

## INFORMATION MEMORANDUM

Perpetual Corporate Trust Limited  
(ABN 99 000 341 533) as trustee of the  
**CRUSADE ABS SERIES 2015-1 TRUST**

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

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	<b>Aggregate Invested Amount</b>	<b>Initial</b>	<b>Initial Interest Rate</b>	<b>Expected Rating (Moody's / Fitch)</b>
<b>Class A Notes</b>	<b>AUD648,000,000</b>		<b>Bank Bill Rate (1 month) + 0.78%</b>	<b>Aaa(sf)/AAAsf</b>
<b>Class B Notes</b>	<b>AUD40,000,000</b>		<b>Undisclosed</b>	<b>Aa1(sf)/AAsf</b>
<b>Class C Notes</b>	<b>AUD29,000,000</b>		<b>Undisclosed</b>	<b>A1(sf)/Asf</b>
<b>Class D Notes</b>	<b>AUD25,500,000</b>		<b>Undisclosed</b>	<b>Baa1(sf)/BBBsf</b>
<b>Class E Notes</b>	<b>AUD16,000,000</b>		<b>Undisclosed</b>	<b>Ba1(sf)/BBsf</b>
<b>Seller Notes</b>	<b>AUD41,500,000</b>		<b>Undisclosed</b>	<b>Unrated</b>

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### **Arranger, Lead Manager and Dealer**

Westpac Banking Corporation  
(ABN 33 007 457 141)

This Information Memorandum is dated 23 March 2015

## **Purpose**

This Information Memorandum has been prepared solely in connection with the Crusade ABS Series 2015-1 Trust. This Information Memorandum relates solely to a proposed issue of Class A Notes (the “**Offered Notes**”) by the Issuer. This Information Memorandum does not relate to, and is not relevant for, any other purpose than to assist the recipient to decide whether to proceed with a further investigation of the Offered Notes. Without limitation, whilst this Information Memorandum contains information relating to the Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Seller Notes (together the “**Subordinated Notes**”, and together with the Offered Notes, the “**Notes**”), the Subordinated Notes are not being offered for issue, nor are applications for the issue of the Subordinated Notes being invited by this Information Memorandum.

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

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

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

## **No guarantee and Notes are not deposits**

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

The Offered Notes do not represent deposits with, or any other liability of, Westpac Banking Corporation (in any capacity, including without limitation in its capacity as the Arranger, Lead Manager, Dealer, Derivative Counterparty, Liquidity Facility Provider, Servicer, Deposit Bank or Seller), or any of its Related Entities. Neither Westpac Banking Corporation, Westpac Securitisation Management Pty Limited nor any of their Related Entities guarantees or is otherwise responsible for the payment of interest or the repayment of principal due on the Offered Notes, the performance of the Offered Notes or the Trust Assets or any particular rate of capital or income return on the Offered Notes.

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

## **Responsibility for information contained in the Information Memorandum**

None of the Issuer, the Security Trustee, a Seller, the Servicer, the Deposit Bank, the Derivative Counterparty, the Liquidity Facility Provider, the Arranger, the Dealer or the Lead Manager have authorised or caused the issue of this Information Memorandum (and expressly disclaim any responsibility for any information contained in this Information Memorandum) and none of them has separately verified the information contained in this Information Memorandum except, in each case, with respect to the information for which they are expressed to be responsible in this Information Memorandum (if any).

The Manager accepts responsibility for the information contained in this Information Memorandum. To the best of the knowledge and belief of the Manager (and the Manager has taken all reasonable care

to ensure that such is the case), the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of the Manager, the Issuer, the Security Trustee, a Seller, the Servicer, the Deposit Bank, the Derivative Counterparty, the Liquidity Facility Provider, the Arranger, the Dealer, the Lead Manager, Moody's and Fitch or their respective Related Entities or any person affiliated with any of them (each a "**Relevant Person**") as to the accuracy or completeness of any information contained in this Information Memorandum (except, in each case, as expressly stated in this Information Memorandum) or any other information supplied in connection with the Offered Notes or their distribution.

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

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

This Information Memorandum has been prepared by the Manager based on information available to it and the facts and circumstances existing as at 23 March 2015 ("**Preparation Date**"). The Manager has no obligation to update this Information Memorandum after the Preparation Date having regard to information which becomes available, or facts and circumstances which come to exist, after the Preparation Date.

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

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

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

#### **No financial product advice**

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

## Limited recourse

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

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

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

## No disclosure under Corporations Act

This Information Memorandum is not a “Product Disclosure Statement” for the purposes of the Corporations Act and is not required to be lodged with the Australian Securities and Investments Commission. Accordingly, a person may not (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Offered Notes, or distribute this Information Memorandum where such offer, issue or distribution is received by a person in the Commonwealth of Australia, its territories or possessions (“**Australia**”), except if:

- (a) the amount payable by the transferee in relation to the relevant Offered Notes is A\$500,000 or more or if the offer or invitation to the transferee is otherwise an offer or invitation that does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;
- (b) the offer or invitation does not constitute an offer to a “retail client” under Chapter 7 of the Corporations Act; and
- (c) the offer or invitation complies with all applicable laws and directives.

## Selling restrictions

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

Accordingly, the Offered Notes may not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any information memorandum, private placement memorandum, prospectus, form of application, advertisement or other offering material may be issued or distributed or published in any country or jurisdiction, except in circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this Information Memorandum comes are required by the Issuer and the Manager to inform themselves about, and to observe any, such restrictions. In particular, see Section 13 (“Subscription and Sale”).

## Capital Requirements Directive

Articles 404 to 410 of Regulation (EU) No 575/2013 of the European Parliament and Council (the “**Capital Requirements Regulation**”) and Section 5 of Chapter III of the Alternative Investment Fund Managers Directive Regulation (EU) No 231/2013 (the “**AIFMD Regulation**”) and together with the Capital Requirements Regulation, the “**Articles**”) apply where European Union-regulated credit institutions or alternative investment funds become exposed to the credit risk of a securitisation

position (such as the Notes) and impose certain restrictions and requirements on such credit institutions as investors. The retention requirements under the Articles are similar but not identical. The Articles do not take into account any corresponding national measures.

Failure to comply with one or more of the restrictions or requirements set out in the Articles may result in the imposition of a penal regulatory capital charge on the Notes acquired by the relevant investor. Therefore, investors which are European Union-regulated credit institutions and alternative investment fund managers should make themselves aware of the requirements of the Articles (and any implementing rules in their local jurisdiction).

Westpac Banking Corporation explicitly discloses that as contemplated by the Articles it will retain, on an ongoing basis, a material net economic interest (pursuant to the provisions of the respective Articles) of not less than 5% of the nominal value of the securitisation, by retaining the Seller Notes (being the first loss tranche), and/or the Class E Notes, Class D Notes, Class C Notes and Class B Notes (being tranches having a more severe risk profile and maturing no earlier than the Class A Notes) having an aggregate Initial Invested Amount not less than 5% of the aggregate Initial Invested Amount of all Notes (in accordance with paragraph (1)(d) of Article 405 of the Capital Requirements Regulation and paragraph (1)(d) of Article 51 of the AIFMD Regulation). That material net economic interest will not be credit hedged or sold. Westpac Banking Corporation will confirm its ongoing retention of the net economic interest described above in the monthly investor reports and any change to the manner in which such interest is held will be notified to Noteholders.

This does not prevent Westpac Banking Corporation from selling any Notes held by it at any time, provided that the level of retained material net economic interest (pursuant to the provisions of the Articles) does not reduce below 5%.

Each prospective investor that is required to comply with the Articles (as implemented in each relevant jurisdiction) should independently assess and determine their compliance in respect of the Articles in their relevant jurisdiction, the regulatory capital treatment of their investment (or the liquidity of such investment as a result thereof) and the sufficiency of the information described above and in this Information Memorandum generally for the purposes of complying with the Articles (now and at any time in the future) and none of the Manager, the Issuer, the Security Trustee, Westpac Banking Corporation (in any capacity), any Dealer nor any other person accepts any liability in respect of such information.

## **Credit Ratings**

There are references in this Information Memorandum to ratings. A rating is not a recommendation to buy, sell or hold securities, nor does it comment as to principal prepayments, market price or the suitability of securities for particular investors. A rating may be changed, suspended or withdrawn at any time by the relevant Designated Rating Agency.

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

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

## **Repo-eligibility**

Application will be made by the Manager to the Reserve Bank of Australia (“**RBA**”) for the Offered Notes to be “eligible securities” (or “repo eligible”) for the purposes of repurchase agreements with the RBA.

The RBA has recently published new criteria for repo-eligibility for asset-backed securities which are scheduled to apply from 30 June 2015. The new criteria may, once it takes effect, affect whether the Offered Notes will be repo eligible. No assurance can be made that any application by the Manager for repo-eligibility in respect of the Offered Notes will be successful, or that the Offered Notes will continue to be repo-eligible even if they are eligible in relation to their initial issue.

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## 1 SUMMARY – PRINCIPAL TERMS OF THE NOTES

*This table provides a summary of certain principal terms of the Notes (other than the Seller Notes) issued in respect of the Trust. This summary is qualified by the more detailed information contained elsewhere in this Information Memorandum and by the terms of the Transaction Documents.*

NOTES					
	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes
Denomination	AUD	AUD	AUD	AUD	AUD
Aggregate Initial Invested Amount	AUD648,000,000	AUD40,000,000	AUD29,000,000	AUD25,500,000	AUD16,000,000
Initial Invested Amount per Note	AUD100,000	AUD100,000	AUD100,000	AUD100,000	AUD100,000
Issue price	100%	100%	100%	100%	100%
Interest frequency	Monthly	Monthly	Monthly	Monthly	Monthly
Payment Dates	The 14 <sup>th</sup> day of each month, subject to the Business Day Convention. The first Payment Date occurs on 14 May 2015	The 14 <sup>th</sup> day of each month, subject to the Business Day Convention. The first Payment Date occurs on 14 May 2015	The 14 <sup>th</sup> day of each month, subject to the Business Day Convention. The first Payment Date occurs on 14 May 2015	The 14 <sup>th</sup> day of each month, subject to the Business Day Convention. The first Payment Date occurs on 14 May 2015	The 14 <sup>th</sup> day of each month, subject to the Business Day Convention. The first Payment Date occurs on 14 May 2015
Interest Rate	Bank Bill Rate (1 month) + Note Margin + (from the Class A Note Step-up Margin Date) Class A Note Step-Up Margin	Bank Bill Rate (1 month) + Note Margin	Bank Bill Rate (1 month) + Note Margin	Bank Bill Rate (1 month) + Note Margin	Bank Bill Rate (1 month) + Note Margin
Note Margin	0.78%	Undisclosed	Undisclosed	Undisclosed	Undisclosed
Note Step-Up Margin	0.25%	Not applicable	Not applicable	Not applicable	Not applicable
Day count fraction	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)	Actual/365 (Fixed)
Business Day Convention	Modified Following	Modified Following	Modified Following	Modified Following	Modified Following
Expected Ratings					
• Moody's	Aaa(sf)	Aa1(sf)	A1(sf)	Baa1(sf)	Ba1(sf)
• Fitch	AAAsf	AAsf	Asf	BBBsf	BBsf
Governing law	New South Wales	New South Wales	New South Wales	New South Wales	New South Wales
Form of Notes	Registered	Registered	Registered	Registered	Registered
Listing	Australian Securities Exchange	Not applicable	Not applicable	Not applicable	Not applicable
Clearance	Austraclear	Austraclear	Austraclear	Austraclear	Austraclear
ISIN	AU0000CUHHA5	AU3FN0026654	AU3FN0026662	AU3FN0026704	AU3FN0026688
Common Code	120429272	120483650	120483684	120483757	120483773
Selling restrictions	Part 13	Part 13	Part 13	Part 13	Part 13

## 2 GENERAL

*This summary highlights selected information from this Information Memorandum and does not contain all of the information that you need to consider in making your investment decision. All of the information contained in this summary is qualified by the more detailed explanations in other parts of this Information Memorandum and by the terms of the Transaction Documents.*

### 2.1 Summary – Transaction Parties

Trust	Crusade ABS Series 2015-1 Trust
Issuer	Perpetual Corporate Trust Limited (ABN 99 000 341 533) in its capacity as trustee of the Crusade ABS Series 2015-1 Trust
Manager	Westpac Securitisation Management Pty Limited (ABN 73 081 709 211)
Sellers	St.George Finance Limited (ABN 99 001 094 471) Westpac Banking Corporation (ABN 33 007 457 141)
Servicer	Westpac Banking Corporation (ABN 33 007 457 141)
Security Trustee	P.T. Limited (ABN 67 004 454 666) in its capacity as trustee of the Crusade ABS Series 2015-1 Trust Security Trust
Registrar	The Issuer
Liquidity Facility Provider	Westpac Banking Corporation (ABN 33 007 457 141)
Derivative Counterparty	Westpac Banking Corporation (ABN 33 007 457 141)
Deposit Bank	Westpac Banking Corporation (ABN 33 007 457 141)
Arranger, Lead Manager and Dealer	Westpac Banking Corporation (ABN 33 007 457 141)
Participation Income Unitholder	St.George Finance Limited (ABN 99 001 094 471)
Residual Capital Unitholder	Westpac Banking Corporation (ABN 33 007 457 141)
Designated Rating Agencies	Fitch Australia Pty Ltd (ABN 93 081 339 184) and Moody's Investors Service Pty Limited (ABN 61 003 399 657)

### 2.2 Summary – Transaction

Closing Date	23 March 2015
Initial Cut-Off Date	7 January 2015
Substitution Period	The period from (but excluding) the Closing Date to (and including) the earlier of: (a) the Payment Date which falls 12 months after the first Payment Date; and (b) the date on which a Substitution Termination Event occurs.
Substitution	The Issuer may acquire further Receivables from a Seller during the Substitution Period provided the Pool Parameters will be satisfied, and a Rating Notification is given, in connection with the acquisition of such Receivables and such Receivables are represented by the Seller to be Eligible Receivables. On 31 December 2013, Westpac Banking

Corporation acquired CFAL, an originator of auto and equipment receivables. Notwithstanding this, no receivables originated by CFAL will be sold to the Trust at any time during the Substitution Period.

The Purchase Price for Receivables to be acquired by the Issuer during the Substitution Period may only be paid using Total Available Principal which is available for that purpose in accordance with Section 10.4 ("Application of Total Available Principal").

Eligibility Criteria	See Section 5.3 ("Eligibility Criteria").
Pool Parameters	See Section 5.4 ("Pool Parameters").
Payment Dates	The 14 <sup>th</sup> day of each month, subject to the Business Day Convention. The first Payment Date occurs on 14 May 2015.
Determination Date	The day which is 4 Business Days prior to each Payment Date.
Call Option Date	Each Payment Date occurring after the last day of the Collection Period in which the aggregate of the Outstanding Principal Balance of all Purchased Receivables (as calculated on that last day of the Collection Period) is less than 10% of the Outstanding Principal Balance of all Purchased Receivables as at the Closing Date.
Step-Down Conditions	<p>The Step-Down Conditions are satisfied on a Payment Date if:</p> <ul style="list-style-type: none"><li>(a) the Payment Date falls prior to the first Call Option Date;</li><li>(b) the Aggregate Stated Amount of each Class of Notes is not less than the Aggregate Invested Amount of that Class of Notes on that Payment Date; and</li><li>(c) on the Determination Date immediately prior to that Payment Date:<ul style="list-style-type: none"><li>(i) the Aggregate Invested Amount of the Subordinated Notes on that Determination Date is equal to or greater than the amount equal to 19% of the Aggregate Invested Amount of all Notes on that Determination Date;</li><li>(ii) the Average Delinquency Ratio in respect of that Determination Date is not greater than 3%; and</li><li>(iii) the Loss Ratio in respect of that Determination Date is:<ul style="list-style-type: none"><li>(A) less than 1.25%, in the case of a Determination Date occurring prior to the first Payment Date following the date which is 18 months after the Closing Date;</li><li>(B) less than 1.80%, in the case of a Determination Date occurring after the Payment Date referred to in subparagraph (A) above but prior the first Payment Date following the date which is 24 months after the Closing Date</li></ul></li></ul></li></ul>

Date; or

- (C) less than 2.50%, in the case of a Determination Date occurring after the Payment Date referred to in subparagraph (B) above,

as applicable.

For the avoidance of doubt, on the Issue Date the Aggregate Invested Amount of the Subordinated Notes will equal 19% of the Aggregate Invested Amount of all Notes, and condition (c)(i) above will therefore be satisfied as of the Issue Date.

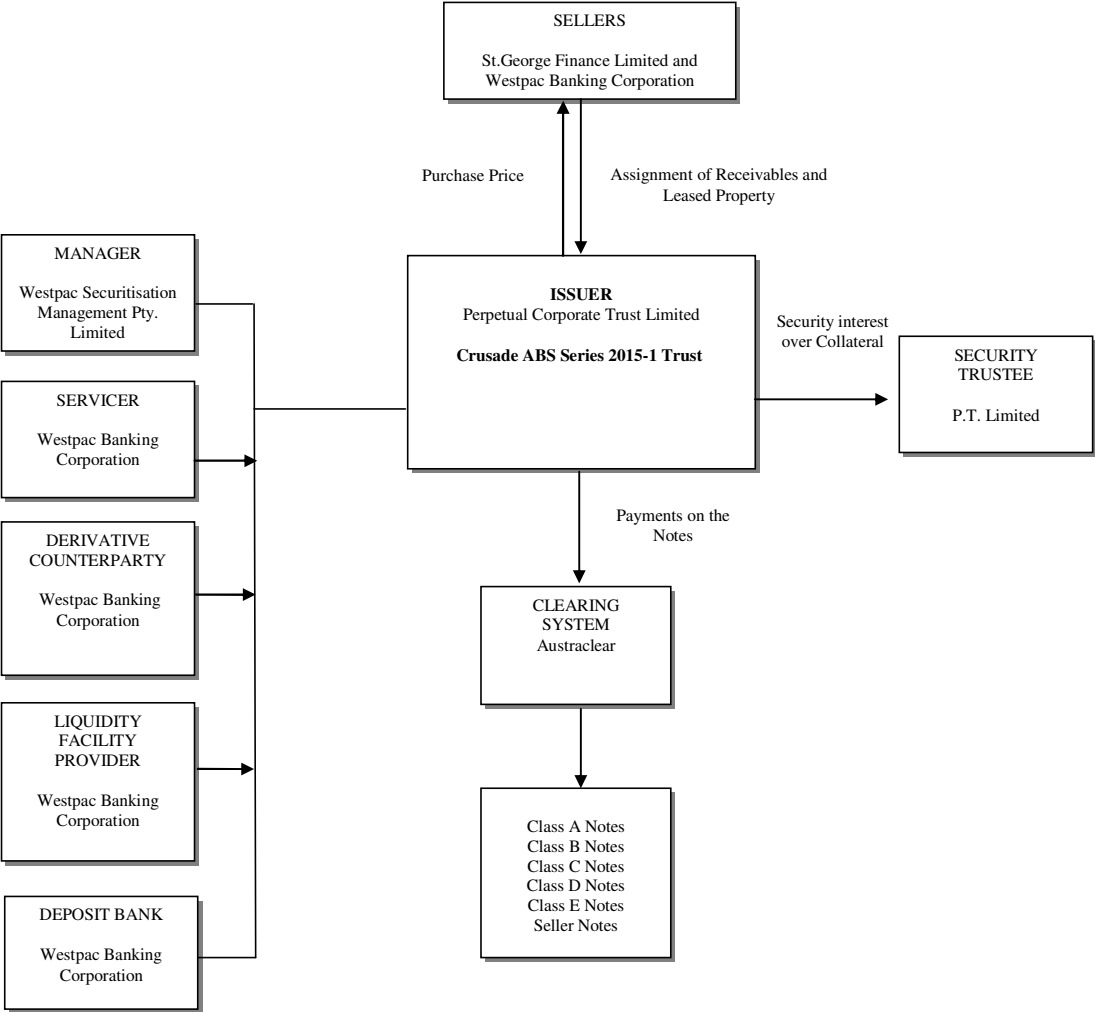
### 2.3 General Information on the Notes

Type	The Notes are multi-class, asset backed, secured, limited recourse, amortising, floating rate debt securities and are issued with the benefit of, and subject to, the Master Trust Deed, the Security Trust Deed, the General Security Deed, the Issue Supplement, the Note Deed Poll and the other Transaction Documents.
Class of Notes	The Notes to be issued on the Closing Date will be divided into 6 classes: Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Seller Notes.
Offered Notes	The Class A Notes comprise the Offered Notes. This Information Memorandum relates solely to a proposed issue of the Offered Notes by the Issuer.
Additional Notes	No further Notes may be issued after the Closing Date.
Rating	<p>The Offered Notes will initially have the rating specified in Section 1 (“Summary – Principal Terms of the Notes”).</p> <p>The rating of the Offered Notes should be evaluated independently from similar ratings on other types of notes or securities. A rating is not a recommendation to buy, sell or hold securities, nor does it comment as to principal prepayments, market price or the suitability of securities for particular investors. A rating may be changed, suspended or withdrawn at any time by the relevant Designated Rating Agency.</p>
Call Option	<p>The Manager may (at its option) direct the Issuer to redeem all, but not some only, of the outstanding Notes on a Call Option Date.</p> <p>The Notes will be redeemed by the Issuer at the Redemption Amount for those Notes.</p> <p>The Issuer, at the direction of the Manager, must give at least 5 Business Days' notice to the relevant Noteholders of its intention to exercise its option to redeem the Notes on a Call Option Date.</p>
Early Redemption	<p>If a law requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of a Note, then the Manager may (at its option) direct the Issuer to redeem all (but not some only) of the Notes by paying to the Noteholders the Redemption Amount for the Notes.</p> <p>The Issuer must give at least 15 days' notice to the relevant Noteholders of its intention to redeem the Notes.</p>

Form of Notes

The Notes will be in uncertificated registered form and inscribed on a register maintained by the Issuer in Australia.

2.4 Structure Diagram



### 3 RISK FACTORS

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

#### **Risk factors relating to the Notes**

##### **The Notes will only be paid from the Trust Assets**

The Issuer will issue the Notes in its capacity as trustee of the Trust.

The Issuer will be entitled to be indemnified out of the Trust Assets for all payments of interest and principal in respect of the Notes.

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

##### **Limited Credit Enhancements**

The amount of credit enhancement provided through the Liquidity Facility and subordination of:

- the Class B Notes, Class C Notes, Class D Notes, Class E Notes and Seller Notes to the Class A Notes;
- the Class C Notes, Class D Notes, Class E Notes and Seller Notes to the Class B Notes;
- the Class D Notes, Class E Notes and Seller Notes to the Class C Notes;
- the Class E Notes and Seller Notes to the Class D Notes; and
- the Seller Notes to the Class E Notes,

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

##### **You may not be able to sell the Notes**

There is currently no secondary market for the Notes and no assurance can be given that a secondary market in the Notes will develop, or, if one does develop, that it will provide liquidity of investment or will continue for the life of the Notes.

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

Amount of the Notes.

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

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

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

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

- (a) receipt by the Issuer of enforcement proceeds due to an Obligor having defaulted on its Purchased Receivable;
- (b) repurchase by a Seller of a Purchased Receivable as a result of a breach of certain representations as described in Section 5.6 ("Remedy for misrepresentations");
- (c) exercise of the Call Option on a Call Option Date; and
- (d) receipt of proceeds of enforcement of the General Security Deed prior to the Maturity Date of the Notes.

In addition, Total Available Principal may be used:

- (a) to fund payment delinquencies (in the form of Principal Draws); or
- (b) during the Substitution Period, to acquire additional Receivables from a Seller and to deposit such amounts as the Manager may determine in its absolute discretion to the Deposit Account provided such deposit may not exceed 25% of the Aggregate Invested Amount of all Notes on the Closing Date.

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

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

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

The Manager has the right under the Issue Supplement to direct the Issuer to sell all (but not some only) of the Purchased Receivables to a Seller in order to raise funds to redeem the Notes on a Call Option Date. The Noteholders may by Extraordinary Resolution approve a sale of the Purchased Receivables, on a Call Option Date, for a price that is less than the amount which is sufficient to redeem the Aggregate Invested Amount of all Notes (plus



accrued but unpaid interest in respect of such Notes) in full. Such an Extraordinary Resolution will bind all Noteholders.

### **Ratings on the Notes**

The credit ratings of the Notes should be evaluated independently from similar ratings on other types of notes or securities. A credit rating by a Designated Rating Agency is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, qualification or withdrawal at any time by the relevant Designated Rating Agency.

A revision, suspension, qualification or withdrawal of the credit rating of the Notes may adversely affect the price of the Notes. In addition, the credit ratings of the Notes do not address the expected timing of principal repayments under the Notes, only the likelihood that principal will be received no later than the Maturity Date. No Designated Rating Agency has been involved in the preparation of this Information Memorandum.

### ***Risk factors relating to the transaction parties***

#### **The Manager is responsible for this Information Memorandum**

Except in respect of certain limited information, the Manager takes responsibility for the Information Memorandum, not the Issuer. As a result, in the event that a person suffers loss due to any information contained in this Information Memorandum being inaccurate or misleading, or omitting a material matter or thing, that person will not have recourse to the Issuer or the Trust Assets.

#### **Termination of Appointment of the Manager or the Servicer may affect the collections in respect of the Purchased Receivables**

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

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

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

To minimise the risk of finding a suitable substitute servicer, the Issuer has, subject to certain terms and conditions in the Servicing Deed, agreed to act as the servicer in respect of the Trust from the effective date of retirement or termination of the appointment of the Servicer until the appointment of a replacement servicer.

#### **The termination of the Derivative Contract may affect the payment on the Notes**

Under the Derivative Contract, the Issuer will exchange certain fixed rate payments in respect of the Purchased Receivables for variable rate payments based on the Bank Bill Rate.

If the Derivative Contract is terminated or the

Derivative Counterparty fails to perform its obligations, Noteholders will be exposed to the risk that the floating rate of interest payable with respect to the Notes will be greater than the fixed rate payable in respect of the Purchased Receivables.

If the Derivative Contract terminates before its scheduled termination date, a termination payment by either the Issuer or the Derivative Counterparty may be payable. A termination payment could be substantial.

**The availability of various support facilities with respect to payment on the Notes will ultimately be dependent on the financial condition of Westpac**

Westpac is acting in various capacities as Derivative Counterparty, Deposit Bank and Liquidity Facility Provider. Accordingly, the availability of these various support facilities will ultimately be dependent on the financial strength of Westpac (or any replacement in the event that Westpac resigns or is removed from acting in any such capacities and a replacement is appointed).

There are, however, provisions in the Liquidity Facility Agreement, Deposit Deed and Derivative Contract that provide for the replacement of Westpac in its capacities as Liquidity Facility Provider, Deposit Bank and Derivative Counterparty or the posting of collateral or taking of other action by Westpac, in the event that the ratings of Westpac are reduced below certain levels provided for in the Liquidity Facility Agreement, Deposit Deed or Derivative Contract (as applicable).

There is no assurance that:

- the Issuer would be able to find a replacement for Westpac in its capacities as Liquidity Facility Provider, Deposit Bank and Derivative Counterparty within the timeframes prescribed in the Liquidity Facility Agreement, Deposit Deed or Derivative Contract (as applicable); or
- (where applicable) Westpac will post collateral in the full amount required under the terms of the Liquidity Facility Agreement or Derivative Contract (as applicable).

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

**Breach of Representation or Warranty**

Each Seller will represent and warrant that each Receivable and Related Security referred to in an Offer to Sell given by it is an Eligible Receivable. The Issuer has not investigated or made any enquiries regarding the accuracy of this representation and warranty. A Seller will be required to repurchase any Purchased Receivable and related Leased Property in respect of which there has been a material breach of this representation and warranty if the relevant Seller becomes aware of such misrepresentation and has not cured such breach during the relevant

Prescribed Period for that Purchased Receivable. After the relevant Prescribed Period and if such breach is not remedied, the relevant Seller must pay damages to the Issuer for any direct loss suffered by the Issuer as a result of such material misrepresentation. The maximum amount which the relevant Seller is liable to pay is the Outstanding Principal Balance plus any accrued but unpaid interest in respect of the relevant Purchased Receivable at the time of payment of the damages.

### ***Risk factors relating to the Purchased Receivables and Financed Property***

#### **The Trust Assets are limited**

The Trust Assets consist primarily of the Purchased Receivables, Purchased Related Securities and related Leased Property.

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

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

#### **Risks of equitable assignment**

The Purchased Receivables will initially be assigned by a Seller to the Issuer in equity. If the Issuer declares that a Title Perfection Event has occurred, the Issuer or the Manager may, under the relevant Sale Deed, require the relevant Seller to take certain steps reasonably required to protect or perfect the Issuer's interest in and title to the Purchased Receivables and Related Security, including giving notice of the Issuer's interest in and title to the Purchased Receivables to the Obligor.

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

The consequences of the Issuer not holding legal title in the Purchased Receivables include:

- (a) until an Obligor has notice of the Issuer's interest in the Purchased Receivables, such person is not bound to make payment to anyone other than the relevant Seller, and can obtain a valid discharge from the relevant Seller;
- (b) rights of set-off or counterclaim may accrue in favour of the Obligor against its obligations under the Purchased Receivables which may result in the Issuer receiving less money than

expected from the Purchased Receivables;

- (c) the Issuer's interest in those Purchased Receivables may become subject to the interests of third parties created after the creation of the Issuer's equitable interest but prior to it acquiring a legal interest; and
- (d) the relevant Seller may need to be a party to certain legal proceedings against any Obligor in relation to the enforcement of those Purchased Receivables.

**Repossession and sale of Financed Property may cause delays in payments and losses**

If an Obligor defaults on payments to be made under a Purchased Receivable and the Servicer seeks to enforce any Related Security and/or obtain repossession and/or sell the relevant Financed Property, various factors may affect the length of time before the proceeds of sale (if any) are obtained. In such circumstances, the sale proceeds may be less than if the sale was carried out by the Obligor in the ordinary course. Any such delay and any loss incurred as a result of the realised sale proceeds being less than the Outstanding Principal Balance of the relevant Purchased Receivable may affect the ability of the Issuer to make payments under the Notes.

**Delinquency and Default rates**

There can be no assurance that delinquency and default rates affecting the Purchased Receivables will remain in the future at levels corresponding to historic rates for assets similar to the Purchased Receivables. In particular, if the Australian economy were to experience a downturn, an increase in unemployment, an increase in interest rates or any combination of these factors, delinquencies or default rates on the Purchased Receivables may increase, which may cause losses on the Notes.

**Acquisition of additional Receivables during the Substitution Period**

The Issuer may (at the direction of the Manager) acquire further Receivables from a Seller during the Substitution Period, using Total Available Principal which is available for this purpose in accordance with Section 10.4 ("Application of Total Available Principal").

Any such acquisition of additional Receivables will be subject to the satisfaction of the Pool Parameters, the giving of a Rating Notification and the representation by the relevant Seller that such Receivables are Eligible Receivables. However, these Receivables may have different characteristics and display different performance to the Purchased Receivables to be acquired on the Closing Date. As a result, the Trust may experience higher rates of default than if no additional Receivables were acquired.

**Geographic concentration**

Section 4.1 ("Pool Receivables Data") contains details of the geographic concentration of the Receivables Pool as of the Initial Cut-Off Date. To the extent that any such region experiences weaker economic conditions in the future, this may increase

the likelihood of Obligors with Purchased Receivables in that region missing payments or defaulting on those Purchased Receivables.

### ***Risk factors relating to security***

#### **Enforcement of General Security Deed**

If an Event of Default occurs while any Notes are outstanding, the Security Trustee may and, if directed to do so by an Extraordinary Resolution of Voting Secured Creditors, must, declare all amounts outstanding under the Notes immediately due and payable and enforce the General Security Deed in accordance with the terms of the General Security Deed and the Security Trust Deed. That enforcement may include the sale of the Trust Assets.

No assurance can be given that the Security Trustee will be in a position to sell the Trust Assets for a price that is sufficient to repay all amounts outstanding in relation to the Notes and other secured obligations that rank ahead of or equally with the Notes.

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

#### **Personal Property Security regime**

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

Security interests for the purposes of the PPSA include traditional securities such as charges and mortgages over personal property (but do not include mortgages over real property). However, they also include transactions that, in substance, secure payment or performance of an obligation but may not have previously been legally classified as securities (for example, hire purchase agreements and leases such as finance leases and capital leases). Further, certain other interests are deemed to be security interests whether or not they secure payment or performance of an obligation. These deemed security interests include assignments of certain monetary obligations and certain leases of goods (for example, leases of motor vehicles for a term of 90 days or more).

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

- another security interest may take priority;
- another person may acquire an interest in

the assets which are subject to the security interest free of their security interest; and

- they may not be able to enforce the security interest against a grantor who becomes insolvent.

The security granted by the Issuer under the General Security Deed and the assignment of the Purchased Receivables by a Seller to the Issuer are security interests under the PPSA. The Transaction Documents may also contain other security interests. There is uncertainty on aspects of the PPSA regime because the PPSA significantly alters the law relating to secured transactions. There are issues and ambiguities in respect of which a market view or practice will evolve over time.

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

Under the General Security Deed, the Issuer has agreed to not do anything to create any encumbrances over the Trust Assets other than in accordance with the Transaction Documents.

However, under Australian law:

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

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

The PPSA also applies to security interests provided for by agreements that were already in force before 30 January 2012. This type of security interest is referred to as a "transitional security interest". Some of the agreements under which the Receivables arise may be transitional security interests.

The position in relation to transitional security interests can be summarised as follows:

- Where a transitional security interest was registered before 30 January 2012 on certain pre-PPSA public registers, such as under the register of encumbered vehicles (“REVs”) regime or the Corporations Act charges registration regime, that security interest has been migrated by the Australian federal government to the Personal Property Securities Register (“PPS register”).
- Security interests which were, before 30 January 2012, registrable but not registered on any such pre-PPSA public register were required to be registered within 2 years to preserve priority rights. If they were registered after this period, they will have a later priority time. If they have not been registered at all, they will be unperfected and are exposed to priority, taking free and insolvency risk.
- If the details held by the pre-PPSA public register in relation to a transitional security interest were incorrect or insufficient or if, as a result of human or systemic error those details were not properly migrated to the PPS register, there is a risk that the security interest may be unperfected. However, some errors arising from the migration process may be protected by transitional relief for a period of 60 months after 30 January 2012.
- If the serial number of a motor vehicle is incorrect or missing from a migrated registration, a buyer or lessee of the motor vehicle may take the motor vehicle free of the security interest of the Seller (or following a Title Perfection Event, the Issuer) in the motor vehicle.

The transitional provisions in the PPSA are intended to ensure that transitional security interests which were migrated from pre-PPSA registers retain the priority they had prior to migration. However, there are various other rules in the PPSA applying from 30 January 2012 which mean that despite the purported protection of the transitional provisions, the PPSA may result in different priority outcomes in certain circumstances unless the holders of these security interests took additional steps to protect their security interests.

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

If an Event of Default occurs and is continuing, the Security Trustee must convene a meeting of the Secured Creditors to obtain directions as to what actions the Security Trustee is to take under the General Security Deed and the Security Trust Deed. Any meeting of Secured Creditors will be held in

accordance with the terms of the Security Trust Deed. However, only the Voting Secured Creditors are entitled to vote at a meeting of Secured Creditors or to otherwise direct or give instructions or approvals to the Security Trustee in accordance with the Transaction Documents.

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

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

### ***Risk factors relating to legal and regulatory risks***

#### **Australian Taxation**

A summary of certain material tax issues is set out in Section 12.1 (“Australian Taxation”).

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

#### ***National Consumer Credit Protection Act***

The National Consumer Credit Protection Act (“**NCCP**”), which includes a National Credit Code (“**National Credit Code**”), commenced on 1 July 2010.

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

Obligations under the NCCP extend to each Seller, the Servicer and, upon becoming a “credit provider” under the NCCP, the Issuer in respect of the Purchased Receivables.

Some of the Purchased Receivables may be regulated by the National Credit Code and the NCCP. The NCCP imposes a range of disclosure and conduct obligations on persons engaging in a credit activity. Failure to comply with the NCCP may mean that court action is brought by the borrower, guarantor, mortgagor or by the Australian Securities and Investments Commission to:

- grant an injunction preventing a regulated Purchased Receivable from being enforced;
- order compensation to be paid for loss or



damage suffered (or likely to be suffered) as a result of a breach;

- vary the terms of the Purchased Receivable on the grounds of hardship or that it is an unjust contract;
- reduce or annul any interest rate payable on the Purchased Receivable which is unconscionable;
- have certain provisions of the Purchased Receivable or a related mortgage or guarantee which are in breach of the legislation declared void or unenforceable;
- obtain restitution or compensation from the credit provider in relation to any breaches of the NCCP in relation to the Purchased Receivable; or
- seek various remedies for other breaches of the NCCP.

Applications may also be made to a relevant external dispute resolution schemes which generally have the power to resolve disputes where the amount in dispute is A\$500,000 or less. There is no ability to appeal from an adverse determination by an external dispute resolution scheme, including on the basis of bias, manifest error or want of jurisdiction.

Any such order (by a court or external dispute resolution scheme) may affect the timing or amount of interest, fees or charges, or principal payments under the relevant Purchased Receivable (which might in turn affect the timing or amount of interest or principal payments under the Notes).

Under the terms of the National Credit Code and the NCCP, when the Issuer is a "credit provider" with respect to regulated loans, it would be exposed to civil and criminal liability for certain breaches. These include breaches caused in fact by the Servicer. If for any reason the Servicer does not discharge its obligations to the Issuer, then the Issuer will be entitled to indemnification from the Trust Assets. Any such indemnification may reduce the amounts available to pay interest and repay principal in respect of the Notes.

### ***Unfair Terms***

On 1 July 2010, the Trade Practices Amendment (Australian Consumer Law) Act (No.1) 2010, which amended the Australian Securities and Investments Commission Act 2001, ("**UCT Law**") commenced. The UCT Law introduces a national unfair terms regime whereby a term of a standard-form consumer contract will be unfair, and therefore void, if it causes a significant imbalance in the parties' rights and obligations under the contract and is not reasonably necessary to protect the supplier's legitimate interests. The UCT Law will apply to a term of the Purchased Receivables to the extent that those contracts were entered into, are renewed, or the term

is varied, after commencement of the UCT Law.

Also on 1 July 2010, Victoria amended its unfair terms regime (which were contained in Part 2B of the Fair Trading Act 1999 (Vic)) to follow the wording in the Commonwealth's UCT Law.

If any term of a Purchased Receivable is found to be void, it may affect the timing or amount of interest, fees or charges, or principal repayments under the relevant Purchased Receivable (which might in turn affect the timing or amount of interest or principal payments under the Notes).

### **Australian Anti-Money Laundering and Counter-Terrorism Financing Regime**

On 12 December 2006 the Australian Government enacted the Anti-Money Laundering and Counter-Terrorism Financing Act ("**AML/CTF Act**") which replaces Australian Financial Transactions Reports Act 1988. The AML/CTF Act makes a number of significant changes to Australia's anti-money laundering and counter-terrorism financing regulation. Under the AML/CTF Act, if an entity has not met its obligations under the AML/CTF Act, that entity will be prohibited from providing a designated service which includes:

- opening or providing an account, allowing any transaction in relation to an account or receiving instructions to transfer money in and out of the account;
- issuing, dealing, acquiring, disposing of, cancelling or redeeming a security; and
- exchanging one currency for another.

These obligations will include undertaking customer identification procedures before a designated service is provided and receiving information about international and domestic institutional transfers of funds. Until these obligations have been met an entity will be prohibited from providing funds or services to a party or making any payments on behalf of a party.

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

### **European Union Capital Requirements Directive**

In Europe, the U.S. and elsewhere, there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Lead Manager or the Manager makes any representation

to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the Closing Date or at any time in the future.

In particular, there remains considerable uncertainty with respect to the effect and implementation of Articles 404 to 410 of Regulation (EU) No 575/2013 of the European Parliament and Council (the “**Capital Requirements Regulation**”) and Section 5 of Chapter III of the Alternative Investment Fund Managers Directive Regulation (EU) No 231/2013 (the “**AIFMD Regulation**”) and together with the Capital Requirements Regulation, the “**Articles**”) and it is not clear what will be required to demonstrate compliance to national regulators. In addition, similar requirements to those set out in the Articles may be implemented to other European Union-regulated investors (such as certain types of investment fund managers, insurance and reinsurance undertakings) in the future.

Any changes to the Articles or their interpretation, or to regulation or regulatory treatment of the Notes for some or all investors, may negatively impact the regulatory position of investors and the price and liquidity of the Notes in the secondary market.

#### **US Foreign Account Tax Compliance Act (FATCA)**

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act (“**FATCA**”) were enacted in March 2010 in an effort to assist the United States Internal Revenue Service (“**IRS**”) in enforcing U.S. taxpayer compliance. U.S. Treasury Regulations (“**Regulations**”) (as amended) to implement the FATCA provisions in countries that do not enter into an Inter-Governmental Agreement (“**IGA**”) with the U.S. Government were issued in January 2013.

In general, FATCA imposes a 30% withholding tax on certain payments to non-US financial institutions (which may include financial institutions such as the Trust and the Issuer) which do not comply with their obligations to identify and/or report, either directly to the IRS (in the case where the Regulations apply) or through their local tax authority (in the case where an IGA applies), certain information in respect of U.S. taxpayers, which includes holdings of debt or equity interests (other than debt or equity interests that are regularly traded on an established securities market).

The Australian Government and U.S. Government signed an IGA on 28 April 2014. The obligations imposed on Australian financial institutions under the IGA were implemented into Australian law on 30 June 2014 under the Tax Laws Amendment (Implementation of the FATCA Agreement) Act 2014 (Cth) (“**Act**”). With effect from 1 July 2014, Australian financial institutions which are Reporting Australian Financial Institutions under the IGA that maintain U.S. Reportable Accounts (as defined in the IGA) must follow specific due diligence procedures to identify their account holders and provide information about certain accounts as specified in the IGA and

the Act to the Commissioner of Taxation. The Commissioner of Taxation will provide that information to the IRS. Under the IGA, an Australian financial institution, which may include the Trust and the Issuer, which is in compliance with its obligations under the Act should not generally be subject to withholding under FATCA on any payments it receives. Further, a Reporting Australian Financial Institution would generally not be required to withhold under FATCA from payments it makes (unless it has agreed to do so under the U.S. “qualified intermediary,” “withholding foreign partnership,” or “withholding foreign trust” regimes). There can be no assurance that the Trust will be treated as a Reporting Australian Financial Institution or that it would not be required to withhold under FATCA or pursuant to the IGA. To the extent amounts paid to or from the Trust are subject to FATCA withholding, there will be no “gross up” (or any additional amount) payable by way of compensation to any Noteholders for the deducted amount.

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

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

No assurance can be given that any regulatory reforms will not have a significant adverse impact on the Crusade ABS programme or on the regulation of the Trust or Westpac.

## 4 DESCRIPTION OF THE PURCHASED RECEIVABLES

### 4.1 Pool Receivables Data

The information in the following tables in this Section 4 sets forth in summary format various details relating to the pool of Receivables (“**Receivables Pool**”) produced on the basis of the information available as at the Initial Cut-Off Date. All amounts have been rounded to the nearest Australian dollar. The sum in any column may not equal the total indicated due to rounding.

### 4.2 Pool Summary

Number of Receivables	36,025
Receivable pool size	\$800,000,000
Weighted average interest rate (% p.a.)	9.72%
Average Receivable Outstanding Principal Balance	\$22,207
Maximum Receivable Outstanding Principal Balance	\$263,080
Maximum remaining contract term (months)	76.68
Weighted average total contract term (months)	60.40
Weighted average term to maturity (months)	43.16
Weighted average seasoning (months)	17.24
Weighted average balloon / residual	7.97%
Maximum exposure to an Obligor	\$263,080

### 4.3 Receivables by Product Type

Product Type	Number	Number (%)	Value (\$)	Value (%)
Goods Loan	4,826	13.40	136,036,353	17.00
Consumer Finance	26,958	74.83	543,181,577	67.90
Commercial Hire Purchase	299	0.83	6,414,933	0.80
Finance Lease	3,942	10.94	114,367,137	14.30
<b>Total</b>	<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

#### 4.4 Receivables by Industry Type

Industry Type	Number	Number (%)	Value (\$)	Value (%)
Accommodation, Cafes and Restaurants	1,278	3.55	24,281,320	3.04
Agriculture, Forestry and Fishing	573	1.59	12,259,135	1.53
Communication Services	392	1.09	8,118,274	1.01
Construction	5,115	14.20	123,880,192	15.49
Cultural and Recreational Services	426	1.18	9,282,817	1.16
Education	2,427	6.74	53,162,026	6.65
Electricity, Gas and Water Supply	389	1.08	9,674,818	1.21
Finance and Insurance	528	1.47	11,681,679	1.46
Government Administration and Defence	1,793	4.98	39,722,390	4.97
Health and Community Services	4,689	13.02	100,509,109	12.56
Manufacturing	1,966	5.46	42,194,275	5.27
Mining	2,033	5.64	52,693,269	6.59
Personal and Other Services	2,190	6.08	46,565,456	5.82
Property and Business Services	6,594	18.30	147,767,023	18.47
Retail Trade	3,249	9.02	64,004,757	8.00
Transport and Storage	1,911	5.30	42,990,728	5.37
Wholesale Trade	472	1.31	11,212,734	1.40
<b>Total</b>	<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

#### 4.5 Receivables by Outstanding Principal Balance

Outstanding Principal Balance			Number	Number (%)	Value (\$)	Value (%)
-	to	\$10,000	5,698	15.82	38,754,607	4.84
\$10,000	to	\$20,000	12,917	35.86	193,897,299	24.24
\$20,000	to	\$30,000	9,203	25.55	225,570,350	28.20
\$30,000	to	\$40,000	4,795	13.31	164,750,609	20.59
\$40,000	to	\$50,000	2,118	5.88	93,685,098	11.71
\$50,000	to	\$60,000	762	2.12	41,162,455	5.15
\$60,000	to	\$70,000	259	0.72	16,642,139	2.08
\$70,000	to	\$80,000	115	0.32	8,518,926	1.06
\$80,000	to	\$90,000	55	0.15	4,646,837	0.58
\$90,000	to	\$100,000	35	0.10	3,326,902	0.42
\$100,000	to	\$110,000	19	0.05	1,995,538	0.25
\$110,000	to	\$120,000	13	0.04	1,488,755	0.19
\$120,000	to	\$130,000	12	0.03	1,513,723	0.19
\$130,000	to	\$140,000	9	0.02	1,199,047	0.15
\$140,000	to	\$150,000	1	0.00	140,471	0.02
\$150,000	to	\$160,000	4	0.01	626,394	0.08
\$160,000	to	\$170,000	1	0.00	166,462	0.02
\$170,000	to	\$180,000	1	0.00	171,980	0.02
\$180,000	to	\$190,000	2	0.01	371,335	0.05
\$190,000	to	\$200,000	-	0.00	-	0.00
\$200,000	to	\$250,000	5	0.01	1,107,993	0.14
\$250,000	to	\$300,000	1	0.00	263,080	0.03
<b>Total</b>			<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

#### 4.6 Receivables by Seasoning (months)

Seasoning (months)			Number	Number (%)	Value (\$)	Value (%)
-	to	6	-	0.00	-	0.00
6	to	12	10,478	29.09	280,899,385	35.11
12	to	18	9,664	26.83	232,899,951	29.11
18	to	24	6,467	17.95	140,726,540	17.59
24	to	30	3,867	10.73	75,407,582	9.43
30	to	36	1,998	5.55	32,448,607	4.06
36	to	42	1,250	3.47	15,573,357	1.95
42	to	48	953	2.65	10,263,770	1.28
48	to	54	806	2.24	7,438,756	0.93
54	to	60	313	0.87	2,838,867	0.35
Greater than 60			229	0.64	1,503,185	0.19
<b>Total</b>			<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

#### 4.7 Receivables by Term to Maturity (months)

Term to Maturity (months)			Number	Number (%)	Value (\$)	Value (%)
-	to	6	532	1.48	4,954,440	0.62
6	to	12	1,584	4.40	16,216,034	2.03
12	to	18	2,062	5.72	25,565,847	3.20
18	to	24	2,356	6.54	36,620,587	4.58
24	to	30	3,146	8.73	59,222,260	7.40
30	to	36	3,503	9.72	71,465,043	8.93
36	to	42	5,237	14.54	120,086,555	15.01
42	to	48	6,656	18.48	163,815,392	20.48
48	to	54	7,002	19.44	192,897,796	24.11
54	to	60	730	2.03	17,613,284	2.20
60	to	84	3,217	8.93	91,542,761	11.44
<b>Total</b>			<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

#### 4.8 Receivables by State

State	Number	Number (%)	Value (\$)	Value (%)
Australian Capital Territory	812	2.25	17,985,938	2.25
New South Wales	7,659	21.26	176,816,260	22.10
Northern Territory	13	0.04	362,277	0.05
Queensland	10,114	28.07	243,087,975	30.39
South Australia	4,224	11.73	78,131,499	9.77
Tasmania	12	0.03	311,420	0.04
Victoria	6,203	17.22	134,905,923	16.86
Western Australia	6,988	19.40	148,398,708	18.55
<b>Total</b>	<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

#### 4.9 Receivables by Balloon Percentage

Balloon Percentage			Number	Number (%)	Value (\$)	Value (%)
		Nil	27,835	77.27	536,042,032	67.01
-	to	10%	146	0.41	4,089,632	0.51
10%	to	20%	2,675	7.43	84,683,535	10.59
20%	to	30%	3,559	9.88	117,950,248	14.74
30%	to	40%	1,500	4.16	48,459,213	6.06
40%	to	50%	253	0.70	7,492,706	0.94
50%	to	70%	57	0.16	1,282,633	0.16
<b>Total</b>			<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>



#### 4.10 Receivables by Vehicle Type

Vehicle Type	Number	Number (%)	Value (\$)	Value (%)
Cars/Station Wagon	30,603	84.95	655,159,191	81.89
Utes/Vans	5,422	15.05	144,840,809	18.11
<b>Total</b>	<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

#### 4.11 Receivables by Novation Status

Novation Status	Number	Number (%)	Value (\$)	Value (%)
Novated	3,846	10.68	111,724,847	13.97
Non-novated	32,179	89.32	688,275,153	86.03
<b>Total</b>	<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

#### 4.12 Receivables by New/Used

New or Used Vehicles	Number	Number (%)	Value (\$)	Value (%)
New	23,177	64.34	570,035,973	71.25
Used	12,848	35.66	229,964,027	28.75
<b>Total</b>	<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

#### 4.13 Receivables by Valuation

Valuation		Number	Number (%)	Value (\$)	Value (%)
-	to \$10,000	865	2.40	7,305,155	0.91
\$10,000	to \$20,000	11,001	30.54	142,863,675	17.86
\$20,000	to \$30,000	11,816	32.80	234,073,133	29.26
\$30,000	to \$40,000	7,004	19.44	192,179,920	24.02
\$40,000	to \$50,000	3,345	9.29	120,288,399	15.04
\$50,000	to \$60,000	1,202	3.34	52,304,539	6.54
\$60,000	to \$70,000	385	1.07	19,672,443	2.46
\$70,000	to \$80,000	176	0.49	10,671,556	1.33
\$80,000	to \$90,000	87	0.24	6,254,197	0.78
\$90,000	to \$100,000	46	0.13	3,409,846	0.43
\$100,000	to \$110,000	26	0.07	2,202,263	0.28
\$110,000	to \$120,000	17	0.05	1,685,794	0.21
\$120,000	to \$130,000	14	0.04	1,626,390	0.20
\$130,000	to \$140,000	10	0.03	944,905	0.12
\$140,000	to \$150,000	5	0.01	496,983	0.06
\$150,000	to \$160,000	7	0.02	928,572	0.12
\$160,000	to \$170,000	4	0.01	478,138	0.06
\$170,000	to \$180,000	1	0.00	96,928	0.01
\$180,000	to \$190,000	2	0.01	285,930	0.04
\$190,000	to \$200,000	-	0.00	-	0.00
\$200,000	to \$250,000	10	0.03	1,731,324	0.22
\$250,000	to \$300,000	1	0.00	236,832	0.03
\$300,000	to \$350,000	-	0.00	-	0.00
\$350,000	to \$400,000	-	0.00	-	0.00
\$400,000	to \$450,000	-	0.00	-	0.00
\$450,000	to \$500,000	-	0.00	-	0.00
Greater than \$500,000		1	0.00	263,080	0.03
<b>Total</b>		<b>36,025</b>	<b>100</b>	<b>800,000,000</b>	<b>100</b>

## 5 TRUST ASSETS AND ELIGIBILITY CRITERIA

### 5.1 Acquisition of Purchased Receivables by Issuer

The Trust Assets will include the Receivables, Related Securities and Leased Property to be acquired by the Issuer from a Seller in accordance with the relevant Sale Deed:

- (a) in the case of St.George Finance Limited (as a Seller), on the Closing Date; and
- (b) in the case of St.George Finance Limited and Westpac (each as a Seller), during the Substitution Period, as described in Section 5.2 ("Substitution Period") below.

On 31 December 2013, Westpac Banking Corporation acquired CFAL, an originator of auto and equipment receivables. Notwithstanding this, no receivables originated by CFAL will be sold to the Trust either on the Closing Date or at any time during the Substitution Period.

### 5.2 Substitution Period

The Issuer may acquire further Receivables, Related Securities and Leased Property from a Seller during the Substitution Period provided the relevant Settlement Date is a Payment Date, the Pool Parameters will be satisfied, and a Rating Notification is given, in connection with the acquisition of such Receivables and such Receivables are represented by the relevant Seller to be Eligible Receivables. As disclosed in Section 5.1 ("Acquisition of Purchased Receivables by Issuer") above, no receivables originated by CFAL will be sold to the Trust at any time during the Substitution Period.

The Purchase Price for Receivables, Related Securities and Leased Property to be acquired by the Issuer during the Substitution Period may only be paid for by the Issuer, as directed by the Manager, using Total Available Principal which is available for that purpose in accordance with Section 10.4 ("Application of Total Available Principal").

### 5.3 Eligibility Criteria

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

- (a) the Receivable is denominated and payable only in Australian dollars;
- (b) the Receivable relates to the financing of an asset which is a new or used car, station wagon, utility vehicle or van. For the avoidance of doubt, this does not include a truck, bus, motorcycle, aircraft or an asset which is specialised commercial or agricultural equipment;
- (c) the Receivable is governed or regulated by the laws of a State or Territory of Australia;
- (d) the Receivable requires the relevant Obligor to make payments (including any final balloon payment) which will amortise the Outstanding Principal Balance of the Receivable to zero over the remaining term of the Receivable;
- (e) if the Receivable:
  - (i) is a Lease Receivable which is a security interest for the purposes of the PPSA; or
  - (ii) is a loan secured by a Related Security which is a security interest for the purposes of the PPSA,

the interest of the relevant Seller in that security interest has been perfected by registration on the PPS Register (and where the relevant personal property in respect of that security interest may or must be described by serial number, the relevant financing statement includes that serial number);

- (f) the Receivable was approved and originated by the relevant Seller in the ordinary course of its business;
- (g) the Receivable has a remaining term that does not exceed 85 months;

- (h) the Receivable is not more than 31 days in Arrears;
- (i) the Receivable, together with any Related Security in relation to that Receivable, that is required to be stamped has been or will be stamped with all applicable duty;
- (j) at the time the Receivable was entered into, the Receivable complied in all material respects with all applicable laws;
- (k) the Receivable does not incorporate a balloon payment that is greater than 55% of the total of all payments to be made under that Receivable, unless the remaining term of that Receivable is less than or equal to 12 months, in which case the balloon payment in relation to the Receivable must not exceed 70% of the total of all payments to be made under that Receivable;
- (l) the Receivable has had at least one payment made by the Obligor in respect of it;
- (m) the Receivable bears a fixed interest rate (or, in the case of a Receivable which is a Lease Receivable, fixed rental payments) for its remaining term;
- (n) the Receivable requires the Obligor to continue to make payments even if there is a defect in the relevant Financed Property or the relevant Financed Property breaks down or is damaged;
- (o) the Receivable requires that the relevant Obligor keep the relevant Financed Property in good repair and order at that Obligor's own expense;
- (p) the Receivable requires the relevant Obligor to keep the relevant Financed Property insured for its full insurable value at the Obligor's own expense against fire, accident and theft and for all other risks as the relevant Seller or Servicer, as the case may be, require;
- (q) if the Receivable is terminated prior to its termination date for any reason (including the exercise of any option to terminate early by the relevant Obligor), the Receivable provides that the relevant Seller has the right to recover from the Obligor an amount which is at least equal to the Outstanding Principal Balance of the Receivable;
- (r) the Outstanding Principal Balance of the Receivable on the relevant Cut-Off Date is not more than A\$500,000;
- (s) the aggregate of:
  - (i) the Outstanding Principal Balance of the Receivable; plus
  - (ii) the Outstanding Principal Balance of all other Purchased Receivables (if any) which have the same Obligor as the Obligor of the Receivable referred to in sub-paragraph (i) above,
 (each as calculated on the relevant Cut-Off Date) is not more than A\$1,500,000;
- (t) the Receivable has a scheduled maturity date which is at least one year before the Maturity Date.

#### 5.4 Pool Parameters

The **Pool Parameters** will be satisfied in respect of an acquisition by the Issuer of a further Receivable during the Substitution Period if as at the relevant Cut-Off Date:

- (a) the aggregate Outstanding Principal Balance of all Purchased Receivables which are Balloon Receivables with balloon payments exceeding 55% of the total payments to be made under the relevant Purchased Receivable do not exceed 5% of the aggregate Outstanding Principal Balance of all Purchased Receivables;
- (b) the aggregate Outstanding Principal Balance of all Purchased Receivables with a remaining term exceeding 60 months do not exceed 15% of the aggregate Outstanding Principal Balance of all Purchased Receivables;
- (c) the aggregate Outstanding Principal Balance of all Purchased Receivables with an Outstanding Principal Balance exceeding A\$150,000 do not exceed 1.5% of the aggregate Outstanding Principal Balance of all Purchased Receivables;
- (d) the Weighted Average Balloon Percentage of all Purchased Receivables which are Balloon Receivables do not exceed 30%;
- (e) the aggregate Outstanding Principal Balance of all Purchased Receivables which are Consumer Finance Receivables do not exceed 75% of the aggregate Outstanding Principal Balance of all Purchased Receivables; and
- (f) the aggregate Outstanding Principal Balance of all Purchased Receivables which are Balloon Receivables do not exceed 35% of the aggregate Outstanding Principal Balance of all Purchased Receivables,

provided that, in each case, the Purchased Receivables will be treated as including the Receivables to be acquired.

#### 5.5 Representations and warranties

St.George Finance Limited (as a Seller) will represent and warrant to the Issuer on the Closing Date (in respect of each Receivable and Related Security referred to in the Initial Offer to Sell) and each Seller will represent and warrant to the Issuer on each Settlement Date (in respect of each Receivable and Related Security referred to in the relevant Offer to Sell given by it to which that Settlement Date relates):

- (a) each Receivable is an Eligible Receivable on the relevant Cut-Off Date for that Receivable;
- (b) the Seller is the sole legal and beneficial owner of each Receivable and Related Security free from Encumbrance;
- (c) in respect of each Receivable which is a Lease Receivable, the Seller is the sole legal and beneficial owner of the relevant Leased Property free from Encumbrance;
- (d) there is no fraud, dishonesty, material misrepresentation or negligence on the part of the Seller in connection with the selection and offer to the Issuer of each Receivable and Related Security;
- (e) the assignment of each Receivable and Related Security to the Issuer in accordance with the relevant Sale Deed will not be held by a court to be an undervalue transfer, a fraudulent conveyance, or a voidable preference under any law relating to insolvency;
- (f) the assignment of each Receivable and Related Security to the Issuer in accordance with the relevant Sale Deed does not contravene any law and will not constitute a breach of the Receivable Terms of any such Receivable and Related Security or a default by the Seller under any Encumbrance. All consents required in relation to the assignment of each Receivable and Related Security have been obtained;

- (g) immediately following the assignment of each Receivable and Related Security to the Issuer in accordance with the relevant Sale Deed, no such Receivable or Related Security will be subject to any right of rescission, set-off, counterclaim or similar defence; and
- (h) each Receivable and Related Security is a valid and binding obligation of the Obligor, enforceable in accordance with its terms against the Obligor in all material respects except to the extent that it is affected by applicable equitable principles and laws relating to insolvency and creditors' rights generally.

## **5.6 Remedy for misrepresentations**

- (a) If the relevant Seller, the Manager or the Issuer becomes aware that any representation or warranty described above given in respect of a Purchased Receivable or Purchased Related Security is incorrect in a material respect when made, it must give notice (providing all relevant details) to the others within 10 Business Days of becoming aware.
- (b) If notice of such misrepresentation is given no later than 10 Business Days prior to the last day of the Prescribed Period and the relevant Seller does not remedy the breach (in a manner determined by it) to the satisfaction of the Issuer within 10 Business Days of the notice (or any longer period that the Issuer or the Manager permits, provided that such period does not extend past the last day of the Prescribed Period), then the relevant Seller must repurchase the relevant Purchased Receivable and any related Leased Property by payment to the Issuer of an amount equal to the Outstanding Principal Balance of that Purchased Receivable plus any accrued but unpaid interest in respect of the Purchased Receivable on the relevant Settlement Date.
- (c) If notice of such misrepresentation is given later than 10 Business Days prior to the last day of the Prescribed Period and the relevant Seller does not remedy the breach (in a manner determined by it) to the satisfaction of the Issuer within 10 Business Days of the notice (or any longer period that the Issuer or the Manager permits), the relevant Seller must pay damages to the Issuer for any direct loss suffered by the Issuer as a result. The maximum amount which the relevant Seller is liable to pay is the Outstanding Principal Balance plus any accrued but unpaid interest in respect of the Purchased Receivable at the time of payment of the damages.

## 6 CONDITIONS OF THE NOTES

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

### 1. Definitions

#### 1.1 Definitions

In these conditions, these meanings apply unless the contrary intention appears or unless defined in Section 14 (“Glossary”).

**Day Count Fraction** means, for the purposes of the calculation of interest for any period, the actual number of days in the period divided by 365.

**Interest Rate** means, for a Note, the interest rate (expressed as a percentage rate per annum) for that Note determined in accordance with condition 6.3 (“Interest Rate”).

**Record Date** means, for a payment due in respect of a Note, the second Business Day immediately preceding the relevant Payment Date.

**Registrar** means, in respect of the Trust:

- (a) the Issuer; or
- (b) such other person appointed by the Issuer to maintain the Note Register for the Trust.

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

#### 1.2 Interpretation

Clauses 1.2 (“References to certain general terms”) to 1.4 (“Headings”) and 6.1 (“Awareness of certain events”) of the Security Trust Deed apply to these conditions.

#### 1.3 Business Day Convention

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

### 2. General

#### 2.1 Issue Supplement

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

Notes are issued in 6 Classes:

- (a) Class A Notes;
- (b) Class B Notes;
- (c) Class C Notes;
- (d) Class D Notes;
- (e) Class E Notes; and
- (f) Seller Notes.

#### 2.2 Currency

Notes are denominated in Australian dollars.

#### 2.3 Clearing Systems

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

### **3. Form**

#### **3.1 Constitution**

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

#### **3.2 Registered form**

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

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

#### **3.3 Effect of entries in Note Register**

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

- (a) an irrevocable undertaking by the Issuer to the Noteholder to:
  - (i) pay principal, any interest and any other amounts payable in respect of the Note in accordance with these conditions; and
  - (ii) comply with the other conditions of the Note; and
- (b) an entitlement to the other benefits given to the Noteholder in respect of the Note under these conditions.

#### **3.4 Note Register conclusive as to ownership**

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

#### **3.5 Non-recognition of interests**

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

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

Condition 3.5 applies whether or not a Note is overdue.

#### **3.6 Joint Noteholders**

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

#### **3.7 Inspection of Note Register conclusive as to ownership**

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

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

#### **3.8 Notes not invalid if improperly issued**

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



### **3.9 Location of the Notes**

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

## **4. Status**

### **4.1 Status**

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

### **4.2 Security**

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

### **4.3 Ranking**

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

## **5. Transfer of Notes**

### **5.1 Transfer**

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

### **5.2 Title**

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

### **5.3 Transfers in whole**

Notes may only be transferred in whole.

### **5.4 Compliance with laws**

Notes may only be transferred if:

- (a) the offer or invitation giving rise to the transfer is not:
  - (i) an offer or invitation which requires disclosure to investors under Part 6D.2 of the Corporations Act; or
  - (ii) an offer to a retail client under Chapter 7 of the Corporations Act; and
- (b) the transfer complies with any applicable law or directive of the jurisdiction where the transfer takes place.

### **5.5 No transfers to unincorporated associations**

Noteholders may not transfer Notes to an unincorporated association.

### **5.6 Transfer procedures**

Interests in Notes held in a Clearing System may only be transferred in accordance with the rules and regulations of that Clearing System. Notes not held in a Clearing System must be transferred by sending a transfer form to the Specified Office of the Registrar.

To be valid, a transfer form must be:

- (a) in the form set out in Schedule 2 of the Note Deed Poll;
- (b) duly completed and signed by, or on behalf of, the transferor and the transferee; and
- (c) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly signed.

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

## **5.7 CHESS**

Notes listed on the ASX are not:

- (a) transferred through, or registered on, the Clearing House Electronic Subregister System operated by the ASX; or
- (b) “Approved Financial Products” (as defined for the purposes of that system).

## **5.8 Transfers of unidentified Notes**

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

## **6. Interest**

### **6.1 Interest on Notes**

- (a) Each Note bears interest on its Invested Amount at its Interest Rate from (and including) its Issue Date to (but excluding) the date on which the Note is deemed to be redeemed in accordance with condition 8.7 (“Final Redemption”).
- (b) The amount of interest payable in respect of a Note is calculated by multiplying the Interest Rate for the Interest Period, the Invested Amount of the Note and the Day Count Fraction. Interest is payable in arrear on each Payment Date.
- (c) No interest accrues in respect of a Note on any day on which the Stated Amount of that Note is zero.

### **6.2 Interest Rate determination**

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

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

### **6.3 Interest Rate**

- (a) The Interest Rate for a Class A Note:
  - (i) for each Interest Period ending on or prior to the Class A Note Step-up Margin Date is the sum of:
    - (A) the relevant Note Margin; and
    - (B) the Bank Bill Rate; and
  - (ii) for each Interest Period ending after the Class A Note Step-up Margin Date is the sum of:
    - (A) the relevant Note Margin;
    - (B) the Class A Note Step-up Margin; and
    - (C) the Bank Bill Rate.
- (b) The Interest Rate for a Class of Notes (other than the Class A Notes) for each Interest Period is the sum of:
  - (i) the relevant Note Margin; and
  - (ii) the Bank Bill Rate.

### **6.4 Calculation of interest payable on Notes**

As soon as practicable after determining the Interest Rate for any Note for an Interest Period, the Calculation Agent must calculate the amount of interest payable on that Note for the Interest Period in accordance with condition 6.1 (“Interest on Notes”).

## **6.5 Notification of Interest Rate and other things**

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

## **6.6 Determination and calculation final**

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

## **6.7 Rounding**

For any determination or calculation required under these conditions:

- (a) all percentages resulting from the determination or calculation must be rounded to the nearest one hundred-thousandth of a percentage point (with 0.00005 per cent. being rounded up to 0.0001 per cent.);
- (b) all amounts that are due and payable resulting from the determination or calculation must be rounded (with halves being rounded up) to:
  - (i) in the case of Australian dollars, one cent; and
  - (ii) in the case of any other currency, the lowest amount of that currency available as legal tender in the country of that currency; and
- (c) all other figures resulting from the determination or calculation must be rounded to five decimal places (with halves being rounded up).

## **6.8 Default interest**

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

Interest payable under this condition 6.8 accrues daily from (and including) the due date to (but excluding) the date the Issuer actually pays and is calculated using the Day Count Fraction.

## **6.9 Interpolation**

In respect of the first Interest Period (but only if the actual number of days in that Interest Period is more than 30), the Calculation Agent must determine the Interest Rate for that Interest Period using straight line interpolation by reference to two Bank Bill Rates.

The first rate must be determined on the first day of that Interest Period in accordance with the definition of Bank Bill Rate in condition 1.2 ("Definitions").

The second rate must be determined on the first day of that Interest Period as if each reference to "30 days" in the definition of Bank Bill Rate in condition 1.2 ("Definitions") were a reference to "60 days".

## **7. Allocation of Charge-Offs**

The Issue Supplement contains provisions for:

- (a) allocating Charge-Offs to the Notes and reducing the Stated Amount of the Notes; and
- (b) reinstating reductions in the Stated Amount of the Notes.

## **8. Redemption**

### **8.1 Redemption of Notes**

The Issuer agrees to redeem each Note on the Maturity Date of that Note by paying to the Noteholder the Redemption Amount for the Note. However, the Issuer is not

required to redeem a Note on the Maturity Date of that Note if the Issuer redeems, or purchases and cancels the Note before the Maturity Date of that Note.

## **8.2 Redemption of Notes - Call Option**

- (a) The Manager may (at its option) direct the Issuer to redeem all (but not some only) of the Notes before the Maturity Date of the Notes and, upon receipt of such direction, the Issuer must redeem the Notes by paying to the Noteholders the Redemption Amount for the Notes.
- (b) However, the Manager may only direct the Issuer to redeem the Notes under this condition 8.2, if the proposed redemption date is a Call Option Date. The Manager agrees to direct the Issuer to give notice of the proposed redemption under this condition 8.2, at least 5 Business Days before the proposed redemption date, to the Registrar and the Noteholders and any stock exchange on which the Notes are listed.

## **8.3 Redemption for taxation reasons**

- (a) If the Issuer is required under condition 10.2 (“Withholding tax”) to deduct or withhold an amount in respect of Taxes from a payment in respect of a Note the Manager may (at its option) direct the Issuer to redeem all (but not some only) of the Notes, and upon receipt of such direction, the Issuer must redeem the Notes by paying to the Noteholders the Redemption Amount for the Notes.
- (b) The Manager agrees to direct the Issuer to give notice of the proposed redemption under this condition 8.3, at least 15 days before the proposed redemption date, to the Registrar and the Noteholders and any stock exchange on which the Notes are listed.
- (c) For any redemption of Notes under condition 8.3, the proposed redemption date must be a Payment Date.

## **8.4 Payment of principal in accordance with Issue Supplement**

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

## **8.5 Late payments**

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

Interest payable under this condition 8.5 accrues daily from (and including) the due date to (but excluding) the date the Issuer actually pays and is calculated using the Day Count Fraction.

## **8.6 Issuer may purchase Notes**

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

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

## **8.7 Final Redemption**

A Note will be finally redeemed, and the obligations of the Issuer with respect to the payment of the Invested Amount of that Note will be finally discharged, on:

- (a) the date upon which the Invested Amount of that Note is reduced to zero; or
- (b) the date on which the Issuer completes a sale and realisation of all Trust Assets in accordance with the Transaction Documents and the proceeds of that sale and realisation are applied, to the extent available, to repay the Invested Amount of that Note.

## **9. Payments**

### **9.1 Payments to Noteholders**

The Issuer agrees to pay interest and amounts of principal in respect of a Note to the person who is the Noteholder of that Note at close of business on the Record Date in the place where the Note Register is maintained.

### **9.2 Payments to accounts**

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

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

### **9.3 Payments by cheque**

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

If the Issuer makes a payment in respect of a Note by cheque, the Issuer agrees to send the cheque by prepaid ordinary post not later than the Business Day immediately before the due date to the Noteholder (or, if two or more persons are entered in the Note Register as joint Noteholders of the Note, to the first named joint Noteholder) at its address appearing in the Note Register at close of business in the place where the Note Register is maintained on the Record Date. Despite the preceding sentence, the Issuer may send a cheque by any other means if directed by the Manager, provided the Manager has formed the opinion that the cheque will be delivered at the address of the Noteholder by no later than the due date for payment.

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

### **9.4 Payments subject to law**

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

## **10. Taxation**

### **10.1 No set-off, counterclaim or deductions**

The Issuer agrees to make all payments in respect of a Note in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes, unless such withholding or deduction is required by law.

### **10.2 Withholding tax**

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

- (a) the Issuer agrees to withhold or deduct the amount;
- (b) the Issuer agrees to pay an amount equal to the amount withheld or deducted to the relevant authority in accordance with applicable law.

The Issuer is not liable to pay any additional amounts to the Noteholder in respect of any such withholding or deduction (including, without limitation, for or on account of

any withholding or deduction arising under or in connection with FATCA or any inter-governmental agreement or implementing legislation adopted by another jurisdiction in connection with FATCA, or pursuant to any agreement with the U.S. Internal Revenue Service in connection with FATCA).

**11. Time limit for claims**

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

**12. General**

**12.1 Role of Calculation Agent**

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

**12.2 Meetings of Secured Creditors**

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

**13 Notices**

**13.1 Notices to Noteholders**

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

- (a) sent by prepaid post (airmail, if appropriate) to the address of the Noteholder (as shown in the Note Register at close of business in the place where the Note Register is maintained on the day which is 3 Business Days before the date of the notice or communication);
- (b) given by an advertisement published in:
  - (A) the Australian Financial Review or The Australian; or
  - (B) if the Issue Supplement specifies an additional or alternate newspaper, that additional or alternate newspaper;
- (c) a notice posted on an electronic source approved by the Manager and generally accepted for notices of that type (such as Bloomberg or Reuters);
- (d) a notice distributed through the Clearing System in which the Notes are held; or
- (e) announced on the ASX.

**13.2 When effective**

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

**13.3 When taken to be received**

Communications are taken to be received:

- (a) if published in a newspaper, on the first date published in all the required newspapers;
- (b) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
- (c) if posted on an electronic source or distributed through a Clearing System, or announced on the ASX, on the date of such posting, distribution or announcement (as applicable).

**13. Governing law**

**13.1 Governing law and jurisdiction**

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

**13.2 Serving documents**

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

**14. Limitation of liability**

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

## **7 GENERAL INFORMATION**

### ***Use of Proceeds***

The proceeds from the issue and sale of the Notes will be A\$800,000,000.

On the Issue Date the Issuer will apply the proceeds of the issue of the Notes towards payment of the purchase price for the Purchased Receivables, Related Securities and Leased Property.

### ***Clearing Systems***

The Issuer will apply to Austraclear for approval for the Offered Notes to be traded on the Austraclear System. Such approval by Austraclear is not a recommendation or endorsement by Austraclear of the Offered Notes.

### ***Approvals***

Regulations in Australia restrict or prohibit payments, transactions and dealings with assets having a prescribed connection with certain countries or named individuals or entities subject to international sanctions or associated with terrorism.



## **8 ORIENTATION AND SERVICING OF THE RECEIVABLES**

### **8.1 Origination of the Receivables**

#### ***Business***

The history of the St.George Auto Business dates back to 1994 when St.George Bank Limited purchased the A\$2.1 billion motor vehicle receivables, commercial lending and private banking portfolio of Barclays Bank Australia Limited (“**Barclays**”). The automotive finance business described below had been operated by Barclays in Australia since 1979. St.George Finance Limited (“**SGFL**”) was acquired by Westpac as part of its merger with St.George Bank Limited on 1 December 2008. On 31 December 2013, as part of its acquisition of selected assets of Lloyds Banking Group’s Australian businesses, Westpac acquired CFAL, an originator of auto and equipment receivables. Certain parts of the CFAL business are being integrated into the St.George Auto Business. Notwithstanding this, no receivables originated by CFAL will be sold to the Trust either on the Closing Date or at any time during the Substitution Period.

Receivables sold to the Trust during the Substitution Period may also include receivables originated by Westpac. The Westpac product types will be the same as the SGFL product types described below, and the origination, approval and underwriting, credit scoring and compliance and credit quality processes described below will apply equally to such Westpac and SGFL originated receivables.

The core business model of the St.George Auto Business is the provision of floorplan finance to vehicle dealerships across Australia in exchange for obtaining the first opportunity to provide retail vehicle finance to that dealership’s customers. Vehicle finance includes finance leases, novated leases, goods mortgages, goods loans, hire purchase agreements and fixed rate consumer loan products.

#### ***Origination Process***

The St.George Auto Business originates Receivables via dealer customers (approximately 86%), salary packaging companies (in respect of novated leases) (approximately 12%) and directly with customers (approximately 2%).

Dealerships are provided with access to the St.George Auto Business retail finance origination system (Sovereign online), which is used to submit point-of-sale retail car loan applications for their customers. Dealers are remunerated for retail finance settlements via a commission plan which is generally specific to individual loan contracts. Volume bonuses and other incentives usually form part of the dealer remuneration agreements.

The existing dealer base, and therefore the retail customer base, includes all major vehicle brands distributed in the Australian market. Strong dealer relationships are key to the on-going success of the business model. The business employs a relationship management model facilitated by state-based sales offices which include dedicated dealer managers. Dealers and their introduced loan portfolios are constantly monitored against key metrics and performance hurdles with issues being elevated to the relevant dealer manager to take action, where appropriate.

#### ***Approval and Underwriting Process***

All motor vehicle finance applications are submitted via the Sovereign online loan origination system and are assessed using automated credit scoring, credit policies and business validation rules. Online approvals are only granted if applications pass the required credit scores and satisfy all credit policies and business validation rules.

Applications that do not receive a system approval for any reason are referred to each State branch for manual assessment. The underlying vehicle type and borrower characteristics will also have an impact on the relevant underwriting criteria.

Only lending officers who have a Credit Approval Limit (“**CAL**”), can approve a finance application within the limits of that authority, otherwise the finance application must be escalated for assessment by a credit specialist with a suitable CAL. Certain lending officers have a CAL which, in certain circumstances, permits approval of an application that falls outside stated policy.

The St.George Auto Business credit policies and approval procedures are subject to regular review. Credit policy may change from time to time due to business conditions and legal or regulatory changes. Any material changes to the credit policy requires prior approval of Westpac Group Risk.

### ***Credit Scoring Model***

Credit scoring is applied to individual applicants that have been introduced by a vehicle dealer, whether they are financing a vehicle for private or business use. Company applications are passed through the business and validation rules before being manually assessed.

Credit scoring was introduced in 1993 and there have been a number of scorecard amendments since that time. The most recent amendment took place in 2011. As a result of the differentiation between private and business customers, two new scorecards were developed to provide better risk segmentation across the two segments.

These models are managed by the Westpac Unsecured Credit Risk department which measures and monitors the effectiveness of the scorecards on a regular basis. In addition to managing the credit risk of the vehicle finance portfolio, this department also oversees the credit quality of the various secured and unsecured retail products such as personal loans and credit cards across the Westpac Group.

Credit assessment of all applications is also complemented by a range of credit-based business rules that apply to all vehicle finance applications. These rules include conditions around capacity, vehicle quality, applicant stability and credit history.

### ***Product Types***

The following product types may be included in the Purchased Receivables:

#### ***Hire Purchase***

These are fixed interest rate commercial hire purchase contracts with terms of 12-60 months, which may have a final balloon payment. The vehicle must be used predominantly for business purposes. As such, Obligors are generally small businesses made up of sole traders, partnerships and private companies.

This product may be prepaid early, subject to certain conditions, as well as economic break costs and early termination fees being paid.

The financier (i.e. a Seller) owns the underlying vehicle financed until the final instalment is paid. For tax purposes in Australia, the vehicle is viewed as being owned by the Obligor who is usually able to claim the depreciation of the vehicle and the interest component of the rental.

#### ***Finance Leases***

These are fixed interest rate finance lease contracts with terms of 12-60 months, all of which have a residual value payment due at the end of the contract term. The residual value is based on the effective life of the asset and Australian Taxation Office ("ATO") guidelines. Obligors are generally small businesses made up of sole traders, partnerships and private companies.

A finance lease is a rental where the financier owns the vehicle, which is then leased for an agreed term and rental amount. The lessee indemnifies the financier (i.e. a Seller) for the residual value of the vehicle at the end of the lease term which results in no residual risk being borne by the financier.

Under a finance lease, the financier generally owns the vehicle and claims depreciation on it. In most cases, lessees can claim the full amount of the rentals as a tax deduction provided the motor vehicles are used solely to earn assessable income. Under the terms of a finance lease, the Obligor has no option to purchase the vehicle leased either during or at the end of the contract.

#### ***Novated Leases***

Included in the Purchased Receivables are a number of novated finance leases. A novated lease is a finance lease whereby an employee, as lessee, leases a vehicle and the lease of the vehicle is novated to the employer. The employer is required to remit monthly lease rentals out of the employee's pre-tax earnings while the lessee employee remains in its employ. The lessee employee remains fully liable to perform and observe all of the other obligations under the lease agreement not related to punctual payment of the rentals, including obligations relating to the residual value. In the event an employee is no longer employed, the monthly lease rental payment obligations are novated to the employee directly.

### *Goods Mortgage / Loan (Chattel Mortgage)<sup>1</sup>*

These are fixed interest rate commercial loan contracts with terms of 12-60 months, which may have a final balloon payment. Obligors are generally small businesses made up of sole traders, partnerships and private companies.

The contracts may be pre-paid early, subject to agreed economic break costs and early termination fees being paid.

The vehicle financed is legally owned by the Obligor with the financier (i.e. a Seller) having a mortgage over the vehicle until all contractual obligations are met. This enables the relevant Seller, upon an event of default by the Obligor, to, among other things, take possession of the vehicle and sell it.

### *Consumer Finance Facility*

These are consumer loans governed by the National Credit Code. Consumer loans are where the whole or predominant purpose of the finance is for personal, domestic or household purposes. As such, Obligors are individuals or strata corporations.

The loans have a fixed interest rate, have terms of 12-84 months, may have a final balloon payment and are secured by a mortgage over the vehicle.

The vehicle financed is legally owned by the Obligor with the financier (i.e. a Seller) having a mortgage over the vehicle until all contractual obligations are met. The Obligor has the option to prepay the loan early based on agreed terms, which include break costs and early termination fee.

### **Compliance and Credit Quality**

When applications have been approved and accepted by the Obligor all documentation is submitted to the relevant Seller's central settlements and compliance team.

The key functions of the centralised settlements unit are to:

- undertake the compliance checks of all documentation;
- verify supporting documentation; and
- authorise and settle all loan applications.

In March 2008, a large portion of the centralised settlements function was outsourced to IBM. In January 2014, IBM sold this part of its business to Concentrix who continue to provide these services. The outsourced settlements functions are overseen by the Westpac Product & Operations (P&O) Division, which is operationally independent of St.George Auto Business. P&O undertake all settlements functions that are not outsourced.

Each Seller undertakes monthly origination reviews in line with Westpac compliance requirements. 5% of applications are reviewed each month.

Both credit quality and adherence to policy are monitored independently by Westpac Group Assurance / Group Audit.

Westpac Group Assurance/Group Audit ensures compliance with policy, risk and regulatory requirements. They undertake regular onsite inspections and provide feedback via reports and ratings. This process provides regular feedback to underwriting departments to ensure lending standards are maintained and any unsatisfactory performance is remedied.

## **8.2 Servicing of the Receivables**

### ***Servicing General***

Under the Servicing Deed, Westpac will be appointed as the initial Servicer of the Purchased Receivables. Westpac may delegate the performance of certain servicing obligations to the Sub-Servicer pursuant to the Sub-Servicing Deed. The servicing arrangements described in this Section 8.2 will apply equally to all receivables sold to the Trust during the Substitution Period, irrespective of whether they are originated by SGFL or Westpac. The day-to-day servicing of the Purchased Receivables will be performed by Westpac's Customer Contact Centres and the St.George Auto Business. Servicing procedures include responding to customer inquiries, managing and servicing the

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<sup>1</sup> The Personal Property Security Act came into effect on 30 January 2012 at which time the 'Goods Mortgage' product became a 'Goods Loan' and mortgages over vehicles became security interests.

features and facilities available under the Purchased Receivables and managing delinquent Purchased Receivables. Westpac remains liable for the performance of the services under the Servicing Deed and the acts and omissions of any subcontractor (including the Sub-Servicer).

**Customer Service and Retention**

Customer enquiries in connection with the St.George Auto Business are received either via phone, email or by fax to the Customer Contact Centre. The Customer Contact Centre is also responsible for identifying and referring new business enquiries to the Auto Finance Retention unit. Auto Finance Retention is also responsible for retaining existing Automotive Finance accounts.

**Collections**

The St.George Auto Business outsourced its day-to-day collections processes in November 2000 to the specialist collections agency, Collection House Ltd. (“CH”), which is an ASX listed company. The activities of CH on behalf of the St.George Auto Business are monitored, coordinated and supported by a specialist automotive national collections team, in conjunction with Westpac Risk and Westpac Collections.

From time-to-time, the St.George Auto Business may review its outsourcing arrangements with third parties and this could result in changes to any of its existing contracts, including any arrangements with CH.

The collection activity time line is as follows:

	Arrears Days					
	7	15+	30+	90+	120	>120
Automated Action	Reminder Notice issued Referred to CH		Section 88 and Repo Notice issued at 33 days		Transferred into 'At Risk' (Non Accrual)	
Collection Activity	CH SMS contact	CH Commence phone contact	Ongoing Collection action and follow-up	Follow-up arrangements/ issue to Agents/Repo	Sale of repo/Recovery action/Skip tracing	Write Off/Recovery Action

All loan accounts are held and administered by the Sovereign online system. If a scheduled payment has not been received and processed through the system within seven days of its due date, the system generates an overdue reminder notice, with CH's contact number to phone for any difficulties in meeting the repayment. CH also commences reminder action via SMS at the same time.

The account is monitored for a further seven days. If the account is still in arrears after fourteen days CH commence their outbound dialler activities.

The St.George Auto Business and CH exchange collection data on a daily basis in managing the delinquent accounts. More complex and higher exposure collection matters are managed by the St.George Auto Business or Westpac's Loans Management Unit of the St.George Auto Business.

**Repossession/Liquidation Processes**

The majority of the processing work is outsourced to CH. However, issues relating to repossessions and potential payment arrangements may be referred to the collections department or State offices of the St.George Auto Business for decision.

CH may resort to using other recovery avenues such as referring the matter to a field agent if the initial collection efforts have failed to elicit an appropriate response from the borrower. If an acceptable payment arrangement cannot be reached, CH then arranges for the repossession of the security.

After the repossession, the security is transported to a licensed auction house as approved by the St.George Auto Business to await auction. The auction house conducts an inspection on the security and submits a condition report and valuation to CH. If the difference between the valuation amount and the current loan balance owing is greater than A\$10,000 then these reports are reviewed by the St.George Auto Business to determine the reserve price for auction. For differences less than A\$10,000 CH has the authority to set the reserve price.

After the sale of the vehicle, if there is residual debt outstanding, the St. George Auto Business will, after reviewing the collection activity and circumstances of an individual file, attempt to contact the borrower regarding repayment of the residual debt. The St. George Auto Business can either enter into a repayment arrangement with the borrowers, pursue further recovery action via litigation or if no further action is deemed appropriate, write off the balance and may sell to a debt purchaser.

## **9 DESCRIPTION OF THE PARTIES**

### **9.1 Issuer**

Perpetual Corporate Trust Limited was incorporated in New South Wales on 17 October 1960 as T.E.A. Nominees (N.S.W.) Pty Limited under the Companies Act 1936 of New South Wales. The name was changed to Perpetual Corporate Trust Limited on 18 October 2006 and Perpetual Corporate Trust Limited now operates as a limited liability public company under the Corporations Act. Perpetual Corporate Trust Limited is registered in New South Wales and its registered office is at Level 12, 123 Pitt Street, Sydney NSW 2000, Australia. The telephone number of Perpetual Corporate Trust Limited's principal office is +61 2 9229 9000.

Perpetual Corporate Trust Limited has 10,010,000 ordinary shares issued with a paid amount of A\$1.00 per share. Perpetual Corporate Trust Limited is a wholly owned subsidiary of Perpetual Limited, a publicly listed company on the Australian Securities Exchange.

The principal activities of Perpetual Corporate Trust Limited are the provision of trustee and other commercial services. Perpetual Corporate Trust Limited is authorised representative (No. 266799) under an Australian Financial Services Licence under Part 7.6 of the Corporations Act (Australian Financial Services Licence No. 236643). Perpetual Corporate Trust Limited and its related companies provide a range of services including custodial and administrative arrangements to the funds management, superannuation, property, infrastructure and capital markets. Perpetual Corporate Trust Limited and its related companies are leading trustee companies in Australia with in excess of A\$100 billion under administration.

#### **Relationship with transaction parties**

None of the Servicer, a Seller, the Manager, the Derivative Counterparty, the Deposit Bank or the Liquidity Facility Provider is a subsidiary of, or is controlled by, the Issuer.

### **9.2 Security Trustee**

P.T. Limited, of Level 12, Angel Place, 123 Pitt Street, Sydney, NSW 2000 is appointed as the Security Trustee for the Trust on the terms set out in the Security Trust Deed. See Section 11.5 ("Security Trust Deed and General Security Deed") for a summary of certain of the Security Trustee's rights and obligations under the Transaction Documents. The Australian Business Number of P.T. Limited is 67 004 454 666.

Perpetual Trustee Company Limited has obtained an Australian Financial Services Licence under Part 7.6 of the Corporations Act (Australian Financial Services Licence No. 236643). Perpetual Trustee Company Limited has appointed P.T. Limited to act as its authorised representative under that licence.

### **9.3 Sellers**

St.George Finance Limited (ABN 99 001 094 471), a company incorporated in Australia under the Corporations Act, is a Seller to the Trust.

Westpac Banking Corporation (ABN 33 007 457 141), a company incorporated in Australia under the Corporations Act, is a Seller to the Trust.

### **9.4 Manager**

Westpac Securitisation Management Pty Limited (ABN 73 081 709 211), a company incorporated in Australia under the Corporations Act, has agreed to act as Manager in respect of the Trust pursuant to the Management Deed.

### **9.5 Westpac Banking Corporation - Derivative Counterparty, Liquidity Facility Provider, Deposit Bank, Servicer and Seller**

Westpac is the Derivative Counterparty, Liquidity Facility Provider, Deposit Bank and a Seller and has been appointed as the Servicer of the Purchased Receivables under the Servicing Deed.

Westpac is one of the four major banking organisations in Australia. Westpac provides a broad range of banking and financial services. Westpac's principal office is located at 275 Kent Street, Sydney, New South Wales 2000, Australia.

## 10 CASHFLOW ALLOCATION METHODOLOGY

All amounts received by the Issuer will be allocated by the Manager and paid in accordance with the Cashflow Allocation Methodology. The Cashflow Allocation Methodology applies only in respect of payments to be made before the occurrence of an Event of Default and enforcement of the General Security Deed in accordance with its terms.

### 10.1 Collections

The Servicer is obliged to collect all Collections on behalf of the Issuer during each Collection Period.

If the Servicer is an affiliate of a Seller and the Servicer has the Servicer Required Credit Rating, it is permitted to retain any Collections in respect of a Collection Period until close of business on the Business Day immediately preceding the Payment Date following the end of the relevant Collection Period, on or before which time it must deposit such Collections into the Collection Account (together with an additional amount calculated as interest on such Collections (such interest to be calculated by the Servicer by reference to such interest rate as the Servicer may determine from time to time)). In all other cases the Servicer must remit all Collections it receives to the Collection Account within 2 Business Days of receipt of such Collections.

“**Collections**” means, in respect of a Collection Period, all amounts received by, or on behalf of, the Issuer in respect of the Purchased Receivables and Purchased Related Securities (on and from the Closing Date) during that Collection Period including, without limitation:

- (a) all rent, principal, interest and fees;
- (b) any proceeds recovered from any enforcement action (including any sale proceeds received by the Issuer in connection with a disposal of Leased Property);
- (c) any proceeds received on any sale or Reallocation of any Purchased Receivable; and
- (d) any amount received as damages in respect of a breach of any representation or warranty,

but excluding any Obligor Taxes in respect of that Collection Period.

### 10.2 Determination of Principal Collections

On each Determination Date in respect of the immediately preceding Collection Period, the Manager will determine the Principal Collections for that Collection Period.

The “**Principal Collections**” will be equal to:

- (a) the Collections in respect of that Collection Period; less
- (b) the Income Collections in respect of that Collection Period.

### 10.3 Determination of Total Available Principal

On each Determination Date, the Manager will determine the Total Available Principal that will be available for application in accordance with this Section 10.3.

The “**Total Available Principal**” will be equal to the aggregate of the following:

- (a) the Principal Collections in respect of that Determination Date; plus
- (b) any Total Available Income to be applied on the Payment Date immediately following that Determination Date in accordance with Section 10.11(k) (“Application of Total Available Income”) towards repayment of Principal Draws; plus
- (c) any Total Available Income to be applied on the Payment Date immediately following that Determination Date in accordance with Section 10.11(l) (“Application of Total Available Income”) in respect of Losses for the immediately preceding Collection Period; plus
- (d) any Total Available Income to be applied on the Payment Date immediately following that Determination Date in accordance with Sections 10.11(m), 10.11(n), 10.11(o), 10.11(p), 10.11(q) and 10.11(s) (“Application of Total Available Income”) in respect of Carryover Charge-Offs; plus



- (e) in respect of the first Determination Date only, any surplus proceeds of the issue of Notes to be applied as Total Available Principal; plus
- (f) the Deposit Account Balance on the last day of the Collection Period immediately preceding that Determination Date.

#### **10.4 Application of Total Available Principal**

- (a) On each Determination Date prior to the occurrence of an Event of Default and enforcement of the General Security Deed, the Manager must direct the Issuer to pay on the next Payment Date the following amounts out of Total Available Principal in the following order of priority (subject to Section 10.4(b)):
  - (i) first, as a Principal Draw (if required) in accordance with Section 10.8 (“Principal Draw”);
  - (ii) next, if that Payment Date is during the Substitution Period, in the following order of priority:
    - (A) first, to pay the Purchase Price for any Receivables to be acquired by the Issuer on that Payment Date (as described in Section 5.2 (“Substitution Period”));
    - (B) next, to deposit to the Deposit Account such amount as the Manager may determine in its absolute discretion provided such deposit may not exceed 25% of the Aggregate Invested Amount of all Notes on the Closing Date;
  - (iii) next, if the Step-Down Conditions are not satisfied on that Payment Date, in the following order of priority:
    - (A) first, pari passu and rateably towards repayment of the Class A Notes until the Aggregate Invested Amount of the Class A Notes is reduced to zero;
    - (B) next, pari passu and rateably towards repayment of the Class B Notes until the Aggregate Invested Amount of the Class B Notes is reduced to zero;
    - (C) next, pari passu and rateably towards repayment of the Class C Notes until the Aggregate Invested Amount of the Class C Notes is reduced to zero;
    - (D) next, pari passu and rateably towards repayment of the Class D Notes until the Aggregate Invested Amount of the Class D Notes is reduced to zero;
    - (E) next, pari passu and rateably towards repayment of the Class E Notes until the Aggregate Invested Amount of the Class E Notes is reduced to zero; and
    - (F) next, pari passu and rateably towards repayment of the Seller Notes until the Aggregate Invested Amount of the Seller Notes is reduced to zero;
  - (iv) next, if the Step-Down Conditions are satisfied on that Payment Date, pari passu and rateably:
    - (A) towards repayment of the Class A Notes until the Aggregate Invested Amount of the Class A Notes is reduced to zero;
    - (B) towards repayment of the Class B Notes until the Aggregate Invested Amount of the Class B Notes is reduced to zero;
    - (C) towards repayment of the Class C Notes until the Aggregate Invested Amount of the Class C Notes is reduced to zero;

- (D) towards repayment of the Class D Notes until the Aggregate Invested Amount of the Class D Notes is reduced to zero;
  - (E) towards repayment of the Class E Notes until the Aggregate Invested Amount of the Class E Notes is reduced to zero; and
  - (F) towards repayment of the Seller Notes until the Aggregate Invested Amount of the Seller Notes is reduced to zero; and
- (v) next, as to any surplus (if any), to the Residual Capital Unitholder.
- (b) If, in respect of a Payment Date, the Manager determines that:
- (i) the Step-Down Conditions are satisfied on that Payment Date, except for the condition in paragraph (c)(i) of the definition of Step-Down Conditions in Section 10.5 (“Step-Down Conditions”) (the “**Non-Satisfied Condition**”); and
  - (ii) the Non-Satisfied Condition would be satisfied if retested on that Payment Date (as if references in the Non-Satisfied Condition to “Determination Date” were instead taken to be a reference to that “Payment Date”) after the application of the Total Available Principal on that Payment Date in accordance with Section 10.4(a)(iii),

the amount of Total Available Principal to be applied on that Payment Date in accordance with this Section 10.4 shall be limited to the amount necessary for the Non-Satisfied Condition to be satisfied if retested on that Payment Date (as if references in the Non-Satisfied Condition to “Determination Date” were instead taken to be a reference to that “Payment Date”) after the application of such Total Available Principal. The balance of the Total Available Principal will then be applied on that Payment Date in the order or priority set out in Sections 10.4(a)(iv) and 10.4(a)(v).

## 10.5 Step-Down Conditions

The **Step-Down Conditions** are satisfied on a Payment Date if:

- (a) that Payment Date falls prior to the first Call Option Date;
- (b) the Aggregate Stated Amount of each Class of Notes is not less than the Aggregate Invested Amount of that Class of Notes on that Payment Date; and
- (c) on the Determination Date immediately prior to that Payment Date:
  - (i) the Aggregate Invested Amount of the Subordinated Notes on that Determination Date is equal to or greater than the amount equal to 19% of the Aggregate Invested Amount of all Notes on that Determination Date;
  - (ii) the Average Delinquency Ratio in respect of that Determination Date is not greater than 3%;
  - (iii) the Loss Ratio in respect of that Determination Date is:
    - (A) less than 1.25%, in the case of a Determination Date occurring prior to the first Payment Date following the date which is 18 months after the Closing Date;
    - (B) less than 1.80%, in the case of a Determination Date occurring after the Payment Date referred to in sub-paragraph (A) above but prior the first Payment Date following the date which is 24 months after the Closing Date; or
    - (C) less than 2.50%, in the case of a Determination Date occurring after the Payment Date referred to in sub-paragraph (B) above,

as applicable.

For the avoidance of doubt, on the Issue Date the Aggregate Invested Amount of the Subordinated Notes will equal 19% of the Aggregate Invested Amount of all Notes, and condition (c)(i) above will therefore be satisfied as of the Issue Date.

#### **10.6 Determination of Income Collections**

On each Determination Date, the **Income Collections** for the immediately preceding Collection Period will be calculated by the Manager as the aggregate of the following items (without double counting):

- (a) all Collections comprising interest and other amounts in the nature of interest or income (including any previously capitalised interest) received during that immediately preceding Collection Period in respect of any Purchased Receivable or Purchased Related Security, or any similar amount in respect of any Purchased Receivable or Purchased Related Security deemed by the Servicer to be in the nature of income or interest, including without limitation amounts of that nature:
  - (i) recovered from the enforcement of a Purchased Receivable or Purchased Related Security;
  - (ii) paid to the Issuer upon the sale or Reallocation of a Purchased Receivable or Purchased Related Security; and
  - (iii) in respect of a breach of a representation or warranty contained in the Transaction Documents in respect of a Purchased Receivable or Purchased Related Security or under any obligation to indemnify or reimburse the Issuer; and
- (b) any Recoveries received during that immediately preceding Collection Period in respect of a Purchased Receivable or Purchased Related Security.

#### **10.7 Determination of Available Income**

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

- (a) the Income Collections received during the immediately preceding Collection Period; plus
- (b) any Other Income in respect of the immediately preceding Collection Period; plus
- (c) any net payments due to be received by the Issuer under each Derivative Contract on the next Payment Date; plus
- (d) any interest to be credited to the Deposit Account during the immediately preceding Collection Period.

#### **10.8 Principal Draw**

If, on any Determination Date, there is a Payment Shortfall, then the Manager must direct the Issuer to allocate an amount of Total Available Principal on the Payment Date immediately following that Determination Date equal to the lesser of:

- (a) the Payment Shortfall; and
- (b) the amount of Total Available Principal available for application for that purpose on that Payment Date in accordance with Section 10.4 (“Application of Total Available Principal”),

(a “**Principal Draw**”).

#### **10.9 Liquidity Draw**

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

- (a) the Liquidity Shortfall on that Determination Date; and
  - (b) the Undrawn Liquidity Limit on that Determination Date,
- (a “**Liquidity Draw**”).

#### **10.10 Calculation of Total Available Income**

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

- (a) the Available Income for that Determination Date;
- (b) any Principal Draw for that Determination Date; and
- (c) any Liquidity Draw for that Determination Date.

#### **10.11 Application of Total Available Income**

On each Determination Date prior to the occurrence of an Event of Default and enforcement of the General Security Deed, the Manager must direct the Issuer to pay on the next Payment Date the following amounts out of the Total Available Income in the following order of priority:

- (a) first, at the Manager’s discretion, up to A\$100 to the Participation Income Unitholder;
- (b) next, pari passu and rateably in payment of any Accrual Adjustment due to the Sellers;
- (c) next, pari passu and rateably:
  - (i) any Taxes payable in relation to the Trust for the Collection Period immediately preceding that Payment Date;
  - (ii) the Issuer’s Fee payable on that Payment Date;
  - (iii) the Servicer’s Fee payable on that Payment Date
  - (iv) the Manager’s Fee payable on that Payment Date;
  - (v) the Security Trustee’s Fee payable on that Payment Date; and
  - (vi) any Trust Expenses incurred during the immediately preceding Collection Period;
- (d) next, pari passu and rateably:
  - (i) towards payment to each Derivative Counterparty of the net amount due under each Derivative Contract (if any), excluding any break costs in respect of the termination of that Derivative Contract to the extent that the Derivative Counterparty is the Defaulting Party or sole Affected Party (other than in relation to a Termination Event (under and as defined in the relevant Derivative Contract) due to illegality, a force majeure event or a tax event); and
  - (ii) towards payment to the Liquidity Facility Provider of any interest and fees payable on or prior to that Payment Date under the Liquidity Facility Agreement;
- (e) next, to the Liquidity Facility Provider, towards payment of all outstanding Liquidity Draws made before that Payment Date;
- (f) next, pari passu and rateably, towards payment of the Interest for the Class A Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest for the Class A Notes in respect of preceding Interest Periods;

- (g) next, pari passu and rateably, towards payment of the Interest for the Class B Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest for the Class B Notes in respect of preceding Interest Periods;
- (h) next, towards payment of the Interest for the Class C Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest for the Class C Notes in respect of preceding Interest Periods;
- (i) next, towards payment of the Interest for the Class D Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest for the Class D Notes in respect of preceding Interest Periods;
- (j) next, towards payment of the Interest for the Class E Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest for the Class E Notes in respect of preceding Interest Periods;
- (k) next, to be applied towards Total Available Principal, an amount equal to any unreimbursed Principal Draws;
- (l) next, to be applied towards Total Available Principal, an amount equal to any Losses in respect of the immediately preceding Collection Period;
- (m) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class A) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (n) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class B) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (o) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class C) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (p) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class D) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (q) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Class E) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (r) next, towards payment of the Interest for the Seller Notes for the Interest Period ending on (but excluding) that Payment Date and any unpaid Interest for the Seller Notes in respect of preceding Interest Periods;
- (s) next, to be applied towards Total Available Principal, an amount equal to any Carryover Charge-Off (Seller) (as calculated in respect of previous Determination Dates which have not been reimbursed before that Payment Date);
- (t) next, pari passu and rateably:
  - (i) towards payment to the Liquidity Facility Provider of any other amounts payable on or prior to that Payment Date under the Liquidity Facility Agreement to the extent not paid under paragraphs (d) and (e) above; and
  - (ii) towards payment to each Derivative Counterparty of any outstanding break costs payable in relation to the relevant Derivative Contract to the extent not otherwise paid under paragraph (d) above; and

- (u) next, as to any surplus, to the Participation Income Unitholder by way of distribution of the income of the Trust.

#### **10.12 Allocation of Charge-Offs**

On each Determination Date, the Manager must determine if there is a Charge-Off in respect of that Determination Date and must allocate any such Charge-Off (each a “**Carryover Charge-Off**”) on the immediately following Payment Date in the following order:

- (a) first, pari passu and rateably, to reduce the Aggregate Stated Amount of the Seller Notes until the Aggregate Stated Amount of the Seller Notes is reduced to zero;
- (b) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class E Notes until the Aggregate Stated Amount of the Class E Notes is reduced to zero;
- (c) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class D Notes until the Aggregate Stated Amount of the Class D Notes is reduced to zero;
- (d) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class C Notes until the Aggregate Stated Amount of the Class C Notes is reduced to zero;
- (e) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class B Notes until the Aggregate Stated Amount of the Class B Notes is reduced to zero; and
- (f) next, pari passu and rateably, to reduce the Aggregate Stated Amount of the Class A Notes until the Aggregate Stated Amount of the Class A Notes is reduced to zero.

#### **10.13 Re-instatement of Carryover Charge-Offs**

To the extent that on any Payment Date amounts are available for allocation under Sections 10.11(m), 10.11(n), 10.11(o), 10.11(p), 10.11(q) and 10.11(s) (“Application of Total Available Income”), then an amount equal to these amounts shall be applied on that Payment Date to increase respectively:

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

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

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

- (a) first, to any person with a prior ranking Encumbrance (of which the Security Trustee is aware) over the Collateral to the extent of the claim under that Encumbrance;
- (b) next, to any Receiver appointed in accordance with the Security Trust Deed, for its remuneration;

- (c) next, pari passu and rateably:
  - (i) to any Receiver appointed in accordance with the Security Trust Deed, for its Costs and fees (excluding any amounts paid in accordance with paragraph (b) above) in connection with it acting as receiver in accordance with the Transaction Documents;
  - (ii) to the Security Trustee for its Costs and other amounts (including all Secured Moneys) due to it for its own account in connection with its role as security trustee in relation to the Trust; and
  - (iii) to the Issuer for its Costs and other amounts (including all Secured Moneys) due to it for its own account in connection with its role as trustee of the Trust;
- (d) next, to pay pari passu and rateably:
  - (i) all Secured Money due to the Manager;
  - (ii) all Secured Money due to the Servicer; and
  - (iii) all Secured Money due to the Sellers;
- (e) next, to pay pari passu and rateably:
  - (i) all Secured Money due to the Liquidity Facility Provider; and
  - (ii) all Secured Money due to each Derivative Counterparty, (excluding any break costs in respect of the termination of the relevant Derivative Contract to the extent that the Derivative Counterparty is the Defaulting Party or sole Affected Party (other than in relation to a Termination Event (under and as defined in the relevant Derivative Contract) due to illegality, a force majeure event or a tax event));
- (f) next, all Secured Money owing to the Class A Noteholders in relation to the Class A Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class A Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class A Notes;
- (g) next, all Secured Money owing to the Class B Noteholders in relation to the Class B Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class B Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class B Notes;
- (h) next, all Secured Money owing to the Class C Noteholders in relation to the Class C Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class C Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class C Notes;
- (i) next, all Secured Money owing to the Class D Noteholders in relation to the Class D Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class D Notes; and

- (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class D Notes;
- (j) next, all Secured Money owing to the Class E Noteholders in relation to the Class E Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Class E Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Class E Notes;
- (k) next, all Secured Money owing to the Seller Noteholders in relation to the Seller Notes. This will be applied:
  - (i) first, pari passu and rateably towards all unpaid interest on the Seller Notes; and
  - (ii) next, pari passu and rateably to reduce the Aggregate Invested Amount of the Seller Notes;
- (l) next, pay pari passu and rateably all other Secured Moneys owing to each Derivative Counterparty not paid under the preceding paragraphs;
- (m) next, to pay pari passu and rateably to each Secured Creditor any Secured Moneys owing to that Secured Creditor under any Transaction Document and not satisfied under the preceding paragraphs;
- (n) next, to pay any Taxes payable in relation to the Trust;
- (o) next, to any person with a subsequent ranking Encumbrance (of which the Security Trustee is aware) over the Collateral to the extent of the claim under that Encumbrance; and
- (p) next, to pay any surplus to the Issuer to be distributed in accordance with the terms of the Master Trust Deed.

#### **10.15 Collateral Support**

The proceeds of any Collateral Support will not be treated as Collateral available to be distributed in accordance with Section 10.14 (“Application of proceeds following an Event of Default”).

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

#### **10.16 Call Option**

- (a) At least 5 Business Days before any Call Option Date, the Manager may request in writing that the Issuer, and the Issuer upon receipt of such request must, offer (“**Clean-Up Offer**”) to sell its right, title and interest in all (but not some only) of the Purchased Receivables and Purchased Related Securities in favour of a Seller on that Call Option Date for an amount (“**Clean-Up Offer Amount**”) equal to (as at that Call Option Date) the Repurchase Price for such Purchased Receivables as determined by the Manager.
- (b) If the Clean-Up Offer is accepted, the Issuer must apply the Clean-Up Offer Amount received by it in accordance with the Cashflow Allocation Methodology on the relevant Call Option Date on which the Clean-Up Offer is accepted.
- (c) If the Manager determines that:
  - (i) Notes have been issued and have not been redeemed (or deemed to be redeemed) on or before a Call Option Date; and



- (ii) the Clean-Up Offer Amount is less than the amount which is sufficient to ensure that the Issuer can redeem the Aggregate Invested Amount of all Notes (as at the Determination Date immediately preceding the Call Option Date) (plus all accrued but unpaid interest in respect of such Notes) in full,

the Manager may direct the Issuer to seek the consent of the Noteholders of Notes which are rated by a Designated Rating Agency (to be provided by way of an Extraordinary Resolution) to giving the relevant Clean-up Offer. The Manager must not direct the Issuer to give that Clean-Up Offer unless such consent is provided.

#### **10.17 Obligor Taxes**

Any Obligor Taxes received by, or on behalf of the Issuer, during a Collection Period are to be remitted by the Issuer (at the direction of the Manager) to the relevant Seller on or before the Payment Date immediately following the end of that Collection Period.

#### **10.18 Inertia Receivables**

If at any time a Purchased Receivable becomes an Inertia Receivable then, with effect from the giving of notice by the Manager to the Issuer in respect of that Inertia Receivable, that Inertia Receivable (including any Inertia Payment in respect of that Inertia Receivable) will cease to be a Trust Asset of the Trust and will become a Seller Trust Asset.

If the Inertia Receivable is a Lease Receivable, the Leased Property in respect of that Inertia Receivable will automatically cease to be a Trust Asset of the Trust and will become a Seller Trust Asset with effect from the date that Lease Receivable became an Inertia Receivable.

## **11 DESCRIPTION OF THE TRANSACTION DOCUMENTS**

The following summary describes the material terms of the Transaction Documents. The summary does not purport to be complete and is subject to the provisions of the Transaction Documents. All of the Transaction Documents are governed by the laws of New South Wales, Australia.

### **11.1 General Features of the Trust**

#### ***Constitution of the Trust***

The terms of the Trust are primarily governed by the Master Trust Deed, the Security Trust Deed and the Issue Supplement. An unlimited amount of trusts may be established under the Master Trust Deed. The Trust is separate and distinct from any other trust established under the Master Trust Deed.

The Trust is a common law trust which was established under the laws of New South Wales on 13 March 2015, by the execution of the Notice of Creation of Trust.

The Issuer has been appointed as trustee of the Trust. The Issuer will issue Notes in its capacity as trustee of the Trust.

The Trust will terminate on the earlier of:

- (a) the day before the eightieth anniversary of 13 March 2015; and
- (b) the date which the Manager notifies the Issuer that it is satisfied that the Secured Money of the Trust has been unconditionally and irrevocably repaid in full.

#### ***Capital***

The beneficial interest in the Trust is represented by:

- (a) ten Residual Capital Units; and
- (b) one Participation Income Unit.

The initial holder of the Residual Capital Units is Westpac Banking Corporation.

The initial holder of the Participation Income Unit is St.George Finance Limited.

#### ***Purpose of the Trust***

The Trust has been established for the sole purpose of issuing the Notes, acquiring the Receivables and Related Securities and entering into the transactions contemplated by the Transaction Documents.

As at the Issue Date, and prior to the issue of the Notes, the Trust has not commenced operations and the Trust will, following the Issue Date, undertake no activity other than that contemplated by the Transaction Documents.

### **11.2 Master Trust Deed**

#### ***Entitlement of holders of the Residual Capital Units and holders of the Participation Income Unit***

The beneficial interest in the assets of the Trust is vested in the Residual Capital Unitholder and the Participation Income Unitholder in accordance with the terms of the Master Trust Deed and the Issue Supplement.

#### ***Entitlement to payments***

The Residual Capital Unitholder and the Participation Income Unitholder have the right to receive distributions only if and to the extent that funds are available for distribution to them in accordance with the Issue Supplement.

Subject to this, the Residual Capital Unitholder and the Participation Income Unitholder have no right to receive distributions other than a right to receive on the termination of the Trust the amount of the initial investment it made in respect of the Trust and any other surplus Trust Assets on its termination in accordance with the terms of the Issue Supplement.

### ***Transfer***

The Residual Capital Units and the Participation Income Unit may be transferred in accordance with the Master Trust Deed. The Residual Capital Units and the Participation Income Unit may only be transferred if the Issuer agrees.

### ***Ranking***

The rights of the Secured Creditors under the Transaction Documents rank in priority to the interests of the Residual Capital Unitholder and the Participation Income Unitholder.

### ***Restricted rights***

The Residual Capital Unitholder and the Participation Income Unitholder are not entitled to:

- (a) exercise a right or power in respect of, lodge a caveat or other notice affecting, or otherwise claim any interest in, any Trust Asset; or
- (b) require the Issuer or any other person to transfer a Trust Asset to it; or
- (c) interfere with any powers of the Manager or the Issuer under the Transaction Documents; or
- (d) take any step to remove the Manager or the Issuer; or
- (e) take any step to end the Trust.

### ***Obligations of the Issuer***

Pursuant to the Transaction Documents the Issuer undertakes to (among other things):

- (a) act as trustee of the Trust and to exercise its rights and comply with its obligations under the Transaction Documents;
- (b) carry on the Trust Business at the direction of the Manager and as contemplated by the Transaction Documents;
- (c) obtain, renew on time and comply with the terms of each authorisation necessary for it to enter into the Transaction Documents to which it is a party, comply with its obligations under them and allow them to be enforced;
- (d) comply with all laws and requirements of authorities affecting it or the Trust Business and to comply with its other obligations in connection with the Trust Business;
- (e) at the direction of the Manager, take action that a prudent, diligent and reasonable person would take to ensure that each counterparty complies with its obligations in connection with the Transaction Documents;
- (f) not to do anything to create any Encumbrances (other than a Permitted Encumbrance) over the Collateral;
- (g) not to commingle the Collateral of the Trust with any of its other assets (including the Collateral of any other trust) or the assets of any other person;
- (h) not to sell, transfer or dispose of the Collateral unless permitted to do so under the Transaction Documents; and
- (i) notify the Security Trustee of full details of an Event of Default in respect of the Trust after becoming aware of it, unless the Manager has already notified the Security Trustee.

### ***Powers of the Issuer***

The Issuer has all the powers of a natural person and corporation in connection with the exercise of its rights and compliance with its obligations in connection with the Trust Business.

### ***Delegation by the Issuer***

Subject to the below paragraphs, the Issuer may delegate any of its rights or obligations to an agent or delegate without notifying any other person of the delegation.

The Issuer is not responsible or liable to any Unitholder or Secured Creditor for the acts or omissions of any agent or delegate provided that:

- (a) the delegate is a clearing system; or
- (b) the Issuer is obliged to appoint the delegate pursuant to an express provision of a Transaction Document or pursuant to an instruction given to the Issuer in accordance with a Transaction Document; or
- (c) the Manager consents to the delegation.

The Issuer agrees that it will not delegate a material right or obligation or a material part of its rights or obligations under the Master Trust Deed or appoint any Related Entity of it as its delegate, unless it has received the prior written consent of the Manager.

### ***Issuer's voluntary retirement***

The Issuer may retire as trustee of the Trust by giving the Manager at least 90 days' (or such shorter period as the Manager and the Issuer may agree) notice of its intention to do so. The retirement of the Issuer takes effect when:

- (a) a successor trustee is appointed for the Trust; and
- (b) the successor trustee obtains title to, or obtains the benefit of, the Transaction Documents to which the Issuer is a party as trustee of the Trust; and
- (c) the successor trustee and each other party to the Transaction Documents to which the Issuer is a party as trustee of the Trust have the same rights and obligations among themselves as they would have had if the successor trustee had been party to them at the dates of those documents.

### ***Issuer's mandatory retirement***

The Issuer must retire as trustee of the Trust if:

- (a) the Issuer becomes Insolvent; or
- (b) it is required to do so by law; or
- (c) the Issuer ceases to carry on business as a professional trustee; or
- (d) the Issuer merges or consolidates with another entity, unless that entity assumes the obligations of the Issuer under the Transaction Documents to which the Issuer is a party as trustee of the Trust and the Manager has approved such merger or consolidation.

In addition, the Manager must request the Issuer, and the Issuer must (if so requested), to retire as trustee of the Trust if the Issuer (i) does not comply with a material obligation under the Transaction Documents and, if the non-compliance can be remedied, the Issuer does not remedy the non-compliance within 30 days of being requested to do so by the Manager; or (ii) if any action is taken by or in relation to the Issuer which causes an Adverse Rating Effect.

## ***Fee***

The Issuer is entitled to a fee (as agreed between the Manager and the Issuer from time to time) for performing its obligations under the Master Trust Deed in respect of the Trust. Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

## ***Indemnity***

The Issuer is indemnified out of the Trust Assets against any liability or loss arising from, and any costs properly incurred in connection with, complying with its obligations or exercising its rights under the Transaction Documents.

To the extent permitted by law, this indemnity applies despite any reduction in value of, or other loss in connection with, the Trust Assets as a result of any unrelated act or omission by the Issuer or any person acting on its behalf.

The indemnity does not extend to any liabilities, losses or costs to the extent that they are due to the Issuer's fraud, negligence or Wilful Default.

The costs referred to above include all legal costs in accordance with any written agreement as to legal costs or, if no agreement, on whichever is the higher of a full indemnity basis or solicitor and own client basis.

These legal costs include any legal costs which the Issuer incurs in connection with proceedings brought against it alleging fraud, negligence or Wilful Default on its part in relation to the Trust. However, the Issuer must repay any amount paid to it in respect of those legal costs under the above paragraph if and to the extent that a court determines that the Issuer was fraudulent, negligent or in Wilful Default in relation to the Trust or the Issuer admits it.

## ***Limitation of Issuer's liability***

The Issuer enters into the Transaction Documents of the Trust only in its capacity as trustee of the Trust and in no other capacity. Notwithstanding any other provisions of the Transaction Documents, a liability arising under or in connection with the Transaction Documents of the Trust is limited to and can be enforced against the Issuer only to the extent to which it can be satisfied out of the Trust Assets out of which the Issuer is actually indemnified for the liability. This limitation of the Issuer's liability applies despite any other provision of any Transaction Document (other than the below paragraphs of this section titled "Limitation of Issuer's liability" of this Section 11.2 ("Master Trust Deed")) of the Trust and extends to all liabilities and obligations of the Issuer in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to any Transaction Document of the Trust.

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

The Issuer's limitation of liability shall not apply to any obligation or liability of the Issuer to the extent that it is not satisfied because under the Master Trust Deed or by operation of law there is a reduction in the extent of the Issuer's indemnification out of the Trust Assets as a result of the Issuer's fraud, negligence or Wilful Default in relation to the Trust.

It is acknowledged that the Relevant Parties are responsible under the Master Trust Deed and the other Transaction Documents of the Trust for performing a variety of obligations relating to the Trust. No act or omission of the Issuer (including any related failure to satisfy its obligations or breach of representation or warranty under the Master Trust Deed or any other Transaction Document of the Trust) will be considered fraud, negligence or Wilful Default of the Issuer to the extent to which the act or omission was caused or contributed to by any failure by any Relevant Party or any other person to fulfil its obligations relating to the Trust or by any other act or omission of any Relevant Party or any other person.

No attorney, agent, receiver or receiver and manager appointed in accordance with the Master Trust Deed or any other Transaction Document of the Trust has authority to act on behalf of the Issuer in a

way which exposes the Issuer to any personal liability and no act or omission of any such person will be considered fraud, negligence or Wilful Default of the Issuer for the purpose of this section.

The Issuer is not obliged to do or refrain from doing anything under the Master Trust Deed or any other Transaction Document of the Trust (including incur any liability) unless the Issuer's liability is limited in the same manner as set out in this section.

***Liability must be limited and must be indemnified***

The Issuer is not obliged to do or not do anything in connection with the Transaction Documents (including enter into any transaction or incur any liability) unless:

- (a) the Issuer's liability is limited in a manner which is consistent with the section titled "Limitation of Issuer's liability" of this Section 11.2 ("Master Trust Deed"); and
- (b) it is indemnified against any liability or loss arising from, and any costs properly incurred in connection with, doing or not doing that thing in a manner which is consistent with the section titled "Indemnity" of this Section 11.2 ("Master Trust Deed").

***Exoneration***

Neither the Issuer nor any of its directors, officers, employees, agents or attorneys will be taken to be fraudulent, negligent or in Wilful Default because:

- (a) any person other than the Issuer does not comply with its obligations under the Transaction Documents;
- (b) of the financial condition of any person other than the Issuer;
- (c) any statement, representation or warranty of any person other than the Issuer in a Transaction Document is incorrect or misleading;
- (d) of any omission from or statement or information contained in any information memorandum or any advertisement, circular or other document issued in connection with any Notes;
- (e) of the lack of the effectiveness, genuineness, validity, enforceability, admissibility in evidence or sufficiency of the Transaction Documents or any document signed or delivered in connection with the Transaction Documents;
- (f) of acting, or not acting (unless it has been instructed in accordance with the Transaction Documents to act), in accordance with instructions of:
  - (i) the Manager;
  - (ii) any other person (including any Secured Creditors) permitted to give instructions or directions to the Issuer under the Transaction Documents (or instructions or directions that the Issuer reasonably believes to be genuine and to have been given by an appropriate officer of any such person); or
  - (iii) any person to whom the Manager has delegated any of its rights or obligations in its capacity as manager, as notified by the Manager to the Issuer.

For the avoidance of doubt:

- (A) for the purpose of paragraph (i), the Issuer will be able to rely on a direction from the Manager even if it has received notice of delegation by the Manager of any of its rights or obligations; and
- (B) for the purpose of paragraph (iii), the Issuer is not required to investigate the scope of any such delegation or whether the delegate giving the instructions is entitled to give such instruction to the Issuer under the terms of its delegation;

- (g) of acting, or not acting (unless it has been instructed in accordance with the Transaction Documents to act), in good faith in reliance on:
  - (i) any communication or document that the Issuer believes to be genuine and correct and to have been signed or sent by the appropriate person;
  - (ii) as to legal, accounting, taxation or other professional matters, on opinions and statements of any legal, accounting, taxation or other professional advisers used by it or any other party to the Transaction Documents;
  - (iii) on the contents of any statements, representation or warranties made or given by any party other than the Issuer pursuant to the Master Trust Deed, or direction from the Manager provided in accordance with the Transaction Documents or from any other person permitted to give such instructions or directions under the Transaction Documents of the Trust; or
  - (iv) on any calculations made by the Manager under any Transaction Document (including without limitation any calculation in connection with the collections in respect of the Trust);
- (h) it is prevented or hindered from doing something by law or order;
- (i) of any payment made by it in good faith to a fiscal authority in connection with Taxes (including Taxes assessed on the income of a Trust) or other charges in respect of a Trust even if the payment need not have been made; or
- (j) of a failure by the Issuer to check any calculation, information, document, form or list supplied or purported to be supplied to it by the Manager under any Transaction Document, or any other person.

### ***No supervision***

Except as expressly set out in the Transaction Documents of the Trust, the Issuer has no obligation to supervise, monitor or investigate the performance of the Manager or any other person.

## **11.3 Management Deed**

### ***Appointment of the Manager***

Under the Management Deed, the Issuer appoints the Manager as its exclusive manager to perform the services described in the Management Deed on behalf of the Issuer.

### ***Obligations of the Manager***

Under the Management Deed, the Manager must (amongst other things):

- (a) direct the Issuer in relation to how to carry on the Trust Business, including:
  - (i) the Issuer entering into any documents in connection with the Trust;
  - (ii) the Issuer issuing Notes;
  - (iii) the Issuer acquiring, disposing of or otherwise dealing with any Purchased Receivables; and
  - (iv) the Issuer exercising its rights or complying with its obligations under the Transaction Documents;
- (b) carry on the day-to-day administration, supervision and management of the Trust Business of the Trust in accordance with the Transaction Documents for the Trust (including keeping proper accounting records in accordance with all applicable laws);

- (c) obtain, renew on time and comply with the terms of each authorisation necessary for it to enter into the Transaction Documents to which it is a party, comply with its obligations under them and allow them to be enforced;
- (d) take such action as is consistent with its rights under the Transaction Documents to assist the Issuer to perform its obligations under the Transaction Documents;
- (e) not take or direct the Issuer to take any action that would cause the Issuer to breach any applicable law (including the National Credit Code) or its obligations under the Transaction Documents; and
- (f) calculate and direct the Issuer to pay on time all amounts for which the Issuer is liable in connection with the Trust Business, including rates and Taxes.

The Management Deed contains various provisions relating to the Manager's exercise of its powers and duties under the Management Deed, including provisions entitling the Manager to act on expert advice.

#### ***Delegation by the Manager***

The Manager may employ agents and attorneys and may delegate any of its rights or obligations in its capacity as manager. The Manager agrees to exercise reasonable care in selecting delegates.

The Manager is responsible for any loss arising due to any acts or omissions of any person appointed as delegate and for the payment of any fees of that person.

#### ***Manager's voluntary retirement***

The Manager may retire as manager of the Trust upon giving the Issuer at least 90 days' notice (or such shorter period as the Manager and the Issuer may agree) of its intention to do so.

#### ***Manager's mandatory retirement***

The Manager must retire as manager of the Trust if required by law.

#### ***Removal of the Manager***

The Issuer may remove the Manager as manager of the Trust by giving the Manager 90 days' notice. However, the Issuer may only give notice if at the time it gives the notice:

- (a) a Manager Termination Event is continuing in respect of the Trust; and
- (b) each Designated Rating Agency has been notified of the proposed removal of the Manager.

It is a "**Manager Termination Event**" if:

- (a) the Manager:
  - (i) does not comply with a material obligation under the Transaction Documents and such non-compliance will have a Material Adverse Effect; and
  - (ii) if the non-compliance can be remedied, the Manager does not remedy the non-compliance within 45 days of the Manager receiving a notice from the Issuer or the Security Trustee requiring its remedy (or such longer period as may be agreed between the Manager and the Issuer); or
- (b) any representation or warranty made by the Manager in connection with the Transaction Documents is incorrect or misleading when made and such failure will have a Material Adverse Effect, unless such failure is remedied to the satisfaction of the Issuer within 45 days of the Manager receiving a notice from the Issuer or the Security Trustee requiring its remedy (or such longer period as may be agreed between the Manager and the Issuer); or



- (c) the Manager becomes Insolvent.

The Issuer may agree to waive the occurrence of any event which would otherwise constitute a Manager Termination Event, provided that a Rating Notification has been provided in respect of the waiver.

***When retirement or removal takes effect***

The retirement or removal of the Manager as manager of the Trust will only take effect once a successor manager is appointed for the Trust.

***Appointment of successor manager***

If the Manager retires or is removed as manager of the Trust, the retiring Manager agrees to use its reasonable endeavours to appoint a person to replace the Manager as manager as soon as possible. If a successor manager is not appointed within 90 days after notice of retirement or removal is given, the Issuer may appoint a successor manager for the Trust. The appointment of a successor manager will only take effect once the successor manager has become bound by the Transaction Documents of the Trust.

***Manager's fees are expenses***

The Manager is entitled to be paid a fee by the Issuer for performing its duties under the Management Deed in respect of the Trust (on terms agreed between the Manager and the Issuer).

Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

The Issuer agrees to pay or reimburse the Manager for:

- (a) the Manager's reasonable Costs in connection with the general on-going administration of the Transaction Documents and the performance of its obligations under such Transaction Documents; and
- (b) Taxes and fees and fines and penalties in respect of fees paid, or that the Manager reasonably believes are payable, in connection with any Transaction Document or a payment or receipt or any other transaction contemplated by any Transaction Document. However, the Issuer need not pay a fine or penalty in connection with Taxes or fees to the extent that it has placed the Manager in sufficient cleared funds for the Manager to be able to pay the Taxes or fees by the due date.

**11.4 Servicing Deed**

***Appointment of the Servicer***

Under the Servicing Deed, the Issuer appoints the Servicer to service the Purchased Receivables in accordance with the requirements of that deed and the Servicing Guidelines.

***Obligations of the Servicer***

Under the Servicing Deed, the Servicer must (among other things):

- (a) service the Purchased Receivables in accordance with the Servicing Guidelines;
- (b) take all reasonable action to collect, protect or enforce the terms of the Purchased Receivables and otherwise exercise any rights, in respect of the Purchased Receivables conferred at law or under the terms of such Purchased Receivables;
- (c) give all notices and other documents required to be given under the Servicing Guidelines to the relevant Obligor;
- (d) make all reasonable efforts to collect all Collections in respect of the Purchased Receivables;

- (e) except as required by law or required or permitted by the Servicing Guidelines or otherwise as contemplated in the Transaction Documents, not:
  - (i) create, attempt to create or consent to the creation of, any Encumbrance in respect of any Purchased Receivable;
  - (ii) release the relevant Obligor from any amount owing in respect of any Purchased Receivable or otherwise vary or discharge such Purchased Receivable;
  - (iii) enter into any agreement or arrangement which has the effect of extending the maturity of a Purchased Receivable; or
  - (iv) do anything which would render a Purchased Receivable subject to any set-off, counterclaim or similar defence; and
- (f) comply in all material respects with all applicable laws (including the National Credit Code) in exercising its rights and carrying out its obligations under the Transaction Documents.

The Servicer agrees to exercise its rights and comply with its servicing obligations under the Transaction Documents with the same degree of diligence and care expected of an appropriately qualified and prudent servicer of receivables similar to those receivables which constitute the Purchased Receivables.

#### ***Disposal of Leased Property***

In connection with the enforcement of any Purchased Receivable which is a Lease Receivable, the Servicer must apply all net proceeds received by it in connection with the sale of the relevant Leased Property as follows:

- (a) first, in payment to the Collection Account, an amount equal to all amounts (including any early termination amount) then due and payable by the Obligor in respect of that Purchased Receivable; and
- (b) next, the balance to be applied by the Servicer in accordance with the Receivables Terms or the Servicing Guidelines, as applicable.

#### ***Collections***

- (a) If the Servicer is an affiliate of a Seller and the Servicer has the Servicer Required Credit Rating, it is permitted to retain any Collections in respect of a Collection Period until the close of business on the Business Day immediately preceding the Payment Date following the end of the relevant Collection Period, on or before which time it must deposit such Collections into the Collection Account.
- (b) Until such time that the Servicer notifies the Issuer and the Manager in writing that it will no longer do so, the Servicer agrees to transfer to the Collection Account, on the Business Day on which Collections are deposited into the Collection Account under paragraph (a) above, an additional amount calculated as interest on such Collections. Such interest is to be calculated by the Servicer by reference to such interest rate as the Servicer may determine from time to time.
- (c) Subject to paragraphs (a) and (b) above, the Servicer must remit all Collections it receives to the Collection Account within 2 Business Days of receipt of such Collections.

#### ***Servicing Guidelines***

The Servicer (and its delegate appointed pursuant to the Servicing Deed) may amend the Servicing Guidelines from time to time. However, the Servicer agrees not to amend, or allow its delegate appointed pursuant to the Servicing Deed to amend, the Servicing Guidelines in a manner which would breach the National Credit Code (to the extent it applies to the Purchased Receivables) or would reasonably be expected to result in a Material Adverse Effect.

### ***Delegation***

The Servicer may employ agents and attorneys and may delegate any of its rights and obligations in its capacity as servicer. The Servicer agrees to exercise reasonable care in selecting delegates.

The Servicer is responsible for any loss arising due to any acts or omissions of any person appointed as a delegate and for the payment of any fees of that person.

### ***Servicer's voluntary retirement***

The Servicer may retire as servicer of the Trust by giving the Issuer at least 90 days' (or such shorter period as the Servicer and the Issuer may agree) notice of its intention to do so.

### ***Servicer's mandatory retirement***

The Servicer must retire as servicer if required by law.

### ***Removal of the Servicer***

The Issuer may remove the Servicer as servicer of the Trust by giving the Servicer 90 days' notice. However, the Issuer may only give notice if at the time it gives the notice:

- (a) a Servicer Termination Event is continuing in respect of the Trust; and
- (b) each Designated Rating Agency has been notified of the proposed removal of the Servicer.

It is a "**Servicer Termination Event**" if:

- (a) the Servicer does not pay any amount payable by it in respect of the Trust under any Transaction Document of the Trust on time and in the manner required under the Transaction Documents unless, in the case of a failure to pay on time, the Servicer pays the amount within 10 Business Days (or such longer period as is agreed between the Servicer and the Issuer provided that Rating Notification has been provided in respect of that longer period) of notice from either the Issuer or the Security Trustee, except where that amount is subject to a good faith dispute between the Servicer, the Issuer and the Manager;
- (b) the Servicer:
  - (i) does not comply with any other material obligation under the Transaction Documents of the Trust and such non-compliance will have a Material Adverse Effect in respect of the Trust; and
  - (ii) if the non-compliance can be remedied, does not remedy the non-compliance within 45 days of the Servicer receiving a notice from the Issuer or the Security Trustee requiring its remedy (or such longer period as may be agreed between the Servicer and the Issuer); or
- (c) any representation or warranty or agreement by the Servicer in or in connection with the Transaction Documents of the Trust is incorrect or misleading when made and such failure will have a Material Adverse Effect in respect of the Trust, unless such failure is remedied to the satisfaction of the Issuer within 45 days of the Servicer receiving a notice from the Issuer or the Security Trustee requiring its remedy (or such longer period as may be agreed between the Servicer and the Issuer); or
- (d) the Servicer becomes Insolvent.

The Issuer may agree to waive the occurrence of any event which would otherwise constitute a Servicer Termination Event while the Manager is not the Servicer, at the direction of the Manager, or otherwise at its own discretion, provided that notification has been provided to each Designated Rating Agency.

### ***When retirement or removal takes effect***

The retirement or removal of the Servicer as servicer of the Trust will only take effect once a successor servicer is appointed for the Trust (including where the Issuer acts as Servicer, as described below).

### ***Appointment of successor servicer***

If the Servicer retires or is removed as servicer of the Trust, the retiring Servicer agrees to use its reasonable endeavours to ensure a successor servicer is appointed for the Trust as soon as possible.

If a successor servicer is not appointed within 90 days after the notice of retirement or removal of the Servicer is given, the Issuer will (with effect from the expiry of the 90 day period) be taken to have been appointed as, and must act as, successor servicer and will be entitled to the same rights under the Transaction Documents of the Trust that it would have had if it had been party to them as Servicer at the dates of those documents (including, without limitation, the right to any fees payable to the Servicer), until a successor servicer is appointed by the Issuer. In the event that the Issuer must act as successor servicer, the Issuer will be paid a fee to be agreed between the Issuer and the Manager at the time.

If, following the retirement or removal of the Servicer, the Issuer is required to act as servicer of a Trust, the Issuer will not be responsible for, and will not be liable for, any inability to perform or deficiency in performing its duties and obligations as servicer if it is unable to perform those duties and obligations due to:

- (a) the state of affairs of the previous Servicer, its books and records, its business, data collection, storage or retrieval systems or its computer equipment or software, prior to, or at the time of, the removal or retirement of the Servicer; or
- (b) the inaccuracy, incompleteness or lack of currency of any data, information, documents or records of the Servicer; or
- (c) a failure by the previous Servicer to comply with its obligations to deliver documents; or
- (d) a failure by the Issuer, after using reasonable endeavours, to obtain sufficient access to the previous Servicer's systems, premises, information, documents, procedures, books, records or resources which are reasonably necessary for it to perform those duties and obligations; or
- (e) acts or omissions of the Servicer or any of its agents; or
- (f) failure of any other person to perform its obligations under and in accordance with the Transaction Documents; or
- (g) any future act of any government authority, act of God, flood, war (whether declared or undeclared), terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision and accidental, mechanical or electrical breakdown; or
- (h) the appointment of a controller (within the meaning of the Corporations Act) to the Servicer.

### ***Servicer to provide full co-operation***

If the Servicer retires or is removed as servicer in respect of the Trust, it agrees to promptly deliver to the successor servicer all original documents in its possession relating to the Trust and the Trust Assets and any other documents and information in its possession relating to the Trust and the Trust Assets as are reasonably requested by the Issuer (where the Issuer is acting as servicer) or the successor servicer.

## ***Indemnity***

Subject to the terms of the Servicing Deed, the Servicer indemnifies the Issuer against any Loss which the Issuer incurs or suffers directly as a result of:

- (a) a representation or warranty given by the Servicer to the Issuer under a Transaction Document being incorrect;
- (b) a failure by the Servicer to comply with its obligations under any Transaction Document to which it is a party in connection with the Trust; or
- (c) a Servicer Termination Event,

but excluding any such amounts which are due to the Issuer's own negligence, fraud or Wilful Default.

The Servicer also indemnifies the Issuer against all Penalty Payments which the Issuer is required to pay personally or in its capacity as trustee of the Trust and arising as a result of the performance or non-performance by the Servicer of its obligations or the exercise of its powers under the Servicing Deed, except to the extent that such Penalty Payments arise as a result of the fraud, negligence or Wilful Default of the Issuer.

## ***Servicer's fees and expenses***

The Servicer is entitled to be paid a fee by the Issuer for performing its duties under the Servicing Deed in respect of the Trust (on terms agreed between the Servicer and the Issuer). Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

The Issuer agrees to pay or reimburse the Servicer for:

- (d) all Costs incurred by the Servicer in connection with the enforcement and recovery of defaulted Purchased Receivables, including Costs relating to any court proceedings, arbitration or other dispute; and
- (e) Taxes and fees and fines and penalties in respect of fees paid, or that the Servicer reasonably believes are payable, in connection with any Transaction Document or a payment or receipt or any other transaction contemplated by any Transaction Document. However the Issuer need not pay a fine or penalty in connection with Taxes or fees to the extent that it has placed the Servicer in sufficient cleared funds for the Servicer to be able to pay the Taxes or fees by the due date.

## **11.5 Security Trust Deed and General Security Deed**

### ***Security Trust Deed***

P.T. Limited is appointed as Security Trustee on the terms set out in the Security Trust Deed.

The Security Trustee is a professional trustee company.

The Security Trust Deed contains customary provisions for a document of this type that regulate the performance by the Security Trustee of its duties and obligations and the protections afforded to the Security Trustee in doing so.

### ***General Security Deed***

The Noteholders in respect of the Trust have the benefit of a security interest over all the Trust Assets under the General Security Deed and the Security Trust Deed. The Security Trustee holds this security interest on behalf of the Secured Creditors (including the Noteholders) pursuant to the Security Trust Deed and may enforce the General Security Deed upon the occurrence of an Event of Default (as defined below).

Each of the Issuer, the Security Trustee, each Seller and the Servicer have agreed to do anything (such as depositing documents relating to the property secured by the security interest, obtaining consents, signing and producing documents, getting documents completed and signed and supplying

information) which the Manager asks and reasonably considers necessary for the purposes of ensuring that the security interest is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective, enabling the relevant secured party to apply for any registration, give any notification, or take any other step, in connection with the security interest so that the security interest has the highest ranking priority reasonably possible, or enabling the relevant secured party to exercise rights in connection with the security interest.

### **Events of Default**

It is an “**Event of Default**” in respect of the Trust if any of the following occur:

- (a) the Issuer does not pay:
  - (i) any Interest within 10 Business Days of the Payment Date on which the Interest was due to be paid;
  - (ii) any other Secured Moneys, within 10 Business Days of the due date for payment (or within any applicable grace period agreed in writing with the Secured Creditors to whom the Secured Moneys relate).

Sub-clauses (i) and (ii) above will not constitute Events of Default if the Interest or Secured Moneys which the Issuer failed to pay are subordinated (as determined in accordance with the order of priority set out in Section 10.11 (“Application of Total Available Income”)) to payments of amounts due to:

- (A) Class A Noteholders while any Secured Moneys remain owing to Class A Noteholders; or
- (B) Class B Noteholders while any Secured Moneys remain owing to Class B Noteholders; or
- (C) Class C Noteholders while any Secured Moneys remain owing to Class C Noteholders; or
- (D) Class D Noteholders while any Secured Moneys remain owing to Class D Noteholders; or
- (E) Class E Noteholders while any Secured Moneys remain owing to Class E Noteholders; or
- (F) Seller Noteholders while any Secured Moneys remain owing to Class E Noteholders; or

- (b) the Issuer:
  - (i) fails to perform or observe any other provision (other than an obligation referred to in paragraph (a) above) of a Transaction Document where failure will have a Material Adverse Effect; and
  - (ii) in the opinion of the Security Trustee, that failure can be remedied, the Issuer does not remedy such failure within 30 days after written notice (or such longer period as may be specified in the notice) from the Security Trustee requiring the failure to be remedied;
- (c) the Issuer becomes Insolvent, and the Issuer is not replaced in accordance with the Master Trust Deed within 60 days (or such longer period as the Security Trustee, at the direction of an Ordinary Resolution of the Voting Secured Creditors, may agree) of becoming Insolvent;
- (d) the General Security Deed is not or ceases to be valid and enforceable or any Encumbrance (other than a Permitted Encumbrance) is created or exists in respect of the Collateral for a

period of more than 10 Business Days following the Issuer becoming aware of the creation or existence of such Encumbrance, where such event will have a Material Adverse Effect; or

- (e)
  - (i) all or a material part of any Transaction Document (other than a Cashflow Support Facility) is terminated or is or becomes void, illegal, invalid, unenforceable or of limited force and effect; or
  - (ii) a party becomes entitled to terminate, rescind or avoid all or a material part of any Transaction Document (other than a Cashflow Support Facility),

where such event will have a Material Adverse Effect;

- (f) without the prior consent of the Security Trustee (that consent having been approved by an Ordinary Resolution of the Voting Secured Creditors):
  - (i) the Trust is wound up, or the Issuer is required to wind up the Trust in accordance with the Master Trust Deed or any applicable law, or the winding up of the Trust commences;
  - (ii) the Trust is held, or is conceded by the Issuer, not to have been constituted or to have been imperfectly constituted; or
  - (iii) unless another trustee is appointed to the Trust under the Transaction Documents, the Issuer ceases to be authorised under the Trust to hold the Trust Assets in its name and to perform its obligations under the Transaction Documents.

#### ***Actions following Event of Default***

If an Event of Default is continuing, the Security Trustee must do any one or more of the following if it is instructed to do so by the Secured Creditors:

- (a) declare at any time by notice to the Issuer that an amount equal to the Secured Money of that Trust is either:
  - (i) payable on demand; or
  - (ii) immediately due for payment; or
- (b) take any action which it is permitted to take under the General Security Deed.

If, in the opinion of the Security Trustee, the delay required to obtain instructions from the Secured Creditors would be materially prejudicial to the interests of those Secured Creditors, the Security Trustee may (but is not obliged to) do these things without instructions from them.

#### ***Call meeting on the occurrence of an Event of Default***

If the Security Trustee becomes aware that an Event of Default is continuing and the Security Trustee does not waive the Event of Default, the Security Trustee agrees to do the following as soon as possible and in any event within 5 Business Days of the Security Trustee becoming aware of the Event of Default:

- (a) notify all Secured Creditors of that Trust of:
  - (i) the Event of Default;
  - (ii) any steps which the Security Trustee has taken, or proposes to take, under the Security Trust Deed; and
  - (iii) any steps which the Issuer or the Manager has notified the Security Trustee that it has taken, or proposes to take, to remedy the Event of Default; and

- (b) call a meeting of the Secured Creditors. However, if the Security Trustee calls a meeting and before the meeting is held the Event of Default ceases to continue, the Security Trustee may cancel the meeting by giving notice to each person who was given notice of the meeting.

### ***Voting Secured Creditors***

The Voting Secured Creditors will be the only Secured Creditors entitled to:

- (a) vote in respect of an Extraordinary Resolution or Circulating Resolution (excluding any Extraordinary Resolution or Circulating Resolution which is also a Special Quorum Resolution) or Ordinary Resolution of the Secured Creditors of the Trust; or
- (b) otherwise direct or give instructions or approvals to the Security Trustee in accordance with the Transaction Documents.

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

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

Following the occurrence of an Event of Default and enforcement of the General Security Deed, the Security Trustee must apply all moneys received by it in respect of the Collateral in the order described in Section 10.14 (“Application of proceeds following an Event of Default”).

### ***Limitation of liability***

The Security Trustee will have no liability under or in connection with any Transaction Document other than to the extent to which the liability is able to be satisfied out of the Security Trust Fund in relation to the Trust from which the Security Trustee is actually indemnified for the liability. This limitation will not apply to a liability of the Security Trustee to the extent that it is not satisfied because, under the Security Trust Deed or any other Transaction Document or by operation of law, there is a reduction in the extent of the Security Trustee’s indemnification as a result of the Security Trustee’s fraud, negligence or Wilful Default.

The Security Trustee is not obliged to do or not do anything in connection with the Transaction Documents (including enter into any transaction or incur any liability) unless:

- (a) the Security Trustee’s liability is limited in a manner which is consistent with this section titled “*Limitation of liability*” of this Section 11.5 (“Security Trust Deed and General Security Deed”); and
- (b) it is indemnified to its satisfaction (acting reasonably) against any liability or loss arising from, and any Costs properly incurred in connection with, doing or not doing that thing.

### ***Fees***

The Issuer, under the Security Trust Deed, has agreed to pay to the Security Trustee from time to time a fee (as agreed to between the Manager and the Security Trustee) in respect of the Trust. Any increase to that fee must not be agreed unless a Rating Notification has been provided in respect of the increase.

### ***Removal of the Security Trustee***

The Issuer may remove the Security Trustee as security trustee of the Trust by giving the Security Trustee 90 days’ notice. However, the Issuer may only give notice if at the time it gives the notice:

- (a) no Event of Default is continuing in respect of the Trust; and



- (b) a Rating Notification has been provided in respect of the proposed removal of the Security Trustee.

## **11.6 Initial Derivative Contract**

### ***Interest Rate Swap Agreement***

The Issuer will enter into interest rate swaps with the Derivative Counterparty to hedge the interest rate risk in respect of the implied fixed rate of interest payable on the Receivables.

### ***Derivative Counterparty Downgrade***

If, as a result of the withdrawal or downgrade of the Derivative Counterparty's credit rating by any Designated Rating Agency, the Derivative Counterparty does not have a short term credit rating or long term credit rating as designated in the relevant Derivative Contract, the applicable Derivative Counterparty may be required to, at its cost, take certain action within certain timeframes specified in that Derivative Contract.

This action may include in respect of the particular downgrade one of the following:

- (a) lodging collateral as determined under the Derivative Contract;
- (b) entering into an agreement novating the Derivative Contract to a replacement counterparty which holds the relevant ratings;
- (c) procuring another person to become a co-obligor or unconditionally and irrevocably guarantee the obligations of the Derivative Counterparty under the Derivative Contract; or
- (d) entering into other arrangements as agreed with the relevant Designated Rating Agency.

Additionally, in respect of the downgrade of a Derivative Counterparty below certain credit ratings, the relevant Derivative Counterparty may be required to both lodge collateral and to take one of the other courses of action described in paragraphs (b) to (d) (inclusive) above.

If the Derivative Counterparty lodges collateral with the Issuer, any interest or income on that Cash Collateral will be paid to that Derivative Counterparty, provided that any such interest or income will only be payable to the extent that any payment will not reduce the balance of the collateral to less than the amount required to be maintained.

The Issuer may only dispose of any investment acquired with the collateral lodged in accordance with paragraph (a) above or make withdrawals of the collateral lodged in accordance with paragraph (a) above if directed to do so by the Manager for certain purposes prescribed in the relevant Derivative Contract.

The complete obligations of a Derivative Counterparty following the downgrade of its credit rating is set out in the relevant Derivative Contract.

### ***Termination***

A party to a Derivative Contract may have the right to terminate its Derivative Contract if (among other things):

- (a) the other party fails to make a payment under the Derivative Contract within 10 Business Days after payment is due;
- (b) certain insolvency related events occur in relation to the other party;
- (c) the other party merges with, or otherwise transfers all or substantially all of its assets to, another entity and the new entity does not assume all of that other party's obligations under the Derivative Contract;
- (d) a force majeure event occurs; or

- (e) due to a change in or a change in interpretation of law, it becomes illegal for the other party to make or receive payments, perform its obligations under any credit support document or comply with any other material provision of the Derivative Contract.

The Derivative Counterparty will also have the right to terminate its Derivative Contract if an Event of Default occurs under the Security Trust Deed and the Security Trustee has declared the Notes immediately due and payable.

The Issuer will also have the rights to terminate its Derivative Contract if (among other things) the Derivative Counterparty fails to comply with or perform any agreement or its obligations referred to in paragraphs (a) to (d) (inclusive) under the heading “Derivative Counterparty Downgrade” above within the timeframes specified in that Derivative Contract.

## **11.7 Liquidity Facility Agreement**

### ***General***

The Liquidity Facility Provider grants to the Issuer a loan facility in Australian dollars in an amount equal to the Liquidity Limit.

The Liquidity Facility will be available to be drawn to fund Liquidity Advances up to an aggregate amount equal to the Liquidity Limit.

### ***Liquidity Advances***

If, on any Determination Date during the Availability Period, the Manager determines that there is a Liquidity Shortfall, the Manager may request that an advance be made under the Liquidity Facility Agreement (“**Liquidity Advance**”) on the Payment Date immediately following that Determination Date in accordance with the Liquidity Facility Agreement and equal to the lesser of:

- (a) the Liquidity Shortfall; and
- (b) the Undrawn Liquidity Limit on that day.

### ***Interest***

Interest accrues on a daily basis on each Liquidity Advance from and including its Drawdown Date until the Liquidity Advance is repaid in full, at a rate equal to the Liquidity Interest Rate. It will be calculated by reference to actual days elapsed and a year of 365 days. Interest is payable in arrears on each Payment Date.

A “**Liquidity Interest Period**” in respect of a Liquidity Advance commences on (and includes) the Drawdown Date of that Liquidity Advance and ends on (but excludes) the next Payment Date. Each subsequent Liquidity Interest Period will commence on (and include) a Payment Date and end on (but exclude) the next Payment Date.

### ***Downgrade of Liquidity Facility Provider***

- (a) If at any time (for so long as any Notes are outstanding) the Liquidity Facility Provider does not have the Required Liquidity Rating, the Liquidity Facility Provider must within 14 days (or such longer period as may be agreed by the Manager and the Liquidity Facility Provider and provided Rating Notification has been given in respect of that longer period) of such downgrade do one of the following (as determined by the Liquidity Facility Provider in its discretion):
  - (i) procure a replacement Liquidity Facility;
  - (ii) request the Manager to make a Collateral Advance Request for an amount equal to the Undrawn Liquidity Limit; or
  - (iii) implement such other structural changes so that the downgrading of the Liquidity Facility Provider does not have an Adverse Rating Effect.

(b) If, on any Determination Date after a Collateral Advance has been made, the Manager would, but for the fact that the Liquidity Facility has been fully drawn, be required to request a Liquidity Advance in accordance with Section 10.9 (“Liquidity Draw”) (and the Liquidity Facility Provider would, but for the fact that the Liquidity Facility has been fully drawn, be required to provide that Liquidity Advance), the Manager must direct the Issuer to transfer from the Collateral Account into the Collection Account an amount equal to the lesser of:

- (i) the Liquidity Advance; and
- (ii) the Collateral Account Balance,

by no later than 11:30am on the immediately following Payment Date.

Any such withdrawal from the Collateral Account will be deemed to be a Liquidity Advance.

(c) If at any time after a Collateral Advance has been made:

- (i) the Liquidity Facility Provider obtains the Required Liquidity Rating (or, if the credit rating of the Liquidity Facility Provider continues to be less than the Required Liquidity Rating, but the Manager determines that it may give a direction under this paragraph (c) and it has provided Rating Notification in respect of that direction);
- (ii) the Liquidity Facility Provider complies with sub-paragraph (a)(i) or (iii) above; or
- (iii) the Liquidity Facility Termination Date occurs,

then the Liquidity Facility Provider must notify the Manager of that event and the Manager must then direct the Issuer to, and the Issuer must, repay to the Liquidity Facility Provider the Collateral Account Balance (if any) within 1 Business Day of being so directed by the Manager such amount to be applied towards repayment of the then outstanding Collateral Advances.

(d) Subject to paragraph (e) below, all interest or other returns accrued (net of all costs properly incurred by the Issuer in respect of the operation of the Collateral Account under the Liquidity Facility Agreement) on the Collateral Account Balance or on any Authorised Investments purchased with the Collateral Account Balance, which have been credited to the Collateral Account must be paid by the Issuer to the Liquidity Facility Provider on each Payment Date.

(e) However, if losses are realised on any Authorised Investments purchased with the Collateral Account Balance, no interest or other returns will be paid to the Liquidity Facility Provider under this paragraph (e) until the aggregate of such interest or other returns exceeds the aggregate of such losses, in which case the Liquidity Facility Provider will be entitled only to receive such excess amount.

### ***Availability Fee***

The Issuer will pay an availability fee calculated on the daily balance of the Undrawn Liquidity Limit. The fee will be paid monthly in arrears on each Payment Date in accordance with the Issue Supplement. The availability fee may be varied by agreement between the Manager and the Liquidity Facility Provider provided a Rating Notification has been provided in respect of that variation.

### ***Liquidity Event of Default***

A **Liquidity Event of Default** occurs if:

- (a) the Issuer fails to pay:
  - (i) subject to paragraph (ii) below, any amount owing under the Liquidity Facility Agreement where funds are available for payment of that amount in accordance with the order of priority described in Section 10.11 (“Application of Total Available Income”); or
  - (ii) any amount due in respect of interest or any availability fee,

on time and in the manner required under the Liquidity Facility Agreement unless, in the case of a failure to pay on time, the Issuer pays the amount within 10 Business Days of the due date;

- (b) the Issuer does not comply with any other obligation under the Liquidity Facility Agreement where such non-compliance will have a Material Adverse Effect;
- (c) an Event of Default occurs;
- (d) a representation or warranty made or taken to be made by the Issuer in connection with the Liquidity Facility Agreement is found to have been incorrect or misleading when made or taken to be made and that breach has a Material Adverse Effect.

If a Liquidity Event of Default occurs, then the Liquidity Facility Provider may, declare at any time by notice to the Issuer and the Manager that:

- (a) the Liquidity Principal Outstanding, interest on the Liquidity Principal Outstanding and all other amounts actually or contingently payable under the Liquidity Facility Agreement are immediately due and payable; and/or
- (b) the Liquidity Facility Provider's obligations in respect of the Liquidity Facility are terminated.

The Liquidity Facility Provider may make either or both of these declarations.

#### ***Termination of Liquidity Facility***

The Liquidity Facility will terminate on the Liquidity Facility Termination Date.

The "**Liquidity Facility Termination Date**" is the earliest of:

- (a) the Availability Termination Date;
- (b) the date which is one month after the date upon which all Notes have been redeemed finally and in full in accordance with the Transaction Documents;
- (c) the date upon which the Liquidity Limit is cancelled or reduced to zero by notice from the Issuer (provided that a Rating Notification has been given in respect of such cancellation or reduction, as applicable); and
- (d) the date upon which the Liquidity Facility Provider terminates the Liquidity Facility following the occurrence of a Liquidity Event of Default.

#### **11.8 Deposit Deed**

The Issuer will enter into the Deposit Deed with the Deposit Bank to establish the Deposit Account. On each Payment Date during the Substitution Period, the Issuer may deposit amounts available in accordance with Section 10.4(a)(ii) ("Application of Total Available Principal") to the Deposit Account.

Under the Deposit Deed, the Deposit Bank will agree to pay the Issuer interest, at the Deposit Interest Rate, on the Deposit Account Balance. The amount of interest payable is calculated by multiplying the Deposit Interest Rate for the Deposit Interest Period, the Deposit Account Balance and the Day Count Fraction. Such interest will accrue daily and must be paid in arrear. Interest will be paid within two Business Days of the last day of each Deposit Interest Period as a credit to the Deposit Account.

The "**Deposit Interest Rate**" means, in respect of a Deposit Interest Period, a percentage rate per annum referencing the Bank Bill Rate for that Deposit Interest Period (as determined from time to time by the Manager).

The "**Deposit Interest Period**" means each period as the Deposit Bank may determine from time to time provided that:

- (a) the first Deposit Interest Period commences on (and includes) the Closing Date; and

- (b) the final Deposit Interest Period ends on (but excludes) the Payment Date immediately following the end of the Substitution Period.

### ***Deposit Bank***

The initial Deposit Bank will be Westpac.

### ***Withdrawals from the Deposit Account***

Unless an Event of Default has occurred and the General Security Deed has been enforced, the Issuer (at the direction of the Manager) must on each Payment Date, subject to the netting provisions described below, withdraw the Deposit Account Balance in full for application in accordance with Section 10.4 (“Application of Total Available Principal”) and transfer to the Collection Account an amount equal to any interest, net of fees, credited to the Deposit Account during the immediately preceding Collection Period.

The Deposit Bank and the Issuer have agreed that if on any Payment Date:

- (a) the Deposit Account Balance is payable by the Deposit Bank to the Issuer; and
- (b) Total Available Principal is to be deposited to the Deposit Account in accordance with Section 10.4(b)(ii) (“Application of Total Available Principal”),

then each party’s obligation to make payment of any such amount will be automatically satisfied and discharged and, if the amount that would otherwise have been payable by one party (“**Party A**”) exceeds the amount that would otherwise have been payable by the other party (“**Party B**”), will be replaced by an obligation upon Party A to pay to Party B that excess amount.

### ***Event of Default***

If an Event of Default has occurred, the Security Trustee may give notice to the Deposit Bank that the Deposit Account may be operated by the signature only of such persons nominated by the Security Trustee as a signatory to the Deposit Account, without any requirement for a signature by, or for, the Issuer.

### ***Downgrade of Deposit Bank***

If the Deposit Bank does not have a credit rating equal to or higher than the Required Credit Rating:

- (a) the Deposit Bank will immediately notify the Manager and the Issuer of the downgrade; and
- (b) the Deposit Bank must (at its cost) within 30 days (or such longer period as may be agreed by the Manager and the Deposit Bank (and notified to the Issuer by the Manager) and provided Rating Notification has been given in respect of that longer period) of the downgrade:
- (i) novate all its rights and obligations under the Deposit Deed to a replacement financial institution which has a credit rating equal to or higher than the Required Credit Rating;
  - (ii) arrange for the provision of a guarantee from a financial institution which has a credit rating equal to or higher than the Required Credit Rating in favour of the Issuer in relation to all of the obligations of the Deposit Bank under the Deposit Deed; or
  - (iii) take such other action as may be agreed by the Manager and the Deposit Bank (and notified to the Issuer by the Manager), provided that the Manager has provided Rating Notification in respect of that action.

## 12 GENERAL INFORMATION

### 12.1 Australian Taxation

THE FOLLOWING IS A SUMMARY OF THE AUSTRALIAN WITHHOLDING TAX TREATMENT UNDER THE INCOME TAX ASSESSMENT ACTS OF 1936 AND 1997 OF AUSTRALIA (TOGETHER, **THE AUSTRALIAN TAX ACT**) AT THE DATE OF THIS INFORMATION MEMORANDUM OF PAYMENTS OF INTEREST BY THE ISSUER ON THE OFFERED NOTES AND CERTAIN OTHER MATTERS.

IT IS NOT EXHAUSTIVE AND, IN PARTICULAR, DOES NOT DEAL WITH THE POSITION OF CERTAIN CLASSES OF HOLDERS OF OFFERED NOTES (**HOLDERS**) (INCLUDING, WITHOUT LIMITATION, AUSTRALIAN RESIDENTS, NON-RESIDENTS THAT HOLD THE SECURITIES THROUGH A PERMANENT ESTABLISHMENT IN AUSTRALIA, DEALERS IN SECURITIES, OR CUSTODIANS OR THIRD PARTIES THAT HOLD THE OFFERED NOTES ON BEHALF OF ANY PERSON).

THE FOLLOWING SUMMARY IS A GENERAL GUIDE AND SHOULD BE TREATED WITH APPROPRIATE CAUTION. IT IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED AS, LEGAL OR TAX ADVICE TO ANY PARTICULAR HOLDER. PROSPECTIVE HOLDERS SHOULD BE AWARE THAT THE PARTICULAR TERMS OF ISSUE OF ANY SERIES OF OFFERED NOTES MAY AFFECT THE TAX TREATMENT OF THAT AND OTHER SERIES OF OFFERED NOTES. HOLDERS SHOULD CONSULT THEIR PROFESSIONAL ADVISERS.

#### **Australian interest withholding tax (IWT)**

Generally, payments of principal and interest on the Offered Notes made by the Issuer to a Holder that is not a resident of Australia for Australian tax purposes (**a Non-Resident**) (other than one deriving the interest in carrying on business in Australia at or through a permanent establishment in Australia) will not be subject to Australian taxes or duties other than IWT at a rate of 10% of the amount of an interest payment. However, IWT will not be payable if an exemption applies.

For IWT purposes, "interest" is defined to include amounts in the nature of, or paid in substitution for, interest and certain other amounts. Any premium or issue discount would be interest for these purposes.

There are also specific rules that can apply to treat a portion of the purchase price of the Offered Notes as interest for IWT purposes when Offered Notes that are originally issued at a discount, or with a maturity premium, or which do not pay interest at least annually, are sold by a Non-Resident (other than one holding the Offered Notes as part of a business carried on by it at or through a permanent establishment in Australia) to:

- a resident of Australia for Australian tax purposes (**a Resident**) that does not acquire them in carrying on business at or through a permanent establishment in a country outside Australia; or
- a Non-Resident that acquires them in carrying on business in Australia at or through a permanent establishment in Australia.

#### ***Exemption from IWT under section 128F of the Australian Tax Act (section 128F)***

Interest on the Offered Notes will be exempt from IWT if the requirements of section 128F are satisfied in relation to the Offered Notes.

The Issuer proposes to issue the Offered Notes in a manner which will satisfy the requirements of section 128F.

The exemption from IWT available under section 128F is not intended to apply to related party loans. In particular, in order for that exemption to apply, the Issuer must not have known or had reasonable grounds to suspect, at the time of their issue, that any of the Offered Notes, or an interest in the Offered Notes, were being or would later be acquired either directly or indirectly by an Offshore Associate of the Issuer (other than one acting in the capacity of a dealer, manager or underwriter in

relation to the placement of the Offered Notes or in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme (as defined in the Corporations Act 2001 of Australia)).

In addition, the exemption from IWT available under section 128F will not apply if, at the time of an interest payment in respect of an Offered Note, the Issuer knew or had reasonable grounds to suspect that the recipient of the payment was an Offshore Associate of the Issuer (other than one receiving the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme (as defined in the Corporations Act 2001 of Australia)).

For these purposes, an **Offshore Associate** means an associate (as defined in section 128F) of the Issuer that is either:

- a Non-Resident that does not acquire the Offered Notes and does not receive all payments under them in carrying on business in Australia at or through a permanent establishment in Australia; or
- a Resident that acquires the Offered Notes and receives payments under them in carrying on business at or through a permanent establishment in a country outside Australia.

Accordingly, if you are an Offshore Associate of the Issuer, you should not acquire any of the Offered Notes.

#### ***Payment of additional amounts because of a deduction or withholding in respect of IWT***

Despite the fact that the Offered Notes are intended to be offered and issued in a manner which will satisfy the requirements of section 128F of the Australian Tax Act, and unless expressly provided to the contrary in any relevant supplement to this Information Memorandum, if the Issuer is at any time compelled or authorised by law to withhold or deduct an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia in respect of the Offered Notes, the Issuer is not obliged to pay any additional amounts in respect of such withholding or deduction.

#### **Withholding for failure to provide Tax File Number (TFN) / Australian Business Number (ABN)**

##### ***Withholding by the Issuer***

The Issuer is required to deduct and withhold tax from payments of interest (see below for the rate of withholding tax) on the Offered Notes unless a TFN or, in certain circumstances, an ABN has been provided to the Issuer by the Holder, or the Holder has supplied the Issuer with proof of some other relevant exemption.

Provided that the requirements of section 128F have been satisfied with respect to the Offered Notes, the TFN / ABN withholding rules will not apply to payments to Holders that are Non-Residents and do not hold the Offered Notes in carrying on business in Australia at or through a permanent establishment in Australia.

The rate of withholding tax is 49% for the 2015-15, 2015-16 and 2016-17 income years and, under current law, will be reduced to 47% following the 2016-17 income year.

#### **Other Australian withholding taxes**

##### ***Non-resident withholding tax***

Under section 12-315 of Schedule 1 to the Taxation Administration Act 1953 of Australia (**TAA**), regulations may be made that require amounts to be withheld on account of tax liabilities of Non-Residents from certain payments that are made by an Australian entity to such Non-Residents.

These rules do not currently apply to payments in relation to the Offered Notes. However, the possible application of any future regulations to payments received by Non-Residents in respect of the Offered Notes will need to be monitored.

### ***Supply withholding tax***

Payments in respect of the Offered Notes will be able to be made free and clear of the “supply withholding tax” imposed under section 12-190 of Schedule 1 to the TAA.

### **Other Australian tax matters**

#### ***Gains on disposal of Offered Notes***

Non-Residents that have never held their Offered Notes in the course of carrying on business at or through a permanent establishment within Australia will not be subject to Australian income tax on gains realised by them on the sale or redemption of the Offered Notes provided that such gains do not have an Australian source. A gain arising on the sale of Offered Notes by a Non-Resident Holder to another Non-Resident where the Offered Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not generally be regarded as having an Australian source.

#### ***Garnishee directions***

The Commissioner of Taxation for Australia may give a direction under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 to the TAA or any similar provision requiring the Issuer to deduct or withhold from any payment to any other party (including any Holder) any amount in respect of tax payable by that other party. If the Issuer is served with such a direction, the Issuer intends to comply with that direction and make any deduction or withholding required by that direction.

#### ***Estate duties***

No Offered Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death.

#### ***Stamp duties***

No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Offered Notes.

#### ***Goods and Services Tax***

The Trust is eligible to be a member of the Westpac GST Group and will become a member of the Westpac GST Group with effect from the date that the Trust is established.

Under the GST grouping rules, members of a GST group are, for the purposes of working out entitlements to input tax credits, treated as if they were a single entity. Transactions between members of a GST group are also treated as non-taxable supplies and are therefore not subject to GST. The representative member of the GST group is liable to pay GST on any supplies made by the members of the GST group (including the Trust) and, where input tax credits are available, the representative member has the entitlement to the input tax credits. The difference between the GST payable on supplies and the entitlement to input tax credits is known as the ‘net amount of the GST group’. All members of the Westpac GST Group are jointly and severally liable for this net amount.

Under the Issue Supplement, Westpac has agreed to indemnify the Issuer for any GST which is payable by, or assessed to, the Issuer (other than GST for which the Issuer would have been liable if it had not been a member of the Westpac GST Group). The Trustee has also been indemnified by Westpac for any costs incurred as a result of a failure by any member of the Westpac GST Group to meet its GST obligations. In the event that Westpac is downgraded below A-1 (short term) by S&P, Westpac and the Issuer have agreed to seek to agree on whether an application should be made to the Commissioner of Taxation for revocation of the approval of the Trust as a member of the Westpac GST Group.

Neither the issue nor receipt of the Offered Notes will give rise to a liability for GST in Australia on the basis that the supply of Offered Notes will comprise either an input taxed financial supply or (in the case of an offshore non-resident subscriber) a GST-free supply. Furthermore, neither the payment of



principal or interest by the Trust, nor the disposal of the Offered Notes, would give rise to any GST liability.

The GST legislation will, however, treat the supply by the Trust of Leased Property for the purpose of applying the proceeds to satisfy the Receivable as giving rise to a liability for GST. This is on the basis that such a supply will be a taxable supply. The Trust will have to account for GST out of the sale proceeds, though it may be entitled to gross-up proceeds for GST if an appropriate contractual entitlement to do so is included in a sale contract. The result of this is that the sale proceeds will be reduced by the GST payable on the sale of Leased Property in the absence of a valid gross-up clause.

The supply of some services made to the Trust may give rise to a liability for GST on the part of the relevant service provider.

In relation to the acquisition of taxable supplies by the Trust:

- (a) In the ordinary course of business, the service provider would charge the Trust an additional amount on account of GST unless the agreed fee is already GST-inclusive.
- (b) Assuming that the Westpac GST Group exceeds the financial acquisitions threshold for the purposes of Division 189 of the GST legislation, the representative member of the Westpac GST Group:
  - (i) would not be entitled to a full input tax credit from the ATO in respect of an acquisition made by the Trust to the extent that the acquisition relates to the Trust's input taxed supply of issuing Offered Notes (ie Offered Notes issued to (A) Australian residents or (B) to non-residents acting through a fixed place of business in Australia) and where the funds received from the Offered Notes will not be used to make taxable supplies of Leased Property; and
  - (ii) would be entitled to a full input tax credit from the ATO in respect of an acquisition made by the Trust to the extent that the acquisition relates to the Trust's taxable supply of Leased Property under a lease or on a sale of the Leased Property.

In the case of acquisitions made by the Trust which relate to the making of supplies of the nature described above, the representative member of the Westpac GST Group may still be entitled to a "reduced input tax credit" in relation to certain acquisitions prescribed in the GST regulations, but only where the Trust is the recipient of the taxable supply and the Trust either provides or is liable to provide the consideration for the taxable supply. The amount of the reduced input tax credit will generally be 75% of the GST payable by the service provider on the taxable supplies made to the Trust. However, the reduced input tax credit available to the representative member of the Westpac GST Group would be 55% of the GST payable by the service provider if the Westpac GST Group is a "recognised trust scheme". Under the GST legislation, the Westpac GST Group would only be a "recognised trust scheme" if, relevantly, it were a "managed investment scheme" as that term is defined for the purposes of the *Corporations Act 2001* (Cth). As the Westpac GST Group is not such a scheme, the Group should not be a "recognised trust scheme" for GST purposes. As such, the representative member of the Westpac GST Group should be entitled to reduced input tax credits of 75% (rather than 55%) of the GST payable by a relevant service provider on taxable supplies made to the Trust.

- (c) To the extent that the Trust makes acquisitions that attract GST, and those services relate to the Trust's GST-free supply of the Offered Notes to non-residents, the representative member of the Westpac GST Group will be entitled to full input tax credits.
- (d) Where services are provided to the Trust by an entity comprising an associate of the Trust for income tax purposes, those services are provided for nil or less than market value consideration, and the Trust would not be entitled to a full input tax credit, the relevant GST (and any input tax credit) would be calculated by reference to the market value of those services.

In the case of supplies performed outside Australia for the purposes of the Trust's business, these may attract a liability for Australian GST if they are supplies of a kind which would have been taxable if

they occurred in Australia and if the Trust would not have been entitled to a full input tax credit if the supply had been performed in Australia. This is known as the “reverse charge” rule. Where the rule applies, the liability to pay GST to the ATO falls not on the supplier, but on the representative member of the Westpac GST Group.

Where services are performed offshore for the Trust and the supplies relate solely to the issue of Offered Notes by the Trust to Australian non-residents who subscribe for the Offered Notes through a fixed place of business outside Australia, the “reverse charge” rule should not apply to these offshore supplies. This is because there would have been an entitlement to a full input tax credit for the acquisition of these supplies if the supplies had been performed in Australia.

Where GST is payable on a taxable supply made to the Trust but a full input tax credit is not available, this will mean that less money is available to pay interest on the Offered Notes or other liabilities of the Trust.

## 13 SUBSCRIPTION AND SALE

### Subscription

Pursuant to the Dealer Agreement, the Dealer has agreed with the Issuer and the Manager, subject to the satisfaction of certain conditions, that it will use reasonable endeavours to procure subscriptions for or bid for the Offered Notes. The Manager has agreed to reimburse the Dealer for certain of its expenses in connection with the issue of those Offered Notes.

### Australia

- (a) The Dealer has acknowledged that:
- (i) no prospectus or other disclosure document (as defined in the Corporations Act) in relation to any Offered Notes has been lodged with the Australian Securities and Investments Commission; and
  - (ii) no action has been taken in any jurisdiction which would permit a public offering of the Notes, or possession or distribution of this Information Memorandum or Offer Material, in any other jurisdiction where action for that purpose is required.
- (b) The Dealer has represented, warranted and agreed that:
- (i) it must observe applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver Offered Notes; and
  - (ii) it may not directly or indirectly, offer, sell, resell, re-offer or deliver Offered Notes or distribute this Information Memorandum or any Offer Material in any country or jurisdiction, except under circumstances that result in compliance with any applicable authorisations, laws and regulations.
- (c) The Dealer has undertaken:
- (i) to offer the Offered Notes for sale within 30 days of the Closing Date to:
    - (A) at least 10 persons each of whom:
      - (aa) was carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets; and
      - (ab) was not known, or suspected, by its employees in relation to a sale to be an associate of any other person covered by this subparagraph (A); or
    - (B) to at least 100 persons who it would be reasonable to regard as either:
      - (aa) having acquired instruments similar to the relevant Offered Notes in the past; or
      - (ab) likely to be interested in acquiring such instruments; or
    - (C) as a result of negotiations being initiated publicly in electronic form, or in another form, that is used by financial markets for dealing in instruments similar to the relevant Offered Notes; and
  - (ii) that it shall not:
    - (A) offer the Offered Notes to a person actually known, or reasonably suspected, by the employees of the Dealer acting in relation to the sale, to be an Offshore Associate of the Issuer; and

- (B) sell any Offered Notes to any person if, at the time of such sale, its employees in relation to a sale know or have reasonable grounds to suspect that the Offered Notes, or an interest in the Offered Notes, will be acquired by an Offshore Associate of the Issuer,

other than an Offshore Associate in the capacity of a dealer, manager or underwriter in relation to the placement of the Offered Notes, or in the capacity of a clearing house, custodian, funds manager or responsible entity of an Australian registered scheme.

For the avoidance of doubt, if any employee of the Dealer acting in relation to the sale, does not know or have reasonable grounds to suspect that a person is an Offshore Associate of the Issuer, nothing referred to in this section 13 obliges the Dealer to make positive enquiries of that person to confirm that such person is not an Offshore Associate of the Issuer.

- (d) The Dealer has also represented, warranted and agreed that it:
  - (i) has not offered for issue or sale, invited applications for the issue of, invited applications for offers to purchase, or sold, any Offered Notes and will not do so; and
  - (ii) has not distributed or published and will not distribute or publish this Information Memorandum or any Offer Material in Australia,

unless, in either case:

- (iii) either (x) the minimum amount payable on acceptance of the offer by each offeree or invitee for the Offered Notes is a minimum amount (disregarding amounts, if any, lent by the Issuer or other person offering the Offered Notes or an associate (as defined in Division 2 of Part 1.2 of the Corporations Act) of either of them) is at least A\$500,000, (y) the offer or invitation is to a professional investor for the purposes of section 708 of the Corporations Act, or (z) otherwise an offer or invitation for which no disclosure is required to be made under Part 6D.2 or 7.9 of the Corporations Act ; and
- (iv) the offer or invitation does not constitute an offer to a "retail client" as defined in section 761G of the Corporations Act; and
- (v) the offer, invitation or distribution complies with all applicable laws and regulations in Australia in relation to the offer, invitation or distribution (including, without limitation, the financial services licensing requirements of Chapter 7 of the Corporations Act); and
- (vi) the offer, invitation or distribution does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

### **United States of America**

The Offered Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state or other jurisdiction of the United States of America and may not be offered, sold, delivered, transferred, encumbered or otherwise disposed of (directly or indirectly) at any time, within the United States of America or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this section 13 have the meanings given to them by Regulation S under the Securities Act.

The Dealer represents, warrants and agrees that it will not offer, sell, deliver, transfer, encumber or otherwise dispose of (directly or indirectly), the Offered Notes within the United States of America or to, or for the account or benefit of, U.S. persons:

- (a) as part of its distribution at any time; or
- (b) otherwise until 40 days after the later of the commencement of the offering of the Offered Notes and the Closing Date.

The Dealer represents, warrants and agrees that neither it nor its affiliates nor any person acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Offered Notes, and the Dealer, its affiliates and all persons acting on its or their behalf have complied and will comply with the offering restrictions requirements of Regulation S.

The Dealer also represents, warrants and agrees that, at or prior to confirmation of sale of the Offered Notes, the Dealer will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases the Offered Notes from it during the 40 day distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulation authority of any state or other jurisdiction of the United States of America and may not be offered or sold within the United States of America or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act."

In addition, until 40 days after the later of the commencement of the offering of the Offered Notes and the Closing Date, any offer, sale, or offer and sale of the Offered Notes within the United States of America by the Dealer, whether or not participating in the offering, may violate the registration requirements of the Securities Act.

#### **United Kingdom**

The Dealer has represented, warranted and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, if it was not an authorised person, apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Offered Notes in, from or otherwise involving the United Kingdom.

#### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Dealer has represented, warranted and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Offered Notes which are the subject of the offering contemplated by the Information Memorandum to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Offered Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons other than qualified investors as defined in the Prospectus Directive, subject to obtaining the prior consent of the Dealer; or
- (c) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3(2) of the Prospectus Directive,

provided that no such offer of any Offered Notes shall require the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplemental prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this section, the expression an **offer of Offered Notes to the public** in relation to any Offered Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Offered Notes to be offered so as to enable an investor to decide to purchase or subscribe the Offered Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU and the expression "**Member State of the European Economic Area**" means any Member State of the European Union.

## Hong Kong

The Dealer has represented, warranted and agreed that:

- (a) the Offered Notes have not been authorised by the Hong Kong Securities and Futures Commission;
- (b) it has not offered or sold and will not offer or sell in Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document, any Offered Notes (except for Offered Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571 of Hong Kong) other than:
  - (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of Hong Kong) and any rules made under that Ordinance; or
  - (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32 of Hong Kong) or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and
- (c) it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Offered Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Offered Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of Hong Kong) and any rules made under that Ordinance.

## New Zealand

The Dealer has acknowledged that the Issuer does not intend that the Offered Notes should be offered for sale or subscription to the public in New Zealand in terms of the Securities Act 1978 of New Zealand ("**NZ Securities Act**"), or to any retail investor or otherwise under any regulated offer in terms of the Financial Markets Conduct Act 2013 of New Zealand ("**NZ FMCA**"). Accordingly, no investment statement or prospectus under the NZ Securities Act or product disclosure statement under the NZ FMCA has been prepared, lodged or registered in New Zealand.

The Dealer has represented, warranted and agreed that it has not offered or transferred the Offered Notes to any member of the public in New Zealand in breach of the NZ Securities Act or made any offer of the Offered Notes in New Zealand that would require disclosure to investors under Part 3 of the NZ FMCA. The Dealer agrees it will not offer, sell or deliver Offered Notes in New Zealand, or distribute or publish in New Zealand any offering material or advertisement in relation to any offer of Offered Notes, other than:

- (a) in relation to the Offered Notes offered in New Zealand before 31 May 2015, to any or all of the following persons only:

- (i) persons whose principal business is the investment of money or who, in the course of and for the purpose of their business, habitually invest money;
  - (ii) persons who are each required to pay a minimum subscription price of at least NZ\$500,000 for the Offered Notes (disregarding any amount lent by the offeror, the Issuer or any associated person of the offeror or the Issuer) before the allotment of those Offered Notes; or
  - (iii) in other circumstances where there is no contravention of the NZ Securities Act, provided that the Offered Notes may not be offered or transferred to any “eligible persons” (as defined in section 5(2CC) of the NZ Securities Act); or
- (b) to wholesale investors within the meaning of clause 3(2)(a), (c) or (d) of Schedule 1 to the NZ FMCA, which includes a person who is:
- (i) an “investment business”;
  - (ii) “large”; or
  - (iii) a “government agency”,

in each case as defined in Schedule 1 to the NZ FMCA, provided (for the avoidance of doubt) that the Offered Notes may not be offered or transferred to any “eligible investor” (as defined in clause 41 of Schedule 1 to the NZ FMCA) or to any person who, under clause 3(2)(b) of Schedule 1 to the NZ FMCA, meets the investment activity criteria specified in clause 38 of that Schedule.

## Singapore

The Dealer has acknowledged that the Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**). Accordingly, the Offered Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the Information Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Offered Notes be circulated or distributed, whether directly or indirectly, to persons in Singapore other than:

- (a) to an institutional investor under Section 274 of the SFA;
- (b) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Offered Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (under Section 4A of the of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA.

**General**

The Dealer has represented, warranted and agreed that it will:

- (a) observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Offered Notes; and
- (b) not directly or indirectly offer, sell, resell, re-offer or deliver Offered Notes or distribute the Information Memorandum or any offer material in any country or jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations.



## 14 GLOSSARY

### Glossary of Terms

A\$, AUD and Australian dollars	the lawful currency for the time being of Australia.
Accrual Adjustment	means, in respect of a Receivable acquired by the Issuer on: <ul style="list-style-type: none"><li>(a) the Closing Date, an amount equal to all accrued but unpaid interest in respect of that Receivable as at close of business on the day immediately preceding the Closing Date; and</li><li>(b) a Settlement Date, an amount equal to all accrued but unpaid interest in respect of that Receivable as at close of business on the day immediately preceding that Settlement Date,</li></ul> as applicable.
Adverse Rating Effect	means an effect which results in the downgrading or withdrawal of the then current rating of any of the Notes by a Designated Rating Agency.
Affected Party	has the meaning given to it in the Derivative Contract.
Agreed Market Value	means at any time in respect of a Delinquent Receivable: <ul style="list-style-type: none"><li>(a) the Outstanding Principal Balance of that Delinquent Receivable plus accrued interest and fees due and owing by the Obligor in respect of that Delinquent Receivable less any Credit Provisions for such Delinquent Receivable;</li><li>(b) such amount reasonably determined by the Manager, having regard to the expected loss and future net interest income for such Delinquent Receivable; or</li><li>(c) such other amounts as agreed between the Manager, the Servicer and the relevant purchaser of that Delinquent Receivable.</li></ul>
Aggregate Invested Amount	means, on any day in respect of a Class of Notes, the aggregate of the Invested Amount of all the Notes of that Class.
Aggregate Stated Amount	means, on any day in respect of a Class of Notes, the aggregate of the Stated Amount of all the Notes of that Class.
Approved External Dispute Resolution Scheme	means an external dispute resolution scheme approved under and in accordance with section 11 of the NCCP and regulation 10(3) of the NCCP Regulations.
Arranger	means Westpac Banking Corporation (ABN 33 007 457 141).
Arrears	subsist in relation to a Receivable if the relevant Obligor fails to pay any amount due under that Receivable on the day it was due. Delayed payments arising from payment holidays based on early repayments (agreed in writing by the relevant Seller), or from maternity or paternity leave repayment reductions, which are granted by the relevant Seller or the Servicer will not, by themselves, lead to a Receivable being in Arrears.
Austraclear	means Austraclear Limited (ABN 94 002 060 773).
Austraclear System	means the system operated by Austraclear for holding certain Australian dollar securities and the electronic recording and settling of transactions in those securities between members of

	that system in accordance with the Regulations and Operating Manual established by Austraclear (as amended or replaced from time to time) to govern the use of the that system.
Australian Credit Licence	has the meaning given to that term in the NCCP.
Australian Financial Services Licence	means an Australian financial services licence within the meaning of Chapter 7 of the Corporations Act.
Australian Tax Act	means the Income Tax Assessment Act 1936 or the Income Tax Assessment Act 1997, as the case may be.
Authorised Investments	<p>means:</p> <ul style="list-style-type: none"> <li>(a) cash deposited in an interest bearing bank account in the name of the Issuer with an Eligible Bank;</li> <li>(b) any debt securities which: <ul style="list-style-type: none"> <li>(i) have a short term credit rating of P-1 by Moody's;</li> <li>(ii) have a credit rating by Fitch as follows: <ul style="list-style-type: none"> <li>(A) for debt securities whose remaining maturities at the time of purchase are less than or equal to 30 days, a short term credit rating by Fitch of at least F1 or a long term credit rating by Fitch of at least A;</li> <li>(B) for debt securities whose remaining maturities at the time of purchase are more than 30 days but less than or equal to 365 days, a short term credit rating by Fitch of F1+ or a long term credit rating by Fitch of at least AA-,</li> </ul> </li> </ul> </li> </ul> <p>or such other credit ratings by the Designated Rating Agency as may be notified by the Manager to the Issuer from time to time provided that the Manager has delivered a Rating Notification in respect of such other credit ratings;</p> <ul style="list-style-type: none"> <li>(iii) mature on or prior to the next date on which the proceeds from such Authorised Investments will be required to be applied in accordance with the Cashflow Allocation Methodology;</li> <li>(iv) are denominated in Australian dollars; and</li> <li>(v) are held in the name of the Issuer,</li> </ul> <p>in each case which do not constitute a securitisation exposure or a resecuritisation exposure (as defined in Prudential Standard APS 120 issued by the Australian Prudential Regulation Authority, including any amendment or replacement of that Prudential Standard).</p>
Availability Period	means the period from the date of the Liquidity Facility Agreement to the date which ends on (and includes) the Maturity Date.
Availability Termination Date	means the last day of the Availability Period.
Available Income	has the meaning given to it in Section 10.7 ("Determination of Available Income").
Average Delinquency Ratio	means, in respect of a Determination Date, the amount (expressed

as a percentage) calculated as follows:

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

where:

- A is the Average Delinquency Ratio for that Determination Date;
- B is the sum of the Delinquency Ratio for that Determination Date and the Delinquency Ratios for each of the 2 immediately preceding Determination Dates (or if, at that time, less than 2 Determination Dates have occurred since the Closing Date, that lesser number of Determination Dates); and
- C is the lesser of:
- (i) 3; and
  - (ii) the number of Determination Dates (including that Determination Date) that have occurred since the Closing Date.

**Balloon Percentage**

means, in respect of a Balloon Receivable, the amount (expressed as a percentage) calculated as follows:

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

where:

- A is the Balloon Percentage at that time;
- B is the balloon amount payable in respect of that Balloon Receivable; and
- C is the Original Gross Payable Balance of that Balloon Receivable as at its date of origination.

**Balloon Receivable**

means a Purchased Receivable in respect of which a balloon amount is payable at the scheduled maturity of that Purchased Receivable.

**Bank**

means an authorised deposit-taking institution (as defined in the Banking Act 1959 (Cth)).

**Bank Bill Rate**

means for a Note for an Interest Period:

- (a) the average mid rate for Bills having a tenor of 30 days as displayed on the "BBSW" page of the Reuters Monitor System on the first day of that Interest Period; or
- (b) if fewer than five banks quote on the "BBSW" page of the Reuters Monitor System on the day of a determination of the rate in accordance with paragraph (a) or if for any reason Bank Bill Rate cannot be determined in accordance with paragraph (a) or the Calculation Agent determines that there is an obvious error in that rate, the rate calculated as the arithmetic mean of the rates quoted

	by five banks on application by the Calculation Agent. The quotations will be for rates which the banks quoted or would have quoted on the first day of that Interest Period for a Bill having a tenor of 30 days and of the type specified for the purpose of quoting on the "BBSW" page of the Reuters Monitor System; or
	(c) if a rate for that Interest Period cannot be determined in accordance with the procedures in paragraphs (a) or (b), the rate specified in good faith by the Calculation Agent at or around that time on the first day of that Interest Period, having regard, to the extent possible, to comparable indices then available or to the rates otherwise bid and offered for Bills of that tenor at that time.
Bill	has the meaning it has 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	means a day on which banks are open for general banking business in Sydney (not being a Saturday, Sunday or public holiday in that place).
Business Day Convention	means the convention for adjusting any date if it would otherwise fall on a day that is not a Business Day, such that the date is postponed to the next Business Day unless that date falls in the next calendar month, in which case the date is brought forward to the first preceding Business Day.
Calculation Agent	means the Manager.
Call Option	means the Issuer's option to redeem Notes before the Maturity Date on each Call Option Date.
Call Option Date	means each Payment Date occurring after the last day of the Collection Period in which the aggregate of the Outstanding Principal Balance of all Purchased Receivables (as calculated on that last day of the Collection Period) is less than 10% of the Outstanding Principal Balance of all Purchased Receivables as at the Closing Date.
Carryover Charge-Off	has the meaning given in Section 10.12 ("Allocation of Charge-Offs").
Cashflow Allocation Methodology	means the cashflow allocation methodology described in Section 10 ("Cashflow Allocation Methodology").
Cashflow Support Facility	means: <ul style="list-style-type: none"> <li>(a) any Derivative Contract;</li> <li>(b) the Liquidity Facility Agreement;</li> <li>(c) the Deposit Deed; and</li> <li>(d) any other document which is from time to time agreed between the Issuer and the Manager to be a Cashflow Support Facility for the purposes of the Issue Supplement.</li> </ul>
CFAL	Capital Finance Australia Limited.
Charge-Off	means, in respect of a Determination Date, the amount (if any) by which the Losses in respect of the immediately preceding Collection Period exceeds the aggregate of the amounts available to be applied from Total Available Income on the next Payment

	Date under Section 10.11(l) (“Application of Total Available Income”).
Circulating Resolution	means a written resolution of Secured Creditors made in accordance with paragraph 9 (“Circulating Resolutions”) of the Meetings Provisions.
Class	means each class of Notes specified in Section 2.3 (“General Information on the Notes”).
Class A Note Step-up Margin	means 0.25% per annum.
Class A Note Step-up Margin Date	means the Payment Date following the first Call Option Date.
Class A Note	means any Note designated as a “Class A Note” and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class A Noteholder	means a Noteholder of a Class A Note.
Class B Note	means any Note designated as a “Class B Note” and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class B Noteholder	means a Noteholder of a Class B Note.
Class C Note	means any Note designated as a “Class C Note” and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class C Noteholder	means a Noteholder of a Class C Note.
Class D Note	means any Note designated as a “Class D Note” and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class D Noteholder	means a Noteholder of a Class D Note.
Class E Note	means any Note designated as a “Class E Note” and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Class E Noteholder	means a Noteholder of a Class E Note.
Clearing System	means the Austraclear System or any other clearing system that may be specified in the Issue Supplement.
Closing Date	means on or about 23 March 2015, or such other date as notified by the Manager to the Issuer.
Collateral	means all Trust Assets which the Issuer acquires or to which the Issuer becomes entitled on or after the date of the General Security Deed.
Collateral Account	means a segregated account opened at the direction of the Manager in the name of the Issuer with an Eligible Bank to which the proceeds of any Collateral Advance are to be deposited.
Collateral Account Balance	means, at any time, the balance of the Collateral Account at that time plus, if any amount from the Collateral Account has been invested in Authorised Investments, the face value of such Authorised Investments.
Collateral Advance	means the principal amount of each advance made by the

	Liquidity Facility Provider under clause 2.4 (“Collateral Advance Request”) of the Liquidity Facility Agreement, or the balance of such advance outstanding from time to time as the context requires and includes any deemed Collateral Advance in accordance with clause 10.5 (“Repayment of Liquidity Advances”) of the Liquidity Facility Agreement.
Collateral Advance Request	means a request for a Collateral Advance made in accordance with clause 2.4 (“Collateral Advance Request”) and clause 10 (“Collateral Advance”) of the Liquidity Facility Agreement.
Collateral Support	means, on any day: <ul style="list-style-type: none"> <li>(a) in respect of a Derivative Contract, the amount of collateral (if any) paid or transferred to the Issuer by a Derivative Counterparty in accordance with the terms of a Derivative Contract that has not been applied before that day to satisfy the Derivative Counterparty’s obligations under the Derivative Contract; and</li> <li>(b) in respect of the Liquidity Facility Agreement, the Collateral Account Balance on that day.</li> </ul>
Collection Account	means the account opened with Westpac in the name of the Issuer and designated by the Manager as the collection account for the Trust.
Collection Period	means, in relation to a Payment Date, the period from (and including) the first day of the month immediately preceding that Payment Date up to (and including) the last day of the month immediately preceding that Payment Date, provided the first Collection Period will commence on (and include) the Closing Date.
Collections	means, in respect of a Collection Period, all amounts received by, or on behalf of, the Issuer in respect of the Purchased Receivables and Purchased Related Securities (on and from the Closing Date) including, without limitation: <ul style="list-style-type: none"> <li>(a) all rent, principal, interest and fees;</li> <li>(b) any proceeds recovered from any enforcement action (including any sale proceeds received by the Issuer in connection with the disposal of Leased Property (as described in Section 11.4 (“Servicing Deed”)));</li> <li>(c) any proceeds received on any sale or Reallocation of any Purchased Receivable; and</li> <li>(d) any amount received as damages in respect of a breach of any representation or warranty,</li> </ul> but excluding any Obligor Taxes in respect of that Collection Period.
Conditions	means the conditions of the Notes set out in Section 6 (“Conditions of the Notes”).
Consumer Finance Receivable	means a Receivable in respect of a “consumer finance facility” product as described in Section 8.1 (“Origination of the Receivables”).
Controller	has the meaning given to it in the Corporation Act.
Corporations Act	means the Corporations Act 2001 (of the Commonwealth of Australia).

Costs	includes costs, charges and expenses, including those incurred in connection with advisers.
Credit Provisions	means, in respect of a Delinquent Receivable, the amount recognised as a potential loss for that Delinquent Receivable by the Servicer pursuant to its policies and procedures.
Cut-Off Date	means, in respect of a Receivable, the date specified as such in the Initial Offer to Sell or the relevant Offer to Sell relating to that Receivable, as the case may be.
Dealer	means the person specified as such in Section 2.1 (“Summary – Transaction Parties”).
Dealer Agreement	means the document entitled “Crusade ABS Series 2015-1 Trust - Dealer Agreement” dated 17 March 2015 between the Issuer and others.
Defaulting Party	in respect of a Derivative Contract, has the meaning given to it in that Derivative Contract.
Delinquency Ratio	means, in respect of a Determination Date, the amount (expressed as a percentage) calculated as follows:

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

where:

- A is the Delinquency Ratio for that Determination Date;
- B is the aggregate Outstanding Principal Balance of all Purchased Receivables which are Delinquent Receivables on the last day of the immediately preceding Collection Period; and
- C is the aggregate Outstanding Principal Balance of all Purchased Receivables on the last day of the immediately preceding Collection Period.

Delinquent Receivable	means a Receivable that is in Arrears for more than 90 consecutive days.
Deposit Account	means an account denominated in A\$ in the name of the Issuer opened with the Deposit Bank in Sydney.
Deposit Account Balance	means, on any day, the balance of the Deposit Account on that day (excluding any interest credited to the Deposit Account on or before that day and any fees debited to the Deposit Account on or before that day).
Deposit Bank	means the person specified as such in Section 2.1 (“Summary – Transaction Parties”).
Deposit Deed	means the deed entitled “Crusade ABS Series 2015-1 Trust – Deposit Deed” dated 17 March 2015 between the Issuer, the Manager and the Deposit Bank.
Derivative Contract	means: <ul style="list-style-type: none"> <li>(a) the Initial Derivative Contract; and</li> <li>(b) each other Derivative Contract (as defined in the Security Trust Deed) in respect of the Trust entered into by the Issuer provided that a Rating Notification has been given</li> </ul>

	in respect of such Derivative Contract.
Derivative Counterparty	means, at any time, the counterparty under a Derivative Contract.
Designated Rating Agency	means each of Moody's and Fitch.
Determination Date	means the day which is 4 Business Days prior to a Payment Date.
Drawdown Date	means the date on which a Liquidity Advance or Collateral Advance is or is deemed to be made under the Liquidity Facility Agreement.
Eligible Bank	<p>means any Bank with a rating equal to or higher than:</p> <p>(a) in the case of Moody's:</p> <p style="padding-left: 40px;">(i) a long term credit rating of A2 and a short term rating of P-1; or</p> <p style="padding-left: 40px;">(ii) if the Bank does not have a short term rating from Moody's, a long term credit rating of A1; and</p> <p>(b) in the case of Fitch, a long term credit rating of A and a short term credit rating of F1,</p> <p>or such other credit ratings by the Designated Rating Agency as may be notified by the Manager to the Issuer from time to time provided that the Manager has delivered a Rating Notification in respect of such other credit ratings.</p>
Eligible Receivable	means a Receivable which satisfies the Eligibility Criteria on the relevant Cut-Off Date for that Receivable.
Eligibility Criteria	has the meaning given to it in Section 5.3 ("Eligibility Criteria").
Encumbrance	<p>means any:</p> <p>(a) security interest as defined in section 12(1) or section 12(2) of the PPSA; or</p> <p>(b) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement; or</p> <p>(c) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or</p> <p>(d) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease, or licence to use or occupy; or</p> <p>(e) third party right or interest or any right arising as a consequence of the enforcement of a judgment,</p> <p>or any agreement to create any of them or allow them to exist.</p>
Enforcement Expenses	means all expenses paid by or on behalf of the Servicer in connection with the enforcement of any Purchased Receivable or any Purchased Related Security, as advised by the Servicer to the Manager from time to time.
Event of Default	has the meaning given to it in Section 11.5 ("Security Trust Deed and General Security Deed").



Extraordinary Resolution	means: (a) a resolution passed at a meeting of Secured Creditors by at least 75% of the votes cast; or (b) a Circulating Resolution made in accordance with paragraph 9.1(b) ("Passing resolutions by Circulating Resolution") of the Meetings Provisions.
FATCA	means the Foreign Account Taxation Compliance Act provisions, sections 1471 through to 1474 of the Internal Revenue Code (including any regulations or official interpretations issued with respect thereof and any amended or successor provisions).
Financed Property	means in the case of: (a) a Lease Receivable, the Leased Property; and (b) a Receivable which is a loan, the vehicle or other property financed by that Receivable or otherwise secured by the relevant Related Security.
Fitch	means Fitch Australia Pty Ltd (ABN 93 081 339 184).
General Security Deed	means the document entitled "Crusade ABS Series 2015-1 Trust General Security Deed" dated 13 March 2015 between the Issuer, the Security Trustee and the Manager.
Government Agency	means: (a) any body politic or government in any jurisdiction, whether federal, state, territorial or local; and (b) any minister, department, office, commission, instrumentality, agency, board, authority or organisation of any government or in which any government is interested.
GST	means any goods and services tax, value added tax or similar tax imposed by the Commonwealth of Australia or any State or Territory of the Commonwealth of Australia.
Income Collections	has the meaning given to it in Section 10.6 ("Determination of Income Collections").
Inertia Payment	means, in respect of an Inertia Receivable, any payment received by, or on behalf of, the Issuer from the relevant Obligor in respect of that Inertia Receivable which is referable to any period after the expiry of the scheduled term of that Inertia Receivable.
Inertia Receivable	means a Purchased Receivable in respect of which: (a) the scheduled term of that Purchased Receivable has expired; and (b) all scheduled payments under that Purchased Receivable have been paid in full by the Obligor,  and includes any Related Security in respect of that Purchased Receivable.
Initial Cut-Off Date	means 7 January 2015.
Initial Derivative Contract	means the ISDA Master Agreement (including all Schedules and Annexures) dated 17 March 2015 between the Issuer and others.
Initial Invested Amount	has the meaning given to it in Section 1 ("Summary – Principal

Terms of the Notes”).

Initial Offer to Sell

means an Offer to Sell dated prior to the Closing Date from St.George Finance Limited (as Seller) to the Manager and the Issuer.

Insolvent

a person is Insolvent if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property; or
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the Security Trustee (or the Manager, in the case of the solvency of the Security Trustee)); or
- (d) an application or order has been made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above; or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which the Security Trustee (or the Manager, in the case of the solvency of the Security Trustee) reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts when they fall due; or

something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

The reference to “person” in the above definition, when used in respect of the Issuer or the Security Trustee, is a reference to the Issuer or the Security Trustee:

- (i) in its personal capacity; and
- (ii) in its capacity as trustee of the Trust or Security Trust (as applicable),

but not the Issuer or Security Trustee in its capacity as trustee of any other trust. Any non-payment of any amount owing by the Issuer as a result of the operation of the Cashflow Allocation Methodology or the limitation of liability described in the section titled “Indemnity and limitation of liability” of Section 11.2 (“*Master Trust Deed*”) will not result in the Issuer being Insolvent.

Interest

means in respect of a Note and an Interest Period, the amount of interest payable on that Note in respect of that Interest Period as determined in accordance with Condition 6 (“Interest”).

Interest Period

means, in respect of a Note:

- (a) initially, the period from (and including) the Issue Date of

	that Note to (but excluding) the first Payment Date following that Issue Date; and
	(b) thereafter, each period from (and including) each Payment Date to (but excluding) the next following Payment Date.
Interest Rate	in respect of a Note, has the meaning given to it in Section 1 (“Summary – Principal Terms of the Notes”).
Invested Amount	means at any time in respect of a Note: <ul style="list-style-type: none"> <li>(a) the Initial Invested Amount of that Note; less</li> <li>(b) the aggregate of any principal repayments made in respect of that Note prior to that time.</li> </ul>
Issue Date	means the date of issue of the Notes.
Issue Supplement	means the document entitled “Crusade ABS Series 2015-1 Trust Issue Supplement” dated 17 March 2015 between the Manager, the Issuer, the Security Trustee, each Seller and the Servicer.
Issuer	has the meaning given to it in Section 2.1 (“Summary – Transaction Parties”).
Issuer’s Fee	means the fees payable to the Issuer in accordance with clause 10.3 (“Trustee’s fee”) of the Issue Supplement.
Lead Manager	means the person specified as such in Section 2.1 (“Summary – Transaction Parties”).
Lease Receivable	means a Receivable which is a hire-purchase, lease or other similar receivable.
Leased Property	means the property the subject of a Lease Receivable.
Liquidity Advance	has the meaning given to it in Section 11.7 (“Liquidity Facility Agreement”).
Liquidity Draw	has the meaning given to it in Section 10.9 (“Liquidity Draw”).
Liquidity Facility Agreement	means the agreement entitled “Crusade ABS Series 2015-1 Trust – Liquidity Facility Agreement” dated 17 March 2015 between the Issuer and the Liquidity Facility Provider and others.
Liquidity Facility Provider	means the person specified as such in Section 2.1 (“Summary – Transaction Parties”).
Liquidity Facility Termination Date	has the meaning given to it in Section 11.7 (“Liquidity Facility Agreement”).
Liquidity Interest Rate	means, in respect of a Liquidity Advance and a Liquidity Interest Period, the Bank Bill Rate for that Interest Period plus a margin (as determined under the Liquidity Facility Agreement).
Liquidity Limit	means at any time the lesser of: <ul style="list-style-type: none"> <li>(a) A\$6,800,000;</li> <li>(b) the aggregate Outstanding Principal Balance of the Performing Receivables at that time;</li> <li>(c) the amount agreed from time to time by the Liquidity Facility Provider and the Manager (in respect of which a Rating Notification has been given); or</li> <li>(d) the amount (if any) to which the Liquidity Limit has been</li> </ul>

reduced at that time in accordance with the Liquidity Facility Agreement (provided a Rating Notification has been provided in respect of such reduction).

Liquidity Principal Outstanding means, at any time, an amount equal to:

- (a) the aggregate of all Liquidity Advances made prior to that time (including any interest capitalised on overdue amounts); less
- (b) any repayments or prepayments of all such Liquidity Advances made by the Issuer on or before that time.

Liquidity Shortfall means, on a Determination Date, the amount (if any) by which the Payment Shortfall on that Determination Date exceeds the Principal Draw to be made on the immediately following Payment Date in accordance with Section 10.8 ("Principal Draw").

Loss Ratio means, in respect of a Determination Date, the amount (expressed as a percentage) calculated as follows:

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

where:

- A is the Loss Ratio for that Determination Date;
- B is the aggregate Losses since the Closing Date up to the last day of the immediately preceding Collection Period; and
- C is the aggregate Outstanding Principal Balance of each Purchased Receivable as at its respective Cut-Off Date (including any Receivable that was a Purchased Receivable but is no longer a Purchased Receivable).

Losses means, in respect of a Collection Period, the aggregate principal losses (as determined by the Servicer) for all Purchased Receivables which arise during that Collection Period after all enforcement action has been taken in respect of any Purchased Receivables and after taking into account:

- (a) all proceeds received as a consequence of enforcement under any Purchased Receivables (less the relevant Enforcement Expenses); and
- (b) any payments received from the Servicer or any other person for a breach of its obligations under the Transaction Documents,

and "**Loss**" has a corresponding meaning.

Management Deed means the document entitled "Westpac ABS Management Deed" dated 6 December 2012 between the Issuer and the Manager.

Manager such person who is, from time to time, acting as Manager pursuant to the Transaction Documents. The initial Manager is specified in Section 2.1 ("Summary – Transaction Parties").

Manager's Fee means the fees payable to the Manager in accordance with clause 10.1 ("Manager's fee") of the Issue Supplement.

Manager Termination Event has the meaning given to it in Section 11.3 ("Management Deed").

Master Trust Deed	means the document entitled “Westpac ABS Master Trust Deed” dated 6 December 2012 between the Issuer and the Manager.
Material Adverse Effect	means an event or circumstance which will have a material and adverse effect on the amount of any payment to a Noteholder in respect of any Note which is rated by a Designated Rating Agency or the timing of any such payment.
Maturity Date	means 14 May 2025.
Meetings Provisions	means the provisions relating to meetings of Secured Creditors set out in schedule 2 (“Meetings Provisions”) of the Security Trust Deed.
Moody’s	means Moody’s Investors Service Pty Limited (ABN 61 003 399 657).
National Credit Code	means: <ul style="list-style-type: none"> <li>(a) the NCCP;</li> <li>(b) the National Consumer Credit Protection (Fees) Act 2009 (Cth);</li> <li>(c) the National Consumer Credit Protection (Transitional and Consequential Provisions) Act 2009 (Cth) (“<b>Transitional Act</b>”);</li> <li>(d) regulations made under any of them; and</li> <li>(e) Division 2 of Part 2 of the Australian Securities and Investment Commission Act 2001 (Cth), so far as it relates to obligations in respect of an Australian Credit Licence issued under the NCCP or registration as a registered person under the Transitional Act.</li> </ul>
NCCP	means the National Consumer Credit Protection Act 2009 (Cth).
NCCP Regulations	means the National Consumer Credit Protection Regulations 2010.
Note Deed Poll	means the deed entitled “Crusade ABS Series 2015-1 Trust Note Deed Poll” signed by the Issuer.
Note Register	means the register of Notes in respect of the Trust established and maintained by the Issuer in accordance with the Master Trust Deed.
Noteholder	means, for a Note, each person whose name is entered in the Note Register for the Trust as the holder of that Note. If a Note is held in a Clearing System, references to the Noteholder of that Note include the operator of that Clearing System or its nominee, depository or common depository (in each case acting in accordance with the rules and regulations of the Clearing System).
Notes	means: <ul style="list-style-type: none"> <li>(a) a Class A Note;</li> <li>(b) a Class B Note;</li> <li>(c) a Class C Note;</li> <li>(d) a Class D Note;</li> <li>(e) a Class E Note; and</li> </ul>

	(f) a Seller Note.
Notice of Creation of Security Trust	means the document entitled "Notice of Creation of Security Trust – Crusade ABS Series 2015-1 Trust Security Trust" dated 13 March 2015 signed by the Security Trustee.
Notice of Creation of Trust	means the document entitled "Notice of Creation of Trust – Crusade ABS Series 2015-1 Trust" dated 13 March 2015 signed by the Issuer.
Obligor	means in relation to a Purchased Receivable or Purchased Related Security, any person who is obliged to make payments either jointly or severally to the Issuer in connection with that Purchased Receivable or Purchased Related Security.
Obligor Taxes	means any amount received by, or on behalf of, the Issuer in respect of a Purchased Receivable from the relevant Obligor in respect of GST or other Taxes in respect of that Purchased Receivable (not being an amount which the Issuer is liable to pay to a Government Agency).
Offer to Sell	means an Offer to Sell Receivables delivered to the Issuer pursuant to a Master Sale Deed.
Offshore Associate	means an associate (as defined in section 128F(9) of the Income Tax Assessment Act 1936 (Cth)) of the Issuer that is either a non-resident of Australia that does not acquire the Offered Notes in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the Offered Notes in carrying on a business at or through a permanent establishment outside of Australia.
Ordinary Resolution	means: <ul style="list-style-type: none"> <li>(a) a resolution passed at a meeting of Secured Creditors by at least 50% of the votes cast; or</li> <li>(b) a Circulating Resolution made in accordance with paragraph 9.1(a) ("Passing resolutions by Circulating Resolution") of the Meetings Provisions.</li> </ul>
Original Gross Payable Balance	means: <ul style="list-style-type: none"> <li>(a) for Consumer Finance Receivables, the Outstanding Principal Balance of that Receivable as at its date of origination; and</li> <li>(b) for all other Receivables, the sum of all instalments including balloon payments (if any) as at its date of origination.</li> </ul>
Other Income	means, in respect of a Collection Period, any miscellaneous income and other amounts (deemed by the Manager to be in the nature of income or interest) in respect of the Trust Assets (including interest earned on Authorised Investments) received by or on behalf of the Issuer during that Collection Period (but excluding any Obligor Taxes in respect of that Collection Period).
Other Secured Liability	means a loan, financial obligation or other liability made by, or owed to, a Seller, that is at any time secured (in whole or in part) by a Related Security, other than a Receivable.
Outstanding Principal Balance	means, in relation to a Purchased Receivable, the outstanding principal balance including any interest or other charges which are unpaid and have been capitalised to the Obligor's account.

Participation Income Unitholder	such person who holds a Participation Income Unit from time to time.
Participation Income Unit	means the participation unit in the Trust issued pursuant to the Master Trust Deed and the Notice of Creation of Trust.
Payment Date	means the 14 <sup>th</sup> day of each month, subject to the Business Day Convention. The first Payment Date occurs on 14 May 2015.
Payment Shortfall	means, on a Determination Date, the amount by which the Available Income is insufficient to meet the Required Payments as calculated on that Determination Date.
Penalty Payment	<p>means:</p> <ul style="list-style-type: none"> <li>(a) any amount (including, without limitation, any civil or criminal penalty) for which the Issuer is liable under the National Credit Code and any legal costs and other expenses payable or incurred by the Issuer in relation to such liability;</li> <li>(b) any amount which the Issuer agrees to pay to any person in settlement of any liability or alleged liability or application for an order under the National Credit Code;</li> <li>(c) any legal costs or other costs and expenses payable or incurred by the Issuer in relation to that application or settlement; and</li> <li>(d) any other losses incurred by the Issuer as a result of any breach of the National Credit Code,</li> </ul> <p>to the extent to which a person can be indemnified for that liability, money or amount under the National Credit Code and includes all amounts ordered by a court or other judicial body (including an Approved External Dispute Resolution Scheme) to be paid by the Issuer in connection with paragraphs (a) through (d).</p>
Performing Receivable	means a Receivable that is not a Delinquent Receivable.
Permitted Encumbrance	<p>means in respect of the Trust:</p> <ul style="list-style-type: none"> <li>(a) the General Security Deed;</li> <li>(b) any Encumbrance arising under any other Transaction Document; and</li> <li>(c) any Encumbrance which the Security Trustee consents to (at the direction of an Extraordinary Resolution of the Voting Secured Creditors).</li> </ul>
Pool Parameters	has the meaning given to it in Section 5.4 ("Pool Parameters").
Prescribed Period	<p>means, in respect of a Purchased Receivable, the period of 120 days after:</p> <ul style="list-style-type: none"> <li>(a) the Closing Date (in the case of a Purchased Receivable acquired by the Issuer on the Closing Date); or</li> <li>(b) the relevant Settlement Date (in the case of a Purchased Receivable acquired by the Issuer on that Settlement Date),</li> </ul> <p>as applicable.</p>
Principal Collections	means, in respect of a Determination Date, the amount equal to:

	(a) the Collections in respect of the immediately preceding Collection Period; less
	(b) the Income Collections in respect of that Determination Date.
Principal Draw	has the meaning given to it in Section 10.8 (“Principal Draw”).
Purchase Price	means the amount which is specified as the “Settlement Amount” in the relevant Offer to Sell or Initial Offer to Sell, as the case may be.
Purchased Receivable	means, at any time, a Receivable which is then, or is then immediately to become, a Trust Asset.
Purchased Related Security	means, at any time, a Related Security which is then, or is then immediately to become, a Trust Asset.
Rating Notification	means, in relation to an event or circumstance, that the Manager has confirmed in writing to the Issuer that it has notified each Designated Rating Agency of the event or circumstance and that the Manager is satisfied that the event or circumstance is unlikely to result in an Adverse Rating Effect.
Reallocation	means reallocation of Trust Assets from one trust to a different trust with the same trustee in accordance with clause 15 (“Reallocation of assets”) of the Master Trust Deed.
Receivable	means, at any time, any financial asset, including without limitation a loan, hire-purchase, lease or debt owed pursuant to a trade receivable, auto receivable or any other receivable or other form of monetary obligation, which has been sold or is then to be sold pursuant to a Sale Deed.
Receivables Pool	has the meaning given to it in Section 4.1 (“Pool Receivables Data”).
Receivable Terms	means, in respect of a Receivable or Related Security, any agreement or other document that evidences the Obligor’s payment or repayment obligations or any other terms and conditions of that Receivable or Related Security.
Receiver	includes a receiver or receiver and manager.
Recoveries	means amounts received from or on behalf of Obligors or under any Purchased Related Security in respect of Purchased Receivables that were previously the subject of a Loss.
Redemption Amount	means, on any day in respect of a Note an amount equal to the aggregate of: <ul style="list-style-type: none"> <li>(a) the Invested Amount of that Note (or the Stated Amount of that Note, if approved by an Extraordinary Resolution of the Noteholders of that Class of Notes); and</li> <li>(b) all accrued and unpaid interest in respect of that Note, on that day.</li> </ul>
Registrar	means, in respect of the Trust: <ul style="list-style-type: none"> <li>(a) the Issuer; or</li> <li>(b) such other person appointed by the Issuer to maintain the Note Register for the Trust.</li> </ul>



Related Entity	has the meaning it has in the Corporations Act.
Related Security	means, in respect of a Receivable, any Encumbrance which is given or is to be given as security for that Receivable.
Relevant Party	means each party to a Transaction Document other than the Issuer and the Security Trustee.
Relevant Person	means any of the Manager, the Issuer, the Security Trustee, a Seller, the Servicer, the Deposit Bank, the Derivative Counterparty, the Liquidity Facility Provider, the Arranger, the Dealer, the Lead Manager, Moody's and Fitch or their respective Related Entities or any person affiliated with any of them.
Repurchase Price	means at any time: <ul style="list-style-type: none"> <li>(a) in the case of a Purchased Receivable that is then a Performing Receivable, the Outstanding Principal Balance of that Purchased Receivable plus accrued interest and fees due and owing by the Obligor in respect of that Purchased Receivable; and</li> <li>(b) in the case of a Purchased Receivable that is then a Delinquent Receivable, the Agreed Market Value of that Delinquent Receivable.</li> </ul>
Required Credit Rating	means in respect of an entity at any time: <ul style="list-style-type: none"> <li>(a) in the case of Moody's: <ul style="list-style-type: none"> <li>(i) a long term credit rating of "A2" and a short term rating of "P1"; or</li> <li>(ii) if the Bank does not have a short term rating from Moody's, a long term credit rating of "A1"; and</li> </ul> </li> <li>(b) in the case of Fitch, a long term credit rating of "A" and a short term credit rating of "F1",</li> </ul> <p>or such other credit ratings from the Designated Rating Agency as may be agreed by the Manager and the Deposit Bank from time to time (and notified in writing by the Manager to the Issuer) provided that the Manager has delivered to the Issuer a Rating Notification in respect of such other credit ratings.</p>
Required Liquidity Rating	means a rating equal to or higher than: <ul style="list-style-type: none"> <li>(a) in the case of Moody's, a short term credit rating of P-1; and</li> <li>(b) in the case of Fitch, a short term credit rating of F1 and a long term credit rating of A,</li> </ul> <p>or such other credit rating or ratings by the Designated Rating Agency as may be agreed by the Manager and the Liquidity Facility Provider from time to time (and notified in writing by the Manager to the Issuer) provided that the Manager has delivered to the Issuer a Rating Notification in respect of such other credit rating or ratings.</p>
Required Payments	means, in respect of a Payment Date, the aggregate of payments payable on that Payment Date in accordance with Section 10.11(a) to (j) ("Application of Total Available Income").
Residual Capital Unitholder	such person who holds a Residual Capital Unit from time to time.
Residual Capital Units	means the residual units in the Trust issued pursuant to the Master

Trust Deed and the Notice of Creation of Trust.

Sale Deed

means each of:

- (a) the deed entitled "Westpac ABS Master Sale Deed" dated 6 December 2012 between the Issuer, the Manager and St. George Finance Limited; and
- (b) the deed entitled "Westpac ABS Master Sale Deed No.2" dated 17 March 2015 between the Issuer, the Manager and Westpac.

Secured Creditor

means:

- (a) the Security Trustee (for its own account);
- (b) the Manager;
- (c) each Noteholder;
- (d) each Derivative Counterparty;
- (e) the Liquidity Facility Provider;
- (f) the Dealer;
- (g) the Servicer and
- (h) each Seller.

Secured Money

means all amounts which:

at any time;

for any reason or circumstance in connection with the Transaction Documents (including any transaction in connection with them);

whether at law or otherwise (including liquidated or unliquidated damages for default or breach of any obligation); and

whether or not of a type within the contemplation of the parties at the date of the General Security Deed:

- (a) the Issuer is or may become actually or contingently liable to pay any Secured Creditor of the Trust; or
- (b) any Secured Creditor of the Trust has advanced or paid on the Issuer's behalf or at the Issuer's express or implied request; or
- (c) any Secured Creditor of the Trust is liable to pay by reason of any act or omission on the Issuer's part, or that any Secured Creditor of the Trust has paid or advanced in protecting or maintaining the Collateral or any security interest in the General Security Deed following an act or omission on the Issuer's part; or
- (d) the Issuer would have been liable to pay any Secured Creditor of the Trust but the amount remains unpaid by reason of the Issuer being Insolvent.

This definition applies:

- (a) irrespective of the capacity in which the Issuer or the Secured Creditor of the Trust became entitled to, or liable in respect of, the amount concerned;
- (b) whether the Issuer or the Secured Creditor of the Trust is liable as principal debtor, as surety, or otherwise;
- (c) whether the Issuer is liable alone, or together with another

	<p>person;</p> <p>(d) even if the Issuer owes an amount or obligation to the Secured Creditor of the Trust because it was assigned to the Secured Creditor, whether or not:</p> <p>(i) the assignment was before, at the same time as, or after the date of the General Security Deed; or</p> <p>(ii) the Issuer consented to or was aware of the assignment; or</p> <p>(iii) the assigned obligation was secured before the assignment;</p> <p>(e) even if the General Security Deed was assigned to the Secured Creditor of the Trust, whether or not:</p> <p>(i) the Issuer consented to or was aware of the assignment; or</p> <p>(ii) any of the Secured Money was previously unsecured;</p> <p>(f) whether or not the Issuer has a right of indemnity from the Trust Assets.</p>
Security Trust	means the trust known as the “Crusade ABS Series 2015-1 Trust Security Trust” established under the Security Trust Deed and the Notice of Creation of Security Trust.
Security Trust Deed	means the document entitled “Westpac ABS Master Security Trust Deed” dated 6 December 2012 between the Issuer, the Security Trustee and the Manager.
Security Trust Fund	means, in respect of the Security Trust:
	<p>(a) the amount held by the Security Trustee under clause 2.1 of the Security Trust Deed in respect of the Security Trust;</p> <p>(b) any other property which the Security Trustee receives, has vested in it or otherwise acquires to hold in respect of the Security Trust, including the General Security Deed; and</p> <p>(c) any property which represents the proceeds of sale of any such property or proceeds of enforcement of the General Security Deed.</p>
Security Trustee	such person who is, from time to time, acting as Security Trustee pursuant to the Transaction Documents. The initial Security Trustee is specified in Section 2.1 (“Summary – Transaction Parties”).
Security Trustee’s Fee	means the fees payable to the Security Trustee in accordance with clause 10.4 (“Security Trustee’s fee”) of the Issue Supplement.
Seller	means a person specified as such in Section 2.1 (“Summary – Transaction Parties”).
Seller Note	means any Note (as defined in the Conditions) designated as a “Seller Note” and which is issued in accordance with the Issue Supplement and the Note Deed Poll.
Seller Noteholder	means each person who is from time to time entered in the Register as the holder of a Seller Note.

Seller Trust Assets	<p>means all of the Issuer's right, title, interest and benefit in and to:</p> <ul style="list-style-type: none"> <li>(a) any Other Secured Liability;</li> <li>(b) any Related Security that secures any Other Secured Liability (to the extent that such Related Security secures the Other Secured Liability); and</li> <li>(c) any property which becomes a Seller Trust Asset in accordance with Section 10.18 ("Inertia Receivables"),</li> </ul> <p>and which is subject to clause 17 ("Seller Trusts") of the Sale Deed together with any other rights or property of whatever kind, whether present or future, which are the subject of the Seller Trust. Seller Trust Assets includes any proceeds of or any amount received under, or as a consequence of the exercise of, a right, title, interest or benefit in respect of any Other Secured Liability or any Related Security that secures any Other Secured Liability (to the extent that such Related Security secures the Other Secured Liability).</p>
Settlement Date	means, in respect of an Offer to Sell, the amount specified as such in that Offer to Sell.
Servicer	such person who is, from time to time, acting as Servicer pursuant to the Transaction Documents. The initial Servicer is specified in Section 2.1 ("Summary – Transaction Parties").
Servicer's Fee	means the fees payable to the Servicer in accordance with clause 10.2 ("Servicer's fee") of the Issue Supplement.
Servicer Termination Event	has the meaning given to it in Section 11.4 ("Servicing Deed").
Servicer Required Credit Rating	<p>means in respect of:</p> <ul style="list-style-type: none"> <li>(a) Moody's, a short term rating of P-1;</li> <li>(b) Fitch, a long term rating of at least A and a short term rating of at least F1,</li> </ul> <p>or, in each case, such other rating by the relevant Designated Rating Agency as may be notified by the Manager to the Issuer.</p>
Servicing Deed	means the deed entitled "Westpac ABS Trust Master Servicing Deed" dated 6 December 2012 between the Issuer, the Manager and the Servicer.
Servicing Guidelines	<p>means:</p> <ul style="list-style-type: none"> <li>(a) for so long as the Servicer is a member of the Westpac Group, the servicing and collection policies and procedures (including enforcement) applied by Westpac Banking Corporation or St. George Finance Limited in the ordinary course of its respective servicing business in respect of receivables of the same type as the relevant Purchased Receivables;</li> <li>(b) if paragraph (a) does not apply, such servicing and collection policies and procedures (including enforcement) as would be applied by a reasonable prudent originator of receivables of the same type as the relevant Purchased Receivables in the conduct of its servicing business (as determined by the Servicer acting reasonably),</li> </ul> <p>(as such guidelines may be amended by the Servicer (or its</p>

	delegate appointed pursuant to the Servicing Deed) from time to time in accordance with the Servicing Deed).
Special Quorum Resolution	means: <ul style="list-style-type: none"> <li>(a) an Extraordinary Resolution passed at a meeting at which the requisite quorum is present as set out in paragraph 4.1 ("Number for a quorum") of the Meetings Provisions; or</li> <li>(b) a Circulating Resolution made in accordance with paragraph 9.1 ("Passing resolutions by Circulating Resolution") of the Meetings Provisions.</li> </ul>
St.George Auto Business	means the automotive finance business operated by St.George Finance Limited and/or Westpac.
Stated Amount	means, at any time in respect of a Note, an amount equal to: <ul style="list-style-type: none"> <li>(a) the Invested Amount of that Note; less</li> <li>(b) the amount of any Carryover Charge-Offs which have been allocated to that Note under Section 10.12 ("Allocation of Charge-Offs") prior to that time which have not been reimbursed on or before that time under Section 10.13 ("Reinstatement of Carryover Charge-Offs").</li> </ul>
Step-Down Conditions	has the meaning given to it in Section 2.2 ("Summary – Transaction").
Sub-Servicer	means St.George Finance Limited.
Sub-Servicing Deed	means the deed entitled "Westpac ABS Trust Master Sub-Servicing Deed" dated 12 December 2012 between the Servicer and St.George Finance Limited.
Subordinated Note	means: <ul style="list-style-type: none"> <li>(a) a Class B Note;</li> <li>(b) a Class C Note;</li> <li>(c) a Class D Note;</li> <li>(d) a Class E Note; and</li> <li>(e) a Seller Note.</li> </ul>
Substitution Period	means the period from (but excluding) the Closing Date to (and including) the earlier of: <ul style="list-style-type: none"> <li>(a) the Payment Date which falls 12 months after the first Payment Date; and</li> <li>(b) the date on which a Substitution Termination Event occurs.</li> </ul>
Substitution Termination Event	means the occurrence of any of the following events: <ul style="list-style-type: none"> <li>(a) at any time, the aggregate of all Carryover Charge-Offs which have been allocated to the Notes under Section 10.12 ("Allocation of Charge-Offs") prior to that time which have not been reimbursed on or before that time under Section 10.13 ("Reinstatement of Carryover Charge-Offs"), exceed 1% of the Aggregate Invested Amount of all</li> </ul>

	Notes on the Closing Date;
	(b) an Event of Default is subsisting;
	(c) a Servicer Termination Event is subsisting; or
	(d) the Average Delinquency Ratio is greater than 3%.
Taxes	means taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties, fines and expenses in connection with them, except if imposed on, or calculated having regard to, the overall net income of the Security Trustee or any Secured Creditor.
Title Perfection Event	means in respect of the Trust a Seller becomes Insolvent.
Total Available Income	has the meaning given to it in Section 10.10 ("Calculation and application of Total Available Income").
Total Available Principal	has the meaning given to it in Section 10.3 ("Determination of Total Available Principal").
Transaction Documents	means: <ul style="list-style-type: none"> <li>(a) each of the following to the extent they apply to the Trust: <ul style="list-style-type: none"> <li>(i) the Security Trust Deed;</li> <li>(ii) the Master Trust Deed;</li> <li>(iii) the Sale Deed;</li> <li>(iv) the Servicing Deed;</li> <li>(v) the Management Deed;</li> </ul> </li> <li>(b) the Issue Supplement;</li> <li>(c) the Notice of Creation of Trust;</li> <li>(d) the Notice of Creation of Security Trust;</li> <li>(e) the General Security Deed;</li> <li>(f) the Note Deed Poll;</li> <li>(g) the Conditions;</li> <li>(h) any Derivative Contract for the Trust;</li> <li>(i) the Liquidity Facility Agreement;</li> <li>(j) the Dealer Agreement; and</li> <li>(k) any other documents which the Issuer and the Manager agree is a Transaction Document in respect of the Trust from time to time.</li> </ul>
Trust	means the Crusade ABS Series 2015-1 Trust.
Trust Assets	means all the Issuer's rights, property and undertaking which are the subject of the Trust: <ul style="list-style-type: none"> <li>(a) of whatever kind and wherever situated; and</li> <li>(b) whether present or future.</li> </ul>
Trust Business	means the business of the Issuer in:

- (a) originating or acquiring Purchased Receivables;
- (b) administering, collecting and otherwise dealing with Purchased Receivables;
- (c) issuing and redeeming Notes and Units of the Trust;
- (d) entering into, and exercising rights or complying with obligations under, the Transaction Documents to which it is a party and the transactions in connection with them; and
- (e) any other activities in connection with the Trust.

Trust Expenses

means all costs, charges and expenses incurred by the Issuer in connection with the Trust in accordance with the Transaction Documents and any other amounts for which the Issuer is entitled to be reimbursed or indemnified out of the Trust Assets (but excluding any amount of a type otherwise referred to in Section 10.11 (“Application of Total Available Income”) or Section 10.4 (“Application of Total Available Principal”).

Undrawn Liquidity Limit

means on any day an amount equal to:

- (a) the Liquidity Limit on that day; less
- (b) the Liquidity Principal Outstanding on that day.

Unitholder

means each Residual Capital Unitholder and each Participation Income Unitholder.

Voting Secured Creditors

means, at any time:

- (a) for so long as any Class A Notes remain outstanding:
  - (i) the Class A Noteholders; and
  - (ii) any Secured Creditors ranking equally or senior to the Class A Noteholders (as determined in accordance with the order of priority set out in Section 10.14 (“Application of proceeds following an Event of Default”));
- (b) if no Class A Notes remain outstanding and for so long as any Class B Notes remain outstanding:
  - (i) the Class B Noteholders; and
  - (ii) any Secured Creditors ranking equally or senior to the Class B Noteholders (as determined in accordance with the order of priority set out in Section 10.14 (“Application of proceeds following an Event of Default”));
- (c) if no Class A Notes and Class B Notes remain outstanding and for so long as any Class C Notes remain outstanding:
  - (i) the Class C Noteholders; and
  - (ii) any Secured Creditors ranking equally or senior to the Class C Noteholders (as determined in accordance with the order of priority set out in Section 10.14 (“Application of proceeds following an Event of Default”));
- (d) if no Class A Notes, Class B Notes and Class C Notes remain outstanding and for so long as any Class D Notes

remain outstanding:

- (i) the Class D Noteholders; and
  - (ii) any Secured Creditors ranking equally or senior to the Class D Noteholders (as determined in accordance with the order of priority set out in Section 10.14 (“Application of proceeds following an Event of Default”));
- (e) if no Class A Notes, Class B Notes, Class C Notes and Class D Notes remain outstanding and for so long as any Class E Notes remain outstanding:
- (i) the Class E Noteholders; and
  - (ii) any Secured Creditors ranking equally or senior to the Class E Noteholders (as determined in accordance with the order of priority set out in Section 10.14 (“Application of proceeds following an Event of Default”)); and
- (f) if no Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes remain outstanding and for so long as any Seller Notes remain outstanding:
- (i) the Seller Noteholders; and
  - (ii) any Secured Creditors ranking equally or senior to the Seller Noteholders (as determined in accordance with the order of priority set out in Section 10.14 (“Application of proceeds following an Event of Default”)); and
- (g) if no Notes remain outstanding, the remaining Secured Creditors.

Weighted Average Balloon Percentage

means, at any time, the amount (expressed as a percentage) calculated as follows:

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

where:

A is the Weighted Average Balloon Percentage at that time;

B is the sum of the following for each Balloon Receivable at that time:

$D \times E$

where:

D is the Balloon Percentage of that Balloon Receivable; and

E is the Outstanding Principal Balance of that Balloon Receivable at that time; and

C is the sum of the Outstanding Principal Balance of all Balloon Receivables at that time.

Westpac

means Westpac Banking Corporation (ABN 33 007 457 141).



Westpac Group

means Westpac and each of its Related Bodies Corporate (as defined in section 9 of the Corporations Act).

Wilful Default

means, in respect of the Issuer or the Security Trustee, any intentional failure to comply with or intentional breach by the Issuer or the Security Trustee (as applicable) of any of its obligations under the Master Trust Deed or any other Transaction Document, other than a failure or breach:

- (a) which arose as a result of a breach by a person other than the Issuer or the Security Trustee (as applicable) or (in the case of the Issuer only) any other person contemplated by clause 18.3(d) ("Limitation of Trustee's liability") of the Master Trust Deed of any of its obligations under the Master Trust Deed or any other Transaction Document;
- (b) which is in accordance with a lawful court order or direction or required by law; or
- (c) which is in accordance with a proper instruction or direction given by the Manager of that Trust or is in accordance with an instruction or direction given to it by any person (including any Secured Creditor) in circumstances where that person is entitled to do so by any Transaction Document of that Trust or at law.

# DIRECTORY

## ISSUER

**Perpetual Corporate Trust Limited**  
Level 12, Angel Place, 123 Pitt Street  
SYDNEY NSW 2000

## MANAGER

**Westpac Securitisation Management Pty Limited**  
Level 20, 275 Kent Street  
SYDNEY NSW 2000

## SERVICER

**Westpac Banking Corporation**  
Level 20, 275 Kent Street  
SYDNEY NSW 2000

## SELLERS

**St.George Finance Limited**  
Level 20, 275 Kent Street  
SYDNEY NSW 2000

**Westpac Banking Corporation**  
Level 20, 275 Kent Street  
SYDNEY NSW 2000

## SECURITY TRUSTEE

**P.T. Limited**  
Level 12, Angel Place, 123 Pitt Street  
SYDNEY NSW 2000

## ARRANGER, LEAD MANAGER and DEALER

**Westpac Banking Corporation**  
Level 20, 275 Kent Street  
SYDNEY NSW 2000

## LEGAL ADVISERS TO WESTPAC BANKING CORPORATION

**King & Woods Mallesons**  
Level 61  
Governor Phillip Tower  
1 Farrer Place  
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