee's duties and obligations to Holders are owed to Holders only in their capacity as Holders.

9.7 Knowledge of the Trustee

The Trustee:

- (a) will not be regarded as aware of the occurrence of any breach or default unless it has been advised of it by written notice, stating the nature of the default and describing it, from the Issuer or a Holder; and
- (b) (without limiting the Trustee's obligations under Chapter 2L of the Corporations Act) will only be considered to have knowledge or awareness of, or notice of, any thing, or grounds to believe any thing, by virtue of the officers of the Trustee (or any Related Body Corporate of the Trustee) having day to day responsibility for the administration of the Trust having actual knowledge, actual awareness or actual notice of that thing or grounds or reason to believe that thing (and similar references will be interpreted in this way).

9.8 Notification obligations when Issuer in liquidation

If the Issuer or any of its assets are placed in liquidation, Appointee must:

- (a) if the Trustee has not already done so, notify the Holders of each relevant Event of Default and of the Appointee's appointment; and
- (b) provide regular updates to the Trustee and the Holders as to the status of the liquidation and any other material developments affecting the Issuer or its assets.

10. Fees and expenses

10.1 Fees

The Issuer agrees to pay fees to the Trustee on terms agreed between the Issuer and the Trustee from time to time. The payment of such fees must be made by the Issuer by transfer to such account nominated from time to time by the Trustee to the Issuer or by such other means notified by the Trustee to the Issuer from time to time.

10.2 Costs and expenses

The Issuer must pay its own costs and expenses in connection with negotiating, preparing, executing and performing the Transaction Documents and must pay the Trustee on demand for:

- (a) all reasonable expenses (including reasonable legal fees, costs, disbursements and stamping or other duty) reasonably incurred in connection with negotiating, preparing, executing and stamping this Deed, and any subsequent consent, agreement, approval, waiver or amendment requested by the Issuer relating to the Transaction Documents;
- (b) all losses and expenses (including reasonable legal fees, costs and disbursements) suffered or incurred in connection with exercising, enforcing or preserving its rights under the Transaction Documents;
- (c) all losses and expenses (including reasonable legal fees, costs and disbursements) suffered or incurred by the Trustee which arise out of, or in the course of the Trustee acting as the trustee of the Trust, except where such expenses are incurred by the Trustee as a direct result of a Trustee Default; and
- (d) all losses and expenses (including reasonable legal fees, costs and disbursements) suffered or incurred by the Trustee which arise out of, or in the course of the preparations for the convening and holding of any meeting of Holders and the carrying out of any directions or resolutions of Holders.

For the avoidance of doubt, unless otherwise agreed with the Issuer, any costs, losses or expenses (including reasonable legal fees, costs and disbursements) incurred where the Trustee has delegated any obligations under the Transaction Documents in accordance with clause 4.4 will not be for the account of the Issuer.

10.3 Remuneration when the Issuer is in liquidation

If the Issuer or any of its assets are placed in liquidation, the Trustee is entitled to claim and receive from any receiver, receiver and trustee, official trustee, liquidator, administrator or similar official amounts by way of reimbursement of all costs, charges, fees and expenses incurred by the Trustee (including on its own account) in connection with any enforcement or other action taken by it as trustee of the Trust.

10.4 Time in attendance

If the Trustee is required at any time to undertake duties which:

- (a) are agreed by the Issuer to be:
 - (i) of an exceptional nature; or

- (ii) otherwise outside the scope of the normal duties of the Trustee; or
- (b) relate to the enforcement of the terms of the Transaction Documents by the Trustee while an Event of Default is continuing,

the Trustee is entitled to such additional remuneration as maybe agreed between it and the Issuer or, failing agreement, the Trustee shall be entitled to charge the Issuer reasonable hourly rates for time spent by the Trustee's officers and employees in relation to such enforcement action. Such hourly rates shall:

- (c) reflect the level of expertise required to perform the work; and
- (d) be commensurate with and referable to the hourly rates charged at the relevant time by members of the Insolvency Practitioners Association of Australia for work of the kind performed by the Trustee's officers and employees.

11. Retirement and removal of Trustee

11.1 Right of Trustee to retire

Subject to any statutory provisions for the time being relating to the retirement of trustees, the Trustee may retire at any time (with or without giving any reason for its retirement) after the expiration of not less than 60 days (or such shorter period that the Issuer may require) notice in writing to the Issuer of its intention to retire.

11.2 Power of the Issuer to appoint a new trustee

Subject to the other provisions of this Deed, the power under this Deed of appointing a new trustee of the Trust is vested in the Issuer and the Issuer may remove the Trustee and appoint a new trustee of the Trust (which maybe a Related Body Corporate of the Trustee) immediately if:

- (a) the Trustee ceases to be a person who can be appointed a trustee under section 283AC(1) of the Corporations Act;
- (b) the Trustee cannot continue to act as Trustee because of the operation of section 283AC(2) of the Corporations Act;
- (c) a Trustee Default has occurred and is continuing and:
 - (i) the Trustee Default is not capable of remedy; or
 - (ii) if the Trustee Default is capable of remedy and has not been remedied within seven Business Days after receiving written notice of the default from the Issuer requiring that the default be remedied;
- (d) any Authorisation the Trustee is required to hold to carry out its obligations and duties under or in respect of this Deed is revoked or not renewed;
- (e) the Issuer is requested to do so by a meeting of Holders called under clause 16; or
- (f) an Insolvency Event occurs in relation to the Trustee.

11.3 Power of existing Trustee to appoint a new trustee

If:

- (a) when the period of notice referred to in clause 11.1 expires, a new trustee of the Trust has not been appointed; or
- (b) the Issuer removes the Trustee under clause 11.2 but does not appoint a new trustee of the Trust within 14 days of the removal becoming effective,

the Trustee may at any time thereafter and so long as an appointment has not been made by the Issuer, appoint in writing another person to act as the new trustee of the Trust and any such appointment will be effective without the further approval of the Issuer or of the Holders.

11.4 Retirement or removal of Trustee

On the retirement or removal of the Trustee, the retiring or departing Trustee will at the cost of the Issuer do all such things and execute all such deeds, instruments or other documents as are necessary for the purpose of vesting in the new trustee or new trustees all money, property, rights, powers, authorities and discretions vested in the Trustee under this Deed.

11.5 Release of Trustee

Upon the appointment of the new trustee, the retiring or departing Trustee will be released from all further obligations and liabilities in respect of the Trust arising after the date it retires or is removed.

11.6 Trustee must be a Eligible Trustee

Notwithstanding any other provision of this Deed, no person may be appointed as the Trustee under this Deed unless that person is an Eligible Trustee.

11.7 ASIC

The Issuer must advise ASIC of the name of the Trustee within 14 days after the Trustee or a new Trustee is appointed.

12. Covenants

12.1 Issuer's general duties

The Issuer must:

- (a) make all of its financial and other records available for inspection by:
 - (i) the Trustee;
 - (ii) an officer or employee of the Trustee authorised by the Trustee to carry out the inspection; or
 - (iii) a registered company auditor appointed by the Trustee to carry out the inspection,

and give them any information, explanations or other assistance that they may reasonably require about matters relating to those records;

- (b) for so long as any of the IMF Bentham Bonds remain outstanding:
 - (i) notify the Trustee within 3 Business Days after it becomes aware of an Event of Default which is continuing or a breach by the Issuer of Chapter 2L of the Corporations Act, the Terms or this Deed;
 - (ii) carry on and conduct its business in a proper and efficient manner;
 - (iii) keep proper books of account;
 - (iv) if requested by a Holder or the Trustee, provide a copy of this Deed to that Holder or the Trustee;
 - (v) maintain, or cause to be maintained, a Register;
- (c) comply with the Terms;
- (d) provide to the Trustee:
 - (i) within 120 days after the close of each financial year, a copy of the audited consolidated financial statements of the Issuer Group lodged with ASIC in respect of that financial year;
 - (ii) within 90 days after the close of each financial half year, a copy of the unaudited consolidated financial statements of the Issuer Group lodged with ASIC in respect of that half year;
 - (iii) within one month after the end of each calendar quarter, to the Trustee, the report required by section 283BF of the Corporations Act, containing all information required by section 283BF of the Corporations Act;
 - (iv) within 7 days of issue all reports and releases made to ASX by the Issuer which are material in the context of the IMF Bentham Bonds.
 - (v) promptly, copies of all documents and notices given to or received from (whether directly or otherwise) Holders; and
 - (vi) all other information or reports required to be provided to the Trustee under the Corporations Act or requested by the Trustee which is reasonably required for the purposes of the discharge of the duties, trusts and powers vested in the Trustee under this Deed or imposed upon it by law,

and, if requested by a Holder, provide copies of any of the above to such Holder within a reasonable time of such request;
- (e) ensure that its financial statements provided to the Trustee pursuant to clauses 12.1(d)(i) and 12.1(d)(ii):
 - (i) comply with AASB, except to the extent disclosed in the financial statements; and
 - (ii) comply with all applicable laws; and
- (f) comply with all statutory and regulatory requirements applicable to it (including under Chapter 2L of the Corporations Act) to the extent they relate to its

obligations under this Deed, where a failure to do so would have or would be likely to have a Material Adverse Effect.

12.2 Reporting, updates to Key Financial Disclosures and publication of certain information

The Issuer undertakes to:

- (a) comply with its reporting obligations to the Trustee, to the Holders and to ASIC;
- (b) comply with its obligations to update Key Financial Disclosures; and
- (c) procure:
 - (i) the publication on its internet website; and
 - (ii) delivery to the operator of each stock exchange,

of all reports, updates and other information, as required under, and in accordance with, the Corporations Act (including section 283BF (as modified by the ASIC Class Order), section 318, section 713(8) (as notionally inserted by the ASIC Class Order), section 713A (as notionally inserted by the ASIC Class Order) and 713B (as notionally inserted by the ASIC Class Order)), the applicable ASX Listing Rules and the ASX Settlement Operating Rules. For the purpose of section 283BF(2) of the Corporations Act, the Issuer fixes 30 June 2014 as the last day of the relevant first quarter.

12.3 No offers of debentures under section 708(14) of the Corporations Act

The Issuer undertakes that it will not offer any debentures for issue to a Holder without disclosure under Part 6D.2 of the Corporations Act in reliance upon the exemption under section 708(14) of the Corporations Act.

12.4 Compliance with laws and Authorisations

The Issuer undertakes to:

- (a) obtain and renew on time and comply with, the terms of each Authorisation necessary for it to enter into this Deed, comply with its obligations and exercise its rights under it and make it admissible in evidence in its jurisdiction of incorporation where failure to do so would have or would be likely to have a Material Adverse Effect; and
- (b) comply in all respects with all laws to which it may be subject, if failure so to comply is reasonably likely to have a Material Adverse Effect.

12.5 Benefit

The Trustee declares and acknowledges that the benefit of the undertakings and covenants of the Issuer in this Deed is held on trust by the Trustee for the benefit of the Holders.

13. Representations and warranties

13.1 Representations and warranties by the Trustee

The Trustee makes the following representations and warranties to the Issuer on the date of this Deed as follows:

- (a) the Trustee is a company duly incorporated and validly existing under the laws of its jurisdiction of incorporation;
- (b) the Trustee:
 - (i) has the power and authority to own its assets and to carry on its business as and in such place or places as it is now being conducted;
 - (ii) has the power to enter into, and exercise its rights and perform and comply with its obligations (if any) under this Deed;
 - (iii) has taken or will take all necessary action to authorise the entry into this Deed and the performance of all its obligations under it; and
 - (iv) meets the requirements of a trustee as provided in sections 283AC(1) and 283AC(2) of the Corporations Act; and
- (c) the obligations assumed by it in this Deed are legal, valid, binding and enforceable under their terms, subject to any necessary stamping and registration and subject to principles of equity and laws affecting creditors' rights.

13.2 Representations and warranties by the Issuer

The Issuer represents and warrants to the Trustee on the date of this Deed as follows:

- (a) it has been incorporated as a company limited by shares in accordance with the laws of its place of incorporation, is validly existing under those laws and has the power and authority to carry on its business as it is now being conducted;
- (b) the execution, delivery and performance by it of each Transaction Document will not violate in any respect any provision of any law or regulation applicable to it or any order of any governmental, judicial or public body or authority applicable to it or any provision of its constitution;
- (c) it has in full force and effect the Authorisations necessary for it to enter into each Transaction Document, to comply with its obligations and exercise its rights under each Transaction Document and to make each Transaction Document admissible in evidence in its jurisdiction of incorporation;
- (d) its obligations under each Transaction Document are valid and binding and are enforceable against it in accordance with their terms, subject to any necessary stamping and to any general principles of law limiting its obligations which are specifically referred to in any legal opinion delivered to the Trustee;
- (e) the IMF Bentham Bonds are "secured notes" for the purposes of section 283BH of the Corporations Act (as modified by ASIC Class Order [CO 12/1482] *When debentures can be called secured notes*).

- (f) the most recent financial statements of the Issuer Group have been prepared in accordance with the Corporations Act, any regulations made under the Corporations Act and AASB and give a true and fair statement of the Issuer Group's financial position and the result of its operations as at the date to which they are prepared and disclose or reflect all the Issuer Group's actual and contingent liabilities as at that date;
- (g) there is no litigation, arbitration or administrative proceedings current or pending or, to its knowledge, threatened against the Issuer or any other member of the Issuer Group (other than litigation which a member of the Issuer Group is funding as part of its business), which is reasonably likely to be adversely determined and, if adversely determined, is reasonably likely to have a Material Adverse Effect;
- (h) no Event of Default has occurred and is continuing or will occur as a consequence of the issue of the IMF Bentham Bonds; and
- (i) it does not enter into this Deed or hold any property as a trustee.

13.3 Representations and warranties repeated

Each of the representations and warranties in clause 13.2 are deemed to be repeated by the Issuer on each Issue Date by reference to the facts and circumstances existing on such date.

14. Issue of IMF Bentham Bonds

14.1 Issue

Subject to the terms of this Deed and any applicable law, the Issuer may issue IMF Bentham Bonds to any person under the Terms. The IMF Bentham Bonds will:

- (a) rank equally in all respects as between themselves;
- (b) be issued to persons as the Issuer thinks fit; and
- (c) be issued in accordance with this Deed.

14.2 Conditions Precedent

As a condition precedent to the issue of any IMF Bentham Bonds the Issuer shall enter into the General Security Deed.

14.3 Security

- (a) The repayment of (among other things) each and every amount now or at any time in the future owed or owing to a Holder and the Trustee in respect of the IMF Bentham Bonds (including interest) will be secured by the General Security Deed which must be executed by the Issuer and delivered to the Trustee (together with any authorisation, document, opinion or assurance as the Trustee may reasonably request and evidence that each Trustee Security created under the General Security Deed has been perfected in Australia in a manner satisfactory to the Trustee) before the first IMF Bentham Bond is issued.
- (b) Holders have an interest in IMF Bentham Security proportionate to their holding of IMF Bentham Bonds secured by the General Security Deed.

14.4 Entry in Register

- (a) The Issuer may create and issue IMF Bentham Bonds by registering, or causing the registration of the relevant applicants (or their nominees) in the Register as the holders of the relevant number of IMF Bentham Bonds on or about the Issue Date.
- (b) An IMF Bentham Bond is issued when the relevant Holder is entered in the Register as the holder of the IMF Bentham Bond.
- (c) All IMF Bentham Bonds in respect of which an entry is made in the Register are (subject to rectification for fraud or error) taken to have been validly issued under this Deed, regardless of any non compliance by the Issuer with the provisions of this Deed.

14.5 No certificates

Except to the extent required by law or otherwise determined by the Issuer, no certificates (as distinct from Statements of Holding) in respect of the IMF Bentham Bonds will be issued by the Issuer or the Trustee.

14.6 Statement of Holding

- (a) The Issuer or the Registry (as applicable) must issue to each Holder a Statement of Holding as soon as reasonably practicable after the Issue Date for the IMF Bentham Bonds and in any event within the time prescribed by the ASX or the ASX Listing Rules.
- (b) A Statement of Holding is no assurance or guarantee that any amounts will be paid to the Holder.

14.7 Issuer dealing with IMF Bentham Bonds

The Issuer (or any other member of the Issuer Group) may purchase or otherwise deal with any IMF Bentham Bonds. All unmatured IMF Bentham Bonds repurchased by the Issuer shall be cancelled despite any rule of law or equity to the contrary. All liabilities and obligations of the Issuer in connection with any IMF Bentham Bonds which are repurchased and cancelled by the Issuer (or any other member of the Issuer Group) are discharged.

14.8 Further issues

- (a) The Issuer may from time to time, without the consent of the Trustee or the Holders create and issue new IMF Bentham Bonds having the same Terms (except in relation to the Issue Date, the first Interest Period, the first Interest Payment Date and the amount to be paid in respect of the first payment of interest) as, and so that they shall be consolidated and form a single series and rank *pari passu* with, the IMF Bentham Bonds then outstanding, save that no such further IMF Bentham Bonds shall be issued when following such issue the Current Resources of the Issuer Group would be less than 75% of the Issuer Group Indebtedness or the Secured Debt Limit would be exceeded.
- (b) Any further IMF Bentham Bonds created and issued pursuant to clause 14.8(a) shall be created by registration in the Register in accordance with clause 14.2.
- (c) The Issuer shall notify the Trustee promptly following any further issuances of IMF Bentham Bonds under clause 14.8(a).

- (d) Any such further issuances may be made to existing Holders or such other persons as the Issuer may determine in its complete discretion.
-

15. Registers

15.1 Registers

The Issuer must establish and maintain, or procure the establishment and maintenance of, a register of the Holders of IMF Bentham Bonds. The Issuer must enter into the relevant Register in respect of an IMF Bentham Bond and each Holder:

- (a) their name or in the case of joint Holders, the names of the first two Holders on the application form or Transfer Form for such IMF Bentham Bond;
- (b) the address of the Holder or, in the case of joint Holders, the address of each Holder whose name first appears on the application form or Transfer Form for such IMF Bentham Bond;
- (c) the email address (if notified by the relevant Holder) or, in the case of joint holders, the email address of each Holder (if notified by the relevant Holder) whose name first appears on the application form or Transfer Form for such IMF Bentham Bonds;
- (d) the number and amount of IMF Bentham Bonds held by such Holder;
- (e) if provided, their Australian tax file number or evidence of any exemption from the need to provide an Australian tax file number;
- (f) if provided, their Australian Company Number, Australian Business Number or other Australian identifying registration number;
- (g) the account to which payments in respect of the IMF Bentham Bond are to be paid or the address to which payments are to be posted;
- (h) the Issue Date and the Maturity Date; and
- (i) any other particulars the Issuer considers desirable or are required under this Deed or by law.

15.2 Location of Register

The Register will be kept at:

- (a) the Registry's principal place of business in Victoria;
- (b) such other place in Australia approved by the Issuer and the Registry and notified to the Trustee where the work involved in maintaining the Register is done; or
- (c) another place in Australia approved by ASIC, provided that the Register must not be located in South Australia.

15.3 Issuer not liable for mistakes

The Issuer is not liable for any mistake in a Register, or in any purported copy of a Register, except to the extent that the mistake is attributable to the Issuer's own fraud, negligence or wilful default.

15.4 Trustee may accept correctness

In the absence of manifest or proven error, an entry in the Register is conclusive evidence of the ownership of the IMF Bentham Bonds and the Trustee is entitled to accept the correctness of all information contained in a Register without investigation and is not liable to any person for any error in it.

15.5 Inspection

The Register will be open, at all reasonable times during business hours for inspection by the Trustee, a Holder (to the extent the inspection or request relates to that part of the Register which contains particulars of that person's holdings), by any person authorised in writing by the Trustee or a Holder, and by any person as required by the Corporations Act as it applies to the Issuer.

15.6 Change in information

- (a) A Holder must advise the Issuer of any change to the information noted in the Register in respect of that Holder. On receipt of such advice, the Issuer must promptly update the information contained in that Register.
- (b) The Issuer is not, however, obliged to change the information contained in a Register while it is closed.

15.7 Rectification of Registers

If:

- (a) an entry is omitted from a Register;
- (b) an entry is made in a Register otherwise than under this Deed;
- (c) an entry wrongly exists in a Register;
- (d) there is an error or defect in any entry in a Register; or
- (e) a default is made or an unnecessary delay takes place in entering into a Register that any person has ceased to be the holder of an IMF Bentham Bond or any other information,

the Issuer may rectify the same. None of the Issuer or the Trustee is liable for any loss, Costs or liability incurred as a result of any of the above occurring.

15.8 Closure of Registers

On giving a notice by advertisement or otherwise as may be required by law, or the requirements of an ASX Listing Rule, the Issuer may from time to time close any Register for any period or periods not exceeding in any one year the maximum period permitted by law or those requirements in aggregate in any calendar year.

15.9 Appointment of Registry

- (a) The Issuer may cause the Register to be maintained by a third party on its behalf and require that person to:
 - (i) discharge the Issuer's obligations under this Deed in connection with the Registers and transfers of IMF Bentham Bonds; and

- (ii) assist it in the supply and delivery of the information, records and reports required by law.
- (b) None of the Issuer or the Trustee is liable for any act or omission of any person appointed by the Issuer under this clause 15.9, provided that the Issuer will be liable unless it has taken reasonable steps to select a person competent to perform the intended functions. If the Issuer is not establishing or maintaining the Registers, the Issuer must immediately notify the Trustee of the person who is establishing and maintaining the Registers. As at the date of this Deed, the Issuer has appointed the Registry to establish and maintain the Register.

15.10 Copy to the Trustee

The Issuer will give, or cause to be given, to the Trustee, a complete copy (which may be in electronic or written form as the Issuer so determines) of the Registers within 2 Business Days after the Trustee so requests.

15.11 Property in IMF Bentham Bonds situated where Register is

The property in the IMF Bentham Bonds will for all purposes be regarded as situated at the place where the relevant Register is for the time being situated and not elsewhere.

15.12 Clearing System sub-register

If the IMF Bentham Bonds are lodged or approved for entry on a Clearing System which involves the maintenance of a sub-register, then the rules and regulations of that Clearing System with respect to that sub-register prevail to the extent of any inconsistency with this clause 15 in connection with the IMF Bentham Bonds.

16. Meetings of Holders

16.1 Meeting provisions

The Trustee and the Issuer may and agree to call and hold meetings of Holders under the Meeting Provisions, the Corporations Act and any applicable ASX Listing Rule.

16.2 Holder Resolution

- (a) Subject to clause 16.3, Holders may by a Holder Resolution:
 - (i) approve the alteration of this Deed under clause 19.2(b); and
 - (ii) give directions to the Trustee as to or authorise, ratify or confirm anything done or not done by the Trustee in respect of the performance or exercise of any of the duties, rights, powers and remedies of the Trustee under or relating to this Deed or the IMF Bentham Bonds, or any other instrument to which the Trustee is or becomes a party in the capacity of trustee under this Deed.
- (b) To the extent permitted by law, the Trustee is not liable to a Holder, the Issuer or any other person for acting on directions given by the Holders under this Deed, or under any authorisation, resolution or confirmation made or given by the Holders to the Trustee.

16.3 Special Resolution

Notwithstanding any other term of this Deed, Holders may by a Special Resolution:

- (a) approve the release of the Trustee from liability for something done or omitted to be done by the Trustee or any other person before the release is given;
- (b) approve any act taken or to be taken to carry out and give effect to that Special Resolution by the Trustee under this Deed; and
- (c) approve the alteration of this Deed under clauses 19.2(c) or 19.2(d).

17. Title and Transfer of the IMF Bentham Bonds

17.1 Title

Title to an IMF Bentham Bond passes when details of the transfer of the IMF Bentham Bond are entered in the Register.

17.2 Effect of entry in Register

Each entry in the Register in respect of an IMF Bentham Bond constitutes:

- (a) an unconditional and irrevocable undertaking by the Issuer to the Holder to pay principal, interest and any other amount in accordance with the Terms; and
- (b) an entitlement to the other benefits given to Holders under the Terms, this Deed and the General Security Deed.

17.3 Register conclusive as to ownership

Entries in the Register in relation to an IMF Bentham Bond constitute conclusive evidence that the person so entered is the absolute owner of the IMF Bentham Bond subject to correction for fraud or error.

17.4 Non recognition of interests

Except as required by law, the Issuer, the Trustee and the Registry:

- (a) must treat the person whose name is entered in the Register as the holder of an IMF Bentham Bond as the absolute owner of that IMF Bentham Bond; and
- (b) are not required to recognise:
 - (i) a person as holding an IMF Bentham Bond on trust; or
 - (ii) any other interest (beneficial or otherwise) in any IMF Bentham Bond or any other right in respect of an IMF Bentham Bond except an absolute right of ownership in the registered holder of an IMF Bentham Bond, whether or not it has notice of the interest or right.

17.5 Joint holders

- (a) Where two or more persons are entered in the Register as the joint Holders of an IMF Bentham Bond then they are taken to hold the IMF Bentham Bond as joint tenants with rights of survivorship, but the Issuer is not bound:

- (i) to register more than four persons as joint holders of any IMF Bentham Bond; or
 - (ii) to issue a Statement of Holding in respect of an IMF Bentham Bond jointly held.
- (b) If a Holder who jointly owns an IMF Bentham Bond dies, the Issuer will recognise only the survivor or survivors as being entitled to the Holder's interest in the IMF Bentham Bond.
 - (c) Interest or other money payable in respect of an IMF Bentham Bond that is held jointly may be paid to the Holder whose name appears first on the Register.
 - (d) If an IMF Bentham Bond is held jointly, and more than one Holder votes in respect of that IMF Bentham Bond, only the vote of the Holder whose name appears first on the Register counts.
 - (e) The joint Holders of an IMF Bentham Bond are counted as a single holder for the purposes of calculating the number of Holders or persons who have requisitioned a meeting of Holders.
 - (f) Each of the joint Holders of an IMF Bentham Bond are jointly and severally liable for all payments including payment of any Tax, which is to be made in respect of the IMF Bentham Bond.

17.6 Transfers in whole

An IMF Bentham Bond may be transferred in whole but not in part.

17.7 Transfer

A Holder may, subject to this clause 17.7, transfer any IMF Bentham Bond:

- (a) by a proper ASX Settlement transfer according to the ASX Settlement Operating Rules;
- (b) by a proper transfer under any other computerised or electronic system recognised by the Corporations Act;
- (c) under any other method of transfer which, operates in relation to the trading of securities on any securities exchange outside Australia on which IMF Bentham Bonds are listed; or
- (d) by any proper or sufficient instrument of transfer of marketable securities under applicable law.

The Issuer must not charge any fee on the transfer of an IMF Bentham Bond.

17.8 Market obligations

The Issuer must comply with all applicable laws and regulations in relation to the transfer of an IMF Bentham Bond.

17.9 Issuer may request holding lock or refuse to register transfer

If IMF Bentham Bonds are listed on ASX, and if permitted to do so by the ASX Listing Rules and the Corporations Act, the Issuer may:

- (a) request the ASX Settlement or the Registry, as the case, may be, to apply a holding lock to prevent a transfer of IMF Bentham Bonds approved by and registered on the Clearing System's electronic sub-register or IMF Bentham Bonds registered on an issuer-sponsored sub-register, as the case may be; or
- (b) refuse to register a transfer of IMF Bentham Bonds.

17.10 Issuer must request holding lock or refuse to register transfer

- (a) The Issuer must request the ASX Settlement or the Registry, as the case may be, to apply a holding lock to prevent a transfer of IMF Bentham Bonds approved by and registered on the ASX Settlement's electronic sub-register or IMF Bentham Bonds registered on an issuer sponsored sub-register, as the case may be, if the Corporations Act, the ASX Listing Rules or the terms of a Restriction Agreement require the Issuer to do so.
- (b) The Issuer must refuse to register any transfer of IMF Bentham Bonds if the Corporations Act, the ASX Listing Rules or the terms of a Restriction Agreement require the Issuer to do so.
- (c) During a breach of the ASX Listing Rules relating to Restricted Securities, or a breach of a Restriction Agreement, the Holder of the Restricted Securities is not entitled to any interest (or other distribution on), or voting rights in respect of the Restricted Securities.

17.11 Notice of holding locks and refusal to register transfer

If, in the exercise of its rights under clauses 17.9 and 17.10, the Issuer requests the application of a holding lock to prevent a transfer of IMF Bentham Bonds or refuses to register a transfer of IMF Bentham Bonds it must, within 5 Business Days after the date the holding lock is requested or the refusal to register a transfer, give written notice of the request or refusal to the Holder, to the transferee and the broker lodging the transfer (if any). Failure to give such notice does not, however, invalidate the decision of the Issuer.

17.12 Delivery of instrument

If an instrument is used to transfer IMF Bentham Bonds according to clause 17.7, it must be delivered to the Registry, together with such evidence (if any) as the Registry reasonably requires to prove the title of the transferor to, or right of the transferor to transfer, the IMF Bentham Bonds.

17.13 Refusal to register

- (a) The Issuer may refuse to register a transfer of an IMF Bentham Bond if:
 - (i) registration of the transfer would contravene or is forbidden by any applicable law or regulation or this Deed; or
 - (ii) permitted to do so under this Deed or by any applicable law or regulation.
- (b) If the Issuer refuses to register a transfer, the Issuer must give the lodging party notice of the refusal and the reasons for such refusal within 5 Business Days after the date on which the transfer was delivered to the Registry.

17.14 Transferor to remain Holder until registration

A transferor of an IMF Bentham Bond remains the Holder in respect of that IMF Bentham Bond until the transfer is registered and the name of the transferee is entered in the Register.

17.15 Effect of transfer

Upon registration and entry of the transferee in the Register the transferor ceases to be entitled to future benefits under this Deed in respect of the transferred IMF Bentham Bonds and the transferee becomes so entitled in accordance with clause 17.2.

17.16 Estates

A person becoming entitled to an IMF Bentham Bond as a consequence of the death or bankruptcy of a Holder or of a vesting order or a person administering the estate of a Holder may, upon producing such evidence as to that entitlement or status as the Registry considers sufficient, transfer the IMF Bentham Bond or, if so entitled, become registered as the, holder of the IMF Bentham Bond.

17.17 Transfer of unidentified IMF Bentham Bonds

Where the transferor executes a transfer of less than all IMF Bentham Bonds registered in its name, and the specific IMF Bentham Bonds to be transferred are not identified, the Registry may (subject to the limit on minimum holdings) register the transfer in respect of such of the IMF Bentham Bonds registered in the name of the transferor as the Registry thinks fit, provided the aggregate of the Face Value of the IMF Bentham Bonds registered as having been transferred equals the aggregate of the Face Value of the IMF Bentham Bonds expressed to be transferred in the transfer.

18. Payment of IMF Bentham Bonds

18.1 Payments

- (a) Subject to clause 3.10 of the Terms, clause 18.2 and paragraph (b) below, all payments in respect of an IMF Bentham Bond will be made to each person registered at 10.00 am on the relevant payment date as the Holder of that IMF Bentham Bond.
- (b) Subject to clause 18.2, all payments in respect of an IMF Bentham Bond that is to be Redeemed on the Optional Redemption Date in accordance with clause 3.6 of the Terms will be made to each Eligible Optional Redemption Holder registered at 5.00 pm on 2 December 2018 as the Holder of that IMF Bentham Bond.

18.2 Payment of interest

Payments of interest in respect of an IMF Bentham Bond will be made to each person registered at 5:00pm on the Record Date as the Holder of that IMF Bentham Bond.

18.3 Payments to accounts

Money payable by the Issuer to a Holder in respect of an IMF Bentham Bond may be paid in any manner the Issuer decides, including by any method of direct credit determined by the Issuer to the Holder or Holders shown on the Register or to such person or place directed by them.

18.4 Payments by cheque

The Issuer may decide that payments in respect of an IMF Bentham Bond will be made by cheque sent on the payment date, at the risk of the registered Holder, to the Holder (or to the first named joint holder of the IMF Bentham Bond) at its address appearing in the Register on the Record Date. Cheques sent to the nominated address of a Holder will be taken to have been received by the Holder on the payment date and, no further amount will be payable by the Issuer in respect of the IMF Bentham Bonds as a result of the Holder not receiving payment on the due date.

18.5 Unsuccessful attempts to pay

Subject to applicable law, where the Issuer:

- (a) decides that an amount is to be paid to a Holder by a method of direct credit and the Holder has not given a direction as to where amounts are to be paid by that method;
- (b) attempts to pay an amount to a Holder by direct credit, electronic transfer of funds or any other means and the transfer is unsuccessful; or
- (c) has made reasonable efforts to locate a Holder but is unable to do so,

in each case the amount is to be held by the Issuer for the Holder in a non-interest bearing deposit with a bank selected by the Issuer until the Holder or any legal personal representative of the Holder claims the amount or the amount is paid by the Issuer according to the legislation relating to unclaimed money.

18.6 Payment to joint Holders

A payment to any one of joint Holders will discharge the Issuer's liability in respect of the payment.

18.7 Payments subject to law

All payments are subject to applicable law, but without prejudice to the provisions of clause 8 of the Terms.

18.8 Payments on Business Days

If a payment:

- (a) is due on an IMF Bentham Bond on a day which is not a Business Day then the due date for payment will be adjusted in accordance with the Modified Following Business Day Convention; or
- (b) is to be made to an account on a Business Day on which banks are not open for general banking business in the place in which the account is located, then the due date for payment will be the first following day on which banks are open for general banking business in that place,

and in either case, the Holder is not entitled to any additional payment in respect of that delay.

18.9 Amounts payable on demand

If an amount payable by the Issuer under this Deed is not expressed to be payable on a specified date, that amount is payable by the Issuer on demand by the Trustee.

19. Alteration

19.1 Alteration of Terms

At any time, the Issuer may amend the Terms in accordance with the Terms.

19.2 Alteration of Deed

At any time, but subject to compliance with the Corporations Act and all other applicable laws, the Issuer and the Trustee may jointly amend this Deed:

- (a) if the Issuer and the Trustee are each of the opinion that such alteration is:
 - (i) of a formal or technical or minor nature;
 - (ii) made to cure any ambiguity or correct any manifest error;
 - (iii) necessary or expedient for the purpose of enabling the IMF Bentham Bonds to be:
 - (A) listed for quotation, or to retain quotation, on any stock exchange; or
 - (B) offered for subscription or for sale under the laws for the time being in force in any place,and is otherwise not materially prejudicial to the interests of Holders as a whole; or
 - (iv) necessary to comply with:
 - (A) the provisions of any statute or the requirements of any statutory authority;
 - (B) the applicable ASX Listing Rules or the listing or quotation requirements of any securities exchange on which the Issuer may propose to seek a listing or quotation of the IMF Bentham Bonds,and is otherwise not materially prejudicial to the interests of Holders as a whole;
- (b) except as otherwise provided in clauses 19.2(a), 19.2(c) and 19.2(d) if such alteration is authorised by a Holder Resolution;
- (c) in the case of an alteration to this clause 19 or any clause of this Deed providing for Holders to give a direction to the Trustee by a Special Resolution, if a Special Resolution is passed in favour of such alteration; or
- (d) in the case of an alteration to the Meeting Provisions and to which clause 19.2(a) does not apply, if a Special Resolution is passed in favour of such alteration.

19.3 Interpretation

In this clause 19, alter includes modify, cancel, amend, waive or add to, and alteration has a corresponding meaning.

20. Confidentiality

20.1 Financial information

The Trustee has no duty or obligation to provide any Holder with any financial information relating to the Issuer.

20.2 Meaning

To the extent permitted by law, nothing under this Deed requires the Issuer to provide or disclose any information or other material that is not in the public domain.

21. Discharge and release

21.1 Discharge and release

By force of this clause 21, the Issuer will immediately be discharged and released from its liabilities, obligations and covenants under this Deed when:

- (a) the Face Value for each IMF Bentham Bond, interest accrued but not yet due and payable and any unpaid interest as at that date have been paid in full or otherwise Redeemed or satisfied including under this Deed;
- (b) the Issuer provides a certificate from a director of the Issuer stating that the Face Value for each IMF Bentham Bond, any interest accrued but not yet due and payable and any unpaid interest as at that date have been paid in full or otherwise Redeemed or satisfied; and
- (c) all fees, costs, charges and expenses reasonably incurred by the Trustee and all other amounts which are payable or reimbursable by the Issuer under or in connection with this Deed or the General Security Deed have been paid.

The Trustee must then, if required by the Issuer, execute a confirmation of release with respect to this Deed in favour of the Issuer (which includes a statement that the requirements of this clause have been satisfied) and this Deed shall terminate on such a release being given. The Trustee is, to the extent permitted by law, discharged and released from its obligations, covenants and liabilities under this Deed with effect from the termination of this Deed.

21.2 Distribution

If this Deed is terminated under clause 21.1, the Trustee will distribute the balance of the capital and income (if any) of the Trust (including cash) at the direction of the Issuer.

22. Notices

22.1 Notices to Holders

- (a) All notices and other communications to Holders (or in the case of joint Holders to the Holder whose name appears first in the Register) may be given:
 - (i) to a Holder personally;
 - (ii) by leaving it at, or sending it by post to, the address for the Holder in the Register;

- (iii) by sending it by facsimile to the facsimile number nominated by the Holder;
 - (iv) by publishing an advertisement in the Australian Financial Review, The Australian or any other newspaper of national circulation in Australia;
 - (v) by the Issuer posting, at the request of the Trustee, the notice on its internet website or by the Trustee posting such Notice on its internet website;
 - (vi) by email to an electronic address nominated by the Holder for such communication; or
 - (vii) by any other means that the Issuer and the Trustee agree in writing and notify to the Holder.
- (b) A notice of meeting must specify the place, day and hour of the meeting and the general nature of the business to be transacted but, subject to the Meeting Provisions, it is not necessary to specify in the notice the precise terms of the resolutions to be proposed.
 - (c) A copy of the notice must be promptly sent by post to the Trustee unless the meeting has been convened by the Trustee and to the Issuer unless the meeting has been convened by the Issuer.
 - (d) If the notice is signed it must be signed by a person duly authorised by the sender. Such signature may be original or printed.

22.2 Notices to the Trustee or the Issuer

All notices and other communications to the Issuer, the Trustee or any other person (other than Holders) must be in writing and may be sent by fax, email or prepaid post (airmail if appropriate) to, or left at, the address below or such other address as is agreed between those parties from time to time and notified by them to the Holders:

- (a) Issuer
Address: IMF Bentham Limited
Level 18
68 Pitt Street
Sydney NSW 2000
Fax: +61 2 8223 3555
Attention: Company Secretary
Email: legal@imf.com.au
- (b) Trustee
Address: Australian Executor Trustees Limited
Level 3, The Bond
30 Hickson Road
Millers Point NSW 2000
Attention: Relationship Manager
Email: sfas@aetlimited.com.au

22.3 When effective

Notices and other communications take effect from the time they are taken to be received unless a later time is specified in them.

22.4 Deemed receipt - postal, fax or email

- (a) If sent by post, notices or other communications are taken to be received 3 days after posting (or 7 days after posting if sent to or from a place outside Australia).
- (b) If sent by fax, notices or other communications are taken to be received at the time shown in the transmission report as the time that the whole fax was sent.
- (c) If sent by email, on production of a report by the system by which the email is sent indicating that the email has been transmitted to the correct electronic address and without error.
- (d) If published in a newspaper, on the first date that publication has been made in all the required newspapers.
- (e) If published via the Issuer's or the Trustee's website, on the first date that such publication is made.
- (f) If left at the address for the Holder in the Register, on the date it is delivered to the relevant address specified in the Register (in the case of deliveries to Holders) or the address specified in clause 22.2 (in the case of any delivery to the Issuer or Trustee, as applicable).

22.5 Deemed receipt - general

Despite clause 22.4, if notices or other communications are received after 5.00 pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00 am on the next Business Day.

22.6 Copies of notices

If this Deed requires a notice or other communication to be copied to another person, a failure to so deliver the copy will not invalidate the notice or other communication.

22.7 Email notices to Issuer and Trustee

- (a) Any information or notification to be provided by the Issuer to the Trustee under this Deed, including, without limitation, the information required to be provided pursuant to clause 12.1(d) and any notices whatsoever, may be sent by email to the Trustee's email address specified in clause 22.2(b).
- (b) Any information or notification to be provided by the Trustee to the Issuer under this Deed including without limitation, notices, consents, approvals, requests and demands under or in connection with this Deed may be sent by email to the Issuer's email address specified in clause 22.2(a).

23. GST

All payments to be made by the Issuer under or in connection with this Deed have been calculated without regard to Indirect Tax.

- (a) If all or part of any such payment is the consideration for a taxable supply for the purposes of Indirect Tax then:
 - (i) the Trustee will provide to the Issuer a tax invoice complying with the relevant law relating to that Indirect Tax; and

- (ii) when the Issuer makes the payment it must pay to the Trustee an additional amount equal to that payment (or part) multiplied by the appropriate rate of Indirect Tax (currently 10%), provided that payment of any such additional amount is not due or payable until a complying tax invoice has been received by the Issuer.
 - (b) Where under this Deed, the Issuer is required to reimburse or indemnify for an amount, the Issuer will pay the relevant amount (including any sum in respect of Indirect Tax) less any Indirect Tax input tax credit the payee determines that it is entitled to claim in respect of that amount. The Trustee must promptly notify the Issuer if it is entitled to any input tax credit for that Indirect Tax.
-

24. General

24.1 Payments of commission, brokerage etc

The Issuer or another member of the Issuer Group may pay a commission, procurement fee, brokerage or any other fees to any person for subscribing or underwriting the subscription of or subscription for the IMF Bentham Bonds.

24.2 No waiver

Except as provided in this Deed, no failure to exercise nor any delay in exercising any right, power or remedy by a party operates as a waiver. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing.

24.3 Severability of provisions

Any provision of this Deed which is prohibited or unenforceable in any jurisdiction is, as to that jurisdiction, ineffective to the extent of that prohibition or unenforceability. This does not invalidate the remaining provisions of this Deed nor affect the validity or enforceability of that provision in any other jurisdiction.

24.4 Counterparts

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

24.5 Governing law, jurisdiction

This Deed is governed by the laws of New South Wales. Each person taking the benefit of or bound by this Deed submits and accepts, for itself and in respect of its assets, to the non-exclusive jurisdiction of courts exercising jurisdiction there and waives any right it has to object to an action being brought in those courts, to claim that the action has been brought in an inconvenient forum, or to claim that those courts do not have jurisdiction.

25. Definitions and Interpretations

25.1 Definitions

In this Deed, terms shall, save as expressly stated to the contrary, have the meanings set out in Schedule 1.

25.2 Interpretation

In this Deed, except as the context requires otherwise:

- (a) General
 - (i) the singular includes the plural and the converse;
 - (ii) a gender includes all genders;
 - (iii) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
 - (iv) a reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them;
 - (v) a reference to a clause, annexure, schedule is a reference to a clause of, or annexure or schedule to, this Deed unless specified otherwise;
 - (vi) a reference to a person includes a reference to the person's executors, administrators, successors and permitted assigns and substitutes;
 - (vii) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
 - (viii) a reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form;
 - (ix) a reference to conduct includes an omission, statement or undertaking, whether or not in writing;
 - (x) the meaning of terms is not limited by specific examples introduced by including, or for example, or similar expressions;
 - (xi) an Event of Default subsists until it has been remedied or waived in writing by the Trustee;
 - (xii) all references to time are to Sydney time;
 - (xiii) nothing in this Deed is to be interpreted against a party on the ground that the party put it forward;
 - (xiv) a reference to dollars, dollar, \$ or cent is a reference to the lawful currency of Australia;
 - (xv) a reference to Australia means the Commonwealth of Australia; and
 - (xvi) any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally.

(b) PPSA terms

Unless the contrary intention appears, in a Transaction Document, a reference to any of the following terms has the meaning it has in the PPSA: Accession,

Account, After-Acquired Property, Amendment Demands, Chattel Paper, Commercial Consignment, Commingled, Control, Financing Change Statement, Financing Statement, Interest, Perfected, Personal Property, PPS Lease, Purchase Money Security Interest, Registration, Secured Party, Security Interest, Serial Number and Verification Statement.

(c) Headings

The headings and sub-headings are inserted for convenience only and shall not affect the construction of this Deed.

(d) Schedules

Each of the schedules shall have effect as if set out in this Deed.

(e) Document or agreement

A reference to:

- (i) an agreement includes a Security, Guarantee, undertaking, deed, agreement or legally enforceable arrangement whether or not in writing; and
- (ii) a document includes an agreement (as so defined) in writing or a certificate, notice, instrument or document.

A reference to a specific agreement or document includes it as amended, novated, supplemented or replaced from time to time, except to the extent prohibited by this Deed.

(f) References to principal and interest

Unless the contrary intention appears:

- (i) any reference to principal is taken to include the Face Value, any additional amounts in respect of principal which may be payable under this Deed and any other amount in the nature of principal payable in respect of the IMF Bentham Bonds under the Terms; and
- (ii) any reference to interest is taken to include any amount in the nature of interest payable in respect of the IMF Bentham Bonds under the Terms.

(g) Acknowledgements

The parties acknowledge and agree, and each Holder is taken to have acknowledged and agreed, that IMF Bentham Bonds which are lodged or approved for entry on a Clearing System are subject to the rules and regulations of that Clearing System.

(h) General compliance provision

- (i) a provision of this Deed which is inconsistent with a provision of the Corporations Act does not operate to the extent of the inconsistency;
- (ii) clause 25.2(h)(i) is subject to any declaration made by or exemption granted by ASIC (including an Instrument of Exemption) which is applicable to this Deed; and

(iii) this clause 25.2(h) prevails over all other provisions of this Deed including any that are expressed to prevail over it.

(i) Inconsistency with the ASX Listing Rules

This Deed is to be interpreted subject to the ASX Listing Rules and the ASX Settlement Operating Rules and accordingly, if any IMF Bentham Bonds are listed on ASX, the following clauses apply:

- (i) despite anything in this Deed, if the ASX Listing Rules prohibit an act being done, the act must not be done;
- (ii) nothing in this Deed prevents an act being done that the ASX Listing Rules require to be done;
- (iii) if the ASX Listing Rules require an act to be done or not to be done, authority is given that that act be done or not be done (as the case, may be);
- (iv) if the ASX Listing Rules require this Deed to contain a provision and it does not contain such a provision, this Deed is taken to contain that provision;
- (v) if the ASX Listing Rules require this Deed not to contain a provision and it contains such a provision, this Deed is taken not to contain that provision; and
- (vi) if any provision of this Deed is or becomes inconsistent with the ASX Listing Rules, this Deed is taken not to contain that provision to the extent of the inconsistency.

(j) Inconsistency with Terms

A provision of any part of this Deed (other than the Terms) which is inconsistent with a provision of the Terms does not operate to the extent of the inconsistency.

(k) Calculation of period of time

If:

- (i) notice of a meeting or any other action must be given within a certain period of days; or
- (ii) a certain number of days' notice of a meeting or any other action must be given,

the day on which the relevant meeting is to be held or other action is to be taken, is not to be counted in calculating that period or the relevant number of days, and references to a day are to a calendar day.

Schedule 1 - Definitions

1. Definitions

1.1 Definitions

In this Deed, save in respect of Schedule 5 and as otherwise expressly stated to the contrary, the following terms shall bear the following meanings:

AASB means accounting standards and principles issued by the Australian Accounting Standards Board from time to time.

Appointee means, as applicable, the receiver, official trustee, liquidator, administrator or similar insolvency official appointed to the Issuer or its assets.

ASIC means the Australian Securities and Investments Commission.

ASIC Class Order means ASIC Class Order [CO 10/321] *Offers of vanilla bonds*.

ASX means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires.

ASX Listing Rules means the listing rules of ASX as amended from time to time.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532), the body which administers the CHESSE system in Australia and, where the case requires includes an agent appointed by ASX Settlement Pty Ltd.

ASX Settlement Operating Rules means the settlement operating rules of ASX Settlement and any other rules of ASX which apply while the IMF Bentham Bonds are CHESSE Approved Securities, each as amended from time to time.

Australian Dollars means the legal currency of the Commonwealth of Australia from time to time.

Australian Tax Act means the Income Tax Assessment Act 1936 (Cth) and, where applicable, the Income Tax Assessment Act 1997 (Cth).

Authorisation means:

- (a) an authorisation, consent, approval, resolution, licence, exemption, filing, lodgement or registration by a Government Agency or any law; or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law if a Government Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

Bank Bill Rate means, for the relevant Interest Period, the quoted Mid 3 Month Bank Bill Swap Reference Rates at 10:10am (Sydney time) on the Australian Bank Bill Swap Reference Rates (BBSW) page AFMB of the AFMA Service on Bloomberg (or any page that replaces that page) on the first Business Day of the Interest Period. However, if the Mid 3 Month Bank Bill Swap Reference Rate is not displayed by 10:30am on that day, or if it is displayed but the Issuer determines that there is an obvious error in that rate, **Bank Bill Rate** means the rate determined by the Issuer in good faith at approximately 10.30am on that day having regard, to the extent possible,

to the rates otherwise bid and offered for bank accepted Bills of that tenor at or around that time.

Bill has the meaning given to that term in the Bills of Exchange Act 1909 (Cth), and a reference to the acceptance of a Bill is to be interpreted in accordance with that Act.

Business Day has the meaning given to that term in the ASX Listing Rules.

Calculation Date means 5pm on the fifth Business Day prior to a proposed Distribution, entry into a Permitted Secured Finance Arrangement, or issue of further IMF Bentham Bonds, as applicable.

Change of Control Event means

- (a) a court approval of a merger by way of scheme of arrangement of the Issuer (but shall not include a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, sub-division, reduction or return of the issued capital of the Company);
- (b) a takeover bid (as defined in the Corporations Act):
 - (i) is announced;
 - (ii) has become unconditional irrespective of whether or not the takeover bid extends to Shares issued and allotted after the date of the takeover bid; and
 - (iii) the person making the Takeover Bid has a relevant interest (as defined in the Corporations Act) in 50% or more of the Shares.

Change of Control Event Notification has the meaning given in clause 3.4(c) of the Terms.

Change of Control Event Redemption Date will be the 20th Business Day after the expiry of the Change of Control Event Redemption Period.

Change of Control Event Redemption Exercise Notice has the meaning given in clause 3.4(c)(iii) of the Terms.

Change of Control Event Redemption Period means the period beginning on the date the Issuer provides the notification described in clause 3.4(c) of the Terms and ending 20 Business Days from that date.

CHESS means the Clearing House Electronic Subregister System.

CHESS Approved Securities means securities in respect of which approval has been given by the ASX Settlement in accordance with the ASX Settlement Operating Rules.

Circulating Asset has the meaning given to such term in the General Security Deed.

Clean Up Event means that at any time, the aggregate Face Value of the IMF Bentham Bonds that have not been Redeemed is less than 10% of the aggregate Face Value of the IMF Bentham Bonds originally issued.

Clearing System means CHESS or any other applicable securities trading and/or clearance system.

Collateral has the meaning given to such term in the General Security Deed.

Control has the meaning given to that term in the Corporations Act.

Controller has the meaning given to that term in the Corporations Act.

Corporations Act means the Corporations Act 2001 (Cth).

Costs includes costs, charges, fees and expenses incurred in relation to the IMF Bentham Bonds.

Current Resources means the aggregate amount in Australian Dollars on the Calculation Date of:

- (a) cash at bank and in hand and short-term deposits with an original maturity of three months or less, that are readily convertible to known amounts of cash on hand and which are subject to an insignificant risk of changes in value;
- (b) deposits with an original maturity of greater than three months to the extent readily convertible to cash;
- (c) financial instruments held by way of treasury investment in accordance with the treasury policy of the applicable member of the Issuer Group; and
- (d) Receivables.

Any such cash resource denominated in a currency other than Australian Dollars shall be converted into an Australian Dollar amount for the purposes of this calculation only using the exchange rate published by the Reserve Bank of Australia on its website on the Calculation Date.

Deed means this trust deed (as amended from time to time) and shall include all schedules and annexures hereto.

Delisting Event will occur if trading of the IMF Bentham Bonds on the ASX is suspended for a period of more than 15 consecutive Business Days.

Delisting Notification has the meaning given in clause 3.3(c) of the Terms.

Delisting Redemption Date will be the 20th Business Day after the expiry of the Delisting Redemption Period.

Delisting Redemption Exercise Notice has the meaning given in clause 3.3(c)(iii) of the Terms.

Delisting Redemption Period means the period beginning on the date the Issuer provides the notification described in clause 3.3(c) of the Terms and ending 20 Business Days from that date.

Distribution means a distribution to shareholders in any form whatsoever, including without limitation, by way of dividend (whether in cash or in specie), share buy-back, reduction of capital, bonus securities issue or otherwise.

Eligible Optional Redemption Holder in respect of an IMF Bentham Bond, means any person that is registered as the Holder of that IMF Bentham Bond on each consecutive day during the period from (and including) 10.00 am on 23 October 2018, to (and including) 5.00 pm on 2 December 2018.

Eligible Trustee means a body corporate eligible to act as a trustee for the purposes of section 283AA and under section 283AC of the Corporations Act.

Elliott Arrangements means that European joint venture arrangements and Asia-Pacific co-funding arrangements as announced by the Issuer to ASX on 26 March 2014.

Encumbrance means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement, notice or arrangement having a similar effect and includes any security interest under the PPSA.

Event of Default means the happening of any event set out in clause 5.1 of the Terms.

Face Value means the nominal principal amount of each IMF Bentham Bond, being \$100.00.

Financial Indebtedness means, without double counting, any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised under any acceptance credit, bill acceptance or bill endorsement facility;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with AASB, be treated as a Finance Lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above,

other than any indebtedness (including any indebtedness of the kind referred to in paragraphs (a) to (i) above):

- (j) of one member of the Issuer Group to another member of the Issuer Group, to the extent of the proportion that such indebtedness bears to the percentage equity share held by the Issuer in such Issuer Group member; or
- (k) where the indebtedness does not represent more than 10% of the Total Assets of the Issuer, on terms where that liability to pay or repay such indebtedness is limited in recourse to the realisation of an asset or assets of the Issuer and such asset or assets did not form part of the Total Assets as at the date of the Trust Deed and there is no recourse against the Issuer or any other member of the Issuer Group; or

- (l) incurred as a result of a Wholly Owned Subsidiary guaranteeing the obligations of the Issuer or any other member of the Issuer Group.

Finance Lease means any lease or hire-purchase agreement the obligations under which are required under AASB to be classified and accounted for as capitalised finance lease obligations, but excluding any lease or hire-purchase agreement to the extent that the obligations under the lease or hire-purchase agreement (other than contingent obligations) are legally defeased.

Financial Statements means:

- (a) an income statement;
- (b) a balance sheet; and
- (c) a statement of cash flows,

together with any notes to those documents and any accompanying reports, statements, declarations and other documents or information.

Fund means each of Bentham IMF 1 LLC, IMF Bentham (Fund 2) Pty Ltd, IMF Bentham (Fund 3) Pty Ltd and any other investment fund managed by the Issuer.

General Security Deed means the security deed entered into on or around the date hereof and substantially in the form set out in Schedule 4 of this Deed.

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

Guarantee means, with respect to any person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such person guaranteeing or in effect guaranteeing any indebtedness, dividend or other obligation of any other person in any manner, whether directly or indirectly, including (without limitation) obligations incurred through an agreement, contingent or otherwise, by such person:

- (a) to purchase such indebtedness or obligation or any property constituting security therefor;
- (b) to advance or supply funds;
- (c) for the purchase or payment of such indebtedness or obligation;
- (d) to maintain any working capital or other balance sheet condition or any income statement condition of any other person or otherwise to advance or make available funds for the purchase or payment of such indebtedness or obligation;
- (e) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of any other person to make payment of the indebtedness or obligation; or
- (f) otherwise to assure the owner of such indebtedness or obligation against loss in respect thereof.

Holder means, in respect of an IMF Bentham Bond, the person whose name is entered on the Register as the holder of that IMF Bentham Bond.

Holder Resolution means:

- (a) a resolution passed at a meeting of Holders duly called and held under the Meeting Provisions:
 - (i) by more than 50% of the persons voting on a show of hands (unless sub-paragraph (ii) below applies); or
 - (ii) if a poll is duly demanded, then by a majority consisting of more than 50% of the votes cast; or
- (b) if the meeting is by postal ballot or written resolution, then by Holders representing (in aggregate) more than 50% of the Face Value of all of the outstanding IMF Bentham Bonds.

IMF Bentham Bond means:

- (a) where used in this Deed other than in the Terms, a debt obligation issued, or to be issued, by the Issuer which is constituted by, and owing under, this Deed, the details of which are recorded in, and evidenced by entry in, the Register; or
- (b) where used in the Terms, a debt obligation issued, or to be issued, by the Issuer which is constituted by, and owing under, the Trust Deed, the details of which are recorded in, and evidenced by, entry in the Register.

IMF Bentham Security means the security given by the Issuer pursuant to the General Security Deed.

Indirect Tax means any goods and services tax, consumption tax, value added tax or any tax of a similar nature.

Insolvency Event occurs in relation to a body corporate if:

- (a) it is (or states that it is) insolvent (as defined in the Corporations Act);
- (b) it is in liquidation, in provisional liquidation or wound up (each as defined in the Corporations Act);
- (c) it enters into or makes any arrangements with its creditors as contemplated in Part 5.1 of the Corporations Act (other than for the purpose of a solvent reconstruction or amalgamation or compromise); or
- (d) it has had a Controller appointed to all or substantially all of its assets under a Security securing an amount more than \$15,000,000 (or its equivalent in any other currencies).

Instrument of Exemption means the terms on which ASIC:

- (a) exempts the Issuer from provisions of the Corporations Act; or
- (b) declares that provisions of the Corporations Act apply to the Issuer as if specified provisions were omitted, modified or varied as specified in the declaration.

Interest Payment Date means:

- (a) in respect of an IMF Bentham Bond, each 8 July, 8 October, 8 January and 8 April in each year from its Issue Date to (and including) the Maturity Date or any Redemption Date or Repurchase Date;
- (b) the Maturity Date;
- (c) any Redemption Date; and
- (d) any Repurchase Date,

adjusted, if necessary, in each case in accordance with the Modified Following Business Day Convention.

Interest Period means each period beginning on 1 July, 1 October, 1 January, 1 April and ending on (and including) 30 September, 31 December, 31 March, 30 June respectively. However:

- (a) the first Interest Period commences on (and includes) the Settlement Date; and
- (b) the final Interest Period ends on (but excludes) the Maturity Date or the Redemption Date.

Interest Rate means, for an IMF Bentham Bond, the interest rate payable in respect of that IMF Bentham Bond calculated or determined in accordance with clause 2.2 of the Terms.

Issue Date means, in respect of an IMF Bentham Bond, the date on which that IMF Bentham Bond is issued.

Issuer means IMF Bentham Limited (ACN 067 298 088).

Issuer Call Date means 8 January 2022 and each Interest Payment Date thereafter falling on 8 April, 8 July, 8 October or 8 January, until (but excluding) the Maturity Date.

Issuer Group means:

- (a) subject to paragraph (b), the Issuer and each of its Subsidiaries and any entity (including, without limitation, any partnership whether limited or otherwise) which is subject to the control of the Issuer or a Subsidiary of the Issuer, as such term is defined in section 50AA(1) of the Corporations Act; and
- (b) for the purpose of the following provisions, means the Issuer and any Wholly Owned Subsidiary:
 - (i) paragraph (a)(i) of the definition of "Permitted Secured Finance Arrangement" set out in this clause 1.1;
 - (ii) each of clause 4.3(a)(iii), 4.5(a) and 9.4(a) of Schedule 2 of the Trust Deed (*Terms of the IMF Bentham Bonds*); and
 - (iii) clause 14.8(a) of the Trust Deed.

For the avoidance of doubt, the reference to "Issuer Group" in the definition of "Issuer Group Indebtedness" in this clause 1.1 has the meaning given in paragraph (a) above.

Issuer Group Indebtedness means the aggregate amount in Australian Dollars on the Calculation Date of all Financial Indebtedness of the Issuer Group. Any amount of

such indebtedness denominated in a currency other than Australian Dollars shall be converted into an Australian Dollar amount for the purposes of this calculation only using the exchange rate published by the Reserve Bank of Australia on its website on the Calculation Date.

Joint Venture Arrangements means the Elliott Arrangements together with any other incorporated or unincorporated joint venture arrangement entered into by the Issuer and notified to the Secured Party in writing.

Key Financial Disclosures has the meaning given to it in the ASIC Class Order.

Make Whole Payment Date means 6 December 2018.

Margin has the meaning given in clause 2.2.

Market Rate has the meaning given in clause 2.2.

Maturity Date means 22 December 2022.

Material Adverse Effect means a material adverse effect on:

- (a) the business, property, condition (financial or otherwise) or operations of the Issuer Group taken as a whole;
- (b) the ability of the Issuer to perform its obligations under this Deed; or
- (c) the validity or enforceability of the whole or any material part of this Deed or any rights or remedies of the Holders (or the Trustee on behalf of the Holders) under this Deed against the Issuer.

Meeting Provisions means the provisions for meetings of the Holders set out in Schedule 3 of this Deed.

Modified Following Business Day Convention means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day.

Month means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

New Financier means any lender or other provider of Financial Indebtedness to the Issuer, or in the case of debt instruments, the proposed trustee, agent or other representative for the holders of such debt instruments as notified to the Trustee by the Issuer pursuant to clause 6.1(a)(i); in each case pursuant to a Permitted Secured Finance Arrangement.

Notice of Exercise of Optional Redemption means a notice in the form of the notice described as such and attached to the Notice of Meeting.

Notice of Meeting means the notice of meeting dated on or around 6 November 2018 and issued by the Issuer for the purpose of allowing the Holders to approve certain amendments to this Deed by Special Resolution.

Optional Redemption Amount in relation to any IMF Bentham Bonds, means the aggregate Face Value of such IMF Bentham Bonds, together with any interest accrued

but unpaid on such IMF Bentham Bonds, to (but excluding) the Optional Redemption Date.

Optional Redemption Date means 6 December 2018.

Optional Redemption Period means the period commencing on and including 6 November 2018 and ending on and including, 5:00pm (Sydney time) on 30 November 2018.

Permitted Working Capital Facility means any bank facilities obtained from time to time by the Issuer that entitle a bank providing a bank guarantee or other bank facility to the Issuer to a lien over cash deposited by the Issuer with the bank up to maximum aggregate of \$10,000,000 at any one time. To the extent any such bank facility is denominated in a currency other than Australian Dollars, such amount shall be converted into Australian Dollars for the purposes of this definition only, using the exchange rate published on the date 15 Business Days prior to the proposed drawdown under such facility.

Permitted Secured Finance Arrangement means:

- (a) any Financial Indebtedness, save for any secured debt securities of a term expiring prior to the Maturity Date, following the incurrence of which:
 - (i) the Current Resources of the Issuer Group are equal to or greater than 75% of the Issuer Group Indebtedness; and
 - (ii) the Secured Debt Limit would not have been exceeded; and
- (b) which is secured by a general security deed granted by the Issuer over all or substantially all of its assets; and
- (c) in relation to which the Issuer, the Trustee and any such lender or provider of Financial Indebtedness has prior to completion of the creation of such security entered into a Priority Deed,

and to the extent any such Financial Indebtedness is denominated in a currency other than Australian Dollars, such amount shall be converted into Australian Dollars for the purposes of this definition only, using the exchange rate published by the Reserve Bank of Australia on its website on the date 15 Business Days prior to the proposed drawdown or issue of the Financial Indebtedness.

Permitted Encumbrance means:

- (a) any Encumbrance created pursuant to a Permitted Working Capital Facility;
- (b) any Encumbrance created pursuant to a Permitted Secured Finance Arrangement;
- (c) any Encumbrance over or affecting any asset acquired by the Issuer after the date of the Trust Deed if:
 - (i) the Encumbrance was not created in contemplation of the acquisition of that asset by the Issuer;
 - (ii) the principal amount secured has not been increased in contemplation of, or since, the acquisition of that asset by the Issuer; and

- (iii) the Encumbrance is removed or discharged within six months of the date of acquisition of such asset;
- (d) any Encumbrance in the form of a cross charge on the interest of the Issuer in a Joint Venture Arrangement that secures the performance of an obligation (including, without limitation, an obligation to pay or repay money) of the Issuer as a joint venturer in favour of one or more other parties to the Joint Venture Arrangement under or in respect of such joint venture, provided however, that the Encumbrance does not extend to any other assets owned by the Issuer and that the recourse of the holder of the Encumbrance is limited solely to the property the subject of the Encumbrance and any proceeds from the enforcement of the Encumbrance;
- (e) any netting or set-off arrangement entered into by the Issuer in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (f) any lien arising by operation of law and in the ordinary course of trading so long as the debt it secures is paid when due or contested in good faith and appropriately provisioned;
- (g) any title retention arrangement entered into by the Issuer in the ordinary course of trading on the supplier's usual terms of sale (or on terms more favourable to the Issuer) so long as the debt it secures is paid when due or contested in good faith and sufficient reserves of liquid assets have been set aside to pay the debt if the contest is unsuccessful;
- (h) any Encumbrance over goods (and related insurance contracts) under, and relating to, documentary credit transactions arising or created in the ordinary course of business;
- (i) deposits or pledges to secure contracts in the ordinary course of business, other than by way of security for Financial Indebtedness;
- (j) any Encumbrance provided for by one of the following transactions if the transaction does not, in substance, secure payment or performance of an obligation:
 - (i) a transfer of an account or chattel paper;
 - (ii) a commercial consignment; or
 - (iii) a PPS Lease;
- (k) the IMF Bentham Security.

PPSA means the Personal Property Securities Act 2009 (Cth).

PPS Regulations means the regulations made under the PPSA.

PPSA Secured Party means a secured party as defined in the PPSA.

Priority Deed means a deed regulating the priority between the IMF Bentham Security and another Security or Securities in or substantially in the terms of the priority deed set out in Schedule 5 of this Deed and if more than one such priority deed has been entered into means the latest such deed.

Prospectus means the prospectus for the offer of the IMF Bentham Bonds dated on or about 7 April 2014 (and including any supplementary or replacement prospectus lodged with ASIC under section 719 of the Corporations Act).

Receivables means trade and other receivables as stated in the latest annual or half yearly accounts of the Issuer, less any amounts of such trade or other receivables collected or impaired by the applicable members of the Issuer Group since the date of such accounts.

Record Date means:

- (a) subject to paragraph (b) below, the date which is eight calendar days before the applicable Interest Payment Date (calculated exclusive of the applicable date on which such interest is payable); or
- (b) such other date as is determined by the Issuer in its absolute discretion and communicated to the ASX and the Trustee not less than eight calendar days before the Record Date which would have been determined under paragraph (a) above, or such other date as may be required by, or agreed with, the ASX.

Redemption means the redemption of an IMF Bentham Bond in accordance with clause 3 of the Terms and the words "**Redeem**", "**Redeemable**" and "**Redeemed**" bear their corresponding meanings.

Redemption Date means, in respect of an IMF Bentham Bond, the date, other than the Maturity Date, on which the IMF Bentham Bond is redeemed.

Register means the register of Holders (established and maintained under clause 15) and, where appropriate, the term. Register includes:

- (a) a sub-register maintained by or for the Issuer under the Corporations Act; the ASX Listing Rules or ASX Settlement Operating Rules; and
- (b) any branch register.

Registry means Computershare Investor Services Pty Limited ABN 48 078 279 277 or any other person appointed by the Issuer to maintain the Register and perform any payment and other duties in relation to the IMF Bentham Bonds.

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

Relevant Date means the date stated in the copies of a resolution to be made in writing sent for that purpose to Holders, which must be no later than the date on which such resolution is first notified to Holders in the manner provided in the Terms.

Relevant Special Resolution means the Special Resolution set out in the Notice of Meeting.

Repurchase Date means, in respect of an IMF Bentham Bond, the date on which the IMF Bentham Bond is repurchased by the Issuer.

Restriction Agreement means an agreement which is required to be concluded under Chapter 9 of the ASX Listing Rules.

Restricted Security has the meaning given to that term in the ASX Listing Rules.

Security means a document that creates an Encumbrance.

Secured Debt Limit means the aggregate amount (without double counting) of:

- (a) the secured Financial Indebtedness which the Issuer is permitted to incur under this Deed; and
- (b) the Financial Indebtedness of each Wholly Owned Subsidiary,

being \$300,000,000 (excluding any accrued but unpaid interest on such Financial Indebtedness which is in accordance with the terms of the applicable governing documents) or such higher figure as the Issuer and the Trustee may agree, the agreement of the latter being conditional upon the prior approval of Holders by way of Special Resolution.

Secured Property means the property subject to a Trustee Security.

Settlement Date means:

- (a) subject to paragraph (b), the Business Day immediately preceding the Issue Date; and.
- (b) in respect of IMF Bentham Bonds issued on or after the initial Interest Period, the first day of the Interest Period in which the relevant IMF Bentham Bonds are issued.

Shares means shares in the Issuer.

Special Resolution means:

- (a) resolution passed at a meeting of the Holders duly called and held under the Meeting Provisions:
 - (i) by at least 75% of the persons voting on a show of hands (unless paragraph (ii) below applies); or
 - (ii) if a poll is duly demanded, then by a majority consisting of at least 75% of the votes cast; or
- (b) a resolution passed by postal ballot or written resolution by Holders representing (in aggregate) at least 75% of the Face Value of all of the outstanding IMF Bentham Bonds.

Statement of Holding means a statement of holding (in the form determined by the Issuer and the Registry from time to time) which sets out details of the number of IMF Bentham Bonds inscribed in the Register in the Holder's name as at the date specified in the statement.

Step-Up Margin means 5.2% per annum.

Subsidiary has the meaning given to it in Part 1.2 Division 6 of the Corporations Act.

Subsidiary Cash Limit at any time means 10% of the aggregate of:

- (a) the cash held by the Issuer on its balance sheet at that time; and
- (b) the cash held by each Wholly Owned Subsidiary on their respective balance sheets at that time.

Tax means:

- (a) where used in this Deed other than in the Terms, any tax, levy, impost, charge or duty (including stamp and transaction duties) imposed by any Government Agency and any related interest, penalty, fine or expense in connection with it.
- (b) where used in the Terms, any tax, levy, impost, charge or duty (including stamp and transaction duties) imposed by any Government Agency and any related interest, penalty, fine or expense in connection with it, except if imposed on, or calculated having regard to, the net income of the Holder.

Tax Event means if as a result of any change in, or amendment to, applicable laws, or any change in their application or official or judicial interpretation, which change becomes effective after the Issue Date, payment of interest on an IMF Bentham Bond is not, or may not, be allowed as a deduction for the purposes of the Issuer's Australian income tax liability calculation.

Terms means:

- (a) where used in this Deed other than in Schedule 2 of this Deed, in relation to an IMF Bentham Bond, the terms of issue of that IMF Bentham Bond as set out in Schedule 2 to this Deed; and
- (b) where used in Schedule 2 of this Deed; in relation to an IMF Bentham Bond, the terms of issue of that IMF Bentham Bond as set out therein.

Title Document means any original, duplicate or counterpart certificate or document of title including any real property certificate of title, a certificate of units in a unit trust, share certificate or certificate evidencing an investment instrument or negotiable instrument.

Total Assets means, at each 30 June and 31 December, the value of the total assets of the consolidated Issuer Group as reported in the annual or semi-annual Financial Statements of the Issuer Group prepared as at that date.

Transaction Document means:

- (a) this Deed;
- (b) the General Security Deed;
- (c) any Priority Deed;
- (d) any document or agreement entered into or given under (a), (b) or (c) above.

Transfer Form means a transfer form substantially in the form determined by the Issuer.

Trust means the trust constituted by this Deed.

Trust Deed means:

- (a) where used in this Deed other than in the Terms, the same as Deed; and
- (b) where used in the Terms; the trust deed (as amended from time to time) to which these Terms are attached as Schedule 2.

Trustee means Australian Executor Trustees Limited ABN 84 007 869 794 or any replacement Trustee appointed in accordance with the Trust Deed.

Trustee Default means, in respect of the Trustee and the Trust, fraud, negligence, wilful default, or breach of section 283DA of the Corporations Act for failure to show the degree of care and diligence required by a trustee, provided that no act or omission of the Trustee (including any related failure to comply with its obligations or breach of a representation or warranty under this Deed) will be considered a Trustee Default to the extent to which the act or omission was caused by any failure by the Issuer to comply with its obligations under this Deed.

Trust Fund means:

- (a) the right to enforce the Issuer's duty to repay under the IMF Bentham Bonds;
- (b) the right to enforce the Issuer's obligation to pay all other amounts payable under the IMF Bentham Bonds;
- (c) the right to enforce the General Security Deed granted as security for the repayment of the IMF Bentham Bonds.
- (d) the right to enforce any other duty or obligation that the Issuer has:
 - (i) under the Terms;
 - (ii) under this Deed;
 - (iii) under the General Security Deed; or
 - (iv) under Chapter 2L of the Corporations Act;
- (e) the amount of \$10 referred to in clause 3.3; and
- (f) any other property held by the Trustee on the trust established under this Deed (including, without limitation, the benefit of any covenants, undertakings, representations, warranties, rights, powers, benefits or remedies in favour of the Trustee under the Transaction Documents).

Trustee Security means any security created or expressed to be created in favour of the Trustee by the General Security Deed.

Wholly Owned Subsidiary means a Subsidiary of the Issuer where:

- (a) the Issuer holds 100% of the issued share capital of the Subsidiary; or
- (b) the Issuer is in a position to cast, or control the casting of, 100% of the votes that might be cast at a general meeting of the Subsidiary; or
- (c) the Subsidiary is a Wholly Owned Subsidiary of a Wholly Owned Subsidiary of the Issuer.

Schedule 2 - Terms of the IMF Bentham Bonds

1. Form of IMF Bentham Bonds

1.1 Constitution under Trust Deed

IMF Bentham Bonds are debt obligations of the Issuer constituted by, and owing under, the Trust Deed.

1.2 Form

IMF Bentham Bonds are issued in registered form by entry in the Register.

1.3 Face Value

IMF Bentham Bonds are issued fully paid with a Face Value of \$100.00.

1.4 Currency

IMF Bentham Bonds are denominated in Australian dollars.

1.5 Clearing System

The rights of a person holding an interest in the IMF Bentham Bonds are subject to the rules and regulations of the Clearing System.

1.6 IMF Bentham Security

All IMF Bentham Bonds issued by the Issuer are secured by the security granted by the Issuer to the Trustee under the General Security Deed. The Trustee holds the rights under the General Security Deed on trust for the benefit of the Holders in accordance with the terms of the Transaction Documents.

1.7 No certificates

No certificates will be issued to Holders unless the Issuer determines that certificates should be available or are required by any applicable law.

1.8 ASX quotation

The Issuer must use all reasonable endeavours and furnish any documents, information and undertakings as may be reasonably necessary in order to ensure that the IMF Bentham Bonds are, and until Redeemed remain, listed on ASX.

1.9 No other rights

IMF Bentham Bonds confer no rights on a Holder:

- (a) to vote at any shareholders meeting of the Issuer;
- (b) to subscribe for new securities or to participate in any bonus issue of securities of the Issuer; or
- (c) to otherwise participate in the profits or property of the Issuer, except as provided in these Terms or the Trust Deed.

2. Interest

2.1 Interest

- (a) Each IMF Bentham Bond bears interest on its Face Value from (and including) the Settlement Date to (but excluding) the Maturity Date or any Redemption Date, at the Interest Rate.
- (b) Interest is payable in arrears on each Interest Payment Date.

2.2 Interest Rate

- (a) The Interest Rate payable in respect of an IMF Bentham Bond must be determined by the Issuer in accordance with these Terms.
- (b) The Interest Rate applicable to an IMF Bentham Bond for each Interest Period is calculated according to the following formula:

$$\text{Interest Rate} = \text{Market Rate} + \text{Margin}$$

where:

Market Rate means the Bank Bill Rate in respect of the relevant Interest Period.

Margin means:

- (i) subject to paragraph (ii) below, 4.2% per annum; and
 - (ii) in respect of each Interest Period commencing on or after 8 January 2022, the Step-Up Margin.
- (c) The Interest Rate determined by the Issuer must be expressed as a percentage rate per annum.

2.3 Calculation of Interest Rate and interest payable.

- (a) The Issuer must, as soon as practicable after determining the Interest Rate applicable to each Interest Period, calculate the amount of interest payable for that Interest Period in respect of each IMF Bentham Bond.
- (b) The amount of interest payable on each IMF Bentham Bond for an Interest Period is calculated according to the following formula:

$$\text{Interest payable} = (\text{Interest Rate} \times \text{Face Value} \times \text{N}) / 365$$

where:

N means, in respect of:

- (i) the first Interest Payment Date in respect of an IMF Bentham Bond, the number of days from (and including) the Settlement Date to (but excluding) that first Interest Payment Date; and
- (ii) each subsequent Interest Payment Date, the number of days from (and including) the preceding Interest Payment Date to (but excluding) that Interest Payment Date or, in the case of the last Interest Period, the Maturity Date or Redemption Date.

2.4 Notification of Interest Rate, interest payable and other items

- (a) The Issuer must notify the Trustee, the Registry and ASX (and any securities exchange or other relevant authority on which the IMF Bentham Bonds are listed) of:
 - (i) for each Interest Period, the Interest Rate and the amount of interest payable per IMF Bentham Bond; and
 - (ii) any amendment to the Interest Rate or the amount referred to in clause 2.4(a)(i) arising from any extension or reduction in any Interest Period or calculation period.
- (b) The Issuer must give notice under this paragraph 2.4 as soon as practicable after it makes its determination. However, it must give notice of each Interest Rate and the amount of interest payable by the fourth Business Day of the Interest Period.
- (c) The Issuer may amend its determination of any amount, item or date (or make appropriate alternative arrangements by way of adjustment) as a result of the extension or reduction of the Interest Period or calculation period without prior notice but must notify the Trustee, the Registry and ASX (and any securities exchange or other relevant authority on which the IMF Bentham Bonds are listed) after doing so.

2.5 Determination final

The determination by the Issuer of all amounts, rates and dates required to be determined by it under these Terms is, in the absence of manifest error, final and binding on the Trustee, the Registry and each Holder.

2.6 Calculations

For the purposes of any calculations required under these Terms:

- (a) all percentages resulting from the calculation must be rounded, if necessary, to the nearest ten-thousandth of a percentage point (with 0.00005% being rounded up to 0.0001%);
- (b) all figures must be rounded to four decimal places (with 0.00005 being rounded up to 0.0001); and
- (c) all amounts that are due and payable must be rounded to the nearest one cent (with 0.5 of a cent being rounded up to 1 cent).

2.7 Default interest

If an amount is not paid under these Terms when due, then interest accrues on the unpaid amount (both before and after any demand or judgment) at the last applicable Interest Rate plus 2% until the date on which payment is made to the Holder.

3. Redemption and Purchase

3.1 Redemption on Maturity Date

Each IMF Bentham Bond must be Redeemed by the Issuer on the Maturity Date at its Face Value (together with any interest accrued but unpaid on the IMF Bentham Bond) unless:

- (a) the IMF Bentham Bond has been previously Redeemed; or
- (b) the IMF Bentham Bond has been purchased by the Issuer and cancelled.

3.2 Early Redemption by the Issuer

- (a) If:
 - (i) a Tax Event occurs, the Issuer may Redeem some or all of the IMF Bentham Bonds; or
 - (ii) a Clean Up Event occurs, the Issuer may Redeem all (but not some) of the IMF Bentham Bonds,

in whole before the Maturity Date at the Face Value of the IMF Bentham Bonds (together with any interest accrued but unpaid on the IMF Bentham Bonds to (but excluding) the Redemption Date).
- (b) The Issuer may only Redeem an IMF Bentham Bond under paragraph 3.2(a) if:
 - (i) the Issuer has given at least 10 Business Days' (and no more than 45 Business Days') notice to the Trustee, the Registry, the Holder and ASX (and any securities exchange or other relevant authority on which the IMF Bentham Bonds are listed) of the Redemption and the proposed Redemption Date;
 - (ii) before the Issuer gives the notice under paragraph 3.2(b)(i), the Trustee has received:
 - (A) a certificate from the Issuer with details of the Tax Event or Clean Up Event (as applicable); and
 - (B) in the case of a Tax Event, an opinion of legal advisers, or tax advisers, of recognised standing in Australia that the circumstances set out in the definition of Tax Event have occurred; and
 - (iii) the proposed Redemption Date nominated by the Issuer is an Interest Payment Date falling on 8 July, 8 October, 8 January or 8 April in any applicable calendar year.

3.3 Early Redemption by Holders following a Delisting Event

- (a) If a Delisting Event occurs, the Holder of an IMF Bentham Bond may require the Issuer to Redeem that IMF Bentham Bond on the Delisting Redemption Date at the Face Value of the relevant IMF Bentham Bond (together with any interest accrued but unpaid on the IMF Bentham Bond to (but excluding) the Delisting Redemption Date).

- (b) Promptly after the occurrence of a Delisting Event, the Issuer must inform the Trustee of the Delisting Event.
- (c) As soon as reasonably practicable after the occurrence of a Delisting Event, the Issuer must give notice of the Delisting Event to the Trustee with a copy to the Registry, the Holders and ASX (and any securities exchange or relevant authority on which the IMF Bentham Bonds are listed) (a **Delisting Notification**). The Delisting Notification will contain a statement informing Holders of their entitlement to exercise their rights to require Redemption of the IMF Bentham Bonds pursuant to this clause 3.3 and will also specify:
 - (i) all information material to the Holders concerning the Delisting Event;
 - (ii) the closing price of the IMF Bentham Bonds on the day that the IMF Bentham Bonds were trading on ASX immediately prior to the occurrence of the Delisting Event;
 - (iii) the form of the exercise notice (the **Delisting Redemption Exercise Notice**); and
 - (iv) the last day of the Delisting Redemption Period.
- (d) To exercise the right under paragraph (a), a Holder must deliver to the Registry (as agent for the Issuer) a duly completed and signed Delisting Redemption Exercise Notice, in the form attached to the Delisting Notification, at any time in the Delisting Redemption Period.
- (e) If a Delisting Redemption Exercise Notice is delivered by a Holder in accordance with paragraph (d), the Issuer must Redeem all IMF Bentham Bonds the subject of the Delisting Redemption Exercise Notice on the relevant Delisting Redemption Date.

3.4 Early Redemption by Holders following a Change of Control Event

- (a) If a Change of Control Event occurs, the Holder of an IMF Bentham Bond may require the Issuer to Redeem that IMF Bentham Bond on the Change of Control Event Redemption Date at the Face Value of the relevant IMF Bentham Bond (together with any interest accrued but unpaid on the IMF Bentham Bond to (but excluding) the Change of Control Event Redemption Date).
- (b) Promptly after the occurrence of a Change of Control Event, the Issuer must inform the Trustee of the Change of Control Event.
- (c) As soon as reasonably practicable after the occurrence of a Change of Control Event, the Issuer must give notice of the Change of Control Event to the Trustee with a copy to the Registry, the Holders and ASX (and any securities exchange or relevant authority on which the IMF Bentham Bonds are listed) (a **Change of Control Event Notification**). The Change of Control Event Notification will contain a statement informing Holders of their entitlement to exercise their rights to require Redemption of the IMF Bentham Bonds pursuant to this clause 3.4 and will also specify:
 - (i) all information material to the Holders concerning the Change of Control Event;

- (ii) the closing price of the IMF Bentham Bonds on the day that the IMF Bentham Bonds were trading on ASX immediately prior to the occurrence of the Change of Control Event;
 - (iii) the form of the exercise notice (the **Change of Control Event Redemption Exercise Notice**); and
 - (iv) the last day of the Change of Control Event Redemption Period.
- (d) To exercise the right under paragraph 3.4(a), a Holder must deliver to the Registry (as agent for the Issuer) a duly completed and signed Change of Control Event Redemption Exercise Notice, in the form attached to the Change of Control Event Notification, at any time in the Change of Control Event Redemption Period.
- (e) If a Change of Control Event Redemption Exercise Notice is delivered by a Holder in accordance with paragraph 3.4(d), the Issuer must Redeem all IMF Bentham Bonds the subject of the Change of Control Event Redemption Exercise Notice on the relevant Change of Control Event Redemption Date.

3.5 Optional Early Redemption by the Issuer

- (a) Subject to paragraph (b) and clause 3.9 below, the Issuer may Redeem all or some of the IMF Bentham Bonds in whole on any Issuer Call Date by payment of the aggregate Face Value of the IMF Bentham Bonds so Redeemed (together with any interest accrued but unpaid on such IMF Bentham Bonds, to (but excluding) the relevant Redemption Date).
- (b) The Issuer may only Redeem the IMF Bentham Bonds under paragraph (a) above if the Issuer has given at least 10 Business Days' (and no more than 45 Business Days') notice to the Trustee, the Registry, the Holder and ASX (and any other securities exchange or other relevant authority on which the IMF Bentham Bonds are listed) of the Redemption and the proposed Redemption Date.

3.6 Optional Early Redemption by a Holder

- (a) Subject to paragraphs (b) and (c) below and clause 3.9 below, an Eligible Optional Redemption Holder in respect of IMF Bentham Bonds may require the Issuer to Redeem all or some such IMF Bentham Bonds by payment to the relevant Eligible Optional Redemption Holder of the Optional Redemption Amount in respect of such IMF Bentham Bonds on the Optional Redemption Date.
- (b) To exercise its right under paragraph (a), a Holder must deliver to the Registry (as agent for the Issuer) a duly completed and signed Notice of Exercise of Optional Redemption in respect of all or some of its holdings of the IMF Bentham Bonds, at any time during the Optional Redemption Period.
- (c) Subject to the passing of the Relevant Special Resolution, if a duly completed and signed Notice of Exercise of Optional Redemption is delivered by a Holder in accordance with paragraph (b) above, and that Holder is an Eligible Optional Redemption Holder as at 5.00 pm on 2 December 2018 in respect of the IMF Bentham Bonds the subject of such Notice of Exercise of Optional Redemption, the Issuer must Redeem all of the IMF Bentham Bonds the subject of such Notice of Exercise of Optional Redemption on the Optional Redemption Date in accordance with paragraph (a) above.

- (d) No Holder may deal with, transfer, dispose of or create any Encumbrance in any IMF Bentham Bond the subject of a Notice of Exercise of Optional Redemption once that Notice of Exercise of Optional Redemption has been given.

3.7 Effect of notice of Redemption

Any notice of Redemption given under this clause 3 is irrevocable.

3.8 Purchase

- (a) Subject to the remainder of this clause 3.8, the Issuer and any other member of the Issuer Group may at any time repurchase or purchase IMF Bentham Bonds, as applicable, in the open market or otherwise and at any price.
- (b) If at any time a tender offer is made to more than one Holder by the Issuer or any other member of the Issuer Group, such tender offer shall be made to all Holders on the same terms.
- (c) IMF Bentham Bonds:
 - (i) repurchased by the Issuer under this clause 3.8 shall be immediately cancelled; and
 - (ii) IMF Bentham Bonds purchased under this clause 3.8 by a member of the Issuer Group other than the Issuer may be held or resold at the discretion of the purchaser,

subject to compliance with any applicable law or requirement of ASX (or any securities exchange or other relevant authority on which the IMF Bentham Bonds are listed).

3.9 Partial Redemptions

If only some of the IMF Bentham Bonds are to be Redeemed under clause 3.6, the IMF Bentham Bonds to be Redeemed will be specified in the relevant notice. Where only some of the IMF Bentham Bonds are Redeemed by the Issuer under clause 3.5, the IMF Bentham Bonds to be Redeemed will be specified in the relevant notice and selected:

- (a) pro-rata across all Holders of IMF Bentham Bonds or in a fair and reasonable manner; and
- (b) in compliance with any applicable law or directive.

3.10 Make whole payment

Subject to the passing of the Relevant Special Resolution, the Issuer must, on the Make Whole Payment Date, pay to each person that is registered at 10.00 am on 23 October 2018 as the Holder of an IMF Bentham Bond, an amount equal to \$2.37 for each IMF Bentham Bond held by such Holder as at that time.

4. Issuer Representations and Undertakings

4.1 Ranking and Security

- (a) The Issuer represents that the IMF Bentham Bonds are direct and unconditional obligations of the Issuer which are secured in the manner described in clause 4.1(b) and will at all times rank *pari passu* and without preference or priority among themselves and with any Permitted Secured Finance Arrangements but subject to any prior ranking Permitted Encumbrance and obligations mandatorily preferred by law.
- (b) The obligations of the Issuer in respect of IMF Bentham Bonds are secured pursuant to the General Security Deed and are subject to the terms of the Priority Deed and any prior ranking Permitted Encumbrance and obligations mandatorily preferred by law. The Trustee (on behalf of itself and the Holders) has the benefit of the General Security Deed. Enforcement of the General Security Deed is subject to the terms of the General Security Deed and the Priority Deed.

4.2 General Security Deed

The Issuer represents that

- (a) the General Security Deed creates the Encumbrance in Australia purported to be created by it over the assets purported to be encumbered by it;
- (b) each Trustee Security has been, or in the case of After-Acquired Property on its acquisition will be perfected, in Australia;
- (c) the General Security Deed has the priority it is intended to have.

4.3 Restrictions

- (a) The Issuer undertakes that whilst any IMF Bentham Bond remains outstanding the Issuer:
 - (i) shall not, save for any Permitted Encumbrance or encumbrance mandatorily created by the laws of any jurisdiction, create or permit to subsist any Security over any Secured Property as security for any Financial Indebtedness which ranks equally to or in priority to the IMF Bentham Security; and
 - (ii) shall ensure that no Wholly Owned Subsidiary will:
 - (A) save for any Permitted Encumbrance or encumbrance mandatorily created by the laws of any jurisdiction, create or permit to subsist any Security over the assets of the relevant Wholly Owned Subsidiary for any Financial Indebtedness other than the IMF Bentham Bonds, unless such Security also secures the IMF Bentham Bonds so that they rank equally to or in priority to such other Financial Indebtedness;
 - (B) guarantee any Financial Indebtedness (other than the IMF Bentham Bonds) or incur any unsecured Financial Indebtedness (other than Financial Indebtedness owed to the Issuer or another Wholly Owned Subsidiary), unless in each case the relevant Wholly Owned Subsidiary also

provides a guarantee of all amounts owing on the IMF Bentham Bonds then outstanding in favour of the Trustee (on behalf of Holders of IMF Bentham Bonds from time to time), which guarantee must rank equally with, or in priority, to the relevant Wholly Owned Subsidiary's obligations in relation to such other unsecured or guaranteed Financial Indebtedness; or

- (C) hold cash on its balance sheet in an amount which at any time exceeds the Subsidiary Cash Limit at that time for a period of more than 30 consecutive calendar days, unless the relevant Wholly Owned Subsidiary has provided an unconditional guarantee (on terms that are market standard for similar guarantees) of all amounts owing on the IMF Bentham Bonds then outstanding in favour of the Trustee (on behalf of Holders of IMF Bentham Bonds from time to time); and
- (iii) shall not make a Distribution, where the Current Resources of the Issuer Group are, or would be, following the completion of such Distribution less than or equal to 75% of the Issuer Group Indebtedness.
- (b) The Issuer undertakes to the Trustee that it will not dispose of (or agree to dispose of) any of the Secured Property (either in a single transaction or in a series of transactions whether related or not and whether voluntary or involuntary) except disposals:
 - (i) of any Circulating Asset in the ordinary course of business of the Issuer; or
 - (ii) of any interest whatsoever in Joint Venture Arrangements in accordance with any default provisions contained in the governing documents in respect of such interests, as in force from time to time and for the avoidance of doubt this provision shall apply notwithstanding any enforcement of the rights under the General Security Deed by the Trustee or any administrator or receiver appointed on behalf of the Trustee; or
 - (iii) with the consent of the Secured Party which consent must not be unreasonably withheld.

4.4 PPSA Provisions

- (a) The Issuer must not:
 - (i) change its name without first notifying the Trustee of the new name not less than 21 days before the change takes effect; or
 - (ii) change its place of registration.
- (b) The Issuer must not permit any Secured Property to become:
 - (i) commingled with any asset that is not Secured Property except in the ordinary course of the Issuer's business; or
 - (ii) an Accession to or to be affixed to any asset which is not Secured Property.

- (c) The Issuer must identify, protect and perfect with the highest priority available any Security Interest in respect of which the Issuer is or is to become the PPSA Secured Party.
- (d) The Issuer must:
 - (i) deposit with the Trustee, all the Title Documents in respect of any of its Secured Property (save for Circulating Assets) together with executed blank transfers in respect of the Secured Property to which the Title Documents relate and all Chattel Paper forming part of its Secured Property with a value greater than \$50,000, immediately on:
 - (A) its execution of the General Security Deed; and
 - (B) acquisition of any asset which forms part of its Secured Property (save where such asset is a Circulating Asset); and
 - (ii) at any time if an Event of Default has occurred, if required by the Trustee, deposit with the Trustee all Chattel Paper which forms part of its Secured Property regardless of value and which has not already been deposited under clause 4.4(d)(i).
- (e) The Issuer must ensure that:
 - (i) each Trustee Security is perfected in relation to all the Secured Property in Australia. The Secured Party acknowledges that the Issuer shall not be required under the terms of any of the Transaction Documents or otherwise, to register any Trustee Security in any jurisdiction other than Australia; and
 - (ii) the General Security Deed and each Trustee Security is registered and filed in all registers, in which it must be perfected, registered and filed in Australia to ensure the enforceability, validity, perfection and priority of the Trustee Security against all persons and to be effective as a security in Australia.
- (f) Without prejudice to clause 4.4(e), whenever the Trustee requires that a Trustee Security be perfected in a particular way in relation to any part of the Secured Property, the Issuer must ensure that the Trustee Security is perfected in that way to the extent that it relates to the perfection of a Trustee Security in Australia.

4.5 Financial Covenants

The Issuer undertakes to the Trustee that whilst any IMF Bentham Bond remains outstanding, the Issuer shall:

- (a) in its annual and semi-annual Financial Statements:
 - (i) provide a breakdown of the cash, deposits, financial instruments and Receivables comprising the Current Resources of the Issuer Group as at 30 June and 31 December in each calendar year; and
 - (ii) confirm that it has complied with clause 4.3(a)(ii)(C) at all times during the previous six months (or provide reasonable detail of its non-compliance with clause 4.3(a)(ii)(C) at any time during the previous six months (including any relevant figures and calculations) and the steps being taken to remedy the same); and

- (b) ensure that no Fund will incur any borrowing, other than:
 - (i) short term loans provided to the Fund by the Issuer or a Wholly Owned Subsidiary for the purpose of providing short term bridging of the Issuer's funding commitments in respect of the relevant Fund; or
 - (ii) with the prior approval of the Holders by way of Holder Resolution.

5. Events of Default

5.1 Events of Default

Each of the following is an Event of Default in relation to the IMF Bentham Bonds (whether or not it is in the control of the Issuer):

- (a) the Issuer fails to pay, within 10 Business Days after the due date, any amount payable by it under any IMF Bentham Bond;
- (b) the Issuer fails to comply with any of its other material obligations under the Trust Deed or any other Transaction Document and such failure remains unremedied for a period of 30 Business Days after the Issuer has received written notice from the Trustee in respect of the failure;
- (c) any Financial Indebtedness of the Issuer which exceeds \$10,000,000 (or its equivalent in any other currency or currencies):
 - (i) becomes payable or repayable prior to its stated maturity due to the occurrence of a default event (however described) and any applicable grace period has expired; or
 - (ii) has not been paid or repaid when due and any applicable grace period has expired,

and such Financial Indebtedness is not satisfied in full by the Issuer within 15 Business Days of the Issuer becoming required to pay such amount;

- (d) any amount pursuant to a Permitted Secured Finance Arrangement becomes payable or repayable by the Issuer prior to its stated maturity due to the occurrence of a default event (however described) and any applicable grace period has expired.
- (e) an Insolvency Event occurs in respect of the Issuer;
- (f) it is or becomes unlawful for the Issuer to perform any of their payment obligations under the IMF Bentham Bonds, save to the extent that such obligation is rendered lawful within 30 Business Days of it becoming unlawful; and
- (g) the General Security Deed is terminated for any reason or otherwise ceases to be a valid, binding and enforceable obligation of the Issuer, save as approved by the Holders by way of Special Resolution.

5.2 Notification

If an Event of Default occurs which is continuing, the Issuer must promptly after becoming aware of it, notify the Trustee, the Holders and ASX (or any securities exchange or other relevant authority on which the IMF Bentham Bonds are listed) of the occurrence of the Event of Default (specifying details of the Event of Default).

5.3 Consequences of an Event of Default

- (a) If an Event of Default occurs which is continuing, the Trustee may:
- (i) by written notice to the Issuer declare the Face Value (together with all accrued but unpaid interest (if any) applicable to each IMF Bentham Bond held by the Holders to be due and payable immediately or on such other date as specified in the notice;
 - (ii) take other action, steps or proceedings against the Issuer and/or any person as it thinks fit to enforce:
 - (A) the payment of all amounts due to Holders; or
 - (B) the provisions of any Transaction Document, including the General Security Deed; and
 - (iii) prove in any liquidation of the Issuer (irrespective of when that liquidation is commenced) subject to this Deed; or
 - (iv) commence proceedings for the winding-up of the Issuer,
- (b) The Trustee is not bound to take any of the actions referred to in paragraph (a) to enforce the obligations of the Issuer in respect of the IMF Bentham Bonds or any other proceedings or action pursuant to, or in connection with, the Trust Deed or the IMF Bentham Bonds unless:
- (i) directed to do so by a Special Resolution or requested in writing by the Holders which hold in aggregate one fifth or more of the Face Value of all IMF Bentham Bonds then outstanding;
 - (ii) it has been indemnified as contemplated by clause 8 of the Trust Deed; and
 - (iii) the action is not prohibited under the Trust Deed and the Trustee is not restricted or prohibited by any order of any court or applicable law.
- (c) Any enforcement of the General Security Deed will be by the Trustee subject to and in accordance with the provisions of the General Security Deed and the Priority Deed.

5.4 Knowledge of Trustee

The Trustee will be taken not to have knowledge of the occurrence of an Event of Default unless the Trustee has received notice in accordance with clause 5.2 stating that an Event of Default has occurred and describing it.

6. Title and transfer of IMF Bentham Bonds

The provisions relating to title and transfer of the IMF Bentham Bonds are set out in clause 17 of the Trust Deed.

7. Payments

The provisions relating to payment in connection with the IMF Bentham Bonds are set out in clause 18 of the Trust Deed.

8. Taxation

8.1 No set-off, counterclaim or deductions

All payments in respect of the IMF Bentham Bonds must be made in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes, unless prohibited by law.

9. General provisions and governing law

9.1 Time limit for claims

A claim against the Issuer for a payment under an IMF Bentham Bond is void unless made within five years after the date on which payment first became due.

9.2 Amendments without consent

At any time, but subject to compliance with the Corporations Act and all other applicable laws, the Issuer may without the consent of the Holders or the Trustee, amend these Terms if the Issuer forms the opinion that such alteration is:

- (a) of a formal or technical or minor nature;
- (b) made to cure any ambiguity or correct any manifest error;
- (c) necessary or expedient for the purpose of enabling the IMF Bentham Bonds to be:
 - (i) listed for quotation, or to retain quotation, on any securities exchange; or
 - (ii) offered for subscription or for sale under the laws for the time being in force in any place,and otherwise not materially prejudicial to the interests of Holders as a whole; or
- (d) necessary to comply with:
 - (i) the provisions of any statute or the requirements of any statutory authority; or
 - (ii) the ASX Listing Rules or the listing or quotation requirements of any securities exchange on which the Issuer may propose to seek a listing or quotation of the IMF Bentham Bonds,

and otherwise not materially prejudicial to the interests of Holders as a whole.

The Issuer shall give the Trustee at least 10 Business Days' prior written notice of any proposed amendment to the Terms pursuant to this clause 9.2.

9.3 Amendments with consent

At any time and from time to time, but subject to compliance with the Corporations Act and all other applicable laws, the Issuer may with the approval of the Trustee amend these Terms:

- (a) except as otherwise provided in paragraphs 9.3(b), 9.3(c) and 9.3(d) below, if such alteration is authorised by a Holder Resolution;
- (b) in the case of an alteration to this clause 9.3 or any clause of the Trust Deed providing for Holders to give a direction to the Trustee by a Special Resolution, if a Special Resolution is passed in favour of such alteration;
- (c) in the case of alteration to the Meeting Provisions and to which clause 9.2 does not apply, if a Special Resolution is passed in favour of such alteration; and
- (d) otherwise in accordance with the Trust Deed.

9.4 Further issues

The Issuer may from time to time without the consent of the Trustee or the Holders:

- (a) create and issue new IMF Bentham Bonds having the same Terms (except in relation to the Issue Date, the first Interest Period, the first Interest Payment Date and the amount to be paid in respect of the first payment of interest) as, and so that they shall be consolidated and form a single series and rank pari passu with, the IMF Bentham Bonds then outstanding save that no such further IMF Bentham Bonds shall be issued when following such issue the Current Resources of the Issuer Group would be less than 75% of the Issuer Group Indebtedness or the Secured Debt Limit would be exceeded; or
- (b) subject to clause 4.3(a) issue any other bonds, notes, shares or any other form or type of securities, or incur or guarantee any indebtedness, upon such terms as it may think fit in its sole discretion

9.5 Governing law

The IMF Bentham Bonds are governed by the law in force in New South Wales.

9.6 Jurisdiction

- (a) The Issuer, the Trustee and each Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and courts of appeal from them.
- (b) The Issuer, the Trustee and each Holder waives any right it has to object to an action being brought in those courts, to claim that such action has been brought in an inconvenient forum, or to claim those courts do not have jurisdiction.

10. Interpretation

10.1 Interpretation

Without prejudice to clause 25.2 of the Trust Deed, except as the context requires otherwise:

- (a) A reference to a clause or paragraph is to a clause or paragraph of these Terms, provided that a reference to a clause or schedule of the Trust Deed in these Terms is to the corresponding clause or schedule of the Trust Deed.
- (b) If an event under these Terms must occur on a stipulated day which is not a Business Day, then the event will be done on the next Business Day.

10.2 Document or agreement

A reference to:

- (a) an agreement includes a Security, guarantee, undertaking, deed, agreement or legally enforceable arrangement whether or not in writing; and
- (b) a document includes an agreement (as so defined) in writing or a certificate, notice, instrument or document.

A reference to a specific agreement or document includes it as amended, novated, supplemented or replaced from time to time, except to the extent prohibited by these Terms.

Schedule 3 – Provisions for Meetings of Holders

1. Interpretation

Without prejudice to clause 25.2 of the Trust Deed, in this Schedule unless the contrary intention appears:

- (a) **meeting** is deemed to include:
 - (i) if there is only one Holder, the attendance of that person or its proxy (as defined in paragraph 4(a)) on the day and at the place and time specified in accordance with this Schedule;
 - (ii) the presence of persons physically, by conference telephone call or by video conference; and
 - (iii) (other than in paragraphs 2, 3, 6(d) and 6(e)) any adjourned meeting.
- (b) A reference to a paragraph is a reference to a paragraph in this Schedule.
- (c) The time and date for determining the identity of a Holder who may be counted for the purposes of determining a quorum or attend, speak and vote at a meeting (including any adjourned meeting) or sign a resolution made in writing is at 7.00 pm in the place where the Register is kept 8 days prior to the date of the meeting or, for a resolution made in writing, the Relevant Date.
- (d) References to persons representing a proportion of IMF Bentham Bonds are to Holders or their proxies holding or representing in aggregate at least that proportion Face Value of the relevant IMF Bentham Bonds for the time being outstanding.
- (e) In determining whether the provisions relating to quorum, meeting and voting procedures are complied with any IMF Bentham Bonds held in the name of the Issuer or any of its Subsidiaries shall be disregarded.

2. Convening

2.1 Ability to call meetings

Each of the Issuer, the Registry (on behalf of the Issuer), the Trustee may at any time, call a meeting of Holders.

2.2 Issuer's duty to call meetings

The Issuer or the Registry (on behalf of the Issuer) at the request of Holders whose aggregate Face Value of all IMF Bentham Bonds held by them is at least 10% of the aggregate Face Value of the IMF Bentham Bonds outstanding, may convene a meeting of the Holders if:

- (a) the purpose of the meeting is to:
 - (i) consider the financial statements that were laid before the last annual general meeting of the Issuer; and/or
 - (ii) give the Trustee directions in relation to the exercise of any of its powers; or

- (b) the Issuer must call a meeting of Holder under applicable law.

Whenever the Issuer or the Registry (as applicable) is about to convene any such meeting it must promptly give notice in writing to the Issuer or the Registry (as applicable) and the Trustee of the proposed day, time and place of the meeting and of the nature of the business to be transacted at the meeting. The Issuer must give notice of that meeting in accordance with paragraph 3 of the proposed day, time and place of the meeting.

2.3 Trustee's duty to call meeting

Notwithstanding any other provision of this Deed, the Trustee must call a meeting of Holders as soon as is reasonably practicable after becoming aware of any Event of Default which is continuing, provided that it shall have been indemnified and/or secured (by way of advance payment or otherwise) to its satisfaction (acting reasonably). Whenever the Trustee is about to convene any such meeting it must promptly give notice in writing to the Issuer and the Registry.

2.4 Meeting under Corporations Act

A meeting of Holders may be called under Part 2L.5 of the Corporations Act.

3. Notice

Unless otherwise agreed in writing by each Holder, at least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the day, time and place of meeting must be given to the Holders at their addresses specified in the Register. A copy of the notice must be given to the Registry. Such notice must be given in the manner provided in this Deed, must specify generally the nature of the business to be transacted at the meeting but (except for a Special Resolution) need not specify the terms of the resolutions to be proposed and must include statements to the effect that proxies may be appointed until 24 hours before the time fixed for the meeting but not after that time. The accidental omission to give notice to, or the non-receipt of notice by, any Holder does not invalidate the proceedings at any meeting.

4. Proxies

- (a) A Holder may by a notice in writing in the form for the time being available from the specified officer of the Registry (form of proxy) signed by the Holder or, in the case of a corporation, executed in accordance with sections 127(1) or 127(2) of the Corporations Act or signed on its behalf by its duly appointed attorney or a person authorised under section 250D of the Corporations Act to act as the corporation's representative at the meeting, appoint any person (a proxy) to attend and act on that Holder's behalf in connection with any meeting or proposed meeting of the Holders.
- (b) Forms of proxy must be valid for so long as the relevant IMF Bentham Bonds are duly registered in the name of the appointor but not otherwise. Despite any other provision of this Schedule and during the validity of a form of proxy, the proxy is, for all purposes in connection with any meeting of Holders, deemed to be the Holder of the IMF Bentham Bonds to which that form of proxy relates.
- (c) A person appointed as proxy in any form of proxy:

- (i) need not be a Holder; and
 - (ii) may be an officer, employee, representative of, or otherwise connected with, the Issuer.
-

5. Chairman

- (a) Subject to paragraph 5(b) below, a person (who may but need not, be a Holder) nominated in writing by the Issuer must take the chair at every such meeting but if no such nomination is made or if at any meeting the person nominated is not present within 15 minutes after the time appointed for the holding of such meeting or is unable or unwilling to chair the meeting the person or persons present in person holding IMF Bentham Bonds or being proxies must choose one of their number to be chairman. The chairman of an adjourned meeting need not be the same person as was the chairman of the meeting from which the adjournment took place.
 - (b) In the event of a meeting called by the Trustee in accordance with paragraph 2.3 in connection with the occurrence of an Event of Default which is continuing, a person (who may, but need not, be a Holder) nominated in writing by the Trustee must take the chair at every such meeting (including subsequent meetings relating to the same Event of Default which is continuing) but if no such nomination is made or if at any meeting the person nominated is not present within 15 minutes after the time appointed for the holding of such meeting or is unable or unwilling to chair the meeting the person or persons present in person holding IMF Bentham Bonds or being proxies must choose one of their number to be chairman. The chairman of an adjourned meeting need not be the same person as was the chairman of the meeting from which the adjournment took place.
-

6. Quorum and Adjournment

- (a) Subject to paragraph 6(c), the quorum for a meeting of Holders, which is to be calculated by reference to Holders who:
 - (i) are present in person (including through their representatives and proxies); and
 - (ii) are entitled to vote at that meeting,is two Holders holding in aggregate IMF Bentham Bonds representing at least 10% of the aggregate Face Value of the IMF Bentham Bonds outstanding when the meeting proceeds to business.
- (b) Subject to paragraph 6(c), if a quorum is not present within 15 minutes of the announced commencement time for a meeting, the meeting:
 - (i) if convened at the request of Holders pursuant to paragraph 2.2, is dissolved; or
 - (ii) in any other case, stands adjourned to such day, not being less than 14 days nor more than 42 days, and to such time and place, as the chairman determines (and at such meeting the percentage of IMF Bentham Bonds of Holders referred to in paragraph 6(a) above will be ignored when determining whether there is a quorum under that provision).

- (c) For the purposes of determining the quorum for a meeting of Holders in respect of a Special Resolution under paragraphs 6(a) or 6(b), the term "outstanding" shall exclude all IMF Bentham Bonds held by or on behalf of the Issuer, or any Subsidiary of the Issuer.
- (d) No business (other than the choosing of a chairman) maybe transacted at any meeting unless the requisite quorum is present at the commencement of business.
- (e) The chairman may with the consent of (and must if directed by) any meeting adjourn the meeting from time to time and from place to place but no business may be transacted at any adjourned meeting except business which might validly have been transacted at the meeting from which the adjournment took place.
- (f) If within 15 minutes from the time appointed for any adjourned meeting a quorum is not present for the transaction of any particular business then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the chairman may dissolve such meeting.
- (g) Unless otherwise agreed in writing by each Holder, at least 10 days' notice (exclusive of the day on which the notice is given and of the day on which the adjourned meeting is to be held) of any meeting adjourned because of lack of a quorum must be given in the same manner as the notice of the original meeting and such notice must state the quorum required at such adjourned meeting. Otherwise, it is not necessary to give any further information.

7. Right to Attend and Speak

The Issuer, the Registry, the Trustee and the Holders (including through their representatives and proxies) and their respective financial and legal advisers are entitled to attend and speak at any meeting of Holders. Otherwise, no person may, except for the chairman, attend or speak at any meeting of Holders or join with others in requesting the convening of such a meeting.

8. Voting

- (a) Every question submitted to a meeting will be decided in the first instance by a show of hands and in the case of equality of votes the chairman has, both on a show of hands and on a poll, a casting vote in addition to the vote or votes (if any) to which the chairman may be entitled as a Holder or as a proxy.
- (b) At any meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman or the Issuer or by one or more persons holding one or more of the IMF Bentham Bonds or being proxies and holding or representing in the aggregate not less than 5% of the Face Value of all outstanding IMF Bentham Bonds, a declaration by the chairman that a resolution has been carried or carried by a particular majority or lost or not carried by any particular majority is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (c) If at any meeting a poll is so demanded, it must be taken in such manner and (subject to sub-paragraph (d) below) either at once or after such an adjournment as the chairman directs. The result of such poll is deemed to be the resolution of the meeting at which the poll was demanded as at the date of

the taking of the poll. The demand for a poll does not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

- (d) Any poll demanded at any meeting on the election of a chairman or on any question of adjournment must be taken at the meeting without adjournment.
- (e) Each form of proxy, together with proof satisfactory to the Issuer of its due execution, must be deposited at the office in Australia of the Registry (or such other place nominated by the Issuer and approved by the Trustee) specified in the form of proxy (or such other place as the Registry shall approve) not less than 24 hours (or such lesser period as the Registry shall approve) before the time appointed for holding the meeting or adjourned meeting at which the proxy named in the form of proxy proposes to vote, failing which the form of proxy may not be treated as valid unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business. A certified copy of each form of proxy and satisfactory proof of due execution must, if required by the Issuer, be produced by the proxy at the meeting or adjourned meeting but the Issuer is not obliged to investigate or be concerned with the validity of or the authority of the proxy named in, any form of proxy.
- (f) Any vote given in accordance with the terms of a form of proxy will be valid despite the previous revocation or amendment of the form of proxy or any instructions or authority of the Holder under which it was executed, unless notice in writing of such revocation or amendment has been received from the Holder who has executed such form of proxy at the specified office of the Registry not less than 24 hours before the commencement of the meeting or adjourned meeting at which the form of proxy is used.
- (g) A Holder or, in the case of an IMF Bentham Bond registered as being held jointly, the person whose name first appears on the Register as one of the holders of the IMF Bentham Bond, is entitled to vote in respect of the IMF Bentham Bond either in person or by proxy or by representative.
- (h) Subject to paragraph 7 and sub-paragraphs 8(a) and 8(g) above, at any meeting:
 - (i) on a show of hands every person who is present and holds an IMF Bentham Bond or is a proxy has one vote; and
 - (ii) on a poll every person who is present and holds an IMF Bentham Bond or is a proxy has one vote in respect of each IMF Bentham Bond which that person holds or in respect of which that person is a proxy.
- (i) Without affecting the obligations of the proxies named in any form of proxy, any person entitled to more than one vote need not use all votes or cast all the votes to which that person is entitled in the same way.

9. Passing resolutions in writing

- (a) Despite the other provisions in this Schedule, a Holder Resolution and a Special Resolution may be passed, without any meeting or previous notice being required, by an instrument or instruments in writing signed by Holders in accordance with this paragraph 9.
- (b) A resolution is passed:

- (i) if it is a Holder Resolution, where within one month from the Relevant Date, Holders representing more than 50% of the aggregate Face Value of all relevant IMF Bentham Bonds as at the Relevant Date have signed the resolution; or
- (ii) if it is a Special Resolution, where within one month from the Relevant Date stated in the copies of the resolution sent for that purpose to Holders representing at least 75% of the aggregate Face Value of all relevant IMF Bentham Bonds as at the Relevant Date have signed the resolution,

and any such resolution is deemed to have been passed on the date on which the last Holder whose signature on the resolution caused it to be so passed signed it (as evidenced on its face).

- (c) The accidental omission to give a copy of the resolution to, or the non-receipt of such a copy by, any Holder does not invalidate a resolution in writing made pursuant to sub-paragraph 9(a).
- (d) A resolution in writing signed by Holders may be contained in one document or in several documents in like form each signed by one or more Holders.

10. Special resolutions

The Holders have, in respect of the IMF Bentham Bonds and subject to the provisions contained in the Terms, in addition to the powers set out above, but without affecting any powers conferred on other persons, the following powers exercisable only by Special Resolution subject to the provisions relating to quorum in paragraph 6:

- (a) to sanction the exchange or substitution for those IMF Bentham Bonds of, or the conversion of those IMF Bentham Bonds into, other obligations or securities of the Issuer or any other body corporate formed or to be formed;
- (b) subject to the other provisions of this paragraph 10, to assent to any modification of the provisions contained in the Terms or this Deed (including this Schedule) which is proposed by the Issuer;
- (c) to waive or authorise any breach or proposed breach by the Issuer of any of its obligations under this Deed, the General Security Deed, the IMF Bentham Bonds or the Terms, or determine that any act or omission which might otherwise constitute an Event of Default under the Terms shall not be treated as such;
- (d) to authorise any person to concur in and execute all such documents, and do all such acts and things as may be necessary to carry out and give effect to a Special Resolution;
- (e) to modify or waive this paragraph 10, or any provision requiring any approval to be given by Special Resolution or the definitions of Holder Resolution or Special Resolution;
- (f) to appoint any persons (whether Holders or not) as a committee or committees to represent the interests of the Holders and to confer upon such committee or committees any powers or discretions which the Holders could themselves exercise by Special Resolution;

- (g) to approve any amendment of the dates of maturity or redemption of the IMF Bentham Bonds or any date on which a payment of principal or interest is due on the IMF Bentham Bonds or to approve any moratorium, suspension or scheme of arrangement with respect to payments under the IMF Bentham Bonds;
- (h) to approve any reduction or cancellation of an amount payable or, where applicable, modification of the method of calculating the amount payable or modification of date of payment in respect of the IMF Bentham Bonds (other than where such reduction, cancellation or modification is provided for in the Terms or where such modification is bound to result in an increase in the amount payable);
- (i) to approve the alteration of the currency in which payments in respect of the IMF Bentham Bonds are made;
- (j) to approve a modification of the provisions contained in paragraph 6 concerning the quorum required at any meeting of Holders in respect of IMF Bentham Bonds or any adjournment thereof or to approve the alteration of the majority required to pass a Special Resolution;
- (k) to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the IMF Bentham Bonds; and
- (l) to discharge or exonerate the Registry from any liability in respect of any act or omissions for which the Registry may have become responsible under this Deed or under the IMF Bentham Bonds.

11. Holder Resolutions

The Holders have the power exercisable by Holder Resolution to do anything for which a Special Resolution is not required.

12. Effect and notice of resolutions

- (a) A resolution passed at a meeting of Holders duly convened and held (or passed by those Holders in writing) in accordance with this Schedule is binding on all such Holders, whether present or not present at the meeting (or signing or not signing the written resolution) and each such Holder is bound to give effect to it accordingly. The passing of any such resolution is conclusive evidence that the circumstances of such resolution justify its passing.
- (b) The Issuer must give notice to the Holders of the result of the voting on a resolution within 5 Business Days of such result being known but failure to do so will not invalidate the resolution. Such notice to Holders must be given in the manner provided in the Terms.

13. Minutes to be kept

Minutes of all resolutions and proceedings at every meeting (or resolutions otherwise passed in accordance with this Schedule) must be made and duly entered in books to be, from time to time, provided for that purpose by the Issuer and any such minutes, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings transacted or by the chairman of the next succeeding meeting of Holders (or, where the resolution is passed otherwise than at a meeting, if purporting to be signed by a director or secretary of the Issuer), are conclusive evidence of the

matters contained in them. And until the contrary is proved, every such minute in respect of the proceedings of which minutes have been made and signed in that manner is deemed to have been duly convened and held, and all resolutions passed or proceedings transacted at that meeting are deemed to have been duly passed and transacted (or, where the resolution is passed otherwise than at a meeting, such resolution is deemed to have been duly passed).

14. Further procedures

- (a) The Issuer, may, with the consent of the Trustee, prescribe such further regulations for the holding of attendance and voting at meetings as are necessary or desirable and do not adversely affect the interest of the Holders.
- (b) Following an Event of Default which is continuing, the Trustee may prescribe such further regulations for the holding of, attendance and voting at meetings as are necessary or desirable and do not adversely affect the interest of the Holders.

Controller means a Receiver or a person appointed as the Secured Party's agent under this General Security Deed.

General Security Deed means this general security deed.

Government Authority means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, in each case, of Australia or New South Wales.

GST means any goods and services Tax, consumption Tax, value added Tax or any similar Tax.

Licence means each franchise, licence, certificate, document, registration, permission, privilege, permit, authority or consent held by the Grantor in relation to the Secured Property (including, without limitation, the business of the Grantor carried on at any time), statutory or otherwise, together with any variation or renewal of any of the foregoing.

Marketable Securities has the following meaning:

- (a) the meaning given to that expression in the Corporations Act; and
- (b) any units (whatever called) in a trust estate which represent a legal or beneficial interest in any of the income or assets of that trust estate and includes any options to acquire any units as described.

Non-Circulating Assets means:

- (a) all equity interests in members of the Issuer Group; and
- (b) freehold or leasehold property and any interest in land or real property, save for ordinary course of business commercial leases of office premises of a duration of less than 21 years.

Non-PPSA Secured Property means Secured Property in relation to which for any reason the PPSA does not apply to the security interest granted under this General Security Deed.

Obligations means all the liabilities and obligations of the Grantor to the Secured Party under or by reason of any Transaction Document and includes any liabilities or obligations which:

- (a) are liquidated or unliquidated;
- (b) are present, prospective or contingent;
- (c) arise from the making of any advance on or before the date of this General Security Deed or from any future advances;
- (d) are in existence before or come into existence on or after the date of this General Security Deed;
- (e) relate to the payment of money or the performance or omission of any act;
- (f) sound in damages only;
- (g) accrue as a result of any Event of Default; or
- (h) would exist but for an Insolvency Event affecting any person,

and irrespective of:

- (a) whether the Grantor is liable or obligated solely, jointly or jointly and severally with another person;
- (b) the circumstances in which the Secured Party comes to be owed each liability or obligation and in which each liability or obligation comes to be secured by this General Security Deed, including any assignment of any liability or obligation or of this General Security Deed; or
- (c) the capacity in which the Grantor and the Secured Party comes to owe or to be owed that liability or obligation.

PPSA means the Personal Property Securities Act 2009 (Cth).

Power means any right, power, authority, discretion or remedy conferred on the Secured Party, a Receiver or an Attorney by any Transaction Document or any applicable law.

Receiver means a receiver or receiver and manager.

Records includes:

- (a) any register;
- (b) any other record of information;
- (c) any accounts or accounting records, however compiled, recorded or stored;
- (d) any document; and
- (e) any computer software,

relating to the Secured Property and the business transactions of the Grantor.

Secured Moneys means all money which the Grantor (whether alone or not) is liable to pay to or for the account of the Secured Party or a Holder (whether alone or not) for any reason whatever under or in connection with any Transaction Document, whether or not contemplated at the date of this General Security Deed and whether arising before or after the date of this General Security Deed, irrespective of whether the debts or liabilities:

- (a) are present or future;
- (b) are actual, prospective, contingent or otherwise;
- (c) are at any time ascertained or unascertained;
- (d) are owed or incurred by or on account of the Grantor alone, or severally or jointly with any other person;
- (e) are owed to or incurred for the account of the Secured Party or the Holder directly or as a result of:
 - (i) the assignment or transfer to the Secured Party or Holder of any debt or liability of the Grantor (whether by way of assignment, transfer or otherwise); or
 - (ii) any other dealing with any such debt or liability; or

- (f) comprise any combination of the above.

It includes money by way of principal, interest, fees, costs, indemnity, charges, duties or expenses or damages under or in connection with a Transaction Document or as a result of a breach of or default under any Transaction Document. It also includes money that the Grantor would have been liable to pay but for its liquidation, or some other reason.

Secured Property means the property subject to a security interest granted under this General Security Deed.

Tax means any tax, levy, impost, deduction, charge, withholding and duty (including, without limitation, stamp and transaction duty) imposed by a Government Authority together with any related interest, penalty, fine, costs and expenses in connection with them except if imposed on the overall net income of the Secured Party and "**Taxes**" has a corresponding meaning.

Trade Debt means any Account which:

- (a) arises from granting a right, or providing services, in the ordinary course of a business of granting rights or providing services of that kind (whether or not the account debtor is the person to whom the right is granted or the services are provided); or
- (b) is the proceeds of inventory.

Transaction Document means:

- (a) the Bond Trust Deed;
- (b) this General Security Deed; and
- (c) any other document that the Grantor and Secured Party agree in writing is a Transaction Document.

Unpaid Capital means any uncalled or unpaid share capital or premiums of the Grantor.

1.3 Interpretation

In this General Security Deed, the terms of clause 25.2 of the Bond Trust Deed shall apply as if expressly set out herein save that references to "Deed" in such provisions shall be interpreted as a reference to "General Security Deed" and interpreted in accordance with clause 1.2 (save in respect of the reference to "Deed" in clause 25.2 (f) of the Trust Deed which shall be interpreted in accordance with schedule 1 of the Trust Deed).

1.4 Bond Trust Deed

This General Security Deed is the 'General Security Deed' and a 'Transaction Document' for the purposes of the Bond Trust Deed.

1.5 Capacity of Secured Party

The Secured Party enters into this General Security Deed in its capacity solely as trustee of the "IMF Bentham Bond Trust", established in accordance with the Bond Trust Deed.

1.6 Secured Party assumes no obligations

The Secured Party will not be deemed by virtue of this General Security Deed to have assumed any obligations of the Grantor under any law.

2. Grant of security interest

2.1 Grant

The Grantor grants a security interest to the Secured Party in all its present and after-acquired property including:

- (a) its assets and undertaking and its Unpaid Capital; and
- (a) anything in respect of which the Grantor has a sufficient right or interest to grant a security interest under the PPSA or any other law; and
- (b) anything else in which the Grantor has a sufficient right to be able to grant a security interest.

2.2 Nature and priority

Each security interest granted by the Grantor under this General Security Deed:

- (a) ranks in priority before any other Encumbrance other than:
 - (i) any Security mandatorily preferred by the laws of any jurisdiction;
 - (ii) any Permitted Encumbrance that ranks in priority to it by operation of law or otherwise; and
 - (iii) as otherwise set out in the Bond Trust Deed; and
- (b) ranks equally with any Security created pursuant to any Permitted Secured Finance Arrangement in accordance with the Deed of Priority; and
- (c) subject to clause 21.2, operates as a mortgage over all freehold and leasehold property and any other interest in land or real property, save for ordinary course of business commercial leases of office premises of a duration of less than 21 years.
- (d) subject to clause 21.2, operates as a charge over all other Secured Property; and
- (e) in relation to Non-PPSA Secured Property, operates:
 - (i) as a floating charge over all present and future Circulating Assets; and
 - (ii) as a fixed charge over all other Non-PPSA Secured Property, subject to clause 21.2.

2.3 Secured Moneys

Each security interest granted under this General Security Deed secures the due and punctual payment of the Secured Moneys.

3. Dealing with Secured Property

3.1 Dealing with and disposal of Secured Property

- (a) The Grantor undertakes to the Secured Party that it shall not without the Secured Party's prior written consent, save for any Permitted Encumbrance, create or permit to subsist any Security over any Secured Property as security for any indebtedness which ranks equally to or in priority to the IMF Bentham Security.
- (b) The Grantor undertakes to the Secured Party that it will not dispose of (or agree to dispose of) any of the Secured Property (either in a single transaction or in a series of transactions whether related or not and whether voluntary or involuntary) except disposals made:
 - (i) of any Circulating Asset in the ordinary course of business of the Grantor; or
 - (ii) (without limitation to clause 3.1(b)(i)) of any interest whatsoever in Joint Venture Arrangements in accordance with any default provisions contained in the governing documents in respect of such interests, as in force from time to time and for the avoidance of doubt this provision shall apply notwithstanding any enforcement of the rights under this General Security Deed by the Trustee or any administrator or receiver appointed on behalf of the Trustee; or
 - (iii) with the consent of the Secured Party which consent must not be unreasonably withheld.

3.2 Crystallisation

Any Secured Property will only be a Circulating Asset if none of the following has occurred in relation to it. Any Circulating Asset will cease to be a Circulating Asset (unless and until the Secured Party otherwise notifies the Grantor) immediately and, in the case of Non-PPSA Secured Property, the security interest granted under this General Security Deed will automatically and immediately crystallise and operate as a fixed charge, on any of the following occurring.

- (a) in respect of any asset of the Grantor that is, or would have been, a Circulating Asset:
 - (i) the Secured Party notifies the Grantor (which it may only give while an Event of Default is continuing);
 - (ii) without the prior written consent of the Secured Party, the Grantor:
 - (A) creates or allows any Encumbrance over;
 - (B) sells, leases or otherwise disposes of;
 - (C) creates or allows any interest in; or
 - (D) parts with possession of,
- that asset in breach of a Transaction Document, or agrees or attempts to do so or takes any step towards doing so;

- (iii) any step is taken with a view to levying or enforcing any distress, attachment or other execution on that asset or to enforcing any Encumbrance in respect of that asset;
 - (iv) an Insolvency Event occurs in relation to the Grantor;
 - (v) the Commissioner of Taxation or his delegate or successor signs a notice under:
 - (A) section 255 of the *Income Tax Assessment Act 1936* (Cth);
 - (B) section 260-5 of Schedule 1 of the *Taxation Administration Act 1953* (Cth); or
 - (C) any similar legislation,
 which may affect that asset; or
 - (vi) a Government Authority takes any step which may result in an amount of tax or an amount owing to a Government Authority ranking ahead of the security interest granted under this General Security Deed with respect to that asset.
- (b) in respect of all the Circulating Assets of the Grantor, and assets of the Grantor that have been Circulating Assets:
- (i) an order is made or a resolution is passed for the winding up of the Grantor; or
 - (ii) the security constituted by this General Security Deed is enforced in any way.

Except where expressly stated, no notice or action by the Secured Party is necessary for this clause 3.2 to apply.

4. Representations and warranties

4.1 Representations and warranties by the Grantor

The Grantor represents and warrants to the Secured Party that at the date hereof:

- (a) the Secured Property and the estate, right or title of the Grantor and its interest in and to the Secured Property are free from all Security interests other than those pursuant to Permitted Encumbrances;
- (b) this General Security Deed constitutes a legal, valid and binding obligation of the Grantor fully enforceable in Australia in accordance with its terms and the terms of this General Security Deed have been (or will be where applicable) complied with by the Grantor in all respects;
- (c) it has in full force and effect the Licences necessary to carry on its business as now conducted;
- (d) it has the power and has in full force and effect the Authorisations necessary to enter into and deliver this General Security Deed, observe and perform obligations under it, and allow it to be enforced;

- (e) this General Security Deed and the execution and performance of this General Security Deed by the Grantor does not and will not violate in any material respect provisions of:
 - (i) any law or statute;
 - (ii) its Constitution; or
 - (iii) any other material document or agreement which is binding upon it or its assets and undertaking;
- (f)
 - (i) the most recent balance sheets, profit and loss accounts and any other information which the Grantor has given to the Secured Party before the execution of this General Security Deed give a true and fair view of the state of the affairs of the Grantor and its Subsidiaries to which such balance sheets, accounts and information relate, at the date to which they relate and the results of the operations of the Grantor and such relevant parties for the accounting period to which they relate;
 - (ii) there has been no change in the state of affairs of the Grantor and its Subsidiaries since the relevant date referred to in paragraph (i) which may have a material adverse effect upon it or its ability to perform its obligations, financial or otherwise, under any Transaction Document;
 - (iii) the accounts of the Grantor have been prepared in accordance with accounting principles and practices generally accepted in Australia and consistently applied, except to the extent that departures from such principles and practices are disclosed in such accounts; and
 - (iv) the Grantor and each of its Subsidiaries is solvent and can pay its debts as and when they fall due;
- (g) other than in respect of litigation which the Grantor is funding as part of its business, no litigation, arbitration, Tax claim, dispute or administrative proceeding is presently current or pending or, to its knowledge, threatened, the adverse determination of which is likely to have a material adverse effect upon it or its ability to perform its financial or other obligations under any Transaction Document or is likely to prejudicially affect the Secured Property or this General Security Deed;
- (h) no Event of Default or event which with the giving of notice or lapse of time would be likely to become an Event of Default continues unremedied;
- (i) it has fully disclosed in writing to the Secured Party (which shall include all matters set out in the Prospectus) all facts relating to the Grantor, its Subsidiaries, this General Security Deed, the Secured Property and anything in connection with them which is material to the assessment of the nature and amount of the risk undertaken by the Secured Party in entering into this General Security Deed;
- (j) its payment obligations under each Transaction Document will at all times rank in priority to in right and priority of payment with all its present and future unsecured and unsubordinated obligations other than obligations mandatorily preferred by any law applying to companies generally; and
- (k) all information provided by it to the Secured Party in relation to the Transaction Documents and the Secured Property is true in all material respects as at the date of this General Security Deed and at the date it is given and is not, by the omission of information or otherwise, misleading in any material respect.

4.2 Reliance on Representations and Warranties

The Grantor acknowledges that the Secured Party has entered into this General Security Deed in reliance on the representations and warranties set out in clause 4.1.

4.3 Grantor's Acknowledgment

The Grantor acknowledges that it has not executed this General Security Deed in consequence of any representation, promise or statement by the Secured Party or anyone on behalf of the Secured Party, other than any representation, promise or statement expressly contained in the Bond Trust Deed or this General Security Deed.

5. Undertakings

5.1 General Undertakings

The Grantor undertakes to the Secured Party as follows, except to the extent that the Secured Party otherwise consents in writing:

- (a) it shall use its best endeavours to ensure that all Authorisations, approvals, consents, Licences and exemptions required for the validity, enforceability and performance of this General Security Deed are maintained and promptly renewed and in full force and effect and it shall provide promptly copies to the Secured Party when they are obtained or renewed;
- (b) it shall give notice to the Secured Party as soon as it becomes aware of:
 - (i) an Event of Default or event which with the giving of notice or lapse of time would be likely to become an Event of Default;
 - (ii) all litigation, arbitration or similar proceedings to which it is a party the adverse determination of which would affect its ability to fulfil its obligations under this General Security Deed;
 - (iii) any substantial dispute between it and any Government Authority the adverse determination of which would affect its ability to fulfil its obligations under this General Security Deed; and
 - (iv) any change in its Authorised Officers, giving specimen signatures of any new Authorised Officer so appointed, and, where requested by the Secured Party, evidence satisfactory to the Secured Party of the authority of those Authorised Officers;
- (c) it shall do all things necessary to maintain its corporate existence in good standing;
- (d) it shall, and shall ensure that each of its Subsidiaries shall, duly and punctually comply with all laws binding upon it where non-compliance would have a material adverse effect on its ability to comply with its obligations under this General Security Deed;
- (e) it shall pay when due all Taxes payable by it other than Taxes for which it has set aside sufficient reserves and which are being contested in good faith; and
 - (ii) it shall (if necessary) pay any such contested Taxes as referred to in paragraph (i) above after the final determination or settlement of such contest;

- (f) it shall not:
 - (i) call up or receive in advance of calls any of its Uncalled Capital;
 - (ii) pass a resolution under Section 254N(1) of the Corporations Act; or
 - (iii) pass a resolution under Section 256C of the Corporations Act;
- (g) it shall duly and punctually perform its covenants and undertakings under the Transaction Documents;
- (h) it shall:
 - (i) carry on and conduct its business in a proper and efficient manner;
 - (ii) keep proper Records and make true and correct entries in the Records of all dealings and transactions of and in relation to its business and the Secured Property; and
 - (iii) upon reasonable notice from the Secured Party ensure that any Authorised Officer of the Secured Party or any person authorised by the Secured Party or by any Authorised Officer of the Secured Party has access to any premises where any Records are kept to inspect and take extracts from or copies of those Records and shall render any assistance reasonably requested by the person appointed to inspect those Records;
- (i) it shall immediately notify the Secured Party in writing if it acquires any property that is subject to a charge that requires registration under the Personal Properties Securities Act 2009;
- (j) it shall not without the prior written consent of the Secured Party remove or permit to be removed any part of the Secured Property that is subject to the mortgage created by 2.2(c) from the premises in which it is situated;
- (k) it shall not make an application under Section 411(1) of the Corporations Act before the expiration of fourteen (14) days prior written notice to the Secured Party of its intention to do so;
- (l) it shall not convene any meeting for the purposes of making alteration to its Constitution where the alteration would have a material adverse effect on its ability to comply with this General Security Deed;
- (m) it shall comply on time or within any applicable period of grace with terms attaching to any consent given by the Secured Party in connection with this General Security Deed;
- (n) it shall give promptly to the Secured Party the information and documents which the Secured Party reasonably requests from time to time in connection with:
 - (i) this General Security Deed;
 - (ii) the business, property or financial condition of the Grantor;
- (o) it shall, to the extent within its control, do everything necessary to ensure that no Event of Default occurs; and

- (p) it will notify the Secured Party before:
 - (i) it changes its name or any trust in respect of which it is a trustee (if applicable) changes its name;
 - (ii) any ABN, ARBN or ARSN allocated to it changes, is cancelled or ceases to apply it;
 - (iii) any ABN, ARBN or ARSN is allocated to it where it did not previously have one;
 - (iv) it becomes the trustee of any trust not specified in this General Security Deed.

5.2 Undertakings relating to Secured Property

The Grantor undertakes to the Secured Party as follows, except to the extent that the Secured Party otherwise consents in writing:

- (a) it shall pay when due all outgoings (including rent and Taxes) payable by it in respect of the Secured Property other than outgoings which are being contested in good faith;
- (b) it shall comply with and observe all statutes now or hereafter in force of, and all requirements and orders of, any Government Authority, in all cases in which the non-compliance therewith or non-observance thereof would or might impose some material charge, liability or disability upon the Secured Property or any part thereof or materially prejudicially affect the Powers;
- (c) it shall at its own cost and in its own name and with the Secured Party' interest as chargee noted on the policy or policies insure such of its interest in the Secured Property as is of an insurable nature and keep it insured for full replacement value against loss or damage by such risks as are normally insured against, and in such manner and to such extent as such risks would normally be insured against, by a company of substantially comparable type and scale;
- (d) it shall:
 - (i) give to the Secured Party a copy of each Insurance Policy duly certified by the insurer and a certificate of currency in respect thereof if requested;
 - (ii) duly and punctually pay all premiums, stamp duties, charges and other expenses necessary for effecting and keeping in full force and effect each Insurance Policy;
 - (iii) from time to time, when required by the Secured Party, produce to the Secured Party evidence, to the reasonable satisfaction of the Secured Party, that each Insurance Policy is current and in full force and effect and that all premiums due in respect thereof have been paid; and
 - (iv) procure that each Insurance Policy is issued on such terms and conditions as would be required by a company of substantially comparable type and scale;

- (e) each Insurance Policy shall be primary insurance and the insurers under such Insurance Policy shall be liable without right of contribution from any other coverage effected by the Secured Party or the Grantor covering a loss which is also covered under such Insurance Policy;
- (f) if default is made by the Grantor in effecting or maintaining any Insurance Policy or if any Insurance Policy, due to any cause, becomes void or voidable, the Secured Party may, but without any obligation so to do and without prejudice to the Secured Party's other rights and remedies under the Transaction Documents, effect and maintain that Insurance Policy at the cost of the Grantor which shall forthwith upon demand repay to the Secured Party all premiums and other money from time to time paid or payable by the Secured Party in respect thereof;
- (g) the Grantor shall do all things necessary to provide all documents, evidence and information necessary to enable the Secured Party to collect or recover any moneys due or to become due to the Secured Party in accordance with clause 5.2(f) in respect of any Insurance Policy and for that purpose will permit the Secured Party to sue in its name;
- (h) the Grantor shall, or shall procure, that its insurers or insurance brokers will give the Secured Party and its insurance advisers such information concerning the Insurance Policies or as to any other matter which may be relevant to the Insurance Policies as the Secured Party may reasonably request, including without limitation, details of any variation made to the terms of any Insurance Policy or to third party risks in relation thereto which is effected; and
- (i) the Grantor shall, as soon as possible in the circumstances, notify the Secured Party of any material claim under any Insurance Policy or of the occurrence of any event likely to give rise to any material claim thereunder;
- (j) if a substantial part of the Secured Property is damaged or destroyed during the term of this General Security Deed, the insurance moneys at the option of the Secured Party:
 - (i) shall be applied towards the repair or rebuilding of the Secured Property;
 - (ii) shall be used to repay Secured Moneys which are then due and owing; or
 - (iii) if the Secured Moneys are not then due and owing, the insurance moneys shall be deposited in an interest bearing account with a financial institution (including a Related Corporation of the Secured Party) approved by the Secured Party. Upon the deposit being made, the Grantor, as beneficial owner, shall absolutely assign to the Secured Party the benefit of the debt created by the deposit and any interest payable from time to time in respect of it as further security for the payment of the Secured Moneys, but if the Grantor pays to the Secured Party the Secured Moneys, the Secured Party (at the written request of the Grantor) shall re-assign the debt and interest to the Grantor;
- (k) it shall duly and punctually observe, perform, fulfil and keep all and singular the covenants, conditions, stipulations and agreements on its part contained or implied in any lease or Licence entered into by the Grantor;

- (l) it shall notify the Secured Party in writing of any litigation, arbitration or dispute which might materially prejudicially affect the Secured Property or the Powers;

5.3 Undertakings relating to Marketable Securities

Without prejudice to clause 3.1, the Grantor will maintain and protect all Marketable Securities included in the Secured Property. In particular, without limitation, it will:

- (a) remedy every defect in its holding of Marketable Securities;
- (b) take or defend all such legal proceedings as the Secured Party shall deem advisable for protection or recovery of any such Marketable Securities;
- (c) in relation to anything required under this clause execute any document that may require execution;
- (d) duly and punctually pay all calls which may become payable in respect of Marketable Securities;
- (e) not do or refrain from doing anything if to do so might render any Marketable Securities liable to forfeiture, cancellation, avoidance or loss or might otherwise prejudicially affect the Secured Party's interest in or the value of any Marketable Securities; and
- (f)
 - (i) for so long as it is not prohibited by sub-paragraph (ii) from doing so, exercise any voting power concerning any Marketable Securities in a prudent manner; and
 - (ii) not exercise vote or authorise or permit any agent of the Grantor to exercise any voting power concerning any Marketable Securities after an Event of Default has occurred and is continuing, except with the consent of the Secured Party.

5.4 Undertakings relating to Accounts (General)

- (a) The Grantor shall deliver to the Secured Party at the request of the Secured Party any information in respect of the financial condition or state of affairs of the Grantor which is reasonably required by the Secured Party.
- (b) The Grantor shall:
 - (i) keep proper Records which give a true and fair view of the financial condition of the Grantor and any Subsidiary of the Grantor and permit the Secured Party access to its premises during normal business hours to inspect those Records and provide all assistance required in connection with such inspection; and
 - (ii) ensure that its accounts are prepared in accordance with accounting principles and practices generally accepted in Australia and consistently applied except to the extent of departures from such principles and practices disclosed in such accounts.

5.5 Term of Undertakings

Each undertaking in clauses 5.1 to 5.4 inclusive shall continue from the date of this General Security Deed until the Secured Moneys are fully and finally repaid and the Obligations are fully performed.

6. Discharge and liabilities

6.1 Release

- (a) The Secured Party will be under no obligation to grant a release of the Secured Property from this General Security Deed unless at the time the release is to be provided, none of the Secured Money is owing (whether actually, contingently or prospectively), none of the Obligations remain to be satisfied and it is not reasonably foreseeable that there could be any Secured Money owing or Obligations to be satisfied in the future.
- (b) If all Secured Money has been finally and indefeasibly paid and discharged in full to the Secured Party's reasonable satisfaction, the Secured Party shall promptly, at the request and cost of the Grantor, release and discharge the security created by this General Security Deed.

6.2 Liability post Discharge

No grant of full or partial satisfaction of or discharge from this General Security Deed by the Secured Party will, unless it expressly provides otherwise, release any Grantor from liability under this General Security Deed or under any other Transaction Document until none of the Secured Money is owing (whether actually, contingently or prospectively) and it is not reasonably foreseeable that there could be any Secured Money owing in the future.

6.3 Grantor's liability not affected

This General Security Deed and the liability of the Grantor under this General Security Deed will not be affected or discharged by any of the following:

- (a) the granting to any Grantor or to any other person of any time or other indulgence or consideration;
- (b) the Secured Party failing or neglecting to recover by the realisation of any Transaction Document or any other Encumbrance or otherwise any of the Secured Money;
- (c) any other laches, acquiescence, delay, act, omission or mistake on the part of the Secured Party or any other person;
- (d) the release, discharge, abandonment or transfer, whether wholly or partially and with or without consideration, of any Transaction Document, other Encumbrance, judgment or negotiable instrument held from time to time or recovered by the Secured Party from or against any Grantor or any other person (other than an express release or discharge of the relevant Grantor from all of its liabilities under this General Security Deed); or
- (e) any other matter or thing.

7. Further assurances

Whenever the Secured Party requests the Grantor to do anything:

- (a) to ensure each of this General Security Deed and each Encumbrance granted under it is fully effective, enforceable and perfected with the stated priority;

- (b) for more satisfactorily assuring or securing the Secured Property to the Secured Party in a manner not inconsistent with this General Security Deed; or
- (c) for aiding the exercise of any Power,

the Grantor shall do it as soon as practicable at its own cost. That may include, for that purpose:

- (a) doing anything to make, procure or obtain any Authorisation (including registration) in respect of anything, or to facilitate it;
- (b) creating, procuring or executing any document, including any notice, consent or agreement, or legal or statutory mortgage or transfer; and
- (c) delivering documents or evidence of title and executed blank transfers, or otherwise giving possession or control with respect to any Secured Property.

8. Enforcement

8.1 Powers on enforcement

To the extent permitted by law, while an Event of Default is subsisting, the Secured Party or any Authorised Officer of the Secured Party may exercise any of the Powers set out in schedule 1, without any need to take possession and without being liable as Secured Party in possession. It may also exercise those Powers through one or more agents, in which case anything done or incurred by an agent will be taken to be done or incurred by the Secured Party.

8.2 Receivership

To the extent permitted by law, at any time while an Event of Default is subsisting, the Secured Party may:

- (a) appoint any person or any two or more persons jointly or severally or both to be a receiver or receiver and manager of all or any of the Secured Property or to act as agent of the Secured Party to exercise any of the Powers in schedule 1 with respect to all or any of the Secured Property;
- (b) remove any Controller;
- (c) appoint another Controller in addition to or in place of any Controller; and
- (d) fix or vary the remuneration of any Controller.

An appointment may be made on any terms the Secured Party thinks fit and whether or not the Secured Party or a Beneficiary or any Authorised Officer of the Secured Party or a Beneficiary at any time has exercised any Power in schedule 1. Without limiting any other method of appointment permitted by law, an appointment may be made by an instrument signed by an Authorised Officer of the Secured Party or by, or on behalf of, the Secured Party.

The Power to appoint a Receiver may be exercised even if the liquidation of the Grantor has occurred or will occur.

Except to the extent otherwise provided by any law relating to liquidation, every Receiver appointed under this General Security Deed is the agent of the Grantor. The Grantor alone is responsible for a Receiver's acts and defaults.

8.3 Termination

The Secured Party may give up possession of any Secured Property and terminate any receivership or agency at any time.

9. Power of Attorney

- (a) For valuable consideration and by way of security, the Grantor irrevocably appoints each Authorised Officer of the Secured Party severally its attorney to do any thing which the Grantor is obliged, but has failed, to do under or in relation to any Transaction Document.
- (b) Without limitation, the Attorney may at any time:
 - (i) delegate the Attorney's powers (including delegation); and
 - (ii) do any thing which in the opinion of the Secured Party or the Attorney is necessary or expedient to secure, preserve, perfect or give effect to the security contained in this General Security Deed. For example, it may execute a legal mortgage, transfer, assignment or other assurance in favour of the Secured Party of any of the Secured Property or give control (as defined in section 25 or 341A of the PPSA).
- (c) No Attorney appointed under this General Security Deed may act, nor has power to act, inconsistently with this General Security Deed or any other Transaction Document.
- (d) The Grantor:
 - (i) agrees that the Attorney may exercise power under this power of attorney notwithstanding that the exercise may or will involve or result in a conflict between the duty of the Attorney to the Grantor and either the interests of that Attorney to a Related Party of the Attorney or another duty of that Attorney; and
 - (ii) ratifies and confirms now and for the future all actions undertaken by or on behalf of the Attorney under this power of attorney, including any action which may or will involve or result in a conflict of the type referred to in clause 9(d)(i) or in respect of which the Attorney has a personal interest.

For the purposes of this clause 9(d), a Related Party of an Attorney is any Related Body Corporate of that Attorney or, in the case of a Attorney that is an individual, any person that is related to or has any personal or professional relationship, of any nature, with that attorney.
- (e) The Grantor will do anything requested by the Secured Party, acting reasonably, to enable the Secured Party to register this power of attorney in the manner and within any time limits prescribed by law to ensure the efficacy of this power of attorney.

- (f) No Attorney appointed under this General Security Deed may act, unless an Event of Default is continuing.

10. Performance of Grantor's obligations

If at any time the Grantor fails to duly perform any obligation in any Transaction Document, the Secured Party or any person it authorises may do anything which in the Secured Party's opinion is necessary or expedient to make good or to attempt to make good that failure to the Secured Party's satisfaction.

11. Inspection

The Secured Party or any person it authorises may inspect and copy the records of the Grantor related to any Secured Property and inspect the premises of any Grantor and inspect the Secured Property at any time. The Grantor shall do everything in its power to assist that inspection and copying and ensure that its employees and officers do the same.

12. Statutory powers

12.1 Powers in augmentation

The powers conferred on the Secured Party or a Receiver by law:

- (a) except as specified in clause 22, are in addition to the Powers conferred by this General Security Deed;
- (b) to the extent permitted by law, may be exercised immediately while an Event of Default is continuing; and
- (c) are excluded or varied only so far as they are inconsistent with the express terms of this General Security Deed.

12.2 Notice not required

To the extent permitted by law (but without prejudice to any express lawful requirement in a Transaction Document):

- (a) the Grantor dispenses with or waives any notice or lapse of time required by law before enforcing this General Security Deed or the exercise of any Power; but
- (b) if by law prior notice cannot be dispensed with or waived but the period of such notice can be agreed on, then period of that notice is the longer of one day or the minimum period that the law allows to be agreed,

and the Powers expressed in this General Security Deed will be construed accordingly.

12.3 Exclusion of PPSA provisions

- (a) The provisions of the PPSA specified in section 115(1) of that Act (except sections 96 (when a person with an interest in the whole may retain an accession), 117 (obligations secured by interests in personal property and land), 120 (enforcement of liquid assets), 123 (right to seize collateral), 126 (apparent possession), 128 (secured party may dispose of collateral), 129 (disposal by purchase), 134 (retention of collateral) and Division 6 of Part 4.3

(seizure and disposal or retention of crops and livestock)) are excluded in full and will not apply to the security interest created under this General Security Deed.

- (b) In the circumstances permitted under section 115(7) of the PPSA, sections 132 (Secured party to give statement of account) and 136(5) (retaining collateral free of interests) of the PPSA are also excluded and will not apply to the security interest created under this General Security Deed.
- (c) To the extent not prohibited by the PPSA, the Grantor waives its right to receive any notice otherwise required to be given by the Secured Party or any Beneficiary under section 157 (verification statements) or any other provision of the PPSA.

13. Application of money received

13.1 Overriding application

This clause applies despite any rule of law or equity to the contrary or the respective dates on which anything is done.

13.2 Order of application

- (a) All money received by the Secured Party, the Receiver, the Attorney or any other person acting on their behalf under this General Security Deed be applied in the following manner and order, subject to the terms of the Priority Deed:
 - (i) first: all costs, charges and expenses of the Secured Party or any Receiver or Attorney which are incurred in or are incidental to the actual or attempted exercise or performance of a Power or otherwise in relation to any Transaction Document;
 - (ii) second: any other outgoings which the Secured Party or any Receiver or Attorney reasonably thinks fit to pay;
 - (iii) third: any Receiver's remuneration in connection with exercising, enforcing or preserving rights (or considering doing so) in connection with any Transaction Document;
 - (iv) fourth: to each holder of an Encumbrance of which the Secured Party is aware and which has priority in relation to the relevant Secured Property, to the extent, and in order, of priority;
 - (v) fifth: in payment to the Secured Party towards satisfaction of the Secured Moneys, and applied against interest, principal or any other amount the Secured Party, the Receiver or the Attorney thinks fit;
 - (vi) sixth: to each holder of any Encumbrance of which the Secured Party is aware and which ranks after this General Security Deed in relation to the relevant Secured Property, to the extent, and in order, of priority;
 - (vii) seventh: the surplus (if any) belongs to the Grantor. The surplus will not carry interest.

- (b) If the Secured Party pays the total amount referred to in subparagraphs (vi) and (vii) to the credit of an account in the name of the next ranking holder of an Encumbrance or, if none, in the name of the Grantor with any bank carrying on business in Australia, the Secured Party, Receiver or Attorney (as the case may be) will be under no further liability in respect of it.

13.3 Money actually received

In applying any money toward satisfaction of the Secured Moneys the Grantor will be credited only with the money available for that purpose which is actually received by the Secured Party. The credit will date from the time of receipt.

13.4 Amounts contingently due

If any Secured Moneys are contingently owing to the Secured Party or any Beneficiary at the time of a distribution of an amount under clause 13.2, the Secured Party may retain any of that amount. If it does, it shall place the amount retained on short term interest bearing deposit until the relevant Secured Moneys become actually due or ceases to be contingently owing, and the Secured Party will then apply the amount retained (together with interest earned on the deposit) in accordance with clause 13.2.

13.5 Notice of subsequent Encumbrances

- (a) If the Secured Party or any Beneficiary receives actual or constructive notice of a subsequent Encumbrance affecting any Secured Property of the Grantor, it may open a separate account in the name of the Grantor in the books of the Secured Party.
- (b) If the Secured Party or any Beneficiary does not open a new account it will be treated as if it had done so at the time it received actual or constructive notice of the Encumbrance.
- (c) From the time the new account is opened or is taken to be opened:
 - (i) all advances and accommodation made available by the Secured Party or that Beneficiary to the Grantor;
 - (ii) all payments and repayments made by the Grantor to the Secured Party or the Beneficiary; and
 - (iii) money to be applied towards the Secured Moneys under clause 13.2,will be or will be taken to be debited or credited, as appropriate, to the new account. Payments, repayments and other money will only be applied in reduction of other Secured Moneys to the extent that there is no debit balance in that account.

13.6 Conversion of currencies on application

For the purpose of making an application under clause 13.2 the Secured Party, any Controller or any Attorney may purchase one currency with another, whether or not through an intermediate currency, whether spot or forward, in the manner, at an exchange rate and at the time it thinks fit.

14. Other Encumbrances over Secured Property

- (a) The Secured Party, Controller or Attorney may rely on the certificate of a holder of another Encumbrance affecting or purporting to affect the Secured Property of the Grantor as to the amount and property secured by that Encumbrance.
- (b) The Secured Party or any Controller may pay or agree to pay at any time the amount certified by the holder of an Encumbrance or purported Encumbrance to be necessary to discharge it or some of the indebtedness secured by it or to acquire it. From the date of payment that amount will be part of the Secured Moneys and the Grantor will indemnify the Secured Party and the Controller against that amount. This applies whether or not that Encumbrance or purported Encumbrance was valid or prior, equal or subsequent ranking or the property or moneys stated in the certificate was secured by it.

15. Protection of Secured Party, Controllers and Attorneys

15.1 Waiver by Grantor

The Grantor waives in favour of the Security Party:

- (a) all rights against the Secured Party and any other person, estate or assets as far as is necessary to give effect to any provision of this General Security Deed;
- (b) promptness and diligence on the part of the Secured Party; and
- (c) all rights inconsistent with the provisions of this General Security Deed.

15.2 No liability

To the extent permitted by law, neither the Secured Party or any Beneficiary, nor any Controller nor Attorney appointed under this General Security Deed, will be liable:

- (a) in respect of any act, omission, conduct, delay, negligence or breach of duty in the exercise or non-exercise of a Power; nor
- (b) for any loss (including indirect loss) which results,

except where it arises from fraud on the part of the Secured Party, any Beneficiary, Controller or Attorney.

15.3 No liability to account

Neither the Secured Party nor any Controller will, by reason of the Secured Party or that Controller entering into possession of the Secured Property, be liable to account as mortgagee or secured party in possession, for any loss on realisation or for any default, omission, delay or mistake for which a mortgagee or secured party in possession might be liable. The liability of the Security Party and of each Controller will be for actual receipts only.

15.4 No conflict

The Secured Party and each Controller may exercise any Power, even though the exercise of that Power involves a conflict between any duty owed to the Grantor by the

Secured Party or that Controller and any duty owed by the Secured Party or that Controller to any other person or the interests of the Secured Party or that Controller. No contract will be void or voidable by virtue of that conflict of duty or interest nor will the Secured Party or Controller be liable to account to the Grantor or any other person for any money or property as a result of that conflict.

15.5 No notice or enforcement

The Secured Party need not:

- (a) give any notice of this General Security Deed to any debtor of the Grantor, to any purchaser or to any other person;
- (b) enforce payment of any money payable to the Grantor; or
- (c) realise the Secured Property or take any steps or proceedings for that purpose.

15.6 Indemnity

The Grantor will on demand indemnify and keep the Secured Party indemnified in respect of all Costs and Taxes incurred by the Secured Party or any Controller or for which such person is liable:

- (a) in the exercise, attempted exercise or non-exercise of any Power, including those resulting from any mistake, oversight, error of judgment or want of prudence on the part of the Secured Party or any Controller, unless the same is due to its own negligence, fraud or wilful misconduct;
- (b) as a consequence of the occurrence or subsistence of any Event of Default;
- (c) by reason of this General Security Deed;
- (d) in respect of any act or omission for which the Secured Party or any Controller is exonerated by this General Security Deed; and
- (e) by reason of the Secured Party redeeming or taking a transfer of any Encumbrance ranking in priority to *or pari passu* with this General Security Deed,

and the Grantor will defend all actions, proceedings, claims or demands brought by any person in relation to any matter the subject of this indemnity.

16. Protection of third parties

16.1 No enquiry

No party to any Dealing (as defined below) and no person asked to register a Dealing:

- (a) is bound to enquire:
 - (i) whether an Event of Default has occurred or whether this General Security Deed has become enforceable;
 - (ii) whether a person who is, or, purports or is purported to be, a Controller or Attorney is duly appointed;

- (iii) as to the amount of Secured Moneys and whether Secured Moneys are due and payable; or
- (iv) in any other way as to the propriety or regularity of the Dealing; or
- (v) is affected by notice that the Dealing is unnecessary or improper.

For the protection of any party to a Dealing or a person registering a Dealing, the Dealing will be taken to be authorised by this General Security Deed and will be valid accordingly, even if there is any irregularity or impropriety in the Dealing.

In this clause a **Dealing** is:

- (b) any payment, or any delivery or handing over of an asset, to; or
- (c) any acquisition, incurring of indebtedness, receipt, sale, lease, disposal or other dealing, by,

the Secured Party, any Beneficiary, Controller or Attorney, or any person who purports or is purported to be a Controller or Attorney.

16.2 Receipt

The receipt of any Authorised Officer of the Secured Party, any Beneficiary or any Controller or Attorney appointed under this General Security Deed, (or person who purports, or is purported, to be such a Controller or Attorney) for any money or assets payable to or receivable or received by it exonerates the person paying that money or handing over that asset from being concerned as to their application, or from being liable or accountable for their loss or misapplication.

17. Survival of obligations

- (a) Each representation or warranty in a Transaction Document survives the execution and delivery of the Transaction Documents and the provision of financial accommodation.
- (b) Each indemnity, reimbursement or similar obligation in a Transaction Document:
 - (i) is a continuing, separate and independent obligation;
 - (ii) is payable on demand; and
 - (iii) survives termination or discharge of the relevant Transaction Document and repayment of financial accommodation.

Where a party is obliged to indemnify another party against any loss, cost, charge, liability, expense, deficiency or other amount, it shall pay on demand from time to time the amount stated by the other party to be the amount indemnified against.

18. Continuing security

This General Security Deed is a continuing security despite any settlement of account, intervening payment or anything else until a final discharge of this General Security Deed has been given to the Grantor.

19. Other securities

No Power and nothing in this General Security Deed merges in, or in any other way prejudicially affects or is prejudicially affected by:

- (a) any other guarantee or Encumbrance; or
- (b) any judgment, right or remedy against any person,

which the Secured Party, any Beneficiary or any person claiming through the Secured Party or any Beneficiary may have at any time.

20. Waivers, remedies cumulative

- (a) No failure to exercise and no delay in exercising a Power operates as a waiver, nor does any single or partial exercise of a Power preclude any other or further exercise of that or any other Power.
- (b) Powers in the Transaction Documents are in addition to, and do not exclude or limit, any right, power or remedy provided by law.

21. Severability of provisions and Secured Property

21.1 Severability of provisions

Any provision of this General Security Deed which is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not invalidate the remaining provisions of that Transaction Document nor affect the validity or enforceability of that provision in any other jurisdiction.

21.2 Restricted Secured Property

- (a) If the security interest granted under this General Security Deed with respect to any Secured Property would:
 - (i) otherwise be ineffective with respect to the Secured Property; or
 - (ii) breach any law or (if that Secured Property is a right under a document or agreement) that document or agreement,then if it would render the security interest with respect to that Secured Property effective and not in breach, the security interest will operate as a fixed charge with respect to the Secured Property, failing which, it will operate as a floating charge with respect to that Secured Property, failing which it will not apply to that Secured Property.
- (b) The Grantor must use reasonable endeavours to obtain any consents and do anything else needed to ensure the security interest can apply to that Secured Property and not operate as a floating charge.

22. Supervening legislation

To the full extent permitted by law, all legislation which at any time directly or indirectly:

- (a) lessens, varies or affects in favour of the Grantor any obligation under this General Security Deed; or
- (b) delays, prevents or prejudicially affects the exercise by the Secured Party, any Beneficiary, Controller or Attorney of any Power,

is excluded from this General Security Deed.

23. Assignments

- (a) The Grantor may only assign or novate any of its rights or obligations under this General Security Deed with the prior written consent of the Secured Party. Any purported assignment or novation without such consent will be ineffective.
- (b) The Secured Party may assign or novate all or any of its rights or novate all or any of its obligations under this General Security Deed to another person subject to clause 11 of the Bond Trust Deed and compliance with applicable provisions of the Corporations Act. On that person agreeing in a deed in favour of the Grantor to assume all obligations of the Secured Party novated to it, the Secured Party will be relieved of those obligations.

24. Expenses, stamp duties and GST

24.1 Expenses

- (a) The Grantor must reimburse the Secured Party on demand for, and indemnifies the Secured Party against, all Costs, including legal fees, costs and disbursements (on a full indemnity basis and determined without taxation, assessment or similar process) incurred in connection with:
 - (i) negotiating, preparing, executing and perfecting this General Security Deed and any subsequent consent, agreement, approval, waiver or amendment relating to, or discharge of, this General Security Deed; and
 - (ii) exercising, enforcing or preserving, or attempting to exercise, enforce or preserve, any Power including any expenses incurred in the evaluation of any matter of material concern to the Secured Party or the investigation of any matter which the Secured Party determines, acting reasonably, may be an Event of Default or potential Event of Default.
- (b) At any time after an Event of Default has occurred and while it subsists the Grantor will pay to the Secured Party an amount to reimburse the Secured Party for management time charged at a reasonable hourly rate in connection with the carrying out by the Secured Party (or any of its delegates) of any of its duties under this General Security Deed.
- (c) The Grantor will bear the cost of its compliance with this General Security Deed.

24.2 Stamp duties

The Grantor:

- (a) must promptly pay all stamp duty, transaction, registration and similar Taxes, including fines and penalties which may be payable to, or required to be paid

by, any appropriate Government Authority or determined to be payable in connection with the execution, delivery, performance or enforcement of this General Security Deed or any payment, receipt or other transaction contemplated by this General Security Deed; and

- (b) indemnifies the Secured Party against any loss or liability incurred or suffered by it as a result of the delay or failure by the Grantor to pay any Taxes as required in accordance with clause 24.2(a).

24.3 GST

- (a) Any reimbursement required to be made by the Grantor under this General Security Deed for a Cost or other amount paid or incurred by the Secured Party will be limited to the total Cost or other amount less the amount of any input tax credit to which the Secured Party is entitled for the acquisition to which the Cost or other amount relates.
- (b) If GST is payable in respect of any supply made by or through the Secured Party under, pursuant to, or in connection with this General Security Deed (**GST Liability**), then:
 - (i) subject to paragraph (c), where consideration is provided by the Grantor in relation to that supply, the Grantor will pay an additional amount to the Secured Party equal to the full amount of the GST Liability; and
 - (ii) except where clause 24.3(b)(i) applies, the Grantor will indemnify and keep the Secured Party indemnified for the full amount of the GST Liability.
- (c) The Secured Party must provide a tax invoice to the Grantor in relation to any supply by the Secured Party which incurs a GST liability.

25. Notices

Any notice or other communication including any request, demand, consent or approval, to or by a party to this General Security Deed must be given in accordance with the notice requirements of the Bond Trust Deed.

26. Authorised Officers

The Grantor irrevocably authorises the Secured Party and each Beneficiary to rely on a certificate by a person purporting to be its director or secretary as to the identity and signatures of its Authorised Officers. The Grantor warrants that those persons have been authorised to give notices and communications under or in connection with the Transaction Documents.

27. Governing law and jurisdiction

This General Security Deed and, to the extent permitted by law, each security interest under it, is governed by the laws of New South Wales including the law of the Commonwealth of Australia as it applies there. The Grantor submits to the non-exclusive jurisdiction of courts exercising jurisdiction there in connection with matters concerning this General Security Deed.

28. Set off

At its sole discretion the Secured Party may apply (without notice) any credit balance in any currency in any account of the Grantor with the Secured Party towards satisfaction of any amount then payable by the Grantor to the Secured Party under this General Security Deed. The Grantor authorises the Secured Party in the name of the Grantor or the Secured Party to do anything (including, without limitation, executing any document) that is required for that purpose.

29. Registration

The Secured Party may register this General Security Deed, or any financing statement or financing change statement relating to this General Security Deed, in the manner prescribe by law to ensure the full efficacy of this General Security Deed as an Encumbrance to the Secured Party in all relevant jurisdictions.

30. Counterparts

This General Security Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Schedule 1 – Powers on Enforcement

The Secured Party or (except to the extent specifically excluded by the terms of appointment) a Controller has Power to do anything in respect of the Secured Property that an absolute beneficial legal owner of the property could do. That includes Power to do any of the following, in each case on any terms the Secured Party or Controller thinks fit.

1. **Seize, possess and manage:** Seize, take and retain possession of, get in and manage the Secured Property.
2. **Sell:**
 - (a) Sell any of the Secured Property (whether or not physical possession has been taken by the Secured Party or Controller).
 - (b) Without limitation, any sale may be made:
 - (i) by public auction, private treaty or tender;
 - (ii) for cash or on credit;
 - (iii) in one lot or in parcels;
 - (iv) either with or without special conditions or stipulations as to title or time or mode of payment of purchase money or otherwise;
 - (v) with power to allow the whole or any part of the purchase money to be deferred (whether with or without any security); and
 - (vi) whether or not in conjunction with the sale of any property by any person.
3. **Options:** Grant or take put or call options.
4. **Lease:** Lease any of the Secured Property for any term (whether or not the Secured Party or Controller has taken possession).
5. **Carry on business:** Carry on or concur in carrying on any business.
6. **Acquire any asset:** Acquire in any manner any asset (including to take it on lease). After that acquisition, it will be included in the Secured Property.
7. **Maintain and improve the Secured Property:** Anything to maintain, protect or improve any of the Secured Property or to obtain income or returns from any of the Secured Property (including by development, sub-division, construction, alteration, or repair, of any property or by demolishing, dismantling or scrapping, any property).
8. **Raise money**
 - (a) Borrow or raise any money from the Secured Party or any other person approved by the Secured Party;
 - (b) give guarantees; and
 - (c) grant any Encumbrance over any of the Secured Property to secure that money or guarantee. That Encumbrance may rank in priority to or equally with

or after, the security interest granted under this General Security Deed. It may be given in the name of the relevant Grantor or otherwise.

9. **Lend** Lend money or provide financial accommodation.
10. **Sever fixtures** Sever fixtures and crops.
11. **Employ** Employ or discharge any person as employee, contractor, agent, professional adviser, consultant or auctioneer for any purpose and at any remuneration and on any other terms as the Secured Party or Controller thinks fit.
12. **Compromise** Make or accept any arrangement or compromise.
13. **Give receipts** Give receipts for money and other assets.
14. **Authorisation** Apply for, take up, transfer or surrender any Authorisation or any variation of any Authorisation.
15. **Perform and enforce agreements**
 - (a) Perform or enforce;
 - (b) exercise or refrain from exercising the Grantor's rights and powers under; or
 - (c) obtain the benefit in other ways of,any documents or agreements or rights which form part of the Secured Property and any documents or agreements entered into in exercise of any Power.
16. **Vary and terminate agreements** Vary, rescind or terminate any document or agreement (including surrender or accept the surrender of leases).
17. **Take insolvency proceedings** Make debtors bankrupt, wind up corporations and do any thing in relation to any actual or contemplated liquidation (including attend and vote at meetings of creditors and appointing proxies for meetings).
18. **Take proceedings** Commence, defend, conduct, settle, discontinue or compromise proceedings in the name of the relevant Grantor or otherwise.
19. **Execute documents** Enter into and execute documents or agreements on behalf of the relevant Grantor or the Secured Party or Controller. This includes using the relevant Grantor's seal and signing, accepting and endorsing cheques, promissory notes and bills of exchange.
20. **Operate bank accounts** Operate any bank account comprising part of the Secured Property and open and operate any further bank account.
21. **Surrender Secured Property** Surrender, release or transfer any of the Secured Property or exchange it with any person for other property.
22. **Promote corporations** Promote the formation of any corporation with a view to purchasing any of the Secured Property or assuming the obligations of the Grantor or otherwise.
23. **Delegate** Delegate to any person acceptable to the Secured Party any Power conferred on the Secured Party or Controller (including delegation).
24. **Have access** Have access to and make use of the premises, plant, equipment, and records and accounting and other services of the Grantor and the services of its staff.

25. **Vote** Exercise any voting or other rights or powers in respect of any of the Secured Property and do anything in relation to Marketable Securities.
26. **Other outgoings** Pay any outgoing or indebtedness of the Grantor or any other person.
27. **Encumbrances** Redeem any Encumbrance or acquire it and any debt secured by it.
28. **Make calls** Make calls on the members of the Grantor in respect of any Unpaid Capital.
29. **Insure** Take out insurance and make, enforce, compromise and settle all claims in respect of insurance.
30. **Incidental power** Do anything incidental to the exercise of any other Power.

Executed as a deed

**Executed by IMF Bentham (Australia)
Ltd ABN 45 067 298 088** in accordance
with section 127 of the *Corporations Act*.

Signature of Director

Signature of Secretary/other Director

Name of Director in full

Name of Secretary/other Director in full

The Common Seal of Australian Executor Trustees Limited ACN 07 869 794 was affixed with
the authority of:

.....(signed)

.....(print name)
Authorised Officer

.....(signed)

.....(print name)
Authorised Officer

Schedule 5 –Priority Deed

This Deed is made this _____ day of _____ 201#

Parties **IMF Bentham Limited (ACN 067 298 088)** of Level 10, 39 Martin Place, Sydney, 2000 (**Company**)

Australian Executor Trustees Limited (ACN 007 869 794) of Level 22, 207 Kent Street, Sydney, New South Wales, 2000 (**AET**)

[#name of other Secured Party] of [#address of party] (**#name#**)

 and

[#name of Additional Secured Party] of [#address of party] (**Additional Secured Party**)

Recitals

- A. The Company has granted, to AET, the IMF Bentham Bond Security.
- B. The Company has granted to [#other Secured Party] the [#Security].
- C. [Prior to the grant of the Additional Security, the Existing Secured Parties and the Company entered into a deed of priority to regulate the priorities between the Existing Security (**Previous Priority Deed**).
- D. The Company is to grant, to the Additional Secured Party, the Additional Security.
- E. The Existing Secured Parties and the Additional Secured Party, with the concurrence of the Company, wish to enter into this deed of priority to regulate the priorities between the Existing Security and the Additional Security and in so doing replace in its entirety the Previous Priority Deed.]

This Deed provides

1. Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

AET Security Interest means the interest of AET pursuant to the IMF Bentham Bond Security

Additional Security means the Security to be granted by the Company to the Additional Secured Party pursuant to a Security Agreement dated on or around the date hereof.

Additional Secured Party's Security Interest means the interest of the Additional Secured Party pursuant to the Additional Security.

Australian Dollars means the legal currency of the Commonwealth of Australia from time to time.

Authorised Officer means, in relation to a party to this Deed, a director, secretary or any other person appointed by that person to act as its authorised officer for the purposes of this Deed.

IMF Bentham Bond Security means the general security deed granted by the Company to AET by way of security for the IMF Bentham bonds issued pursuant to the terms of the Bond Trust Deed.

IMF Bentham Bonds Trust means a trust named the IMF Bentham Bonds Trust established and governed by the terms of the Bond Trust Deed.

Bond Trust Deed means the trust deed entered into by the Company and AET on [insert] 2014.

Business Day means a day on which banks are open for business in Sydney.

Corporations Act means the Corporations Act 2001 (Cth).

Deed means this deed of priority.

Enforcing Party means a Secured Party or any receiver, receiver and manager, administrator, agent or attorney appointed under the relevant Security Interest by such Secured Party.

Existing Security means any Security granted by the Company to an Existing Secured Party.

Existing Secured Party means any person who prior to the date of this Deed has received a grant of Security from the Company.

Power means any right, power, authority, discretion or remedy conferred on a Secured Party under its Security Agreement, or on a receiver or attorney appointed by it under its Security Agreement or any applicable law.

Realisation Proceeds means any money received in respect of a Security Interest whether through enforcement of a Security Agreement or by operation of law or otherwise.

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

Secured Money means any amount secured by a Security Agreement calculated in Australian Dollars and if any amount of such indebtedness is denominated in a currency other than Australian Dollars, such amount shall be converted into Australian Dollars for the purposes of this definition only, using the exchange rate published by the Reserve Bank of Australia on its website 5 Business Days prior to the date upon which any Realised Proceeds are due to be distributed in accordance with clause 3.1.

Secured Party means a holder of a Security Interest.

Secured Property means all property of the Company in respect of which the Company has granted a Security Interest to each Secured Party.

Security means any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind. It includes:

- (a) anything which gives a creditor priority to other creditors with respect to any asset; and
- (b) retention of title other than in the ordinary course of day-to-day trading and a deposit of money by way of security.

Security Agreement means a document or agreement by which a Security Interest is created, arises or is provided for.

Security Interest means an interest in Security granted by the Company.

1.2 Interpretation

In this Deed, except as the context requires otherwise:

- (i) headings are for convenience only and do not affect interpretation;
- (ii) the singular includes the plural and the converse;
- (iii) a gender includes all genders;
- (iv) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (v) a reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them;
- (vi) a reference to a clause, annexure, schedule is a reference to a clause of, or annexure or schedule to, this Deed unless specified otherwise;
- (vii) a reference to a person includes a reference to the person's executors, administrators, successors and permitted assigns and substitutes;
- (viii) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
- (ix) a reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form;
- (x) a reference to conduct includes an omission, statement or undertaking, whether or not in writing;
- (xi) the meaning of terms is not limited by specific examples introduced by including, or for example, or similar expressions;
- (xii) all references to time are to Sydney time;
- (xiii) nothing in this Deed is to be interpreted against a party on the ground that the party put it forward;
- (xiv) a reference to dollars, dollar, \$ or cent is a reference to the lawful currency of Australia; and
- (xv) A reference to **property** or an **asset** includes any real or personal, present or future, tangible or intangible property or asset (including intellectual property) and any right, interest, revenue or benefit in, under or derived from the property or asset.

1.3 Document or agreement

A reference to:

- (a) an agreement includes a Security, undertaking, deed, agreement or legally enforceable arrangement whether or not in writing; and
- (b) a document includes an agreement (as so defined) in writing or a certificate, notice, instrument or document.

A reference to a specific agreement or document includes it as amended, novated, supplemented or replaced from time to time, except to the extent prohibited by this Deed.

1.4 Principal

In this Deed references to *principal* or *principal amount* include the amount of any indemnity and any interest whether capitalised or otherwise.

1.5 Consents and opinion

Except where expressly stated any Secured Party may give or withhold, or give conditionally, approvals and consents, may be satisfied or unsatisfied, may form opinions, and may exercise its powers, at its absolute discretion.

1.6 Application of this Deed

This Deed applies notwithstanding:

- (a) anything contained in a Security Agreement;
- (b) the respective dates on which anything is done or omitted to be done under or in relation to a Security Agreement or the money secured by it; and
- (c) any rule of law or equity.

1.7 AET as trustee

- (a) AET enters into this Deed in its capacity solely as trustee of the IMF Bentham Bonds Trust established in accordance with the Bond Trust Deed.
- (b) If AET is replaced as trustee of the IMF Bentham Bonds Trust, it will be released from its obligations under this Deed when it delivers to the other parties a deed poll under which its replacement agrees to be bound by this Deed as the trustee of the IMF Bentham Bonds Trust.

1.8 Limitation of liability

- (a) Subject to clause 1.8(e), AET is not liable to the Company or any other Secured Party or any other person in any capacity other than as trustee of the IMF Bentham Bonds Trust.
- (b) Subject to clause 1.8(e), AET's liability to the Company or any other person arising under or in connection with this Deed is limited to and can be enforced by the Company, any other Secured Party or such other person against AET only to the extent to which it can be satisfied out of any property held by AET out of which AET is actually indemnified for the liability. This limitation of AET's liability applies despite any other provision of this Deed

and extends to all liabilities and obligations of AET in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Deed.

- (c) Subject to clause 1.8(e), the Company and any other Secured Party may not sue AET in any capacity other than as trustee of the IMF Bentham Bonds Trust, including seeking the appointment of a receiver (except in relation to property of the IMF Bentham Bonds Trust), a liquidator, an administrator or any other similar person to AET or prove in any liquidation of or affecting AET (except in relation to the property of the IMF Bentham Bonds Trust).
- (d) Subject to clause 1.8(e), the Company and each other Secured Party waive their rights and release AET from any personal liability in respect of any loss or damage which any of them may suffer as a consequence of a failure of AET to perform its obligations under this Deed, which cannot be paid or satisfied out of any property held by AET.
- (e) The provisions of this clause will not apply to any obligation or liability of AET to the extent arising as a result of AET's fraud, negligence or wilful default.
- (f) No act or omission of AET (including any related failure to satisfy its obligations or breach of representation or warranty under this Deed) will be considered fraud, negligence or wilful default of AET for the purposes of clause 1.8(e) to the extent to which the act or omission was caused or contributed to by any failure of the Company or any other person (except AET's and its Related Body Corporate's officers, employees, agents and any other person where AET is liable for the acts or omissions of such other person) to fulfil its obligations relating to the IMF Bentham Bonds Trust or by any other act or omission of the Company or any such other person.
- (g) No attorney, agent or delegate appointed in accordance with the IMF Bentham Bond Security has authority to act on behalf of AET in any way which exposes AET to any personal liability and no act or omission of any such person will be considered fraud, negligence or wilful default of AET for the purpose of clause 1.8(e).

2. [Termination of any Previous Priority Deeds

The Existing Secured Parties and the Company each agree that upon execution of this Deed, any deeds of priority previously entered into by the Existing Security Parties and the Company shall automatically terminate and be of no further effect, save in respect to any rights accrued thereunder prior to such termination.]

3. Priority of Security Interests

3.1 Priority

The Existing Secured Parties and the Additional Secured Party agree that notwithstanding the terms of any Security Agreements, or any rule of law or equity to the contrary, any Realisation Proceeds received by a Secured Party shall be allocated in the following order of priority:

- (a) first: all fees, costs, charges and expenses of each Secured Party or any receiver or attorney appointed by that Secured Party which are incurred in or are incidental to the actual or attempted exercise or performance of a Power;

- (b) second: any other outgoings which each Secured Party or any receiver or attorney appointed by it reasonably thinks fit to pay;
- (c) third: the remuneration of any receiver appointed by each Secured Party in connection with exercising, enforcing or preserving rights (or considering doing so) in connection with such Secured Party's Security Agreement;
- (d) fourth: to each holder of a Security (not being a party to this Deed) of which any Secured Party is aware and which has priority in relation to the relevant Secured Property, to the extent, and in order, of priority;
- (e) fifth: rateably among the Secured Parties according to and up to the Secured Money outstanding in respect of each Secured Party (such Secured Money for the purposes of this clause 3.1 shall include, amounts contingently owing or owing in the future, if such amounts have been declared due before their stated maturity towards satisfaction of the Secured Money in accordance with the order of application set out in the relevant Security Agreement).
- (f) sixth: to each holder of a Security of which any Secured Party is aware which ranks after the Security Agreements of the parties to this Deed in relation to the relevant Secured Property, to the extent, and in order, of priority; and
- (g) seventh: the surplus (if any) belongs to the Company. The surplus will not carry interest.

3.2 Excess Receipts

If any Secured Party shall receive any monies in excess of its entitlement under this Deed, such Secured Party shall hold any such excess monies on trust for the other Secured Parties, to whom it shall account therefor as soon as reasonably practicable after becoming aware of such excess receipt.

3.3 Contingent obligations

If money is to be applied under clause 3.1 in reduction of an amount that is contingently owing to a Secured Party or is payable to it after the time of application, the Secured Party shall place the relevant money on short term interest bearing deposit until the relevant amount becomes actually due or ceases to be contingently owing or payable, and shall then:

- (a) pay to itself the amount that becomes actually due to it; and
- (b) apply any balance (including interest earned on the amount on deposit) in accordance with clause 3.2.

4. Account of Proceeds

To the extent necessary to give effect to clause 3, each Secured Party shall account to the other Secured Parties in respect of the proceeds of enforcement of any Security Interest over any Secured Property.

5. Exercise of default powers

5.1 Exercise

A Secured Party may exercise its rights under its Security to recover payment of any Secured Money at any time in any manner that the Secured Party thinks fit. For the avoidance of doubt, a Secured Party's rights may be exercised only in accordance with the terms and conditions of its Security and nothing in this clause 5.1 shall constitute a waiver by the Company of a Secured Party's obligation to comply with the terms and conditions of its Security.

5.2 Realisation Proceeds

Each Secured Party shall hold any Realisation Proceeds relating to that Secured Party's Security on trust to be applied in accordance with clause 3 and the Secured Parties shall account to each other accordingly. The Secured Party holding the Realisation Proceeds shall upon receipt promptly notify the other Secured Parties of the amount of the Realisation Proceeds.

5.3 No marshalling

A Secured Party shall not be obliged to marshal in favour of another Secured Party any right or Security held by it in relation to any Secured Moneys.

5.4 Cross default

Notwithstanding anything contained in a Security Agreement if any Secured Money under a Security Agreement becomes immediately due and payable all Secured Money under each other Security Agreement will at the option of the relevant Secured Party become immediately due and payable.

5.5 Disclosure

Each Secured Party shall keep the other Secured Parties reasonably informed as to:

- (a) any breaches by the Company of its Security in respect of which notice requiring remedy has been given;
- (b) any action, step or proceeding taken by it to enforce its rights under its Security; and
- (c) the creation of any further Security in its favour,

but failure by a Secured Party to comply with this clause shall not affect the operation of the other obligations in this Deed.

6. Consents and Acknowledgements

6.1 Company's consent

The Company is bound by and shall co-operate in the implementation of this Deed. It acknowledges that this Deed is intended only to benefit the Secured Parties. Notwithstanding the terms of any Security Agreement, it consents to each Secured Party providing to the other information or copies of documents relating to it, its Security Interest or related transactions.

6.2 Acknowledgements

The Company and the Secured Parties acknowledge that the liabilities and obligations of the Company and the respective rights, powers and remedies of each Secured Party against the Company under or in relation to the Security Interests will not be affected in any way by:

- (a) this Deed (other than as expressly provided); or
- (b) the failure or alleged failure of a Secured Party to comply with this Deed.

6.3 Secured Parties' consents

Each Secured Party:

- (a) consents to the creation, continuation, and, if applicable, registration of a Security Interest created or granted in favour of another Secured Party; and
- (b) acknowledges the valid creation and, if applicable, registration of a Security Interest created or granted in favour of another Secured Party and its continuing validity unless a claim made by another person challenging that validity is upheld, conceded or compromised.

7. No Support for Challenges

Each Secured Party undertakes to each other Secured Party that:

- (a) it will not support any other person in relation to any claim against or challenge of the validity of another Secured Party's Security Interest (and if any claim or challenge is made, the relevant Secured Party shall on request by another Secured Party confirm that it has complied with this clause); and
- (b) it will ensure that no claim against or challenge of the validity of another Secured Party's Security Interest is made by any of its Enforcing Parties (whether in the name of the Company or otherwise).

8. Information

8.1 Notice of secured amounts

The Company acknowledges and agrees that each Secured Party may and, when required by another Secured Party, shall, keep the other Secured Parties informed as to the amount of principal, interest and any other money secured by its Security Interest and of any default under a Security Agreement.

8.2 Notice of outgoings and receipts

If a Secured Party has appointed an Enforcing Party, such Secured Party shall provide each other Secured Party with details as to:

- (a) its Enforcing Parties' receipts (giving details of any currency conversions it has carried out under its applicable documents) arising from, and accruals, outgoings, costs, charges and expenses incurred in or incidental to, the exercise or attempted exercise of any right, power or remedy in relation to its Security Interest; and

- (b) the remuneration of any Enforcing Party appointed by it.
-

9. Notice of repayment

If a Secured Party (in its absolute discretion, acting reasonably) is satisfied that all amounts outstanding under its Security Agreement (as applicable) have been fully and finally repaid, it will, promptly after having made that determination, give written notice to the other Secured Parties.

10. Termination

This Deed will remain in effect until Secured Money is owed to only one Secured Party or until it is terminated by an agreement executed by the Secured Parties.

11. Assignment

- (a) A Secured Party may transfer, assign or otherwise deal with its interest under a Security Interest without the consent of any other party to this Deed, provided that the relevant transferee, assignee or any other party obtaining an interest in the Security Interest first enters into a deed enforceable by the other parties to this Deed by which it undertakes to be bound by the provisions of this Deed in the place of that Secured Party.
- (b) No Secured Party will transfer, assign or otherwise deal with its interest under this Deed except to an assignee or transferee of its Security Interest as contemplated by this clause.
- (c) The Company shall not assign and of its rights under this Deed without the consent of each Secured Party.
-

12. Further Assurances

At a Secured Party's reasonable request, the Company and the other Secured Parties shall do anything necessary or appropriate to bind it under, and to give effect to the transactions contemplated by, this Deed, including executing any documents.

13. Waivers and Remedies Cumulative

- (a) No failure to exercise a right, power or remedy, and no delay in exercising a right, power, or remedy operates as a waiver, nor does any single or partial exercise of a right, power or remedy preclude any other or further exercise of that or any other right, power or remedy. Waivers must be in writing.
- (b) The rights, powers and remedies provided to the Secured Parties in this Deed are in addition to, and (except as expressly provided) do not exclude or limit, any right, power or remedy provided by law.
-

14. Severability of Provisions

Any provision of this Deed which is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not invalidate the remaining provisions of this Deed nor affect the validity or enforceability of that provision in any other jurisdiction.

14.1 Survival of Obligations

Each indemnity, reimbursement or similar obligation in this Deed:

- (a) is a continuing, separate and independent obligation;
- (b) is payable on demand; and
- (c) survives termination or discharge of this Deed and repayment of any secured amount.

15. Notices

All notices, requests, demands, consents, approvals, agreements or other communications to or by a party to this Deed:

- (a) must be in writing signed by an Authorised Officer ; and
- (b) will be conclusively taken to be given or made when delivered, received or left at the address or fax number of the recipient shown in Schedule 1 or to any other address or fax number which it may have notified the sender but, if delivery or receipt is on a day on which business is not generally carried on in the place to which the communication is sent or is later than 4pm (local time), it will be conclusively taken to have been received at the commencement of business on the next day on which business is generally carried on in that place. If sent by email, notice will be conclusively taken to be given or made on production of a report by the system by which the email is sent indicating that the email has been transmitted to the correct electronic address and without error.

16. Service of Process *[only required if Additional Secured Party is non-Australian entity]*

- (a) [The Additional Secured Party] irrevocably:
 - (i) nominates [insert] as its agent to receive service of process or other documents in relation to any legal action or proceedings relating to this Deed; and
 - (ii) agrees that service on that agent or any other person appointed under sub-paragraph (i) will be sufficient service on it.

The process agent named above which is party to this Deed irrevocably and unconditionally accepts that appointment.

- (b) [The Additional Secured Party] shall ensure [insert] remains authorised to accept service on its behalf. If [insert] ceases to have an office in the place specified, the [Additional Secured Party] shall ensure that there is another person in that place acceptable to each Secured Party to receive process on its behalf. It shall promptly notify each Secured Party of the appointment of that other person.]

17. Governing Law and Jurisdiction

This Deed is governed by the laws of New South Wales and of the Commonwealth of Australia applying there. To the extent permitted by law, so are all related matters, including any non-contractual matters. Each party irrevocably accepts the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

18. Counterparts

This Deed may be executed in any number of counterparts, each executed by one or more parties. A party may do this by executing and electronically transmitting a copy to one or more others or their representative.

Schedule 6 – Notice Details

Company

IMF Bentham Limited

Address: Level 5, 32 Martin Place, Sydney, New South Wales.

Fax number: +61 8 223 3555

Attention: Company Secretary

AET

Australian Executor Trustees Limited

Address: Level 22, 207 Kent Street
Sydney

NSW 2000

Fax number: +61 2 9028 5942

Attention: Corporate Trust

[other Secured Party]

[]

Address:

Fax number:

Attention:

[Additional Secured Party]

[]

Address:

Fax number:

Attention:

Executed as a Deed.

Company

Executed as a deed by **IMF Bentham Limited ACN 067 298 088** in accordance with section 127 of the *Corporations Act*.)
)
)
)

Signature of Director

Signature of Secretary/other Director

Name of Director in full

Name of Secretary/other Director in full

AET

The Common Seal of **Australian Executor Trustees Limited ACN 07 869 794** was affixed with the authority of:

.....(signed)

.....(print name)
Authorised Officer

.....(signed)

.....(print name)
Authorised Officer

[Other parties execution]

Executed and delivered as a deed

Issuer

Executed by IMF Bentham Limited (ACN 067 298 088) in accordance with section 127 of the *Corporations Act*.

Signature of Director

Signature of Secretary/other Director

Name of Director in full

Name of Secretary/other Director in full

The Trustee

The Common Seal of **Australian Executor Trustees Limited ACN 07 869 794** was affixed with the authority of:

.....(signed)

.....(print name)
Authorised Officer

.....(signed)

.....(print name)
Authorised Officer