

INFORMATION MEMORANDUM



**FIRSTMAC MORTGAGE FUNDING TRUST NO. 4
SERIES 1-2018**

FIRSTMAC FIDUCIARY SERVICES PTY LIMITED (ABN 60 105 052 515)

AUD\$600,000,000

Mortgage Backed Secured Floating Rate Notes Comprising

US\$180,000,000 Class A1-U Notes Due 8 March 2049 <i>Expected Rating</i> "AAA(sf)" by Standard & Poor's "AAAAsf" by Fitch	A\$201,600,000 Class A1-A Notes Due 8 March 2049 <i>Expected Rating</i> "AAA(sf)" by Standard & Poor's "AAAAsf" by Fitch	A\$78,000,000 Class A1-B Notes Due 8 March 2049 <i>Expected Rating</i> "AAA(sf)" by Standard & Poor's "AAAAsf" by Fitch	A\$60,000,000 Class A2 Notes Due 8 March 2049 <i>Expected Rating</i> "AAA(sf)" by Standard & Poor's
A\$15,000,000 Class B Notes Due 8 March 2049 <i>Expected Rating</i> "AA(sf)" by Standard & Poor's	A\$6,000,000 Class C Notes Due 8 March 2049 <i>Expected Rating</i> "A(sf)" by Standard & Poor's	A\$2,700,000 Class D Notes Due 8 March 2049 <i>Expected Rating</i> "BBB(sf)" by Standard & Poor's	A\$2,700,000 Class E Notes Due 8 March 2049 <i>Expected Rating</i> "BB(sf)" by Standard & Poor's
A\$3,600,000 Class F Notes Due 8 March 2049 <i>Not rated</i>			

Co-Arrangers and Joint Lead Managers

National Australia Bank Limited
(ABN 12 004 044 937)

United Overseas Bank Limited

15 March 2018

THE NOTES ARE NOT LIABILITIES OF NATIONAL AUSTRALIA BANK LIMITED OR UNITED OVERSEAS BANK LIMITED.

THE INSTRUMENTS ISSUED PURSUANT TO THIS INFORMATION MEMORANDUM (“NOTES”) BY FIRSTMAC FIDUCIARY SERVICES PTY LIMITED (ABN 60 105 052 515) IN ITS CAPACITY AS TRUSTEE OF THE FIRSTMAC MORTGAGE FUNDING TRUST NO. 4 IN RESPECT OF SERIES 1-2018 (“FIRSTMAC” AND “A\$ NOTE REGISTRAR”) DO NOT REPRESENT DEPOSITS OR OTHER LIABILITIES OF NATIONAL AUSTRALIA BANK LIMITED (ABN 12 004 044 937) (“NAB”, “CO-ARRANGER”, “JOINT LEAD MANAGER”, “INTEREST RATE SWAP PROVIDER”, “CURRENCY SWAP PROVIDER” AND “SCHEDULED AMORTISATION FACILITY PROVIDER”), UNITED OVERSEAS BANK LIMITED (“UOB”, “CO-ARRANGER” AND “JOINT LEAD MANAGER”), OR ANY ASSOCIATE OF NAB (ACTING IN ANY CAPACITY, INCLUDING IN ITS CAPACITY AS CO-ARRANGER, A JOINT LEAD MANAGER, SCHEDULED AMORTISATION FACILITY PROVIDER, INTEREST RATE SWAP PROVIDER OR CURRENCY SWAP PROVIDER) OR UOB (ACTING IN ANY CAPACITY, INCLUDING IN ITS CAPACITY AS A CO-ARRANGER OR A JOINT LEAD MANAGER) NOR DOES NAB OR UOB OR ANY ASSOCIATE OF NAB (INCLUDING AS CO-ARRANGER, A JOINT LEAD MANAGER, INTEREST RATE SWAP PROVIDER, SCHEDULED AMORTISATION FACILITY PROVIDER OR CURRENCY SWAP PROVIDER), OR UOB (INCLUDING AS CO-ARRANGER OR A JOINT LEAD MANAGER) NOR DOES ANY OTHER MEMBER OF THE NAB GROUP OR UOB GROUP GUARANTEE IN ANY WAY ANY RETURN ON THE NOTES, ANY PARTICULAR RATE OF RETURN OR THE PERFORMANCE OF THE NOTES. THE HOLDING OF NOTES IS SUBJECT TO INVESTMENT RISK, INCLUDING POSSIBLE DELAYS IN REPAYMENT AND LOSS OF INCOME AND PRINCIPAL INVESTED.

None of Firstmac Limited, in its individual capacity and as Manager, Servicer, A\$ Note Calculation Agent and an Originator, First Mortgage Company Pty Limited, in its individual capacity and as an Originator, Firstmac Fiduciary Services Pty Limited, in its individual capacity, as trustee of the Trust in respect of the Series and as trustee of any trust, NAB, in its individual capacity and as Co-Arranger, a Joint Lead Manager, Currency Swap Provider and Scheduled Amortisation Facility Provider, UOB, in its individual capacity and as Co-Arranger and a Joint Lead Manager P.T. Limited, in its individual capacity, as Security Trustee and as trustee of any trust, Perpetual Trustee Company Limited, in its individual capacity and as Standby Servicer and Custodian, Perpetual Corporate Trust Limited, in its individual capacity and as Standby Trustee, Perpetual Nominees Limited, in its individual capacity and as Delegate A\$ Note Registrar, DB Trustees (Hong Kong) Limited, in its individual capacity and as US\$ Note Trustee, Deutsche Bank AG, Hong Kong Branch, in its individual capacity and as US\$ Note Principal Paying Agent, US\$ Note Calculation Agent and US\$ Note Registrar or any Counterparty, or any associate of any of them, nor any other member of the NAB Group or UOB Group, guarantee in any way any return on the Notes, any particular rate of return or the performance of the Notes, except in the case only of Firstmac Limited, First Mortgage Company Pty Limited and Firstmac to the limited extent provided in the Transaction Documents.

None of Firstmac Limited, in its individual capacity and as Manager, Servicer, A\$ Note Calculation Agent and an Originator, First Mortgage Company Pty Limited, in its individual capacity and as an Originator, Firstmac Fiduciary Services Pty Limited, in its individual capacity, as trustee of the Trust in respect of the Series and as trustee of any trust, NAB, in its individual capacity and as Co-Arranger, a Joint Lead Manager, Currency Swap Provider, Interest Rate Swap Provider and Scheduled Amortisation Facility Provider, UOB, in its individual capacity and as Co-Arranger and a Joint Lead Manager, P.T. Limited, in its individual capacity, as Security Trustee and as trustee of any trust, Perpetual Trustee Company Limited, in its individual capacity and as Standby Servicer and Custodian, Perpetual Corporate Trust Limited, in its individual capacity and as Standby Trustee, Perpetual Nominees Limited, in its individual capacity and as Delegate A\$ Note Registrar, DB Trustees (Hong Kong) Limited, in its individual capacity and as US\$ Note Trustee, Deutsche Bank AG, Hong Kong Branch, in its individual capacity and as US\$ Note Principal Paying Agent, US\$ Note Calculation Agent and US\$ Note Registrar or any Counterparty, or any associate of any of them, nor any other member of the NAB Group or UOB Group, nor any associate of any of them, guarantees the payment of interest or the repayment of principal due on the Notes or the obligations of Firstmac except, in the case only of Firstmac Limited, First Mortgage Company Pty Limited and Firstmac to the limited extent provided in the Transaction Documents.

Capitalised terms not otherwise defined in this Information Memorandum where first used have the meaning given to them in section 1 (“*Important Notice*”), section 3 (“*Overview*”), section 16 (“*Transaction Documents*”) and section 18 (“*Glossary of Terms*”).

None of the obligations of Firstmac are guaranteed in any way by any member of the NAB Group or the UOB Group.

Application has been made for the listing and quotation of each of the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes and the Class A2 Notes (collectively, the "Relevant Notes") on the Official List of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Information Memorandum. Admission of each of the Relevant Notes to the Official List of the SGX-ST or quotation of any of the Relevant Notes on the SGX-ST are not to be taken as an indication of the merits of Firstmac or any of the Relevant Notes. There can be no assurance that such listing will be maintained.

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1 Important Notice

1.1 Purpose

This Information Memorandum (“**Information Memorandum**”) has been prepared solely in connection with the Firstmac Mortgage Funding Trust No. 4 in respect of Series 1-2018 in respect of which Firstmac Fiduciary Services Pty Limited (ABN 60 105 052 515) as trustee in respect of the Series may issue Notes.

This Information Memorandum has been prepared for distribution only to persons whose ordinary business includes the buying and selling of securities (whether as principal or agent) and on the express understanding that the information it contains will be regarded and treated as strictly confidential. Its contents may not be reproduced or used in whole or in part for any purpose other than for assisting prospective investors to understand some of the features of the Notes (other than the FastPay Notes). It is not intended for, and should not be distributed to, any other person without the express written permission of the Manager.

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 any Notes by any person.

Without limitation, while this Information Memorandum contains information relating to the Class A1-BR Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes the Class F Notes and the FastPay Notes, the Class A1-BR Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes the Class F Notes and the FastPay Notes are not being offered for issue, nor are applications for the issue of the Class A1-BR Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes the Class F Notes and the FastPay Notes being invited, by this Information Memorandum.

1.2 Responsibility for Information Contained in Information Memorandum

This Information Memorandum has been prepared by the Manager based on information provided by Firstmac and otherwise available to it and the facts and circumstances existing as at 15 March 2018 being the date of its preparation (“**Preparation Date**”). To the best of both Firstmac and the Manager’s information and knowledge, the contents of this Information Memorandum are correct as at the Preparation Date. None of Firstmac, the Manager or any other person has any obligation to the holders of any Notes (“**Holders**”) 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.

No representation or warranty, express or implied, as to the accuracy or completeness of, or any errors or omissions in, any information, statement, opinion or forecast contained in this Information Memorandum is made by any of Firstmac, any Co-Arranger, any Joint Lead Manager, the Interest Rate Swap Provider, the Currency Swap Provider, the Scheduled Amortisation Facility Provider, each Originator, the Servicer, the Manager, the Security Trustee, the Standby Trustee, the Standby Servicer, the Custodian, the A\$ Note Registrar, the Delegate A\$ Note Registrar, the US\$ Note Trustee, the US\$ Note Registrar, the US\$ Note Principal Paying Agent, the US\$ Note Calculation Agent or any other party named in this Information Memorandum.

Each Joint Lead Manager and each Co-Arranger has confirmed the accuracy of its name and address in the Directory of this Information Memorandum, but no Joint Lead Manager or Co-Arranger has authorised or caused the issue of any other part of this Information Memorandum, and no Joint Lead Manager or Co-Arranger has conducted any due diligence or otherwise independently verified any of the information contained in this Information Memorandum. Accordingly, no Joint Lead Manager or Co-Arranger makes any representation, express or implied, as to, or accepts any responsibility for, the accuracy or completeness of the information contained in this Information Memorandum. The Security

Trustee, the Custodian, the A\$ Note Registrar, the Delegate A\$ Note Registrar, the Standby Servicer, the Standby Trustee, the Co-Arrangers, the Joint Lead Managers, the Interest Rate Swap Provider, the Currency Swap Provider, the Scheduled Amortisation Facility Provider, the US\$ Note Trustee, the US\$ Note Registrar, the US\$ Note Principal Paying Agent and the US\$ Note Calculation Agent have had no involvement in the preparation of any part of this Information Memorandum (other than the particular references to them in the Directory). The Security Trustee, the Custodian, the A\$ Note Registrar, the Delegate A\$ Note Registrar, the Standby Servicer, Standby Trustee, the Co-Arrangers, the Joint Lead Managers, the Interest Rate Swap Provider, the Currency Swap Provider, the Scheduled Amortisation Facility Provider, the US\$ Note Trustee, the US\$ Note Registrar, the US\$ Note Principal Paying Agent, the US\$ Note Calculation Agent expressly disclaim and take no responsibility for any other part of this Information Memorandum. The Security Trustee, the Custodian, the A\$ Note Registrar, the Delegate A\$ Note Registrar, the Standby Servicer, the Standby Trustee, the Co-Arrangers, the Joint Lead Managers, the Interest Rate Swap Provider, the Currency Swap Provider, the Scheduled Amortisation Facility Provider, the US\$ Note Trustee, the US\$ Note Registrar, the US\$ Note Principal Paying Agent, the US\$ Note Calculation Agent make no statement in this Information Memorandum and have not authorised or caused the issue of it.

1.3 Responsibility for Transaction Documents

Each of National Australia Bank Limited, as Co-Arranger and Joint Lead Manager and United Overseas Bank Limited as Co-Arranger and Joint Lead Manager have no responsibility to or liability for and do not owe any duty to any party or other person in respect of the preparation and due execution of the Transaction Documents or the enforceability of any of the obligations set out in the Transaction Documents (other than their own individual obligations under the Dealer Agreement).

1.4 Reliance on Information Memorandum

Any institution contemplating the purchase of Notes should make, and will be taken to have made, its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of Firstmac. Neither the delivery of this Information Memorandum nor any purchase of Notes made hereunder will, under any circumstance, create any implication that there has been no change in the affairs of Firstmac or any other person referred to in this Information Memorandum since the Preparation Date.

Each potential purchaser should determine for itself whether to purchase or otherwise acquire any of the Notes described in this Information Memorandum, based on such documentation and information as it deems appropriate at the time.

1.5 Authorised Information or Material

No person has been authorised to give any information or to make any representation not contained in this Information Memorandum or any documents incorporated by reference in accordance with section 1.8 (*“Documents Incorporated by Reference”*). Accordingly, if any such information or representation is given or made to a potential purchaser of Notes, it must not be relied upon as having been authorised by or on behalf of Firstmac, the Joint Lead Managers, the Interest Rate Swap Provider, the Currency Swap Provider, the Scheduled Amortisation Facility Provider, the Co-Arrangers, the Servicer, the Manager, the Security Trustee, the Standby Trustee, the Custodian, the Standby Servicer, the A\$ Note Registrar, the Delegate A\$ Note Registrar, the US\$ Note Trustee, the US\$ Note Registrar, the US\$ Note Principal Paying Agent or the US\$ Note Calculation Agent.

1.6 Disclosure

Each Joint Lead Manager, the Interest Rate Swap Provider, the Currency Swap Provider, the Scheduled Amortisation Facility Provider and each Co-Arranger discloses that in addition to the arrangements and interests it will or may have with respect to any other party including without limitation the Manager, the Servicer, Firstmac, each Originator and the Custodian (together, the **“Group”**) as described in this Information Memorandum (the **“Transaction**

Document Interests”), it, its Related Entities (as such term is defined in the Corporations Act) (the **“Related Entities”**), directors, officers and employees:

- (a) may have pecuniary or other interests in the Notes (including that they may become the Holder of some of the Notes) and they may also have interests pursuant to other arrangements; and
- (b) will receive fees, brokerage and commissions or other benefits, and may act as principal in any dealing in the Notes,

(the **“Note Interests”**).

Each purchaser of Notes acknowledges these disclosures and further acknowledges and agrees that:

- (i) each party and each of their Related Entities, directors, officers and employees (each a **“Relevant Entity”**) will have the Transaction Document Interests and may from time to time have the Note Interests and is, and from time to time may be, involved in a broad range of transactions including, without limitation, banking, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research (the **“Other Transactions”**) in various capacities in respect of any member of the Group or any other person, both on the Relevant Entity’s own account and for the account of other persons (the **“Other Transaction Interests”**);
- (ii) each Relevant Entity in the course of its business (whether with respect to the Transaction Document Interests, Note Interests, the Other Transaction Interests or otherwise) may act independently of any other Relevant Entity;
- (iii) to the maximum extent permitted by applicable law, the duties of each Relevant Entity in respect of any member of the Group and the Notes are limited to the contractual obligations of the parties to the relevant members of the Group as set out in the Transaction Documents and, in particular, no advisory or fiduciary duty (except in the case of Firstmac in respect of the Trust and the Security Trustee in respect of the Security Trust) is owed to any person;
- (iv) a Relevant Entity may have or come into possession of information not contained in this Information Memorandum that may be relevant to any decision by a potential investor to acquire the Notes and which may or may not be publicly available to potential investors (**“Relevant Information”**);
- (v) to the maximum extent permitted by applicable law but subject to the Transaction Documents, no Relevant Entity is under any obligation to disclose any Relevant Information to any member of the Group or to any potential investor and this Information Memorandum and any subsequent conduct by a Relevant Entity should not be construed as implying that the Relevant Entity is not in possession of such Relevant Information; and
- (vi) each Relevant Entity may have various potential and actual conflicts of interest arising in the course of its business, including in respect of the Transaction Document Interests, the Note Interests or the Other Transaction Interests. For example, the exercise of rights against a member of the Group arising from the Transaction Document Interests (for example, by a Joint Lead Manager) or from an Other Transaction may affect the ability of the Group member to perform its obligations in respect of the Notes. In addition, the existence of a Transaction Document Interest, Note Interest or Other Transaction Interest may affect how a Relevant Entity in another capacity (for

example, as a Holder of Notes) may seek to exercise any rights it may have in that capacity. These interests may conflict with the interests of the Group or a Holder of Notes, and the Group or a Holder of Notes may suffer loss as a result. To the maximum extent permitted by applicable law, a Relevant Entity is not restricted from entering into, performing or enforcing its rights in respect of the Transaction Document Interests, the Note Interests or the Other Transaction Interests and may otherwise continue or take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Holders of Notes or the Group, and the Relevant Entities may in so doing act without notice to, and without regard to, the interests of any such person.

1.7 Information Memorandum a Summary of Terms

This Information Memorandum contains only a summary of the terms and conditions of the Series and should not be relied upon by intending purchasers.

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 certain Transaction Documents may be inspected by prospective purchasers or Holders at the offices of the Manager on a confidential basis, by prior arrangement during normal business hours.

1.8 Documents Incorporated by Reference

The following documents are incorporated in, and deemed to form part of, this Information Memorandum:

- (a) all amendments and supplements to this Information Memorandum prepared by the Manager from time to time; and
- (b) all documents stated by the Manager to be incorporated in this Information Memorandum by reference, including without limitation any announcements by the Current Rating Agencies in respect of the Notes (including announcements in relation to changes in the credit rating of the Notes).

To the extent that anything contained in a subsequent document which is or is deemed to be incorporated in this Information Memorandum by reference supersedes any earlier statement, that earlier statement will be deemed to be modified or superseded for the purposes of this Information Memorandum.

Copies of all documents incorporated by reference herein may be inspected, without charge, by appointment with the Manager at its offices during normal business hours.

1.9 No Disclosure under Corporations Act

Each offer to purchase or invitation to buy Notes will not require disclosure to investors under the Corporations Act as the amount payable by each person to whom an offer is made or to whom an invitation is issued will be at least A\$500,000 (disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Corporations Act and does not constitute an offer or invitation to a "retail client" under Chapter 7 of the Corporations Act. Accordingly, this Information Memorandum is not required to be lodged with ASIC.

1.10 Offering restrictions

This Information Memorandum is available for distribution within the Commonwealth of Australia, and may not be distributed outside the Commonwealth of Australia, except in accordance with the Dealer Agreement.

This Information Memorandum is distributed in Australia for use by “Wholesale Clients” as defined in s 761G of the Corporations Act. This Information Memorandum may not otherwise be released, issued or distributed to the public.

No prospectus or other disclosure document in relation to the Notes has been or will be lodged with ASIC. No person shall:

- (a) invite, directly or indirectly, an offer of the Notes (or an interest in them) for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) distribute or publish, any draft, preliminary or definitive Information Memorandum or any other offering material or advertisement relating to the Notes in Australia, unless:
 - (i) either:
 - (A) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternate currency) (disregarding moneys lent by the offeror or its associates);
 - (B) the offer is to a professional investor for the purposes of section 708 of the Corporations Act; or
 - (C) the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;
 - (ii) the offer or invitation does not constitute an offer to a “retail client” as defined for the purposes of section 716G of the Corporations Act;
 - (iii) such action complies with any applicable laws and directives in Australia including, without limitation the financial services licensing requirements of the Corporations Act; and
 - (iv) such action does not require any documents to be lodged with ASIC.

The distribution of this Information Memorandum and the offer or sale of Notes may be restricted by law in certain jurisdictions. No representation is made that this Information Memorandum may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available under them, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by Firstmac, the Co-Arrangers or the Joint Lead Managers which would permit a public offering of Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this Information Memorandum or any Notes come must inform themselves about, and observe, any such restrictions.

See section 15 (“*Selling Restrictions*”) for a more detailed description of the restrictions which may apply in some such jurisdictions.

1.11 Notes limited recourse instruments

The Notes issued by Firstmac are limited recourse instruments and are issued only in respect of the Series of the Trust. The rights of each Holder and Secured Creditor to take action with respect to any amounts owing to it by Firstmac are limited to the Assets of the Series of the Trust in the manner prescribed by the Master Trust Deed and the Supplementary Terms Notice. This limitation will not apply to any obligation or liability of Firstmac to the extent that the obligation or liability is not satisfied because, under the Master Trust Deed or the Supplementary Terms Notice or by operation of law, there is a reduction in the extent of Firstmac's indemnification out of the Assets of the Series of the Trust as a result of Firstmac's fraud, gross negligence or wilful default. See section 11.11 ("*Limited Recourse*") for further information on Firstmac's limited liability. In no case will the assets of any Relevant Trust or Other Series of the Trust be available to meet amounts owing to any Holder or Secured Creditor.

1.12 Series Segregation

Except to the extent expressly prescribed by the Transaction Documents in respect of the Series, the Assets of the Series are not available in any circumstances to meet any obligations of Firstmac in respect of any Other Series and if, upon enforcement or realisation of the Security for the Series, sufficient funds are not realised to discharge in full the obligations of Firstmac in respect of the Series, no further claims may be made against Firstmac in respect of such obligations and no claims may be made against any of its assets in respect of any Other Series. Firstmac is not permitted to commingle any Assets in respect of the Series with assets in respect of any Other Series.

1.13 Rating Agency

Any reference in this Information Memorandum to the credit ratings of various parties or the Notes is not a recommendation to buy, sell or hold Notes. The credit rating is subject to revision, suspension or withdrawal at any time by the relevant rating agency.

No rating agency has been involved in the preparation of this Information Memorandum.

1.14 Repo-eligibility

The Manager intends to make an application to the Reserve Bank of Australia ("**RBA**") for the Class A1-A Notes, Class A1-B Notes and Class A2 Notes to be "eligible securities" (or "repo-eligible") for the purposes of repurchase agreements with the RBA.

The RBA has published new criteria for repo eligibility which apply as of 30 June 2015. The new criteria require, among other things, that certain information be provided by the Manager to the RBA at the time of seeking repo-eligibility and during the term of the Class A1A Notes, the Class A1-B Notes and the Class A2 Notes to be (and to continue to be) repo-eligible.

No assurance can be given that the application by the Manager (if any) for the Class A1-A Notes, the Class A1-B Notes and the Class A2 Notes to be repo eligible will be successful, or that the relevant Class A1-A Notes, or Class A1-B Notes or the Class A2 Notes will continue to be repo-eligible at all times even if they are eligible in relation to their initial issue. For example, subsequent changes by the RBA to its criteria could affect whether the Class A1-A Notes, the Class A1-B Notes or the Class A2 Notes continue to be repo-eligible.

If the Class A1-A Notes, the Class A1-B Notes and the Class A2 Notes are repo-eligible at any time, Noteholders should be aware that relevant disclosures may be made by the Manager to investors and potential investors in Class A1-A Notes, the Class A1-B Notes and the Class A2 Notes from time to time in such form as determined by the Manager as it sees fit (including for the purpose of complying with the RBA's criteria).

1.15 European Union Capital Requirements Regulation

Articles 404 – 410 (inclusive) of Regulation (EU) No 575/2013 of the European Parliament and Council (“**CRR**”) as supplemented by Commission Delegated Regulation (EU) No 625/2014 and Commission Implementing Regulation (EU) No 602/2014, came into force on 1 January 2014 in the Member States of the European Union and have been implemented by national legislation in the other Member States of the European Economic Area.

Article 405 of the CRR restricts ‘credit institutions’ and ‘investment firms’ (each as defined in the CRR) and the consolidated group subsidiaries thereof (each, a “**CRR Investor**”) from investing in or being exposed to a ‘securitisation’ (as defined in the CRR) unless the originator, sponsor or original lender in respect of that securitisation has explicitly disclosed to the CRR Investor that it will retain, on an ongoing basis, a net economic interest of at least 5 per cent in that securitisation in the manner contemplated by the CRR.

Article 406 of the CRR also requires that a CRR Investor be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, the notes it has acquired and the underlying exposures, and that procedures have been established for monitoring the performance of the underlying exposures on an on-going basis. Failure to comply with one or more of the requirements set out in CRR Articles 405 and 406 may result in the imposition of a penal capital charge with respect to the investment made in the securitisation by the relevant CRR Investor.

Investors should also be aware of Article 17 of the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) as supplemented by Section 5 of Chapter III of the Commission Delegated Regulation (EU) No 231/2013 (“**AIFMD**”), and Article 135(2) of the European Union Solvency II Directive 2009/138/EC, as supplemented by Articles 254-257 of Commission Delegated Regulation (EU) No 2015/35 (“**Solvency II**”), which introduced risk retention and due diligence requirements similar to those set out in Articles 404 – 410 of the CRR and apply, respectively, to EEA regulated alternative investment fund managers and EEA regulated insurance/reinsurance undertakings (together with those requirements under the CRR, the “**Existing Retention Rules**”). While such requirements are similar to those that apply under the CRR, they are not identical and, in particular, additional due diligence obligations apply to investors under the AIFMD and Solvency II.

On 17 January 2018, Regulation EU 2017/2402 laying down a general framework for securitisation and creating a framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012, and Regulation EU 2017/2401 containing related amendments to the CRR (collectively, the “**New Securitisation Regulations**”) entered into force in the European Union. The new retention rules under the New Securitisation Regulations (the “**New Retention Rules**”) will apply to securitisations in respect of which the relevant securities are issued on or after 1 January 2019. The aim of the New Securitisation Regulations is to create a harmonised securitisation framework within the European Union.

In addition to applying to any investor regulated by the current CRR, the risk retention and due diligence requirements in the New Retention Rules will also apply to EEA management companies and funds regulated pursuant to the Undertakings for Collective Investment in Transferable Securities Directive (Directive 2009/65/EC) (collectively “**UCITS**”) and to institutions for occupational retirement provision falling within the scope of Directive (EU) 2016/2341 and certain other entities appointed by such institutions (collectively, “**IORPS**”) which were subject to separate requirements under AIFMD and Solvency II.

Under the New Securitisation Regulations, some but not all of the Existing Retention Rules will continue to apply to securitisations in respect of which the relevant securities are issued before 1 January 2019 (“**Pre-2019 Securitisations**”). This means that both EEA management companies and funds regulated pursuant to UCITS and institutions for occupational retirement provision as defined in the IORPS may be subject to additional requirements under the

Existing Retention Rules which apply to them specifically if the relevant securities are Pre-2019 Securitisations.

There are material differences between the New Retention Rules and the Existing Retention Rules. Although the primary legislative process has reached its end, it is expected that there will be secondary legislation and guidance notes in regards to the interpretation of the New Retention Rules and the changes from the Existing Retention Rules. In particular, the timing for the adoption of the new risk retention regulatory technical standards under the New Retention Rules is uncertain. Until such new regulatory technical standards are adopted, securitisations in respect of which the relevant securities are issued on or after 1 January 2019 and which are within scope of the Existing Retention Rules will be required to comply with the existing regulatory technical standards. If, following the application of the New Securitisation Regulations, Firstmac would like to sell any Notes to European investors subject to the Retention Rules at the time, then amendments may be required to be made to the Transaction Documents and Firstmac Limited will be responsible for the costs of such amendments.

In this Information Memorandum, the Existing Retention Rules together with the New Retention Rules are referred to as the “**Retention Rules**” (which, in each case, do not take into account any relevant national measures) and any investor subject to Retention Rules is referred to as an “**Affected Investor**”.

On the Closing Date and thereafter for so long as any Offered Notes remain outstanding, Firstmac Limited will, as an “originator” for the purposes of Article 405(1) of the CRR, retain a material net economic interest of not less than 5% in this securitisation transaction in accordance with the text of Article 405(1) of the CRR (in each case as in effect on the Closing Date) (the “**EU Retention**”). As at the Closing Date, the EU Retention will be in the form of a retention of the first loss tranche and other tranches having the same or a more severe risk profile than those transferred or sold to investors equal to not less than 5% of the nominal value of the securitised exposures as provided for in option (d) of paragraph 405(1) of the CRR, and will be comprised by Firstmac Limited holding 100% of the shares in the Retention Vehicle, which will hold all of the Class F Notes, Class E Notes, Class D Notes, Class C Notes and Class B Notes in an amount equal to not less than 5% of the Outstanding Amount of the Housing Loans (“**Retention Notes**”).

Firstmac Limited will undertake (in each case with reference to the Existing Retention Rules as in effect on the Closing Date):

- (a) to retain the EU Retention on an ongoing basis;
- (b) not to change the manner or form in which it retains the EU Retention, except as permitted by the Existing Retention Rules;
- (c) not to dispose of, assign, transfer, or create or cause to exist any lien over, its 100% interest in the Retention Vehicle, except as permitted by the Existing Retention Rules;
- (d) not to utilise or enter into any credit risk mitigation techniques, any short positions or any other hedge against the credit risk of its interest in the Retention Vehicle, except as permitted by the Existing Retention Rules;
- (e) to confirm or cause to be confirmed the status of its compliance with paragraphs (a), (b), (c) and (d) above (in each periodic report provided to Noteholders); and
- (f) to comply with the disclosure obligations described in Article 409 of the CRR.

The Retention Vehicle will undertake (in each case with reference to the Existing Retention Rules as in effect on the Closing Date):

- (a) that it will continue to hold, on an ongoing basis, the Retention Notes unless otherwise instructed by Firstmac Limited in accordance with the Existing Retention Rules;
- (b) except to the extent permitted by or provided for in the Transaction Documents, not to carry on any other trade or business or any activities or hold shares in any company or hold any other assets other than the Retention Notes and any Permitted Retention;
- (c) not to take any action which would reduce Firstmac Limited's exposure to the economic risk of the Retention Notes in such a way that Firstmac Limited would cease to hold the EU Retention, including (without limitation) not utilise or enter into any credit risk mitigation techniques, any short positions or any other hedge against the credit risk of the Retention Notes, except as permitted by the Existing Retention Rules; and
- (d) not to issue any further shares in addition to those that are in issue to Firstmac Limited as at the Closing Date.

Prospective investors should make their own independent investigation and seek their own independent advice (i) as to the requirements of the Retention Rules (and any implementing rules in relation to a relevant jurisdiction); (ii) as to whether Firstmac Limited's exposure to the Retention Vehicle and its holding of the Retention Notes satisfies the Retention Rules; and (iii) as to the sufficiency of the information described in this Information Memorandum, and which may otherwise be made available to investors, for the purposes of complying with the Retention Rules. None of Firstmac Limited, the Retention Vehicle, the Co-Arrangers, the Joint Lead Managers or any other party to the Transaction Documents (i) makes any representation that the EU Retention commitment and the information described in this Information Memorandum, or any other information which may be made available to investors, are sufficient in all circumstances for such purposes, (ii) has any liability to any prospective investor or any other person for any insufficiency of such information or any failure of the transactions contemplated in this Information Memorandum to comply with or otherwise satisfy the requirements of the Retention Rules or any other applicable legal, regulatory or other requirements, or (iii) has any obligation to provide any further information or take any other steps that may be required by an Affected Investor to enable compliance by the Affected Investor with the requirements of the Retention Rules or any other applicable legal, regulatory or other requirements.

Prospective investors are themselves responsible for monitoring and assessing changes to the Retention Rules and their regulatory capital requirements. Each Affected Investor should consult with their own legal and regulatory advisors to determine whether, and to what extent, the information described is sufficient for compliance by that Affected Investor with any applicable Retention Rules. In the event that a regulator determines that the transaction did not comply or is no longer in compliance with the Retention Rules or the Affected Investor has insufficient information to satisfy its due diligence and/or ongoing monitoring requirements under the Retention Rules, then an Affected Investor may be required by its regulator to set aside additional capital against its investment in the Notes or take other remedial measures in respect of its investment in the Notes.

There can be no assurance that the regulatory capital treatment of the Offered Notes for any investor will not be affected by any future implementation of, and changes to, the Retention Rules or other regulatory or accounting changes.

See Section 4.40 ("*European Union Capital Requirements Regulation*") for further details.

1.16 U.S. Risk Retention

It is intended that the Notes will be issued pursuant to an exemption to the risk retention rules set out in Section 15G of the Exchange Act as added by Section 941 of the Dodd-Frank Act ("**U.S. Risk Retention Rules**") regarding non-U.S. transactions that meet certain

requirements. Consequently, the Notes sold in this offering may not be purchased by any person except for (a) persons that are not “U.S. persons” as defined in the U.S. Risk Retention Rules (“**Risk Retention U.S. Persons**”) or (b) persons that have obtained a waiver with respect to the U.S. Risk Retention Rules from Firstmac (“**U.S. Risk Retention Waiver**”).

Prospective investors should note that the definition of “U.S. person” in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of “U.S. person” in Regulation S under the Securities Act of 1933 (“**Regulation S**”). Each purchaser of Notes, including beneficial interests therein, in the offering will be deemed, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from Firstmac, (2) is acquiring such Note for its own account and not with a view to distribution of such Note, and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in the U.S. Risk Retention Rules described in section 4.38 (“*U.S. Risk Retention*”). See section 4.38 (“*U.S. Risk Retention*”) for further details.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

This Information Memorandum is being distributed for information purposes only. The information contained herein is not intended to constitute or contain an offer or invitation to sell or a solicitation to buy, and may not be used as, or in connection with, an offer or invitation to sell or a solicitation to buy, any of the Notes (as defined herein). This Information Memorandum is being issued for the purpose of a select marketing of the Notes (other than the Class A1-BR Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the FastPay Notes) and must not be circulated or delivered to any person other than the recipient.

1.17 European Economic Area Selling Restrictions

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Offered Notes which are the subject of the offering contemplated by this Information Memorandum in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “Insurance Mediation Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “Prospectus Directive”); and
- (b) the expression “offer” includes 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 for the Offered Notes.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Offered Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Offered Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

2 Introduction

2.1 Trust

This Information Memorandum relates solely to Notes to be issued by Firstmac Fiduciary Services Pty Limited (ABN 60 105 052 515) in its capacity as trustee of the Firstmac Mortgage Funding Trust No. 4 (the “**Trust**”) in respect of the Series. The issue of Notes will comprise nine initial tranches as set out in section 2.4 (“*The Notes*”). The proceeds from the issue of the Notes (other than the FastPay Notes) will be used to fund:

- (a) the acquisition of Eligible Receivables from any Relevant Trust or Relevant Series; and
- (b) the acquisition of Liquid Authorised Investments.

FastPay Notes may be issued by Firstmac in certain circumstances as described in this Information Memorandum for the purposes of funding Redraws. Class A1-BR Notes may also be issued by Firstmac on the Class A1-B Note Scheduled Maturity Date.

Firstmac’s rights in respect of the above are collectively included in the “**Assets**” of the Series. Firstmac will grant a security interest over the Assets of the Series to P.T. Limited (ABN 67 004 454 666) (“**Security Trustee**”) for the benefit of Holders as well as other Secured Creditors in accordance with the Master Trust Deed and the General Security Agreement.

2.2 The Assets of the Trust

Eligible Receivables

The Housing Loans and the Related Securities have been originated by the Originators in the ordinary course of their mortgage lending businesses across a range of geographic regions and demographic sectors. The Housing Loans have been made to Australian resident and non-resident borrowers and are secured by first ranking mortgages over residential property located in a state or territory of Australia.

All of the Housing Loans will satisfy the Receivables Parameters on their date of acquisition by Firstmac in respect of the Series.

Additional Assets of the Series

Besides the Receivables and Related Securities, the other Assets of the Series are:

- (a) cash on hand or at a Bank representing cleared or immediately available funds;
- (b) Authorised Investments or any other investments;
- (c) amounts owing to Firstmac by Debtors;
- (d) any prepayment of expenditure;
- (e) any asset acquired for the Series by Firstmac in accordance with the Master Trust Deed and the Supplementary Terms Notice;
- (f) the benefit of all representations, warranties, undertakings, covenants, indemnities and promises made by any party in favour of Firstmac under the Transaction Documents in respect of the Series;
- (g) other property as identified in writing by Firstmac; and
- (h) income, or amounts in the nature of income, accrued from investments or other assets referable to the Series of the Trust to the extent not included in the preceding paragraphs of this definition.

2.3 Servicing

Under the Transaction Documents, Firstmac Limited (ABN 59 094 145 963) has been appointed as the Servicer in respect of the Series and is liable for the obligations of the Servicer under the Transaction Documents.

2.4 The Notes

The initial issue of Notes will comprise nine tranches of secured, mortgage-backed, pass-through securities. The Notes will comprise one tranche of Class A1-U Notes ("**Class A1-U Notes**"), one tranche of Class A1-A Notes ("**Class A1-A Notes**"), one tranche of Class A1-B Notes ("**Class A1-B Notes**"), one tranche of Class A2 Notes ("**Class A2 Notes**"), one tranche of Class B Notes ("**Class B Notes**"), one tranche of Class C Notes ("**Class C Notes**"), one tranche of Class D Notes ("**Class D Notes**"), one tranche of Class E Notes ("**Class E Notes**") and one tranche of Class F Notes ("**Class F Notes**"). The Class A1-U Notes, the Class A1-A Notes and the Class A1-B Notes are expected, on issue, to be assigned a "AAA(sf)" rating by S&P Global Ratings Australia Pty Limited ("**Standard & Poor's**"). The Class A1-U Notes, the Class A1-A Notes and the Class A1-B Notes are expected, on issue, to be assigned a "AAAsf" rating by Fitch Australia Pty Ltd ("**Fitch**"). The Class A2 Notes are expected, on issue, to be assigned an "AAA(sf)" rating by Standard & Poor's. The Class B Notes are expected, on issue, to be assigned an "AA(sf)" rating by Standard & Poor's. The Class C Notes are expected, on issue, to be assigned an "A(sf)" rating by Standard & Poor's. The Class D Notes are expected, on issue, to be assigned a "BBB(sf)" rating by Standard & Poor's. The Class E Notes are expected, on issue, to be assigned a "BB(sf)" rating by Standard & Poor's. The Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will not be rated by Fitch. The Class F Notes will not be rated.

The Notes (other than the Class A1-U Notes) are all pass through securities. The Class A1-U Notes will repay principal on a scheduled amortisation basis (to the extent of funds available to make such payments).

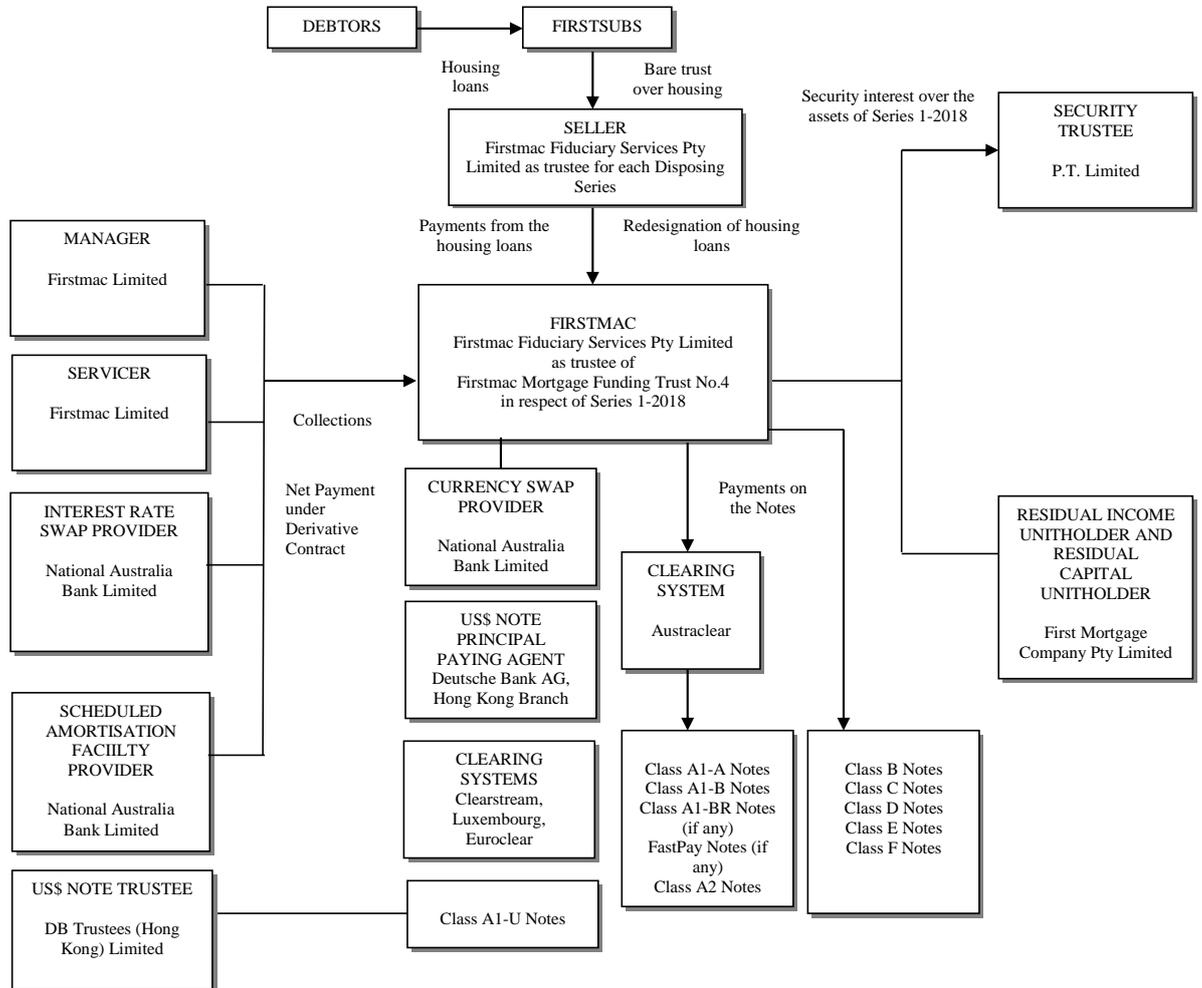
The Holders of all Notes will all have the benefit of the security under the Master Trust Deed and the General Security Agreement. Interest on all Notes is payable monthly in arrears except in respect of the first Interest Period which will commence on (and include) the Issue Date of the Notes and end on (but exclude) the first Payment Date. Further, a number of structural features to protect Holders from credit losses have been incorporated into the structure as outlined in section 5 ("*Credit Support and Liquidity Support*").

The A\$ Notes will be constituted by the Note Deed Poll and take the form of entries on a register maintained by the A\$ Note Registrar. No certificate or other evidence of title will be issued. Delivery of the Class A1-U Notes in book-entry form through Clearstream, Luxembourg and Euroclear will be made on or about the Closing Date.

3 Overview

The following is only a brief summary of the terms and conditions of the Notes and the diagram included in this section is only for the purpose of assisting readers of this Information Memorandum in understanding the relationships between the various parties involved in the transaction and the Notes. Prospective investors should read the diagram and summary in conjunction with the whole of this Information Memorandum and the Transaction Documents.

3.1 Structure Diagram



3.2 The Firstmac Mortgage Funding Trust No. 4

The Firstmac Mortgage Funding Trust No. 4 (“Trust”) is a special purpose trust and was established for the purpose of enabling Firstmac, as trustee of the Trust, to issue notes and to apply the proceeds of those notes to invest in assets (which includes Housing Loans). The Trust is a single trust and no series constitutes a separate trust.

Firstmac Limited established the “Firstmac Mortgage Funding Trust No. 4” on 2 June 2014 for the purpose of enabling Firstmac, as trustee of the Trust in respect of various series, to issue instruments and to apply the proceeds of those instruments to invest in assets originated from time to time by Firstmac Limited in the name of various “FirstSubs” or to acquire assets from third party originators.

The Master Trust Deed and the Notice of Creation of Trust established the Firstmac Mortgage Funding Trust and the general framework under which series of the Firstmac Mortgage Funding Trust No. 4 may be established from time to time. Further trusts may be established under the Master Trust Deed and an unlimited number of series in respect of any trust may be established under the Master Trust Deed. Each series is not a separate and distinct trust fund but rather a separate security structure enabling different instruments to be issued having recourse to specific pools of assets. The supplementary terms notice for a series sets out the specific provisions of the relevant series and the instruments to be issued in respect of that series. Multiple classes of instruments may be issued by Firstmac in relation to each series that differ amongst themselves as to, among other things, currency of denomination and payment and priority of repayment.

Series 1-2018

Series 1-2018 is the fourteenth series established in respect of the Firstmac Mortgage Funding Trust No. 4.

The Series is established under the Master Trust Deed, the Notice of Creation of Security Trust and the Supplementary Terms Notice.

The specific terms of the Series are set out in the Supplementary Terms Notice. The Supplementary Terms Notice sets out (among other things) various representations and undertakings of the parties which relate to the Housing Loans and Related Securities (in addition to those contained in the Master Trust Deed) and amends the Master Trust Deed to the extent necessary to give effect to the specific aspects of the Series and the issue of the Notes. The Supplementary Terms Notice also sets out the cashflow allocation methodology for the Series.

The Master Trust Deed and the Supplementary Terms Notice should therefore be read together when determining the rights, powers and obligations of Firstmac and the Manager in relation to the Series.

For a more detailed explanation of the transaction, see section 11 (“*Transaction Structure*”).

3.3 General information

Firstmac and A\$ Note Registrar	Firstmac Fiduciary Services Pty Limited (ABN 60 105 052 515) as trustee of the Trust in respect of Series 1-2018.
Trust	Firstmac Mortgage Funding Trust No. 4.
Series	Series 1-2018.
Manager	Firstmac Limited (ABN 59 094 145 963).

<i>Servicer</i>	Firstmac Limited (ABN 59 094 145 963).
<i>Originators</i>	Firstmac Limited (ABN 59 094 145 963) and First Mortgage Company Pty Limited (ABN 37 099 125 318).
<i>Security Trustee</i>	P.T. Limited (ABN 67 004 454 666).
<i>Custodian</i>	Perpetual Trustee Company Limited (ABN 42 000 001 007).
<i>Standby Servicer</i>	Perpetual Trustee Company Limited (ABN 42 000 001 007).
<i>Standby Trustee</i>	Perpetual Corporate Trust Limited (ABN 99 000 341 533).
<i>Delegate A\$ Note Registrar</i>	Perpetual Nominees Limited (ABN 37 000 733 700)
<i>US\$ Note Trustee</i>	DB Trustees (Hong Kong) Limited.
<i>US\$ Note Principal Paying Agent</i>	Deutsche Bank AG, Hong Kong Branch.
<i>US\$ Note Calculation Agent</i>	Deutsche Bank AG, Hong Kong Branch.
<i>US\$ Note Registrar</i>	Deutsche Bank AG, Hong Kong Branch.
<i>Interest Rate Swap Provider</i>	National Australia Bank Limited (ABN 12 004 044 937).
<i>Currency Swap Provider</i>	National Australia Bank Limited (ABN 12 004 044 937).
<i>Co-Arrangers and Joint Lead Managers</i>	National Australia Bank Limited (ABN 12 004 044 937) United Overseas Bank Limited
<i>Scheduled Amortisation Facility Provider</i>	National Australia Bank Limited (ABN 12 004 044 937).
<i>Deposit Bank</i>	National Australia Bank Limited (ABN 12 004 044 937).
<i>Residual Income Unitholder</i>	First Mortgage Company Pty Limited (ABN 37 099 125 318).
<i>Residual Capital Unitholder</i>	First Mortgage Company Pty Limited (ABN 37 099 125 318).
<i>Current Rating Agencies</i>	S&P Global Ratings Australia Pty Limited and Fitch Australia Pty Ltd.

A credit rating is not a recommendation to buy, sell or hold securities. A rating does not address the market price or suitability of the Notes for you. There is no assurance that a rating will remain for any given period of time. A rating may be subject to revision,

suspension, qualification or withdrawal at any time by a Current Rating Agency. A revision, suspension, qualification or withdrawal of the rating of the Notes may adversely affect the price of the Notes. If a Current Rating Agency changes its rating or withdraws its rating, no one has any obligation to provide additional credit enhancement or restore the original rating.

Initial Issue Size A\$600,000,000.

3.4 Principal Characteristics of the Notes

Classes of Notes The initial issue of Notes by Firstmac will comprise nine tranches of Notes which are secured mortgage-backed floating rate securities:

- Class A1-U Notes;
- Class A1-A Notes;
- Class A1-B Notes;
- Class A2 Notes;
- Class B Notes;
- Class C Notes;
- Class D Notes;
- Class E Notes; and
- Class F Notes.

FastPay Notes In certain limited circumstances, the Manager may also direct Firstmac to issue FastPay Notes from time to time. Firstmac must issue FastPay Notes on a Payment Date, with an aggregate Initial Invested Amount and Relevant Margin as specified in the Manager’s notice to Firstmac on or before that Payment Date.

If the Invested Amount of any FastPay Note has not been reduced to zero by the FastPay Conversion Date, then that FastPay Note will at that time be treated in all respects as forming part of the then most senior Class of Notes (other than the Class A1-U Notes), for this purpose determined with reference to the allocation of payments under section 10.21 (“*Application of proceeds following an Enforcement Event*”) with effect from the Payment Date immediately following the FastPay Conversion Date and will cease to constitute a FastPay Note.

Class A1-BR Notes The Manager may, subject to certain conditions, direct Firstmac to issue Class A1-BR Notes on the Class A1-B Note Scheduled Maturity Date.

If Class A1-BR Notes are issued on the Class A1-B

Note Scheduled Maturity Date, the Manager must direct Firstmac to apply (or direct the application of) the proceeds of such Class A1-BR Notes towards the redemption in full of the Class A1-B Notes.

Form

The Notes will be issued in registered form. Entry of the name of the purchaser or transferee in the register of Holders ("**Register**") will constitute the obtaining or passing of title and will be conclusive evidence of entitlement to receive amounts payable under Notes.

Currency

The Class A1-U Notes are denominated in US Dollars or US\$

The A\$ Notes are denominated in Australian Dollars or "A\$".

Denomination

The Class A1-U Notes will be issued in initial denominations of US\$500,000 and in multiples of US\$1,000 in excess thereof.

The A\$ Notes will be issued in initial denominations of A\$5,000. The Notes will be subject to a minimum purchase consideration of A\$500,000 (or such other consideration agreed between the Manager and the Joint Lead Managers provided that the relevant offer of Notes does not require disclosure to investors under Part 6D.2 or Part 7 of the Corporations Act).

Listing And Trading

Application has been made for listing and quotation of each of the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes and the Class A2 Notes (collectively, the "**Relevant Notes**") on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission of each of the Relevant Notes to the Official List of the SGX-ST or quotation of any of the Relevant Notes on the SGX-ST are not to be taken as an indication of the merits of Firstmac, its subsidiaries or associated companies (if any) or any of the Relevant Notes.

For so long as the Relevant Notes are listed on the SGX-ST and the rules of the SGX-ST so require, Firstmac will appoint and maintain a paying agent in Singapore, where the Relevant Notes may be presented or surrendered for payment or redemption, in the event that a global certificate is exchanged for definitive certificates. In addition, in the event that a global certificate is exchanged for definitive certificates, an announcement of such exchange shall be made by or on behalf of the Firstmac through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive certificates, including details of the paying agent in Singapore.

Each of the Relevant Notes will be traded on the SGX-ST in a minimum board lot size of (in the case of the

Class A1-U Notes) US\$200,000 or (in the case of the Class A1-A Notes, the Class A1-B Notes and the Class A2 Notes) A\$200,000, for so long as any of the Relevant Notes are listed on the SGX-ST and the rules of the SGX-ST so requires.

Initial Invested Amount

The initial aggregate Invested Amount in respect of each Class of Notes (other than FastPay Notes) is as follows:

- Class A1-U Notes: US\$180,000,000;
- Class A1-A Notes: A\$201,600,000;
- Class A1-B Notes: A\$78,000,000;
- Class A2 Notes: A\$60,000,000;
- Class B Notes: A\$15,000,000;
- Class C Notes: A\$6,000,000;
- Class D Notes: A\$2,700,000;
- Class E Notes: A\$2,700,000; and
- Class F Notes: A\$3,600,000.

Principal repayments

Principal on the Class A1 Notes will be payable to the Holders of the Class A1 Notes on each Payment Date to the extent of funds available to be applied for that purpose, provided that:

- principal payments will only be made in respect of the Class A1-U Notes on a Payment Date occurring prior to the Call Date (to the extent of funds available to be applied for that purpose) up to a maximum amount equal to the US\$ Class A1-U Note Scheduled Amortisation Amount for that Payment Date; and
- no principal payments will be made in respect of the Class A1-B Notes or Class A1-BR Notes (as applicable) while any Class A1-U Notes or Class A1-A Notes are outstanding.

Principal payments will be made in respect of the Class A1 Notes on a Payment Date occurring on or after the first Call Date (to the extent of funds available) up to a maximum amount equal to the Aggregate Invested Amount of that Class of Class A1 Notes on that Payment Date.

Principal payments (where payable) on the Class A1-U Notes in respect of a Payment Date will be made (to the extent of funds available to be applied for that purpose) by Firstmac paying the A\$ Class A1-U Principal in respect of that Payment Date to the Currency Swap Provider who will pay the US\$ Equivalent of that A\$

Class A1-U Principal to the US\$ Principal Paying Agent for distribution to the Class A1-U Noteholders.

Subject to there being sufficient funds for this purpose, repayments of principal on the A\$ Notes will be made on each Payment Date to each Holder of A\$ Notes then entitled to receive such payments.

At any time, the sum and order of repayment of principal in respect of each Class of Notes will depend on matters such as whether an Enforcement Event has occurred, whether the first Call Date has occurred, and whether or not the Pro Rata Test has been satisfied.

A detailed explanation of the principal repayment methodology is provided in section 10.19 (*"Distribution of Principal Repayment Fund"*).

Interest

Subject to there being sufficient funds for this purpose, interest due on the FastPay Notes (if any), the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A23 Notes, the Class B Notes (other than Residual Class B Interest), the Class C Notes (other than Residual Class C Interest), the Class D Notes (other than Residual Class D Interest), the Class E Notes (other than Residual Class E Interest) and the Class F Notes (other than Residual Class F Interest) will be payable on the Payment Date occurring at the end of that Interest Period.

A detailed explanation of the interest repayment methodology is provided in section 10.14 (*"Distribution of Total Interest Collections"*).

Interest for the Notes (other than the Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes) will be calculated with reference to the Interest Rate for the relevant Note for the relevant Interest Period on the Invested Amount of that Note on the first day of that Interest Period.

Prior to (but excluding) the Step-down Margin Date, interest for the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will be calculated with reference to the Interest Rate for the relevant Note for the relevant Interest Period on the Invested Amount of the Notes of that Class on the first day of that Interest Period.

On and from the Step-down Margin Date, the Relevant Margin in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will decrease by the Class B Residual Margin, the Class C Residual Margin, the Class D Residual Margin (respectively), the Class E Residual Margin (respectively) and the Class F Residual Margin (respectively), and interest for the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will be calculated with reference

to the applicable Interest Rate (taking into account the decrease in each Relevant Margin) for the relevant Note for the relevant Interest Period on the Stated Amount of that Note on the first day of that Interest Period (such interest amount being the “**Senior Class B Interest**”, the “**Senior Class C Interest**”, the “**Senior Class D Interest**”, the “**Senior Class E Interest**” and the “**Senior Class F Interest**”), as applicable).

On and from the Step-down Margin Date, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will also be entitled to be paid (such amounts being the “**Residual Class B Interest**”, the “**Residual Class C Interest**”, the “**Residual Class D Interest**”, the “**Residual Class E Interest**” and the “**Residual Class F Interest**”):

- interest calculated with reference to the applicable Interest Rate (taking into account the decrease in each Relevant Margin) for the relevant Note for the relevant Interest Period on the difference between the Invested Amount and the Stated Amount of that Note on the first day of that Interest Period; and
- further interest calculated with reference to the Class B Residual Margin, Class C Residual Margin, Class D Residual Margin, Class E Residual Margin or Class F Residual Margin (as applicable) for the relevant Note for the relevant Interest Period on the Stated Amount of that Note on the first day of that Interest Period,

with the Residual Class B Interest, the Residual Class C Interest, the Residual Class D Interest, the Residual Class E Interest and the Residual Class F Interest being subordinated in priority to the payment of Senior Class B Interest, Senior Class C Interest, Senior Class D Interest, Senior Class E Interest and Senior Class F Interest (as applicable) due on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (as applicable) and all other amounts which rank senior in accordance with the Supplementary Terms Notice. See section 10.14 (“*Distribution of Total Interest Collections*”).

All interest will accrue on a daily basis and will be calculated on the basis of the actual number of days in that Interest Period and a year of 365 days. Interest for all Notes in respect of the first Interest Period will commence from (and include) the Issue Date and end on (but exclude) the first Payment Date.

Interest Rate

The Interest Rate on each A\$ Note for an Interest Period will be the aggregate of the Bank Bill Rate on the first day of that Interest Period plus the Relevant Margin for that A\$ Note provided that the Bank Bill Rate for the first Interest Period will be calculated using straight line

interpolation.

The Interest Rate for each Class A1-U Note for an Interest Period will be the aggregate of USD-LIBOR-BBA on the first day of that Interest Period (provided that USD-LIBOR-BBA for the first Interest Period will be calculated using straight line interpolation) plus the Class A1-U Margin and, in respect of an Interest Period commencing on or after the Call Date, the Step-Up Margin.

Relevant Margin

The Relevant Margin for each Class of A\$ Notes will be the rate, expressed as a percentage rate per annum, determined on the Pricing Date and notified to Holders of the relevant Class of Notes and inscribed on the Register as the margin applicable to that Class of Notes. See section 7 ("*Terms and Conditions of the A\$ Notes*").

Subordination

Principal

The order of repayment of principal of the Notes on a Payment Date will depend on whether the Pro Rata Test is satisfied and whether the Payment Date is prior to or on or after the first Call Date. The Pro Rata Test will not be satisfied prior to the third anniversary of the initial Issue Date.

Prior to an Enforcement Event, the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes and the FastPay Notes (if any) will receive principal payments in an order and manner between themselves as more particularly described in section 10.19 ("*Distribution of Principal Repayment Fund*"), however it is noted that:

- (a) principal payments will only be made in respect of the Class A1-U Notes on a Payment Date occurring prior to the first Call Date (to the extent funds are available to be applied for that purpose) up to a maximum amount equal to the US\$ Class A1-U Note Scheduled Amortisation Amount for that Payment Date; and
- (b) the Class A1-B Notes will not be entitled to payments of principal on a Payment Date which is prior to the first Call Date and where Class A1-U Notes are outstanding on the Determination Date immediately prior to that Payment Date.

Prior to an Enforcement Event, unless the Pro Rata Test is satisfied with respect to a Payment Date:

- (c) the Class A2 Notes (other than where that Payment Date is prior to the first Call Date and Class A1-U Notes remain outstanding on the Determination Date immediately prior to that Payment Date), the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes

and the Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes and the Class A1-BR Notes (if any) in their right to receive principal payments;

- (d) the Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the Class A2 Notes in their right to receive principal payments;
- (e) the Class C Notes, Class D Notes, Class E Notes and Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes and the Class B Notes in their right to receive principal payments;
- (f) the Class D Notes, Class E Notes and Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes, the Class B Notes and the Class C Notes in their right to receive principal payments;
- (g) the Class E Notes and Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes in their right to receive principal payments; and
- (h) the Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in their right to receive principal payments.

No amounts of principal will be paid to any Holder of Class F Notes while any other Notes are outstanding, regardless of whether the Pro Rata Test has been satisfied.

Interest

The Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the

FastPay Notes (if any) will be entitled to receive interest payments on a pari passu and rateable basis between themselves.

The Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any) in their right to receive interest payments.

The Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the FastPay Notes (if any) and the Class A2 Notes in their right to receive interest payments.

The Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the FastPay Notes (if any), the Class A2 Notes and the Class B Notes in their right to receive interest payments.

The Class D Notes, the Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the FastPay Notes (if any), the Class A2 Notes, the Class B Notes and the Class C Notes in their right to receive interest payments.

The Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any), the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes in their right to receive interest payments.

The Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in their right to receive interest payments.

See section 10.14 ("*Distribution of Total Interest Collections*").

Cut-Off Date 30 October 2017.

Closing Date 16 March 2018.

Pricing Date	The date notified by the Manager to Firstmac in accordance with the Dealer Agreement in respect of the issue of the Notes.
Issue Date	In relation to a Class of Notes (other than the FastPay Notes and the Class A1-BR Notes), 16 March 2018, or such other date approved in accordance with the Dealer Agreement.
Determination Date	The Date which is 2 Business Days prior to a Payment Date. The first Determination Date will be 5 April 2018.
Payment Date	<p>The:</p> <ul style="list-style-type: none">(a) 8th day of each month or if that day is not a Business Day, then the immediately following Business Day (unless that day falls in the next calendar month, in which case the preceding Business Day); and(B) the Final Maturity Date. <p>The first Payment Date is 9 April 2018.</p>
Final Maturity Date	The Payment Date in March 2049.
Ratings	<p>A condition precedent to the issue of the Notes is that:</p> <ul style="list-style-type: none">(a) Standard & Poor's assigns a rating of "AAA(sf)" to the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes and Class A2 Notes;(b) Fitch assigns a rating of "AAAsf" to the Class A1-U Notes, Class A1-A Notes and Class A1-B Notes;(c) Standard & Poor's assigns a rating of "AA(sf)" to the Class B Notes;(d) Standard & Poor's assigns a rating of "A(sf)" to the Class C Notes;(e) Standard & Poor's assigns a rating of "BBB(sf)" to the Class D Notes; and(f) Standard & Poor's assigns a rating of "BB(sf)" to the Class E Notes.
Collection Period	<p>With respect to the first period, the period commencing on (but excluding) the Cut-Off Date and ending on (but including) 31 March 2018.</p> <p>With respect to the last period, the period commencing on (but excluding) the last day of the previous Collection Period to (and including) the Final Maturity Date.</p> <p>With respect to every other period, each calendar month.</p>

Use of proceeds

The proceeds from the issue of Notes (other than FastPay Notes and the Class A1-BR Notes) will be used to purchase or Redesignate Eligible Receivables and to fund the Required Liquid Authorised Investment Amount.

The proceeds of issue of any FastPay Notes will be used to provide Redraws in respect of the Receivables.

The proceeds of issue of any Class A1-BR Notes (if issued) will be used to redeem the Class A1-B Notes in full on the Class A1-B Note Scheduled Maturity Date.

Call Option

Firstmac will be entitled to redeem all Classes of Notes in full on the Call Date.

The Call Date will be the earlier of:

- (a) the Date Based Call Date; and
- (b) the Payment Date following the Determination Date on which the aggregate of the Invested Amount of all Notes is equal to or less than 10% of the aggregate of the Initial Invested Amount of all Notes on the initial Issue Date for the Series,

and each Payment Date thereafter.

Firstmac will, if the Manager directs it to do so, redeem all (but not some only) of the Notes then outstanding on any Call Date.

The Notes will be redeemed at their respective Invested Amounts or (with the consent of an Extraordinary Resolution of the Holders of the relevant Class of Notes) their respective Stated Amounts, in each case together with any accrued and unpaid interest at that time.

Withholding Tax on Notes

Payments of principal and interest on the Notes will be reduced by any applicable withholding taxes assessed against the Trust. Firstmac is not obligated to pay any additional amounts to the Holders to cover any withholding taxes, including any FATCA Withholding Tax.

Under section 128F of the Australian Income Tax Assessment Act 1936 ("**Australian Tax Act**"), the relevant applicable Australian law, the Notes will not be subject to Australian interest withholding tax if they are issued in accordance with certain prescribed conditions. Firstmac will seek to issue the 128F Notes in a manner which will satisfy the conditions for an exemption from Australian interest withholding tax contained in section 128F of the Australian Tax Act. One of these conditions is that Firstmac must not know or have reasonable grounds to suspect that a 128F Note, or an interest in a 128F Note, was being, or would later be, acquired

directly or indirectly by “Offshore Associates” of Firstmac. Accordingly, Offshore Associates of Firstmac should not acquire any 128F Notes. See Section 14 (“*Taxation Considerations*”) for more information regarding the meaning of “Offshore Associate” and the conditions that must be satisfied in order for the issue of the Notes to qualify for an exemption from Australian interest withholding tax.

If the Commonwealth of Australia requires the withholding of amounts from payments of principal or interest to Holders due to taxes, duties, assessments or other governmental charges (including any FATCA Withholding Tax), the Manager may (but is not obliged to) direct Firstmac to redeem all of the Notes.

Firstmac may be required to withhold or deduct tax from a payment of interest on the Notes to a Holder if the Holder does not supply Firstmac with their Australian tax file number (in certain circumstances) Australian Business Number or proof of an exemption from a requirement to provide such details. See Section 14 (“*Taxation Considerations*”) for more information.

Holders of Notes and prospective Holders of Notes should obtain advice from their own tax advisers in relation to the tax implications of an investment in the Notes.

For further details, see Section 14 (“*Taxation Considerations*”).

Unpaid Interest

If Firstmac does not pay an amount under condition 6 (“*Interest*”) of the Conditions on the due date, then Firstmac agrees to pay interest on the unpaid amount at the last applicable Interest Rate plus 2% per annum.

Interest payable under condition 6 (“*Interest*”) of the Conditions accrues daily from (and including) the due date to (but excluding) the date Firstmac actually pays and is calculated using the Day Count Fraction.

In accordance with the Cashflow Allocation Methodology which applies prior to an Enforcement Event, on each Payment Date, Unpaid Interest for a Note (other than a Class B Note, a Class C Note, a Class D Note, a Class E Note or a Class F Note) in respect of previous Payment Periods will be paid before the interest payable on the Notes in respect of the current Interest Period.

Business Day

A day (not being a Saturday, Sunday or public holiday) on which commercial banks are open for general banking business in Sydney, Melbourne, Brisbane, Hong Kong, London, Singapore, Tokyo and New York.

Allocation of Liquidation Losses and

On any Determination Date or on the Final Maturity Date (as the case may be), if the Manager determines that there are Liquidation Losses in respect of any

Carryover Charge-Offs

Eligible Receivable during the immediately preceding Collection Period, the Manager must allocate those Liquidation Losses in the following order:

- (a) first, towards the Class F Notes until the amount so allocated equals the Stated Amount of the Class F Notes (such amount being a **“Class F Charge-Off”**);
- (b) second, upon the Class F Charge-Off equalling the Stated Amount of the Class F Notes as a result of the application of the above paragraph, towards the Class E Notes until the amount so allocated equals the Stated Amount of the Class E Notes (such amount being a **“Class E Charge-Off”**);
- (c) third, upon the Class E Charge-Off equalling the Stated Amount of the Class E Notes as a result of the application of the above paragraph, towards the Class D Notes until the amount so allocated equals the Stated Amount of the Class D Notes (such amount being a **“Class D Charge-Off”**);
- (d) fourth, upon the Class D Charge-Off equalling the Stated Amount of the Class D Notes as a result of the application of the above paragraph, towards the Class C Notes until the amount so allocated equals the Stated Amount of the Class C Notes (such amount being a **“Class C Charge-Off”**);
- (e) fifth, upon the Class C Charge-Off equalling the Stated Amount of the Class C Notes as a result of the application of the above paragraph, towards the Class B Notes until the amount so allocated equals the Stated Amount of the Class B Notes (such amount being a **“Class B Charge-Off”**);
- (f) sixth, upon the Class B Charge-Off equalling the Stated Amount of the Class B Notes as a result of the application of the above paragraph, towards the Class A2 Notes until the amount so allocated equals the Stated Amount of the Class A2 Notes (such amount being a **“Class A2 Charge-Off”**); and
- (g) seventh, upon the Class A2 Charge-Off equalling the Stated Amount of the Class A2 Notes as a result of the application of the above paragraph, towards pari passu and rateably, the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes and the FastPay Notes until the amount so allocated equals the A\$ Equivalent of the Stated Amount of the Class A1-U Notes, the Stated Amount of the Class A1-B Notes, the

Stated Amount of the Class A1-BR Notes and the Stated Amount of the FastPay Notes (such amount being respectively a “**Class A1-U Charge-Off**”, a “**Class A1-A Charge-Off**”, a “**Class A1-B Charge-Off**”, a “**Class A1-BR Charge-Off**” and a “**FastPay Charge-Off**”).

If, on any Determination Date, the Charge-Offs for the preceding Collection Period exceed the aggregate of the amount of the Total Interest Collections available for allocation to Liquidation Losses under section 10.13 (“*Calculation and application of Total Interest Collections*”) on that Determination Date, then the Manager must direct Firstmac to, on and with effect from the next Payment Date:

- (a) first, allocate such excess to the Class F Notes until such excess allocated equals the Stated Amount of the Class F Notes (such amount being a “**Class F Carryover Charge-Off**”);
- (b) next, upon the amount allocated under paragraph (a) being equal to the Stated Amount of the Class F Notes, allocate such excess to the Class E Notes until such excess allocated equals the Stated Amount of the Class E Notes (such amount being a “**Class E Carryover Charge-Off**”);
- (c) next, upon the amount allocated under paragraph (b) being equal to the Stated Amount of the Class E Notes, allocate such excess to, pari passu and rateably, the Class D Notes until such excess allocated equals the Stated Amount of the Class D Notes (such amount being a “**Class D Carryover Charge-Off**”);
- (d) next, upon the amount allocated under paragraph (c) being equal to the Stated Amount of the Class D Notes, allocate such excess to, pari passu and rateably, the Class C Notes until such excess allocated equals the Stated Amount of the Class C Notes (such amount being a “**Class C Carryover Charge-Off**”);
- (e) next, upon the amount allocated under paragraph (d) being equal to the Stated Amount of the Class C Notes, allocate such excess to, pari passu and rateably, the Class B Notes until such excess equals the Stated Amount of the Class B Notes (such amount being a “**Class B Carryover Charge-Off**”);
- (f) next, upon the amount allocated under paragraph (e) being equal to the Stated Amount of the Class B Notes, allocate such excess to, pari passu and rateably, the Class

A2 Notes until such excess equals the Stated Amount of the Class A2 Notes (such amount being a “**Class A2 Carryover Charge-Off**”); and

- (g) next, upon the amount allocated under paragraph (f) being equal to the Stated Amount of the Class A2 Notes allocate such excess to, pari passu and rateably, the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes and the FastPay Notes until such excess allocated equals the A\$ Equivalent of the Stated Amount of the Class A1-U Notes, the Stated Amount of the Class A1-A Notes, the Stated Amount of the Class A1-B Notes, the Stated Amount of the Class A1-BR Notes and the Stated Amount of the FastPay Notes (such amount being respectively a “**Class A1-U Carryover Charge-Off**”, a “**Class A1-A Carryover Charge-Off**”, a “**Class A1-B Carryover Charge-Off**”, a “**Class A1-BR Carryover Charge-Off**” and a “**FastPay Carryover Charge-Off**”).

Amounts charged off may be reinstated in accordance with section 10.18 (“*Reinstatement of Carryover Charge-Offs*”).

Clearing Systems

The A\$ Notes to be issued under this Information Memorandum will be purchased through Austraclear Limited (“**Austraclear**”) in a manner consistent with the regulations of Austraclear (“**Austraclear Regulations**”).

The Class A1-U Notes will be purchased through the settlement system operated by Euroclear Bank SA/NV (“**Euroclear**”) or the settlement system operated by Clearstream Banking S.A. (“**Clearstream, Luxembourg**”).

Transactions relating to interests in the A\$ Notes may also be carried out through Euroclear or Clearstream, Luxembourg.

Interests in the A\$ Notes traded in Austraclear may be held for the benefit of Euroclear or Clearstream, Luxembourg. In these circumstances, entitlements in respect of holdings of interests in A\$ Notes in Euroclear would be held in Austraclear by a nominee of Euroclear while entitlements in respect of holdings of interests in A\$ Notes in Clearstream, Luxembourg would be held in the Clearing System by a nominee of J.P. Morgan Chase Bank, N.A. as custodian for Clearstream, Luxembourg.

The rights of a holder of interests in a Class A1-U Note held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, Luxembourg, the terms and conditions of agreements

between Euroclear and Clearstream, Luxembourg and their respective nominee and the rules and in respect of an A\$ Note regulations of the Austraclear System.

Firstmac will not be responsible for the operation of the clearing arrangements which is a matter for the clearing institutions, their nominees and their participants and the investors.

Governing Law

New South Wales.

Transfer

A Holder may transfer its Notes provided the Notes are transferred in whole but not in part. As at the date of this Information Memorandum, the minimum aggregate consideration payable on each transfer of A\$ Notes and the Class A1-U Notes within, to or from Australia must be at least A\$500,000 (in the case of the A\$ Notes) and US\$500,000 (in the case of the Class A1-U Notes) (in each case, disregarding amounts lent by the transferor or its associates to the transferee) or the offer or invitation resulting in transfer must not otherwise require disclosure to be made in accordance with Part 6D.2 or Part 7.9 of the Corporations Act.

No Note may be offered or transferred in a manner which may constitute an offer or invitation to a “retail client” under Chapter 7 of the Corporations Act.

Notes that are transferred entirely in a jurisdiction outside of Australia may only be transferred in accordance with the laws of the jurisdiction in which transfer takes place.

Transfers of the A\$ Notes will be made in accordance with the Austraclear Regulations.

Transfers of the Class A1-U Notes will be made in accordance with the regulations of Euroclear or Clearstream, Luxembourg (as applicable).

3.5 The Eligible Receivables

The Eligible Receivables The Housing Loans are secured by first ranking prime residential mortgages which have been originated by the Originators in the ordinary course of their mortgage lending businesses.

The Housing Loans originated by the Originators which will be acquired from certain Relevant Series and each Relevant Trust have been originated in the name of the relevant FirstSub and, upon their acquisition by the Series of the Trust, that FirstSub will hold its right, title and interest in each such Housing Loan on bare trust for, and as nominee of, Firstmac in its capacity as trustee of the Trust in respect of the Series.

The legal title to each Eligible Receivable originated by the Originators will be held by a FirstSub. However,

beneficial title to each Eligible Receivable will at all times be held by Firstmac. If an Originator Termination Event or Title Perfection Event occurs, then Firstmac will be entitled to, and required to, have transferred to it the legal title to each such Eligible Receivable. Each FirstSub has granted an irrevocable power of attorney to Firstmac to enable it to take such actions.

Each Originator has made a representation and warranty under the Supplementary Terms Notice to the effect that the Eligible Receivables comply with certain parameters. The receivables parameters are set out in section 17 ("*Receivables Parameters*"). The origination process is discussed in greater detail in section 12 ("*The Firstmac Group*").

Eligible Receivables are spread across a range of geographic regions and demographics.

Some further information in relation to the Eligible Receivables is set out in section 6 ("*The Housing Loans*").

Redesignation and acquisition of Eligible Receivables

The proceeds of the issue of the Notes (other than the FastPay Notes and the Class A1-BR Notes) will be used to fund (among other things) the Redesignation to the Series of a pool of Eligible Receivables from certain Relevant Trusts and Relevant Series.

The consideration for the Redesignation or acquisition will be the aggregate Outstanding Amount as at the Cut-Off Date of the Eligible Receivables to be assigned to the Series, together with any accrued interest in respect of the Eligible Receivables.

Custody of Loan Agreements

Perpetual Trustee Company Limited has agreed to act as a Custodian in accordance with the Master Trust Deed of all documents relating to the Eligible Receivables forming part of the Assets of the Series. Such documents will include the Loan Agreements, mortgages, certificates of title and any documents evidencing any other security or any guarantees and any amending documents and any other Title Documents.

Servicing of Eligible Receivables

The Servicer has been appointed as Servicer under the terms of the Master Servicer Deed and may only be removed in the circumstances set out in section 11.7 ("*The Servicer*").

In the event the Servicer is removed as Servicer to the Series, the Standby Servicer will step in and perform the servicing obligations for that Servicer as set out in the Master Servicer Deed.

Collections

All collections received in respect of the Eligible Receivables from (and including) the Issue Date will be

allocated to the Series.

Moneys due from Debtors under the terms of each Eligible Receivable will be collected by the Servicer.

All monies collected under or in respect of the Eligible Receivables will be paid into the Collection Account for the Series within two Business Days of receipt of those funds. Firstmac and the Security Trustee are the authorised signatories of the Collection Account.

Firstmac and the Security Trustee are the authorised signatories of the Collection Account. Prior to an Event of Default or "Control Event" (as defined in the General Security Agreement), the Collection Account will be operated by Firstmac signatories (and the Security Trustee will verify Firstmac authorised signatories on proposed payment instructions, or as otherwise agreed between the parties). Following an Event of Default or "Control Event", the Collection Account may be operated by Security Trustee signatories only.

Threshold Rate

Firstmac has undertaken to set the relevant Interest Rate for the Loan Agreements such that the rates are the Threshold Margin plus the minimum rates required to be set on the Receivables (excluding any Defaulted Receivables) which will ensure that Firstmac has sufficient funds (from Collections on such Receivables as well as any net amounts due to it under Derivative Contracts) available to meet the Threshold Amount, under the Transaction Documents assuming that all parties comply with their obligations under such documents and such Receivables, and taking into account Receivables where the Servicer does not have the discretion under the related Loan Agreement to vary the interest rate of that Receivable, moneys held in Authorised Investments and other income earned on the Deposit Account and Deposit Authorised Investments.

3.6 Liquid Authorised Investments

Firstmac must ensure that it holds and maintains for the Series an amount of Liquid Authorised Investments equal to the Required Liquid Authorised Investment Amount at all times. Where the Standby Trustee replaces Firstmac in accordance with the Master Trust Deed, the Standby Trustee is under no obligation to maintain the Required Liquid Authorised Investment Amount other than with funds available to it from the Series.

If the Manager determines, on any Determination Date, that there is a Liquidity Shortfall, then the Manager will advise Firstmac of that insufficiency and must direct Firstmac to realise an amount of the Liquid Authorised Investments equal to the lesser of:

- (a) the amount of the Liquidity Shortfall on that day; and
- (b) the amount of the Liquid Authorised Investments on that day,

and apply it as part of Total Interest Collections for that Collection Period.

3.7 Principal Draws

On each Determination Date, the Manager must apply the available amount of Principal Collections calculated in accordance with section 10.6 (“*Calculation of Principal Collections*”) held by Firstmac to cover:

- (a) the estimated Accrual Amount for the period commencing on (but excluding) the last day of the preceding Collection Period to (but excluding) the following Payment Date; and
- (b) any Payment Shortfall calculated on that Determination Date.

3.8 Extraordinary Expense Draws

Firstmac will establish and maintain in the name of Firstmac a bank account with an Eligible Bank known as the “Firstmac Mortgage Funding Trust No.4 Series 1-2018 Extraordinary Expense Reserve” (the “**Extraordinary Expense Reserve**”). On the Issue Date, the Residual Income Unitholder will make a deposit of A\$250,000 (the “**Required Extraordinary Expense Reserve Balance**”) from its own funds into the Extraordinary Expense Reserve. Amounts may also be deposited into the Extraordinary Expense Reserve in accordance with section 10.14 (“*Distribution of Total Interest Collections*”). Extraordinary Expense Draws will only be able to be made to the extent that there are sufficient funds in the Extraordinary Expense Reserve to meet that Extraordinary Expense Reserve Draw.

If the Manager determines, on any Determination Date, that there is an Extraordinary Expense, the Manager must direct Firstmac to withdraw from the Extraordinary Expense Reserve an amount equal to the lesser of:

- (a) the amount of the Extraordinary Expense on that day; and
- (b) the balance of the Extraordinary Expense Reserve on that day,

and apply that amount to Total Interest Collections for that Collection Period for payment on the next Payment Date.

3.9 Derivatives Contracts

General

Firstmac will enter into swaps:

- (a) with the Interest Rate Swap Provider to hedge the interest rate risk between the interest rate on the Housing Loans which accrue interest at a fixed rate of interest and the floating rate obligations of the Series; and
- (b) with the Currency Swap Provider to hedge the currency risk in respect of Collections on the Housing Loans which are denominated in Australian Dollars and the obligations of Firstmac to pay interest and principal on the Class A1-U Notes which are denominated in US Dollars.

In addition, Firstmac may from time to time enter into further interest rate swaps or currency swaps (each a “**Derivative Contract**”) with a Counterparty to the extent required for Firstmac to further hedge Receivables against any interest rate risk or currency risk.

Fixed Rate Loans

The Servicer has undertaken to ensure that the Outstanding Amount of Housing Loans with a fixed rate of interest is limited to an amount not exceeding 12% (or such other percentage in respect of which a Rating Notification is issued) of the Outstanding Amount of Housing Loans in respect of the Series at the time any fixed rate loan is being entered into.

The Manager agrees to ensure that:

- (a) any Housing Loans which as at the initial Issue Date were not fixed rate loans but which subsequently become fixed rate loans are the subject of a Derivative Contract which ensures that:
 - (i) Firstmac's obligations under the Derivative Contract are to pay an amount calculated by multiplying the appropriate notional amount under the Derivative Contract by the weighted average interest rate on all such fixed rate Housing Loans; and
 - (ii) the interest rate on such Housing Loans (taking into account the relevant Derivative Contracts) is at least equal to the one month Bank Bill Rate plus 2.50% per annum; and
- (b) no further Housing Loans convert to fixed rate loans:
 - (i) after the first Call Date; or
 - (ii) if the hedging arrangements referred to in paragraph (a) have not been effected when required by that paragraph.

3.10 Security

The obligations of Firstmac in respect of the Notes are secured by a security interest granted by Firstmac over the Assets of the Series of the Trust in favour of the Security Trustee. The Security Trustee holds the benefit of the security interest on trust for (among others) the Holders, the Interest Rate Swap Provider, Currency Swap Provider, Scheduled Amortisation Facility Provider, any Counterparty and any other person who is specified as a "Secured Creditor" in the Transaction Documents for the Series.

In addition, the obligations of Firstmac will be guaranteed by each FirstSub holding the legal title of the Eligible Receivables. Each FirstSub has granted a charge over its legal title to each Eligible Receivable in favour of the Security Trustee to secure each FirstSub's performance of that guarantee.

Each of Firstmac, the Manager and the Servicer have agreed to co-operate to do, and to do, anything required (such as obtaining consents, signing and producing documents, producing receipts and getting documents completed, signed and lodged) necessary to provide more effective security, perfect security or to ensure no prejudice to any existing security under the Personal Property Securities Act 2009 (Cth) ("**PPSA**") in relation to the assignment of the Eligible Receivables and the security granted under the General Security Agreement and any other matters relevant to the Series.

3.11 Taxes

Withholding Tax

Other than as specified in the terms and conditions of the Notes, all payments by Firstmac in respect of Notes will be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, levies, duties, assessments or governmental charges of any nature whatsoever imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision thereof or any authority therein or thereof, unless such withholding or deduction is required by law or made for or on account of FATCA.

It is intended that the 128F Notes will be offered, and interest will be paid from time to time, in a manner which satisfies the exemption from interest withholding tax contained in section 128F of the Australian Tax Act. See section 14 ("*Taxation Considerations*") for further information.

If such withholding or deduction is required by law by any party in relation to a payment on the Notes (including, without any limitation, any FATCA Withholding Tax), that party will account to the relevant authority for the amount required to be withheld or deducted and no additional amounts in respect of any such withholding or deduction will be paid to the relevant Holder (including, without any limitation, any FATCA Withholding Tax).

Other tax

For a brief summary of the material Australian tax consequences see section 14 ("*Taxation Considerations*"). However, potential investors should obtain their own taxation advice.

4 Special Considerations and risk factors

The purchase, and subsequent holding, of the Notes is not free from risk. The Manager believes that the risks described below are some of the material risks inherent in the transaction for Holders and that the discussion in relation to the Notes indicates some of the possible implications for Holders. However, the inability of Firstmac to make a payment on the Notes may occur for other reasons and the Manager does not in any way represent that the description of the risks outlined below is exhaustive. It is only a summary of some of the material risks. There can be no assurance that the structural protection available to Holders will be sufficient to ensure that the payment or distribution of a payment is made on a timely or full basis. Prospective investors should read the detailed information set out elsewhere in this Information Memorandum, review the Transaction Documents, make their own independent investigation and seek their own independent advice as to the potential risks involved in purchasing and holding the Notes.

4.1 Investment in the Notes may not be suitable for all investors

The Notes are complex investments that should be considered only by investors who, either alone or with their financial, tax and legal advisors, have the expertise to analyse the prepayment, reinvestment, default and market risk, the tax consequences of an investment, and the interaction of these factors.

Mortgage-backed securities, like the Notes, usually produce faster rates of return of principal to investors when market interest rates for housing loans fall below the interest rates on the Housing Loans and produce slower rates of return of principal when market interest rates for housing loans rise above the interest rates on the Housing Loans. If borrowers refinance their Housing Loans as a result of lower interest rates, Holders may receive an unanticipated payment of principal. As a result, Holders are likely to receive more money to reinvest at a time when other investments generally are producing a lower yield than that on the Notes and are likely to receive less money to reinvest when other investments generally are producing a higher yield than that on the Notes. Holders will bear the risk that the timing and amount of payments on the Notes will prevent you from attaining the desired yield.

4.2 The Notes are not guaranteed

None of Firstmac Fiduciary Services Pty Limited, the Manager, any Co-Arranger, the Joint Lead Managers, the Standby Servicer, the Custodian, the Security Trustee, the Standby Trustee, the Servicer, the A\$ Note Registrar, the Delegate A\$ Note Registrar, the A\$ Note Calculation Agent, the Interest Rate Swap Provider, the Currency Swap Provider, the Scheduled Amortisation Facility Provider, the US\$ Note Trustee, the US\$ Note Registrar, the US\$ Note Principal Paying Agent, the US\$ Note Calculation Agent or their respective related bodies corporate (each a “**Relevant Person**”), guarantees or is otherwise responsible for payment or repayment of any moneys owing to Holders or the principal of the Notes or the payment of interest in respect of any Notes (other than Firstmac). The Notes will be the obligations solely of Firstmac Fiduciary Services Pty Limited in its capacity as trustee of the Trust in respect of the Series and do not represent obligations of or interests in, and are not guaranteed by, Firstmac Fiduciary Services Pty Limited in its personal capacity and do not represent deposits or other liabilities of any Co-Arranger, any Joint Lead Manager, the Interest Rate Swap Provider, the Currency Swap Provider, the Scheduled Amortisation Facility Provider or any other party. Firstmac’s obligation in respect of the Notes is limited (except in certain limited circumstances) to the Assets of the Series over which security has been granted to make payments on the Notes.

4.3 The Notes will only be paid from the Assets of the Series

The Notes are debt obligations of Firstmac in its capacity as trustee of the Trust in respect of the Series. The Notes do not represent an interest in or obligation of any of the other parties to the transaction.

Firstmac will be entitled to be indemnified out of the Assets of the Series for all payments of interest and principal in respect of the Notes.

The recourse of a Holder of Notes against Firstmac with respect to the Notes is limited to the amount by which Firstmac is indemnified from the Assets of the Series. Except in the case of,

and to the extent that a liability is not satisfied because Firstmac's right of indemnification against the Assets of the Series is reduced as a result of fraud, gross negligence or wilful default, no rights may be enforced against Firstmac by any person and no proceedings may be brought against Firstmac to the extent of Firstmac's right of indemnity and reimbursement out of the Assets of the Series. Except in those limited circumstances, the assets of Firstmac in its personal capacity are not available to meet payments of interest or principal in respect of the Notes.

In no circumstances, either before or after the occurrence of an Event of Default in respect of the Series, will the Holder of a Note have recourse to the assets of any Other Series.

Upon the occurrence of an Event of Default in respect of the Series, the Security Trustee will be entitled to enforce the Security and apply the Assets of the Series which are secured in favour of the Security Trustee for the benefit of the Secured Creditors of the Series. The Security Trustee may incur costs in enforcing the Security, with respect to which the Security Trustee will be entitled to indemnification. Any such indemnification will reduce the amounts available to pay interest on and repay principal of the Notes of the Series.

4.4 The Assets of the Series are limited

The Assets of the Series consist of Housing Loans and Related Securities as well as Authorised Investments which may be acquired by Firstmac from time to time. If the Housing Loans, Related Securities, Authorised Investments and other Assets of the Series are not sufficient to make payments of interest or principal on the Notes in accordance with the cashflow allocation methodology (as described in more detail in section 10 ("*Cashflow Allocation Methodology*")), then payments to Holders of Notes will be reduced accordingly.

The rights of the Secured Creditors as beneficiaries under the Security Trust are restricted. In particular, the Secured Creditors have only limited rights with respect to directing and removing the Manager, the Servicer, Firstmac and the Security Trustee, and the winding up of the Series.

4.5 Secondary Market Risk

There is no assurance that any secondary market will develop or, if one does develop, that it will provide liquidity of investment or will continue for the life of the Notes.

The risk that the secondary market in the Notes will cease to develop or fail is increased during major disruptions in the capital markets. Such disruptions may not be limited to issues which are directly relevant to the Assets of the Series and which therefore may appear to be unrelated to the Notes. For example, in 2007 there was a significant downturn in the global credit markets which has been precipitated by performance concerns in the "sub-prime" loan market in the United States. Due to the way in which those "sub-prime" loans were funded in the capital markets, many investors with exposure to sub-prime were forced to revalue their investments based on current market prices and liquidate holdings which crystallised losses.

A reduction in demand for mortgage-backed or other debt securities (including in relation to Australian prime residential mortgage backed securities), alone or in combination with the continuing fluctuation in prevailing market interest rates, may adversely affect the market value of the Notes and may adversely affect the ability of the Holders to sell the Notes.

There is no certainty as to the duration of the destabilising effect in the capital markets or whether the price of the Notes will be affected by factors which are unrelated to the credit quality of the Notes. For example, the price of the Notes may be affected by issues including the performance of instruments of Other Series or other Relevant Trust, even though these events may have no direct correlation to the quality of the Assets of the Series.

There is no certainty that the secondary market performance of the Notes will recover or whether the price of the Notes will be affected by factors which are unrelated to the credit quality 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.

4.6 Risks relating to the Class A1 Notes

On each Payment Date prior to the first Call Date, the Class A1-U Note Holders will be entitled to receive principal payments (to the extent of funds available to be applied for that purpose) up to a scheduled amount (being an amount equal to the US\$ Class A1-U Note Scheduled Amortisation Amount for the relevant Payment Date) plus the US\$ Class A1-U Note Scheduled Amortisation Amounts from prior Payment Dates which remain unpaid. On each Payment Date prior to the Call Date, while Class A1-U Notes remain outstanding, the Class A1-B Notes or Class A1-BR Notes (as applicable) will not be entitled to receive any principal payments.

On each Payment Date on or after the first Call Date, the Class A1-U Noteholders will be entitled to receive principal payments (to the extent of funds available to be applied for that purpose) up to an amount equal to the aggregate Invested Amount of the Class A1-U Notes on the relevant Payment Date.

Prior to the first Call Date, the yield on Class A1-U Notes will generally be less affected by the rate of principal prepayments than would such Class A1-U Notes if they were not entitled to receive principal payments according to a schedule. The schedule of principal payments for the Class A1-U Notes for each Payment Date prior to the first Call Date is set out in Annexure 1 to this Information Memorandum. The schedule of principal payments set out in Annexure 1 to this Information Memorandum has been prepared on the assumption the Housing Loans will prepay at a prepayment rate with a linear ramp from 12% in month 1 to 21% in month 13 and a flat 21% from month 13 onwards. No assurance can be given that the rate of prepayments on the Housing Loans will remain constant at such level.

If the Housing Loans prepay at a slower rate than the assumed level with respect to any Payment Date, investors in the Class A1-U Notes will depend on amounts on deposit in the Scheduled Amortisation Fund and/or the funding by the Scheduled Amortisation Facility Provider of a Scheduled Amortisation Facility Draw under the Scheduled Amortisation Facility Agreement for repayment of principal.

As noted below (see Section 4.11 ("*The timing for principal distributions on the Notes cannot be predicted*")), the timing and amount of principal which is available to be allocated to the Scheduled Amortisation Fund will be affected by the rate at which the Housing Loans repay or prepay principal. There can be no assurance that there will be any amounts on deposit in the Scheduled Amortisation Fund for such purposes. If there are no amounts on deposit in the Scheduled Amortisation Fund for a Payment Date prior to the first Call Date, payment of the US\$ Class A1-U Note Scheduled Amortisation Amount in respect of that Payment Date will depend on Firstmac's ability to make a Scheduled Amortisation Facility Draw under the Scheduled Amortisation Facility Agreement (including whether the conditions to a Scheduled Amortisation Facility Draw are satisfied with respect to such Payment Date). In such circumstances, the yield, market value and liquidity of the Class A1-U Notes may be adversely affected.

4.7 Issuance of Class A1-BR Notes

For the reasons described below, if no Class A1-BR Notes are issued to third party investors on the Class A1-B Note Scheduled Maturity Date, then there will be insufficient funds to repay the Class A1-B Notes on the Class A1-B Note Scheduled Maturity Date. The failure to repay the Class A1-B Notes on the Class A1-B Note Scheduled Maturity Date will not constitute an Event of Default. However, the dependency of the redemption of the Class A1-B Notes on the Class A1-B Note Scheduled Maturity Date on the issuance of the Class A1-BR Notes may adversely impact the performance, marketability and overall market value of the Class A1-B Notes.

During the Class A1-B Remarketing Period the Manager agrees to use its reasonable endeavours to arrange, on behalf of Firstmac, for the marketing of the proposed issuance by Firstmac on the Class A1-B Note Scheduled Maturity Date of Class A1-BR Notes having an

aggregate Invested Amount sufficient to repay the Class A1-B Notes in full on the Class A1-B Note Maturity Date. However, the Manager must not direct Firstmac to issue any Class A1-BR Notes unless:

- (a) no Enforcement Event is subsisting;
- (b) the Aggregate Invested Amount of such Class A1-BR Notes is equal to the Aggregate Invested Amount of the Class A1-B Notes on the Class A1-B Note Scheduled Maturity Date, and the issue price of each such Class A1-BR Note is equal to the Invested Amount of that Class A1-BR Note on the Class A1-B Note Scheduled Maturity Date;
- (c) the Margin in respect of such Class A1-BR Notes is equal to or less than the Maximum Class A1-BR Note Margin; and
- (d) all conditions precedent to the issuance of such Class A1-BR Notes that may be specified in the Class A1-BR Note Dealer Agreement are satisfied, or waived, in accordance with the Class A1-BR Note Dealer Agreement.

There can be no assurance that such a Class A1-BR Note Dealer Agreement will be entered into.

Any such issuance will also be subject to, among other things, satisfaction of the conditions described above, market and economic conditions at and immediately prior to the time of such issuance, and any legal, investment, regulatory or other legal requirements governing the issuance of or otherwise affecting asset-backed securities such as Class A1-BR Notes, any or all of which may render such issuance impracticable. Such issuance may be influenced by the performance of the Housing Loans, the amount of credit support available whether any Liquidation Losses have been allocated to the Notes, whether an Event of Default has occurred and other factors. It is impossible to predict, with any certainty, what the effect of such market and economic conditions may be on the Class A1-B Note Scheduled Maturity Date. In addition, any issuance of Class A1-BR Notes will likely be subject to the performance by the Manager and certain other parties of their respective obligations under the Transaction Documents and satisfaction of customary conditions precedent, including preparation of offering documents and delivery of rating letters, legal opinions and other documents and information, the failure of which may render such issuance impracticable. Such issuance will be subject to the agreement of the Manager or such other parties to pay any fees and expenses (including fees and expenses of accountants, rating agencies and legal counsel) payable in connection with the remarketing.

There can be no assurance that the Current Rating Agencies will agree to assign ratings to the Class A1-BR Notes in the future, or that the ratings assigned will meet the minimum ratings requirements. If the Current Rating Agencies engaged for such purpose fails to assign minimum required ratings to the Class A1-BR Notes at the relevant time, it is expected that no Class A1-BR Notes would be issued to third party investors.

In the event no Class A1-BR Notes are issued to third party investors on the Class A-1B Note Scheduled Maturity Date, the Holders of the Class A1-B Notes will not be repaid in full on the Class A1-B Note Scheduled Maturity Date.

4.8 Currency Risk

Firstmac will receive payments from the borrowers on the Housing Loans and under the Derivative Contracts in Australian Dollars (calculated, in the case of payments under the Derivative Contracts, by reference to Bank Bill Rate or another published reference rate selected by the Manager) and make payments to Class A1-U Noteholders in US Dollars (calculated, in the case of payments of interest, by reference to USD LIBOR).

Under the Currency Swap, the Currency Swap Provider will exchange Australian Dollar amounts for US Dollars, and in the case of interest, amounts calculated by reference to Bank Bill Rate for amounts calculated by reference to USD LIBOR. If the Currency Swap Provider fails to perform its obligations or if a Currency Swap is terminated, the Class A1-U Noteholders will be exposed to the risk that Firstmac will not be able to enter into a

replacement Currency Swap prior to the next Payment Date and accordingly may not be able to make US Dollar payments on the relevant Class A1-U Notes when due.

If a Currency Swap terminates before its scheduled termination date, a termination payment by either Firstmac or the Currency Swap Provider may be payable. A termination payment could be substantial. Prior to an Enforcement Event, any termination payment owing by Firstmac to the Currency Swap Provider will be payable out of the Series Assets and will have a higher priority than payments of interest on the Notes, unless the swap is terminated and in respect of which the Currency Swap Provider is the “defaulting party” or sole “affected party” under the relevant swap. However, court challenges have arisen in recent years regarding the enforceability of provisions that subordinate payments to a swap counterparty that is in default where the default is the insolvency of the counterparty. In litigation involving a Lehman Brothers subsidiary in the United Kingdom, the subordination provisions were ultimately upheld under English law by the United Kingdom Supreme Court. In similar Lehman litigation in United States bankruptcy court the subordination provisions were held unenforceable under United States bankruptcy law, although in a more recent case heard by the United States bankruptcy court similar provisions were considered and found to be enforceable. Consequently, there remains uncertainty regarding the enforceability of such provisions, particularly in the context of bankruptcy, insolvency or similar proceedings. If the Currency Swap Provider (initially an Australian financial institution) were the subject of an insolvency proceeding under Australian law, there is no direct precedent for whether an Australian court would uphold the subordination provisions. Nor is it known whether an Australian court would recognise a judgment obtained in a foreign proceeding invalidating the subordination provisions; or

Therefore, if Firstmac makes a termination payment in these circumstances, there may not be sufficient funds remaining to pay interest on the Notes on the relevant Payment Date, and the principal on the Notes may not be repaid in full. Prior to an Enforcement Event, if a Currency Swap terminates before its scheduled termination date and a termination payment is made by the Currency Swap Provider, Firstmac must (at the direction of the Manager) apply such termination payment towards paying any premium payable to the replacement Currency Swap Provider (in the event that Firstmac is able to enter into a replacement Currency Swap). There can be no assurance that the termination payment made by the Currency Swap Provider will be sufficient to satisfy any premium payable to the replacement Currency Swap Provider. If Firstmac is not able to enter into a replacement Currency Swap prior to the next Payment Date, an Event of Default will result.

Following an Enforcement Event and if a Currency Swap Failure is subsisting, the Security Trustee will exchange Australian Dollars for US Dollars in the spot foreign exchange market to make payments of interest and principal payable on the Class A1-U Notes. This may result in an allocation of Australian Dollars in respect of amounts payable on the Class A1-U Notes producing, upon conversion to US Dollars at the rate of exchange at which US Dollars are able to be acquired in the spot foreign exchange market, a lesser amount of US Dollars than would otherwise be the case if payments were made under the terminated Currency Swap, which would result in less funds being available to make payments in respect of the Class A1-U Notes. In addition, the Security Trustee may deduct the costs incurred by it (if any) in connection with such conversion. Following the occurrence of an Enforcement Event, to the extent such conversion and costs result in insufficient funds to repay the Secured Moneys owed to the Class A1-U Noteholders, payment of remaining Secured Moneys will be subordinated to payments to other Noteholders (other than the Class F Noteholders).

The occurrence of an Enforcement Event will constitute an additional termination event under each Currency Swap which then entitles the Currency Swap Provider to terminate the relevant Currency Swap.

4.9 Interest Rate Risk

The spread between the Bank Bill Rate and the official Australian overnight cash rate may vary over time. There can be no certainty whether the official Australian overnight cash rate or the Bank Bill Rate will increase or decrease in the future.

As the interest rate on the Notes is calculated by reference to the Bank Bill Rate, any increases in the Bank Bill Rate which are not passed onto borrowers may reduce the level of

credit enhancement provided to the Notes by excess income. However this risk is mitigated in respect of variable rate Housing Loans which are Receivables of the Series by the obligation of the Servicer to set the weighted average interest rate payable by Debtors on the Housing Loans at a rate which is equal to or greater than the Threshold Rate. The Servicer has passed on to the borrowers increases made by the Reserve Bank of Australia in the overnight cash rate in addition to other increases reflecting the increased cost of funding the Housing Loans. Also, the Servicer may not fully pass on reductions in interest rates made by the Reserve Bank of Australia as a result of the increased cost of funding the Housing Loans. In respect of fixed-rate Housing Loans which are Receivables of the Series, this risk is mitigated under the Interest Rate Swap, by Firstmac exchanging the interest payments from the fixed-rate Housing Loans for variable-rate payments based upon the Bank Bill Rate (or another published reference rate selected by the Manager in accordance with its internal policies with respect to derivatives). If the Interest Rate Swap is terminated or the relevant Counterparty fails to perform its obligations, the Holders will be exposed to the risk that the floating rate of interest payable on the Notes will be greater than the weighted average interest rate set by the Servicer on the variable and fixed-rate Housing Loans, which may lead to Firstmac having insufficient funds to pay interest on the Notes.

Furthermore, the Servicer may choose to, or may be obliged to, increase the interest rate on the variable rate Housing Loans. While this may provide further credit enhancement due to there being an increased amount of excess income:

- (a) as described in this section 4.6 (“*Interest Rate Risk*”), if other home loan providers have not increased interest rates at a similar level, Debtors may choose to refinance their Housing Loans resulting in early repayments of principal; and
- (b) as described in section 4.17 (“*Delinquency/Default Risk*”), the increased repayments this may result in may place stress on Debtors’ ability to repay their Housing Loans.

4.10 Collections on the Housing Loans may be commingled with other collections

Before Collections are remitted to the Collection Account, the Collections will be deposited into a clearing account in the name of Firstmac Assets Pty Limited and may be commingled with the assets of Firstmac Assets Pty Limited pending the reconciliation of the Collections and remittance to the Collection Account. The Servicer undertakes to deposit all Collections into the Collection Account within 2 Business Days of receipt. Only Firstmac is a signatory to this clearing account. If Firstmac Assets Pty Limited becomes insolvent, Firstmac may only be able to claim those Collections as a creditor of the insolvent company. This could lead to a failure to receive the Collections on the Housing Loans, delays in receiving the Collections, or losses to Holders.

4.11 The timing of Principal Distributions for Notes cannot be predicted

Subject to the Cashflow Allocation Methodology, Principal Collections in respect of the Receivables will be repaid to Holders on each Payment Date and will reduce the principal balance of the Notes. Principal Collections will consist of the principal component of scheduled payments and partial or full prepayments. Principal Collections may be utilised to meet Liquidity Shortfalls in priority to payments to Holders.

There can be no assurances as to the amount of Principal Collections to be received in any Collection Period or the amount retained to meet Liquidity Shortfalls.

Receivables are expected to mature prior to the Final Maturity Date of the Notes. In addition, a Debtor in respect of a Receivable may choose to make a repayment, in part or in full, of the amount outstanding under the Receivable prior to the scheduled maturity profile of the Receivable. The reasons for the early payment may include, but are not limited to, the level of interest rates, general economic conditions, legal and political conditions, availability of more competitive funding alternatives, changes in the funding requirements of the Debtor, the overall economic circumstances of the Debtor, or receipts from disposal of assets as part of enforcement proceeds.

Prospective Holders who consider any projection of the weighted average life or maturity in determining the price of a Note should be aware that these Notes are subject to maturity and

prepayment risk based on the principal payment behaviour of the Receivables which may change.

4.12 If the Manager directs Firstmac to redeem the Notes, you could suffer losses and the yield on your Notes could be lower than expected

If the Manager directs Firstmac to redeem the Notes earlier than the Final Maturity Date of the Notes as described in condition 8.3 ("*Call Option*") and condition 8.4 ("*Redemption for Taxation or other reasons*") of the Conditions and Liquidation Losses have occurred, the Holders of each Class may by Extraordinary Resolution consent to receiving an amount equal to the outstanding Invested Amount of the Notes, less Liquidation Losses, plus accrued interest. As a result, the Holders of Notes may not fully recover their investment. In addition, such early redemption will shorten the average lives of the Notes and potentially lower the yield on the Notes.

4.13 The redemption of the Notes on a Call Date may affect the return on the Notes

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

The Manager has the right under the Supplementary Terms Notice to direct Firstmac to sell, realise or Redesignate Housing Loans in order to raise funds to redeem the Notes on a Call Date. However, there is no guarantee that the Housing Loans will be able to be sold, realised or Redesignated in order to raise sufficient funds to redeem the Notes on that Call Date.

4.14 General Security Agreement

Following the enforcement of the Security, the Security Trustee will be required to apply moneys otherwise available for distribution in the order of priority set out in the Supplementary Terms Notice and in section 11.8 ("*Security structure*") of this Information Memorandum. The moneys available to the Security Trustee for distribution may not be sufficient to satisfy in full the claims of all or any of the Secured Creditors. Neither the Security Trustee nor Firstmac will have any liability to the Secured Creditors in respect of any such deficiency.

4.15 Application of the Personal Property Securities 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. However, they also include transactions that, in substance, secure payment or performance of an obligation but may not have been previously legally classified as securities (referred to as "in-substance" security interests), including transactions that were not regarded as securities. 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.

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:

- (a) another security interest may take priority;
- (b) another person may acquire an interest in the assets which are subject to the security interest free of their security interest; or
- (c) they may not be able to enforce the security interest against a grantor who becomes insolvent.

The security granted by Firstmac under the General Security Agreement and is a security interest under the PPSA. The Manager intends to effect a registration of this security interest by way of registration on the Personal Property Securities Register. The Transaction Documents may also contain other security interests. The Manager has undertaken in the Supplementary Terms Notice that if it determines that any other such security interests arise and that failure to perfect those security interests could have material adverse effect upon Secured Creditors that it will give directions to Firstmac and the Security Trustee to take appropriate action to perfect such security interests under the PPSA.

There is uncertainty on aspects of the implementation 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 General Security Agreement, Firstmac grants a security interest over all of the Assets of the Series in favour of the Security Trustee to secure the payment of moneys owing to the Secured Creditors (including among others, the Holders of Notes).

Under the General Security Agreement, Firstmac has agreed not to create or allow another interest in, or dispose or part with possession of, the Housing Loans except in the ordinary course of Firstmac's business and in accordance with the Transaction Documents, unless Firstmac is expressly permitted under the Transaction Documents or the Security Trustee (at the direction of an Extraordinary Resolution of the Voting Secured Creditors) consents. However, under Australian law:

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

Whether this would be the case, depends upon matters including the nature of the dealing by the Firstmac, the particular Housing Loan concerned and the actions of the relevant third party.

4.16 Consumer Credit Legislation

Federal Consumer Credit Regime (National Consumer Credit Protection Act)

In 2009, the National Consumer Credit Protection Act 2009 (Cth) (the "**NCCP Act**") (which includes the new National Credit Code ("*Credit Code*")) and certain related legislation were enacted. The NCCP Act and related legislation was part of a package of reforms directed towards the introduction of a new national consumer credit law to replace state-based regimes. The NCCP Act commenced on 1 July 2010.

The Credit Code applies to the Housing Loans that had previously been regulated under the Consumer Credit Code. The Credit Code also applies to Housing Loans made after 1 July 2010 if the Debtor is an individual or a strata corporation, there has been a charge for the provision of credit, the credit is provided for personal, domestic or household purposes or to purchase, renovate or improve residential property for investment purposes or to refinance that credit. Some of the Housing Loans and Housing Loan Rights are regulated by the Credit Code.

The majority of the Housing Loans in the Indicative Housing Loan Pool are regulated by the Credit Code (and therefore the NCCP Act).

The NCCP Act incorporates a requirement for providers of credit related services to hold an "Australian credit licence", and to comply with "responsible lending" requirements, including a

mandatory “unsuitability assessment” before a loan is made or there is an agreed increase in the amount of credit under a loan.

Obligations under the NCCP Act extend to Firstmac and its service providers (including the Servicer) in respect of the Housing Loans.

Under the terms of the Credit Code and the NCCP Act, Firstmac is a “credit provider” with respect to regulated loans, and as such is exposed to civil and criminal liability for certain violations. These include violations caused in fact by the Servicer. The Servicer has indemnified Firstmac for any civil or criminal penalties in respect of Credit Code or NCCP Act violations caused by the Servicer. There is no guarantee that the Servicer will have the financial capability to pay any civil or criminal penalties which arise from Credit Code or NCCP Act violations.

If for any reason the Servicer does not discharge its obligations to Firstmac, then Firstmac will be entitled to indemnification from the Assets of the Series. Any such indemnification may reduce the amounts available to pay interest and repay principal in respect of the Notes.

Under the Credit Code, a borrower in respect of a regulated Housing Loan may have the right to apply to a court to, amongst other things:

- (a) grant an injunction preventing a regulated Housing Loan from being enforced (or any other action in relation to the Housing Loan) if to do so would breach the NCCP Act;
- (b) order compensation to be paid for loss or damage suffered (or likely to be suffered) as a result of a breach of a civil penalty provision or a criminal offence in the NCCP Act;
- (c) if a credit activity has been engaged in without an Australian credit licence and no relevant exemption applies, issue an order it considers appropriate so that no profiting can be made from the activity, to compensate for loss and to prevent loss. This could include an order declaring a contract, or part of a contract, to be void, varying the contract, refusing to enforce, ordering a refund of money or return of property, payment for loss or damage or being ordered to supply specified services;
- (d) vary their Housing Loan on the grounds of hardship or that it is an unjust contract;
- (e) reduce or annul any interest rate payable on the Housing Loan which is unconscionable;
- (f) have certain provisions of the Housing Loan or Related Security which are in breach of the legislation declared unenforceable; or
- (g) obtain restitution or compensation from Firstmac in relation to any breach of the Credit Code.

As a condition of the Servicer holding an Australian credit licence and Firstmac being able to perform its role, the Servicer and Firstmac must also allow each borrower to have access to an external dispute resolution scheme, which has power to resolve disputes where the amount in dispute is A\$500,000 or less.

Where a systemic contravention affects contract disclosures across multiple Housing Loans, there is a risk of a representative or class action under which a civil penalty could be imposed in respect of all affected Housing Loan contracts. If borrowers suffer any loss, orders for compensation may be made.

Under the Credit Code, ASIC will be able to make an application to vary the terms of a contract or a class of contracts on the above grounds if this is in the public interest (rather than limiting these rights to affected debtors).

Any order made under any of the above consumer credit laws may affect the timing or amount of principal repayments under the relevant Housing Loans which may in turn affect the timing or amount of interest and principal payments under the Notes.

Unfair Terms

On 1 July 2010, the Trade Practices Amendment (Australian Consumer Law) Act (No.1) 2010 (“**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 Housing Loans to the extent that those contracts are renewed, or the term is varied, after commencement of the UCT Law.

Also on 1 July 2010, Victoria amended its unfair terms regime (contained in Part 2B of the Fair Trading Act 1999 (Vic)) to follow the wording in the UCT Law. Victoria’s unfair terms regime had applied to certain Housing Loans since 10 June 2009.

Any finding that a term of a Housing Loan is unfair and therefore void may, depending on the relevant term, affect the timing or amount of principal repayments under the relevant Housing Loans which may in turn affect the timing or amount of interest and principal payments under the Notes.

Effect of orders

Any order made under any of the above consumer credit laws may affect the timing or amount of collections under the relevant Eligible Receivable which may in turn affect the timing or amount of interest and principal payments under the Notes.

Representation and warranty

The Originators have made certain representations and warranties that the Eligible Receivables complied with all applicable laws at the time the Eligible Receivables were made. The Servicer has undertaken to comply with all applicable laws in servicing those loans regulated by the legislation.

4.17 Delinquency/Default Risk

The failure by Debtors to make payments on the Housing Loans when due may result in Firstmac having insufficient funds available to it to make full payments of interest and principal to the Holders.

Firstmac’s obligation to pay interest and to repay principal in respect of the Notes is limited to its receipts under or in respect of the Housing Loans and the Insurance Policies and the amount of any Liquid Authorised Investments then held by Firstmac (described in section 5 (“*Credit Support and Liquidity Support*”). Holders must rely, for payment under the Notes, on Debtors making payments under the Housing Loans, on the relevant insurers paying any claims properly made under any relevant Insurance Policy and on there being sufficient funds available from the following sources to meet any shortfall:

- (a) the Liquid Authorised Investments;
- (b) the Principal Draw; and
- (c) the Extraordinary Expense Draw.

A wide variety of factors of legal, economic, political or other nature could affect the performance of Debtors in making payments of interest and principal under the Housing Loans. In particular, if interest rates increase significantly or if there is any deterioration in real estate values or the economy in which the property is located (which, given the current international and domestic economic conditions, is likely), Debtors may experience distress and increased default rates on the Housing Loans may result. In addition, under the

Consumer Credit Code, a court may order a Housing Loan to be varied on the grounds of hardship.

If a Debtor defaults on payments under a Housing Loan and the Servicer enforces the Mortgage and takes possession of the relevant property, many factors may affect the price at which the property is sold and the length of time taken to complete that sale. Any delay or loss incurred in this process may affect the ability of Firstmac to make payments, and the timing of those payments, in respect of the Notes.

4.18 Subordination provides only limited protection against losses

The amount of credit enhancement provided through the subordination (determined by reference to the order of priority of payments described in section 10.21 (“*Application of proceeds following an Enforcement Event*”)) of:

- (a) the Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes to the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any) and FastPay Notes (if any) is limited and could be depleted prior to the payment in full of the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes and Class A1-BR Notes (if any) and FastPay Notes (if any);
- (b) the Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes to the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes and Class A1-BR Notes (if any), FastPay Notes (if any) and Class A2 Notes is limited and could be depleted prior to the payment in full of the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes and Class A1-BR Notes (if any), FastPay Notes (if any) and Class A2 Notes;
- (c) the Class C Notes, Class D Notes, Class E Notes and Class F Notes to the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any), FastPay Notes (if any), Class A2 Notes and Class B Notes is limited and could be depleted prior to the payment in full of the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any), FastPay Notes (if any), Class A2 Notes and Class B Notes;
- (d) the Class D Notes, Class E Notes and Class F Notes to the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any), FastPay Notes (if any), Class A2 Notes, Class B Notes and Class C Notes is limited and could be depleted prior to the payment in full of the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any), FastPay Notes (if any), Class A2 Notes, Class B Notes and Class C Notes;
- (e) the Class E Notes and Class F Notes to the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any), FastPay Notes (if any), Class A2 Notes, Class B Notes, Class C Notes and Class D Notes is limited and could be depleted prior to the payment in full of the Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any), FastPay Notes (if any), Class A2 Notes, Class B Notes, Class C Notes and Class D Notes; and
- (f) the Class F Notes to all other Notes is limited and could be depleted prior to the payment in full of all other Notes.

If the aggregate Stated Amount of:

- (a) the Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes is reduced to zero, the Holders of the Class A1-U Notes, the Holders of the FastPay Notes (if any), the Holders of the Class A1-A Notes, the Holders of the Class A1-B Notes, the Holders of the Class A1-BR Notes (if any) may suffer losses on the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes and the Class A1-BR Notes (if any);
- (b) the Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes is reduced to zero, the Holders of the Class A1-U Notes, the Holders of the FastPay

Notes (if any), the Holders of the Class A1-A Notes, the Holders of the Class A1-B Notes, the Holders of the Class A1-BR Notes (if any) and the Holders of the Class A2 Notes may suffer losses on the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the Class A2 Notes (as applicable);

- (c) the Class C Notes, Class D Notes, Class E Notes and Class F Notes is reduced to zero, the Holders of the Class A1-U Notes, the Holders of the FastPay Notes (if any), the Holders of the Class A1-A Notes, the Holders of the Class A1-B Notes, the Holders of the Class A1-BR Notes (if any), the Holders of the Class A2 Notes and the Holders of the Class B Notes may suffer losses on the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes and the Class B Notes (as applicable);
- (d) the Class D Notes, Class E Notes and Class F Notes is reduced to zero, the Holders of the Class A1-U Notes, the Holders of the FastPay Notes (if any), the Holders of the Class A1-A Notes, the Holders of the Class A1-B Notes, the Holders of the Class A1-BR Notes (if any), the Holders of the Class A2 Notes, the Holders of the Class B Notes and the Holders of the Class C Notes may suffer losses on the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A Notes, the Class B Notes and the Class C Notes (as applicable);
- (e) the Class E Notes and Class F Notes is reduced to zero, the Holders of the Class A1-U Notes, the Holders of the FastPay Notes (if any), the Holders of the Class A1-A Notes, the Holders of the Class A1-B Notes, the Holders of the Class A1-BR Notes, the Holders of the Class A1-BR Notes (if any), the Holders of the Class A2 Notes, the Holders of the Class B Notes, the Holders of the Class C Notes and the Holders of the Class D Notes may suffer losses on the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes, the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes (as applicable); and
- (f) the Class F Notes is reduced to zero, the Holders of all other Notes may suffer losses on those Notes.

Losses on the Housing Loans will reduce the loss protection provided by the more subordinate Classes of Notes to the more senior Classes of Notes and will increase the likelihood that the more senior Classes of Notes will not receive all of their expected principal payments.

4.19 The termination of the Interest Rate Swap may subject you to losses from interest rate fluctuations

Firstmac will in certain circumstances exchange the interest payments from the fixed-rate Housing Loans for variable-rate payments based upon the Bank Bill Rate (or another published reference rate selected by the Manager in accordance with the Derivative Policy). Firstmac will also in certain circumstances exchange the interest payments from the fixed-rate and floating rate Housing Loans for fixed-rate payments. If an Interest Rate Swap is terminated or the Interest Rate Swap Provider fails to perform its obligations, the Holders will be exposed to the risk that the floating rate of interest payable on the relevant Notes will be greater than the weighted average interest rate set by the Servicer on the variable and fixed-rate Housing Loans, which may lead to Firstmac having insufficient funds to pay interest on the relevant Notes.

If Firstmac elects (at the direction of the Manager) to enter into a new Derivative Contract to replace a terminated Derivative Contract, Firstmac may need to pay a premium to the replacement Counterparty, which may lead to Firstmac having insufficient funds to pay interest on the Notes.

A termination of an Interest Rate Swap may also require the Manager to direct the Servicer to reset the interest rate on the variable-rate Housing Loans at a rate high enough to cover (in the absence of the terminated Interest Rate Swap) the payments owed by Firstmac. If the

rates on the variable-rate Housing Loans are set above the market interest rate for similar variable-rate Housing Loans, the affected borrowers will have an incentive to refinance their loans with another institution, which may lead to higher rates of principal prepayment than the Holders initially expected, which will affect the yield on the Notes.

4.20 Recent Origination of the Housing Loans

The Housing Loans have all been originated in a period from 24 June 2013 to 29 September 2017. Accordingly, all of the Housing Loans are not fully seasoned and may display different characteristics until they are fully seasoned.

4.21 Geographic Concentration of Housing Loans

If the Series contains a high concentration of Housing Loans secured by properties located within a single state or region within Australia, any deterioration in the real estate values or the economy of any of those states or regions could result in higher rates of delinquencies, foreclosures and loss than expected on the Housing Loans. In addition, these states or regions may experience natural disasters, which may not be fully insured against and which may result in property damage and losses on the Housing Loans.

4.22 Housing Loans with high original loan-to-value ratios may present a greater risk of loss

Certain Housing Loans have original loan-to-value ratios of greater than 80%. Housing Loans with high loan-to-value ratios may be more likely to experience default and foreclosure than mortgage loans with low original loan-to-value ratios.

4.23 Interest Only Loans may demonstrate greater risk of loss

Approximately 25.39% of the Housing Loans by value in the indicative Housing Loan pool have interest-only periods of up to 10 years. Interest Only Loans can demonstrate a higher propensity of default as the accumulation of equity over time can be less due to a shorter amortisation period than that of mortgage loans where repayments are made on a principal and interest basis.

4.24 The features of the Housing Loans may change, which could affect the timing and amount of payments to Holders

The features of the Housing Loans, including their interest rates, may be changed by the Servicer, either on its own initiative or at a borrower's request. Some of these changes may include the addition of features not yet developed or offered to borrowers and which are not described in this Information Memorandum. As a result of these changes and borrower payments of principal, the concentration of Housing Loans with specific characteristics is likely to change over time, which may affect the timing and amount of payments the Holders receive.

If the Servicer changes the features of the Housing Loans, borrowers may elect to refinance their loan with another lender to obtain more favourable features. In addition, for so long as a Housing Loan is included in the Series, the Transaction Documents prescribe certain restrictions on the Servicer consenting to certain feature changes which a borrower may request in respect of that Housing Loan (such as that no Further Advances are to be made and conditions in respect of the making of Redraws or fixing the interest rate payable on the Housing Loan). If such restrictions would prevent the Servicer from consenting to the borrower's request, the Manager may direct Firstmac to sell the Housing Loan in which case the Housing Loan will be removed from the Series. See section 10.27 ("*Redesignation*") for further details.

The refinancing or removal from the Series of Housing Loans could cause the Holders of Notes to experience higher rates of principal prepayment than expected, which will affect the yield on the Notes.

4.25 The expiration of fixed rate interest periods may result in significant repayment increases and hence increased borrower defaults

The fixed rate Housing Loans have fixed interest rates that are set for a shorter time period (up to 5 years) than the life of the Housing Loan (up to 30 years). At the end of the fixed rate period, the Housing Loan either converts to a variable rate, or can be refixed for a further period (generally not for more than 5 years). When the Housing Loan converts to a variable rate or a new fixed rate, prevailing interest rates may result in the scheduled repayments increasing significantly in comparison to the repayments required during the fixed rate term just completed. This may increase the likelihood of borrower delinquencies, which may cause losses on the Notes.

4.26 Reinvestment risk on payments received during a Collection Period

If a prepayment is received on a Housing Loan during a Collection Period, then to the extent it is not applied towards funding Redraws where permitted at any time, then interest will cease to accrue on that part of the Housing Loan prepaid from the date of the prepayment. The amount repaid will be deposited into the Collection Account or invested in Authorised Investments and may earn interest at a rate less than the then current rate on the Housing Loans. Accordingly, this would result in less funds being available to make payments of interest on the Notes.

4.27 Redesignation of Eligible Receivables

Pursuant to the terms of the Master Trust Deed, Firstmac as trustee of each Relevant Trust and, if applicable, in respect of each Relevant Series will transfer certain Eligible Receivables to the Series. This process is known as Redesignation. Where Firstmac as trustee of each Relevant Trust and, if applicable, in respect of each Relevant Series transfers Eligible Receivables to Firstmac, the beneficial interest in the Eligible Receivables is transferred from Firstmac as trustee of each Relevant Trust and, if applicable, in respect of each Relevant Series as the case may be, to Firstmac and the legal title remains with the relevant FirstSub.

4.28 Equitable Assignment

Legal title in the Housing Loans is held by the FirstSubs and such Housing Loans will be equitably assigned to Firstmac by the Seller. If Firstmac declares that a Title Perfection Event has occurred under the Supplementary Terms Notice or an Originator Termination Event has occurred under the Master Origination Deed, Firstmac and the Manager must, amongst other things, take all such steps as are necessary to perfect Firstmac's legal title in the mortgages relating to those Housing Loans. Until such time, Firstmac is not to take any such steps to perfect legal title and, in particular, it will not notify any Debtor of its interest in the relevant Housing Loans.

The delay in notification to a Debtor of Firstmac's interest in the relevant Housing Loans may have the following consequences:

- (a) until a Debtor has notice of Firstmac's interest in the Housing Loans, such person is not bound to make payment to anyone other than the lender of record and can obtain a valid discharge from that entity. However, Firstmac Limited is appointed as the Servicer of the Housing Loans and is obliged to deal with all moneys received from Debtors in accordance with the Master Servicer Deed and to service those Housing Loans in accordance with the Servicing Procedures;
- (b) rights of set-off or counterclaim may accrue in favour of the Debtor against its obligations under the Housing Loans which may result in Firstmac receiving less money than expected from the Housing Loans. However, under the Housing Loan documents, Debtors agree to waive rights of set-off or counterclaim that they may have against the relevant FirstSub;
- (c) for so long as Firstmac holds only an equitable interest in the Housing Loans, Firstmac's interest in those Housing Loans may become subject to the interests of third parties created after the creation of Firstmac's equitable interest but prior to it acquiring a legal interest; and

- (d) for so long as Firstmac holds only an equitable interest in the relevant Housing Loans, the lender of record may need to be a party to certain legal proceedings against any Debtor in relation to the enforcement of those Housing Loans.

4.29 Australian Anti-Money Laundering and Counter-Terrorism Financing Regime

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) (“**AML/CTF Act**”) regulates the anti-money laundering and counter-terrorism financing obligations on financial services providers.

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:

- (a) 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;
- (b) issuing, dealing, acquiring, disposing of, cancelling or redeeming a security; and
- (c) 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 the 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 Holder of Notes.

4.30 Originator Termination Event or Title Perfection Event

If an Originator Termination Event or Title Perfection Event occurs in respect of a FirstSub, Firstmac and the Manager must take such steps as are necessary to protect Firstmac’s title to, and interest in, the Receivables. Until such time, Firstmac will not be able to notify Debtors of the underlying ownership of the Receivables by Firstmac in respect of such Receivables – see section 4.28 (“*Equitable Assignment*”) for more information. However, until that time, the Security Trustee will have the benefit of a security interest granted by each FirstSub over its legal title to the relevant Receivables which will secure that FirstSub’s performance of its guarantee as described in section 3.10 (“*Security*”).

4.31 Termination of the appointment of the Manager or the Servicer may affect Collections on the Housing Loans

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

The appointment of a substitute will not have effect unless a replacement manager has been appointed which is acceptable to Firstmac, the Security Trustee and each Current Rating Agency, and the substitute has executed a deed under which it covenants to act as Manager on substantially the same terms and for a fee determined on market basis.

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) or on the same terms agreed by the Manager or Servicer (as the case may be).

The failure to timely appoint a suitable successor manager or servicer, including due to the failure of Firstmac, the Security Trustee and any Current Rating Agency to agree upon an acceptable replacement Manager, may result in delayed or reduced payments of interest on or payments or allocations of principal of the Notes.

To reduce the risk of not being able to find a suitable substitute servicer, Firstmac, the Manager and the Servicer have entered into the Master Servicer Deed whereby Perpetual Trustee Company Limited has agreed to act as the standby servicer in accordance with the terms of the Master Servicer Deed.

4.32 Master Trust Deed and General Security Agreement

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 Secured Creditors, must, enforce the Security in accordance with the terms of each of the Master Security Trust Deed and the General Security Agreement. That enforcement may include the sale of the Assets of the Series.

Following the enforcement of the Security and sale of the Assets of the Series, the Security Trustee will be required to apply moneys otherwise available for distribution in the order of priority set out in the Supplementary Terms Notice and in section 11.8 (“*Security structure*”) of this Information Memorandum. However, no assurance can be given that the Security Trustee will be in a position to sell the Assets of the Series for an amount equal to the then outstanding amount under the Housing Loans held in the Series. Accordingly, the Security Trustee may not be able to realise the full value of the underlying Housing Loans.

The moneys available to the Security Trustee for distribution may not be sufficient to satisfy in full the claims of all or any of the Secured Creditors and this may have an impact upon Firstmac’s ability to repay all amounts outstanding in relation to the Notes.

Neither the Security Trustee nor Firstmac will have any liability to the Secured Creditors in respect of any such deficiency.

4.33 Nature of Security

Under the General Security Agreement, Firstmac grants a security interest over all the Assets of the Series in favour of the Security Trustee to secure the payment of moneys owing to Secured Creditors of the Series, including, among others, the Holders, the Counterparty, the Custodian, the A\$ Note Registrar, the Manager and the Servicer.

As described in section 4.15 (“*Application of the Personal Properties Securities regime*”), the nature, characterisation and priority of the security interest will be affected by the operation of the PPSA.

4.34 Ratings

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 suitability of the Notes for you.

A credit rating by a Current 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 a Current Rating Agency. There is no assurance that a rating will remain for any given period of time. A revision, suspension, qualification or withdrawal of the credit rating of the Notes may adversely affect the price of the Notes. If a Current Rating Agency changes its rating or withdraws its rating, no one has any obligation to provide additional credit enhancement or restore the original rating.

In addition, the credit ratings of the Notes do not address the expected timing of principal repayments under the Notes, only that principal will be received no later than the Final Maturity Date.

The ratings of the Notes entail substantial risks and may be unreliable as an indication of the creditworthiness of the Notes. The Current Rating Agencies does not consider the risks of fluctuations in market value or other factors that may influence the value of the Notes and, therefore, the assigned credit rating may not fully reflect the true risks of an investment in the Notes. The Current Rating Agencies may change their methods of evaluating credit risk and determining ratings on securities backed by mortgage loans. These changes may occur quickly and often.

Prospective investors in the Notes should make their own evaluation of an investment in the Notes and not rely solely on the ratings of the Notes.

No party will have any obligation to cause any rating of any of the Notes to be maintained. Changes affecting the Housing Loans, the parties to the Transaction Documents or other persons may have an adverse effect on the ratings of the Notes and their market value. Any such adverse changes (including a rating downgrade of the Notes) do not by themselves constitute a default under the Transaction Documents.

4.35 Goods and Services Tax

GST in Australia may decrease the funds available to the Trust to make payments on the Notes.

GST is payable by all entities which make taxable supplies in Australia. Some service providers to the Trust will be subject to GST in respect of such services and will pass on that additional cost to the Trust.

To the extent that the Trust cannot claim a full input tax credit in respect of the GST included in the cost of goods and services acquired by it, it will have less funds available to meet its obligations, and the holders of the Notes may suffer losses. See section 14 ("*Taxation Considerations*") for an outline of GST.

4.36 Australian Interest Withholding Tax

There will not be any withholding or deduction from payments of interest under the Notes on account of Australian interest withholding tax where the Holder is:

- (a) an Australian resident who does not derive the interest in carrying on business at or through a permanent establishment outside Australia; or
- (b) a non-resident which derives the interest in carrying on business at or through a permanent establishment in Australia.

Australian interest withholding tax will be withheld or deducted on payments of interest to any Holder who is an Australian resident who derives the interest in carrying on business at or through a permanent establishment outside Australia or a non-resident (other than a non-resident who derives the interest in carrying on business at or through a permanent establishment in Australia) unless the Notes are offered, and interest is paid from time to time, in a manner which satisfies the exemption from interest withholding tax contained in section 128F of the Australian Tax Act or another exemption applies (see section 14 ("*Taxation Considerations*") for further information). Firstmac intends that the 128F Notes will be offered in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

4.37 Singapore Taxation Risk

The Relevant Notes to be issued are intended to be "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore, subject to the fulfilment of certain conditions more particularly described in the section 14A ("Singapore Taxation"). However, there is no assurance that the Relevant Notes will continue to be "qualifying debt securities" or that the tax concessions in connection therewith will apply throughout the tenure of the Relevant Notes should the relevant tax laws, administrative guidelines or circulars be amended or revoked at any time.

Pursuant to the Singapore Budget 2018, it was announced that the Qualifying Debt Securities Scheme is to be extended to debt securities issued from 1 January 2019 to 31 December 2023, subject to certain amendments to be announced by the Monetary Authority of Singapore ("**MAS**").

4.38 Changes of law may impact the structure of the transaction and the treatment of the Notes

The structure of the transaction and, inter alia, the issue of the Notes and ratings assigned to the Notes are based on Australian law, tax and administrative practice in effect at the date

hereof, and having due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given that Australian law, tax or administrative practice will not change after the Closing Date or that such change will not adversely impact the structure of the transaction and the treatment of the Notes.

The Australian Government has proposed to amend the rules relating to the taxation of trusts in Division 6 of Part III of the 1936 Act. It is not currently expected that the outcome of the Government's reform of the taxation of trusts should adversely affect the tax treatment of the Trust, however, any proposed changes should be monitored.

Potential purchasers of the Notes should refer to section 14 ("*Taxation Considerations*") for further details regarding the proposed amendments.

4.39 Further Advances

Further Advances may be requested by a Debtor and, if granted, may take the Outstanding Amount on the Housing Loan above the original amount approved. Any request of this nature is at the discretion of the Servicer and is subject to a full credit assessment as if the Further Advance were a new Housing Loan. If the request is granted the Debtor will enter into a contract to vary the original Mortgage.

No Further Advance may be made in respect of any Housing Loan which is an Asset of the Series. Where a Further Advance is approved for a Housing Loan which is an asset of the Series, the Housing Loan must be discharged from the Series in accordance with the Master Trust Deed by payment to the Series of all outstanding principal and accrued interest in respect of the relevant Housing Loan.

4.40 European Union Capital Requirements Regulation

Articles 404 – 410 (inclusive) of Regulation (EU) No 575/2013 of the European Parliament and Council ("**CRR**") as supplemented by Commission Delegated Regulation (EU) No 625/2014 and Commission Implementing Regulation (EU) No 602/2014, came into force on 1 January 2014 in the Member States of the European Union and have been implemented by national legislation in the other Member States of the European Economic Area.

Article 405 of the CRR restricts 'credit institutions' and 'investment firms' (each as defined in the CRR) and the consolidated group subsidiaries thereof (each, a "**CRR Investor**") from investing in or being exposed to a 'securitisation' (as defined in the CRR) unless the originator, sponsor or original lender in respect of that securitisation has explicitly disclosed to the CRR Investor that it will retain, on an ongoing basis, a net economic interest of at least 5 per cent in that securitisation in the manner contemplated by the CRR.

Article 406 of the CRR also requires that a CRR Investor be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, the notes it has acquired and the underlying exposures, and that procedures have been established for monitoring the performance of the underlying exposures on an on-going basis. Failure to comply with one or more of the requirements set out in CRR Articles 405 and 406 may result in the imposition of a penal capital charge with respect to the investment made in the securitisation by the relevant CRR Investor.

Investors should also be aware of Article 17 of the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) as supplemented by Section 5 of Chapter III of the Commission Delegated Regulation (EU) No 231/2013 ("**AIFMD**"), and Article 135(2) of the European Union Solvency II Directive 2009/138/EC, as supplemented by Articles 254-257 of Commission Delegated Regulation (EU) No 2015/35 ("**Solvency II**"), which introduce risk retention and due diligence requirements similar to those set out in Articles 404-410 of the CRR and apply, respectively, to EEA regulated alternative investment fund managers and EEA regulated insurance/reinsurance undertakings (together with those requirements under the CRR, the "**Existing Retention Rules**"). While such requirements are similar to those that apply under the CRR, they are not identical and, in particular, additional due diligence obligations apply to investors under the AIFMD and Solvency II. Similar requirements are also scheduled to apply in the future to investment in securitisations by undertakings for

collective investment in transferrable securities (UCITS) subject to regulation by national authorities of Member States of the European Economic Area.

On 17 January 2018, Regulation EU 2017/2402 laying down a general framework for securitisation and creating a framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012, and Regulation EU 2017/2401 containing related amendments to the CRR (collectively, the “**New Securitisation Regulations**”) entered into force in the European Union. The new retention rules under the New Securitisation Regulations (the “**New Retention Rules**”) will apply to securitisations in respect of which the relevant securities are issued on or after 1 January 2019. The aim of the New Securitisation Regulations is to create a harmonised securitisation framework within the European Union.

In addition to applying to any investor regulated by the current CRR, the risk retention and due diligence requirements in the New Retention Rules will also apply to EEA management companies and funds regulated pursuant to the Undertakings for Collective Investment in Transferable Securities Directive (Directive 2009/65/EC) (collectively “**UCITS**”) and to institutions for occupational retirement provision falling within the scope of Directive (EU) 2016/2341 and certain other entities appointed by such institutions (collectively, “**IORPS**”) which were subject to separate requirements under AIFMD and Solvency II.

Under the New Securitisation Regulations, some but not all of the Existing Retention Rules will continue to apply to securitisations in respect of which the relevant securities are issued before 1 January 2019 (“**Pre-2019 Securitisations**”). This means that both EEA management companies and funds regulated pursuant to UCITS and institutions for occupational retirement provision as defined in the IORPS may be subject to additional requirements under the Existing Retention Rules which apply to them specifically if the relevant securities are Pre-2019 Securitisations.

There are material differences between the New Retention Rules and the Existing Retention Rules. Although the primary legislative process has reached its end, it is expected that there will be secondary legislation and guidance notes in regards to the interpretation of the New Retention Rules and the changes from the Existing Retention Rules. In particular, the timing for the adoption of the new risk retention regulatory technical standards under the New Retention Rules is uncertain. Until such new regulatory technical standards are adopted, securitisations in respect of which the relevant securities are issued on or after 1 January 2019 and which are within scope of the Existing Retention Rules will be required to comply with the existing regulatory technical standards. If, following the application of the New Securitisation Regulations, Firstmac would like to sell any Notes to European investors subject to the Retention Rules at the time, then amendments may be required to be made to the Transaction Documents and Firstmac Limited will be responsible for the costs of such amendments.

In this Information Memorandum, the Existing Retention Rules together with the New Retention Rules are referred to as the “**Retention Rules**” (which, in each case, do not take into account any relevant national measures) and any investor subject to Retention Rules is referred to as an “**Affected Investor**”.

On the Closing Date and thereafter for so long as any Notes remain outstanding, Firstmac Limited will, as an “originator” for the purposes of Article 405(1) of the CRR, retain a material net economic interest of not less than 5% in this securitisation transaction in accordance with the text of Article 405(1) of the CRR (in each case as in effect on the Closing Date) (the “**EU Retention**”). As at the Closing Date, the EU Retention will be in the form of retention of the first loss tranche and other tranches having the same or a more severe risk profile than those transferred or sold to investors equal to not less than 5% of the nominal value of the securitised exposures as provided for in option (d) of paragraph 405(1) of the CRR, and will be comprised by Firstmac Limited holding 100% of the shares in the Retention Vehicle, which will hold all of the Class F Notes, the Class E Notes, the Class D Notes, the Class C Notes and the Class B Notes in an amount equal to not less than 5% of the Outstanding Amount of the Housing Loans (“**Retention Notes**”).

Firstmac Limited will undertake (in each case with reference to the Existing Retention Rules as in effect on the Closing Date):

- (a) to retain the EU Retention on an ongoing basis;
- (b) not to change the manner or form in which it retains the EU Retention, except as permitted by the Existing Retention Rules;
- (c) not to dispose of, assign, transfer, or create or cause to exist any lien over, its 100% interest in the Retention Vehicle, except as permitted by the Existing Retention Rules;
- (d) not to utilise or enter into any credit risk mitigation techniques, any short positions or any other hedge against the credit risk of its interest in the Retention Vehicle, except as permitted by the Existing Retention Rules;
- (e) to confirm or cause to be confirmed the status of its compliance with paragraphs (a), (b), (c) and (d) above (in each periodic report provided to Noteholders); and
- (f) to comply with the disclosure obligations described in Article 409 of the CRR.

The Retention Vehicle will undertake (in each case with reference to the Existing Retention Rules as in effect on the Closing Date):

- (a) that it will continue to hold, on an ongoing basis, the Retention Notes unless otherwise instructed by Firstmac Limited in accordance with the Existing Retention Rules;
- (b) except to the extent permitted by or provided for in the Transaction Documents, not to carry on any other trade or business or any activities or hold shares in any company or hold any other assets other than the Retention Notes and any Permitted Retention;
- (c) not to take any action which would reduce Firstmac Limited's exposure to the economic risk of the Retention Notes in such a way that Firstmac Limited would cease to hold the EU Retention, including (without limitation) not utilise or enter into any credit risk mitigation techniques, any short positions or any other hedge against the credit risk of the Retention Notes, except as permitted by the Existing Retention Rules; and
- (d) not to issue any further shares in addition to those that are in issue to Firstmac Limited as at the Closing Date.

Prospective investors should make their own independent investigation and seek their own independent advice (i) as to the requirements of the Retention Rules (and any implementing rules in relation to a relevant jurisdiction); (ii) as to whether Firstmac Limited's exposure to the Retention Vehicle and its holding of the Retention Notes satisfies the Retention Rules; and (iii) as to the sufficiency of the information described in this Information Memorandum, and which may otherwise be made available to investors, for the purposes of complying with the Retention Rules. None of Firstmac Limited, the Retention Vehicle, the Co-Arrangers, the Joint Lead Managers or any other party to the Transaction Documents (i) makes any representation that the EU Retention commitment and the information described in this Information Memorandum, or any other information which may be made available to investors, are sufficient in all circumstances for such purposes, (ii) has any liability to any prospective investor or any other person for any insufficiency of such information or any failure of the transactions contemplated in this Information Memorandum to comply with or otherwise satisfy the requirements of the Retention Rules or any other applicable legal, regulatory or other requirements, or (iii) has any obligation to provide any further information or take any other steps that may be required by an Affected Investor to enable compliance by the Affected Investor with the requirements of the Retention Rules or any other applicable legal, regulatory or other requirements.

Prospective investors are themselves responsible for monitoring and assessing changes to the Retention Rules and their regulatory capital requirements. Each Affected Investor should

consult with their own legal and regulatory advisors to determine whether, and to what extent, the information described is sufficient for compliance by that Affected Investor with any applicable Retention Rules. In the event that a regulator determines that the transaction did not comply or is no longer in compliance with the Retention Rules or the Affected Investor has insufficient information to satisfy its due diligence and/or ongoing monitoring requirements under the Retention Rules, then an Affected Investor may be required by its regulator to set aside additional capital against its investment in the Notes or take other remedial measures in respect of its investment in the Notes.

There can be no assurance that the regulatory capital treatment of the Notes for any investor will not be affected by any future implementation of, and changes to, the Retention Rules or other regulatory or accounting changes.

4.41 U.S. Risk Retention

The U.S. Risk Retention Rules came into effect on 24 December 2016 with respect to transactions such as this offering and generally require the “securitizer” of a “securitization transaction” to retain at least 5 per cent. of the “credit risk” of “securitized assets”, as such terms are defined for purposes of the U.S. Risk Retention Rules, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

Neither Firstmac Limited nor any other Firstmac Entity undertakes to retain at least 5 per cent. of the credit risk of Firstmac for the purposes of the U.S. Risk Retention Rules. It is intended that the Firstmac Entities will rely on an exemption provided for in the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitization transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Information Memorandum as “**Risk Retention U.S. Persons**”); (3) neither the sponsor nor the issuer of the securitization transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Notes may not be purchased by U.S. persons unless such limitation is waived by Firstmac. Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S.

The Notes may not be purchased by, and will not be sold to any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from Firstmac. Each holder of a Note or a beneficial interest therein acquired in the initial syndication of the Notes, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to Firstmac, the Originator, the Manager, each Firstmac Entity and the Joint Lead Managers that it (1) either (a) is not a Risk Retention U.S. Person or (b) has received a waiver with respect to the U.S. Risk Retention rules from Firstmac, (2) is acquiring such Note for its own account and not with a view to distribution of such Note, and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in the U.S. Risk Retention Rules described above. Neither Firstmac nor any Firstmac Entity is obliged to provide any waiver in respect of the U.S. Risk Retention rules.

Firstmac, the Originator, the Manager and the Joint Lead Managers have agreed that none of the Firstmac, the Originator, the Manager or the Joint Lead Managers or any person who controls any of them or any director, officer, employee, agent or Affiliate of the Firstmac, the

Originator, the Manager or the Joint Lead Managers shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in the U.S. Risk Retention Rules, and none of the Firstmac, the Originator, the Manager, the Joint Lead Managers or any person who controls any of them or any director, officer, employee, agent or Affiliate of any of the Firstmac, the Originator, the Manager or the Joint Lead Managers accepts any liability or responsibility whatsoever for any such determination, it being understood by the Firstmac, the Originator, the Manager and the Joint Lead Managers that the characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in the U.S. Risk Retention Rules shall be made on the basis of certain representations that are deemed to be made by each prospective investor.

There can be no assurance that the exemption provided for in the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. In particular, investment by Risk Retention U.S. Persons may not be limited to no more than 10 per cent. This may result from misidentification of Risk Retention U.S. Person investors as non-Risk Retention U.S. Person investors, or may result from market movements or other matters that affect the calculation of the 10 per cent. value on the Closing Date.

Failure to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action which may adversely affect the Notes. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by a transaction to comply with the U.S. Risk Retention Rules could negatively affect the market value and secondary market liquidity of the Notes.

In addition, after the Closing Date, the U.S. Risk Retention Rules may have adverse effects on Firstmac and/or the holders of the Notes. Unless the exemption provided for in the U.S. Risk Retention Rules regarding non-U.S. transactions or another exemption is available, the U.S. Risk Retention Rules would apply to a refinancing of the Notes or in connection with material amendments to the terms of the Notes.

4.42 Foreign Account Tax Compliance

The Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 ("**FATCA**") establish a new due diligence, reporting and withholding regime. FATCA aims to detect U.S. taxpayers who use accounts with "foreign financial institutions" ("**FFIs**") to conceal income and assets from the U.S. Internal Revenue Service ("**IRS**").

Under FATCA, a 30% withholding may be imposed (i) in respect of certain payments of U.S. source income, (ii) from 1 January 2019 in respect of gross proceeds from the sale or disposition of property that produce interest or dividends which are U.S. source income and (iii) from 1 January 2019, at the earliest, in respect of "foreign passthru payments" (a term which is not yet defined under FATCA), which are, in each case, paid to or in respect of entities (which may include the Trust or Firstmac) that fail to meet certain certification or reporting requirements ("**FATCA withholding**").

A FATCA withholding may be required if (i) an investor does not provide information sufficient for the Trust, Firstmac or any other financial institution through which payments on the Notes are made to determine whether the investor is subject to FATCA withholding or (ii) an FFI to or through which payments on the Notes are made is a "non-participating FFI".

FATCA withholding is not expected to apply if the Notes are treated as debt for U.S. federal income tax purposes and the payment is made under a grandfathered obligation, generally being any obligation issued on or before the date that is six months after the date on which final regulations defining the term "foreign passthru payment" are filed with the U.S. Federal Register.

Australia and the United States signed an intergovernmental agreement ("**Australian IGA**") in respect of FATCA on 28 April 2014. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the Australian IGA ("**Australian IGA Legislation**").

Australian financial institutions which are Reporting Australian Financial Institutions under the Australian IGA must comply with specific due diligence procedures to identify their account holders (e.g. the Noteholders) and provide the Australian Taxation Office (“ATO”) with information on financial accounts (for example, the Notes) held by U.S. persons and recalcitrant account holders and on payments made to non-participating FFIs. The ATO is required to provide such information to the IRS. Consequently, Noteholders may be requested to provide certain information and certifications to the Trust, Firstmac and to any other financial institutions through which payments on the Notes are made in order for the Trust, Firstmac and such financial institutions to comply with their FATCA obligations.

A Reporting Australian Financial Institution (which may include the Trust) that complies with its obligations under the Australian IGA will not generally be subject to FATCA withholding on amounts it receives, and will not generally be required to deduct FATCA withholding from payments it makes with respect to the Notes, other than in certain prescribed circumstances.

In the event that any amount is required to be withheld or deducted from a payment on the Notes as a result of FATCA, no additional amounts will be paid by Firstmac as a result of the deduction or withholding. Firstmac (at the direction of the Manager) may determine that the Trust should or must comply with certain obligations as a result of the Australian IGA. As such, Noteholders will be required to provide any information or tax documentation that Firstmac (at the direction of the Manager) determines are necessary to comply with FATCA, the Australian IGA or the Australian IGA Legislation. Firstmac’s ability to satisfy such obligations will depend on each Noteholder providing, or causing to be provided, any information and tax documentation, including information concerning the direct or indirect owners of such Noteholder, that Firstmac (at the direction of the Manager) determines are necessary to satisfy such obligations.

FATCA is particularly complex legislation.

Investors should consult their own tax advisers to determine how FATCA and the Australian IGA may apply to them under the Notes.

4.43 Common Reporting Standard

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (“CRS”) will require certain financial institutions to report information regarding certain accounts (which may include the Notes) to their local tax authority and follow related due diligence procedures. Noteholders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed the CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS. The CRS applies to Australian financial institutions with effect from 1 July 2017.

4.44 The proposed financial transactions tax (“FTT”)

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (however Estonia has stated that it will not participate). At this stage, it is too early to say whether the FTT proposals will be adopted and in what form. However, if the FTT is adopted based on the current proposals, then it may operate in a manner giving rise to tax liabilities for Firstmac with respect to certain transactions (including concluding swap transactions and/or purchases or sales of securities (such as authorised investments)). Any such liabilities may reduce amounts available to Firstmac to meet its obligations under the Notes and may result in investors receiving less interest or principal than expected. Prospective holders of the Notes are advised to seek their own professional advice in relation to FTT.

4.45 Basel Capital Accord

The Basel Committee on Banking Supervision (the “Basel Committee”) has approved significant changes to the Basel II framework (such changes being commonly referred to as “Basel III”). In particular, Basel III provides for a substantial strengthening of prudential rules,

including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio “backstop” for financial institutions and certain minimum liquidity standards (referred to as the Liquidity Coverage Ratio and the Net Stable Funding Ratio). It is intended that member countries will implement the new capital standards and the new Liquidity Coverage Ratio as soon as possible (with provision for phased implementation, meaning that the measure will not apply in full until January 2019) and the Net Stable Funding Ratio from January 2018. Implementation of Basel III requires national legislation and therefore the final rules and the timetable for their implementation in each jurisdiction may be subject to some level of national variation. The Basel Committee has also published a consultative document setting out certain proposed revisions to the securitisation framework, including proposed new hierarchies of approaches to calculating risk weights and a new risk weight floor of 15%. The European Commission intends the Liquidity Coverage Ratio to apply to EU regulated credit institutions from 1 October 2015 (with a progressive rate of application rising from 60% of the ratio to reach 100% from 1 January 2018) and for the Net Stable Funding Ratio to become a minimum standard from 1 January 2018.

In Australia, Australian Prudential Regulation Authority (“**APRA**”) has implemented prudential standards, practice guides and reporting requirements to give effect to these reforms. On 10 November 2016, APRA released the revised Australian Prudential Standard 120 (“**APS 120**”), which seeks to adopt certain elements of the Basel III framework, along with a draft revised Australian Prudential Practice Guide 120 (“**APG 120**”). The revised APS 120 and revised APG 120 took effect from 1 January 2018.

Implementation of the Basel framework, the revised APS 120, the revised APG 120 and any changes as described above may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework, APS 120 or APG 120 and, as a result, they may affect the liquidity and/or value of the Notes.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences for and effect on them of any changes to the Basel framework, APS 120 or APG 120 (including the changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

4.46 Economic conditions in the Eurozone

Concerns relating to credit risk (including that of sovereigns and of those entities which have exposure to sovereigns) have recently intensified. In particular, concerns have been raised with respect to current economic, monetary and political conditions in the Eurozone. If such concerns persist and/or such conditions further deteriorate (including as may be demonstrated by any relevant credit rating agency action, any default or restructuring of indebtedness by one or more states or institutions and/or any changes to, including any break up of, the Eurozone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect Firstmac, one or more of the other parties to the Transaction Documents (including the Seller, the Servicer and/or the Interest Rate Swap Provider) and/or any Debtors in respect of the Housing Loans. Given the current uncertainty and the range of possible outcomes, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the rights of the Holders of the Notes, the market value of the Notes and/or the ability of Firstmac to satisfy its obligations under the Notes.

4.47 CRA Regulations

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non EU

rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

The Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes and the Class A2 Notes are expected, on issue, to be assigned a “AAA(sf)” rating by Standard & Poor’s. The Class A1-U Notes, the Class A1-A Notes and the Class A1-B Notes are expected, on issue, to be assigned a “AAAsf” rating by Fitch. The Class B Notes are expected, on issue, to be assigned an “AA(sf)” rating by Standard & Poor’s. The Class C Notes are expected, on issue, to be assigned a “A(sf)” rating by Standard & Poor’s. The Class D Notes are expected, on issue, to be assigned a “BBB(sf)” rating by Standard & Poor’s. The Class E Notes are expected, on issue, to be assigned a “BB(sf)” rating by Standard & Poor’s. The Class F Notes will not be rated. Each of Standard & Poor’s and Fitch is not established in the European Union and has not applied for registration under the CRA Regulation. The ratings have been endorsed by Standard & Poor’s Credit Market Services Europe Limited and Fitch Ratings Ltd, respectively, in accordance with the CRA Regulation. Each of Standard & Poor’s Credit Market Services Europe Limited and Fitch Ratings Ltd is established in the European Union and registered under the CRA Regulation. As such Standard & Poor’s Credit Market Services Europe Limited and Fitch Ratings Ltd are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation. The European Securities Markets Authority has indicated that ratings issued in Australia which have been endorsed by Standard & Poor’s Credit Market Services Europe Limited and Fitch Ratings Ltd may be used in the EU by the relevant market participants.

4.48 Ipsa facto moratorium

On 28 March 2017, the federal government in Australia released draft legislation proposing reforms to Australian insolvency laws, including the introduction of an “ipso facto” moratorium. On 18 September 2017, the draft legislation received royal assent. The legislation proposes that a right under a contract (such as a right to terminate or to accelerate payments) will not be enforceable, for a certain period of time, if the reason for enforcement is the occurrence of certain insolvency events or the company’s financial position. Such stay on enforcing rights is expressed to be subject to specific exclusions including a right contained in a kind of contract, agreement or arrangement prescribed by regulations.

The federal government has released an explanatory document which notes that the government proposes to make regulations setting out the types of contracts and contractual rights which will be excluded from the general stay on the operation of ipso facto clauses. The government has sought feedback on the appropriateness of the proposed exclusions, which are expressed to include securitisation arrangements involving special purpose vehicles.

However, until the regulations have been released, the scope of the proposed “ipso facto” moratorium and exclusions remains uncertain.

4.49 Certain Investment Company Act Considerations

The Trust is not registered or required to be registered as an “investment company” under the Investment Company Act of 1940, as amended (the “Investment Company Act”). In determining that the Trust is not required to be registered as an investment company, the Trust does not rely on the exemption from the definition of “investment company” set forth in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act. As of the Closing Date, the Trust is intended to be structured so as not to constitute a “covered fund” for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (such statutory provision together with such implementing regulations commonly referred to as the “Volcker Rule”).

4.50 Firstmac may be subject to various conflicts of interest involving the Joint Lead Managers and their affiliates

The Joint Lead Managers will be paid fees and commissions by Firstmac from the proceeds of the issuance of the Notes. A Joint Lead Manager or its affiliates (**JLM Holder**) may retain a substantial portion of certain classes of Notes after the Closing Date. The JLM Holder will not be required to retain any Notes acquired by it and the JLM Holder may realise a gain in the secondary market by selling Notes purchased by it. The JLM Holder may exercise voting rights in respect of the Notes it holds in a manner which may be prejudicial to other

Noteholders. The JLM Holder will have no responsibility for, or obligation in respect of, Firstmac and will have no obligation to own Notes on or after the Closing Date, or to retain Notes for any length of time.

4.51 Conflicts between the Co-Arrangers, the Joint Lead Managers, the Currency Swap Provider, the Interest Rate Swap Provider, the Scheduled Amortisation Facility Provider and their affiliates, on one hand, and Firstmac, on the other hand

In addition, affiliates of the Co-Arrangers, each Joint Lead Manager, the Currency Swap Provider, the Interest Rate Swap Provider and the Scheduled Amortisation Facility Provider may acquire certain Classes of Notes, and therefore may become a Voting Secured Creditor and a Noteholder of the most senior Class of Notes.

5 Credit Support and Liquidity Support

5.1 Introduction

The Cashflow Allocation Methodology has been structured to provide certain protections for each category of Holder as set out below. The following protections are in place:

- (a) the Borrower Rates are required to be set at pre-determined levels in order to provide excess income that is intended to protect all Holders;
- (b) subordination of certain Classes of Notes to the FastPay Notes, Class A1-U Notes, the Class A1-A Notes, Class A1-B Notes and Class A1-BR Notes (if any) - this is intended to provide a certain degree of protection to the Holders of the senior Class of Notes;
- (c) the Principal Draws, Extraordinary Expense and Liquid Authorised Investments are available in order to ensure the timely payment of interest to the Holders; and
- (d) certain of the Housing Loans will have the benefit of an Insurance Policy (other than a Mortgage Insurance Policy).

Credit Support

5.2 Insurance Policies

None of the Housing Loans in the indicative pool which are to become Assets of the Series will be covered by a Mortgage Insurance Policy.

5.3 Excess available income

Under the Supplementary Terms Notice, additional credit protection to Holders against any potential losses is provided by the allocation of the excess income. The excess income is generated for a Payment Date to the extent the Receivables generate more income than is required to meet the payments to be made in respect of the Series. Income will be allocated in accordance with the Cashflow Allocation Methodology set out in section 10 (*"Cashflow Allocation Methodology"*) in the order set out in section 10.14 (*"Distribution of Total Interest Collections"*).

5.4 Subordination and Allocation of Losses

Principal

The order of repayment of principal of the Notes on a Payment Date will depend on whether the Pro Rata Test is satisfied and whether the Payment Date is prior to or on or after the first Call Date. The Pro Rata Test will not be satisfied prior to the third anniversary of the initial Issue Date.

Prior to an Enforcement Event, the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes and the FastPay Notes (if any) will receive principal payments in an order and manner between themselves as more particularly described in section 10.19 (*"Distribution of Principal Repayment Fund"*), however it is noted that:

- (a) principal payments will only be made in respect of the Class A1-U Notes on a Payment Date occurring prior to the first Call Date (to the extent funds are available to be applied for that purpose) up to a maximum amount equal to the US\$ Class A1-U Note Scheduled Amortisation Amount for that Payment Date; and
- (b) the Class A1-B Notes will not be entitled to payments of principal on a Payment Date which is prior to the first Call Date and where Class A1-U Notes are outstanding on the Determination Date immediately prior to that Payment Date.

Prior to an Enforcement Event, unless the Pro Rata Test is satisfied with respect to a Payment Date:

- (c) the Class A2 Notes (other than where that Payment Date is prior to the first Call Date and Class A1-U Notes remain outstanding on the Determination Date immediately prior to that Payment Date), Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes will always be subordinated to the Class A1-U Notes, FastPay Notes (if any), Class A1-A Notes, Class A1-B Notes and Class A1-BR Notes (if any) in their right to receive principal payments;
- (d) the Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes will always be subordinated to the Class A1-U Notes, FastPay Notes (if any), Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any) and Class A2 Notes in their right to receive principal payments;
- (e) Class C Notes, Class D Notes, Class E Notes and Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) the Class A2 Notes and Class B Notes in their right to receive principal payments;
- (f) Class D Notes, Class E Notes and Class F Notes will always be subordinated to the Class A1-U Notes, FastPay Notes (if any), Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any), Class A2 Notes, Class B Notes and Class C Notes in their right to receive principal payments; and
- (g) Class E Notes and Class F Notes will always be subordinated to the Class A1-U Notes, FastPay Notes (if any), Class A1-A Notes, Class A1-B Notes, Class A1-BR Notes (if any), Class A2 Notes, Class B Notes, Class C Notes and Class D Notes in their right to receive principal payments.

No amounts of principal will be paid to any Holder of Class F Notes while any other Notes are outstanding, regardless of whether the Pro Rata Test has been satisfied.

Interest

The Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any) will be entitled to receive interest payments on a pari passu and rateable basis between themselves.

The Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) in their right to receive interest payments.

The Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the Class A2 Notes in their right to receive interest payments

The Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes and the Class B Notes in their right to receive interest payments.

The Class D Notes, the Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR (if any), the Class A2 Notes, the Class B Notes and the Class C Notes in their right to receive interest payments.

The Class E Notes and the Class F Notes will always be subordinated to the Class A1-U Notes, the FastPay Notes (if any), the Class A1-A Notes, the Class A1-B Notes, the Class A1-

BR (if any), the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes in their right to receive interest payments.

The Class F Notes will always be subordinated to all other Notes in their right to receive interest payments. See section 10.14 (*"Distribution of Total Interest Collections"*).

Allocation of Liquidation Losses

The Class F Notes will bear all losses on the Housing Loans before the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any), the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

The Class E Notes will bear all losses on the Housing Loans before the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any), the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes.

The Class D Notes will bear all losses on the Housing Loans before the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any), the Class A2 Notes, the Class B Notes and the Class C Notes.

The Class C Notes will bear all losses on the Housing Loans before the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any), the Class A2 Notes, and the Class B Notes.

The Class B Notes will bear all losses on the Housing Loans before the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any) and the Class A2 Notes.

The Class A2 Notes will bear all losses on the Housing Loans before the Class A1-U Notes the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any).

Any losses allocated to the outstanding Class A1-U Notes the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any) and the FastPay Notes (if any) will be allocated pro rata among the outstanding Class A1-U Notes (based on the Stated Amount of such Class A1-U Notes) the Class A1-A Notes (based on the A\$ Equivalent of the Stated Amount of such Class A1-U Notes), the Class A1-B Notes (based on the Stated Amount of such Class A1-B Notes), the Class A1-BR Notes (if any) (based on the Stated Amount of such Class A1-BR Notes) and the FastPay Notes (if any) (based on the Stated Amount of such FastPay Notes).

Liquidity Support

5.5 Liquid Authorised Investments

Firstmac must ensure that it holds and maintains for the Series an amount of Liquid Authorised Investments equal to the Required Liquid Authorised Investment Amount at all times. The purchase of Liquid Authorised Investments up to the Required Liquid Authorised Investment Amount will initially be funded by the proceeds of the issuance of the Notes.

If the Manager determines, on any Determination Date, that there is a Liquidity Shortfall then the Manager will advise Firstmac of that insufficiency and must direct Firstmac to realise an amount of the Liquid Authorised Investments equal to the lesser of the Liquidity Shortfall and the amount of Liquid Authorised Investments and apply it as part of Total Interest Collections for that Collection Period.

If the Manager determines, on any Determination Date, that the amount of Liquid Authorised Investments exceeds the Required Liquid Authorised Investment Amount on that Determination Date (taking into account all payments to be made on the immediately following Payment Date), then the Manager must direct Firstmac to realise an amount of the Liquid

Authorised Investments equivalent to that excess and allocate that amount to the Principal Repayment Fund for distribution as part of the Principal Repayment Fund.

On the Closing Date, Firstmac may, at the direction of the Manager, utilise a portion of Liquid Authorised Investments to fund the purchase price of Receivables insofar as the funding relates to accrued interest, holding period interest or other expenses on the Receivables. Any such realisation of an amount of Liquid Authorised Investments will be subsequently reimbursed out of Total Interest Collections in accordance with section 10.14 (*"Distribution of Total Interest Collections"*).

Amounts of Liquid Authorised Investments will only be realised:

- (a) on each Payment Date for the purposes of meeting any Liquidity Shortfall;
- (b) on the Payment Date on which all Notes are to be redeemed in full, by realising the remaining Liquid Authorised Investments and applying that amount (taking into account all payments to be made on the immediately following Payment Date) and applying that amount to the Principal Repayment Fund for distribution in accordance with section 10.19 (*"Distribution of Principal Repayment Fund"*); or
- (c) following the occurrence of an Enforcement Event, by realising the remaining Liquid Authorised Investments and applying that amount in accordance with section 10.21 (*"Application of proceeds following an Enforcement Event"*).

5.6 Principal Draw

On each Determination Date, the Manager must apply the available amount of Principal Collections calculated in accordance with section 10.6 (*"Calculation of Principal Collections"*) held by Firstmac to cover:

- (a) the estimated Accrual Amount for the period commencing on (but excluding) the last day of the preceding Collection Period to (but excluding) the following Payment Date; and
- (b) any Payment Shortfall calculated on that Determination Date.

5.7 Extraordinary Expense Draws

Firstmac will establish and maintain in the name of Firstmac a bank account with an Eligible Bank known as the "Firstmac Mortgage Funding Trust No.4 Series 1-2018 Extraordinary Expense Reserve" (the "**Extraordinary Expense Reserve**"). On the Issue Date, the Residual Income Unitholder will make a deposit of A\$250,000 (the "**Required Extraordinary Expense Reserve Balance**") from its own funds into the Extraordinary Expense Reserve. Amounts may also be deposited into the Extraordinary Expense Reserve in accordance with section 10.14 (*"Distribution of Total Interest Collections"*). Extraordinary Expense Draws will only be able to be made to the extent that there are sufficient funds in the Extraordinary Expense Reserve to meet that Extraordinary Expense Draw.

If the Manager determines, on any Determination Date, that there is an Extraordinary Expense, the Manager must direct Firstmac to withdraw from the Extraordinary Expense Reserve an amount equal to the lesser of:

- (a) the amount of the Extraordinary Expense on that day; and
- (b) the balance of the Extraordinary Expense Reserve on that day,

and apply that amount to Total Interest Collections for that Collection Period for payment on the next Payment Date.

5.8 Threshold Rate

The "**Threshold Rate**" means the Threshold Margin plus the minimum rates required to be set on the Receivables (excluding any Defaulted Receivables) which will ensure that Firstmac has

sufficient funds (from Collections on such Receivables as well as any net amounts due to it under Derivative Contracts) available to meet the Threshold Amount, under the Transaction Documents assuming that all parties comply with their obligations under such documents and such Receivables, and taking into account Receivables where the Servicer does not have the discretion under the related Loan Agreement to vary the interest rate of that Receivable, moneys held in Authorised Investments and other income earned on the Deposit Account and Deposit Authorised Investments.

6 The Housing Loans

6.1 Origination of Housing Loans

The origination of the Housing Loans is described in section 11.12 (*"Purchase and Origination of Housing Loans"*).

6.2 Servicing of Receivables

The servicing of the Housing Loans is described in section 13.2 (*"Housing Loan Servicing"*).

6.3 Redesignation of Housing Loans

The Seller may hold the beneficial interest in Eligible Receivables as a result of purchasing that beneficial interest from the relevant Originator or from holding the beneficial interest in Housing Loans which were originated in the name of a FirstSub for the benefit of Firstmac. Pursuant to the terms of the Master Trust Deed, the Seller may dispose of Eligible Receivables. This process is known as Redesignation. Where the Seller transfers Eligible Receivables to Firstmac, the beneficial interest in the Eligible Receivables is equitably assigned from the Seller.

Each relevant FirstSub has granted an irrevocable power of attorney to Firstmac to enable it to take such actions permitted under the Transaction Documents to protect its interest in the Eligible Receivables.

6.4 Valuations

The value of the security properties securing the Housing Loans is in all instances confirmed by way of a valuation. The method of valuation that may be used on an individual loan basis is described in section 13.1 (*"Housing Loan Origination"*).

There has been no specific revaluation of the properties for the purpose of the issue. The LVRs quoted in section 6.6 (*"Indicative Pool Statistics (Based on pool as at 30 October 2017)"*) are as at the date of the original initial mortgage loan origination or as at the date of any approved additional loan advance.

6.5 Housing Loans

Loan Characteristics and Servicing

The Housing Loans are loans secured by first registered mortgages over residential real estate. Firstmac does permit direct crediting and salary crediting, however, scheduled payments are made predominantly by direct debit and are paid directly to Indue Limited (formerly Creditlink Services Ltd) (ABN 97 087 822 464) (an Authorised Deposit-taking Institution under the supervision of the Australian Prudential Regulation Authority) for the account of Firstmac, before being transferred to the Collection Account.

On each Payment Date, the Servicer will, where possible, reset the interest rate on the Housing Loans so that the weighted average interest rate on all Housing Loans (excluding any Defaulted Receivables) equals or exceeds the Threshold Rate.

The Housing Loans are prepayable in full or in part at any time. Fees include various administration fees, default interest and Borrower Exit Fees for the prepayment of loans within the first 6 years. These are also Assets of the Series.

Loan Types

The Housing Loans comprise a number of different loan types with differing features, but the loans may be categorised generally as either principal and interest loans or interest only loans converting to principal and interest after an initial interest only period. The interest only period may be for terms of between 1-5 years or ten years. Line of credit loans have an interest only term of ten years, however, the credit limit may be reduced at any time at the discretion of the lender and the facility is repayable on demand.

The Housing Loans may be subject to either a variable rate of interest or a fixed rate of interest for terms of between 1-5 years. With the exception of line of credit loans, all Housing Loans include an option to fix subject to the lender's consent. Upon expiry of any fixed interest rate period the interest rate will convert to a variable interest rate, however, the borrower has the option to fix the interest rate for a further term if desired.

Fixed Rate Loans

The Servicer has undertaken to ensure that after the Issue Date, the Outstanding Amount of Housing Loans with a fixed rate will not exceed 12% (or such other percentage in respect of which a Rating Notification has been given) of the Outstanding Amount of Housing Loans in respect of the Series at the time a fixed rate loan is being entered into.

The Manager has agreed to ensure that:

- (a) any Housing Loans which as at the initial Issue Date are fixed rate loans, or were not fixed rate loans but which subsequently become fixed rate loans, are the subject of an Interest Rate Swap Agreement which ensures that:
 - (i) Firstmac's obligations under the Interest Rate Swap Agreement are to pay an amount calculated by multiplying the appropriate notional amount under the Interest Rate Swap Agreement by the weighted average interest rate on all such fixed rate Housing Loans; and
 - (ii) the interest rate on such Housing Loans (taking into account the relevant Interest Rate Swap Agreement) is at least equal to the one month Bank Bill Rate plus 2.50% per annum; and
- (b) no further Housing Loans convert to fixed rate loans:
 - (i) after the first Call Date; or
 - (ii) if the hedging arrangements referred to in paragraph (a) have not been effected when required by that paragraph.

Insurance

None of the Housing Loans in the indicative pool which are to become Assets of the Series will be covered by a Mortgage Insurance Policy.

Regulation

Housing Loans are subject to regulation under the Consumer Credit Code unless the loan purpose is predominantly for investment purposes in which case the Consumer Credit Code does not apply.

Documentation

All Housing Loans were originated using standard Consumer Credit Code compliant loan documentation prepared for use in each relevant jurisdiction.

Governing law

Each Housing Loan will be governed by the laws of a State or Territory of Australia.

6.6 Indicative Pool Statistics (Based on pool as at 30 October 2017)

The information in the following tables sets out in summary format various details relating to the indicative pool of Housing Loans ("**Indicative Pool**") produced on the basis of the information as at 30 October 2017.

The statistical information provided in the following tables may not reflect the actual pool of Housing Loans to be acquired by Firstmac on the Closing Date because Housing Loans in the Indicative Pool may be substituted with other eligible Housing Loans or additional eligible Housing Loans may be added. For example, a Housing Loan originally included in the Indicative Pool may be removed if it is repaid early or if it is determined that the Housing Loan does not comply with the Eligibility Criteria. Accordingly, the following details are provided for information purposes only.

LVR tables are presented on a consolidated basis. Other pool statistics (e.g. seasoning, repayment, occupancy) are presented on an individual loan basis given loan characteristics differ for different loans.

THE MORTGAGE POOL BY RATE TYPE

Rate Type	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
Floating	1,151	92.08%	542,889,468	91.40%
Fixed	99	7.92%	51,082,482	8.60%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY CONSTRUCTION FLAG

	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
Not Construction	1,250	100.00%	593,971,950	100.00%
Construction	0	0.00%	-	0.00%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY LMI PROVIDER

Mortgage Insurer	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
Genworth Financial Mortgage Insurance Pty Limited	0	0.00%	-	0.00%
QBE Lenders' Mortgage Insurance Limited	0	0.00%	-	0.00%
Uninsured	1,250	100.00%	593,971,950	100.00%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY LOAN SIZE DISTRIBUTION ALL LOANS (Individual Borrower Exposures)

Current Balance Ranges	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
0 - \$100k	30	2.40%	2,090,912	0.35%
\$100k - \$200k	112	8.96%	17,169,979	2.89%
\$200k - \$300k	219	17.52%	56,237,202	9.47%
\$300k - \$400k	244	19.52%	85,558,028	14.40%
\$400k - \$500k	165	13.20%	74,551,180	12.55%
\$500k - \$600k	151	12.08%	82,717,763	13.93%
\$600k - \$750k	160	12.80%	106,195,747	17.88%
\$750k - \$1000k	112	8.96%	97,305,032	16.38%
\$1000k +	57	4.56%	72,146,107	12.15%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY PROPERTY VALUE

	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
\$0k - \$300k	226	18.08%	104,853,518	17.65%
\$300k - \$500k	254	20.32%	68,645,297	11.56%
\$500k - \$1000k	538	43.04%	240,651,722	40.52%
\$1000k +	232	18.56%	179,821,413	30.27%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY CURRENT LVR - ALL LOANS

LVR Ranges	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
0 - 25%	79	6.32%	13,494,415	2.27%
25 - 30%	38	3.04%	12,412,724	2.09%
30 - 35%	50	4.00%	16,992,666	2.86%
35 - 40%	43	3.44%	16,390,229	2.76%
40 - 45%	65	5.20%	25,965,442	4.37%
45 - 50%	91	7.28%	41,124,060	6.92%
50 - 55%	83	6.64%	38,733,586	6.52%
55 - 60%	101	8.08%	54,032,090	9.10%
60 - 65%	126	10.08%	65,815,888	11.08%
65 - 70%	139	11.12%	74,091,595	12.47%
70 - 75%	122	9.76%	73,060,743	12.30%
75 - 80%	313	25.04%	161,858,512	27.25%
80 - 85%	0	0.00%	-	0.00%
85 - 90%	0	0.00%	-	0.00%
90 - 95%	0	0.00%	-	0.00%
95 - 97%	0	0.00%	-	0.00%
97% +	0	0.00%	-	0.00%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY APPROVAL LVR

LVR Ranges	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
0 - 25%	31	2.48%	4,046,515	0.68%
25 - 30%	16	1.28%	5,304,817	0.89%
30 - 35%	29	2.32%	9,456,621	1.59%
35 - 40%	36	2.88%	12,552,803	2.11%
40 - 45%	42	3.36%	15,217,273	2.56%
45 - 50%	74	5.92%	32,624,163	5.49%
50 - 55%	75	6.00%	30,808,092	5.19%
55 - 60%	91	7.28%	47,287,885	7.96%
60 - 65%	104	8.32%	48,626,281	8.19%
65 - 70%	148	11.84%	79,961,138	13.46%
70 - 75%	131	10.48%	70,174,901	11.81%
75 - 80%	456	36.48%	230,296,287	38.77%
80 - 85%	13	1.04%	6,044,700	1.02%
85 - 90%	2	0.16%	897,077	0.15%
90 - 95%	1	0.08%	424,307	0.07%
95 - 97%	0	0.00%	-	0.00%
97% +	1	0.08%	249,090	0.04%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY GEOGRAPHICAL DISTRIBUTION (1) - ALL LOANS

State	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
NSW	462	36.96%	248,284,523	41.80%
QLD	214	17.12%	80,393,403	13.53%
VIC	414	33.12%	198,238,488	33.38%
SA	46	3.68%	16,873,458	2.84%
WA	68	5.44%	30,975,474	5.21%
ACT	37	2.96%	17,219,162	2.90%
NT	1	0.08%	349,174	0.06%
TAS	8	0.64%	1,638,268	0.28%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY GEOGRAPHICAL DISTRIBUTION (2) - ALL LOANS

	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
Metro	1,005	80.40%	503,270,172	84.73%
Non Metro	236	18.88%	86,871,788	14.63%
Inner City	9	0.72%	3,829,990	0.64%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY PERIOD BEFORE AMORTISATION

PERIOD	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
Amortising (Fully P&I)	951	76.08%	443,152,959	74.61%
<= 5	299	23.92%	150,818,990	25.39%
<=10	0	0.00%	-	0.00%
<=30	0	0.00%	-	0.00%
Total	1,250	100.00%	593,971,949	100.00%

THE MORTGAGE POOL BY DOCUMENTATION

Documentation	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
Full	1,250	100.00%	593,971,950	100.00%
Low	0	0.00%	-	0.00%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY REPAYMENT METHOD - ALL LOANS

Repayment Method	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
Interest Only	299	23.92%	150,818,991	25.39%
Principal and Interest	951	76.08%	443,152,959	74.61%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY SECURITY USE

Security Use - Loan Balances	Number of Loans		Value of Loans	
	Number	% of Full-doc	\$ Value	% of Total
Owner Occupied	806	64.48%	400,632,890	67.45%
Non-Regulated/ Investment	444	35.52%	193,339,060	32.55%
Total	1,250	100.00%	593,971,950	100.00%

Security Use - Security Value	Owner Occupy		Investment	
	Number	% of Total	\$ Value	% of Total
Owner Occupy - Single Security	588,975,062	56.33%	n/a	n/a
Owner Occupy - Multiple Security	85,578,676	8.18%	72,745,213	6.96%
Investment Only	n/a	n/a	298,261,981	28.53%
Total	674,553,738	64.52%	371,007,194	35.48%

THE MORTGAGE POOL BY SEASONING DISTRIBUTION

Loan Seasoning	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
0 - 1 months	0	0.00%	-	0.00%
1 - 2 months	137	10.96%	71,568,404	12.05%
2 - 3 months	504	40.32%	226,119,404	38.07%
3 - 4 months	294	23.52%	133,276,029	22.44%
4 - 5 months	85	6.80%	54,881,543	9.24%
5 - 6 months	61	4.88%	29,872,191	5.03%
6 - 9 months	121	9.68%	52,442,727	8.83%
9 - 12 months	3	0.24%	2,198,140	0.37%
12 - 18 months	6	0.48%	3,801,759	0.64%
18 - 24 months	10	0.80%	5,828,876	0.98%
24 - 36 months	17	1.36%	8,354,675	1.41%
36 - 48 months	10	0.80%	4,621,483	0.78%
48 - 60 months	2	0.16%	1,006,719	0.17%
60 + months	0	0.00%	-	0.00%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY REMAINING LOAN TERM

Remaining Loan Term	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
0 - 5 years	0	0.00%	-	0.00%
5 - 10 years	0	0.00%	-	0.00%
10 - 15 years	11	0.88%	3,058,200	0.51%
15 - 20 years	27	2.16%	8,821,629	1.49%
20 - 25 years	72	5.76%	30,913,483	5.20%
25 - 30 years	1,140	91.20%	551,178,638	92.80%
30 + years	-	0.00%	-	0.00%
Total	1,250	100.00%	593,971,950	100.00%

THE MORTGAGE POOL BY ARREARS - LOAN BALANCES

Days in arrears	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
2 - 5 days	7	100.00%	4,104,365	0.69%
5 - 10 days	-	0.00%	-	0.00%
10 - 15 days	-	0.00%	-	0.00%
15 - 20 days	-	0.00%	-	0.00%
20 - 25 days	-	0.00%	-	0.00%
25 - 30 days	-	0.00%	-	0.00%
30 - 60 days	-	0.00%	-	0.00%
60 - 90 days	-	0.00%	-	0.00%
90 + days	-	0.00%	-	0.00%
Total	7	100.00%	4,104,365	0.69%

THE MORTGAGE POOL BY ARREARS - AMOUNT IN ARREARS

Days in arrears	Number of Loans		Value of Loans	
	Number	% of Total	\$ Arrears Amount	% of Total
2 - 5 days	7	0.56%	11,783	0.00%
5 - 10 days	-	0.00%	-	0.00%
10 - 15 days	-	0.00%	-	0.00%
15 - 20 days	-	0.00%	-	0.00%
20 - 25 days	-	0.00%	-	0.00%
25 - 30 days	-	0.00%	-	0.00%
30 - 60 days	-	0.00%	-	0.00%
60 - 90 days	-	0.00%	-	0.00%
90 + days	-	0.00%	-	0.00%
Total	7	0.56%	11,783	0.00%

THE MORTGAGE POOL BY PROPERTY TYPE

Property Type	Number of Loans		Value of Loans	
	Number	% of Total	\$ Value	% of Total
House	990	79.20%	488,843,623	82.30%
Unit	260	20.80%	105,128,327	17.70%
Vacant Land	0	0.00%	-	0.00%
Total	1,250	100.00%	593,971,950	100.00%

7 Terms and Conditions of the A\$ Notes

The following, subject to amendments in accordance with the Master Trust Deed, are the terms and conditions of the A\$ Notes, substantially as they will appear in Schedule 1 of the Note Deed Poll ("**A\$ Note Conditions**").

1 Interpretation

1.1 Incorporated definitions

A term which has a defined meaning in this Information Memorandum has the same meaning when used in the A\$ Note Conditions unless it is expressly defined in the A\$ Note Conditions, in which case the meaning in the A\$ Note Conditions prevails.

1.2 Definitions

A\$ Note means a Class A1-A Note, a Class A1-B Note, a Class A1-BR Note, a Class B Note, a Class C Note, a Class D Note, a Class E Note, a Class F Note and a FastPay Note (as the context requires).

A\$ Note Registrar means, in respect of the Series:

- (a) Firstmac; or
- (b) such other person appointed by Firstmac to maintain the A\$ Note Register for the Series.

Austraclear means Austraclear Limited (ABN 94 002 060 773).

Austraclear System means the system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between members of the system.

Bank Bill Rate or BBSW means, in respect of an Interest Period, the rate determined by the Manager and expressed as a percentage per annum:

- (a) appearing on the Reuters screen "BBSW" page (or any page which replaces that page) at or about 10.30am (or such other time as that rate is customarily published on the Reuters Screen page "BBSW") Sydney time on the first day of that Interest Period designated as the "AVG MID" (rounded to four decimal places, the number 5 being rounded upwards) for prime bank eligible securities having a tenor equal to that Interest Period; or
- (b) if a rate for that Interest Period cannot be determined in accordance with the procedures in paragraph (a), or if a rate is not available for the reason that no rate is quoted in respect of bank bills and certificates of deposit commencing on the first day of that Interest Period and having a tenor equal to that Interest Period, the rate specified in good faith by the Manager at or around that time on the first day of the Interest Period, having regard, to the extent possible, to comparable indices then available,

provided that BBSW for the first Interest Period will be the rate determined using straight line interpolation by reference to two rates where:

- (i) the first rate must be the Interbank Overnight Cash Rate on the first day of that Interest Period; and
- (ii) the second rate must be determined on the first day of that Interest Period in accordance with paragraph (a) or (if applicable) (b) above.

Calculation Agent means the Manager.

Class A1-A Margin means the percentage rate per annum determined on the Pricing Date and notified to Holders of the Class A1-A Notes and inscribed in the A\$ Note Register as the margin applicable to those Class A1-A Notes. If the Class A1-A Notes are not redeemed on the first Call Date, then with effect on and from that date, the Class A1-A Margin will increase by 0.25% per annum.

Class A1-B Margin means the percentage rate per annum determined on the Pricing Date and notified to Holders of the Class A1-B Notes and inscribed in the A\$ Note Register as the margin applicable to those Class A1-B Notes. The Class A1-B Margin will increase by 0.25% per annum on and from the first to occur of:

- (a) the Class A1-B Note Scheduled Maturity Date; and
- (b) the first Call Date.

Class A1-BR Margin means the percentage rate per annum determined on the Pricing Date and notified to Holders of the Class A1-BR Notes and inscribed in the A\$ Note Register as the margin applicable to those Class A1-BR Notes, provided that such margin is not greater than the Maximum Class A1-BR Margin. If the Class A1-BR Notes are not redeemed on the first Call Date, then with effect on and from that date, the Class A1-BR Margin will increase by 0.25% per annum.

Class A2 Margin means the percentage rate per annum determined on the Pricing Date and notified to Holders of the Class A2 Notes and inscribed in the A\$ Note Register as the margin applicable to those Class A2 Notes. If the Class A2 Notes are not redeemed on the first Call Date, then with effect on and from that date, the Class A2 Margin will increase by 0.25% per annum.

Class B Margin means:

- (a) for calculation of interest to be paid on or prior to the Step-down Margin Date, the Initial Class B Margin; and
- (b) if there are Class B Notes outstanding on or from the Step-down Margin Date, 2.00% per annum.

Class B Residual Margin means:

- (a) prior to the Step-down Margin Date, 0%; and
- (b) on each day from (and including) the Step-down Margin Date in respect of Class B Notes outstanding on that day, the Initial Class B Margin less 2.00% per annum.

Class C Margin means:

- (a) for calculation of interest to be paid on or prior to the Step-down Margin Date, the Initial Class C Margin; and
- (b) if there are Class C Notes outstanding on or from the Step-down Margin Date, 2.00% per annum.

Class C Residual Margin means:

- (a) prior to the Step-down Margin Date, 0%; and
- (b) on each day from (and including) the Step-down Margin Date in respect of Class C Notes outstanding on that day, the Initial Class C Margin less 2.00% per annum.

Class D Margin means:

- (a) for calculation of interest to be paid on or prior to the Step-down Margin Date, the Initial Class D Margin; and

- (b) if there are Class D Notes outstanding on or from the Step-down Margin Date, 2.00% per annum.

Class D Residual Margin means:

- (a) prior to the Step-down Margin Date, 0%; and
- (b) on each day from (and including) the Step-down Margin Date in respect of Class D Notes outstanding on that day, the Initial Class D Margin less 2.00% per annum.

Class E Margin means:

- (a) for calculation of interest to be paid on or prior to the Step-down Margin Date, the Initial Class E Margin; and
- (b) if there are Class E Notes outstanding on or from the Step-down Margin Date, 2.00% per annum.

Class E Residual Margin means:

- (a) prior to the Step-down Margin Date, 0%; and
- (b) on each day from (and including) the Step-down Margin Date in respect of Class E Notes outstanding on that day, the Initial Class E Margin less 2.00% per annum.

Class F Margin means:

- (a) for calculation of interest to be paid on or prior to the Step-down Margin Date, the Initial Class F Margin; and
- (b) if there are Class F Notes outstanding on or from the Step-down Margin Date, 2.00% per annum.

Class F Residual Margin means:

- (a) prior to the Step-down Margin Date, 0%; and
- (b) on each day from (and including) the Step-down Margin Date in respect of Class F Notes outstanding on that day, the Initial Class F Margin less 2.00% per annum.

Clearing System means:

- (a) the Austraclear System; or
- (b) any other clearing system specified in the Supplementary Terms Notice.

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.

Denomination means, for each Class of A\$ Note, the initial principal amount of the A\$ Note.

FastPay Margin means the percentage rate per annum determined on the Pricing Date and notified to subscribers of the FastPay Notes no later than 2 Business Days prior to the issue of any FastPay Notes.

FATCA means the Foreign Account Tax Compliance Act provisions, sections 1471 through to 1474 of the U.S. Internal Revenue Code of 1986 (including any regulations or official interpretations issued with respect thereof or agreement thereunder and any amended or successor provisions and any U.S. or non-U.S. fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such sections of the U.S. Internal Revenue Code of 1986).

FATCA Withholding Tax means any withholding or deduction required pursuant to FATCA.

Holder means, for an A\$ Note, each person whose name is entered in the A\$ Note Register for the Series as the holder of that A\$ Note. If an A\$ Note is held in a Clearing System, references to the Holder of that A\$ 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).

Initial Class B Margin means the percentage rate per annum determined on the Pricing Date and notified to Holders of the Class B Notes and inscribed in the A\$ Note Register as the initial margin applicable to those Class B Notes.

Initial Class C Margin means the percentage rate per annum determined on the Pricing Date and notified to Holders of the Class C Notes and inscribed in the A\$ Note Register as the initial margin applicable to those Class C Notes.

Initial Class D Margin means the percentage rate per annum determined on the Pricing Date and notified to Holders of the Class D Notes and inscribed in the A\$ Note Register as the initial margin applicable to those Class D Notes.

Initial Class E Margin means the percentage rate per annum determined on the Pricing Date and notified to Holders of the Class E Notes and inscribed in the A\$ Note Register as the initial margin applicable to those Class E Notes.

Initial Class F Margin means the percentage rate per annum determined on the Pricing Date and notified to Holders of the Class F Notes and inscribed in the A\$ Note Register as the initial margin applicable to those Class F Notes.

Initial Invested Amount means, in respect of an A\$Note, A\$5,000.

Interbank Overnight Cash Rate means on any day the interbank overnight cash rate as displayed on the "RBACOR" page of the Bloomberg service on that day.

Interest Period means in respect of an A\$ Note:

- (a) the first Interest Period commences on (and includes) the Issue Date for that A\$ Note and ends on (but excludes) the first Payment Date for that A\$ Note;
- (b) each subsequent Interest Period for that A\$ Note commences on (and includes) a Payment Date referable to that A\$ Note and ends on (but excludes) the next Payment Date referable to that A\$ Note; and
- (c) the last Interest Period will be the period commencing on (and including) the Payment Date immediately preceding the date on which all Secured Money is repaid by Firstmac and ends on (but excludes) the date on which all Secured Money is repaid by Firstmac (as the case may be).

Interest Rate means, for an A\$ Note, the interest rate (expressed as a percentage rate per annum) for that A\$ Note determined in accordance with the A\$ Note Conditions.

Maximum Class A1-BR Margin means the percentage rate per annum which results in the Class A1-BR Margin being not greater than the Class A1-B Margin (including any increase of such Class A1-B Margin after the first to occur of the Class A1-B Note Scheduled Maturity Date and the first Call Date), or such other margin which will not, in the Manager's reasonable opinion, result in an Adverse Rating Effect.

Modified Following Business Day Convention means that, if a date would otherwise fall on a day that is not a Business Day, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day.

Note Deed Poll means the document entitled “Firstmac Mortgage Funding Trust No.4 Note Deed Poll – Series 1-2018” dated on or about 14 March 2018 executed by Firstmac.

Record Date means, for a payment due in respect of an A\$ Note of the Series, the fourth calendar day immediately preceding the relevant Payment Date.

Relevant Country means any country, or political sub division of one or more countries, or any federation or association of countries in which the relevant Holder is either incorporated or is resident or domiciled for any tax purpose or in which the relevant Holder carries on business or owns or leases property or from which, or through which, any payment in respect of an A\$ Note is made.

Relevant Margin means:

- (a) in the case of Class A1-A Notes, the Class A1-A Margin;
- (b) in the case of Class A1-B Notes, the Class A1-B Margin;
- (c) in the case of Class A1-BR Notes, the Class A1-BR Margin;
- (d) in the case of Class A2 Notes, the Class A2 Margin;
- (e) in the case of Class B Notes, the Class B Margin;
- (f) in the case of Class C Notes, the Class C Margin;
- (g) in the case of Class D Notes, the Class D Margin;
- (h) in the case of Class E Notes, the Class E Margin;
- (i) in the case of Class F Notes, the Class F Margin; or
- (j) in the case of FastPay Notes, the FastPay Margin.

Residual Class B Interest means for an Interest Period the amounts calculated in accordance with conditions 6.1(c) (“*Interest on Notes*”) and 6.1(d) (“*Interest on Notes*”) in respect of the Class B Notes for that Interest Period.

Residual Class C Interest means for an Interest Period the amounts calculated in accordance with conditions 6.1(f) (“*Interest on Notes*”) and 6.1(g) (“*Interest on Notes*”) in respect of the Class C Notes for that Interest Period.

Residual Class D Interest means for an Interest Period the amounts calculated in accordance with conditions 6.1(i) (“*Interest on Notes*”) and 6.1(j) (“*Interest on Notes*”) in respect of the Class D Notes for that Interest Period.

Residual Class E Interest means for an Interest Period the amounts calculated in accordance with conditions 6.1(l) (“*Interest on Notes*”) and 6.1(m) (“*Interest on Notes*”) in respect of the Class E Notes for that Interest Period.

Residual Class F Interest means for an Interest Period the amounts calculated in accordance with conditions 6.1(o) (“*Interest on Notes*”) and 6.1(p) (“*Interest on Notes*”) in respect of the Class F Notes for that Interest Period.

Specified Office means, for a person for the Series, that person’s office specified in the Supplementary Terms Notice or any other address notified to Holders from time to time.

Step-down Margin Date means the Payment Date after the first Determination Date on which the aggregate Invested Amount of all A\$ Notes is equal to or less than 10% of the aggregate Invested Amount of all A\$ Notes issued on the initial Issue Date for the Series (for avoidance of doubt, not including amounts to be distributed on that Payment Date).

1.3 Other Interpretation Provisions

Unless the contrary intention appears, in the A\$ Note Conditions a reference to a time of day is a reference to Sydney time.

1.4 Modified Following Business Day Convention

Unless the contrary intention appears, in the A\$ Note Conditions a reference to a particular date is a reference to that date adjusted in accordance with the Modified Following Business Day Convention.

2 General

2.1 Supplementary Terms Notice

A\$ Notes are issued on the terms set out in the A\$ Note Conditions and the Supplementary Terms Notice. If there is any inconsistency between the A\$ Note Conditions and the Supplementary Terms Notice, the Supplementary Terms Notice prevails.

A\$ Notes are initially issued in 8 Classes:

- (a) Class A1-A Notes;
- (b) Class A1-B Notes;
- (c) Class A2 Notes;
- (d) Class B Notes;
- (e) Class C Notes;
- (f) Class D Notes;
- (g) Class E Notes; and
- (h) Class F Notes.

FastPay Notes may also be issued from time to time. Class A1-BR Notes may be issued by Firstmac on the Class A1-B Note Scheduled Maturity Date.

2.2 Denomination

The A\$ Notes will be issued in denominations of A\$5,000 for each A\$ Note.

2.3 Currency

A\$ Notes are denominated in Australian dollars.

2.4 Clearing Systems

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

3 Form

3.1 Constitution

A\$ Notes are debt obligations of Firstmac constituted by, and owing under, the Note Deed Poll and the Supplementary Terms Notice.

3.2 Registered form

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

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

3.3 Effect of entries in A\$ Note Register

Each entry in the A\$ Note Register in respect of an A\$ Note constitutes:

- (a) an irrevocable undertaking by Firstmac to the relevant Holder to:
 - (i) pay principal and any interest and any other amounts payable in respect of the A\$ Note in accordance with the A\$ Note Conditions; and
 - (ii) comply with the other conditions of the A\$ Note; and
- (b) an entitlement to the other benefits given to the relevant Holder in respect of the A\$ Note under the A\$ Note Conditions.

3.4 A\$ Note Register conclusive as to ownership

Entries in the A\$ Note Register in relation to a A\$ Note are conclusive evidence of the things to which they relate (including that the person entered as the Holder is the owner of the A\$ Note or, if two or more persons are entered as joint Holders, they are the joint owners of the A\$ 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, Firstmac must treat the person whose name is entered as the Holder of an A\$ Note in the A\$ Note Register as the owner of that A\$ Note.

No notice of any trust or other interest in, or claim to, any A\$ Note will be entered in the A\$ Note Register. Firstmac 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.

This A\$ Note Condition applies whether or not an A\$ Note is overdue.

3.6 Joint Holders

If two or more persons are entered in the A\$ Note Register as joint Holders of an A\$ Note, they are taken to hold the A\$ Note as joint tenants with rights of survivorship. However, Firstmac is not bound to register more than four persons as joint Holders of an A\$ Note.

3.7 Inspection of A\$ Note Register

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

The A\$ Note Registrar must make a certified copy of the A\$ Note A\$ Note Register available to a Holder upon request by that Holder within one Business Day of receipt of the request.

3.8 A\$ Notes not invalid if improperly issued

No A\$ Note is invalid or unenforceable on the ground that it was issued in breach of any Transaction Document.

3.9 Location of the A\$ Notes

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

4 Status

4.1 Status

A\$ Notes are direct, secured, limited recourse obligations of Firstmac.

4.2 Security

Firstmac's obligations in respect of the A\$ Notes are secured by the General Security Agreement.

4.3 Ranking

The A\$ Notes of each Class rank equally amongst themselves.

The Classes of A\$ Notes rank against each other in the order set out in the Supplementary Terms Notice.

5 Transfer of A\$ Notes

5.1 Transfer

Holders may only transfer A\$ Notes in accordance with the Master Trust Deed and the A\$ Note Conditions.

5.2 Title

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

5.3 Transfers in whole

A\$ Notes may only be transferred in whole.

5.4 Compliance with laws

A\$ 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 Transfer procedures

Interests in A\$ Notes held in a Clearing System may only be transferred in accordance with the rules and regulations of that Clearing System.

A\$ Notes not held in a Clearing System may be transferred by sending a transfer form to the Specified Office of the A\$ Note Registrar.

To be valid, a transfer form must be:

- (a) in the form set out in Schedule 2 ("*Note Transfer*") 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 A\$ Note Registrar may require to establish that the transfer form has been duly signed.

No fee is payable to register a transfer of A\$ Notes provided all applicable Taxes in connection with the transfer have been paid.

5.6 Transfers of unidentified A\$ Notes

If a Holder transfers some but not all of the A\$ Notes it holds and the transfer form does not identify the specific A\$ Notes transferred, the A\$ Note Registrar may choose which A\$ Notes registered in the name of the Holder have been transferred. However, the aggregate Invested

Amount of the A\$ Notes registered as transferred must equal the aggregate Invested Amount of the A\$ Notes expressed to be transferred in the transfer form.

6 Interest

6.1 Interest on A\$ Notes

(a) Each A\$ Note (other than each Class B Note, each Class C Note, each Class D Note, each Class E Note and each Class F Note) accrues interest on a daily basis in respect of each Interest Period calculated:

- (i)
 - (A) at the Interest Rate for that A\$ Note for that Interest Period; multiplied by
 - (B) the aggregate Invested Amount of all A\$ Notes of that Class of A\$ Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,rounded to ten decimal places;

divided by:

(ii) the number of A\$ Notes in that Class of A\$ Notes,

and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

(b) Each Class B Note accrues interest on a daily basis in respect of each Interest Period calculated:

- (i)
 - (A) at the Interest Rate for that Class B Note for that Interest Period; multiplied by
 - (B)
 - (aa) prior to (but excluding) the Step-down Margin Date, the aggregate Invested Amount of all Class B Notes on the first day of that Interest Period; and
 - (ab) on and from the Step-down Margin Date, the aggregate Stated Amount of all Class B Notes on the first day of that Interest Period,

multiplied by;

- (C) the actual number of days in that Interest Period; divided by
- (D) 365,

rounded to ten decimal places;

divided by:

(ii) the number of Class B Notes,

and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

- (c) On and from the Step-down Margin Date, each Class B Note will also accrue interest on a daily basis in respect of each Interest Period calculated:

(i)

- (A) at the Interest Rate for that Class B Note for the relevant Interest Period; multiplied by
 - (B) the difference between the aggregate Invested Amount of all Class B Notes on the first day of that Interest Period and the aggregate Stated Amount of all Class B Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,
- rounded to ten decimal places;

divided by:

- (ii) the number of Class B Notes,

and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

- (d) To the extent any Class B Notes are outstanding during any Interest Period commencing on and from the Step-down Margin Date, each Class B Note will accrue further interest on a daily basis in respect of each Interest Period on and from the Step-down Margin Date calculated:

(i)

- (A) at the Class B Residual Margin for that Class B Note for that Interest Period; multiplied by
 - (B) the aggregate Stated Amount of all Class B Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,
- rounded to ten decimal places;

divided by:

- (ii) the number of Class B Notes,

and which will be payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

- (e) Each Class C Note accrues interest on a daily basis in respect of each Interest Period calculated:

(i)

- (A) at the Interest Rate for that Class C Note for that Interest Period; multiplied by

- (B)
 - (aa) prior to (but excluding) the Step-down Margin Date, the aggregate Invested Amount of all Class C Notes on the first day of that Interest Period; and
 - (ab) on and from the Step-down Margin Date, the aggregate Stated Amount of all Class C Notes on the first day of that Interest Period,
 - multiplied by;
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,
 - rounded to ten decimal places;
 - divided by:
 - (ii) the number of Class C Notes,
- and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.
- (f) On and from the Step-down Margin Date, each Class C Note will also accrue interest on a daily basis in respect of each Interest Period calculated:
 - (i)
 - (A) at the Interest Rate for that Class C Note for the relevant Interest Period; multiplied by
 - (B) the difference between the aggregate Invested Amount of all Class C Notes on the first day of that Interest Period and the aggregate Stated Amount of all Class C Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,
 - rounded to ten decimal places;
 - divided by:
 - (ii) the number of Class C Notes,
- and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.
- (g) To the extent any Class C Notes are outstanding during any Interest Period commencing on and from the Step-down Margin Date, each Class C Note will accrue further interest on a daily basis in respect of each Interest Period on and from the Step-down Margin Date calculated:
 - (i)
 - (A) at the Class C Residual Margin for that Class C Note for that Interest Period; multiplied by

- (B) the aggregate Stated Amount of all Class C Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,
rounded to ten decimal places;divided by
 - (ii) the number of Class C Notes,
and which will be payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.
- (h) Each Class D Note accrues interest on a daily basis in respect of each Interest Period calculated:
- (i)
 - (A) at the Interest Rate for that Class D Note for that Interest Period; multiplied by
 - (B) prior to (but excluding) the Step-down Margin Date, the aggregate Invested Amount of all Class D Notes on the first day of that Interest Period; and
 - (C) on and from the Step-down Margin Date, the aggregate Stated Amount of all Class D Notes on the first day of that Interest Period,multiplied by;
 - (D) the actual number of days in that Interest Period; divided by
 - (E) 365,
rounded to ten decimal places;
- divided by:
- (ii) the number of Class D Notes,
and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.
- (i) On and from the Step-down Margin Date, each Class D Note will also accrue interest on a daily basis in respect of each Interest Period calculated:
- (i)
 - (A) at the Interest Rate for that Class D Note for the relevant Interest Period; multiplied by
 - (B) the difference between the aggregate Invested Amount of all Class D Notes on the first day of that Interest Period and the aggregate Stated Amount of all Class D Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,

rounded to ten decimal places;

divided by:

- (ii) the number of Class D Notes,

and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

- (j) To the extent any Class D Notes are outstanding during any Interest Period commencing on and from the Step-down Margin Date, each Class D Note will accrue further interest on a daily basis in respect of each Interest Period on and from the Step-down Margin Date calculated:

- (i)

- (A) at the Class D Residual Margin for that Class D Note for that Interest Period; multiplied by
- (B) the aggregate Stated Amount of all Class D Notes on the first day of that Interest Period; multiplied by
- (C) the actual number of days in that Interest Period; divided by
- (D) 365,

rounded to ten decimal places;

divided by

- (ii) the number of Class D Notes,

and which will be payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

- (k) Each Class E Note accrues interest on a daily basis in respect of each Interest Period calculated:

- (i)

- (A) at the Interest Rate for that Class E Note for that Interest Period; multiplied by
- (B) prior to (but excluding) the Step-down Margin Date, the aggregate Invested Amount of all Class E Notes on the first day of that Interest Period; and
- (C) on and from the Step-down Margin Date, the aggregate Stated Amount of all Class E Notes on the first day of that Interest Period,

multiplied by;

- (D) the actual number of days in that Interest Period; divided by
- (E) 365,

rounded to ten decimal places;

divided by:

- (ii) the number of Class E Notes,

and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

(l) On and from the Step-down Margin Date, each Class E Note will also accrue interest on a daily basis in respect of each Interest Period calculated:

- (i)
 - (A) at the Interest Rate for that Class E Note for the relevant Interest Period; multiplied by
 - (B) the difference between the aggregate Invested Amount of all Class E Notes on the first day of that Interest Period and the aggregate Stated Amount of all Class E Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,

rounded to ten decimal places;divided by:
 - (ii) the number of Class E Notes,

and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

(m) To the extent any Class E Notes are outstanding during any Interest Period commencing on and from the Step-down Margin Date, each Class E Note will accrue further interest on a daily basis in respect of each Interest Period on and from the Step-down Margin Date calculated:

- (i)
 - (A) at the Class E Residual Margin for that Class E Note for that Interest Period; multiplied by
 - (B) the aggregate Stated Amount of all Class E Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,

rounded to ten decimal places;divided by:
 - (ii) the number of Class E Notes,

and which will be payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

(n) Each Class F Note accrues interest on a daily basis in respect of each Interest Period calculated:

- (i)
 - (A) at the Interest Rate for that Class F Note for that Interest Period; multiplied by

- (B) prior to (but excluding) the Step-down Margin Date, the aggregate Invested Amount of all Class F Notes on the first day of that Interest Period; and
 - (C) on and from the Step-down Margin Date, the aggregate Stated Amount of all Class F Notes on the first day of that Interest Period,
 - multiplied by;
 - (D) the actual number of days in that Interest Period; divided by
 - (E) 365,
 - rounded to ten decimal places;
 - divided by:
 - (ii) the number of Class F Notes,
- and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.
- (o) On and from the Step-down Margin Date, each Class F Note will also accrue interest on a daily basis in respect of each Interest Period calculated:
 - (i)
 - (A) at the Interest Rate for that Class F Note for the relevant Interest Period; multiplied by
 - (B) the difference between the aggregate Invested Amount of all Class F Notes on the first day of that Interest Period and the aggregate Stated Amount of all Class F Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by
 - (D) 365,
 - rounded to ten decimal places;
 - divided by:
 - (ii) the number of Class F Notes,
 - and is payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.
- (p) To the extent any Class F Notes are outstanding during any Interest Period commencing on and from the Step-down Margin Date, each Class F Note will accrue further interest on a daily basis in respect of each Interest Period on and from the Step-down Margin Date calculated:
 - (i)
 - (A) at the Class F Residual Margin for that Class F Note for that Interest Period; multiplied by
 - (B) the aggregate Stated Amount of all Class F Notes on the first day of that Interest Period; multiplied by
 - (C) the actual number of days in that Interest Period; divided by

(D) 365,
rounded to ten decimal places;
divided by

(ii) the number of Class F Notes,

and which will be payable in arrears on the Payment Date immediately following the end of the relevant Interest Period.

Notwithstanding anything in paragraphs (a) to (p) above, on any day on which the Stated Amount of an A\$ Note is reduced to zero, interest will accrue on that A\$ Note on its Stated Amount.

6.2 Interest Rate determination

The Calculation Agent must determine the Interest Rate for the A\$ Notes for an Interest Period in accordance with the A\$ Note Conditions and the Supplementary Terms Notice.

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

6.3 Interest Rate

The Interest Rate for an A\$ Note for each Interest Period is the sum of the Relevant Margin and Bank Bill Rate for that A\$ Note and that Interest Period.

6.4 Calculation of interest payable on A\$ Notes

As soon as practicable after determining the Interest Rate for any A\$ Note for an Interest Period, the Calculation Agent must calculate the amount of interest payable on that A\$ Note for the Interest Period.

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 Firstmac, the Manager and the Holders. 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 the A\$ Note Conditions is final and binds Firstmac and each Holder.

6.7 Rounding

For any determination or calculation required under the A\$ Note Conditions:

- (a) all percentages resulting from the determination or calculation must be rounded to the nearest one hundred thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.); and
- (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 (excluding any determination or calculation made pursuant to condition 6.1 ("*Interest on A\$ Notes*")

of the A\$ Note Conditions must be rounded to five decimal places (with halves being rounded up).

6.8 Default interest

If Firstmac does not pay an amount under this condition 6 (“*Interest*”) of the A\$ Note Conditions on the due date, then Firstmac agrees to pay interest on the unpaid amount at the last applicable Interest Rate plus 2% per annum.

Interest payable under this A\$ Note Condition accrues daily from (and including) the due date to (but excluding) the date Firstmac actually pays and is calculated using the Day Count Fraction.

7 Allocation of Carryover Charge-Offs

The Supplementary Terms Notice contains provisions for:

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

8 Redemption

8.1 Redemption of A\$ Notes - Final Maturity

Firstmac agrees to redeem each A\$ Note on its Final Maturity Date by paying to the Holder the Invested Amount for the A\$ Note plus all accrued and unpaid interest on such A\$ Note up to its Final Maturity Date and any other amount payable but unpaid with respect to the A\$ Note. However, Firstmac is not required to redeem an A\$ Note on its Final Maturity Date if Firstmac redeems, or purchases and cancels the A\$ Note before its Final Maturity Date.

8.2 Payment of principal in accordance with Supplementary Terms Notice

Payments of principal on each A\$ Note will be made in accordance with the Supplementary Terms Notice. The Invested Amount of each A\$ Note reduces from the date, and by the amount, of each payment of principal that Firstmac makes under the Supplementary Terms Notice.

8.3 Call Option

Firstmac must, if so directed by the Manager (and at the election of the Manager), redeem all, and not some only, of the A\$ Notes on a Call Date. Firstmac will redeem the A\$ Notes at their then Invested Amount or (with the consent of an Extraordinary Resolution of the Holders of the relevant Class of A\$ Notes) their then Stated Amount, in each case together with accrued interest (if any) thereon to (but excluding) the date of redemption on the relevant Call Date.

8.4 Redemption for Taxation or other reasons

- (a) If Firstmac is required under condition 10.2 (“*Withholding tax*”) of the A\$ Note Conditions (in respect of the A\$ Notes) withhold or deduct an amount in respect of Taxes or for or on account of FATCA from a payment in respect of an A\$ Note, the Manager may direct Firstmac to redeem all (but not some only) of the A\$ Notes and upon receipt of such direction Firstmac must redeem the A\$ Notes by paying to the Holders on the redemption date an amount equal to the aggregate of:
 - (i) the Invested Amount of the A\$ Notes on that day; and
 - (ii) all accrued and unpaid interest in respect of the A\$ Notes on (but excluding) that day.
- (b) The Manager agrees to direct Firstmac to give notice of the proposed redemption under this condition 8.4, at least 15 days before the proposed redemption date, to the A\$ Note Registrar and the Holders and any stock exchange on which the A\$ Notes are listed.

- (c) For any redemption of A\$ Notes under this condition 8.4, the proposed redemption date must be a Payment Date.

8.5 Late payments

If Firstmac does not pay an amount under this condition 8 (*“Redemption”*) on the due date, then Firstmac agrees to pay interest on the unpaid amount at the last applicable Interest Rate plus 2% per annum.

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

Any interest which accrues after the Final Maturity Date will be payable by Firstmac or the Security Trustee in accordance with the Supplementary Terms Notice.

8.6 Final Redemption

An A\$ Note will be finally redeemed, and the obligations of Firstmac with respect to the payment of the Invested Amount of that A\$ Note will be finally discharged, on the date upon which the Invested Amount of that A\$ Note is reduced to zero.

9 Payments

9.1 Payments to Holders

Firstmac agrees to pay:

- (a) interest and amounts of principal (other than a payment due on the Final Maturity Date for the relevant A\$ Note), to the person who is the Holder at the close of business in the place where the A\$ Note Register is maintained on the Record Date; and
- (b) amounts due on the Final Maturity Date for the relevant A\$ Note to the person who is the Holder at 4.00pm in the place where the A\$ Note Register is maintained on the due date.

9.2 Payments to accounts

Firstmac agrees to make payments in respect of an A\$ Note:

- (a) if the A\$ 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 Firstmac and the A\$ Note Registrar in accordance with the Clearing System’s rules and regulations in the country of the currency in which the A\$ Note is denominated; and
- (b) if the A\$ Note is not held in a Clearing System, subject to condition 9.3 (*“Payments by cheque”*) of the A\$ Note Conditions, by crediting on the Payment Date, the amount due to an account previously notified by the Holder to Firstmac and the A\$ Note Registrar in the country of the currency in which the A\$ Note is denominated.

9.3 Payments by cheque

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

If Firstmac makes a payment in respect of an A\$ Note by cheque, Firstmac agrees to send the cheque by prepaid ordinary post on the Business Day immediately before the due date to the Holder (or, if two or more persons are entered in the A\$ Note Register as joint Holders of the A\$ Note, to the first named joint Holder) at its address appearing in the A\$ Note Register at close of business in the place where the A\$ Note Register is maintained on the Record Date.

Cheques sent to a Holder are sent at the Holder’s risk and are taken to be received by the Holder on the due date for payment. If Firstmac makes a payment in respect of an A\$ Note

by cheque, Firstmac is not required to pay any additional amount (including under condition 8.5 ("*Late payments*")) as a result of the Holder 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*").

9.5 Currency indemnity

Firstmac waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if a Holder receives an amount in a currency other than that in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate. It may deduct its costs in connection with the conversion; and
- (b) Firstmac satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion after deducting the costs of the conversion.

10 Taxation

10.1 No set-off, counterclaim or deductions

Firstmac agrees to make all payments in respect of an A\$ Note in full without set-off or counterclaim, and shall be made free and clear of, and without any withholding or deduction in respect of, Taxes, unless such withholding or deduction is made under or in connection with, or to ensure compliance with, FATCA or is required by law.

10.2 Withholding tax

If a law requires Firstmac to withhold or deduct an amount in respect of Taxes (including, without limitation, any FATCA Withholding Tax) from a payment in respect of an A\$ Note, then (at the direction of the Manager):

- (a) Firstmac agrees to withhold or deduct the amount;
- (b) Firstmac agrees to pay an amount equal to the amount withheld or deducted to the relevant authority in accordance with applicable law; and
- (c) Firstmac will not be liable to pay any additional amount to the relevant Holder in respect of any such withholding or deduction (including, without limitation, any FATCA Withholding Tax).

11 Time limit for claims

A claim against Firstmac for a payment under an 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 the A\$ Note Conditions, the Calculation Agent is not an agent or trustee for the benefit of, and has no fiduciary duty to or other fiduciary relationship with, any Holder. Wherever the Calculation Agent is required to act, make a determination or exercise judgement in any way under the A\$ Note Conditions, it will do so in a good faith and in a commercially reasonable manner.

12.2 Meetings of Secured Creditors

The Master Trust Deed contains provisions for convening meetings of the Secured Creditors to consider any matter affecting their interests, including any variation of the A\$ Note Conditions.

13 Governing law

13.1 Governing law and jurisdiction

The A\$ Note Conditions are governed by the law in force in New South Wales. Firstmac and each Holder 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 A\$ Notes may be served on Firstmac by being delivered to or left at Firstmac's address for service of notices in accordance with clause 46 ("*Notices*") of the Master Trust Deed.

14 Limitation of liability

Firstmac's liability to the Holders of the Series (and any person claiming through or under a Holder of the Series) in connection with the Note Deed Poll and the other Transaction Documents of the Series is limited in accordance with clause 28 ("*Firstmac indemnity and limitation of liability*") and clause 30 ("*Limited Recourse*") of the Master Trust Deed.

9 Terms and Conditions of the Class A1-U Notes

The following, subject to amendments, are the terms and conditions of the Class A1-U Notes, substantially as they will appear on the reverse of the Class A1-U Notes in definitive form. Class A1-U Notes in definitive form will only be issued in certain circumstances. While the Class A1-U Notes remain in book-entry form, the same terms and conditions govern them, except to the extent that they are appropriate only to the Class A1-U Notes in definitive form. For a summary of the provisions relating to the Class A1-U Notes in book-entry form, see the summary at the end of this section.

Sections in italics are included by way of explanation only and do not constitute part of the terms and conditions of the Class A1-U Notes.

1 General

The following mortgage backed notes will be issued on the Issue Date by Firstmac Fiduciary Services Pty Limited in its capacity as trustee of the Firstmac Mortgage Funding Trust No.4 (“**Trust**”) in respect of Series 1-2018 (“**Series**”) (“**Firstmac**”):

- (a) US\$180,000,000 Class A1-U Notes (“**Class A1-U Notes**”);
- (b) A\$201,600,000 Class A1-A Notes (“**Class A1-A Notes**”);
- (c) A\$78,000,000 Class A1-B Notes (“**Class A1-B Notes**”);
- (d) A\$60,000,000 Class A2 Notes (“**Class A2 Notes**”);
- (e) A\$15,000,000 Class B Notes (“**Class B Notes**”);
- (f) A\$6,000,000 Class C Notes (“**Class C Notes**”);
- (g) A\$2,700,000 Class D Notes (“**Class D Notes**”);
- (h) A\$2,700,000 Class E Notes (“**Class E Notes**”); and
- (i) A\$3,600,000 Class F Notes (“**Class F Notes**”).

Class A1-BR Notes (“**Class A1-BR Notes**”) and/or A\$ FastPay Notes (“**FastPay Notes**”) may also be issued by Firstmac after the Issue Date, in certain circumstances in accordance with the Supplementary Terms Notice (as defined below).

The Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A2 Notes (and the Class A1-BR Notes, if issued) are together the “**Class A Notes**”. The Class A Notes, the FastPay Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are together the “**Notes**”. The Class A1-A Notes, the Class A1-B Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, along with any Class A1-BR Notes (if issued) and/or FastPay Notes (if issued), are together the “**A\$ Notes**”.

The Class A1-U Notes:

- (a) are constituted by a Note Trust Deed (“**Note Trust Deed**”) dated on or about 14 March 2018 between Firstmac, Firstmac Limited (“**Manager**”) and DB Trustees (Hong Kong) Limited (“**US\$ Note Trustee**”) as trustee for the several persons who are for the time being the registered holders of the Class A1-U Notes (each a “**Class A1-U Note Holder**”) and together the “**Class A1-U Note Holders**”);
- (b) are issued subject to, and with the direct or indirect benefit of, amongst other things:

- (i) a Master Trust and Security Trust Deed (as amended) (“**Master Trust Deed**”) dated 23 June 2006 between Firstmac and the Manager (as amended);
- (ii) an Supplementary Terms Notice (“**Supplementary Terms Notice**”) dated on or about 14 March 2018 between, amongst other, Firstmac Limited (as “**Manager**” and as “**Servicer**”), National Australia Bank Limited, Firstmac and P.T. Limited (“**Security Trustee**”);
- (iii) a General Security Agreement (“**General Security Agreement**”) dated on or about 14 March 2018 between Firstmac, the Manager and the Security Trustee;
- (iv) the Note Trust Deed;
- (v) these terms and conditions (“**US\$ Note Conditions**”);
- (vi) a Scheduled Amortisation Facility Agreement (“**Scheduled Amortisation Facility Agreement**”) dated on or about 14 March 2018 between Firstmac, the Manager and National Australia Bank Limited;
- (vii) an Agency Agreement (“**Agency Agreement**”) dated on or about 14 March 2018 between Firstmac, the US\$ Note Trustee, the Manager, Deutsche Bank AG, Hong Kong Branch, as the initial principal paying agent (“**US\$ Note Principal Paying Agent**”), the initial US\$ Note Registrar (“**US\$ Note Registrar**”) and the US\$ Note Calculation Agent (“**US\$ Note Calculation Agent**”); and
- (viii) a Deposit Deed (“**Deposit Deed**”) dated on or about 14 March 2018 between Firstmac, the Manager and National Australia Bank Limited, as the deposit bank.

Certain provisions of the US\$ Note Conditions (including the definitions in the US\$ Note Conditions) are summaries of the Transaction Documents (as defined in **Condition 3**) and are subject to the detailed provisions of the Transaction Documents, a copy of each of which may be inspected as indicated in **Condition 3**.

Payments of interest and principal, and the calculation of certain amounts and rates, under the US\$ Note Conditions in respect of the Class A1-U Notes will be made pursuant to the Supplementary Terms Notice and the Agency Agreement.

Firstmac has entered into an ISDA Master Agreement (“**Class A1-U Currency Swap Agreement**”) with the Manager and the Currency Swap Provider together with a schedule and confirmation in respect of the Class A1-U Notes (such confirmation documenting the “**Class A1-U Currency Swap**”).

“**A\$**” means the lawful currency for the time being of the Commonwealth of Australia.

“**Currency Swap Provider**” means National Australia Bank Limited as provider of the Currency Swap.

“**US\$**” means the lawful currency for the time being of the United States of America.

Each Book-Entry Note will bear the following legend: “This book-entry note is a global bond for the purposes of section 128F(10) of the Income Tax Assessment Act 1936 of the Commonwealth of Australia”.

2 Definitions and interpretation

2.1 Incorporated terms

Unless otherwise defined in the US\$ Note Conditions or the context requires otherwise, and subject to **Condition 2.2** words and expressions which are defined in the Supplementary Terms Notice have the same meanings in the US\$ Note Conditions.

2.2 Interpretation

In the US\$ Note Conditions, unless the context otherwise requires:

- (a) a reference to a party includes that party's executors, administrators, successors, substitutes and assigns, including any person replacing that party by way of novation;
- (b) a reference to any regulation or to any section or provision thereof includes any statutory modification or re-enactment or any statutory provision substituted therefor and all ordinances, by-laws, regulations and other statutory instruments issued thereunder;
- (c) a reference to any document or agreement is a reference to such document or agreement as amended, varied, supplemented or replaced from time to time;
- (d) words importing the singular include the plural (and vice versa);
- (e) words denoting a given gender include all other genders; and
- (f) headings are for convenience only and do not affect the interpretation of the US\$ Note Conditions.

2.3 Payment Calculations

Except as expressly provided otherwise in the US\$ Note Conditions, all payments in a given currency under the US\$ Note Conditions will be rounded to the nearest cent in that currency.

For the avoidance of doubt, despite anything to the contrary in the US\$ Note Conditions, the US\$ Note Calculation Agent will not be obliged to calculate the principal amount payable in respect of the Class A1-U Notes on the Final Maturity Date. The Manager (on behalf of Firstmac) will notify the US\$ Note Calculation Agent of such principal amounts.

3 Class A1-U Note Holders Bound

The Class A1-U Note Holders are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents. A copy of each Transaction Document is available for inspection, upon reasonable prior notice, during normal business hours on Business Days at the registered office for the time being of the US\$ Note Trustee (which is, at the date of the US\$ Note Conditions, DB Trustees (Hong Kong) Limited).

"Transaction Documents" means:

- (a) the Master Trust Deed (insofar as it relates to the Trust and the Series);
- (b) the Master Definitions Schedule (insofar as it relates to the Trust and the Series);
- (c) the Notice of Creation of Trust in respect of the Trust;
- (d) the Notice of Creation of Security Trust in respect of the Series;
- (e) the Supplementary Terms Notice;
- (f) the Interest Rate Swap Agreement;

- (g) the Currency Swap Agreement;
- (h) the Dealer Agreement;
- (i) the Class A1-BR Note Dealer Agreement;
- (j) the A\$ Note Deed Poll (including the A\$ Note Conditions);
- (k) the Note Trust Deed (including the US\$ Note Conditions);
- (l) the Agency Agreement;
- (m) the Deposit Deed;
- (n) the Scheduled Amortisation Facility Agreement;
- (o) the Master Servicer Deed (insofar as it relates to the Series);
- (p) the Master Management Deed (insofar as it relates to the Series);
- (q) the General Security Agreement;
- (r) any Derivative Contract;
- (s) the Support Facilities; and
- (t) any Security Interest and guarantee to be given by the relevant FirstSub in favour of the Security Trustee.

4 Form, Denomination and Title

4.1 Form and denomination

Each of the Class A1-U Notes sold in transactions in reliance on Regulation S or otherwise sold to persons who are not U.S. Persons (as defined under Regulation S) will be represented by one book-entry note in fully registered form without “Coupons”, “Receipts” or “Talons” attached (the “**Book-Entry Note**”). Until the first Business Day that is 40 days after the later of the commencement date of the Information Memorandum and the Issue Date, interests in the Book-Entry Note may not be sold to a U.S. Person (as defined under Regulation S) or for the account or benefit of a U.S. Person. The Class A1-U Notes will be issued in minimum denominations of US\$500,000 and multiples of US\$1,000 in excess thereof.

4.2 Registration with Common Depository

The Book-Entry Note will be registered in the name of the common depository (“**Common Depository**”) for Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and Euroclear Bank SA/NV, as operator of the Euroclear System (“**Euroclear**”) on the Issue Date or any nominee of the Common Depository. On deposit of the Book-Entry Note, Euroclear and/or Clearstream, Luxembourg, as the case may be, will credit each subscriber for Class A1-U Notes with the principal amount of US\$ denominated Class A1-U Notes equal to the principal amount thereof for which each subscriber has subscribed and paid. Beneficial interests in the Book-Entry Note may be held only through Euroclear or Clearstream, Luxembourg.

4.3 Title to the Class A1-U Notes

Title to the Class A1-U Notes passes on registration of transfers thereof in the US\$ Note Register. Except as ordered by a court of competent jurisdiction or as otherwise required by law, persons whose names are registered in the US\$ Note Register as the registered holders of any Class A1-U Note will be deemed to be its absolute owners for all purposes, irrespective of whether it is overdue, any notice of ownership, trust or any interest in it, any writing on it, its theft or its loss and no person will be liable for so deeming and dealing with the holder accordingly.

4.4 Exchange Event

If any of the following events (each an “**Exchange Event**”) occur in respect of the Book-Entry Note, then Firstmac will issue the Class A1-U Notes in fully registered definitive form (“**Definitive Note**”) in an aggregate principal amount equal to the principal amount of the Book-Entry Note in exchange for the whole outstanding interest in the Book-Entry Note within 30 days of the occurrence of the following events:

- (a) Clearstream, Luxembourg or Euroclear is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no internationally recognised alternative clearing system is available and in each case no alternative clearing system succeeds, and performs the obligations under the Book-Entry Note of, the Clearing System that is so closed, makes such announcement or permanently ceases business; or
- (b) as a result of any amendment to, or change in, the laws of the Commonwealth of Australia (or any political subdivision thereof) or of any authority in or of the Commonwealth of Australia (or any political subdivision thereof) having power to tax or in the interpretation by a revenue authority or a court or the administration of such laws or regulations which becomes effective on or after the Issue Date, Firstmac or the US\$ Note Principal Paying Agent will be required to make any withholding or deduction from any payment in respect of the Book-Entry Note which would not be required if the Book-Entry Note was in definitive form.

4.5 Form of Definitive Notes

If issued, Definitive Notes will be:

- (a) issued in minimum denominations of US\$500,000;
- (b) serially numbered with an identifying number which will be recorded in the US\$ Note Register which Firstmac will procure will be kept by the US\$ Note Registrar; and
- (c) issued in fully registered form.

4.6 Transfers of Class A1-U Notes

Subject to the other provisions of the US\$ Note Conditions, transfers of the Book-Entry Note will be limited to transfers of the Book-Entry Note to nominees of Euroclear or Clearstream, Luxembourg or to a successor of Euroclear or Clearstream, Luxembourg. Definitive Notes may be transferred in whole or in part in nominal amounts equal to the applicable minimum denominations and integral multiples in excess thereof only on the surrender, at the Specified Office of the US\$ Note Registrar, with the form of transfer endorsed on such Definitive Note duly completed and executed and together with such other evidence as the US\$ Note Registrar may reasonably require. In the case of a transfer of part only of a holding of Class A1-U Notes represented by one Definitive Note, a new Definitive Note will be issued to the transferee in respect of the part transferred and a further new Definitive Note will be issued to the transferor in respect of the balance of the holding.

4.7 Delivery of new Definitive Notes

Each new Definitive Note to be issued pursuant to **Condition 4.4** above will be available for delivery within five Business Days of receipt of the form of transfer or surrender of an existing Definitive Note on partial redemption. Delivery of new Definitive Notes will be made at the Specified Office of the US\$ Note Registrar to whom delivery or surrender is made or, at the option of the Class A1-U Note Holder making such delivery or surrender and as specified in the form of transfer or otherwise in writing, will be mailed by pre-paid first class post, at the risk of the Class A1-U Note Holder entitled to the new Definitive Note, to such address as specified by the relevant Class A1-U Note Holder. For the purposes of this **Condition 4.7**, “**Business Day**” means a day (not being a Saturday, Sunday or public holiday) on which

banks are open for general banking business in the place of the Specified Office of the US\$ Note Registrar.

4.8 Transfer free of charge

The transfer of the Book-Entry Note and Definitive Notes in accordance with the US\$ Note Conditions on registration or transfer will be effected without charge by or on behalf of Firstmac or the US\$ Note Registrar, but on payment (or the giving of such indemnity as Firstmac or the US\$ Note Registrar may require in respect thereof) of any tax or other government charges which may be imposed in respect of it.

4.9 Closed Periods

Neither Firstmac nor the US\$ Note Registrar may be required to register the transfer of a Class A1-U Note during the period of:

- (a) four calendar days ending on the due date for redemption in full of that Class A1-U Note;
- (b) four calendar days ending on (and including) any Payment Date; or
- (c) such number of days, not exceeding four calendar days, specified by the US\$ Note Trustee, prior to any meeting of the Class A1-U Note Holder.

4.10 Rules concerning transfer and registration

All transfers of Class A1-U Notes and entries on the US\$ Note Register will be made subject to the rules concerning the transfer of Class A1-U Notes set out in the Note Trust Deed and the Agency Agreement. A transfer in breach of certain of such rules may result in such Class A1-U Notes being required to be sold. The rules may be changed by Firstmac, the US\$ Note Registrar and the US\$ Note Trustee in any manner which is reasonably required by Firstmac to reflect changes in legal requirements or in any other manner which, in the opinion of Firstmac and the US\$ Note Trustee is not prejudicial to the interests of the Class A1-U Note Holder. Copies of the Note Trust Deed and the Agency Agreement are available for inspection (with prior notice and proof of holding provided) during usual business hours at the principal office of the US\$ Note Principal Paying Agent (presently at Deutsche Bank AG, Hong Kong Branch).

5 Status, security and relationship between the Class A1-U Notes and the A\$ Notes

5.1 Status

The Class A1-U Notes are direct, secured (as described in **Condition 5.2**), limited recourse (as described in **Condition 5.3**) obligations of Firstmac.

5.2 Security

The obligations of Firstmac under the Class A1-U Notes are (amongst the other payment obligations of Firstmac comprising the Secured Moneys (as defined below)) secured, pursuant to the Master Trust Deed and the General Security Agreement, in favour of the Security Trustee as trustee for the Secured Creditors (as defined below), by a security interest over all of the assets of the Series ("**Assets of the Series**") (including choses in action and other rights), which Firstmac acquires or to which Firstmac becomes entitled on or after the date of the General Security Agreement ("**Collateral**"). The Collateral includes an equitable interest in certain housing loans and related mortgages, acquired by Firstmac in respect of the Series from the Disposing Trustee.

"**Disposing Trustee**" means Firstmac Fiduciary Services Pty Limited (ABN 60 105 052 515) in its capacity as trustee of the FirstMac Mortgage Funding Trust No. 2 in respect of NAB Warehouse Series.

5.3 Limited Recourse

The liability of Firstmac to make interest and principal payments on the Class A1-U Notes is limited, except in certain circumstances described in **Condition 12**, to the Assets of the Series available for this purpose in accordance with, and subject to the order of priority of payments in, the Supplementary Terms Notice.

The net proceeds of realisation of the Assets of the Series (including following an Event of Default) may be insufficient to pay all amounts due to the Class A1-U Note Holders and any other amounts ranking in priority to or equally with amounts due to the Class A1-U Note Holders. Except in the limited circumstances described in **Condition 12**, the assets of Firstmac Fiduciary Services Pty Limited held in its personal capacity will not be available for payment of any shortfall arising and all claims in respect of such shortfall will be extinguished. The assets of Firstmac Fiduciary Services Pty Limited held in its capacity as trustee of any other trust or in respect of any other series (including any other trust or series established pursuant to the Master Trust Deed) will not in any circumstances be available to pay any amounts due to Class A1-U Note Holders.

None of Firstmac Limited, in its individual capacity and as the Manager, an Originator and the Servicer, each Counterparty, the Currency Swap Provider, the Interest Rate Swap Provider, the Scheduled Amortisation Facility Provider, the Deposit Bank, the US\$ Note Trustee, the Security Trustee, the US\$ Note Principal Paying Agent, the US\$ Note Calculation Agent or the US\$ Note Registrar, amongst others, have any obligation to any Class A1-U Note Holder for payment of any amount owed by Firstmac in respect of the Class A1-U Notes.

5.4 No Preference within the Class A1-U Notes

The Class A1-U Notes rank equally and rateably and without any preference or priority among themselves.

5.5 Order of priority of payments

- (a) Prior to the occurrence of an Event of Default and enforcement of the General Security Agreement, payments in respect of the Class A1-U Notes will be made by Firstmac in accordance with the order of priority set out in the Supplementary Terms Notice.
- (b) Following the occurrence of an Event of Default and enforcement of the General Security Agreement, payments in respect of the Class A1-U Notes will be made as described in **Condition 9.3**.

5.6 Same rights

The Class A1-U Notes and the A\$ Notes enjoy the same rights, entitlements, benefits and restrictions except as expressly provided in the Transaction Documents.

6 Interest

6.1 Period of Accrual

Each Class A1-U Note accrues interest from (and including) its Issue Date and ceases to accrue interest on (but excluding) the date on which the Class A1-U Note is redeemed in accordance with **Condition 7.6**.

6.2 Interest Periods

The period that a Class A1-U Note accrues interest in accordance with **Condition 6.1** is divided into periods (each an “**Interest Period**”).

The first Interest Period for a Class A1-U Note commences on (and includes) the Issue Date for that Class A1-U Note and ends on (but does not include) the first Payment Date thereafter. Each succeeding Interest Period for a Class A1-U Note commences on (and includes) a

Payment Date and ends on (but does not include) the next Payment Date. The final Interest Period for a Class A1-U Note ends on (but does not include) the date on which interest ceases to accrue on the Class A1-U Note pursuant to **Condition 6.1**.

6.3 Interest Rate

(a) The rate of interest payable from time to time in respect of the Class A1-U Notes ("**Class A1-U Note Interest Rate**") and an Interest Period:

(i) commencing prior to the Call Date, is the aggregate of:

(A) USD-LIBOR-BBA for that Interest Period; plus

(B) the Margin in relation to the Class A1-U Notes; or

(ii) commencing on or after the Call Date, is the aggregate of:

(A) USD-LIBOR-BBA for that Interest Period; plus

(B) the Margin in relation to the Class A1-U Notes; plus;

(C) the Step-up Margin.

(b) In the US\$ Note Conditions:

"Margin" means, in relation to the Class A1-U Notes, 0.80% per annum.

"Rate Page" means Reuters Screen LIBOR01 Page or, if Reuters Screen LIBOR01 Page ceased to quote the relevant rate, such other page, section or part of Reuters as quotes the relevant rate and is selected by the US\$ Note Calculation Agent or, if there is no such page, section or part of such other page, section or part of a different screen information service as quotes the relevant rate selected by the US\$ Note Calculation Agent and approved by the Manager and, if the Currency Swap has not been terminated, the Currency Swap Provider.

"Rate Set Date" means, in respect of an Interest Period for the Class A1-U Notes, the first day of the Interest Period.

"Step-up Margin" means 0.25% per annum.

"US\$ Equivalent" means, in relation to an amount which is calculated, determined or expressed in A\$ or which includes a component determined or expressed in A\$, that A\$ amount or A\$ component (as the case may be) multiplied by the US\$ Exchange Rate.

"US\$ Exchange Rate" means in respect of any calculation or determination relating to the Class A1-U Notes:

(a) if a Currency Swap Failure is not subsisting in relation to the Class A1-U Currency Swap, the "US\$ Exchange Rate" under the heading "Exchange Rates" in the confirmation for the Class A1-U Currency Swap; or

(b) if a Currency Swap Failure is subsisting in relation to the Class A1-U Currency Swap, the following exchange rate which produces the lower amount in US Dollars:

(i) the "US\$ Exchange Rate" under the heading "Exchange Rates" in the confirmation for the Class A1-U Currency Swap; or

(ii) the US\$ Spot Rate at that time; and

“**US\$ Spot Rate**” means, at any time, the spot rate of exchange at which Firstmac or the Security Trustee (as applicable) is able to acquire Australian Dollars in the spot foreign exchange market at that time.

6.4 Calculation of Interest on the Class A1-U Notes

Interest on each Class A1-U Note for an Interest Period (the “**Class A1-U Note Interest Amount**”) is calculated by applying the Class A1-U Note Interest Rate for that Class A1-U Note for that Interest Period to the Invested Amount of that Class A1-U Note on the first day of the Interest Period (after taking into account any reductions in the Invested Amount of that Class A1-U Note on that day), by then multiplying such product by the actual number of days in the Interest Period divided by 360 and rounding the resultant figure down to the nearest cent.

If any Class A1-U Note Interest Amount is not paid on the date when it is due and payable, then such unpaid Class A1-U Note Interest Amount will accrue interest in accordance with the US\$ Note Conditions until paid in full.

6.5 Determination of Class A1-U Note Interest Rate and Class A1-U Note Interest Amount

The US\$ Note Calculation Agent will, as soon as practicable after:

- (a) 11:00am (London time) on the day that is two London Business Days preceding each Rate Set Date, determine the Class A1-U Note Interest Rate in relation to the Class A1-U Notes, and calculate the Class A1-U Note Interest Amount, for the immediately succeeding Interest Period; or
- (b) 11:00 am (New York City time) on each Rate Set Date, in the event that USD-LIBOR-BBA for the relevant Interest Period is required to be calculated pursuant to paragraph (b) of the definition of USD-LIBOR-BBA from rates quoted by major banks in New York City, determine the Class A1-U Note Interest Rate in relation to the Class A1-U Notes, and calculate the Class A1-U Note Interest Amount, for the Interest Period commencing on that Rate Set Date,

in each case, in accordance with, respectively, **Conditions 6.3** and **6.4**. The determination of the Class A1-U Note Interest Rate, and the calculation of the Class A1-U Note Interest Amount, by the US\$ Note Calculation Agent in accordance with, respectively, **Conditions 6.3** and **6.4** will (in the absence of manifest error, wilful default or bad faith) be final and binding upon all parties.

6.6 Notification and Publication of Class A1-U Note Interest Rate and Class A1-U Note Interest Amount

The US\$ Note Calculation Agent will cause the Class A1-U Note Interest Rate and the Class A1-U Note Interest Amount in relation to the Class A1-U Notes for each Interest Period and the date of the next Payment Date to be notified to Firstmac, the Manager, the US\$ Note Trustee, the Currency Swap Provider and the US\$ Note Principal Paying Agent) on or as soon as practical after the US\$ Note Calculation Agent has determined the Class A1-U Note Interest Rate and calculated the Class A1-U Note Interest Amount and will cause the same to be published in accordance with **Condition 11.1** as soon as possible after that notification. The Class A1-U Note Interest Amount and the Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period.

If following the occurrence of an Event of Default (as defined in **Condition 5.3**), the Security Trustee declares in accordance with the Master Trust Deed that the Class A1-U Notes are immediately due and payable, the Class A1-U Note Interest Rate in respect of the Class A1-U Notes will nevertheless continue to be calculated by the US\$ Note Calculation Agent in accordance with this **Condition 6.6**, but no publication of the Class A1-U Note Interest Rate so calculated needs to be made unless the US\$ Note Trustee otherwise requires.

6.7 Determination or Calculation by the US\$ Note Trustee

If the US\$ Note Calculation Agent at any time for any reason does not determine the Class A1-U Note Interest Rate in respect of the Class A1-U Notes, or calculate the Class A1-U Note Interest Amount, in accordance with this **Condition 6**, the US\$ Note Trustee will do so and each such determination or calculation by the US\$ Note Trustee will be as if made by the US\$ Note Calculation Agent. In doing so, the US\$ Note Trustee will apply the foregoing provisions of this **Condition 6**, with any necessary consequential amendments, to the extent that it can and in all other respects it will do so in such a manner as it considers to be fair and reasonable in all the circumstances.

6.8 US\$ Note Calculation Agent

Firstmac will procure that, for so long as any of the Class A1-U Notes remain outstanding, there will at all times be a US\$ Note Calculation Agent. The Manager may, with the prior written approval of Firstmac, terminate the appointment of the US\$ Note Calculation Agent at any time by giving not less than 45 days' notice in writing to, amongst others, the US\$ Note Calculation Agent. Notice of that termination will be given by Firstmac to the Class A1-U Note Holders in accordance with **Condition 11.1**. If any person is unable or unwilling to continue to act as the US\$ Note Calculation Agent, or if the appointment of the US\$ Note Calculation Agent is terminated, Firstmac, at the direction of the Manager, will appoint a successor Calculation Agent to act as such in its place, provided that neither the resignation nor removal of the US\$ Note Calculation Agent will take effect:

- (a) until a successor approved by the Manager has been appointed; and
- (b) if as a result there would cease to be Agents as required by the US\$ Note Conditions.

The initial US\$ Note Calculation Agent and its specified office are set out at the end of the US\$ Note Conditions.

“**Agent**” means a several reference to each US\$ Note Paying Agent, the US\$ Note Registrar and the US\$ Note Calculation Agent and any other additional or substitute agents appointed pursuant to the Agency Agreement.

6.9 Payment of the Interest Amount – Class A1-U Notes

- (a) The Class A1-U Note Interest Amount for each Interest Period in relation to a Class A1-U Note is payable in arrears in US\$ on the relevant Payment Date. Firstmac must (in accordance with the directions of the Manager) on each Payment Date:
 - (i) to the extent there are funds available for this purpose in accordance with the Supplementary Terms Notice pay the A\$ Class A1-U Note Interest Amount and the A\$ Class A1-U Note Unpaid Interest Amount (if any) in relation to that Payment Date to the Currency Swap Provider in accordance with the Currency Swap Agreement;
 - (ii) direct the Currency Swap Provider to pay an amount equal to the interest due on the Class A1-U Notes on that Payment Date to the US\$ Note Principal Paying Agent in accordance with the Agency Agreement and the Currency Swap Agreement; and
 - (iii) direct the US\$ Note Principal Paying Agent to pay the interest due on the Class A1-U Notes from the amounts received from the Currency Swap Provider or Firstmac (as applicable) rateably amongst the Class A1-U Notes based on their Invested Amounts towards the Class A1-U Note Interest Amount in relation to such Class A1-U Note in relation to the relevant Interest Period in accordance with, and subject to, the US\$ Note Conditions and the Agency Agreement.

“**A\$ Class A1-U Note Interest Rate**” means, in respect of an Interest Period, the aggregate of:

- (a) BBSW for that Interest Period; and
- (b) the A\$ Class A1-U Note Margin.

“**A\$ Class A1-U Note Margin**” has the same meaning as the “Spread” specified under the heading “A\$ Floating Amounts payable by Party B” in the confirmation for the Currency Swap.

“**A\$ Class A1-U Unpaid Interest Amount**” in relation to a Payment Date means the aggregate of:

- (a) any A\$ Class A1-U Note Interest Amount remaining unpaid from prior Payment Dates; and
- (b) interest on the A\$ Class A1-U Note Interest Amount referred to in paragraph (a) above calculated at the A\$ Class A1-U Note Interest Rate applicable from time to time from the date that the A\$ Class A1-U Note Interest Amount first became payable until (but not including) the date actually paid.

7 Redemption

7.1 Final redemption of the Class A1-U Notes

Unless previously redeemed (or deemed to be redeemed) in full, Firstmac will redeem the Class A1-U Notes at their then Invested Amount, together with all then accrued but unpaid interest, on the Final Maturity Date.

7.2 Partial redemption of the Class A1-U Notes on each Payment Date

Prior to the occurrence of an Event of Default and enforcement of the General Security Agreement, the Manager agrees to on each Payment Date:

- (a) direct Firstmac to pay on that Payment Date to the Currency Swap Provider in accordance with the Currency Swap, the A\$ Class A1-U Principal in respect of the immediately preceding Determination Date;
- (b) direct the Currency Swap Provider to pay on that Payment Date to the US\$ Note Principal Paying Agent an amount equal to the US\$ Equivalent of the A\$ Class A1-U Principal received by the Currency Swap Provider from Firstmac on that Payment Date in accordance with paragraph (a) above; and
- (c) direct the US\$ Note Principal Paying Agent to pay on that Payment Date an amount equal to the US\$ Equivalent of the A\$ Class A1-U Principal received by the US\$ Note Principal Paying Agent from the Currency Swap Provider on that Payment Date in accordance with paragraph (b) above, rateably to the Class A1-U Note Holders towards the repayment of the aggregate Invested Amount of the Class A1-U Notes in accordance with, and subject to, the US\$ Note Conditions and the Agency Agreement.

Such a payment towards the Invested Amount on a Class A1-U Note will constitute a redemption of that Class A1-U Note in part to the extent of such repayment and, upon such repayment, the obligations of Firstmac with respect to that Class A1-U Note will be discharged to the extent of such repayment. For the avoidance of doubt, Firstmac's obligations to make a payment in respect of a Class A1-U Note will be discharged when it pays that amount to the Currency Swap Provider. The Currency Swap Provider's obligations to make a payment in respect of a Class A1-U Note will be discharged when it pays the US\$ Equivalent of the amount it receives from Firstmac in respect of that Class A1-U Note to the US\$ Note Principal Paying Agent. To the extent that the amount paid, or payable, by Firstmac to the Currency Swap Provider under the Currency Swap is less than the corresponding amount payable by Firstmac under the US\$ Note Conditions, Firstmac's liability to pay any such shortfall will not be discharged.

7.3 Redemption on Call Date

Firstmac will be entitled to redeem Notes in whole or in part on any Call Date.

If Firstmac exercises its right to redeem the Notes on a Call Date:

- (a) Firstmac will redeem the Notes at their then Invested Amount together with any accrued interest (if any) thereon to (but excluding) the date of redemption on the Call Date; and
- (b) Firstmac may not redeem the Notes in part:
 - (i) unless a Rating Notification has been provided in respect of the redemption; and
 - (ii) the Notes to be redeemed are the most senior Notes at that time (as determined in accordance with the order of priority set out in section 10.19 ("*Distribution of Principal Repayment Fund*").

7.4 Redemption for Taxation or Other Reasons

- (a) If Firstmac is required under **Condition 8.4** (in respect of the Class A1-U Notes) or Condition 8.4 of the A\$ Note Conditions (in respect of the A\$ Notes) to deduct or withhold an amount in respect of any present or future taxes, duties or charges of whatsoever nature (excluding any FATCA Withholding Tax) from a payment in respect of a Note, the Manager may (at its option, but only with the prior approval of an Extraordinary Resolution of the Voting Secured Creditors) direct Firstmac to redeem all (but not some only) of the Notes and upon receipt of such direction Firstmac must redeem:
 - (i) the Class A1-U Notes by paying to the Class A1-U Note Holders on the redemption date an amount equal to the aggregate of:
 - (A) the Invested Amount of the Class A1-U Notes on that day; and
 - (B) all accrued and unpaid interest in respect of the Class A1-U Note on (but excluding) that day; and
 - (ii) the A\$ Notes, in accordance with Condition 8.4 of the A\$ Note Conditions.
- (b) Firstmac, at the direction of the Manager, must notify the proposed redemption to the US\$ Note Trustee, the US\$ Note Calculation Agent, the US\$ Note Principal Paying Agent, the US\$ Note Registrar and the Class A1-U Note Holders (in accordance with **Condition 11.1**) and any stock exchange on which the Class A1-U Notes are listed at least 15 days before the proposed redemption date.
- (c) For any redemption of Class A1-U Notes under this **Condition 7.4**, the proposed redemption date must be a Payment Date.

Notwithstanding the foregoing, Firstmac may redeem the US\$ Notes at their Stated Amount, instead of at their Invested Amount, together with all accrued and unpaid interest on (but excluding) the date of redemption, if so approved by the US\$ Note Trustee (as directed by an Extraordinary Resolution (as defined in **Condition 10.3**) of the US\$ Note Holders).

7.5 Certification

For the purpose of any redemption made under **Condition 7.4**, Firstmac and the US\$ Note Trustee may rely on any certificate of an Authorised Officer of the Manager that Firstmac will be in a position to repay in respect of the Class A1-U Notes their then Invested Amount, as applicable, together with all accrued but unpaid interest to (but excluding) the date of redemption and to discharge all its liabilities in respect of amounts required under the Master

Trust Deed and the Supplementary Terms Notice to be paid in priority to or equally with the Class A1-U Notes as if the General Security Agreement was enforced.

7.6 Redemption on Final Payment

A Class A1-U Note will be finally redeemed, and the obligations of Firstmac with respect to the payment of the Invested Amount of that Class A1-U Note will be finally discharged the date upon which the Invested Amount of that Class A1-U Note is reduced to zero.

7.7 Cancellation

All Class A1-U Notes redeemed in full (or deemed to be redeemed in full) pursuant to the US\$ Note Conditions will be cancelled and may not be resold or reissued.

7.8 No Payment in excess of Invested Amount

No amount of principal will be paid in respect of a Class A1-U Note in excess of the Invested Amount of the Class A1-U Note.

7.9 Calculation of Invested Amounts, Stated Amounts and other amounts

- (a) On each Determination Date immediately preceding a Payment Date, the Manager will determine:
- (i) the Stated Amount and Invested Amount of each Class A1-U Note as at the first day of the Interest Period (after making any adjustment to the Stated Amount or the Invested Amount (as the case may be) of the Class A1-U Note in accordance with the US\$ Note Conditions on or with effect from that Payment Date); and
 - (ii) the amount of the Interest Amount payable in respect of each Class A1-U Note on the next Payment Date.
- (b) The Manager will notify Firstmac, the US\$ Note Trustee, the US\$ Note Principal Paying Agent, the US\$ Note Calculation Agent and the US\$ Note Registrar as soon as practical (and in any event by not later than three Business Days prior to the relevant Payment Date) of each determination of an amount or percentage referred to in **Condition 7.9(a)** and will cause details of each of those determinations to be published in accordance with **Condition 11.2** as soon as practical after that notification.

8 Payments

8.1 Method of Payment

Any instalment on account of interest or principal payable on any Class A1-U Note which is punctually paid or duly provided for by or on behalf of or at the direction of Firstmac to the US\$ Note Principal Paying Agent on the applicable Payment Date must be paid to the person in whose name such Class A1-U Note is registered on the relevant Record Date (as defined below), by wire transfer in immediately available funds to the account designated by such person or, if such person so requests in writing, by cheque mailed first-class, postage prepaid, to such person's address as it appears on the US\$ Note Register on such Record Date.

While the Class A1-U Notes are represented by a Book-Entry Note, Firstmac will discharge its payment obligation under the Class A1-U Notes by making payments to Euroclear and Clearstream, Luxembourg. A holder of a beneficial interest in a Book-Entry Note must rely on the procedures of Euroclear and Clearstream, Luxembourg and its participants to receive payments under the Class A1-U Notes. Neither Firstmac nor the US\$ Note Trustee has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Book-Entry Note.

“**Record Date**” in relation to a Payment Date or any other date for any payment to be made in respect of a Class A1-U Note means the day which is 2 Business Days before the relevant Payment Date or other date on which the payment is to be made.

8.2 Surrender on Final Payment

Prior to a final distribution being made in respect of the Class A1-U Notes under clause 6 (“*Cashflow Allocation Methodology*”) of the Supplementary Terms Notice, the US\$ Note Trustee must notify the Class A1-U Note Holders on the relevant Record Date of the date upon which the US\$ Note Trustee expects that final distribution to be made and specify if such final distribution will be payable only upon surrender of the relevant Class A1-U Note to the US\$ Note Principal Paying Agent at its Specified Office. No such final distribution will be made other than upon the surrender of the relevant Class A1-U Notes and none of Firstmac, the US\$ Note Trustee, the Security Trustee or the US\$ Note Principal Paying Agent will be liable to pay any additional amount to any Class A1-U Note Holder as a result of any delay in payment due to a Class A1-U Note not having been surrendered in accordance with this **Condition 8.2**.

8.3 Principal Paying Agent

The initial Principal Paying Agent and its specified office is set out at the end of the US\$ Note Conditions.

Firstmac, at the direction of the Manager, may terminate the appointment of the US\$ Note Principal Paying Agent in accordance with the Agency Agreement and appoint a replacement Principal Paying Agent, provided that it will at all times maintain a US\$ Note Principal Paying Agent having a specified office in Level 52, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong. Notice of any termination or appointment of the US\$ Note Principal Paying Agent or of any change in the office through which the US\$ Note Principal Paying Agent will act will be given to the Class A1-U Note Holders in accordance with **Condition 11.1**.

8.4 Taxation

- (a) All payments in respect of the Class A1-U Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless Firstmac or the US\$ Note Principal Paying Agent is required by any applicable law to make such a withholding or deduction. In that event Firstmac or the US\$ Note Principal Paying Agent (as the case may be) will, after making such withholding or deduction, account to the relevant authorities for the amount so required to be withheld or deducted. Neither Firstmac, the US\$ Note Principal Paying Agent or the US\$ Note Trustee will be obliged to make any additional payments in respect of the relevant Class A1-U Notes in relation to the withholding or deduction. Immediately after becoming aware that such a withholding or deduction is or will be required, Firstmac will notify the US\$ Note Trustee, the US\$ Note Principal Paying Agent and the Class A1-U Note Holders in accordance with **Condition 11.1**, thereof.
- (b) For the avoidance of doubt, with respect to any withholding or deduction on payments to a Class A1-U Note Holder on account of any taxes, duties, assessments or charges of whatever nature imposed under applicable law, no additional, make-whole or gross-up amounts for such withholding or deduction shall be payable to a Class A1-U Note Holder where such withholding or deduction is imposed (i) under FATCA (defined below) or (ii) as a backup withholding tax. “**FATCA**” means sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, including any regulations or official interpretations issued with respect thereof or agreements thereunder, and any amended or successor provisions and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such sections of the U.S. Internal Revenue Code of 1986).

- (c) As a condition to payments on the Class A1-U Notes without the imposition of U.S. withholding tax, Firstmac or the Trust will require the delivery of properly completed and signed applicable U.S. federal income tax certifications including an Internal Revenue Service Form W-9 (or applicable successor form) in the case of a person that is a "United States person" within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended, or an Internal Revenue Service Form W-8ECI, W-8BEN or W-8BEN-E (or applicable successor form) in the case of a person that is not a "United States person" within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended) and such other certification acceptable to them to enable the Trust, Firstmac and any Agent to determine their duties and liabilities with respect to any taxes or other charges that they may be required to deduct or withhold from payments in respect of such Class A1-U Notes under FATCA.

8.5 Prescription

A Class A1-U Note will become void in its entirety unless surrendered for payment within a period of 10 years from the Relevant Date in respect of any payment of principal or interest thereon, the effect of which will be to reduce the Invested Amount of, and all accrued but unpaid interest on, that Class A1-U Note to zero. After the date on which a Class A1-U Note becomes void in its entirety, no claim can be made in respect of it.

"**Relevant Date**" in respect of a Class A1-U Note means the date on which a payment in respect thereof first becomes due or (if the full amount of the moneys payable in respect of the Class A1-U Notes which is due on or before that date has not been duly received by the Class A1-U Note Principal Paying Agent or the Class A1-U Note Trustee on or prior to such date) the date on which the full amount of such moneys having been so received.

8.6 Notify Late Payments

In the event of the unconditional payment to the US\$ Note Principal Paying Agent or the US\$ Note Trustee of any sum due in respect of the Class A1-U Notes or any of them being made after the due date for payment thereof, Firstmac will forthwith give or procure to be given notice to the Class A1-U Note Holders in accordance with **Condition 11.1** that such payment has been made.

8.7 Rounding of Payments

All payments made to Class A1-U Note Holders will be rounded down to the nearest cent.

9 Enforcement following occurrence of an Event of Default

9.1 Enforcement

The Master Trust Deed provides that at any time after the Security Trustee becomes aware of the occurrence of an Event of Default, the Security Trustee will (subject to **Condition 10.4** and subject to being appropriately indemnified), if so directed by an Extraordinary Resolution of the Voting Secured Creditors, declare the Notes immediately due and payable (in which case, subject to **Condition 12**, the Invested Amount of, and all accrued but unpaid interest in relation to, the Class A1-U Notes will become immediately due and payable) and enforce the General Security Agreement.

Subject to being indemnified in accordance with the Master Trust Deed and to the provisions of **Condition 9.2**, the Security Trustee will take all action necessary to give effect to any direction in accordance with the foregoing and will comply with all such directions.

9.2 Security Trustee may enforce General Security Agreement without direction

After the Security Trustee becomes aware of the occurrence of an Event of Default, the Security Trustee may (or if directed by an Extraordinary Resolution of the Voting Secured Creditors, must) enforce the General Security Agreement in accordance with the Master Trust Deed.

9.3 Priority of payments from proceeds from the enforcement of the General Security Agreement

Following the occurrence of an Event of Default and enforcement of the General Security Agreement, all moneys received in connection with the Master Trust Deed and the General Security Agreement by the Security Trustee are to be applied, subject to the Master Trust Deed, in accordance with the order of priority contained in section 10.21 ("*Application of proceeds following an Enforcement Event*").

9.4 Note Trustee not liable for loss on enforcement

The US\$ Note Trustee is not liable for any decline in the value, nor any loss realised upon any sale or other disposition made under the Master Trust Deed of any Collateral or any other property over which a security interest is granted to the Security Trustee in respect of or relating to the obligations of Firstmac or the Class A1-U Notes or relating in any way to the Collateral. Without limitation, the US\$ Note Trustee will not be liable for any such decline or loss directly or indirectly arising from its acting, or failing to act, as a consequence of an opinion reached by it which is based in good faith on advice received by it in accordance with the applicable requirements of the Note Trust Deed.

9.5 Directions from Class A1-U Note Holders to Note Trustee following Event of Default

If an Event of Default has occurred and the US\$ Note Trustee has received notice of the occurrence of such Event of Default from the Security Trustee, Firstmac or the Manager or otherwise has actual knowledge of such Event of Default, the US\$ Note Trustee must:

- (a) notify each Class A1-U Note Holder of the Event of Default within 10 days, or such shorter period as may be required by the rules of any stock exchange on which the Class A1-U Notes are listed, after receipt of that notice of the occurrence of the Event of Default;
- (b) if a meeting of Voting Secured Creditors is to be held under the Master Trust Deed, notify the Class A1-U Note Holders promptly after it receives notice from the Security Trustee seeking directions from the Class A1-U Note Holders as to how to vote at a meeting to be convened by the Security Trustee and request the Security Trustee to delay the holding of that meeting while it obtains such directions from the Class A1-U Note Holders; and
- (c) vote at any meeting of Voting Secured Creditors held under the Master Trust Deed.

In acting in accordance with the directions of the Class A1-U Note Holders, the US\$ Note Trustee must exercise its votes for or against any proposal to be put to a meeting of Voting Secured Creditors under the Master Trust Deed in the same proportion as that of the A\$ Equivalent (as determined by the Security Trustee) of the aggregate Invested Amounts of the Class A1-U Notes held by Class A1-U Note Holders who have directed the US\$ Note Trustee to vote for or against such a proposal.

If any of the Class A1-U Notes remain outstanding and are due and payable otherwise than by reason of a default in payment of any amount due on the Class A1-U Notes, the US\$ Note Trustee must not vote at a meeting of Voting Secured Creditors under the Master Trust Deed to, or otherwise direct the Security Trustee to, dispose of the Collateral unless:

- (a) a sufficient amount would be realised to discharge in full all amounts owing to the Class A1-U Note Holders in respect of the Class A1-U Notes and any other amounts owing by Firstmac to any other person ranking in priority to or with the Class A1-U Notes; or
- (b) the US\$ Note Trustee is of the opinion, reached after considering at any time and from time to time the advice of a merchant bank or other financial adviser selected by the US\$ Note Trustee at the expense of Firstmac, that the cash flow receivable by Firstmac (or the Security Trustee under the Master Trust Deed) will not (or that there

is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of Firstmac, to discharge in full in due course all the amounts referred to in paragraph (a).

The US\$ Note Trustee need not do anything to find out if an Event of Default has occurred. Until it has actual knowledge or express notice to the contrary, the US\$ Note Trustee may assume that no such event has occurred and that Firstmac and each other party to the Transaction Documents is performing all its obligations under the Note Trust Deed and the Class A1-U Notes.

9.6 Only Security Trustee may enforce General Security Agreement

Subject to the Master Trust Deed and the General Security Agreement, only the Security Trustee may enforce the provisions of the Master Trust Deed and the General Security Agreement and neither the US\$ Note Trustee nor any Class A1-U Note Holder is entitled to proceed directly against Firstmac to enforce the performance of any of the provisions of the General Security Agreement or the Master Trust Deed.

The Security Trustee is not obliged to do or not do anything in connection with the Transaction Documents unless 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 consistent with the Master Trust Deed.

9.7 Exercise of Class A1-U Note Holder Rights by Note Trustee

Only the US\$ Note Trustee may on behalf of the Class A1-U Note Holders:

- (a) direct the Security Trustee to enforce the provisions of the Master Trust Deed and the General Security Agreement; or
- (b) enforce the obligations of Firstmac to the Class A1-U Note Holders under the Class A1-U Notes (including the US\$ Note Conditions) or any other Transaction Document,

and no Class A1-U Note Holder is entitled to take any of the above actions or to proceed directly against the US\$ Note Trustee to enforce the performance of any of the provisions of the Class A1-U Notes (including the US\$ Note Conditions) or any other Transaction Document except that if the US\$ Note Trustee, having become bound to take steps and/or proceed, fails to do so within a reasonable time and such failure is continuing, the Class A1-U Note Holders may take such steps and/or proceedings directly but then only if and to the extent the Class A1-U Note Holders are able to do so under Australian law.

The Security Trustee may rely on any instructions or directions given to it by the US\$ Note Trustee as being given on behalf of the Class A1-U Note Holders from time to time and need not inquire whether any such instructions or directions are in accordance with the Note Trust Deed, whether the US\$ Note Trustee or the Class A1-U Note Holders from time to time have complied with any requirements under the Note Trust Deed or as to the reasonableness or otherwise of the US\$ Note Trustee.

10 Meetings of Voting Secured Creditors, directions of Class A1-U Note Holders, modifications, consents, waivers and indemnities

10.1 Meetings of Voting Secured Creditors

The Master Trust Deed contains provisions for convening meetings of the Voting Secured Creditors to, among other things, enable the Voting Secured Creditors to direct or consent to the Security Trustee taking or not taking certain actions under the Master Trust Deed; for example to enable the Voting Secured Creditors, following the occurrence of an Event of Default, to direct the Security Trustee to declare the Class A1-U Notes immediately due and payable and/or to enforce the General Security Agreement.

10.2 Directions of Class A1-U Note Holders

Under the Note Trust Deed the US\$ Note Trustee may seek directions from the Class A1-U Note Holders from time to time, including following the occurrence of an Event of Default. The US\$ Note Trustee will not be responsible for having acted in good faith on a resolution purporting to have been passed at a meeting of Class A1-U Note Holders in respect of which minutes have been made and signed even if it is later found that there was a defect in the constitution of the meeting or the passing of the resolution or that the resolution was not valid or binding on the Class A1-U Note Holders.

If the US\$ Note Trustee is entitled under the Master Trust Deed to vote at any meeting on behalf of Class A1-U Note Holders, the US\$ Note Trustee must vote in accordance with the directions of the Class A1-U Note Holders. In acting in accordance with the directions of Class A1-U Note Holders, the US\$ Note Trustee must exercise its votes for or against any proposal to be put to a meeting in the same proportion as that of the A\$ Equivalent of the aggregate Invested Amounts of the Class A1-U Notes held by Class A1-U Note Holders who have directed the US\$ Note Trustee to vote for or against that proposal.

10.3 Amendments to Note Trust Deed and Class A1-U Notes

Pursuant, and subject, to the Note Trust Deed and subject to any approval required by law, the US\$ Note Trustee, the Manager and Firstmac may together agree, without the consent or sanction of any Class A1-U Note Holder, by way of supplemental deed to alter, add to or revoke (each a "**modification**") any provision of the Note Trust Deed or the Class A1-U Notes (including the US\$ Note Conditions) so long as such modification is not a Payment Modification (as defined below) and such alteration, addition or revocation:

- (a) in the opinion of the US\$ Note Trustee (for which it may rely on an Opinion of Counsel) is necessary or expedient to comply with the provisions of any statute or regulation or with the requirements of any governmental agency;
- (b) in the opinion of the US\$ Note Trustee (for which it may rely on an Opinion of Counsel) is made to correct a manifest error or ambiguity, or is to correct inconsistency between the provisions of any Transaction Document and the description of the provisions thereof in the related prospectus, or is of a formal, technical or administrative nature only;
- (c) in the opinion of the US\$ Note Trustee (for which it may rely on an Opinion of Counsel) is appropriate or expedient as a consequence of an amendment to any statute or regulation or altered requirements of any governmental agency or any decision of any court (including, without limitation, a modification which is in the opinion of the US\$ Note Trustee (for which it may rely on an Opinion of Counsel) appropriate or expedient as a consequence of the enactment of a statute or regulation or an amendment to any statute or regulation or ruling by the Australian Federal Commissioner of Taxation or Deputy Commissioner of Taxation or any governmental announcement or statement or any decision of any court, in any case which has or may have the effect of altering the manner or basis of taxation of trusts generally or of trusts similar to the Trust or the trust constituted under the Note Trust Deed); or
- (d) in the opinion of the Manager (as evidenced by a certificate to the US\$ Note Trustee) is otherwise desirable for any reason and:
 - (i) is not in the opinion of the US\$ Note Trustee (for which it may rely on an Opinion of Counsel) likely, upon coming into effect, to be materially prejudicial to the interests of Class A1-U Note Holders; or
 - (ii) if it is in the opinion of the US\$ Note Trustee (for which it may rely on an Opinion of Counsel) likely, upon coming into effect, to be materially prejudicial to the interests of Class A1-U Note Holders, the consent of an Extraordinary Resolution of the Class A1-U Note Holders to the alteration, addition or resolution has been obtained. For the purpose of determining

whether there has been an Extraordinary Resolution of the Class A1-U Note Holders consenting to an alteration, addition or revocation, Class A1-U Notes which are beneficially owned by the US\$ Note Trustee or Firstmac Limited or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the US\$ Note Trustee or the Manager, must be disregarded.

The Manager must give the Current Rating Agencies (as defined in the Supplementary Terms Notice) 5 Business Days' prior notice of any such modification.

Pursuant to the Note Trust Deed, the US\$ Note Trustee may concur with Firstmac and the Manager in making or effecting any Payment Modification if and only if the consent has first been obtained by an Extraordinary Resolution of the Class A1-U Note Holders to such Payment Modification.

Prior to its execution of any amendment, the US\$ Note Trustee is entitled to receive an Opinion of Counsel stating that such amendment is authorised or permitted under the Note Trust Deed and that all conditions precedent to the execution of such amendment have been satisfied.

"Payment Modification" means any alteration, addition or revocation of any provision of the Transaction Documents or the Class A1-U Notes (including these Class A1-U Note Conditions) which modifies:

- (a) the amount, timing, place, currency or manner of payment or allocation of principal or interest in respect of the Class A1-U Notes including, without limitation, any modification to the Stated Amount, Invested Amount, Class A1-U Note Interest Rate, Final Maturity Date in respect of the Class A1-U Notes or to **Condition 6.9** or which would impair the rights of Class A1-U Note Holders to institute suit for enforcement of such payment on or after the due date for such payment;
- (b) the definition of the term "Extraordinary Resolution", clause 12 ("Amendment") of the Note Trust Deed or the circumstances in which the consent or direction of an Extraordinary Resolution of Class A1-U Note Holders is required;
- (c) clause 6 ("*Cashflow Allocation Methodology*") of the Supplementary Terms Notice; or
- (d) the requirements for altering, adding to or revoking any provision of the Note Trust Deed or the Class A1-U Notes (including these Class A1-U Note Conditions).

10.4 Waivers, etc.

The Security Trustee may, in accordance with the Master Trust Deed and without the consent or sanction of the Voting Secured Creditors, waive any breach or other non-compliance (or any proposed breach or non-compliance) in accordance with a Transaction Document or any Event of Default or determine that any Event of Default has been remedied if, in the reasonable opinion of the Security Trustee, the waiver or determination is not materially prejudicial to the interests of the Secured Creditors (as a whole or to a class of Secured Creditors).

The US\$ Note Trustee may, without the consent of the Class A1-U Note Holders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, if in its opinion the interests of the relevant Class A1-U Note Holders will not be materially prejudiced thereby, waive or authorise, on such terms as seem expedient to it, any breach or proposed breach by Firstmac of the Note Trust Deed or the US\$ Note Conditions provided that the US\$ Note Trustee shall not do so in contravention of an express direction given by an Extraordinary Resolution. No such direction or request will affect a previous waiver, authorisation or determination. Any such waiver, authorisation or determination shall be binding on the relevant Class A1-U Note Holders and, if the US\$ Note Trustee so requires, will be notified to the Class A1-U Note Holders as soon as practicable.

Where the US\$ Note Trustee is required to express an opinion or make a determination or calculation under the Transaction Documents, the US\$ Note Trustee may appoint or engage such independent advisors as the US\$ Note Trustee reasonably requires to assist in the giving of that opinion or the making of that determination or calculation and any costs and expenses properly incurred by and payable to those advisors will be reimbursed to the US\$ Note Trustee by Firstmac or, if another person is expressly stated in the relevant provision in a Transaction Document, that person, and the US\$ Note Trustee will not be liable to any person for any loss such person may incur as a result of the US\$ Note Trustee relying on such advice.

10.5 Indemnification and exoneration of the US\$ Note Trustee and the Security Trustee

The Note Trust Deed and the Master Trust Deed contain provisions for the indemnification of the US\$ Note Trustee and the Security Trustee (respectively) and for their relief from responsibility, including provisions relieving them from taking proceedings to realise the security and to obtain repayment of the Class A1-U Notes unless indemnified to their satisfaction. Each of the US\$ Note Trustee and the Security Trustee is entitled to enter into business transactions with Firstmac and/or any other party to the Transaction Documents without accounting for any profit resulting from such transactions.

The US\$ Note Trustee will not be responsible for any loss, expense or liability occasioned to the Collateral or any other property or in respect of all or any of the moneys which may stand to the credit of the Collection Account from time to time however caused (including, without limitation, where caused by an act or omission of the Security Trustee) unless that loss is occasioned by the fraud, gross negligence or wilful default of the US\$ Note Trustee.

The Security Trustee will not be taken to be fraudulent, grossly negligent or in wilful default because of it acting, or not acting, in accordance with the instructions of the Voting Secured Creditors.

The US\$ Note Trustee will not be taken to be fraudulent, grossly negligent or in wilful default because of it acting in accordance with the instructions of the Class A1-U Note Holders.

Except in the case of fraud, gross negligence or wilful default, the US\$ Note Trustee may act on the opinion or advice of, or information obtained from, any expert (including any lawyer, valuer, banker, broker, accountant, credit rating agency or lead manager) and will not be responsible to anyone for any loss occasioned by so acting to the extent it complies with any applicable requirements of the Note Trust Deed.

Any such opinion, advice or information may be sent or obtained by letter, telex or facsimile transmission and the US\$ Note Trustee will not be liable to any Class A1-U Note Holder, amongst others, for acting in good faith on any opinion, advice or information purporting to be conveyed by such means even if it contains some error which is not a manifest error or is not authentic.

11 Notices

11.1 General

Subject to **Condition 11.2**, all notices, other than notices given in accordance with the following paragraph and **Condition 11.3**, to Class A1-U Note Holders will be deemed given if in writing and mailed, first-class, postage prepaid to each Class A1-U Note Holder, at his or her address as it appears on the US\$ Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Class A1-U Note Holders is given by mail, neither the failure to mail such notice nor any defect in any notice so mailed to any particular Class A1-U Note Holder will affect the sufficiency of such notice with respect to other Class A1-U Note Holders, and any notice that is mailed in the manner herein provided will conclusively be presumed to have been duly given.

A notice may be waived in writing by the relevant Class A1-U Note Holder, either before or after the event, and such waiver will be the equivalent of such notice. Waivers of notice by Class A1-U Note Holders will be filed with the US\$ Note Trustee but such filing will not be a condition precedent to the validity of any action taken in reliance upon such a waiver.

Any such notice will be deemed to have been given on the date such notice is deposited in the mail.

In case, by reason of the suspension of regular mail services as a result of a strike, work stoppage or similar activity, it is impractical to mail notice of any event to Class A1-U Note Holders when such notice is required to be given, then any manner of giving such notice as Firstmac directs the US\$ Note Trustee will be deemed to be a sufficient giving of such notice.

In addition to the above, notices to the Class A1-U Note Holders will be valid if published in a leading daily newspaper in the City of New York, London and Singapore. It is expected that publication will be made in the City of New York in *The Wall Street Journal*, in London in the *Financial Times* and in Singapore in the *Asian Wall Street Journal*. Any such notice will be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication.

So long as the Class A1-U Notes are represented by a Book-Entry Note and such Book-Entry Note is held on behalf of the Clearing Agency, notices to the Class A1-U Note Holders shall be given by delivery of the relevant notice to the Clearing Agency for communication by it to entitled persons.

11.2 Book-Entry Notes

Unless and until the Definitive Notes have been issued in definitive form, whenever a notice or other communication to the Class A1-U Note Holders is required under the Note Trust Deed or any other Transaction Document all such notices and communications must be given to the Clearing Agency and are not required to be given to the beneficial owners of the Class A1-U Notes.

11.3 Class A1-U Note Information

Any notice specifying a Payment Date, an Class A1-U Note Interest Rate in relation to the Class A1-U Notes, an Interest Amount, an Invested Amount, a Stated Amount or any other matter permitted to be given in accordance with this **Condition 11.3**, will be deemed to have been duly given if the information contained in the notice appears on:

- (a) the relevant page of the Reuters Screen or the Electronic information system made available to its subscribers by Bloomberg, L.P.; or
- (b) another similar electronic reporting service notified to Class A1-U Note Holders pursuant to **Condition 11.1**,

(each a “**Relevant Screen**”).

Any such notice will be deemed to have been given on the first date on which such information appeared on the Relevant Screen. If it is impossible or impracticable to give notice in accordance with this paragraph then notice of the matters referred to in this **Condition 11.3** will be given in accordance with **Condition 11.1**.

12 Limitation of liability of Firstmac

12.1 Limitation on Firstmac’s liability

The Transaction Documents in respect of the Series apply to Firstmac only in its capacity as trustee of the Trust and in no other capacity. A liability incurred by Firstmac acting in its capacity as trustee of a Trust in respect of the Series arising under or in connection with the Master Trust Deed or any other Transaction Document is limited to and can be enforced against Firstmac only to the extent to which it can be satisfied out of the Assets of the Series

of which Firstmac is actually indemnified for the liability. This limitation of Firstmac's liability applies despite any other provision of the Master Trust Deed any other Transaction Document (other than as set out below) and extends to all liabilities and obligations of Firstmac in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to the Master Trust Deed or any other Transaction Document.

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

The provisions of the Master Trust Deed limiting Firstmac's liability do not apply to any obligation or a liability of Firstmac to the extent that it is not satisfied because under the Master Trust Deed or any other Transaction Document in relation to the Series or by operation of law there is a reduction in the extent of Firstmac's indemnification out of the relevant Assets of the Series as a result of Firstmac's fraud, gross negligence or wilful default.

Each Secured Creditor is taken to have acknowledged that the Manager and other parties are responsible, under the Master Trust Deed and the other Transaction Documents in relation to the Series to which the Manager or such other parties (as the case may be) are a party, for performing a variety of obligations relating to the Series. No act or omission of Firstmac (including any related failure to satisfy its obligations or breach of representation or warranty under the Master Trust Deed) will be considered fraud, gross negligence or wilful default for the purpose of the Master Trust Deed and to the extent the act or omission was caused or contributed to by any failure by the Manager or any other person appointed by Firstmac under any Transaction Document (other than a person whose acts or omissions Firstmac is liable for in accordance with any Transaction Document) to fulfil its obligations relating to the Series or by any other act or omission of the Manager or any other such person regardless of whether or not the act or omission is purported to be done on behalf of Firstmac.

No attorney, agent, receiver or receiver and manager appointed in accordance with the Master Trust Deed or any other Transaction Document has authority to act on behalf of Firstmac in a way that exposes Firstmac to any personal liability, and no act or omission of any such person will be considered fraud, gross negligence or wilful default of Firstmac for the purpose of the Master Trust Deed.

Firstmac is not obliged to do anything or refrain from doing anything under or in connection with the Master Trust Deed (including incur a liability) unless Firstmac's liability is limited in the same manner as set out in the Master Trust Deed.

The provisions of the Master Trust Deed described in this **Condition 12**:

- (a) are paramount and apply regardless of any other provision of the Master Trust Deed or any other instrument, even a provision which seeks to apply regardless of any other provision;
- (b) survive and endure beyond any termination of the Master Trust Deed for any reason; and
- (c) are not severable from the Transaction Documents.

Notwithstanding any other provision of any other Transaction Document, Firstmac is not obliged to execute or do or omit to do anything (including any instrument), enter into any agreement or incur any obligation in connection with the Series unless Firstmac has received independent legal advice (if required by Firstmac) in relation to the act, omission, instrument, agreement, obligation or liability and unless Firstmac's liability in connection with the act, omission, instrument, agreement, obligation or liability is limited in a manner satisfactory to Firstmac.

12.2 Indemnity

Firstmac is indemnified out of the Assets in respect of the Series 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 in respect of the Series.

This indemnity does not extend to any liabilities, losses or Costs to the extent that they are due to Firstmac's fraud, gross negligence or wilful default.

For this purpose, "**wilful default**" means, in respect of Firstmac, any wilful failure to comply with or wilful breach of any of its obligations under the Master Trust Deed, other than a wilful failure or wilful breach which:

- (a) is in accordance with a lawful court order or direction or otherwise required by law; or
- (b) is in accordance with an instruction or direction from the Manager in respect of the Series; or
- (c) arose as a result of a breach by a person other than Firstmac or any other person contemplated by this condition and performance of the action (or non performance of which gave rise to such breach) is a precondition to Firstmac performing its obligations under the Master Trust Deed.

12.3 No restriction on action

Nothing in the provisions of the Master Trust Deed referred to in **Condition 12.1** and **Condition 12.2** above of the US\$ Note Conditions are taken to impose any restriction upon the rights of the Residual Capital Unitholder, Residual Income Unitholder, the Class A1-U Note Holders, any other Secured Creditors or any other persons in respect of a Trust or any Series to bring an action against Firstmac for loss or damage suffered by reason of Firstmac's fraud, gross negligence or wilful default.

12.4 Limited recourse

Firstmac's liability in connection with the Transaction Documents of the Series (including any transaction in connection with them) may be discharged from, and the recourse of the Security Trustee and the Secured Creditors is limited to, only that part of the Collateral which relates to that Series.

The realisation of the Collateral which relates to the Series and its application towards the Secured Money of the Series in accordance with the Transaction Documents of the Series constitutes a complete discharge of Firstmac's liability to the Security Trustee and each Secured Creditor of that Series in connection with the Transaction Documents of that Series (including any transaction in connection with them).

12.5 No proceedings

The Security Trustee, a Secured Creditor of the Series or any person acting on their behalf may not seek to recover any shortfall in the amounts which would otherwise be owing by Firstmac in connection with the Transaction Documents of a Series if **Condition 12.4** did not apply (being the shortfall after the realisation of that part of the Collateral which relates to the Series and its application towards the Secured Money of the Series). This includes bringing proceedings against Firstmac or applying to have Firstmac wound up.

However, the Security Trustee, a Secured Creditor or any person acting on one or more of their behalf, may:

- (a) do anything necessary to enforce their rights in connection with the Collateral of the Series; and
- (b) take proceedings to obtain:

- (i) an injunction or other order to restrain any breach of the Transaction Documents of the Series by Firstmac; or
- (ii) declaratory relief or other similar judgment or order as to the obligations of Firstmac under the Transaction Documents of the Series.

12.6 All liabilities of Firstmac subject to limited recourse

Despite any other provision of the Transaction Documents, neither the Security Trustee nor any other person (including any Attorney appointed under the Security or any Receiver appointed to the Collateral of the Series) may incur any liability on behalf of Firstmac except a liability which is subject to this condition.

13 Governing law

The Notes and the Transaction Documents are governed by, and will be construed in accordance with, the laws of New South Wales, Australia. Each of Firstmac and the Manager has in the Note Trust Deed irrevocably agreed for the benefit of the US\$ Note Trustee and the Class A1-U Note Holders that the courts of New South Wales are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Note Trust Deed and the Class A1-U Notes.

Agents

US\$ Note Principal Paying Agent: Deutsche Bank AG, Hong Kong Branch

US\$ Note Registrar Deutsche Bank AG, Hong Kong Branch

US\$ Note Calculation Agent: Deutsche Bank AG, Hong Kong Branch

Summary of Provisions Relating to the Class A1-U Notes while in Book-Entry Form

Each Class A1-U Note will initially be represented by a typewritten book-entry note (the "**Book-Entry Note**"), without coupons. The Book-Entry Note will be deposited with the Depository for Euroclear and Clearstream, Luxembourg on or about the relevant Issue Date. Upon deposit of the Book-Entry Note with the Depository, Euroclear and Clearstream, Luxembourg will credit each investor in the Class A1-U Notes with a principal amount of Class A1-U Notes for which it has subscribed and paid.

The Book-Entry Note will be exchangeable for Definitive Notes (of the same class) in certain circumstances described below.

(a) Payments

Interest and principal on the Book-Entry Note will be payable by the US\$ Note Principal Paying Agent to the Depository.

Each of the persons appearing from time to time in the records of the Clearing Agency as the beneficial owner of a Class A1-U Note will be entitled to receive any payment so made in respect of that Class A1-U Note in accordance with the respective rules and procedures of the Clearing Agency. Such persons will have no claim directly against Firstmac in respect of payments due on the Class A1-U Notes for so long as the Class A1-U Notes are represented by the Book-Entry Note and the relevant obligations of Firstmac will be discharged by payment to the person recorded in the US\$ Note Register as the registered holder of the Book-Entry Note in respect of each amount so paid.

A record of each payment made on the Book-Entry Note, distinguishing between any payment of principal and any payment of interest, will be recorded in the US\$ Note Register by the US\$ Note Registrar and such record will be prima facie evidence that the payment in question has been made.

(b) Exchange

The Book-Entry Note will be exchanged in whole, but not in part only, for Definitive Notes only upon the occurrence of an Exchange Event in respect of the Class A1-U Notes.

If, in respect of the Class A1-U Notes:

- (i) the US\$ Note Principal Paying Agent advises the Manager in writing that the Clearing Agency is no longer willing or able properly to discharge its responsibilities with respect to the Class A1-U Notes and the Manager is unable to locate a qualified successor; or
- (ii) the Clearing Agency is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business and the Manager is unable to locate a qualified successor; or
- (ii) the Manager advises the US\$ Note Principal Paying Agent that Firstmac has or will become subject to adverse tax consequences which would not be suffered were the Book-Entry Note in respect of the Class A1-U Notes exchanged for Definitive Notes,

(such event, an **"Exchange Event"** in respect of the Class A1-U Notes) then the US\$ Note Principal Paying Agent will notify all of the Class A1-U Note Owners of the occurrence of any such Exchange Event.

On the occurrence of an Exchange Event in respect of the Class A1-U Notes:

- (i) Firstmac may (at the direction of the Manager) give notice to the US\$ Note Trustee and Class A1-U Note Holders of its intention to exchange such Class A1-U Notes represented by the Book-Entry Note for Definitive Notes; and
- (ii) the Clearing Agency (on behalf of the Class A1-U Note Owners) may give notice to Firstmac, the US\$ Note Trustee and the Manager of its intention to exchange such Class A1-U Notes represented by the Book-Entry Note for Definitive Notes.

Any such exchange will be made upon the surrender to Firstmac by the Clearing Agency of the Book-Entry Note at the offices of the US\$ Note Principal Paying Agent (or such other place as Firstmac and the US\$ Note Trustee may agree and notify to the Clearing Agency) and the delivery by the Clearing Agency of the relevant registration instructions to Firstmac. In exchange for such Book-Entry Note, Firstmac (with the assistance of the Manager) must execute and procure the US\$ Note Principal Paying Agent to authenticate and deliver the Definitive Notes in accordance with the instructions of the Clearing Agency.

(c) Notices

So long as the Notes are represented by the Book-Entry Note and the same is/are held on behalf of the Clearing Agency, notices to Class A1-U Note Holders may be given by delivery of the relevant notice to the Clearing Agency for communication by them to entitled account holders in substitution for delivery to each Class A1-U Note Holder as required by the US\$ Note Conditions.

(d) Cancellation

Cancellation of any Class A1-U Note required by the US\$ Note Conditions will be effected by reduction in the principal amount of the relevant Book-Entry Note.

10 Cashflow Allocation Methodology

10.1 General

Clause 6 (“*Cashflow Allocation Methodology*”) of the Supplementary Terms Notice provides for the way in which the Manager will calculate and Firstmac will pay amounts on each Payment Date to, amongst others, the Holders of the A\$ Notes and the Currency Swap Provider.

10.2 Collections

Collections in respect of principal and interest will be received by the Servicer during each Collection Period. The Servicer will deposit all Collections into the Collection Account within 2 Business Days of receipt.

Collections are derived from receipts from the Assets of the Series and other Authorised Investments of the Series and any other amount payable to Firstmac in respect of the Series under the Transaction Documents (excluding Borrower Exit Fees during such Collection Period). Collections may also be derived from other sources including, but not limited to, proceeds from enforcement of the Assets of the Series and any Insurance Policy (collectively, the “**Collections**”).

Any premium received from a replacement Currency Swap Provider in respect of a Currency Swap Agreement will not be treated as Collections but will instead be paid to the outgoing Currency Swap Provider unless section 10.21 (“*Application of proceeds following an Enforcement Event*”) applies.

For the avoidance of doubt, the proceeds from the issue of Class A1-BR Notes on the Class A1-B Note Scheduled Maturity Date will not form part of Collections and will be applied towards the redemption of the Class A1-B Notes.

10.3 Distributions made during a Collection Period

Prior to an Enforcement Event, Firstmac will, on any day other than a Payment Date, apply the Collections received during the relevant Collection Period (other than receipts from Authorised Investments from the Scheduled Amortisation Fund) towards payment of any of the following amounts when such funds are available from time to time for the relevant purpose:

- (a) subject to the Supplementary Terms Notice, to fund Redraws on Housing Loans; and
- (b) to the Interest Rate Swap Provider or Counterparty of:
 - (i) any net payment due by Firstmac under the Interest Rate Swap Agreement or a Derivative Contract in respect of the Series on a day other than a Payment Date; and
 - (ii) any break costs or any early termination amount in relation to the partial or full repayment of any fixed rate Receivables for which Firstmac and the Interest Rate Swap Provider or Counterparty had entered into transactions under the relevant Interest Rate Swap Agreement or Derivative Contract (to the extent there are sufficient break costs and early termination amounts (without double counting) recovered from Debtors to pay such break costs and early termination amounts),

where and on the date that such amounts become due for payment provided that:

- (A) with respect to any amounts payable by Firstmac under paragraph (a) above, there are sufficient Principal Collections out of which such payments can be made at the relevant time;
- (B) with respect to any amounts payable by Firstmac under paragraphs (a) or (b), Firstmac:

- (aa) holds in reserve an amount of Interest Collections at least equal to the amount required to repay any outstanding Principal Draw on the immediately following Payment Date; and
 - (ab) must not make any payment under this section from an amount that would constitute part of the Total Interest Collections for the relevant Collection Period unless Firstmac is satisfied that there will be sufficient Total Interest Collections on the immediately following Payment Date to make the Required Payments in accordance with section 10.14 (“*Distribution of Total Interest Collections*”) (assuming that no Liquid Authorised Investments would be realised, and no Principal Draw or Extraordinary Expense Draw would be required, in order to meet such Required Payments); and
- (C) with respect to any amounts payable by Firstmac under paragraph (b), there are sufficient Interest Collections out of which such payment can be made at the relevant time.

The aggregate of such amounts for a Collection Period are the “**Collection Period Distributions**”.

10.4 Manager’s calculations

On each Determination Date, the Manager will calculate (among other things):

- (a) the Interest Collections;
- (b) the Principal Collections;
- (c) the aggregate of the Borrower Exit Fees (if any) received by Firstmac during the immediately preceding Collection Period;
- (d) the aggregate of the fixed rate break costs received from Debtors during the immediately preceding Collection Period;
- (e) the Principal Draw (if any);
- (f) the Extraordinary Expense Draw (if any);
- (g) the FastPay Carryover Charge-Off (if any);
- (h) the FastPay Charge-Off (if any);
- (i) the Class A1-U Carryover Charge-Off (if any);
- (j) the Class A1-U Charge-Off (if any);
- (k) the Class A1-A Carryover Charge-Off (if any);
- (l) the Class A1-A Charge-Off (if any);
- (m) the Class A1-B Carryover Charge-Off (if any);
- (n) the Class A1-B Charge-Off (if any);
- (o) the Class A1-BR Carryover Charge-Off (if any);
- (p) the Class A1-BR Charge-Off (if any);
- (q) the Class A2 Carryover Charge-Off (if any);

- (r) the Class A2 Charge-Off (if any);
- (s) the Class B Carryover Charge-Off (if any);
- (t) the Class B Charge-Off (if any);
- (u) the Class C Carryover Charge-Off (if any);
- (v) the Class C Charge-Off (if any);
- (w) the Class D Carryover Charge-Off (if any);
- (x) the Class D Charge-Off (if any);
- (y) the Class E Carryover Charge-Off (if any);
- (z) the Class E Charge-Off (if any);
- (aa) the Class F Carryover Charge-Off (if any);
- (bb) the Class F Charge-Off (if any);
- (cc) Scheduled Amortisation Shortfall (if any);
- (dd) Scheduled Amortisation Fund Draw (if any);
- (ee) Scheduled Amortisation Fund Balance;
- (ff) the Class A1-U Note Amortisation Amount for the immediately following Payment Date;
- (gg) any amounts and determinations required to give effect to the provisions of the Scheduled Amortisation Facility Agreement;
- (hh) the Liquid Authorised Investments to be realised (if any);
- (ii) the Liquidity Shortfall;
- (jj) the Payment Shortfall;
- (kk) the Threshold Amount, and notify the Servicer of such amount when calculated;
- (ll) the Accrual Amount for both the immediately preceding Collection Period and for the period from the end of the immediately preceding Collection Period to the Payment Date after that Payment Date; and
- (mm) whether the Principal Repayment Fund will be sufficient to meet in full the aggregate of any Redraws provided during the preceding Collection Period.

10.5 Calculation of Interest Collections

On each Determination Date, the Interest Collections in respect of the immediately preceding Collection Period will be calculated by the Manager (without double counting) as follows:

- (a) the Adjusted Collections received by or on behalf of Firstmac during that Collection Period; minus
- (b) the Principal Collections for that Collection Period; plus
- (c) any Other Income received in respect of that Collection Period; plus

- (d) any net payments to be received by Firstmac under the Interest Rate Swap Agreement and any other Derivative Contracts (other than a Currency Swap Agreement) on the next Payment Date; plus
- (e) interest credited to the Scheduled Amortisation Fund and to be transferred to the Collection Account on the next Payment Date in accordance with the Deposit Deed; plus
- (f) all other amounts received (including any Borrower Exit Fees) by or on behalf of Firstmac in respect of the Assets of the Series and which are determined by Firstmac to be in the nature of income during that Collection Period,

("Interest Collections").

10.6 Calculation of Principal Collections

On each Determination Date, the Principal Collections for a Collection Period are equal to:

- (a) the aggregate of:
 - (i) the Collections for the immediately preceding Collection Period; and
 - (ii) the proceeds of issue of any FastPay Notes on the immediately following Payment Date; less
- (b) the Finance Charge Collections received by Firstmac during that Collection Period; less
- (c) the Accrual Amount for that Collection Period; less
- (d) the Shortfall Adjustment calculated on the immediately preceding Determination Date; less
- (e) the aggregate of any amounts paid in accordance with paragraph (a) of section 10.3 ("*Distributions made during a Collection Period*") during that Calculation Period,

("Principal Collections").

If the amount calculated as a result of the above formula is a positive number then the amount so calculated will be the Principal Collections for that Collection Period. If the amount calculated as a result of the above formula is negative, then the Principal Collections are equal to zero.

10.7 Liquidity Shortfall

On each Determination Date the Manager must calculate the Liquidity Shortfall, being the amount by which the Required Payments on the following Payment Date exceed the Interest Collections for the preceding Collection Period (a "**Liquidity Shortfall**").

10.8 Liquid Authorised Investments

- (a) Firstmac must ensure that it holds and maintains for the Series an amount of Liquid Authorised Investments equal to the Required Liquid Authorised Investment Amount at all times. The purchase of Liquid Authorised Investments up to the Required Liquid Authorised Investment Amount will initially be funded by the proceeds of the issuance of the Notes. Where the Standby Trustee replaces Firstmac in accordance with the Master Trust Deed, the Standby Trustee is under no obligation to maintain the Required Liquid Authorised Investment Amount other than with funds available to it from the Series.
- (b) On the Closing Date, Firstmac may, at the direction of the Manager, utilise a portion of the Liquid Authorised Investments to fund the purchase price of Receivables insofar as the funding relates to accrued interest, holding period interest and other expenses on the Receivables. Any such realisation of an amount of Liquid

Authorised Investments will be reimbursed out of Total Interest Collections in accordance with section 10.14 (*"Distribution of Total Interest Collections"*).

- (c) On each Determination Date, the Manager will advise Firstmac of any Liquidity Shortfall in respect of that Determination Date and must direct Firstmac to realise an amount of the Liquid Authorised Investments equal to the lesser of:
- (i) the amount of the Liquidity Shortfall on that day; and
 - (ii) the amount of the Liquid Authorised Investments on that day,
- and apply it as part of Total Interest Collections for that Collection Period.
- (d) If the Manager determines, on any Determination Date, that the amount of Liquid Authorised Investments exceeds the Required Liquid Authorised Investment Amount on that Determination Date (taking into account all payments to be made on the immediately following Payment Date), then the Manager must direct Firstmac to realise an amount of the Liquid Authorised Investments in an amount equal to that excess and allocate that amount to the Principal Repayment Fund for distribution in accordance with section 10.19 (*"Distribution of Principal Repayment Fund"*).
- (e) The parties agree that amounts of Liquid Authorised Investments will only be realised:
- (i) on each Payment Date for the purposes of meeting any Liquidity Shortfall;
 - (ii) on the Payment Date on which all Notes are to be redeemed in full, by realising the remaining Liquid Authorised Investments (after any realisation of Liquid Authorised Investments has been made in accordance with paragraph (c) above) and applying that amount to the Principal Repayment Fund for distribution in accordance with section 10.19 (*"Distribution of Principal Repayment Fund"*); or
 - (iii) following the occurrence of an Enforcement Event, by realising the remaining Liquid Authorised Investments and applying that amount in accordance with section 10.21 (*"Application of proceeds following an Enforcement Event"*).

10.9 Payment Shortfall

On each Determination Date the Manager must calculate the Payment Shortfall, being the amount by which the Required Payments on the following Payment Date exceed the aggregate of:

- (a) the Interest Collections for the preceding Collection Period; and
- (b) the amount of the Liquid Authorised Investments realised on that Determination Date in accordance with section 10.8(c) (*"Liquid Authorised Investments"*),

(a **"Payment Shortfall"**).

10.10 Principal Draw

- (a) On each Determination Date, the Manager must calculate the Principal Draw, being an amount equal to the lesser of:
- (i) the aggregate of:
 - (A) the estimated Accrual Amount for the period commencing on (but excluding) the last day of the preceding Collection Period to (but excluding) the following Payment Date; minus
 - (B) the Payment Shortfall calculated on that Determination Date; and
 - (ii) the Principal Collections as calculated on that Determination Date,

(a “Principal Draw”).

- (b) Firstmac, at the direction of the Manager, agrees to distribute any Principal Draw in accordance with section 10.14 (“*Distribution of Total Interest Collections*”)

10.11 Extraordinary Expense Draw

- (a) Firstmac agrees to:
- (i) establish and maintain in the name of Firstmac a bank account with an Eligible Bank known as the “Firstmac Mortgage Funding Trust No.4 Series 1-2018 Extraordinary Expense Reserve” (the “**Extraordinary Expense Reserve**”);
 - (ii) on the Issue Date, deposit the Required Extraordinary Expense Reserve Balance into the Extraordinary Expense Reserve; and
 - (iii) deposit amounts into the Extraordinary Expense Reserve as required under section 10.14(ff) (“*Distribution of Total Interest Collections*”).
- (b) The Residual Income Unitholder will, on the Closing Date, make a deposit (of its own funds) to the Extraordinary Expense Reserve of an amount equal to the Required Extraordinary Expense Reserve Balance on that day as an additional contribution of capital in relation to the Residual Income Unit.
- (c) If the Manager determines, on any Determination Date, that there is an Extraordinary Expense, then the Manager must direct Firstmac to withdraw from the Extraordinary Expense Reserve an amount equal to the lesser of:
- (i) the amount of the Extraordinary Expense on that day; and
 - (ii) the balance of the Extraordinary Expense Reserve on that day,
- and apply that amount towards Total Interest Collections for that Collection Period (an “**Extraordinary Expense Draw**”).
- (d) The parties agree that amounts will only be released from the Extraordinary Expense Reserve:
- (i) into the Collection Account on each Payment Date for the purposes of making Extraordinary Expense Draws;
 - (ii) on the Payment Date on which all Notes are to be redeemed in full, any amounts standing to the balance of the Extraordinary Expense Reserve after any Extraordinary Expense Draw has been made in accordance with paragraph (c), will be applied as a distribution to the Residual Income Unitholder; or
 - (iii) following the occurrence of an Enforcement Event, by applying any amounts standing to the balance of the Extraordinary Expense Reserve in accordance with section 10.21 (“*Application of proceeds following an Enforcement Event*”).
- (e) Each Extraordinary Expense Draw made on any Payment Date in accordance with paragraph (c) is to be repaid on subsequent Payment Dates, but only to the extent that there are funds available for this purpose in accordance with section 10.14 (“*Distribution of Total Interest Collections*”).

10.12 Scheduled Amortisation Fund Draw, Scheduled Amortisation Facility Draw and Scheduled Amortisation Fund Excess

- (a) If, on any Determination Date, there is a Scheduled Amortisation Shortfall in respect of that Determination Date, the Manager must direct Firstmac to withdraw from the

Scheduled Amortisation Fund on the Payment Date immediately following that Determination Date an amount equal to the lesser of:

- (i) the Scheduled Amortisation Shortfall; and
- (ii) the Scheduled Amortisation Fund Balance on that Determination Date,

(a “**Scheduled Amortisation Fund Draw**”), and apply that amount in accordance with section 10.20 (“*Application of A\$ Class A1-U Principal*”).

- (b) If, on any Determination Date immediately preceding a Payment Date and during the Scheduled Amortisation Availability Period, there is a Scheduled Amortisation Further Shortfall in respect of that Determination Date, the Manager must, on behalf of Firstmac, request that the Scheduled Amortisation Facility Provider makes a Scheduled Amortisation Advance under the Scheduled Amortisation Facility on the Payment Date immediately following that Determination Date equal to the lesser of:

- (i) the Scheduled Amortisation Further Shortfall; and
- (ii) the Available Scheduled Amortisation Amount on that Determination Date,

(a “**Scheduled Amortisation Facility Draw**”), and apply that amount in accordance with section 10.20 (“*Application of A\$ Class A1-U Principal*”).

- (c) If, on any Determination Date, there is any Scheduled Amortisation Fund Excess in respect of that Determination Date, the Manager must direct Firstmac to withdraw the Scheduled Amortisation Fund Excess from the Scheduled Amortisation Fund on the Payment Date immediately following that Determination Date and apply it in the following order of priority:

- (i) first, to repay the Class A1-A Noteholders until the Aggregate Invested Amount of the Class A1-A Notes has been reduced to zero; and
- (ii) next, if on that Determination Date the Aggregate Invested Amount of the Class A1-U Notes is greater than zero, to be applied to the Scheduled Amortisation Fund until the Scheduled Amortisation Fund Balance equals to the Scheduled Amortisation Fund Limit; and
- (iii) next, as part of the Principal Repayment Fund.

The payments to be made on that Payment Date under section 10.19 (“*Distribution of Principal Repayment Fund*”) (together with all associated calculations) shall take into account any amounts to be applied under this section 10.12(c), with payments under section 10.12(c)(i) and section 10.12(c)(ii) deemed to be made first.

10.13 Calculation and application of Total Interest Collections

On each Determination Date, the Total Interest Collections are calculated as the aggregate of:

- (a) any Interest Collections calculated in accordance with section 10.5 (“*Calculation of Interest Collections*”) on that Determination Date;
- (b) any Principal Draw calculated in accordance with section 10.10 (“*Principal Draw*”) on that Determination Date;
- (c) any Liquid Authorised Investments realised in accordance with section 10.8(c) (“*Liquid Authorised Investments*”) on that Determination Date; and
- (d) any Extraordinary Expense Draw calculated in accordance with section 10.11 (“*Extraordinary Expense Draw*”) on that Determination Date,

(“**Total Interest Collections**”).

The Total Interest Collections in respect of a Determination Date must be applied on the immediately following Payment Date to meet Required Payments in accordance with section 10.14 (“*Distribution of Total Interest Collections*”).

10.14 Distribution of Total Interest Collections

The Manager must direct Firstmac to pay (or direct payment of), subject to section 10.13 (“*Calculation and application of Total Interest Collections*”), the following items in the following order of priority out of Total Interest Collections (as calculated on the relevant Determination Date) on each Payment Date:

- (a) first, by way of distribution of the income of the Trust, to the Residual Income Unitholder, the sum of A\$1;
- (b) second, in paying or providing for the payment of any Taxes owing by Firstmac in respect of the Series;
- (c) third, *pari passu*, in payment of any fees and any expenses of the Security Trustee, the US\$ Note Trustee, each US\$ Note Agent, the US\$ Note Registrar, the Custodian, the Delegate A\$ Note Registrar, the A\$ Note Calculation Agent, the Standby Trustee (whether or not acting as trustee of the Trust) and the Standby Servicer in respect of the Series (in the amounts (as to fees only) agreed in accordance with the Supplementary Terms Notice);
- (d) fourth, in payment *pari passu* and rateably:
 - (i) to the Interest Rate Swap Provider, any net payment due by Firstmac under an Interest Rate Swap Agreement or any other Derivative Contracts (other than the Currency Swap Agreement) in respect of the Series on that Payment Date including any break costs incurred during the relevant Collection Period (or unpaid from previous Collection Periods) to the extent that:
 - (A) where the break costs arise as a result of a transaction being terminated due to the prepayment of any related Receivable, there are sufficient break costs or early termination amounts (without double counting) recovered from Debtors to pay such break costs; and
 - (B) the Counterparty is not the “defaulting party” or “sole affected party” (for the avoidance of doubt, excluding any break costs payable to each Counterparty where that Counterparty is the “defaulting party” or a sole “affected party”); and
 - (ii) to the Currency Swap Provider of any break costs in respect of the termination of the Currency Swap Agreement to the extent that the Currency Swap Provider is not the “defaulting party” or sole “affected party” (for the avoidance of doubt, excluding any break costs payable to the Currency Swap Provider where the Currency Swap Provider is the “defaulting party” or a sole “affected party”); and
- (e) fifth, in payment of any fees of, or any expenses reasonably and properly incurred that are due to be reimbursed to, Firstmac and the A\$ Note Registrar in respect of the Series (in the amounts (as to fees only) agreed in accordance with the Supplementary Terms Notice);
- (f) sixth, in payment of any fees of, or any expenses due to be reimbursed to, the Manager in respect of the Series that have been reasonably and properly incurred (in the amounts (as to fees only) agreed in accordance with the Supplementary Terms Notice);
- (g) seventh, in payment of any fees of, or any Enforcement Expenses due to be reimbursed to, the Servicer in respect of the Series (in the amounts (as to fees only) agreed in accordance with the Supplementary Terms Notice);

- (h) eighth, in paying or providing for the payment or satisfaction of any Expenses of the Series to the extent not otherwise described in this section 10.14 ("*Distribution of Total Interest Collections*") incurred during the Collection Period immediately preceding that Payment Date;
- (i) ninth, in payment pari passu and rateably of:
 - (i) any Unpaid Interest on the FastPay Notes owing at the time;
 - (ii) the A\$ Class A1-U Unpaid Interest Amount to the Currency Swap Provider in accordance with the Currency Swap Agreement;
 - (iii) any Unpaid Interest on the Class A1-A Notes owing at the time;
 - (iv) any Unpaid Interest on the Class A1-B Notes owing at the time;
 - (v) any Unpaid Interest on the Class A1-BR Notes owing at the time; and
 - (vi) of any interest and fees payable prior to that Payment Date to the Scheduled Amortisation Facility Provider under the Scheduled Amortisation Facility Agreement which remains unpaid;
- (j) tenth, in payment pari passu and rateably of:
 - (i) any interest that is due and payable to the Holders of the FastPay Notes on that Payment Date;
 - (ii) the A\$ Class A1-U Note Interest Amount to the Currency Swap Provider in accordance with the Currency Swap Agreement;
 - (iii) any interest that is due and payable to the Holders of the Class A1-A Notes on that Payment Date;
 - (iv) any interest that is due and payable to the Holders of the Class A1-B Notes on that Payment Date;
 - (v) any interest that is due and payable to the Holders of the Class A1-BR Notes on that Payment Date; and
 - (vi) of any interest and fees payable on that Payment Date to the Scheduled Amortisation Facility Provider under the Scheduled Amortisation Facility Agreement;
- (k) eleventh, in payment pari passu and rateably of any Unpaid Interest on the Class A2 Notes on that Payment Date;
- (l) twelfth, in payment pari passu and rateably of any interest due and payable to the Holders of the Class A2 Notes on that Payment Date;
- (m) thirteenth, in payment pari passu and rateably of any interest due and payable to the Holders of the Class B Notes (other than Residual Class B Interest and any Unpaid Residual Class B Interest) on that Payment Date;
- (n) fourteenth, in payment pari passu and rateably of any interest due and payable to the Holders of the Class C Notes (other than Residual Class C Interest and any Unpaid Residual Class C Interest) on that Payment Date;
- (o) fifteenth, in payment pari passu and rateably of any interest due and payable to the Holders of the Class D Notes (other than Residual Class D Interest and any Unpaid Residual Class D Interest) on that Payment Date;

- (p) sixteenth, in payment pari passu and rateably of any interest due and payable to the Holders of the Class E Notes (other than Residual Class E Interest and any Unpaid Residual Class E Interest) on that Payment Date;
- (q) seventeenth, in payment pari passu and rateably of any interest due and payable to the Holders of the Class F Notes (other than Residual Class F Interest) on that Payment Date;
- (r) eighteenth, in reimbursement to the Principal Repayment Fund pari passu and rateably:
 - (i) of any outstanding Principal Draw made on the preceding Payment Date and which remains outstanding; and
 - (ii) of any amounts that remain unreimbursed under this section 10.14(r) ("*Distribution of Total Interest Collections*") in respect of previous Collection Periods;
- (s) nineteenth, in payment of an amount to be applied towards the purchase of Liquid Authorised Investments in an amount equal to any Liquid Authorised Investments realised on any preceding Determination Date in accordance with section 10.8(c) ("*Liquid Authorised Investments*") which have not been reimbursed on any preceding Payment Date;
- (t) twentieth, in payment pari passu and rateably of any Unpaid Interest on the Class B Notes owing at that time;
- (u) twenty-first, in payment pari passu and rateably of any Unpaid Interest on the Class C Notes owing at that time;
- (v) twenty-second, in payment pari passu and rateably of any Unpaid Interest on the Class D Notes owing at that time;
- (w) twenty-third, in payment pari passu and rateably of any Unpaid Interest on the Class E Notes owing at that time;
- (x) twenty-fourth, in payment pari passu and rateably of any Unpaid Interest on the Class F Notes owing at that time;
- (y) twenty-fifth, in allocation to the Principal Repayment Fund of an amount equal to the aggregate of:
 - (i) pursuant to section 10.16 ("*Allocation of Liquidation Losses*"), all FastPay Charge-Offs, Class A1-U Charge-Offs, Class A1-A Charge-Offs, Class A1-B Charge-Offs and Class A1-BR Charge-Offs on the preceding Determination Date; and
 - (ii) all FastPay Carryover Charge-Offs, Class A1-U Carryover Charge-Offs, Class A1-A Carryover Charge-Offs, Class A1-B Carryover Charge-Offs and Class A1-BR Carryover Charge-Offs that remain unreimbursed at that time;
- (z) twenty-sixth, in allocation to the Principal Repayment Fund of an amount equal to the aggregate of:
 - (i) pursuant to section 10.16 ("*Allocation of Liquidation Losses*"), all Class A2 Charge-Offs on the preceding Determination Date; and
 - (ii) all Class A2 Carryover Charge-Offs that remain unreimbursed at that time;
- (aa) twenty-seventh, in allocation to the Principal Repayment Fund of an amount equal to the aggregate of:

- (i) pursuant to section 10.16 (“*Allocation of Liquidation Losses*”), all Class B Charge-Offs on the preceding Determination Date; and
 - (ii) all Class B Carryover Charge-Offs that remain unreimbursed at that time;
- (bb) twenty-eighth, in allocation to the Principal Repayment Fund of an amount equal to the aggregate of:
 - (i) pursuant to section 10.16 (“*Allocation of Liquidation Losses*”), all Class C Charge-Offs on the preceding Determination Date; and
 - (ii) all Class C Carryover Charge-Offs that remain unreimbursed at that time;
- (cc) twenty-ninth, in allocation to the Principal Repayment Fund of an amount equal to the aggregate of:
 - (i) pursuant to section 10.16 (“*Allocation of Liquidation Losses*”), all Class D Charge-Offs on the preceding Determination Date; and
 - (ii) all Class D Carryover Charge-Offs that remain unreimbursed at that time;
- (dd) thirtieth, in in allocation to the Principal Repayment Fund of an amount equal to the aggregate of:
 - (i) pursuant to section 10.16 (“*Allocation of Liquidation Losses*”), all Class E Charge-Offs on the preceding Determination Date; and
 - (ii) all Class E Carryover Charge-Offs that remain unreimbursed at that time;
- (ee) thirty-first, in allocation to the Principal Repayment Fund of an amount equal to the aggregate of:
 - (i) pursuant to section 10.16 (“*Allocation of Liquidation Losses*”), all Class F Charge-Offs on the preceding Determination Date; and
 - (ii) all Class F Carryover Charge-Offs that remain unreimbursed at that time;
- (ff) thirty-second, in allocation to the Extraordinary Expense Reserve until the balance of the Extraordinary Expense Reserve is equal to the Required Extraordinary Expense Reserve Balance;
- (gg) thirty-third, pari passu and rateably towards payment to:
 - (i) the Interest Rate Swap Provider, the Currency Swap Provider or any Counterparty of any outstanding break costs payable in relation to an Interest Rate Swap Agreement, a Currency Swap Agreement or a Derivative Contract (as applicable) where the relevant Counterparty is the “defaulting party” or sole “affected party” (including interest at the Bank Bill Rate plus 2% on such costs not paid to the Interest Rate Swap Provider, the Currency Swap Provider or a Counterparty in any month and to the extent not paid from any premium received from a replacement Interest Rate Swap Provider, Currency Swap Provider or Counterparty (as applicable)) and any other amounts owing to the Interest Rate Swap Provider, Currency Swap Provider or a Counterparty (as applicable) which are not otherwise described in this section 10.14 (“*Distribution of Total Interest Collections*”); and
 - (ii) the Scheduled Amortisation Facility Provider of any other amounts owing under the Scheduled Amortisation Facility Agreement (to the extent not paid under sections 10.14(i)(vi) and 10.14(j)(vi), and excluding any amounts payable under section 10.19 (“*Distribution of Principal Repayment Fund*”);

- (hh) thirty-fourth, in payment pari passu and rateably of any Residual Class B Interest due and payable to the Holders of the Class B Notes on that Payment Date;
- (ii) thirty-fifth, in payment pari passu and rateably of any Unpaid Residual Class B Interest on the Class B Notes owing at that time;
- (jj) thirty-sixth, in payment of any Residual Class C Interest due and payable to the Holders of the Class C Notes on that Payment Date;
- (kk) thirty-seventh, in payment pari passu and rateably of any Unpaid Residual Class C Interest on the Class C Notes owing at that time;
- (ll) thirty-eighth, in payment of any Residual Class D Interest due and payable to the Holders of the Class D Notes on that Payment Date;
- (mm) thirty-ninth, in payment pari passu and rateably of any Unpaid Residual Class D Interest on the Class D Notes owing at that time;
- (nn) fortieth, in payment of any Residual Class E Interest due and payable to the Holders of the Class E Notes on that Payment Date;
- (oo) forty-first, in payment pari passu and rateably of any Unpaid Residual Class E Interest on the Class E Notes owing at that time;
- (pp) forty-second, in payment of any Residual Class F Interest due and payable to the Holders of the Class F Notes on that Payment Date;
- (qq) forty-third, in payment pari passu and rateably of any Unpaid Residual Class F Interest on the Class F Notes owing at that time;
- (rr) forty-fourth, the Tax Shortfall (if any) for that Payment Period;
- (ss) forty-fifth, the Tax Amount (if any) for that Payment Period;
- (tt) forty-sixth, in payment pari passu and rateably of any other amounts that are not in the nature of principal that are payable by Firstmac under the Transaction Documents not otherwise described in this section 10.14 ("*Distribution of Total Interest Collections*"); and
- (uu) forty-seventh, at the irrevocable direction of the Residual Income Unitholder (such direction being given by its execution of the Supplementary Terms Notice), in payment of any amounts that are scheduled to be paid under any applicable financing arrangements which are secured by the Residual Income Unit during the period from and including the relevant Payment Date to (but excluding) the next Payment Date.

Firstmac will only make a payment under any of paragraphs (a) to (uu) inclusive to the extent that any Total Interest Collections from which to make the payment remains after amounts with priority to the payment amount have been paid and distributed in full.

10.15 Distribution of income of Trust

On each Payment Date, after all amounts of Total Interest Collections are paid in accordance with section 10.14 ("*Distribution of Total Interest Collections*"), Firstmac must, to the extent any surplus amount remains, distribute such amount to the Residual Income Unitholder (by way of distribution of the income of the Series). Any amounts distributed in accordance with section 10.14(uu) ("*Distribution of Total Interest Collections*") will also be by way of distribution of the income of the Trust.

10.16 Allocation of Liquidation Losses

On any Determination Date or on the Final Maturity Date (as the case may be), if the Manager determines that there are Liquidation Losses during the immediately preceding Collection Period, the Manager must allocate those Liquidation Losses in the following order:

- (a) first, towards the Class F Notes until the amount so allocated equals the Stated Amount of the Class F Notes (such amount being a “**Class F Charge-Off**”);
- (b) second, upon the Class F Charge-Off equalling the Stated Amount of the Class F Notes as a result of the application of this section, towards the Class E Notes until the amount so allocated equals the Stated Amount of the Class E Notes (such amount being a “**Class E Charge-Off**”);
- (c) third, upon the Class E Charge-Off equalling the Stated Amount of the Class E Notes as a result of the application of this section, towards the Class D Notes until the amount so allocated equals the Stated Amount of the Class D Notes (such amount being a “**Class D Charge-Off**”);
- (d) fourth, upon the Class D Charge-Off equalling the Stated Amount of the Class D Notes as a result of the application of this section, towards the Class C Notes until the amount so allocated equals the Stated Amount of the Class C Notes (such amount being a “**Class C Charge-Off**”);
- (e) fifth, upon the Class C Charge-Off equalling the Stated Amount of the Class C Notes as a result of the application of this section, towards the Class B Notes until the amount so allocated equals the Stated Amount of the Class B Notes (such amount being a “**Class B Charge-Off**”);
- (f) sixth, upon the Class B Charge-Off equalling the Stated Amount of the Class B Notes as a result of the application of this section, towards the Class A2 Notes until the amount so allocated equals the Stated Amount of the Class A2 Notes (such amount being a “**Class A2 Charge-Off**”); and
- (g) seventh, upon the Class A2 Charge-Off equalling the Stated Amount of the Class A2 Notes as a result of the application of this section, towards pari passu and rateably, the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes and the FastPay Notes until the amount so allocated equals the A\$ Equivalent of the Stated Amount of the Class A1-U Notes, the Stated Amount of the Class A1-A Notes, the Stated Amount of the Class A1-B Notes, the Stated Amount of the Class A1-BR Notes and the Stated Amount of the FastPay Notes (such amount being respectively a “**Class A1-U Charge-Off**” , a “**Class A1-A Charge-Off**”, a “**Class A1-B Charge-Off**”, a “**Class A1-BR Charge-Off**” and a “**FastPay Charge-Off**”).

10.17 Carryover Charge-Offs

If, on any Determination Date, the Charge-Offs for that Determination Date exceed the aggregate of the amount of the Total Interest Collections available for allocation to the Principal Repayment Fund in respect of Class F Charge-Offs, Class E Charge-Offs, Class D Charge-Offs, Class C Charge-Offs, Class B Charge-Offs, Class A2 Charge-Offs, Class A1-BR Charge-Offs, Class A1-B Charge-Offs, Class A1-A Charge-Offs, Class A1-U Charge-Offs and FastPay Charge-Offs in accordance with sections 10.14(y), 10.14(z), 10.14(aa), 10.14(bb), 10.14(cc), 10.14(dd) and 10.14(ee) (“*Distribution of Total Interest Collections*”) on that Determination Date, then the Manager must direct Firstmac to, on and with effect from the next Payment Date:

- (a) allocate such excess to the Class F Notes until such excess allocated equals the Stated Amount of the Class F Notes (such amount being a “**Class F Carryover Charge-Off**”);
- (b) upon the amount allocated under paragraph (a) being equal to the Stated Amount of the Class F Notes, allocate such excess to the Class E Notes until such excess allocated equals the Stated Amount of the Class E Notes (such amount being a “**Class E Carryover Charge-Off**”);
- (c) upon the amount allocated under paragraph (b) being equal to the Stated Amount of the Class E Notes, allocate such excess to, pari passu and rateably, the Class D Notes until such excess allocated equals the Stated Amount of the Class D Notes (such amount being a “**Class D Carryover Charge-Off**”);

- (d) upon the amount allocated under paragraph (c) being equal to the Stated Amount of the Class D Notes, allocate such excess to, pari passu and rateably, the Class C Notes until such excess allocated equals the Stated Amount of the Class C Notes (such amount being a “**Class C Carryover Charge-Off**”);
- (e) upon the amount allocated under paragraph (d) being equal to the Stated Amount of the Class C Notes, allocate such excess to, pari passu and rateably, the Class B Notes until such excess allocated equals the Stated Amount of the Class B Notes (such amount being a “**Class B Carryover Charge-Off**”);
- (f) upon the amount allocated under paragraph (e) being equal to the Stated Amount of the Class B Notes, allocate such excess to, pari passu and rateably, the Class A2 Notes until such excess allocated equals the Stated Amount of the Class A2 Notes (such amount being a “**Class A2 Carryover Charge-Off**”); and
- (g) upon the amount allocated under paragraph (f) being equal to the Stated Amount of the Class A2 Notes, allocate such excess to, pari passu and rateably, the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes and the FastPay Notes until such excess allocated equals the A\$ Equivalent of the Stated Amount of the Class A1-U Notes, the Stated Amount of the Class A1-A Notes, the Stated Amount of the Class A1-B Notes, the Stated Amount of the Class A1-BR Notes and the Stated Amount of the FastPay Notes (such amount being respectively a “**Class A1-U Carryover Charge-Off**”, a “**Class A1-A Carryover Charge-Off**”, a “**Class A1-B Carryover Charge-Off**”, a “**Class A1-BR Carryover Charge-Off**” and a “**FastPay Carryover Charge-Off**”).

Amounts charged off may be reinstated in accordance with section 10.18 (“*Reinstatement of Carryover Charge-Offs*”).

10.18 Reinstatement of Carryover Charge-Offs

To the extent that, on any Determination Date, amounts are available for allocation under sections 10.14(y), 10.14(z), 10.14(aa), 10.14(bb), 10.14(cc), 10.14(dd) and 10.14(ee) (“*Distribution of Total Interest Collections*”), then that amount will be applied on the next Payment Date to increase respectively:

- (a) in respect of section 10.14(y) (“*Distribution of Total Interest Collections*”), pari passu and rateably, the Stated Amount of the FastPay Notes, the A\$ Equivalent of the Stated Amount of the Class A1-U Notes, the Stated Amount of the Class A1-A Notes, the Stated Amount of the Class A1-B Notes and the Stated Amount of the Class A1-BR Notes until the Stated Amount of the relevant Note equals the Invested Amount of that Note;
- (b) in respect of section 10.14(z) (“*Distribution of Total Interest Collections*”), the Stated Amount of the Class A2 Notes until the Stated Amount of the Class A2 Notes equals the Invested Amount of the Class A2 Notes;
- (c) in respect of section 10.14(aa) (“*Distribution of Total Interest Collections*”), the Stated Amount of the Class B Notes until the Stated Amount of the Class B Notes equals the Invested Amount of the Class B Notes;
- (d) in respect of section 10.14(bb) (“*Distribution of Total Interest Collections*”), the Stated Amount of the Class C Notes until the Stated Amount of the Class C Notes equals the Invested Amount of the Class C Notes;
- (e) in respect of section 10.14(cc) (“*Distribution of Total Interest Collections*”), the Stated Amount of the Class D Notes until the Stated Amount of the Class D Notes equals the Invested Amount of the Class D Notes;
- (f) in respect of section 10.14(dd) (“*Distribution of Total Interest Collections*”), the Stated Amount of the Class E Notes until the Stated Amount of the Class E Notes equals the Invested Amount of the Class E Notes; and

- (g) in respect of section 10.14(ee) ("*Distribution of Total Interest Collections*"), the Stated Amount of the Class F Notes until the Stated Amount of the Class F Notes equals the Invested Amount of the Class F Notes.

10.19 Distribution of Principal Repayment Fund

At the direction of the Manager, Firstmac must pay the following items in the following order of priority out of the Principal Repayment Fund on each Payment Date:

- (a) first, to allocate to Total Interest Collections the amount of any Principal Draw to be provided on that Payment Date in accordance with section 10.10 ("*Principal Draw*");
- (b) second, to repay or reimburse subject to the Supplementary Terms Notice, any Redraws provided in relation to a Receivable to the extent that it has not previously been repaid or reimbursed;
- (c) third, pari passu and rateably to Holders of FastPay Notes, of an amount up to the remainder of the Principal Repayment Fund until the Invested Amount of the FastPay Notes has been reduced to zero;
- (d) fourth, if the Pro Rata Test has been satisfied on that Payment Date, an amount up to the remainder of the Principal Repayment Fund will be paid pari passu and rateably in the following amounts:
- (i) an amount equal to the Class A1-U Note Principal Allocation to be applied in the following order of priority:
- (A) first, to the Scheduled Amortisation Facility Provider, towards payment of all outstanding Scheduled Amortisation Facility Draws;
- (B) next, an amount up to the Class A1-U Note Amortisation Amount in respect of that Payment Date, to be applied in accordance with section 10.20 ("*Application of A\$ Class A1-U Principal*"); and
- (C) next, as an allocation to the Scheduled Amortisation Fund until the Scheduled Amortisation Fund Balance equals the Scheduled Amortisation Fund Limit in respect of that Payment Date;
- (ii) an amount equal to the Class A1-A Note Principal Allocation, to be applied in the following order of priority:
- (A) first, pari passu and rateably to the Holders of the Class A1-A Notes, until the Invested Amount of the Class A1-A Notes has been reduced to zero; and
- (B) next, (but only if there is an Additional Class A1-A Note Principal Allocation in respect of that Payment Date) as an allocation to the Scheduled Amortisation Fund;
- (iii) an amount equal to the Class A1-B Note Principal Allocation, pari passu and rateably to the Holders of the Class A1-B Notes, until the Invested Amount of the Class A1-B Notes has been reduced to zero;
- (iv) an amount equal to the Class A1-BR Note Principal Allocation, pari passu and rateably to the Holders of the Class A1-BR Notes, until the Invested Amount of the Class A1-BR Notes has been reduced to zero;
- (v) an amount equal to the Class A2 Note Principal Allocation, pari passu and rateably to the Holders of the Class A2 Notes, until the Invested Amount of the Class A2 Notes has been reduced to zero;

- (vi) an amount equal to the Class B Note Principal Allocation, pari passu and rateably to pay the Holders of any Class B Notes, until the Invested Amount of the Class B Notes has been reduced to zero;
 - (vii) an amount equal to the Class C Note Principal Allocation, pari passu and rateably to pay the Holders of any Class C Notes, until the Invested Amount of the Class C Notes has been reduced to zero;
 - (viii) an amount equal to the Class D Note Principal Allocation, pari passu and rateably to the Holders of the Class D Notes until the Invested Amount of the Class D Notes has been reduced to zero; and
 - (ix) an amount equal to the Class E Note Principal Allocation, pari passu and rateably to the Holders of the Class E Notes until the Invested Amount of the Class E Notes has been reduced to zero;
- (e) fifth, if the Pro Rata Test has not been satisfied on that Payment Date, an amount up to the remainder of the Principal Repayment Fund will be paid in the following order:
- (i) an amount equal to the Class A1-U Note Principal Allocation in respect of that Payment Date:
 - (A) if that Payment Date is prior to the first Call Date, to be applied in the following order of priority:
 - (aa) first, to the Scheduled Amortisation Facility Provider, towards payment of all outstanding Scheduled Amortisation Facility Draws;
 - (ab) next, an amount up to the Class A1-U Note Amortisation Amount in respect of that Payment Date, to be applied in accordance with section 10.20 ("*Application of A\$ Class A1 Principal*"); and
 - (ac) next, as an allocation to the Scheduled Amortisation Fund until the Scheduled Amortisation Fund Balance equals the Scheduled Amortisation Fund Limit in respect of that Payment Date;
 - (B) if that Payment Date is on or after the first Call Date, pari passu and rateably:
 - (aa) to the Scheduled Amortisation Facility Provider, towards payment of all outstanding Scheduled Amortisation Facility Draws; and
 - (ab) an amount up to the Class A1-U Note Amortisation Amount in respect of that Payment Date, to be applied in accordance with section 10.20 ("*Application of A\$ Class A1 Principal*"); and
 - (ii) an amount equal to the Class A1-A Note Principal Allocation in respect of that Payment Date, to be applied in the following order of priority:
 - (A) first, to pari passu and rateably to pay the Class A1-A Noteholders until the Aggregate Invested Amount of the Class A1-A Notes has been reduced to zero; and
 - (B) next, (but only if there is an Additional Class A1-A Note Principal Allocation in respect of that Payment Date) as an allocation to the Scheduled Amortisation Fund until the Scheduled Amortisation Fund Balance equals the Scheduled Amortisation Fund Limit on that

Payment Date (having regard to the payments to be made on that Payment Date in accordance with this section 10.19);

- (iii) an amount equal to the Class A1-B Note Principal Allocation in respect of that Payment Date *pari passu* and rateably to pay the Holders of the Class A1-B Notes until the Invested Amount of the Class A1-B Notes has been reduced to zero;
- (iv) an amount equal to the Class A1-BR Note Principal Allocation in respect of that Payment Date *pari passu* and rateably to pay the Holders of the Class A1-BR Notes until the Invested Amount of the Class A1-BR Notes has been reduced to zero; and
- (v) an amount equal to the Class A2 Note Principal Allocation in respect of that Payment Date *pari passu* and rateably to pay the Holders of the Class A2 Notes until the Invested Amount of the Class A2 Notes has been reduced to zero;
- (f) sixth, *pari passu* and rateably to pay the Holders of any Class A2 Notes until the Invested Amount of the Class A2 Notes has been reduced to zero;
- (g) seventh, *pari passu* and rateably to pay the Holders of the Class B Notes until the Invested Amount of the Class B Notes has been reduced to zero;
- (h) eighth, *pari passu* and rateably to pay the Holders of the Class C Notes until the Invested Amount of all Class C Notes has been reduced to zero;
- (i) ninth, *pari passu* and rateably to pay the Holders of the Class D Notes until the Invested Amount of all Class D Notes has been reduced to zero;
- (j) tenth, *pari passu* and rateably to pay the Holders of the Class E Notes until the Invested Amount of all Class E Notes has been reduced to zero;
- (k) eleventh, *pari passu* and rateably to pay the Holders of the Class F Notes until the Invested Amount of all Class F Notes has been reduced to zero; and
- (l) twelfth, the balance to the Residual Income Unitholder.

Firstmac will only make a payment under any of paragraphs (a) to (l) inclusive to the extent that any funds comprising the Principal Repayment Fund remain from which to make the payment after accounts with priority to that amount have been paid and distributed in full.

10.20 Application of A\$ Class A1-U Principal

- (a) On each Determination Date immediately prior to a Payment Date (or an Early Redemption Date), the Manager will determine the “**A\$ Class A1-U Principal**” which will be equal to the aggregate of the following:
 - (i) the amount of the Principal Repayment Fund (if any) available to be applied on that Payment Date (or that Early Redemption Date, as applicable), in accordance with section 10.19(d)(i)(B), section 10.19(e)(i)(A)(ab) or section 10.19(e)(i)(B)(ab) (“*Distribution of Principal Repayment Fund*”); and
 - (ii) (only if section 10.24 (“*Application of Scheduled Amortisation Fund Balance on Call Date or Early Redemption Date*”) applies in respect of that Payment Date), the amount (if any) available to be applied on that Payment Date under section 10.24(a) (“*Application of Scheduled Amortisation Fund Balance on Call Date or Early Redemption Date*”);
 - (iii) the Scheduled Amortisation Fund Draw (if any) for that Determination Date; and
 - (iv) the Scheduled Amortisation Facility Draw (if any) for that Determination Date.

- (b) Prior to the occurrence of an Enforcement Event, the Manager agrees to on each Payment Date:
- (i) direct Firstmac to pay on that Payment Date to the Currency Swap Provider in accordance with the Currency Swap, the A\$ Class A1-U Principal in respect of the immediately preceding Determination Date;
 - (ii) direct the Currency Swap Provider to pay on that Payment Date to the US\$ Note Principal Paying Agent, the US\$ Equivalent of the A\$ Class A1-U Principal received by the Currency Swap Provider from Firstmac on that Payment Date (“**US\$ Class A1-U Principal**”);
 - (iii) direct the Principal Paying Agent to pay the US\$ Class A1-U Principal referred to in section 10.20(b)(ii) *pari passu* and rateably to the Class A1-U Noteholders towards the repayment of the aggregate Invested Amount of the Class A1-U Notes, in accordance with, and subject to, the Class A1 Note Conditions and the Agency Agreement.

Firstmac agrees to comply with any such written direction by the Manager under this section 10.20(b).

10.21 Application of proceeds following an Enforcement Event

Following the occurrence of an Enforcement Event, the Security Trustee (in respect of an Enforcement Event under paragraph (a) of the definition of that term) and Firstmac (in respect of an Enforcement Event under paragraphs (b) of the definition of that term) must (subject to section 10.25 (“*Application of Scheduled Amortisation Fund Balance following an Enforcement Event*”)) apply all moneys received by it in respect of the Collateral in the following order:

- (a) first, to each holder of a Security Interest in which the Security Trustee is aware and which has priority over the Security in relation to the Assets of the Series;
- (b) second, to pay rateably any fees, remuneration and any outgoings, liabilities, losses, costs, claims, demands, expenses, actions, damages, charges, stamp duties and other taxes due to or incurred by the Receiver or the Security Trustee;
- (c) third, to pay rateably any fees and any liabilities, losses, costs, claims, expenses, actions, damages, demands, charges, stamp duties and other taxes of the Manager, Firstmac, the Servicer, each US\$ Note Agent, the US\$ Note Trustee, the US\$ Note Registrar, the Custodian, the A\$ Note Registrar, the Delegate A\$ Note Registrar, the A\$ Note Calculation Agent, the Standby Servicer and the Standby Trustee (whether or not acting as trustee of the Trust in respect of the Series) (other than any amounts owing by Firstmac to the Manager and the Servicer to be applied in accordance with paragraph (o) below for so long as Firstmac Limited is the Manager or the Servicer (as applicable));
- (d) fourth, to pay rateably other outgoings and liabilities that Firstmac or the Manager have incurred in acting under the Master Trust Deed and the Supplementary Terms Notice and which are not otherwise referred to in this section 10.21 (“*Application of proceeds following an Enforcement Event*”);
- (e) fifth, *pari passu* and rateably in payment of all amounts due and payable by Firstmac to:
 - (i) the Interest Rate Swap Provider and each Counterparty (other than the Currency Swap Provider) under the Interest Rate Swap Agreement and any Derivative Contract (other than the Currency Swap Agreement) in respect of the Series (including any break costs payable to the Interest Rate Swap Provider and each Counterparty where the Interest Rate Swap Provider or the Counterparty (as applicable) is not the “defaulting party” or sole “affected party” but excluding any break costs payable to the Interest Rate Swap Provider and each Counterparty where the Interest Rate Swap Provider or

- that Counterparty (as applicable) is the “defaulting party” or sole “affected party”); and
- (ii) the Currency Swap Provider of any break costs in respect of the termination of the Currency Swap Agreement to the extent that the Currency Swap Provider is not the “defaulting party” or sole “affected party” (for the avoidance of doubt, excluding any break costs payable to the Currency Swap Provider where that Currency Swap Provider is the “defaulting party” or a sole “affected party”);
- (f) sixth, pari passu and rateably in payment of all amounts due and payable by Firstmac to:
- (i) the Holders of FastPay Notes (if any);
 - (ii) following the application of section 10.22 (“*Conversion of amounts relating to Notes denominated in US\$*”), the Holders of Class A1-U Notes;
 - (iii) the Holders of the Class A1-A Notes;
 - (iv) the Holders of the Class A1-B Notes;
 - (v) the Holders of the Class A1-BR Notes; and
 - (vi) the Scheduled Amortisation Facility Provider under the Scheduled Amortisation Facility Agreement;
- (g) seventh, pari passu and rateably in payment of all amounts due and payable by Firstmac to the Holders of Class A2 Notes;
- (h) eighth, pari passu and rateably in payment of all amounts due and payable by Firstmac to the Holders of Class B Notes;
- (i) ninth, pari passu and rateably in payment of all amounts due and payable by Firstmac to the Holders of Class C Notes;
- (j) tenth, pari passu and rateably in payment of all amounts due and payable by Firstmac to the Holders of Class D Notes;
- (k) eleventh, pari passu and rateably in payment of all amounts due and payable by Firstmac to the Holders of Class E Notes;
- (l) twelfth, pari passu and rateably amongst the Class A1-U Notes in payment of any Additional Remaining Sums to the Holders of the Class A1-U Notes;
- (m) thirteenth, pari passu and rateably in payment of all amounts due and payable by Firstmac to the Holders of Class F Notes;
- (n) fourteenth, pari passu and rateably of any other amounts owing to the Interest Rate Swap Provider, the Currency Swap Provider and the Counterparties under the Interest Rate Swap Agreements, the Currency Swap Agreements and the Derivative Contracts (as applicable) not otherwise paid under paragraph (e) above;
- (o) fifteenth, for so long as Firstmac Limited is the Manager and/or the Servicer, in payment pari passu of all amounts owing by Firstmac to the Manager and the Servicer under the Master Management Deed and the Master Servicer Deed (respectively) in respect of the Series or any fees owed by Firstmac under a broker agreement; and
- (p) sixteenth, to pay any surplus to Firstmac to be distributed in accordance with the terms of the Master Trust Deed and the Supplementary Terms Notice.

The proceeds of any Collateral which:

- (i) is Swap Collateral; or
- (ii) otherwise represents moneys or proceeds received by the Security Trustee or a Receiver in respect of Collateral which is Swap Collateral,

must not be distributed in accordance with this section 10.21 (*"Application of proceeds following an Enforcement Event"*).

Any such Swap Collateral or moneys received in respect of Swap Collateral (as applicable) shall (subject to the operation of any netting provisions in the relevant Interest Rate Swap, the Currency Swap or Derivative Contract) be returned to the relevant Interest Rate Swap Provider, Currency Swap Provider or Counterparty following the occurrence of an Enforcement Event except to the extent that the relevant Interest Rate Swap, Currency Swap or Derivative Contract requires it to be applied to satisfy any obligation owed to Firstmac by the Interest Rate Swap Provider, Currency Swap Provider or Counterparty, as the case may be.

10.22 Conversion of amounts relating to Notes denominated in US\$

- (a) In calculating the amount of any Secured Moneys to be distributed to the Holders of the Class A1-U Notes in accordance with section 10.14 (*"Distribution of Total Interest Collections"*) and sections 10.21(f)(ii) and 10.21(l) (*"Application of proceeds following an Enforcement Event"*), the Security Trustee or Firstmac (as applicable) will convert (on a date selected by it in its discretion prior to such distribution or, in the case of the Security Trustee, at the direction of the Voting Secured Creditors) the amount of such Secured Moneys from US\$ to A\$ by reference to the applicable A\$ Exchange Rate.
- (b) All payments to the Holders of the Class A1-U Notes by the Security Trustee or Firstmac (as applicable) pursuant section 10.14 (*"Distribution of Total Interest Collections"*) and sections 10.21(f)(ii) and 10.21(l) (*"Application of proceeds following an Enforcement Event"*) must be made in US\$, as follows:
 - (i) if no Currency Swap Failure is subsisting, the Security Trustee or Firstmac (as applicable) must pay to the Holders of the Class A1-U Notes or to the US\$ Note Principal Paying Agent on their behalf, all amounts payable to the Holders of the Class A1-U Notes under section 10.14 (*"Distribution of Total Interest Collections"*) and sections 10.21(f)(ii) and 10.21(l) (*"Application of proceeds following an Enforcement Event"*) (as applicable), by converting A\$ amounts to US\$ in accordance with the Currency Swap; or
 - (ii) if a Currency Swap Failure is subsisting, the Security Trustee or Firstmac (as applicable) must pay to the Holders of the Class A1-U Notes or to the US\$ Note Principal Paying Agent on their behalf, all amounts payable to the Holders of the Class A1-U Notes under section 10.14 (*"Distribution of Total Interest Collections"*) and sections 10.21(f)(ii) and 10.21(l) (*"Application of proceeds following an Enforcement Event"*) (as applicable) by converting A\$ amounts to US\$ at the spot rate of exchange at which the Security Trustee or Firstmac (as applicable) is able to acquire US\$ in the spot foreign exchange market at that time.
- (c) In effecting a conversion of A\$ to US\$ under section 10.22(b)(ii) in accordance with section 10.14 (*"Distribution of Total Interest Collections"*) and sections 10.21(f)(ii) and 10.21(l) (*"Application of proceeds following an Enforcement Event"*) (as applicable):
 - (i) the Security Trustee or Firstmac (as applicable) has full discretion as to the method, date and timing of such conversion and neither the Security Trustee nor Firstmac will have any liability to any Holder of any Note in relation to any allegation that the Security Trustee or Firstmac (as applicable) should have effected the conversion at a different time or date or by utilising a different methodology; and

- (ii) the proceeds to be remitted to the Holders of Class A1-U Notes will be net of any commissions for other costs charged by the counterparty facilitating that conversion; and
- (iii) the Security Trustee is entitled to be reimbursed by Firstmac for all costs, fees and other expenses incurred by it in relation to such conversion.

10.23 Payments to US\$ Note Principal Paying Agent

On each Payment Date, Firstmac must (and the Manager must direct Firstmac to):

- (a) if no Currency Swap Failure is subsisting, direct the relevant Currency Swap Provider to pay the relevant amount in US\$ that is payable to Firstmac on that Payment Date under the applicable Currency Swap to the US\$ Note Principal Paying Agent; or
- (b) if a Currency Swap Failure is subsisting, pay the relevant amount in US\$ that is payable by Firstmac in relation to the Class A1-U Notes to the US\$ Note Principal Paying Agent to be applied in meeting Firstmac's obligations under the Class A1-U Notes.

10.24 Application of Scheduled Amortisation Fund Balance on Call Date or Early Redemption Date

Provided that no Enforcement Event is subsisting, on the Determination Date immediately preceding the Payment Date which is the first to occur of the Early Redemption Date and the first Call Date, the Manager must direct Firstmac to withdraw the Scheduled Amortisation Fund Balance from the Scheduled Amortisation Fund on that Payment Date and apply such amount in the following order of priority:

- (a) first, an amount up to the Class A1-U Note Amortisation Amount in respect of that Payment Date to be applied in accordance with section 10.20 ("*Application of A\$ Class A1-U Principal*");
- (b) next, to the Class A1-A Noteholders, until the Aggregate Invested Amount of the Class A1-A Notes has been reduced to zero;
- (c) next, to the Class A1-B Noteholders, until the Aggregate Invested Amount of the Class A1-B Notes has been reduced to zero;
- (d) next, to the Class A1-BR Noteholders, until the Aggregate Invested Amount of the Class A1-BR Notes has been reduced to zero;
- (e) next, to the Class A2 Noteholders, until the Aggregate Invested Amount of the Class A2 Notes has been reduced to zero;
- (f) next, to the Class B Noteholders, until the Aggregate Invested Amount of the Class B Notes has been reduced to zero;
- (g) next, to the Class C Noteholders, until the Aggregate Invested Amount of the Class C Notes has been reduced to zero;
- (h) next, to the Class D Noteholders, until the Aggregate Invested Amount of the Class D Notes has been reduced to zero;
- (i) next, to the Class E Noteholders, until the Aggregate Invested Amount of the Class E Notes has been reduced to zero; and
- (j) next, to the Class F Noteholders, until the Aggregate Invested Amount of the Class F Notes has been reduced to zero.

On the relevant Payment Date, all payments contemplated by this section 10.24 must be made before any payments are made in accordance with section 10.19 ("*Distribution of Principal Repayment Fund*"). Despite any inconsistency between this section 10.24 and any

other provision of the Supplementary Terms Notice, all calculations for the purposes of the payments to be made in accordance with section 10.19 (*"Distribution of Principal Repayment Fund"*) on that Payment Date shall take into account all payments contemplated by this section 10.24.

10.25 Application of Scheduled Amortisation Fund Balance following an Enforcement Event

- (a) Subject to paragraph (b) below, the Scheduled Amortisation Fund Balance will not be treated as Collateral available for distribution in accordance with section 10.21 (*"Application of proceeds following an Enforcement Event"*).
- (b) Following an Enforcement Event, the Scheduled Amortisation Fund Balance shall be applied pari passu and rateably as follows:
 - (i) if a Currency Swap Failure is not subsisting, the Security Trustee must pay the Scheduled Amortisation Fund Balance to the relevant Currency Swap Provider, for conversion into US\$ in accordance with that Currency Swap and payment by that Currency Swap Provider to the relevant Class A1-U Noteholders (or the Principal Paying Agent on their behalf) in respect of all Secured Moneys owing in relation to the relevant Class A1-U Notes (provided that if the Currency Swap has not been terminated, the relevant amounts payable under this sub-paragraph (i) to the Currency Swap Provider in respect of the Currency Swap, will be paid on a pari passu and rateable basis);
 - (ii) if a Currency Swap Failure is subsisting, the Security Trustee must convert such portion of the Scheduled Amortisation Fund Balance to US\$, at the spot rate of exchange at which the Security Trustee is able to acquire US\$ in the spot foreign exchange market at that time, as is required to obtain the same amount of US\$ that would have been obtained had the Scheduled Amortisation Fund Balance been converted into US\$ in accordance with the relevant Currency Swap (or if only less than that amount is able to be obtained, the whole of the Scheduled Amortisation Fund Balance will be converted at that spot rate of exchange), and the Security Trustee must pay such US\$ to the Class A1-U Noteholders (or the Principal Paying Agent on their behalf) in respect of all Secured Moneys owing in relation to the Class A1-U Notes (provided that if the Currency Swap has been terminated, the Scheduled Amortisation Fund Balance will be applied on a pari passu and rateable basis), provided that if there is any Scheduled Amortisation Fund Balance amount remaining after such application, that remaining amount must be applied by the Security Trustee in the following order of priority:
 - (A) first, all Secured Moneys owing to the Currency Swap Provider (excluding any break costs in respect of the termination of the Currency Swap to the extent that the Currency Swap Provider is the Defaulting Party or sole Affected Party);
 - (B) to the Class A1-U Noteholders (or the Principal Paying Agent on their behalf) in respect of all Secured Moneys owing in relation to the Class A1-U Notes; and
 - (C) next, the balance in accordance with section 10.21 (*"Application of proceeds following an Enforcement Event"*).
- (c) All payments to the Class A1-U Noteholders by the Security Trustee pursuant to section 10.25(b)(ii)(B) must be made in US\$, by converting the A\$ amounts payable to the Class A1-U Noteholders under that section to US\$ at the spot rate of exchange at which the Security Trustee is able to acquire US\$ in the spot foreign exchange market at that time.
- (d) In effecting a conversion of A\$ to US\$ in accordance with under section 10.25(c):

- (i) the Security Trustee has full discretion as to the method, date and timing of such conversion and the Security Trustee will have no liability to any Holder of any Note in relation to any allegation that the Security Trustee should have effected the conversion at a different time or date or by utilising a different methodology; and
- (ii) the proceeds to be remitted to the Holders of Class A1-U Notes will be net of any commissions for other costs charged by the counterparty facilitating that conversion; and
- (iii) the Security Trustee is entitled to be reimbursed by Firstmac for all costs, fees and other expenses incurred by it in relation to such conversion.

10.26 Additional Deposit Account

- (a) If, at any time, the Manager determines that:
 - (i) the Deposit Account Balance is or will equal the Deposit Account Maximum Balance, the Manager must direct Firstmac to establish and Firstmac on that direction must immediately establish an additional deposit account ("**Additional Deposit Account**") with an Eligible Bank which is not the Deposit Bank ("**Additional Deposit Account Bank**"); or
 - (ii) an Additional Deposit Account Balance is or will equal the Additional Deposit Account Maximum Balance, the Manager must direct Firstmac to establish and Firstmac on that direction must immediately establish a new Additional Deposit Account with an Eligible Bank which is not the Deposit Bank or an Additional Deposit Account Bank,

and the Manager must notify the Current Rating Agency of the occurrence of each such event.
- (b) If, at any time, an Additional Deposit Account Bank ceases to be an Eligible Bank, the Manager must, upon becoming aware of the occurrence of that event, direct Firstmac to establish and Firstmac on that direction must immediately:
 - (i) establish a new Additional Deposit Account with an Eligible Bank;
 - (ii) transfer the funds standing to the credit of the old Additional Deposit Account into the new Additional Deposit Account established under section 10.26(b)(i); and
 - (iii) notify the Current Rating Agency of the occurrence of such event.
- (c) The Manager must not direct Firstmac to deposit amounts:
 - (i) to the Deposit Account if the Deposit Account Balance exceeds (or would as a result of such deposit exceed) the Deposit Account Maximum Balance, in which case the Manager must instead direct Firstmac to deposit such amounts to an Additional Deposit Account;
 - (ii) to an Additional Deposit Account if the Additional Deposit Account Balance of that Additional Deposit Account exceeds (or would as a result of such deposit exceed) the Additional Deposit Account Maximum Balance, in which case the Manager must instead direct Firstmac to deposit such amounts to a different Additional Deposit Account.
- (d) No amounts will be allocated to the Deposit Account or any Additional Deposit Account on or after the first Call Date.

10.27 Redesignation

No Further Advance may be made in respect of any Housing Loan which is an Asset of the Series. Without limiting the foregoing, if, in respect of a Housing Loan:

- (a) a Debtor requests that a Further Advance be provided in respect of that Housing Loan and the Servicer notifies the Manager that it proposes to consent to the making of such Further Advance;
- (b) the relevant Debtor requests that a Redraw be provided in respect of that Housing Loan and:
 - (i) the Servicer notifies the Manager that it proposes to consent to the making of such Redraw;
 - (ii) the Manager forms the view that the Collections that are available to fund that Redraw in accordance with section 10.3 (*"Distributions made during a Collection Period"*) is less than the amount of such Redraw; and
 - (iii) the Manager is unable to direct Firstmac to issue FastPay Notes in accordance with the Supplementary Terms Notice in respect of such Redraw; or
- (c) the relevant Debtor requests that the variable interest rate on that Housing Loan be converted to a fixed rate of interest and:
 - (i) the Servicer notifies the Manager that it proposes to consent to such conversion; and
 - (ii) the Manager forms the view that the Servicer is prohibited from consenting to that conversion in accordance with the Supplementary Terms Notice,

then the Manager may direct Firstmac to deliver a Receivables Transfer Statement in respect of that Housing Loan in accordance with the Master Trust Deed. See section 4.24 (*"The features of the Housing Loans may change, which could affect the timing and amount of payments to you"*).

11 Transaction Structure

11.1 Master Trust Deed

The Master Trust Deed was entered into with the Security Trustee to enable Firstmac to acquire, originate and securitise Receivables and Related Securities. Separate trusts may, from time to time, be constituted under the Master Trust Deed. Each trust is separate and distinct from any other trust under the Master Trust Deed and the assets of each trust will not be available to meet the liabilities of any other trust. The terms of each trust will be governed by the Master Trust Deed and the specific terms of each trust will be set out in a supplementary terms notice for the trust.

11.2 The Trust

The Firstmac Mortgage Funding Trust No. 4 is a common law trust established on 2 June 2014 by the Manager under the laws of New South Wales. The Trust may only act through Firstmac in its capacity as trustee of the Trust. Accordingly references to actions or obligations of Firstmac refer to such actions or obligations of the Trust.

11.3 Series Segregation

The Trust is constituted by the Master Trust Deed. The assets of the Trust are allocated to separate "Series", each established by the execution of a "General Security Agreement" and "Supplementary Terms Notice" for that series by Firstmac as trustee in accordance with the Master Trust Deed.

The Series will comprise assets allocated to it by Firstmac and liabilities incurred by Firstmac as trustee in respect of the Series (including liabilities under the Notes) will be secured against those assets under the General Security Agreement for that Series.

The assets and liabilities of the Series are accounted for separately from those of any Other Series established under the Master Trust Deed and are not available in any circumstances to meet any obligations of Firstmac as trustee in respect of any other series. If, upon enforcement or realisation of the General Security Agreement, sufficient funds are not realised to discharge in full the obligations of Firstmac in respect of the Series, no further claims may be made against Firstmac in respect of such obligations and no claims may be made against any of its assets.

An Event of Default in respect of the Series will not constitute an event of default in respect of any Other Series of the Trust.

The Series will correspond to the issuance of the Notes.

11.4 Firstmac as trustee

Firstmac is appointed as trustee of the Trust, pursuant to the existing Notice of Creation of Trust, on the terms set out in the Master Trust Deed and the Supplementary Terms Notice. Firstmac is paid a regular periodic fee (as agreed from time to time between Firstmac and the Manager).

Duties of Firstmac

Under the Master Trust Deed, Firstmac undertakes to (among other things):

- (a) act continuously as trustee of the Trust until the Trust is terminated in accordance with the Master Trust Deed or until it has retired or been removed in accordance with the Master Trust Deed;
- (b) not create any security interest over, charge, or deal with, the Assets of the Series except in the manner permitted by the Transaction Documents;

- (c) not, except in the manner contemplated by the Transaction Documents, transfer or deal with the Assets of the Trust or merge the Assets of the Trust with any other assets of Firstmac (in its personal capacity or in its capacity as trustee of another trust);
- (d) prepare proper and adequate books of account in accordance with the Corporations Act and give the audited accounts in respect of the Series to the Security Trustee within 180 days of the end of each financial year; and
- (e) notify the Security Trustee as soon as practicable after becoming aware of an Event of Default (as defined below).

Powers of Firstmac (as trustee)

Firstmac has all the powers in respect of the Trust that it is legally possible for a natural person or corporation to have and as though it were the absolute and beneficial owner of the Assets of the Series. Such powers include the ability and power to borrow and raise funds (subject to the Transaction Documents) on the security of the Assets of the Series.

Firstmac may delegate its powers and will not be liable for the acts or omissions of any agent or delegate provided that:

- (a) Firstmac appoints the agent or delegate in good faith and using due care; and
- (b) the agent or delegate is not a related entity of Firstmac.

The Master Trust Deed contains customary provisions for a document of its type that regulate the performance by Firstmac of its duties and obligations and the protections afforded to Firstmac in doing so. In general, Firstmac's liability in all circumstances (and the recourse of the Secured Creditors) will be limited to the Assets of the Series unless Firstmac is fraudulent, grossly negligent or acted with wilful default.

Termination

Firstmac must immediately retire as trustee of the Trust if:

- (a) Firstmac (in its personal capacity) is insolvent;
- (b) Firstmac is in breach of a material obligation under the Transaction Documents and, where such breach is remediable, Firstmac has not remedied such breach within 90 days of becoming aware of it; or
- (c) required by law,

(each a "**Trustee Termination Event**").

Firstmac may also retire as trustee of the Trust upon giving 3 months' notice in writing to the Unitholders and Secured Creditors. The retirement takes effect on the later to occur of the retirement date specified in the notice and the appointment of a replacement trustee.

Standby Trustee

If Firstmac's appointment is terminated due to the occurrence of a Trustee Termination Event then, from the date of termination until the earlier of:

- (a) the appointment of a replacement trustee (subject to approval by an Extraordinary Resolution of the Holders of the then most senior Class of Notes (such approval not to be unreasonably withheld) and provided that a rating Notification has been given in respect of such appointment); and
- (b) the retirement of the Standby Trustee under the Master Trust Deed,

the Standby Trustee (or any other person appointed to act as its agent) must use its best endeavours to act as standby trustee with respect to the Transaction Documents in relation to the Trust upon the terms specified in the Master Trust Deed and to carry on and conduct its business in a proper and efficient manner as standby trustee.

The Standby Trustee will, regardless of the scope of its obligations from time to time, have all the rights and powers of Firstmac (in its capacity as trustee of the Trust) under the Transaction Documents which it may or may not exercise at its discretion. Neither the Standby Trustee nor its agent is liable for any loss, costs, liabilities or expenses arising out of it exercising or failing to exercise any powers or rights, or performing or failing to perform its obligations or duties as Standby Trustee, except where such acts or omissions amount to gross negligence, wilful default or fraud.

11.5 Receivables and Related Securities

The “**Receivables**” to be acquired by Firstmac will consist of Housing Loans originated by the Originators which satisfy the parameters set out in section 17 (“*Receivables Parameters*”).

Any Related Securities will also be assigned to the Trust upon transfer of the Receivables.

Under clause 3.4 (“*Asset representations and warranties*”) of the Supplementary Terms Notice the Servicer will give the following representations and warranties to each other party to the Supplementary Terms Notice in relation to each Receivable Redesignated as an Asset of the Series (as at the Cut-Off Date for the Receivable):

- (a) the Receivable is an Eligible Receivable;
- (b) since the Receivable was entered into, the Receivable has been serviced in a manner which is consistent with the Servicing Procedures and applicable law (including the Consumer Credit Code);
- (c) no notice of insolvency or bankruptcy of the Debtor has been received nor any notice that the Debtor does not have the legal capacity to enter into the Receivable;
- (d) the Custodian holds, in accordance with the Servicing Procedures, all documents necessary to enforce the provisions of, and the security created by, the Receivable and each Related Security;
- (e) except if the Receivable is subject to a fixed rate of interest at any time and except as may be provided by applicable laws or any provision of any law, regulation or code of conduct, the interest payable on the Receivable is not subject to any limitation and no consent, additional memoranda or other writing is required from the Debtor to give effect to a change in the interest rate payable on the Receivable and any change will be effective on notice being given to the Debtor in accordance with the terms of the Receivable;
- (f) no Debtor Insolvency Event has occurred and is subsisting in respect of any Debtor; and
- (g) in respect of each Receivable:
 - (i) that Receivable was originated in accordance with the Servicing Procedures to the same credit requirements as that for Receivables which are insured under a Mortgage Insurance Policy;
 - (ii) at the time of approval, that Receivable satisfied the criteria of the Mortgage Insurers;
 - (iii) at the time of approval and in the Manager’s reasonable opinion, that Receivable was eligible to be insured under a Mortgage Insurance Policy.

In addition, under clause 3.6 (“*Seller representations and warranties*”) of the Supplementary Terms Notice, the Seller will give the following representations and warranties to each other party to the Supplementary Terms Notice:

- (a) it has been duly incorporated as a company limited by shares in accordance with the laws of its place of incorporation, is validly existing under those laws and has power and authority to carry on its business as it is now being conducted;
- (b) it has power to enter into and observe its obligations under the Supplementary Terms Notice and to carry out the transactions contemplated by it;
- (c) each authorisation which is required in relation to:
 - (i) the execution, delivery and performance by it of the Supplementary Terms Notice and the transactions contemplated by it; and
 - (ii) the validity and enforceability of it,has been obtained or effected and each is in full force and effect. It has complied with such authorisation and has paid all applicable fees for each of them;
- (d) its obligations under the Supplementary Terms Notice are valid and binding and are enforceable against it in accordance with their terms (subject to laws relating to insolvency and creditors’ rights generally including the PPSA);
- (e) the execution, delivery and performance by it of the Supplementary Terms Notice does not and will not violate in any respect any material provision of:
 - (i) any law, regulation, authorisation, ruling, consent, judgement, order or decree of any Governmental Agency; or
 - (ii) the constitution of the Trust;
- (f) it has good title to each Receivable specified in the Receivables Transfer Statement, free of any Encumbrance (other than a Permitted Encumbrance);
- (g) upon acquisition pursuant to a Redesignation of any Receivable in accordance with clause 16 (“*Disposal of Receivables*”) of the Master Trust Deed, Firstmac will receive good title to such Receivables free of any Encumbrance (other than a Permitted Encumbrance);
- (h) no Insolvency Event has occurred in respect of it;
- (i) each Receivable specified in a Receivables Transfer Statement was not entered into in contravention of any applicable law which would result in a Material Adverse Effect;
- (j) each Receivable specified in a Receivables Transfer Statement is enforceable in accordance with its terms against the relevant Debtor;
- (k) each Receivable specified in a Receivables Transfer Statement was entered into in good faith;
- (l) no Debtor was required to open or maintain a deposit account with the relevant FirstSub in relation to or as a precondition of entering into each relevant Receivable;
- (m) no notice of insolvency or bankruptcy of any Debtor has been received nor any notice that any Debtor does not have the legal capacity to enter into any relevant Receivable, which is an Asset of the Series;
- (n) other than in respect of priorities granted by statute (other than the PPSA), it has not received notice from any person that claims to have an Encumbrance ranking in

priority to or equal with any relevant Receivable, which is an Asset of the Series, or its Related Security (if any);

- (o) except if a relevant Receivable is subject to a fixed rate of interest at any time and except as may be provided by applicable laws or any provision of any law, regulation or code of conduct which is binding on it, the interest payable on the Receivable, which is an Asset of the Series, is not subject to any limitation and no consent, additional memoranda or other writing is required from the Debtor to give effect to a change in the interest rate payable on each such Receivable and any change will be effective on notice being given to the Debtor in accordance with the terms of any such Receivable;
- (p) it is lawfully entitled to assign each Receivable upon the terms and conditions of the Receivables Transfer Statement and no consent to the sale and assignment of any Receivable or notice of that sale and assignment is required to be given by or to any person including, without limitation, any Debtor;
- (q) at the time each Receivable, which is an Asset of the Series, was entered into, all necessary steps were taken to ensure that the related Mortgage complied with all legal requirements applicable at that time to be a first ranking registered mortgage (subject to any statutory charges, any prior charges of a body corporate, service company or equivalent, whether registered or otherwise) secured over Land, subject to stamping and registration in due course; and
- (r) the sale of the relevant Receivable would not be held by a court to constitute a transaction at an undervalue, a fraudulent conveyance or a voidable preference under any insolvency laws.

Under clause 3.5 (“*Servicer representations and warranties*”) of the Supplementary Terms Notice, the Servicer will give the following representations and warranties to each other party to the Supplementary Terms Notice:

- (a) it and each FirstSub has been duly incorporated as a company limited by shares in accordance with the laws of its place of incorporation, is validly existing under those laws and has power and authority to carry on its business as it is now being conducted;
- (b) it and each FirstSub has power to enter into and observe its obligations under the Transaction Documents and to carry out the transactions contemplated by them;
- (c) each authorisation which is required in relation to:
 - (i) the execution, delivery and performance by it and each FirstSub of the Transaction Documents and the transactions contemplated by them; and
 - (ii) the validity and enforceability of them,has been obtained or effected and each is in full force and effect. It and each FirstSub have complied with such authorisations and have paid all applicable fees for each of them;
- (d) its and each FirstSub’s obligations under the Transaction Documents are valid and binding and are enforceable against it and each FirstSub (as applicable) in accordance with their terms (subject to laws relating to insolvency and creditors’ rights generally including the PPSA);
- (e) the execution, delivery and performance by it and each FirstSub of the Transaction Documents does not and will not violate in any respect any material provision of:
 - (i) any law, regulation, authorisation, ruling, consent, judgement, order or decree of any Governmental Agency; or

- (ii) its and each FirstSub's constitution;
- (f) in respect of any Receivable which is an Asset of the Series, either:
 - (i) a FirstSub; or
 - (ii) Firstmac,
has legal title to the Receivables free of any Encumbrance (other than a Permitted Encumbrance);
- (g) no Insolvency Event has occurred in respect of it and each FirstSub;
- (h) in respect of any Receivable which is an Asset of the Series, each Receivable was not entered into in contravention of any applicable law (including the Consumer Credit Code) which would result in a Material Adverse Effect;
- (i) in respect of any Receivable which is an Asset of the Series, each Receivable is enforceable in accordance with its terms against the relevant Debtor;
- (j) in respect of any Receivable which is an Asset of the Series, each Receivable is an Eligible Receivable as at the Cut-Off Date for that Receivable;
- (k) in respect of any Receivable which is an Asset of the Series, each Receivable was entered into in good faith;
- (l) in respect of any Receivable which is an Asset of the Series, at the time the Receivable (and any Related Security) was originated, the Receivable and any Related Securities were originated in good faith and in the ordinary course of its or the Originator's (as applicable) business and in accordance with its origination manual;
- (m) in respect of any Receivable which is an Asset of the Series, since each Receivable was entered into, the Receivable, has been serviced in a manner which is consistent with the Servicing Procedures and applicable law (including the Consumer Credit Code) and it has complied with the Servicing Procedures and applicable law (including the Consumer Credit Code);
- (n) in respect of any Receivable which is an Asset of the Series, no notice of insolvency or bankruptcy of any Debtor has been received nor any notice that any such Debtor does not have the legal capacity to enter into the Receivable;
- (o) that:
 - (i) it has delivered to the Custodian all documents necessary to enforce the provisions of, and the security created by, the Receivables and each Related Security (if any); and
 - (ii) in accordance with the Master Trust Deed, the Custodian holds all such documents;
- (p) in respect of any Receivable which is an Asset of the Series, other than in respect of priorities granted by statute other than the PPSA, it and each FirstSub have not received notice from any person that claims to have an Encumbrance ranking in priority to or equal with any Receivables or Related Security;
- (q) in respect of any Receivable which is an Asset of the Series, except if a Receivable is subject to a fixed rate of interest at any time and except as may be provided by applicable laws or any provision of any law, regulation or code of conduct which is binding on the relevant FirstSub, the interest payable on that Receivable is not subject to any limitation and no consent, additional memoranda or other writing is

required from the Debtor to give effect to a change in the interest rate payable on that Receivable and any change will be effective on notice being given to the Debtor in accordance with the terms of that Receivable;

- (r) in respect of any Receivable which is an Asset of the Series, the Seller is lawfully entitled to assign the Receivable and no consent to the sale and assignment of that Receivable or notice of that sale and assignment is required to be given by or to any person including, without limitation, any Debtor;
- (s) in respect of any Receivable which is an Asset of the Series, at the time each Receivable was entered into, all necessary steps were taken to ensure that the related Mortgage complied with all legal requirements applicable at that time to be a first ranking registered mortgage (subject to any statutory charges, any prior charges of a body corporate, service company or equivalent, whether registered or otherwise) secured over Land, subject to stamping and registration in due course; and
- (t) in respect of any Receivable which is an Asset of the Series, any sale or Redesignation of a Receivable to Firstmac will not be held by a court to constitute a transaction at an undervalue, a fraudulent conveyance or a voidable preference under any insolvency laws.

11.6 The Manager

Firstmac Limited has been appointed as a Manager under the Master Management Deed and the Supplementary Terms Notice to carry on the day to day administration, supervision and management of each Series in respect of the Trust. The Manager is paid a regular periodic fee (as agreed from time to time between Firstmac and the Manager, but not to be increased unless a Rating Notification has been given in respect of such increase).

Duties of the Manager

Under the Master Management Deed, the Manager agrees to undertake the following duties (among others):

- (a) take all steps as it considers necessary or desirable to enable Firstmac to perform its obligations under the Transaction Documents or exercise its rights in respect of any present and future right, property or undertaking of Firstmac of whatever kind and wherever situated;
- (b) evaluate proposals in relation to the acquisition of Receivables and Related Securities;
- (c) open, close, maintain and operate the bank account of each Series in respect of the Trust;
- (d) maintain appropriate records and prepare accounts and reports in respect of each Series in respect of the Trust as required;
- (e) notify the Security Trustee, Firstmac and each Current Rating Agency as soon as practicable after becoming aware of an Event of Default, a Manager Termination Event or a Servicer Termination Event (each as defined below); and
- (f) comply with the requirements of any relevant laws (including, where relevant, the requirements of the Consumer Credit Code) in exercising its rights and carrying out its obligations under the Master Management Deed.

Termination

Upon the occurrence of certain events (each a "**Manager Termination Event**"), the appointment of the Manager may be terminated. The Manager may also retire from the management of each Series in respect of the Trust upon giving 3 months' notice in writing, or

such lesser time as the Manager and Firstmac agree, provided that the Manager may not retire unless:

- (a) it has appointed a replacement manager which is acceptable to Firstmac, the Security Trustee and each Current Rating Agency; and
- (b) the replacement manager executes a deed under which it covenants to act as Manager on, substantially, the same terms and for a fee determined on a market basis.

If a Manager's appointment is terminated due to the occurrence of a Manager Termination Event then from the date of termination until the earlier of:

- (a) the appointment of a replacement manager; and
- (b) the retirement of the Security Trustee as manager under the Transaction Documents,

the Security Trustee (or any another person appointed to act as its agent) must act as Standby Manager with respect to the Transaction Documents in relation to the Series and is required to carry on and conduct its business in a proper and efficient manner as Standby Manager. The Security Trustee is only required to perform the services specified in the Transaction Documents.

The Security Trustee when acting in this capacity will, regardless of the scope of its obligations from time to time, have all the rights and powers of the Manager under the Transaction Documents which it may or may not exercise at its discretion. Neither the Security Trustee nor its agent is liable for any loss, costs, liabilities or expenses arising out of it exercising or failing to exercise any powers or rights, or performing or failing to perform its obligations or duties as Manager, except where such acts or omissions amount to fraud, gross negligence or wilful default of the Security Trustee or its agent.

11.7 The Servicer

Under the Master Servicer Deed and the Supplementary Terms Notice, Firstmac Limited has been appointed as a Servicer to service, manage and administer the Receivables and Related Securities in respect of each Series in respect of the Trust until a Servicer Termination Event (defined below) occurs or where its appointment is terminated in respect of each Series in respect of the Trust. The Servicer agrees to service, manage and administer the Receivables and Related Securities at its expense using all proper care, skill and diligence, and all its experience and expertise in the management of Receivables and Related Securities, in accordance with (among other things) the Master Servicer Deed, the requirements of the Servicing Procedures and any written instructions given by Firstmac. The Servicer is paid a regular periodic fee (as agreed from time to time between Firstmac and the Servicer, but not to be increased unless a Rating Notification has been given in respect of such increase.

Duties

Under the Master Servicer Deed, the Servicer agrees to undertake the following duties in respect of each Series in respect of the Trust (among others):

- (a) take action to protect or enforce the terms of any Receivable or otherwise exercise any rights conferred under documentation or at law in relation to the Receivable and take such action and incur such expenses as are necessary for such protection, enforcement or exercise of rights in accordance with the Servicing Procedures;
- (b) set the interest rate charged (if that rate is a variable rate) on or any fees payable in respect of each Receivable on the instructions of the Manager;
- (c) prepare and collate all reasonably necessary performance statistics of the Receivables;

- (d) provide to Firstmac promptly from time to time such information, documents, records, reports or other information relating to the Receivables or the operations of the Servicer as may be reasonably requested by either of them;
- (e) on behalf of Firstmac, collect all Collections (defined in section 10.2 (“*Collections*”)) received by it in respect of each Receivable and remit any such Collections in the manner required by the Supplementary Terms Notice;
- (f) maintain any loan account in respect of any Receivable of each Series in respect of the Trust and give all notices, documents or statement required to be given under the Servicing Procedures to the relevant debtor; and
- (g) notify the Security Trustee, Firstmac and each Current Rating Agency as soon as practicable after becoming aware of a Servicer Termination Event (defined below).

Termination

Upon the occurrence of certain events (each a “**Servicer Termination Event**”), the appointment of the Servicer may be terminated. The Servicer may also retire upon giving to Firstmac 3 months’ notice in writing, or such lesser time as the Servicer and Firstmac agree, provided that the Servicer may not retire unless:

- (a) it has appointed a replacement Servicer which is acceptable to Firstmac, the Security Trustee and each Current Rating Agency; and
- (b) the replacement servicer executes a deed under which it covenants to act as Servicer on, substantially, the same terms and for a fee determined on a market basis.

Standby Servicer

If a Servicer’s appointment is terminated due to the occurrence of a Servicer Termination Event then from the date of termination until the earlier of:

- (a) the appointment of a replacement servicer; and
- (b) the retirement of the Standby Servicer under the Master Servicer Deed,

the Standby Servicer (or any another person appointed to act as its agent) must act as standby servicer with respect to the Transaction Documents in relation to the Series and is required to carry on and conduct its business in a proper and efficient manner as standby servicer. The Standby Servicer is only required to perform the services specified in the Master Servicer Deed (including without limitation, collecting Collections, preparing and issuing notices to debtors and setting the interest rate on Receivables in accordance with the relevant Loan Agreement) and will only be required to perform such other services as agreed with the Manager in writing from time to time.

The Standby Servicer will, regardless of the scope of its obligations from time to time, have all the rights and powers of the relevant Servicer under the Transaction Documents which it may or may not exercise at its discretion. Neither the Standby Servicer nor its agent is liable for any loss, costs, liabilities or expenses arising out of it exercising or failing to exercise any powers or rights, or performing or failing to perform its obligations or duties as Standby Servicer, except where such acts or omissions amount to fraud, gross negligence or wilful default of the Standby Servicer or its agent.

11.8 Security structure

Security Trustee

The Master 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. In addition, it contains provisions which regulate the steps that are to be taken by the Security Trustee upon the occurrence of

an Event of Default. In general, if an Event of Default occurs, the Security Trustee will convene a meeting of the Secured Creditors of the Series to obtain directions as to what actions the Security Trustee should take in respect of the Collateral (as defined below).

General Security Agreement

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

Event of Default

An "**Event of Default**" occurs if any of the following occurs in respect of the Series:

- (a) **(Failure to Pay)** Firstmac fails to pay any amount payable by it in respect of the Senior Obligations on time and in the manner required under the Transaction Documents unless, in the case of a failure to pay on time, Firstmac pays the amount within 5 Business Days of the due date;
- (b) **(other obligations)**
 - (i) Firstmac fails to perform or observe any other obligation or undertaking in respect of the Series expressed in, or given in relation to, any Transaction Document in respect of the Series; and
 - (ii) if the non-compliance can be remedied, does not remedy the non compliance within 7 Business Days,

and that failure has a Material Adverse Effect on the Senior Obligations;
- (c) **(General Security Agreement)** the General Security Agreement is not or ceases to be valid and enforceable or Firstmac breaches the terms of clause 3.1 ("*Restricted dealings*") of the General Security Agreement;
- (d) **(representations and warranties)** any representation or warranty given by Firstmac in respect of the Series in any Transaction Document is incorrect when made or repeated and has a Material Adverse Effect on the Senior Obligations in respect of the Series;
- (e) **(Insolvency Event)**
 - (i) an Insolvency Event occurs in respect of Firstmac (in its capacity as trustee of the Trust) in respect of the Series; or
 - (ii) an Insolvency Event occurs in respect of Firstmac (in its personal capacity) and a new trustee or the Standby Trustee is not appointed within 60 days of the occurrence of the Insolvency Event;
- (f) **(Illegality)** any Transaction Document is:
 - (i) terminated or is or becomes void, or any other party becomes entitled to terminate, rescind or avoid any Transaction Document where such event results in a Material Adverse Effect on the Senior Obligations; and
 - (ii) illegal, unenforceable or of no force or effect;
- (g) **(Trust)** without the prior consent of the Security Trustee:

- (i) the Trust is wound up, or Firstmac is required to wind up the Trust under the Master Trust Deed or applicable law, or the winding up of the Trust commences;
 - (ii) the Trust or Series is held or is conceded by Firstmac not to have been constituted or to have been imperfectly constituted;
 - (iii) unless another trustee is contemporaneously and immediately appointed to the Trust under the Transaction Documents, Firstmac ceases to be solely authorised under the Trust to hold the property of the Series in its name and to perform its obligations under the Transaction Documents; or
 - (iv) the Series is terminated; and
- (h) **(indemnity not exercisable)** Firstmac is (for any reason) not entitled to fully exercise its right of indemnity against the assets of the Trust in respect of the Series to satisfy any liability to a Secured Creditor and the circumstances are not rectified to the reasonable satisfaction of the Security Trustee within 14 days of the Security Trustee requiring Firstmac in writing to rectify them.

Other defaults

If any of the following occurs:

- (a) **(Servicer Termination Event)** a Servicer Termination Event has occurred in respect of the Series and, if capable of remedy, has not been remedied within 21 days of the occurrence of the Servicer Termination Event;
- (b) **(Receivables Parameters)** any Receivable of the Series does not as at the Cut-Off Date satisfy the Receivables Parameters as at the Cut-Off Date and Firstmac does not remedy that breach within 30 days of becoming aware of such non-satisfaction; or
- (c) **(Title Perfection Event)** a Title Perfection Event has occurred in respect of the Series and, if capable of remedy, has not been remedied within 21 days of the occurrence of the Title Perfection Event;

the Servicer and Manager must indemnify Firstmac against any loss incurred, and, if appropriate, the relevant defaulting party must be replaced in accordance with the Master Servicer Deed, Master Management Deed or other relevant document, as the case may be.

Limited recourse to Security Trustee

The Security Trustee's liability under the Transaction Documents is limited to the amount which it receives from Firstmac or a receiver in respect of the Collateral under the Master Trust Deed. This limitation will not apply to a liability of the Security Trustee to the extent that it is caused by the Security Trustee's fraud, gross negligence or wilful default.

Fees and indemnities

Firstmac, under the Master Trust Deed, has agreed to pay to the Security Trustee from time to time a fee (as agreed to between Firstmac and the Security Trustee). Firstmac must also pay or reimburse the Security Trustee for all costs, charges and expenses incurred by the Security Trustee in connection with its obligations under the Transaction Documents, except to the extent such cost, charge or expense was incurred directly as a result of the Security Trustee's fraud, gross negligence or wilful default.

Application of proceeds following an Event of Default

Following the occurrence of an Event of Default and enforcement of the Security, the Security Trustee must apply all moneys received by it in respect of the Collateral in the order described in section 10.21 ("*Application of proceeds following an Enforcement Event*").

FirstSub guarantee and security

The relevant FirstSub has entered into a guarantee in favour of the Security Trustee. Under that guarantee, the relevant FirstSub will guarantee the payment by Firstmac of the amounts due by Firstmac to the Secured Creditors. The obligations of the relevant FirstSub under the guarantee will be limited to the extent of the charge provided by the relevant FirstSub in favour of the Security Trustee over the legal title that the relevant FirstSub holds to the relevant Receivables. The relevant FirstSub will also grant an irrevocable power of attorney in favour of Firstmac to take certain actions if a Title Perfection Event or an Origination Termination Event occurs.

11.9 Note Trust Deed***Powers of the US\$ Note Trustee***

The US\$ Note Trustee is appointed to act as trustee on behalf of the Class A1-U Note Holders on the terms and conditions of the Note Trust Deed. The US\$ Note Trustee must comply with the duties imposed on it by the Note Trust Deed, the Class A1-U Notes (including the US\$ Note Conditions) and each other Transaction Document to which it is a party and must in the exercise of all discretions vested in it by the Note Trust Deed and all other Transaction Documents except where expressly provided otherwise, have regard to the interest of the Class A1-U Note Holders.

Directions of Class A1-U Note Holders

If an Event of Default has occurred and the US\$ Note Trustee has received notice of the occurrence of such Event of Default from the Security Trustee, Firstmac or the Manager or otherwise has actual knowledge of such Event of Default, the US\$ Note Trustee must:

- (a) notify each Class A1-U Note Holder of the Event of Default within 10 days, or such shorter period as may be required by the rules of any stock exchange on which the Class A1-U Notes are listed, after receipt of that notice of the occurrence of the Event of Default provided that, except in the case of a default in payment of principal or interest on any Class A1-U Note, the US\$ Note Trustee may withhold such notice if and for so long as its Authorised Officers in good faith determine that withholding the notice does not materially prejudice the interests of the Class A1-U Note Holders;
- (b) if a meeting of Voting Secured Creditors is to be held under the Master Trust Deed, notify the Class A1-U Note Holders promptly after it receives notice from the Security Trustee seeking directions from the Class A1-U Note Holders as to how to vote at a meeting to be convened by the Security Trustee and requesting the Security Trustee to delay the holding of that meeting while it obtains such directions from the Class A1-U Note Holders; and
- (c) vote at any meeting of Voting Secured Creditors held under the Master Trust Deed.

In acting in accordance with the directions of the Class A1-U Note Holders, the US\$ Note Trustee must exercise its votes for or against any proposal to be put to a meeting of Voting Secured Creditors under the Master Trust Deed in the same proportion as that of the A\$ Equivalent (as determined by the Security Trustee) of the aggregate Invested Amounts of the Class A1-U Notes held by Class A1-U Note Holders who have directed the US\$ Note Trustee to vote for or against such a proposal.

If any of the Class A1-U Notes remain outstanding and are due and payable otherwise than by reason of a default in payment of any amount due on the Class A1-U Notes, the US\$ Note Trustee must not vote at a meeting of Voting Secured Creditors under the Master Trust Deed to, or otherwise direct the Security Trustee to, dispose of the Collateral unless:

- (a) a sufficient amount would be realised to discharge in full all amounts owing to the Class A1-U Note Holders in respect of the Class A1-U Notes and any other amounts owing by Firstmac to any other person ranking in priority to or with the Class A1-U Notes; or

- (b) the US\$ Note Trustee is of the opinion, reached after considering at any time and from time to time the advice of a merchant bank or other financial adviser selected by the US\$ Note Trustee at the expense of Firstmac, that the cash flow receivable by Firstmac (or the Security Trustee under the Master Trust Deed) will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of Firstmac, to discharge in full in due course all the amounts referred to in paragraph (a) above.

The US\$ Note Trustee need not do anything to find out if an Event of Default has occurred. Until it has actual knowledge or express notice to the contrary, the US\$ Note Trustee may assume that no such event has occurred and that Firstmac and each other party to the Transaction Documents is performing all its obligations under the Note Trust Deed and the Class A1-U Notes.

Agents

Whenever it considers it expedient in the interests of the Class A1-U Note Holders, the US\$ Note Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent selected by it, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the US\$ Note Trustee (including the receipt and payment of money). The US\$ Note Trustee remains liable for the acts or omissions of an agent except where the US\$ Note Trustee has acted in good faith and without fraud, gross negligence or wilful default in relation to the appointment of the agent. The US\$ Note Trustee will not have any obligation to supervise such agent.

Delegation by the US\$ Note Trustee

Whenever it considers it expedient in the interests of the Class A1-U Note Holders, the US\$ Note Trustee may delegate to any person on any terms (including power to sub-delegate) all or any of its functions. The US\$ Note Trustee remains liable for the acts or omissions of a delegate except where the US\$ Note Trustee has acted in good faith and without fraud, gross negligence or wilful default in relation to the appointment of the delegate. The US\$ Note Trustee shall not have any obligation to supervise such delegate.

US\$ Note Trustee Fees and Expenses

So long as any Class A1-U Note is outstanding, Firstmac shall pay the US\$ Note Trustee a fee as remuneration for its services as US\$ Note Trustee. Such remuneration shall accrue from day to day from the date of Note Trust Deed until the Class A1-U Notes are redeemed (or deemed to be redeemed) in full. Subject to the immediately following paragraph, any increase to that fee must not be agreed unless a Rating Notification has been given in respect of such increase.

At any time after so far as Firstmac is aware:

- (a) the occurrence of an Event of Default;
- (b) an event with which the passing of time or the giving of notice or both would constitute an Event of Default;
- (c) Firstmac has failed to pay any sums due under the Class A1-U Notes; or
- (d) the US\$ Note Trustee undertakes duties which it considers necessary or expedient under Note Trust Deed, or is requested by Firstmac to undertake duties, and such duties are of an exceptional nature or otherwise outside the scope of the US\$ Note Trustee's normal duties under the Note Trust Deed.

Firstmac must pay such additional remuneration to such Agent as Firstmac (at the direction of the Manager) and the US\$ Note Trustee may agree (and as notified by the Manager to each Current Rating Agency).

Firstmac shall also, on each Payment Date, pay all costs, charges, liabilities and expenses properly incurred by the US\$ Note Trustee (except for any overhead or general operating expenses incurred by the US\$ Note Trustee) in the preparation and execution of the Note Trust Deed and the performance of its functions under the Note Trust Deed including, but not limited to, legal expenses in connection with any legal proceedings properly brought by the US\$ Note Trustee against Firstmac to enforce any provision of the Note Trust Deed, the Class A1-U Notes, and any stamp, documentary, registration or other taxes or duties paid by the US\$ Note Trustee in connection with those documents and its supply of services.

Subject to the section limiting Firstmac's liability described in section 11.11 ("*Limited Recourse*"), Firstmac shall indemnify the US\$ Note Trustee in respect of all liabilities and expenses properly incurred by it or by anyone appointed by it or to whom any of its functions may be delegated by it in the carrying out of its functions and against any loss, liability, cost, claim, action, demand or expense (including, but not limited to, all proper costs, charges and expenses paid or incurred in disputing or defending any of the foregoing) which any of them may incur or which may be made against any of them arising out of or in relation to or in connection with, its appointment or the exercise of its functions under the Note Trust Deed or any other Transaction Document to which the US\$ Note Trustee is party, except such as may result from the US\$ Note Trustee's own fraud, gross negligence or wilful default or that of its directors, officers, employees or agents.

US\$ Note Trustee's Voluntary Retirement

The US\$ Note Trustee may retire at any time as note trustee upon giving 3 months (or such lesser time as the Manager, Firstmac and the US\$ Note Trustee agree) notice in writing to Firstmac, the Manager and the Security Trustee (and the Manager shall provide such notice to each Current Rating Agency), without giving any reason and without being responsible for any liabilities incurred by reason of such retirement provided that such retirement is in accordance with the Note Trust Deed, provided further that no such period of notice of retirement may expire within the period of 10 days preceding each Payment Date. Upon such retirement, Firstmac (or the Manager on its behalf), subject to any approval required by law, may appoint in writing any other corporation as substitute US\$ Note Trustee (provided that a Rating Notification has been given in respect of such appointment). If Firstmac (or the Manager on its behalf) does not propose a replacement by the date which is one month prior to the date of its proposed retirement, the Manager is entitled to appoint a substitute US\$ Note Trustee (provided that a Rating Notification has been given in respect of such appointment).

The US\$ Note Trustee covenants that it will retire as US\$ Note Trustee if:

- (a) an Insolvency Event occurs in relation to the US\$ Note Trustee in its personal capacity or in respect of its personal assets (and not in its capacity as trustee of any trust or in respect of any assets it holds as trustee);
- (b) it ceases to carry on business;
- (c) it is so directed by an Extraordinary Resolution of the Class A1-U Note Holders;
- (d) it fails to comply with any of its obligations under any Transaction Document and Firstmac and the Manager determines that this failure has had, or if continued, is likely to have, an Adverse Rating Effect, and if capable of remedy, the US\$ Note Trustee does not remedy this failure within 14 days after the earlier of the following:
 - (i) the US\$ Note Trustee having actual knowledge of this failure; and
 - (ii) receipt by the US\$ Note Trustee of written notice with respect to this failure from either Firstmac or the Manager,

provided that the US\$ Note Trustee is not required to retire in such circumstances if there is an Extraordinary Resolution from the Class A1-U Note Holders affirming its appointment notwithstanding such notice from Firstmac or the Manager; or

- (e)
- (i) the US\$ Note Trustee is or becomes a “foreign financial institution” as such term is defined pursuant to Sections 1471 through 1474 of the United States Internal Revenue Code of 1986 and any regulations thereunder or official interpretations thereof, and such trustee is not or does not become a “participating foreign financial institution” as such term is defined pursuant to Sections 1471 through 1474 of the United States Internal Revenue Code of 1986 and any regulations thereunder or official interpretations thereof (including a financial institution deemed to be compliant with the provisions of Section 1471(b) of the Code or treated as compliant on the basis of an applicable agreement between the United States and another jurisdiction) or otherwise FATCA compliant from the effective date(s) of any applicable withholding or deduction imposed pursuant to FATCA; and
 - (ii) the Note Trustee receives written notice from the Manager that the Note Trustee no longer qualifies under the preceding sub-paragraph (i).

Any corporation into which the US\$ Note Trustee or its business is merged, sold or converted or any corporation with which the US\$ Note Trustee is consolidated or any corporation resulting from any merger, conversion or consolidation shall, to the extent permitted by law, be the successor US\$ Note Trustee under the Note Trust Deed without any further formality. Notice of any such merger, conversion or consolidation must forthwith be given by the US\$ Note Trustee to Firstmac and the Manager.

Removal of the US\$ Note Trustee

If the US\$ Note Trustee refuses to retire when required to do so, Firstmac at the direction of the Manager is entitled to remove the US\$ Note Trustee from office immediately by notice in writing to the US\$ Note Trustee if any event referred to above has occurred. On the retirement or removal of the US\$ Note Trustee:

- (a) the Manager must promptly notify each Current Rating Agency of such retirement or removal; and
- (b) subject to any approval required by law, Firstmac is entitled to and must use reasonable endeavours to appoint, and will at the direction of the Manager appoint, in writing some other person to be the substitute US\$ Note Trustee (provided that a Rating Notification has been given in respect of such appointment).

Limitation of the US\$ Note Trustee's Obligation

The US\$ Note Trustee is not required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers (including, without limitation, complying with any resolution or direction of the Class A1-U Note Holders) unless it is indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing and, if required, is put in funds to the extent to which it may be liable (including costs and expenses).

11.10 Agency Agreement

Appointment of Agents

The Agency Agreement provides for the appointment of each of the US\$ Note Principal Paying Agent, the US\$ Note Registrar and the US\$ Note Calculation Agent (each an “Agent”).

The US\$ Note Principal Paying Agent will make payments to the Class A1-U Note Holders on behalf of Firstmac.

The US\$ Note Calculation Agent will make all such calculations and determinations in respect of the Class A1-U Notes.

The US\$ Note Registrar will maintain the US\$ Note Register in respect of the Class A1-U Notes, which will record (amongst other things) all payments made in respect of the Class A1-U Notes, the aggregate Invested Amount of the Class A1-U Notes, the aggregate Stated Amount of the Class A1-U Notes and such other information as the Manager reasonably requires or the US\$ Note Registrar considers in its absolute discretion appropriate or desirable.

Removal and Resignation of an Agent

The appointment of an Agent immediately terminates if an Insolvency Event occurs in respect of the Agent. Firstmac or the Manager with the consent of Firstmac (such consent not to be unreasonably withheld), with the prior written approval of the US\$ Note Trustee, may immediately terminate the appointment of an Agent if:

- (a) the Agent ceases to conduct business;
- (b) the Agent fails to remedy within 5 Business Days after prior written notice by Firstmac or the Manager any material breach of the Agency Agreement on the part of the Agent;
- (c) in the reasonable opinion of Firstmac, the new Specified Office of such Agent is moved to a city which would cause such Agent or Firstmac to breach the Transaction Documents or the US\$ Note Conditions; or
- (d) the appointment of that Agent causes or will cause a suspension, reduction, qualification or withdrawal assigned to any of the Class A1-U Notes by any Current Rating Agency.

An Agent may resign its appointment under the Agency Agreement and Firstmac or the Manager with the consent of Firstmac (such consent not to be unreasonably withheld) may, with the prior written approval of the US\$ Note Trustee, terminate the appointment of an Agent at any time by giving not less than 60 days' written notice to that effect to the Manager or the Agent respectively (which must not expire less than 15 days before or after any Payment Date).

Firstmac acting on the direction of the Manager may appoint a successor Agent which must be a reputable financial institution of good standing acceptable to the US\$ Note Trustee. No resignation or termination of an Agent will take effect until a successor Agent has been appointed by Firstmac (at the direction of the Manager) on terms approved in writing by the US\$ Note Trustee and Firstmac (at the direction of the Manager) and provided that:

- (a) each Current Rating Agency has been notified of any such appointment by the Manager;
- (b) in the case of a successor US\$ Note Principal Paying Agent, the Specified Office of that successor US\$ Note Principal Paying Agent is located in the United States; and
- (c) the requirements of Conditions 5 ("*Payments*") of the US\$ Note Conditions are satisfied.

In the case of the resignation of the US\$ Note Principal Paying Agent as described above, if the Manager does not appoint a successor US\$ Note Principal Paying Agent by the day falling 10 days before the expiration of such 45 days' written notice, the US\$ Note Principal Paying Agent may appoint, at the expense of Firstmac (such expenses to be Expenses of the Series), as a successor US\$ Note Principal Paying Agent a reputable financial institution of good standing which Firstmac and the US\$ Note Trustee approve (such approval not to be unreasonably withheld) or it may petition a court of competent jurisdiction to do so.

If the appointment of the US\$ Note Principal Paying Agent terminates or the US\$ Note Principal Paying Agent resigns, the US\$ Note Principal Paying Agent must, on the date on which that termination takes effect, pay to the successor US\$ Note Principal Paying Agent all amounts held by it for payment of principal or interest in respect of any Note.

Payments of amounts due by the US\$ Note Principal Paying Agent

Firstmac agrees to pay to or to the order of the US\$ Note Principal Paying Agent (or procure the payment to or to the order of the US\$ Note Principal Paying Agent) to such account of the US\$ Note Principal Paying Agent as the US\$ Note Principal Paying Agent specifies to Firstmac in writing in US\$ in same day funds, no later than 11:00am (New York time) on each Payment Date, an amount sufficient to pay the interest on the Invested Amount of the Class A1-U Notes as set out in the US\$ Note Conditions and any principal amount due to be paid on such Payment Date in respect of the Class A1-U Notes under the US\$ Note Conditions and the Agency Agreement.

The US\$ Note Principal Paying Agent will promptly notify each of the other Agents, the US\$ Note Trustee, the Security Trustee and Firstmac by facsimile or email if it has not, by 11:00am (New York time) on any Payment Date, received in full the amount so due.

If Firstmac fails to make any payment or fails to make the full amount of such payment in respect of the Class A1-U Notes, unless and until the full amount of the payment has been made under the terms of the Agency Agreement (except as to the time of making the payment) or other arrangements satisfactory to the US\$ Note Principal Paying Agent have been made, the US\$ Note Principal Paying Agent is not bound to make any payment that Firstmac fails to pay in respect of the Class A1-U Notes (but may, in its discretion, make any such payment).

Duties of the US\$ Note Calculation Agent

The US\$ Note Calculation Agent agrees to perform such duties and make all such determinations and calculations (howsoever described) as it is required to do under the US\$ Note Conditions, subject to and in accordance with the US\$ Note Conditions.

The US\$ Note Calculation Agent agrees to, as soon as practicable after their determination or calculation notify Firstmac, the Manager, the US\$ Note Principal Paying Agent, the other US\$ Note Paying Agents, the relevant Currency Swap Provider and the US\$ Note Trustee of, inter alia, each Interest Rate, the Interest for the Class A1-U Notes and Payment Date and all other amounts, rates and dates which it is obliged to determine or calculate under the US\$ Note Conditions and of any subsequent amendment to such amounts pursuant to the US\$ Note Conditions. The US\$ Note Calculation Agent will publish the same in accordance with the US\$ Note Conditions.

If the US\$ Note Calculation Agent at any time for any reason does not determine and/or calculate and/or publish, inter alia, the Interest Rate, the Interest for the Class A1-U Notes and/or Payment Date in respect of any Interest Period or any other amount, rate or dates as provided in the Agency Agreement, the US\$ Note Trustee will do so and each such determination or calculation by the US\$ Note Trustee will be as if made by the US\$ Note Calculation Agent. In making such determinations and calculations, the US\$ Note Trustee will apply the provisions of the Agency Agreement and condition 6 ("*Interest*") of the US\$ Note Conditions, with any consequential amendments, to the extent that it is able to do so and in all other respects it will do so in such a manner as it considers to be fair and reasonable in all the circumstances. The US\$ Note Trustee may seek, and rely absolutely on, information from Firstmac in relation to each such calculation.

Agents Fees and Expenses

Firstmac will pay to each Agent from the Assets of the Series such fees and commissions as Firstmac and that Agent separately agree in respect of the services of that Agent under the Agency Agreement together with any out-of-pocket expenses (including legal, printing, postage, fax, cable and advertising expenses) incurred by that Agent in connection with the Agency Agreement and its supply of services. Subject to the immediately following paragraph,

any increase to that fee must not be agreed unless a Rating Notification has been given in respect of such increase.

At any time after (so far as Firstmac is aware):

- (a) the occurrence of an Event of Default;
- (b) an event with which the passing of time or the giving of notice or both would constitute an Event of Default;
- (c) Firstmac has failed to pay any sums due under the Class A1-U Notes; or
- (d) an Agent undertakes duties which it considers necessary or expedient under the Agency Agreement, or is requested by Firstmac or the Manager to undertake duties, and such duties are of an exceptional nature or otherwise outside the scope of such Agent's normal duties under the Agency Agreement,

Firstmac must pay such additional remuneration to such Agent as the Manager may agree with such Agent.

11.11 Limited Recourse

(a) ***Limitation on Firstmac's liability***

The Transaction Documents in respect of the Series apply to Firstmac only in its capacity as trustee of the Trust and in no other capacity. A liability incurred by Firstmac acting in its capacity as trustee of a Trust in respect of the Series arising under or in connection with the Master Trust Deed or any other Transaction Document is limited to and can be enforced against Firstmac only to the extent to which it can be satisfied out of the Assets of the Series of which Firstmac is actually indemnified for the liability. This limitation of Firstmac's liability applies despite any other provision of the Master Trust Deed or any other Transaction Document (other than as set out below) and extends to all liabilities and obligations of Firstmac in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to the Master Trust Deed or any other Transaction Document.

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

The provisions of this Section limiting Firstmac's liability do not apply to any obligation or a liability of Firstmac to the extent that it is not satisfied because under the Master Trust Deed or any other Transaction Document in relation to the Series or by operation of law there is a reduction in the extent of Firstmac's indemnification out of the relevant Assets of the Series as a result of Firstmac's fraud, gross negligence or wilful default.

Each Secured Creditor is taken to have acknowledged that the Manager and other parties are responsible, under the Master Trust Deed and the other Transaction Documents in relation to the Series to which the Manager or such other parties (as the case may be) are a party, for performing a variety of obligations relating to the Series. No act or omission of Firstmac (including any related failure to satisfy its obligations or breach of representation or warranty under the Master Trust Deed) will be considered fraud, gross negligence or wilful default for the purpose of the Master Trust Deed if and to the extent the act or omission was caused or contributed to by any failure by the Manager or any other person appointed by Firstmac under any Transaction Document (other than a person whose acts or omissions Firstmac is liable for in accordance with any Transaction Document) to fulfil its obligations relating to the Series or by any other act or omission of the Manager or any other such person

regardless of whether or not the act or omission is purported to be done on behalf of Firstmac.

No attorney, agent, receiver or receiver and manager appointed in accordance with the Master Trust Deed or any other Transaction Document has authority to act on behalf of Firstmac in a way that exposes Firstmac to any personal liability, and no act or omission of any such person will be considered fraud, gross negligence or wilful default of Firstmac for the purpose of the Master Trust Deed.

Firstmac is not obliged to do anything or refrain from doing anything under or in connection with the Master Trust Deed (including incur a liability) unless Firstmac's liability is limited in the same manner as set out in the Master Trust Deed.

The provisions of the Master Trust Deed described in this section 11.11(a) ("*Limitation on Firstmac's liability*"):

- (a) are paramount and apply regardless of any other provision of the Master Trust Deed or any other instrument, even a provision which seeks to apply regardless of any other provision;
- (b) survive and endure beyond any termination of the Master Trust Deed for any reason; and
- (c) are not severable from the Transaction Documents.

Notwithstanding any other provision of any other Transaction Document, Firstmac is not obliged to execute or do or omit to do anything (including any instrument), enter into any agreement or incur any obligation in connection with the Series unless Firstmac has received independent legal advice (if required by Firstmac) in relation to the act, omission, instrument, agreement, obligation or liability and unless Firstmac's liability in connection with the act, omission, instrument, agreement, obligation or liability is limited in a manner satisfactory to Firstmac.

(b) ***Indemnity***

Firstmac is indemnified out of the Assets in respect of the Series 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 in respect of the Series.

This indemnity does not extend to any liabilities, losses or Costs to the extent that they are due to Firstmac's fraud, gross negligence or wilful default.

For this purpose, "**wilful default**" means, in respect of Firstmac, any wilful failure to comply with or wilful breach of any of its obligations under the Master Trust Deed, other than a wilful failure or wilful breach which:

- (a) is in accordance with a lawful court order or direction or otherwise required by law; or
- (b) is in accordance with an instruction or direction from the Manager in respect of the Series; or
- (c) arose as a result of a breach by a person other than Firstmac or any other person contemplated by this section and performance of the action (or non-performance of which gave rise to such breach) is a precondition to Firstmac performing its obligations under the Master Trust Deed.

(c) ***No restriction on action***

Nothing in the provisions of the Master Trust Deed referred to in sections 11.11(a) ("*Limitation on Firstmac's liability*") and 11.11(b) ("*Indemnity*") above are taken to

impose any restriction upon the rights of the Residual Capital Unitholder, Residual Income Unitholder, the Holders, any other Secured Creditors or any other persons in respect of a Trust or any Series to bring an action against Firstmac for loss or damage suffered by reason of Firstmac's fraud, gross negligence or wilful default.

(d) **Limited recourse**

Firstmac's liability in connection with the Transaction Documents of the Series (including any transaction in connection with them) may be discharged from, and the recourse of the Security Trustee and the Secured Creditors is limited to, only that part of the Collateral which relates to that Series.

The realisation of the Collateral which relates to the Series and its application towards the Secured Money of the Series in accordance with the Transaction Documents of the Series constitutes a complete discharge of Firstmac's liability to the Security Trustee and each Secured Creditor of that Series in connection with the Transaction Documents of that Series (including any transaction in connection with them).

(e) **No proceedings**

The Security Trustee, a Secured Creditor of the Series or any person acting on their behalf may not seek to recover any shortfall in the amounts which would otherwise be owing by Firstmac in connection with the Transaction Documents of a Series if section 11.11(d) ("*Limited recourse*") did not apply (being the shortfall after the realisation of that part of the Collateral which relates to that Series and its application towards the Secured Money of the Series). This includes bringing proceedings against Firstmac or applying to have Firstmac wound up.

However, the Security Trustee, a Secured Creditor or any person acting on one or more of their behalf, may:

- (a) do anything necessary to enforce their rights in connection with the Collateral of the Series; and
- (b) take proceedings to obtain:
 - (i) an injunction or other order to restrain any breach of the Transaction Documents of the Series by Firstmac; or
 - (ii) declaratory relief or other similar judgment or order as to the obligations of Firstmac under the Transaction Documents of the Series.

(f) **All liabilities of Firstmac subject to limited recourse**

Despite any other provision of the Transaction Documents, neither the Security Trustee nor any other person (including any Attorney appointed under the Security or any Receiver appointed to the Collateral of the Series) may incur any liability on behalf of Firstmac except a liability which is subject to this section.

11.12 Purchase and Origination of Housing Loans

Origination of Housing Loans by Originators

In respect of the Housing Loans originated by the Originators in the name of a FirstSub, Firstmac has appointed each FirstSub as its agent to originate Housing Loans and Related Security in respect of each relevant trust pursuant to the terms of the Master Origination Deed. Each FirstSub undertakes to procure applications, approve loans and attend to the settlement of loans in accordance with:

- (a) the terms of the Master Origination Deed;

- (b) the requirements of any relevant Servicing Procedures;
- (c) the then current Receivables Parameters;
- (d) the requirements of any relevant Insurance Policy; and
- (e) any written instructions given by Firstmac.

Pursuant to the terms of the Master Trust Deed, Firstmac in its capacity as trustee of the Trust in respect of a Relevant Series may dispose of its interest in the Receivables. Where Firstmac in its capacity as trustee of the Trust (including in respect of a Relevant Series) transfers Housing Loans to Firstmac, the beneficial interest in the Housing Loans is transferred from Firstmac in its capacity as trustee of the Trust in respect of a Relevant Series to Firstmac (in its capacity as trustee of the Trust and in respect of the Series). The legal title remains with the relevant FirstSub.

11.13 Currency Swap Agreement

General

Firstmac will enter into the Currency Swap with the Currency Swap Provider to hedge the currency risk in respect of, amongst other things, the collections on the Housing Loans which are denominated in Australian Dollars and the obligations of Firstmac to pay interest and principal on the Class A1-U Notes which are denominated in US Dollars

Payments by the Currency Swap Provider

See section 10.14 ("*Distribution of Total Interest Collections*"), section 10.19 ("*Distribution of Principal Repayment Fund*") and section 10.23 ("*Payments to US\$ Note Principal Paying Agent*") for a description of the payments to be made by Firstmac to the Currency Swap Provider and the corresponding payment by the Currency Swap Provider under the Currency Swaps on each Payment Date.

Currency Swap Provider Downgrade

In respect of the Currency Swap, in the case of Fitch, if at any time a Fitch Collateralisation Event (as defined in the Currency Swap Agreement) occurs and is subsisting, the Currency Swap Provider must, within an applicable grace period, comply with its obligations under the relevant credit support annex to the Currency Swap Agreement to post collateral with Firstmac or may, in its discretion take one of the actions in paragraphs (a) to (c) below as if a Fitch Replacement Event had occurred. Without limiting its obligation to post collateral as described in the foregoing, if at any time a Fitch Replacement Event (as defined in the Currency Swap Agreement) has occurred and is subsisting, the Currency Swap Provider must, at its own cost and within 30 days of that event (or such longer period as may apply in accordance the Currency Swap Agreement):

- (a) novate all of that Currency Swap Provider's rights and obligations under the Currency Swap to a Fitch Eligible Replacement (as defined in the Currency Swap Agreement) or a counterparty whose obligations under the Currency Swap are irrevocably guaranteed by a Fitch Eligible Replacement;
- (b) arrange for the Currency Swap Provider's obligations under the Currency Swap to be irrevocably guaranteed by a Fitch Eligible Replacement; or
- (c) enter into such other arrangements in relation to its obligations under the Currency Swap in respect of which the Manager issues a Rating Notification.

In respect of the Currency Swap, in the case of Standard & Poor's, if an S&P Collateralisation Event (as defined in the Currency Swap Agreement) occurs and subsists, the Currency Swap Provider must, within an applicable grace period, comply with its obligations under the relevant credit support annex to the Currency Swap Agreement to post collateral with Firstmac or may, in its discretion take one of the actions in paragraphs (a) to (c) below as if an

S&P Replacement Event had occurred. Additionally, if at any time, an S&P Replacement Event (as defined in the Currency Swap Agreement) has occurred and is subsisting, the Currency Swap Provider must, at its own cost and within 60 days of that event (or such longer period as may apply in accordance with the Currency Swap Agreement) take one of the following actions:

- (a) use commercially reasonable efforts to novate all of the Currency Swap Provider's rights and obligations under the Currency Swap to an S&P Eligible Replacement (as defined in the Currency Swap Agreement) or a counterparty whose obligations under the Currency Swap Agreement are irrevocably guaranteed by an S&P Eligible Replacement; or
- (b) use commercially reasonable efforts to arrange for the Currency Swap Provider's obligations under the Currency Swap to be irrevocably guaranteed by an S&P Eligible Replacement; or
- (c) enter into such other arrangements in relation to its obligations under the Currency Swap in respect of which the Manager issues a Rating Notification,

in accordance with the terms of the Currency Swap Agreement.

The Currency Swap Provider is not liable in damages in law or in equity for breach of its collateralisation, replacement and other obligations described in the foregoing.

If the Currency Swap Provider lodges cash collateral or any other collateral in accordance with the Currency Swap Agreement with Firstmac, any interest or income on that cash collateral or interest or other income earned on any other collateral posted in accordance with the Currency Swap Agreement will be paid to the Currency Swap Provider, provided that any such interest or income will not be payable unless and until Firstmac has earned and received such interest or income.

Any cash collateral lodged by that Currency Swap Provider or any other collateral posted by the Currency Swap Provider in accordance with the Currency Swap Agreement with Firstmac will not be applied in accordance with the cashflow allocation methodology set out in the Supplementary Terms Notice in respect of the Series of the Trust (described in section 10 ("*Cashflow Allocation Methodology*")).

No money or other property must be paid or held in any account established by Firstmac to hold collateral posted by the Currency Swap Provider other than such collateral and interest on that collateral.

Firstmac may only make withdrawals from any such collateral account if directed to do so by the Manager for certain purposes prescribed in the Currency Swap Agreement.

The complete obligations of the Currency Swap Provider following the downgrade of its credit rating are set out in the Currency Swap Agreement.

Early Termination

A party to the Currency Swap Agreement may have the right to terminate the Currency Swap Agreement if (among other things):

- (a) the other party fails to make a payment under the Currency Swap Agreement within 3 Business Days after notice of failure given to it;
- (b) certain insolvency related events occur in relation to the other party provided that an insolvency related event in relation to Firstmac in its personal capacity will not trigger an early termination right if within 60 days Firstmac is able to transfer all its rights and obligations under the Currency Swap Agreement and Currency Swap to a replacement trustee of the Trust;

- (c) in the case of Firstmac, the Currency Swap Provider merges with, or otherwise transfers all or substantially all of its assets to, another entity and the new entity does not assume all of the Currency Swap Provider's obligations under the Currency Swap Agreement; and
- (d) 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 Currency Swap Agreement.

Amongst other additional early termination rights the Currency Swap Provider has, the Currency Swap Provider will also have the right to terminate the Currency Swap if an Event of Default occurs and the Security Trustee has declared the Secured Money immediately due and payable.

Firstmac will also have the right to terminate the Currency Swap if the Currency Swap Provider fails to comply with or perform any agreement or its obligations referred to under the heading "Currency Swap Provider Downgrade" above within the timeframes specified in that Currency Swap Agreement.

The rights of the Currency Swap Provider and Firstmac to terminate the Currency Swap Agreement are subject to any limitations imposed in the Currency Swap Agreement.

Firstmac may only terminate the Currency Swap Agreement at the direction of the Manager. Subject to its duties under the Master Trust Deed and the Supplementary Terms Notice, Firstmac may exercise any rights in its capacity as holder of the Assets of the Series only on the instructions of the Manager.

Replacement of Currency Swap Agreement

If the Currency Swap Agreement is terminated prior to its scheduled termination date, the Manager and Firstmac may enter into one or more replacement currency swaps on terms and with a counterparty in respect of which the Manager has given a Rating Notification.

11.14 Interest Rate Swap Agreement

General

Subject to the following paragraph, Firstmac will enter into the Interest Rate Swap with the Interest Rate Swap Provider to hedge the fixed rate of interest payable by the Debtors under the Housing Loans with the floating rate of interest payable by Firstmac under the relevant Notes. To the extent that Housing Loans to be acquired by the Series have already been hedged under swap agreements relating to another Relevant Trust or Relevant Series, the relevant swap transactions will be novated to the Interest Rate Swap Provider.

Fixed Rate Loans

The Servicer has undertaken to ensure that the Outstanding Amount of Housing Loans with a fixed rate of interest is limited to an amount not exceeding 12% (or such other percentage in respect of which a Rating Notification has been given) of the Outstanding Amount of Housing Loans in respect of the Series at the time any fixed rate loan is being entered into.

The Manager agrees to ensure that:

- (a) any Housing Loans which as at the initial Issue Date are fixed rate loans, or were not fixed rate loans but which subsequently become fixed rate loans, are the subject of an Interest Rate Swap Agreement which ensures that:
 - (i) Firstmac's obligations under the Interest Rate Swap Agreement are to pay an amount calculated by multiplying the appropriate notional amount under the Interest Rate Swap Agreement by the weighted average interest rate on all such fixed rate Housing Loans; and

- (ii) the interest rate on such Housing Loans (taking into account the relevant Interest Rate Swap Agreements) is at least equal to the one month Bank Bill Rate plus 2.50% per annum; and
- (b) no further Housing Loans convert to fixed rate loans:
 - (i) after the first Call Date; or
 - (ii) if the hedging arrangements referred to in paragraph (a) have not been effected when required by that paragraph.

Interest Rate Swap Provider Downgrade

In respect of the Interest Rate Swap, in the case of Fitch, if at any time a Fitch Collateralisation Event (as defined in the Interest Rate Swap Agreement) occurs and is subsisting, the Interest Rate Swap Provider must, within an applicable grace period, comply with its obligations under the relevant credit support annex to the Interest Rate Swap Agreement to post collateral with Firstmac or may, in its discretion take one of the actions in paragraphs (a) to (c) below as if a Fitch Replacement Event had occurred. Without limiting its obligation to post collateral as described in the foregoing, if at any time a Fitch Replacement Event (as defined in the Interest Rate Swap Agreement) has occurred and is subsisting, the Interest Rate Swap Provider must, at its own cost and within 30 days of that event (or such longer period as may apply in accordance the Interest Rate Swap Agreement):

- (a) novate all of that Interest Rate Swap Provider's rights and obligations under the Interest Rate Swap to a Fitch Eligible Replacement (as defined in the Interest Rate Swap Agreement) or a counterparty whose obligations under the Interest Rate Swap are irrevocably guaranteed by a Fitch Eligible Replacement;
- (b) arrange for the Interest Rate Swap Provider's obligations under the Interest Rate Swap to be irrevocably guaranteed by a Fitch Eligible Replacement; or
- (c) enter into such other arrangements in relation to its obligations under the Interest Rate Swap in respect of which the Manager issues a Rating Notification.

In respect of the Interest Rate Swap, in the case of Standard & Poor's, if an S&P Collateralisation Event (as defined in the Interest Rate Swap Agreement) occurs and subsists, the Interest Rate Swap Provider must, within an applicable grace period, comply with its obligations under the relevant credit support annex to the Interest Rate Swap Agreement to post collateral with Firstmac or may, in its discretion take one of the actions in paragraphs (a) to (c) below as if an S&P Replacement Event had occurred. Additionally, if at any time, an S&P Replacement Event (as defined in the Interest Rate Swap Agreement) has occurred and is subsisting, the Interest Rate Swap Provider must, at its own cost and within 60 days of that event (or such longer period as may apply in accordance with the Interest Rate Swap Agreement) take one of the following actions:

- (a) use commercially reasonable efforts to novate all of the Interest Rate Swap Provider's rights and obligations under the Interest Rate Swap to an S&P Eligible Replacement (as defined in the Interest Rate Swap Agreement) or a counterparty whose obligations under the Interest Rate Swap Agreement are irrevocably guaranteed by an S&P Eligible Replacement; or
- (b) use commercially reasonable efforts to arrange for the Interest Rate Swap Provider's obligations under the Interest Rate Swap to be irrevocably guaranteed by an S&P Eligible Replacement; or
- (c) enter into such other arrangements in relation to its obligations under the Interest Rate Swap in respect of which the Manager issues a Rating Notification,

in accordance with the terms of the Interest Rate Swap Agreement.

The Interest Rate Swap Provider is not liable in damages in law or in equity for breach of its collateralisation, replacement and other obligations described in the foregoing.

If the Interest Rate Swap Provider lodges cash collateral or any other collateral in accordance with the Interest Rate Swap Agreement with Firstmac, any interest or income on that cash collateral or interest or other income earned on any other collateral posted in accordance with the Interest Rate Swap Agreement will be paid to the Interest Rate Swap Provider, provided that any such interest or income will not be payable unless and until Firstmac has earned and received such interest or income.

Any cash collateral lodged by that Interest Rate Swap Provider or any other collateral posted by the Interest Rate Swap Provider in accordance with the Interest Rate Swap Agreement with Firstmac will not be applied in accordance with the cashflow allocation methodology set out in the Supplementary Terms Notice in respect of the Series of the Trust (described in section 8).

No money or other property must be paid or held in any account established by Firstmac to hold collateral posted by the Interest Rate Swap Provider other than such collateral and interest on that collateral.

Firstmac may only make withdrawals from any such collateral account if directed to do so by the Manager for certain purposes prescribed in the Interest Rate Swap Agreement.

The complete obligations of the Interest Rate Swap Provider following the downgrade of its credit rating are set out in the relevant Interest Rate Swap Agreement.

Early Termination

A party to the Interest Rate Swap Agreement may have the right to terminate the Interest Rate Swap Agreement if (among other things):

- (a) the other party fails to make a payment under the Interest Rate Swap Agreement within 3 Business Days after notice of failure given to it;
- (b) certain insolvency related events occur in relation to the other party provided that an insolvency related event in relation to Firstmac in its personal capacity will not trigger an early termination right if within 60 days Firstmac is able to transfer all its rights and obligations under the Interest Rate Swap Agreement and Interest Rate Swap to a replacement trustee of the Trust;
- (c) in the case of Firstmac, the Interest Rate Swap Provider merges with, or otherwise transfers all or substantially all of its assets to, another entity and the new entity does not assume all of the Interest Rate Swap Provider's obligations under the Interest Rate Swap Agreement; and
- (d) 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 Interest Rate Swap Agreement.

Amongst other additional early termination rights the Interest Rate Swap Provider has, the Interest Rate Swap Provider will also have the right to terminate the Interest Rate Swap if an Event of Default occurs and the Security Trustee has declared the Secured Money immediately due and payable.

Firstmac will also have the right to terminate the Interest Rate Swap if the Interest Rate Swap Provider fails to comply with or perform any agreement or its obligations referred to under the heading "Interest Rate Swap Provider Downgrade" above within the timeframes specified in that Interest Rate Swap Agreement.

The rights of the Interest Rate Swap Provider and Firstmac to terminate the Interest Rate Swap Agreement are subject to any limitations imposed in the Interest Rate Swap Agreement.

Firstmac may only terminate the Interest Rate Swap Agreement at the direction of the Manager. Subject to its duties under the Master Trust Deed and the Supplementary Terms Notice, Firstmac may exercise any rights in its capacity as holder of the Assets of the Series only on the instructions of the Manager.

Replacement of Interest Rate Swap Agreement

If the Interest Rate Swap Agreement is terminated prior to its scheduled termination date, the Manager and Firstmac may enter into one or more replacement interest rate swaps on terms and with a counterparty in respect of which the Manager has given a Rating Notification.

11.15 Other Derivative Agreements

Firstmac may from time to time enter into derivative transactions in order to hedge mismatches between the timing, amount, interest rate basis or other basis of calculation between amounts payable to Firstmac and amounts payable by Firstmac provided that such derivative transactions are entered into:

- (a) on terms in respect of which the Manager has given a Rating Notification; and
- (b) with a counterparty which has the Required Rating or any other counterparty in respect of which the Manager has given a Rating Notification.

Each such derivative transaction will be governed by the relevant Derivative Contract.

11.16 Scheduled Amortisation Facility Agreement

The Scheduled Amortisation Facility Provider grants to Firstmac a loan facility in Australian Dollars in respect of the Series in an amount equal to the Scheduled Amortisation Facility Limit. The Scheduled Amortisation Facility Limit will reduce on a monthly basis in accordance with the schedule set out in the definition of "Scheduled Amortisation Facility Limit" below.

The Scheduled Amortisation Facility will only be available to be drawn to fund any Scheduled Amortisation Further Shortfalls.

Scheduled Amortisation Advances

If, on any Determination Date immediately preceding a Payment Date and during the Scheduled Amortisation Availability Period, there is a Scheduled Amortisation Further Shortfall in respect of that Determination Date, the Manager must, on behalf of Firstmac, request that the Scheduled Amortisation Facility Provider makes a Scheduled Amortisation Advance under the Scheduled Amortisation Facility on the Payment Date immediately following that Determination Date equal to the lesser of:

- (a) that Scheduled Amortisation Further Shortfall; and
- (b) the Available Scheduled Amortisation Amount on that Determination Date.

Interest

Interest accrues on a daily basis on each Scheduled Amortisation Advance from and including its Drawdown Date until the Scheduled Amortisation Advance is repaid in full, at a rate equal to the sum of the Bank Bill Rate (as determined in accordance with the Scheduled Amortisation Facility Agreement) on the first day of the Scheduled Amortisation Interest Period and the percentage per annum agreed in writing between Firstmac, the Manager and the Scheduled Amortisation Facility Provider. It will be calculated by reference to actual days elapsed and a year of 365 days.

On each Payment Date, Firstmac will pay to the Scheduled Amortisation Facility Provider accrued interest on each Scheduled Amortisation Advance.

Interest is payable in arrears on each Payment Date.

The first “**Scheduled Amortisation Interest Period**” in respect of a Scheduled Amortisation Advance commences on (and includes) the Drawdown Date of that Scheduled Amortisation Advance and ends on (but excludes) the next Payment Date. Each subsequent Scheduled Amortisation Interest Period will commence on (and include) a Payment Date and end on (but exclude) the next Payment Date. A Scheduled Amortisation Interest Period in respect of a Scheduled Amortisation Advance which would otherwise end after the termination date of the Trust ends on (but excludes) that termination date.

Availability Fee

Firstmac will pay an availability fee on the Scheduled Amortisation Facility Limit less the Scheduled Amortisation Principal Outstanding less the Scheduled Amortisation Fund Balance in respect of a Payment Date in arrears to the Scheduled Amortisation Facility Provider on each Payment Date in accordance with the Supplementary Terms Notice.

Scheduled Amortisation Events of Default

A “**Scheduled Amortisation Event of Default**” occurs if:

- (a) Firstmac fails to pay:
 - (i) subject to paragraph (ii) below, any amount owing under the Scheduled Amortisation Facility Agreement where funds are available for that purpose under the Supplementary Terms Notice; or
 - (ii) any amount due in respect of interest or any availability fee due on the un-utilised portion of the Scheduled Amortisation Facility Limit,

in the manner contemplated by the Scheduled Amortisation Facility Agreement, in each case within 3 Business Days of the due date for payment of such amount;
- (b) Firstmac alters or the Manager instructs it to alter the priority of payments under the Transaction Documents without the consent of the Scheduled Amortisation Facility Provider or Firstmac breaches any of its undertakings under the Scheduled Amortisation Facility Agreement and that breach has a Material Adverse Scheduled Amortisation Effect in respect of the Scheduled Amortisation Facility Provider;
- (c) an Event of Default occurs and the Security Trustee enforces the General Security Agreement;
- (d) Firstmac becomes Insolvent (unless the event which causes it to become Insolvent only affects assets or liabilities of Firstmac which do not relate to the Series and Firstmac is replaced in accordance with the Master Trust Deed within 60 days of becoming Insolvent); or
- (e) a representation or warranty made or taken to be made by Firstmac in connection with Scheduled Amortisation Facility Agreement is found to have been incorrect or misleading when made or taken to be made and that breach has a Material Adverse Scheduled Amortisation Effect in respect of the Scheduled Amortisation Facility Provider.

If a Scheduled Amortisation Event of Default occurs, then the Scheduled Amortisation Facility Provider may, without being obliged to do so and notwithstanding any waiver of any previous default:

- (a) declare at any time that the aggregate of all Scheduled Amortisation Principal Outstanding, interest on such Scheduled Amortisation Principal Outstanding, and all other amounts actually or contingently payable under the Scheduled Amortisation Facility Agreement are immediately due and payable; and/or
- (b) terminate the Scheduled Amortisation Facility Provider’s obligations in respect of the Scheduled Amortisation Facility.

The Scheduled Amortisation Facility Provider may do any or all of these things with immediate effect.

Termination and Extension of Scheduled Amortisation Facility

The Scheduled Amortisation Facility will terminate on the earlier of:

- (a) the Scheduled Amortisation Facility Termination Date; and
- (b) the Scheduled Amortisation Facility Provider Termination Date.

The “**Scheduled Amortisation Facility Termination Date**” is the earliest of:

- (a) the Scheduled Amortisation Availability Termination Date;
- (b) the date which is one day after the date upon which all Class A1-U Notes have been fully and finally redeemed in full in accordance with the Transaction Documents;
- (c) the date on which the Scheduled Amortisation Facility Provider terminates the Scheduled Amortisation Facility where, as a result of a change in law, regulation, code of practice or an official directive which has the force of law or compliance with which is in accordance with the practice of responsible bankers in the jurisdiction concerned, or in their interpretation or administration after the date of the Scheduled Amortisation Facility Agreement, the Scheduled Amortisation Facility Provider has determined that it is or has become apparent that it will become contrary to that official directive, impossible or illegal for the Scheduled Amortisation Facility Provider to fund, provide or maintain financial accommodation or otherwise observe its obligations under the terms of the Scheduled Amortisation Facility Agreement;
- (d) the date upon which the Scheduled Amortisation Facility Limit is cancelled or reduced to zero by notice from Firstmac (provided that a Rating Notification has been given in respect of such cancellation or reduction, as applicable);
- (e) the date upon which the Scheduled Amortisation Facility is replaced by a replacement scheduled amortisation facility; and
- (f) the date upon which the Scheduled Amortisation Facility Provider terminates the Scheduled Amortisation Facility following the occurrence of a Scheduled Amortisation Event of Default.

The “**Scheduled Amortisation Facility Provider Termination Date**” is the later of:

- (a) the Payment Date declared by the Manager (by notice to the Scheduled Amortisation Facility Provider and Firstmac) as the date on which the Scheduled Amortisation Facility Provider will be replaced by a substitute Scheduled Amortisation Facility Provider and the Scheduled Amortisation Facility will terminate; and
- (b) the date on which Firstmac has paid or repaid to the Scheduled Amortisation Facility Provider:
 - (i) all Scheduled Amortisation Advances;
 - (ii) all accrued but unpaid interest; and
 - (iii) all other money outstanding under the Scheduled Amortisation Facility Agreement,

which were outstanding on the Payment Date declared by the Manager under paragraph (a) above.

If all amounts due as described above are not paid or repaid in full on the Payment Date immediately following the Scheduled Amortisation Facility Termination Date, Firstmac will repay so much of such amounts on succeeding Payment Dates as is available for that purpose in accordance with the Master Trust Deed and the Supplementary Terms Notice until all such amounts are paid or repaid in full and, in any event, all such amounts must be paid or repaid in full by the Maturity Date.

The “**Scheduled Amortisation Availability Period**” means the period from the date of the Scheduled Amortisation Facility Agreement to the Determination Date in respect of the Payment Date immediately preceding the first to occur of the date on which the Invested Amount of the Class A1-U Notes is reduced to zero, the first Call Date and the Early Redemption Date.

The “**Scheduled Amortisation Availability Termination Date**” means the last day of the Scheduled Amortisation Availability Period.

Scheduled Amortisation Facility Limit

The “**Scheduled Amortisation Facility Limit**” means:

- (a) initially, from the date of the Scheduled Amortisation Facility Agreement to (and including) the first Payment Date, the Initial Scheduled Amortisation Facility Limit; and
- (b) thereafter, for each period from (but excluding) a Payment Date to (and including) the next Payment Date, is the greater of:
 - (i) the amount set out in the second column of the following table in respect of that Payment Date less the Scheduled Amortisation Fund Balance in respect of that Payment Date; and
 - (ii) zero.

Payment Date	Scheduled Amortisation Facility Limit (A\$)
April 2018	82,842,449
May 2018	81,104,514
June 2018	79,344,456
July 2018	77,412,632
August 2018	75,459,116
September 2018	73,181,753
October 2018	72,266,804
November 2018	71,267,075
December 2018	70,117,606
January 2019	68,893,395
February 2019	67,515,073
March 2019	66,025,277
April 2019	64,579,720

Payment Date	Scheduled Amortisation Facility Limit (A\$)
May 2019	62,872,532
June 2019	61,237,987
July 2019	59,567,513
August 2019	57,968,222
September 2019	56,333,772
October 2019	54,717,302
November 2019	53,169,776
December 2019	51,588,224
January 2020	50,074,075
February 2020	48,526,630
March 2020	46,996,190
April 2020	45,579,439
May 2020	44,081,564
June 2020	42,647,487
July 2020	41,181,866
August 2020	39,778,719
September 2020	38,344,707
October 2020	36,926,457
November 2020	35,568,703
December 2020	34,181,083
January 2021	32,852,415
February 2021	31,494,512
March 2021	30,151,555
April 2021	28,950,917
May 2021	27,802,240
June 2021	26,702,543
July 2021	25,578,627
August 2021	24,502,621

Payment Date	Scheduled Amortisation Facility Limit (A\$)
September 2021	23,402,914
October 2021	22,315,295
November 2021	21,274,066
December 2021	20,209,920
January 2022	19,191,140
February 2022	18,149,920
March 2022	17,120,134
April 2022	16,199,536
May 2022	15,191,334
June 2022	14,226,068
July 2022	13,239,589
August 2022	12,295,244
September 2022	11,330,285
October 2022	10,375,525
November 2022	9,462,223
December 2022	8,528,644
January 2023	7,635,018
February 2023	6,721,679
March 2023	5,818,322
April 2023	5,010,804
May 2023	4,126,508

11.17 Deposit Deed

Purpose of the Scheduled Amortisation Fund

Firstmac will enter into the Deposit Deed with the Deposit Bank to establish the Scheduled Amortisation Fund.

Under the Deposit Deed, the Deposit Bank will agree to pay Firstmac interest, at the Deposit Interest Rate, on any amounts deposited by Firstmac in the Scheduled Amortisation Fund from the Closing Date until the first Call Date. Such interest will accrue daily and is payable by the Deposit Bank in arrears on each Payment Date.

The "Deposit Interest Rate" in respect of the Scheduled Amortisation Fund Balance for any day during a Deposit Interest Period is the greater of:

- (a) the percentage rate per annum equal to the Cash Rate published by the Reserve Bank of Australia on that day plus 0.03%; and
- (b) such other percentage rate per annum as may be agreed by the Manager and the Deposit Bank from time to time (and notified to Firstmac and each Designated Rating Agency by the Manager).

The “**Deposit Interest Period**” means each of the following periods:

- (a) the first Interest Period commences on (and includes) the Closing Date and ends on (and excludes) the day which is 6 Business Days prior to the first Payment Date;
- (b) each subsequent Interest Period is the period from (and including) the day which is 6 Business Days prior to a Payment Date to (but excluding) the day which is 6 Business Days prior to the Payment Date immediately following that Payment Date; and
- (c) the final Interest Period ends on (but excludes) the first Call Date.

Deposit Bank

The initial Deposit Bank will be National Australia Bank Limited.

Withdrawals prior to an Event of Default

Unless an Event of Default has occurred and the General Security Agreement has been enforced, Firstmac shall:

- (a) on each Payment Date if directed by the Manager in accordance with section 10.12(a) (“*Scheduled Amortisation Fund Draw, Scheduled Amortisation Facility Draw and Scheduled Amortisation Fund Excess*”), withdraw from the Deposit Account an amount equal to the relevant Scheduled Amortisation Fund Draw for application in accordance with section 10.20 (“*Application of A\$ Class A1-U Principal*”);
- (b) on each Payment Date, transfer to the Collection Account an amount equal to any interest credited to the Deposit Account and interest paid on any Deposit Authorised Investments during the Interest Period ending immediately prior to that Payment Date (or in the case of the last Interest Period, ending on that Payment Date); and
- (c) if directed by the Manager in accordance with section 10.24 (“*Application of Scheduled Amortisation Fund Balance on Call Date or Early Redemption Date*”), withdraw from the Deposit Account an amount equal to the Scheduled Amortisation Fund Balance for application as Total Available Principal in accordance with section 10.19 (“*Distribution of Principal Repayment Fund*”).

Downgrade of Deposit Bank

If the Deposit Bank ceases to have a credit rating equal to or higher than the Deposit Bank Required Credit Rating the Deposit Bank must immediately notify the Manager and Firstmac and 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 Firstmac by the Manager) and provided a Rating Notification has been given in respect of that longer period) of the downgrade:

- (a) 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 Deposit Bank Required Credit Rating; or
- (b) arrange for the provision of a guarantee in favour of Firstmac from a financial institution which has a credit rating equal to or higher than the Deposit Bank Required Credit Rating in relation to all of the obligations of the Deposit Bank under the Deposit Deed; or

- (c) take such other action as may be agreed by the Manager and the Deposit Bank (and notified to Firstmac by the Manager), provided that the Manager has provided Rating Notification in respect of that action.

The “**Deposit Bank Required Credit Rating**” means in respect of an entity at any time:

- (a) in the case of S&P:
 - (i) a short term rating of at least “A-1” and a long term rating of at least “A”; or
 - (ii) a long term rating of at least “A+”; and
- (b) in the case of Fitch:
 - (i) a long term credit rating of at least “A”; or
 - (ii) a short term rating of at least “F1”,

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 Firstmac) provided that the Manager has delivered to Firstmac a Rating Notification in respect of such other credit ratings.

Additional Deposit Account

- (a) If, at any time, the Manager determines that:
 - (i) the Deposit Account Balance is or will equal the Deposit Account Maximum Balance, the Manager must direct Firstmac to establish and Firstmac on that direction must immediately establish an additional deposit account (“**Additional Deposit Account**”) with an Eligible Bank which is not the Deposit Bank (“**Additional Deposit Account Bank**”); or
 - (ii) an Additional Deposit Account Balance is or will equal the Additional Deposit Account Maximum Balance, the Manager must direct Firstmac to establish and Firstmac on that direction must immediately establish a new Additional Deposit Account with an Eligible Bank which is not the Deposit Bank or an Additional Deposit Account Bank.
- (b) If, at any time, an Additional Deposit Account Bank ceases to be an Eligible Bank, the Manager must, upon becoming aware of the occurrence of that event, direct Firstmac to establish and Firstmac on that direction must immediately:
 - (i) establish a new Additional Deposit Account with an Eligible Bank; and
 - (ii) transfer the funds standing to the credit of the old Additional Deposit Account into the new Additional Deposit Account established under sub-paragraph (i) above.
- (c) The Manager must not direct Firstmac to deposit amounts:
 - (i) to the Deposit Account if the Deposit Account Balance exceeds (or would as a result of such deposit exceed) the Deposit Account Maximum Balance, in which case the Manager must instead direct Firstmac to deposit such amounts to an Additional Deposit Account;
 - (ii) to an Additional Deposit Account if the Additional Deposit Account Balance of that Additional Deposit Account exceeds (or would as a result of such deposit exceed) the Additional Deposit Account Maximum Balance, in which case the Manager must instead direct Firstmac to deposit such amounts to a different Additional Deposit Account.

- (d) No amounts will be allocated to the Deposit Account or any Additional Deposit Account on or after the first Call Date.

Application of Scheduled Amortisation Fund following an Event of Default and the enforcement of the General Security Agreement

Following the occurrence of an Event of Default and the enforcement of the General Security Agreement, the proceeds of the Scheduled Amortisation Fund will be applied as described in section 10.25 (*“Application of Scheduled Amortisation Fund Balance following an Enforcement Event”*).

12 The Firstmac Group

12.1 Background to First Mortgage Company Pty Limited

First Mortgage Company Pty Limited (“**FMC**”) is a wholly Australian owned, privately held company, headquartered in Brisbane with an office in Sydney. FMC’s registered office is at Riverside Centre, Level 40, 123 Eagle Street, Brisbane, Queensland, 4000, Australia.

12.2 Background to Firstmac Limited

Firstmac Limited (“**FML**”) is a wholly Australian owned, privately held company, headquartered in Brisbane with an office in Sydney. FML’s registered office is at Riverside Centre, Level 40, 123 Eagle Street, Brisbane, Queensland, 4000, Australia. Since 1988, FML’s core business has been the origination and management of prime residential home loans. In 2002 it established its own funding vehicle and undertook its first public residential mortgage-backed securities (“**RMBS**”) transaction in 2003. Since 2003, FML has been a consistent issuer of RMBS in the Australian domestic and European markets. In 2011, FML diversified away from a purely third party distribution model to include its own online retail business. FML continues to play a role in the evolution of the Australian home loan market into a more competitive market.

FML also has a loan portfolio servicer ranking of ‘STRONG’ from Standard & Poor’s and benefits from warehouse lending provided by Australian banking institutions.

12.3 Regulatory

FML holds an Australian Financial Services Licence and an Australian Credit Licence both issued by Australia’s corporate regulator, ASIC.

ASIC has set out as a regulatory requirement that FML appoint certain individuals (“**Responsible Managers**”) to perform supervisory and management functions in connection with FML’s business. Responsible Managers are required to perform specific tasks in a manner that is competent and in the best interests of the company and its clients. Responsible Managers are only approved by ASIC following a review of their suitability, including verification of business qualifications, expertise, and experience, together with confirmation of good fame and character. FML has appointed Responsible Managers who have been approved by ASIC.

As a holder of an Australian Credit Licence, FML is required to have satisfied ASIC that it meets acceptable standards with respect to financial resources, risk management, compliance and corporate governance.

12.4 Corporate Governance

FML is managed and directed by a four member board of directors, of which two are independent including FML’s Chairman. FML’s constituent documents set out the minimum quorum requirement for Board meetings – being two members.

The Board may from time to time issue documents containing statements for approval by Circular Resolution. In these cases resolutions are deemed to have been passed at the date and time where all directors have signed the resolution document.

The FML Board and senior management are charged with the oversight of FML’s compliance, risk and corporate governance structure. The corporate governance structure is comprised of the following:

1. FML Board;
2. FML Audit Committee;
3. FML Finance Management Committee;
4. FML Internal Audit Committee; and

5. FML Credit Committee.

Board sub-committees are governed by individual charters setting out:

1. The committee's purpose;
2. Eligibility and composition;
3. Meeting quorum and attendance;
4. Duties, responsibilities and powers;
5. Attendance; and
6. Reporting and assessment.

The Firstmac Group's corporate governance structure is also responsible for the establishment and maintenance of FML's risk management systems.

The Firstmac Group's risk management systems have been adopted by the Board following endorsement by the FML Audit Committee and present the framework whereby FML will manage risk in accordance with the principles outlined in the Australian Standard on Risk Management.

In addition, FML has business compliance policies and procedures that are regularly tested and reviewed. FML has independent audits conducted at least annually by external auditors.

Whilst privately owned the board is generally involved across major business activities and strategic initiatives. The board and management team are actively involved in the review of FML's operations and performance with regular oversight performed to oversee audit, finance, credit and fund management functions.

The executive management team have an average of 25 years experience and middle management has an average of approximately 10 years professional experience with backgrounds in accounting, law, risk management, property, finance, and funds management.

FML's policies generally require that FML senior risk and compliance staff undertake an audit on all loans following credit approval and prior to settlement. The audit is undertaken for fraud mitigation purposes and as a check on lending criteria compliance, and security and credit acceptability. This commitment to underwriting and risk management is reflected in FML's arrears and loss performance.

12.5 Internal Audit Regime

FML has an internal audit function whose general purpose is to assess the effectiveness of FML's risk management framework, and the business' controls and governance processes. The internal audit function is supported by the Board and Audit Committees.

The primary objective of the internal audit function is to provide assistance to the business in the effective discharge of its business obligations. Certain internal audit services are directed towards providing assurances that FML's network of risk management, controls and governance processes, as designed and represented by management, are adequate and functioning in a manner for the following purposes:

1. Risks are appropriately identified and managed;
2. Interaction between internal audit and management occurs as required;
3. Significant financial and operating information is accurate, reliable and timely;
4. Business activities and operations remain in compliance with business policies, standards, procedures and applicable laws and regulations;

5. Quality and continuous improvement are achieved in FML's business processes;
6. Significant legislative and regulatory issues are recognised and addressed appropriately; and
7. Opportunities for business improvements are identified and implemented.

The internal auditor prepares on an annual basis an annual internal audit plan which identifies and prioritises individual audit tasks aligned to the business risk review. Audits typically are conducted in accordance with standard audit methodologies with the resulting reports being submitted independently to the FML Audit Committee.

12.6 External Audit Program

FML has engaged an external audit firm as its independent audit provider. In addition, the audit firm has also been engaged to undertake annual reviews of FML's IT environment as well as its compliance with AFSL conditions.

12.7 Relationship with transaction parties

None of the Servicer, the Manager, the Calculation Agent, the Co-Arrangers, the Joint Lead Managers, the Interest Rate Swap Provider, the Currency Swap Provider, the Security Trustee, the Standby Trustee, the Custodian, the Standby Servicer, the A\$ Note Registrar, the Delegate A\$ Note Registrar, the US\$ Note Trustee, any US\$ Paying Agent, the US\$ Note Registrar, the US\$ Note Calculation Agent or any Counterparty is a subsidiary of, or is controlled by, Firstmac Fiduciary Services Pty Limited.

12.8 Obligations of the Servicer and Manager

See section 11.6 ("*The Manager*") for details regarding the role of the Manager.

See section 11.7 ("*The Servicer*") for details regarding the role of the Servicer.

13 Firstmac Residential Loan Program

13.1 Housing Loan Origination

All Housing Loans redesignated to this series have been originated by Firstmac Limited (“FML”) and First Mortgage Company Pty Limited (“FMC”) and have been approved in accordance with the Firstmac Residential Lending Policy, and FML as servicer represents and warrants that the Housing Loans conform to the requirements for Eligible Receivables.

Origination duties

Origination Audits

The loan portfolio is regularly analysed to assess the level of concentration of risk in relation to valuers, borrowers, documentation type, loan-to-value (LTV) range, and by security property location. Arrears performance is also reviewed to ascertain loan performance by introducer and to identify any particular trends or factors that may be evident.

Hindsight credit reviews

A review of all loan approvals are undertaken. This process is designed to verify that the required information is held on the loan files, loan criteria has been met and the loan is within lending parameters and the security represents acceptable security for lending purposes. Loan approvals are also scrutinised for possible fraud.

Disbursement Schedule testing

Solicitor disbursement schedules are also checked prior to settlement to ensure that disbursements are permissible and are consistent with the loan purpose disclosed. Questions may be raised in situations where disbursements are made to parties and/or in amounts which seem unusual in relation to the loan application.

Watch List

An “internal” watch list is maintained for use by credit staff. It identifies introducers whose historic record requires caution in regard to the quality of business written or whose association with other parties may be of concern.

Valuers’ Panel

The Valuers’ Panel is regularly reviewed and where necessary valuers are placed on notice in regard to valuations which, when test checked, fall substantially outside the check valuation. Where warranted, valuers are removed from the panel.

Delinquency file audits

Each quarter, a review is conducted of current delinquency files. This review is undertaken to ensure that the legal recovery process is progressing as it should be to facilitate an efficient recovery process.

Policies and Procedures

FML maintains documented and centrally managed policies and procedures for all aspects of the origination process and servicing of the loan portfolio. These are accessed by way of the company’s intranet site and updated as required.

Distribution

FML and FMC source Housing Loans applications through a Firstmac Group online business, loans.com.au, and through a network of accredited unrelated third party introducers. FML assumes administration responsibility for all aspects of the origination process including

application processing, credit assessment and decisioning and loan settlement. Loans are sourced from all states and territories of Australia.

Introducer Accreditation

Prerequisites for accreditation are that the introducers, who in the main are corporate entities but may be individuals, be able to demonstrate a satisfactory level of industry expertise in the sourcing of loans consistent with regulatory requirements and lender credit quality expectation, assessing credit worthiness and managing customer relationships. The accreditation process also includes a site visit to the introducer's premises to assess systems and staffing support, document management and security, and where applicable, conduct interviews with key staff. Further requirements for accreditation are as follows:

- Resume and asset and liability statements for the principals, directors or major shareholders, as applicable
- Two forms of identification in respect of the introducer principals or directors as applicable
- Evidence of business/company registration
- Organisational chart and details of corporate structure
- Financial statements
- Evidence of required regulatory licencing
- Evidence of membership of an external dispute resolution scheme
- Evidence of industry body membership
- Provision of a certificate of currency evidencing professional indemnity cover in the amount of \$2 million any one claim and \$6 million in aggregate together with terms of cover
- Evidence of Anti-Money Laundering and Counter Terrorism Financing Act compliance

FML will also make enquiries of the mortgage insurers and, if possible, other financial institutions in order to identify any possible adverse industry history.

Credit Policy

The credit policy in place for the Firstmac Residential Loan Program has been implemented with a view to establishing a Housing Loan credit risk profile consistent with market expectation for prime AAA rated RMBS and which is acceptable for mortgage insurance and warehouse funding purposes, and which represents industry best practice generally.

The Firstmac Residential Lending Policy is prepared and maintained by FML and describes loan products and features, acceptable loan parameters and credit criteria, and the specific requirements that must be satisfied for loan approval purposes.

The policy is for use by introducers in determining the acceptability of loan applications and the supporting information required for credit assessment, and by FML credit staff when assessing a loan application for approval purposes.

The policy covers the following:

- Compliance with the responsible lending provisions of the National Consumer Credit Code
- Adherence to any ASIC directives relating to credit assessment

- Borrower, guarantor and mortgagor acceptability
- Security property requirements
- Acceptable loan purpose
- Loan amount and LVR limits
- Security valuations
- Acceptable employment and income criteria
- Loan serviceability
- Employment and income confirmation and verification requirements
- Credit history and verification requirements
- Savings history and proof of equity requirements
- Applicant identification

Adherence to the Firstmac Residential Lending Policy is designed to ensure compliance with the regulatory requirements under the:

- National Consumer Credit Protection Act
- Privacy Act
- Anti-Discrimination and Code of Conduct provisions of the Competition and Consumer Act
- Anti-Money Laundering and Counter Terrorism Financing Act

Credit Assessment Process

Loan approvals are centralised within FML and are undertaken by credit underwriters with various levels of approval authority. Loan approvals are randomly reviewed by credit management and subject to credit committee oversight. No approval authority is delegated to third parties.

The credit assessment is undertaken to establish whether the loan represents an acceptable risk for the Firstmac Home Loan Program based on:

- The applicant's employment history
- The applicant's credit history
- The applicant's ability to service
- The purpose for which the loan funds are to be utilised
- The acceptability of the security property

Depending on the source of the loan application and the arrangements in place with FML, some introducers may undertake a preliminary credit assessment, evaluate capacity to repay, independently verify employment and income details by telephone with the employer, commission valuations and, if applicable, obtain mortgage insurance approval. Such introducers have been directly approved by the mortgage insurance providers and have

satisfied FML over time as to their capability in this regard. With regard to all other introducers and Firstmac Group retail, these tasks are undertaken by FML staff.

The decision by FML credit underwriters to approve an application will be conditional on the loan meeting Firstmac Home Loan Program criteria for loan purpose, loan amount and LVR criteria and the acceptability of the following:

- Stability and type of employment
- Employment and income details verified by employer letters, payslips, tax returns, tax assessment notices and separately confirmed by telephone directly with the employer. Employer authenticity is checked by way of public telephone listing and a search of the Australian Business Number register.
- Credit bureau check which will disclose credit enquiries, payment defaults, debt judgments and bankruptcies
- Capacity to service based on net disposable income less living expenses and all financial commitments. For the purpose of testing serviceability capacity, the home loan interest rate is stressed at a notional rate of two per cent over the actual rate and interest only loans are tested based on principal and interest loan repayments.
- ID verification conforming to Anti-Money Laundering & Counter Terrorism Financing Act requirements
- Evidence of the good conduct of any existing credit facilities, in particular, any account to be refinanced
- Security property valuation
- If applicable, confirmation of mortgage insurance cover

As a general rule loans with an LVR in excess of 80% are mortgage insured while those with an LVR less than or equal to 80% are not. However, in certain circumstances Firstmac may elect to not insure loans that would ordinarily be insured and to insure loans that ordinarily would not be insured. In such circumstances the reasons for a divergence from the normal mortgage insurance policy may include factors such as the aggregate borrower exposure, credit quality of the borrower, debt service capacity, security location or type of security and type of employment. Loans that are not mortgage insured must comply with mortgage insurance eligibility requirements and qualify for mortgage insurance cover at the time of approval.

In instances, loan applications may be approved where compliance criteria is not met in full, subject to senior underwriter approval and there being sufficient mitigation for any perceived additional risk. Reasons for any exception approval will be recorded in the loan history file.

Post Approval Loan Review

All approved loans are reviewed by senior risk and compliance officers following credit approval and prior to settlement. This review is a final check to ensure that the loan meets all Firstmac Home Loan Program criteria, the security property is of an acceptable standard and that there are no elements of the loan that suggest the possibility of fraud.

Valuations

In order to confirm the current market value of properties securing the Housing Loans and enable the calculation of the loan to value ratio for lending policy compliance purposes, the Firstmac Valuation Policy uses the following methods, some of which in certain circumstances may be used in combination.

- A valuation supported by a property inspection which is undertaken by an approved qualified valuer duly registered in accordance with jurisdictional requirements.
- A copy of the signed contract of sale where the property is being purchased, together with an Automated Valuation Model (AVM) valuation verifying the contract of sale price.
- AVM - A computer generated valuation determined by an AVM utilising a database of public sales and listings data and property details. An AVM also generates a statistical measure as to the probable accuracy of the valuation to the actual market value.
- DESK - A desktop valuation undertaken by a qualified valuer utilising a database of public sales and listings data and property details.

The valuation method adopted on an individual loan basis is subject to prudent risk criteria based on the loan amount, the forecast property value, property type, the geographic location and the accuracy measure associated with an AVM.

There has been no specific revaluation of the properties for the purpose of the issue. The LVRs quoted in section 6.6 ("*Indicative Pool Statistics (Based on pool as at 30 October 2017)*") are as at the date of the original initial mortgage loan origination or as at the date of any approved additional loan advance.

Valuation Panel

Where a valuation report supported by a property inspection is required, Firstmac uses the ValEx workflow system which provides end to end management of the valuation process. The system provides a conduit for valuation instructions through to panel valuer firms and completed valuation reports in industry standard format back to Firstmac. Firstmac has a nominated panel of approved valuers which may be instructed through the ValEx system and these valuers have been selected on the basis of their professionalism, competence and experience in the geographic areas in which they specialise. ValEx provides an ongoing management service ensuring that that the panel of approved valuers maintain membership of the relevant industry bodies, maintain a prudent level of PI cover and conform with the standards and practises of the Australian Property Institute.

Settlement Process

Upon final loan approval, the loan management system will electronically request a title search on the proposed security property. When documents are to be issued an electronic request is generated by the loan management system including all the loan data required to create a set of loan and security documents, and is sent to the documentation lawyers via a secure B2B link. The documents are reviewed by FML staff prior to dispatch to the borrower.

All loan and security documentation has been prepared by external legal counsel who have certified documentary and procedural compliance with all relevant laws including the Consumer Credit Code, Privacy Act and Competition and Consumer Act.

Upon return of the executed loan and security documents and receipt of a request to settle, details of the loan disbursements are sent to FML's settlement agents who attend settlement on FML's behalf. Settlement funds are remitted to the agent's trust account on the morning of settlement following which cheques are drawn and the agent physically attends settlement. The agent then attends to registration and stamping of the documents and upon completion forwards the documents to the Custodian.

In respect of the Housing Loans originated by the Originators in the name of a FirstSub, Firstmac has appointed each FirstSub as its agent to originate Housing Loans and Related Security in respect of each relevant trust pursuant to the terms of the Master Origination Deed. Each FirstSub undertakes to procure applications, approve loans and attend to the settlement of loans in accordance with:

- (a) the terms of the Master Origination Deed;
- (b) the requirements of any relevant Servicing Procedures;
- (c) the then current Receivables Parameters;
- (d) the requirements of any relevant Insurance Policy; and
- (e) any written instructions given by Firstmac.

Pursuant to the terms of the Master Trust Deed, Firstmac in its capacity as trustee of the Trust in respect of a Relevant Series may dispose of its interest in the Receivables. Where Firstmac in its capacity as trustee of the Trust (including in respect of a Relevant Series) transfers Housing Loans to Firstmac, the beneficial interest in the Housing Loans is transferred from Firstmac in its capacity as trustee of the Trust in respect of a Relevant Series to Firstmac (in its capacity as trustee of the Trust and in respect of the Series). The legal title remains with the relevant FirstSub.

(b) ***Lender of record***

The lender of record of the Housing Loans is one of the FirstSubs. Each FirstSub is owned by Firstmac Assets Pty Limited ("**Firstmac Assets**"). Firstmac Assets is a company incorporated in Australia regulated by ASIC which, on incorporation, issued one share to BNY Trust Company of Australia Limited (formerly Guardian Trust Australia Limited) in its capacity as trustee of the FirstMac Assets Ownership Trust. The sole beneficiaries of the FirstMac Assets Ownership Trust are Australian registered charities.

(c) ***Governing law***

Each Housing Loan is governed by the laws of a State or Territory of Australia.

13.2 Housing Loan Servicing

The Servicer

FML acts as the sole servicer to the Firstmac Home Loan Program and has performed this role since 2002. FML is regulated by the Australian Securities and Investments Commission, and holds an Australian Financial Services Licence and an Australian Credit Licence as required under the Financial Services Reform Act and the National Consumer Credit Protection Act, respectively.

FML has also been assigned a STRONG servicer ranking by Standard & Poor's.

Servicer Responsibilities

FML is responsible for the following:

- Control management of the Firstmac Home Loan Program
- Loan Processing
- Loan account administration
- Loan account collections
- Arrears management
- Loan enforcement
- LMI claim management

- Reporting
- Systems Technology
- Custody

Control Environment

FML undertakes the following activities for the purpose of establishing and maintaining an effective servicing control environment.

Internal audit

FML carries out risk based audits through its internal audit function across all business units. The internal audit function has a formal audit charter, undertakes an annual audit plan and liaises with the external auditors of FML.

Loan Processing

FML's loan application and workflow system, Justice, provides online application processing functionality. It creates a workflow for each loan application stage and allows for tasking of job flow, automated loan assessment within specified criteria, automated valuation ordering, data verification at various stages of the process and production of loan documentation and settlement processing. Full loan tracking reporting is available.

Loan Account Administration

Once settled the loan moves to the Ultracs II loan management system and is serviced using the in-house servicing platform Lite. Lite provides loan servicing staff access to all required account details, full account history, payment details, redraw requests, storage of scanned documents and tools to service the loan portfolio for internal management purposes and to facilitate customer services. FML manages the currency of borrower information and utilises the system to provide online customer access to loan information and transactional banking services.

In addition, FML uses the system for communication with customers, such as preparation of settlement confirmation letters, provision of account statements and notifications of interest rate and loan repayment changes etc.

Collections and Payments

FML undertakes all day to day account transaction management. Transactional processing is outsourced to Indue Limited (ABN 97 087 822 464) (an Approved Deposit-taking Institution under the supervision of the Australian Prudential Regulation Authority) which is a nationally based payment systems and financial services provider. All direct entry processing, including direct debits, settlements and redraws are processed under an agency agreement with Indue.

Borrower collections are deposited to a clearing account from where the collections can only be swept to the appropriate trust collection account. Borrowers may make loan repayments through any of the following mediums:

- Salary credit
- Deposit through Westpac bank branches
- Direct debit against nominated account
- Direct credit from nominated account

Transfer of funds to strictly segregated Trust collection accounts are made within one working day of receipt. Other services provided include Cheque books, ATM cards, and Visa debit cards.

Arrears Management

The arrears portfolio is managed actively and in accordance with applicable legislative requirements (particularly the Consumer Credit Code and the Privacy Act).

A loan is in arrears when a borrower fails to pay or only partially pays a scheduled repayment. FML will not commence legal recovery action in such instances if the borrower has previously made additional payments to the loan account and as a consequence the outstanding loan balance is below the scheduled loan balance.

FML's loan management system supports the management of arrears and includes an automated 'Arrears Job System' which provides a full audit trail and is designed to enhance the efficient allocation of arrears files to collections staff. The internally developed software also provides a range of flexible tools to enable an effective collections process. Functionality includes:

- A systematic allocation of arrears files to collection personnel
- Catering for both internal Group and external Mortgage Manager collections activities
- Utilises 'user definable rules' for arrears file allocation to end users based on, for example, loan introduction source, user profiles, pool specific, borrower domicile, days outstanding, or account status
- Flexibility includes the ability to reallocate files and workloads depending upon circumstances (eg user on leave)
- Provides historical database of individual loan transactions together with loan history notes from inception
- Arrears and other loan account data including advice of payment dishonours and defaults, loan balances, arrears amounts and days overdue is updated daily
- Delivers automated arrears reminder letters. The first is generated immediately when a loan goes into arrears with a further two letters being dispatched prior to the commencement of enforcement action
- Provides an auto 'follow up' function for various actions required in the collection process (eg borrower away on holidays. – auto reminder in two weeks)
- Records 'promises to pay' and review dates and provides an auto 'follow up' function following non-compliance with the appropriate date
- Includes a flexible range of reporting capability from standard reports to specifically requested information together with the ability to download to Excel

Legal Enforcement

In the event that the arrears are not cleared as a result of the dispatch of arrears reminder notices and telephone actioning, or a suitable arrangement not be agreed with the borrower for clearance of the arrears, legal enforcement action will be initiated.

FML issues statutory default notices between 20 and 31 days of the first arrears. Service is followed up 7 days later by a house call undertaken by a mercantile agent who will provide FML with a written status report as to the borrower's response.

The statutory default notices expire 30 days after service. Where no positive response has been made for the clearance of arrears, specialist in-house enforcement solicitors will progress action in the Supreme Court for judgment and a writ of possession.

Once possession of the security property is obtained, FML retains the service of a third party, who is acceptable to the mortgage insurance providers, to arrange an acceptable level of presentation of the property for sale purposes, to engage real estate agents to undertake the sale of the property and to agree a suitable advertising campaign and costs. This third party reports directly to FML and acts under instruction by FML staff.

Arrears Collections Timeline

Step	Day
Dishonour report generated online daily with full audit trail of all account actioning	1
1 st reminder letter issued	5
2 nd reminder letter issued	10
Final reminder letter issued	17
Statutory notices issued Mercantile agents retained to conduct house calls prior to commencement of enforcement action	30
File for Statement of Claim	60
Statement of Claim served	80
File for Judgement and Writ of Possession	110
Judgement entered	130
Writ of Possession exercised Upon possession, management of the sale of the property is outsourced to an LMI recognised body	150
Auction	190
Property sale settlement	225
LMI Claim Paid	250

LMI Management

FML prepares the required monthly arrears loan reporting detailing the level of arrears and recovery action being undertaken consistent with the requirements of the respective LMI Master Policies. Upon foreclosure and the realisation of a loss upon sale, FML will prepare the LMI claim and follow-up for payment.

Reporting

The Loan Collateral data includes the following data:

- Arrears
- LVR bands
- Geographic concentrations
- Loan balance bands
- Occupancy type
- Repayment type
- Documentation type

In addition to providing online access to data as noted above FML prepares trust cash flow reconciliation, collateral and losses reports for ratings agencies as required under the terms of their engagement. FML also provides collateral performance and cash flow data to Bloomberg, Intex CIB and Perpetual for market information purposes.

Systems Technology

FML makes use of advanced and fully integrated, technology and workflow-based loan-servicing systems that provide end-to-end processing and servicing capabilities. The following systems and infrastructure are used to perform loan processing and servicing activities:

- A front-end loan application processing and workflow based system, which has online application submission and tasking capabilities
- The Ultracs II loan management system provided by Ultradata, under license to First Mortgage Company Pty Ltd. The system is used by Australian Prudential Regulation Authority (APRA) regulated major credit unions and building societies, and non-bank financial institutions
- A proprietary servicing system that interfaces with Ultracs II and which is used for all post-settlement loan and customer management purposes
- A comprehensive Internet banking service facility
- A fully equipped customer contact centre

FML provides fast, reliable, and secure public web application services. The FML websites are protected by traditional Deep Packet Inspection (DPI) Firewalls and Layer-7 Application Delivery Controllers (ADC), to mitigate the current security threats that are found out on the Internet. These security measures are closely monitored by FML's skilled in-house analysts.

Disaster Recovery Plan

FML has a documented strategy it follows after the business' executive team has declared a disaster. The plan prioritises business critical systems, provides an orderly course of action for the recovery of these systems and allocates responsibilities for the execution of the plan. FML has a fully redundant infrastructure for core systems with a disaster recovery site enabling core systems to be brought on line within minutes of gaining access to the site. The Ultracs II system is hosted at FML's office in Brisbane with a back-up located in Sydney hosted by an independent data centre operator as a contingency.

Business Continuity Plan

FML has a Business Continuity Plan to ensure it has the capacity to carry on business and continue to prudently service and manage the mortgage portfolio in the event of unexpected business interruptions or environmental disasters. The objective is to minimise the effects of

any such disruptions through a process of pre-planning and effective recovery and continuity actions.

Document Custody

FML has established document custody, retrieval, and tracking procedures. All physical documents are scanned, labelled, and filed electronically upon receipt using standard filing and labelling conventions. System generated documents are also saved to the electronic document storage and retrieval system.

When security documents are complete, they are delivered to a trustee company for custody. Document integrity reviews are undertaken pre- and post-settlement, in line with industry standards.

General Risk Mitigation

FML also manages general risks associated with lending and administration of receivables via specific insurance covers. These include:

- (a) A Mortgage Impairment Insurance policy is in place for protection in the event that a loss has been incurred in the form of a security property being damaged or destroyed and the borrower has insufficient or no cover. Debtors are required to provide evidence of insurance with the lender notified prior to settlement and are required to maintain adequate fire and general insurance for replacement value of the Loan Collateral throughout the loan term (being notified half yearly).
- (b) A Comprehensive Crime Insurance Policy has also been put in place to cover the general risk of fraud or loss from criminal actions. The cover is in place for the exposure of the company either to internal or external fraud and general crime whether it be third party or internal. The cover protects the lender from such risks as fraud whether electronic, identity, documentary or general illegal activity which causes loss of security rights.
- (c) Professional Indemnity Insurance- FML currently has PI Insurance cover in place for the amount of A\$20 million.

Custody of Loan and Security Documents

Perpetual Trustee Company Limited has agreed to act as Custodian in accordance with the Master Trust Deed of all documents relating to the Eligible Receivables forming part of the Assets of the Series. Such documents will include loan agreements, mortgages, certificates of title and any documents evidencing any other security or any guarantees and any amending documents and any other Title Documents.

Standby Servicing

The Standby Servicer to this transaction is Perpetual Trustee Company Limited ("**Perpetual**"). Perpetual and FML have implemented a 'warm' standby servicing arrangement to better facilitate the transfer of servicing responsibilities from the servicer to the standby servicer. A Standby Loan Servicing Plan has been formulated which incorporates sufficient information and procedural guidance for Perpetual staff to continue servicing the mortgage assets. Firstmac is satisfied that the plan extends to all aspects of loan servicing including arrears management, LMI reporting and claim management processes. The plan is reviewed by Perpetual annually to ensure currency. FML also provides Perpetual with a monthly data tape.

Expenses incurred by the Servicer in connection with the enforcement of Receivables are charged to and borne by Firstmac and all other expenses incurred by the Servicer in carrying out its duties are borne by the Servicer. Prior to the date on which the Standby Servicer takes over the duties of the Servicer, the annual fees charged by the Standby Servicer are 0.005%, and thereafter, 0.20%. The Standby Servicer's fee is calculated by multiplying the annual fee rate by the Outstanding Amount of the Housing Loans on the last day of the related Collection

Period and multiplying such product by the number of days in the Collection Period divided by 365.

14 Taxation Considerations

*The following is a summary of certain Australian tax consequences under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, “**Australian Tax Act**”), the Taxation Administration Act of 1953 and any relevant rulings, judicial decisions or administrative practice, at the date of this Information Memorandum of the purchase, ownership and disposition of the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes, the Class A1-BR Notes (if any), the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (“**Offered Notes**”) by Holders who purchase the Offered Notes on original issuance at the stated offering price and hold the Offered Notes on capital account. It is not exhaustive and, in particular, does not deal with the position of certain classes of Holders of Offered Notes (including, dealers in securities, custodians or other third parties who hold Notes on behalf of any Holders). In addition, the summary does not consider the Australian tax consequences for persons who hold interests in the Offered Notes through Austraclear, Euroclear, Clearstream or another clearing system.*

This summary represents the basis of Australian law as in effect on the date of this Information Memorandum which is subject to change, possibly with retroactive effect, and should be treated with appropriate caution.

The following is not intended to be, nor should it be construed as, legal or tax advice to any particular Holder of Offered Notes. It is a general guide only and should be treated with appropriate caution. Each prospective investor should consult his or her own tax advisors concerning the tax consequences, in their particular circumstances, of the purchase, ownership and disposition of the Offered Notes.

14.1 Interest Withholding Tax

An exemption from Australian interest withholding tax (“**IWT**”) imposed under Division 11A of Part III of the Australian Tax Act is available, in respect of interest that is paid on the Offered Notes issued by Firstmac under section 128F of the Australian Tax Act, if the following conditions are met:

- (a) Firstmac is a company as defined in section 128F(9) (which includes certain companies acting in their capacity as trustee) and a resident of Australia when it issues the Offered Notes and when interest (as defined in section 128A(1AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts;
- (b) the Offered Notes are debentures that are not equity interests, and are issued in a manner which satisfies the public offer test. There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that Firstmac is offering the Offered Notes for issue. In summary, the five methods are:
 - (i) offers to 10 or more unrelated financiers or securities dealers that carry on the business of investing in securities;
 - (ii) offers to 100 or more investors of a certain type;
 - (iii) offers of listed Offered Notes;
 - (iv) offers via publicly available information sources; and
 - (v) offers to a dealer, manager or underwriter who offers to sell the Offered Notes within 30 days by one of the preceding methods.

The issue of any of the Offered Notes and the offering of interests in any of the Offered Notes by one of these methods should satisfy the public offer test;

- (c) Firstmac does not know or have reasonable grounds to suspect, at the time of issue, that the Offered Notes or interests in the Offered Notes were being, or would later be, acquired, directly or indirectly, by an “associate” of Firstmac (as defined in section 128F(9) of the Australian Tax Act), except as permitted by section 128F(5) of the Australian Tax Act; and
- (d) at the time of the payment of interest, Firstmac does not know, or have reasonable grounds to suspect, that the payee is an “associate” of Firstmac (as defined in section 128F(9) of the Australian Tax Act), except as permitted by section 128F(6) of the Australian Tax Act.

Associates

Since Firstmac is a trustee of a trust, the entities that are “associates” of Firstmac for the purposes of section 128F of the Australian Tax Act include:

- (a) any entity that benefits, or is capable of benefiting, under the trust (“**Beneficiary**”), either directly or through any interposed entities; and
- (b) if the Beneficiary is a company, any entity that is an “associate” of a Beneficiary for these purposes, including:
 - (ii) a person or entity that holds more than 50% of the voting shares in, or otherwise controls, the Beneficiary;
 - (iii) an entity in which more than 50% of the voting shares are held by, or which is otherwise controlled by, the Beneficiary;
 - (iv) a trustee of a trust where the Beneficiary is capable of benefiting (whether directly or indirectly) under that trust; and
 - (v) a person or entity that is an “associate” of another person or entity that is an “associate” of the Beneficiary under (i) above.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (c) and (d) above), the issue of the Offered Notes to, and the payment of interest to, the following “associates” will not be subject to IWT:

- (a) onshore “associates” (ie Australian resident “associates” who do not acquire the Offered Notes in carrying on business at or through a permanent establishment outside Australia and non-resident “associates” who acquire the Offered Notes in carrying on business at or through a permanent establishment in Australia); or
- (b) offshore “associates” (ie Australian resident “associates” that acquire the Offered Notes in carrying on business at or through a permanent establishment outside Australia and non-resident “associates” who do not acquire the Offered Notes in carrying on business at or through a permanent establishment in Australia),

who are acting in the capacity of:

- (c) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the relevant Offered Notes or a clearing house, custodian, funds manager or responsible entity of a registered scheme; or
- (d) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

Compliance with section 128F of the Australian Tax Act

Unless otherwise specified in any relevant Series Supplement (or another relevant supplement to this Information Memorandum), Firstmac intends that the 128F Notes will be

offered in a manner which will satisfy the requirements of section 128F of the Australian Tax Act. Firstmac does not intend to issue the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

Holders in Specified Countries

The Australian Government has signed new or amended double tax conventions (“**New Treaties**”) with a number of countries (each a “**Specified Country**”) which contain certain exemptions from IWT.

In broad terms, the New Treaties prevent IWT being imposed on payments of interest derived by either:

- (a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; or
- (b) a “financial institution” which is a resident of a “Specified Country” and which is unrelated to and dealing wholly independently with the Australian issuer. The term “financial institution” refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. (However, interest under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.)

The Australian Federal Treasury maintains a listing of Australia’s double tax conventions which provides details of country, status, withholding tax rate limits and Australian domestic implementation which is available to the public at the Federal Treasury’s Department’s website.

No payment of additional amounts

Despite the fact that the 128F Notes are intended to be 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 a Series Supplement (or another relevant supplement to this Information Memorandum), if Firstmac 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, Firstmac is not obliged to pay any additional amounts in respect of such withholding or deduction.

In such a circumstance, payments of interest on those classes of Offered Notes may be subject to IWT if those Offered Notes are held by:

- (a) Australian residents that acquire those Offered Notes in carrying on business at or through a permanent establishment outside Australia; and
- (b) non-residents of Australia who do not acquire those Offered Notes in carrying on business at or through a permanent establishment in Australia.

14.2 Goods and Services Tax

If an entity makes a “taxable supply”, it is required to remit GST to the Australian Taxation Office at the rate of 10% based on the value of that supply.

For GST purposes, trusts are treated as a separate entity, albeit a trust is not a legal entity. To give effect to this GST fiction, a supply or acquisition that is made by the trustee of a trust, in its capacity as trustee (as opposed to its personal capacity), is treated as having been made by the trust. References below to supplies or acquisitions that are made by the Trust are a reference to supplies or acquisitions that will be made by Firstmac in its capacity as trustee.

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 in respect of the Series, nor the disposal of the Offered Notes, would give rise to any GST liability on the part of the Trust in respect of the Series.

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

In relation to the acquisition of these taxable services by the Trust in respect of the Series:

- (a) the supplier of a service has the primary obligation to account for GST in respect of that supply, and in the ordinary course of business, the service provider would seek to recoup the GST and charge the Trust in respect of the Series an additional amount on account of GST unless the agreed fee is already GST-inclusive;
- (b) assuming that the Trust exceeds the financial acquisitions threshold for the purposes of Division 189 of the GST Act, which is likely to be the case, the Trust would not be entitled to a full input tax credit from the ATO to the extent that the acquisition relates to:
 - (i) the Trust's input taxed supply of issuing Offered Notes to:
 - (A) Australian residents; or
 - (B) to non-residents acting through a fixed place of business in Australia; and
 - (ii) the acquisition by the Trust of the Housing Loans.

In the case of acquisitions which relate to the making of supplies of the nature described above, the Trust may still be entitled to a "reduced input tax credit" (which is equal to 75% of 1/11th of the GST-inclusive consideration payable by the Trust to the person making the taxable supply) 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;

- (c) if the Trust is a "recognised trust scheme" (as defined) then the rate of reduced input tax credit available to the Trust in respect of the acquisition of trustee services from Firstmac and the Security Trustee would be 55% instead of 75%. However it is not anticipated that the Trust will be a "recognised trust scheme" (as defined). Therefore the applicable rate of reduced input tax credit in respect of the acquisition of the relevant trustee services should be 75% (and not 55%);
- (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 or reduced input tax credit) would be calculated by reference to the market value of those services (as opposed to any fee charged for the service). The associate may be entitled to recover the GST calculated by reference to the market value of the services from the Trust; and
- (e) in the case of supplies which are acquired for the purposes of the Trust's business and which are not connected with the "indirect tax zone", these may attract a liability for Australian GST if they are supplies of a kind which would have been taxable if they had been connected with the "indirect tax zone" and if the Trust would not have been entitled to a full input tax credit if the supply had been so performed. 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 Trust.

Where GST is payable on a taxable supply made to the Trust in respect of the Series 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 Series.

14.3 Other tax matters

Under Australian laws as presently in effect, in respect of the Offered Notes:

- (a) *income tax - non-Australian Holders* - assuming the requirements of section 128F of the Australian Tax Act are satisfied or another relevant exemption applies with respect to the 128F Notes, payments of principal and interest (as defined in section 128A(1AB) of the Australian Tax Act) to a Holder of those 128F Notes, who is a non-resident of Australia and who, during the taxable year, does not hold the 128F Notes in carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes; and
- (b) *income tax - Australian Holders* - Australian residents or non-Australian residents who hold the Offered Notes in carrying on business at or through a permanent establishment in Australia ("**Australian Holders**"), will be assessable for Australian tax purposes on income either received or accrued due to them in respect of those Offered Notes. Whether income will be recognised on a cash receipts or accruals basis will depend upon the tax status of the particular Australian Holder and the terms and conditions of those Offered Notes. Special rules apply to the taxation of Australian residents who hold those Offered Notes in carrying on business at or through a permanent establishment outside Australia which vary depending on the country in which that permanent establishment is located; and
- (c) *gains on disposal of Offered Notes - non-Australian Holders* - a Holder of the Offered Notes, who is a non-resident of Australia, will not be subject to Australian income tax on gains realised during that year on sale or redemption of the Offered Notes, provided such gains do not have an Australian source, or, where the non-resident Holder is located in a country with which Australia has concluded a double tax convention, those Offered Notes are not held, and the sale and disposal of the Offered Notes does not occur, as part of a business carried on at or through a permanent establishment in Australia. A gain arising on the sale of Offered Notes by a non-Australian resident Holder to another non-Australian resident where the Offered Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not be regarded as having an Australian source; and
- (d) *gains on disposal of Offered Notes - Australian Holders* - Australian Holders will be required to include any gain or loss on disposal of the Offered Notes in their taxable income. Special rules apply to the taxation of Australian residents who hold the Offered Notes in the course of carrying on business at or through a permanent establishment outside Australia which vary depending on the country in which that permanent establishment is located; and
- (e) *death 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; and
- (f) *stamp duty and other taxes* - no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Offered Notes; and
- (g) *other withholding taxes on payments in respect of Offered Notes* - Section 12-140 of Schedule 1 to the TAA imposes a type of withholding tax (see below for the rate of withholding tax) on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number ("**TFN**"), (if applicable) an Australian Business Number ("**ABN**") or provided proof of some other exception (as appropriate). Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the 128F Notes, then the requirements of Section 12-140 do not apply to payments to a Holder of 128F Notes in registered form who is not a

resident of Australia and not holding those 128F Notes in carrying on business at or through a permanent establishment in Australia. Payments to other classes of Holders of 128F Notes in registered form may be subject to a withholding where the Holder does not quote a TFN or ABN or provide proof of an appropriate exemption (as appropriate).

The rate of withholding tax is currently 47% which may be increased by 0.5% from 1 July 2019 where the proposed increase to the Medicare Levy is legislated and enacted; and

- (h) *supply withholding tax* - payments in respect of the Offered Notes can be made free and clear of the “supply withholding tax” imposed under Section 12-190 of Schedule 1 to the Taxation Administration Act; and
- (i) *debt/equity rules* - Division 974 of the Australian Tax Act contains tests for characterising debt (for all entities) and equity (for companies) for Australian tax purposes, including for the purposes of dividend withholding tax and IWT. Firstmac intends to issue Offered Notes which are to be characterised as “debt interests” for the purposes of the tests contained in Division 974 and returns paid on the Offered Notes are to be “interest” for the purpose of Section 128F of the Australian Tax Act. Accordingly, Division 974 is unlikely to adversely affect the Australian tax treatment of Holders of Offered Notes; and
- (j) *deemed interest* - there are specific rules that can apply to treat a portion of the purchase price of Offered Notes as interest for IWT purposes when certain Offered Notes originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in carrying on business at or through a permanent establishment outside Australia) or a non-resident who acquires them in carrying on business at or through a permanent establishment in Australia.

If the Offered Notes are not issued at a discount and do not have a maturity premium, these rules should not apply to the Offered Notes. These rules also do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Australian Tax Act if the Offered Notes had been held to maturity by a non-resident; and

- (k) *additional withholdings from certain payments to non-residents* - Section 12-315 of Schedule 1 to the Taxation Administration Act gives the Governor-General power to make regulations requiring withholding from certain payments to non-residents. However, Section 12-315 expressly provides that the regulations will not apply to interest and other payments which are treated as interest under the IWT rules or specifically exempt from those rules. Further, regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The regulations that have so far been promulgated under Section 12-315 prior to the date of this Information Memorandum are not applicable to any payments in respect of the Offered Notes. Any further regulations also should not apply to repayments of principal under the Offered Notes, as in the absence of any issue discount, such amounts will generally not be reasonably related to assessable income. The possible application of any future regulations to the proceeds of any sale of the Offered Notes will need to be monitored; and
- (l) *garnishee directions by the Commissioner of Taxation* – the Commissioner may give a direction requiring Firstmac to deduct from any payment to a Holder of Offered Notes any amount in respect of Australian tax payable by the Holder. If Firstmac is served with such a direction, then Firstmac will comply with that direction and make any deduction required by that direction.

14.4 Taxation of the Trust

The Australian Government has proposed to amend the rules relating to the taxation of trusts in Division 6 of Part III of the 1936 Act. It is not currently expected that the outcome of the

Government's reform of the taxation of trusts should adversely affect the tax treatment of the Trust, however, no draft legislation has been released to date and any proposed changes should be monitored.

On 5 May 2016, the *Tax Laws Amendment (New Tax System for Managed Investment Trusts) Act 2016* received Royal Assent. The Act introduces a new managed investment trust regime with effect from 1 July 2016. These amendments will only apply to qualifying attribution managed investment trusts ("AMIT"). On the basis of the character of the unitholder of the Trust, it is not expected that the Trust would qualify as an AMIT.

The Act also repeals Division 6B of the Australian Tax Act and amends the definition of exempt entities for the purpose of identifying a public unit trust for the purposes of Division 6C of the Australian Tax Act. Neither of these changes should adversely affect the Trust.

14A Singapore Taxation

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the Inland Revenue Authority of Singapore ("IRAS"), the MAS and other relevant authorities in force as at the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, administrative guidelines or circulars occurring after such date, which changes could be made on a retroactive basis. These laws, administrative guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Relevant Notes or of any person acquiring, selling or otherwise dealing with the Relevant Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Relevant Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Relevant Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Prospective holders and holders of the Relevant Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Relevant Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasized that none of Firstmac, the Co-Arrangers, the Joint Lead Managers and any other persons involved in the issue of the Relevant Notes accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Relevant Notes.

14A.1 Interest and Other Payments

As Firstmac is not based in Singapore and more than half of each class of the Relevant Notes issued under the issue are distributed by United Overseas Bank Limited, which is a Financial Sector Incentive (Capital Market) Company (as defined in the ITA) at such time and each class of the Relevant Notes are issued as debt securities prior to 31 December 2018, each class of the Relevant Notes would be "qualifying debt securities" for the purposes of the ITA, to which the following treatments shall apply:

Subject to certain conditions having been fulfilled (including the furnishing by Firstmac, or such other person as the relevant authorities may direct, of a return on debt securities for each class of the Relevant Notes in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with each class of the Relevant Notes as the relevant authorities may require to MAS and such other relevant authorities as may be prescribed), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "Specified Income") from each class of the Relevant Notes paid by Firstmac and derived by any company or body of persons (as defined in the ITA) in Singapore is

subject to tax at a concessionary rate of 10 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates).

However, notwithstanding the foregoing:

- (a) if during the primary launch of each class of the Relevant Notes, the class of the Relevant Notes are issued to fewer than four persons and 50 per cent. or more of the of the issue of the class of the Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of Firstmac, such class of Relevant Notes would not qualify as "qualifying debt securities"; and
- (b) even though the Relevant Notes are "qualifying debt securities", if, 50 per cent. or more of the issue of each class of the Relevant Notes which are outstanding at any time during the life of the issue is beneficially held or funded, directly or indirectly, by any related party(ies) of Firstmac, Specified Income derived from such class of Relevant Notes held by:
 - (i) any related party of Firstmac; or
 - (ii) any other person where the funds used by such person to acquire such class of Relevant Notes are obtained, directly or indirectly, from any related party of Firstmac,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "**prepayment fee**", "**redemption premium**" and "**break cost**" are defined in the ITA as follows:

"**prepayment fee**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;

"**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and

"**break cost**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption.

References to "prepayment fee", "redemption premium" and "break cost" in this Singapore tax disclosure have the same meaning as defined in the ITA.

All foreign-sourced income received in Singapore on or after 1 January 2004 by Singapore tax-resident individuals will be exempt from income tax, provided such foreign-sourced income is not received through a partnership in Singapore.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) is derived from the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

Pursuant to the Singapore Budget 2018, it was announced that the Qualifying Debt Securities Scheme is to be extended to debt securities issued from 1 January 2019 to 31 December 2023, subject to certain amendments to be announced by the MAS.

14A.2 Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Relevant Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Relevant Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Relevant Notes who adopt or are adopting Singapore Financial Reporting Standard 39 - Financial Instruments: Recognition and Measurement ("FRS 39") or Singapore Financial Reporting Standard 109 – Financial Instruments ("FRS 109"), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Relevant Notes, irrespective of disposal, in accordance with FRS 39 or FRS 109. Please see the section below on "Adoption of FRS 39 and FRS 109 Treatment for Singapore Income Tax Purposes".

14A.3 Adoption of FRS 39 and FRS 109 Treatment of Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt-out" provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition & Measurement".

FRS 109 is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109, subject to certain exceptions. The IRAS has also issued a circular entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments".

Holders of the Relevant Notes who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Relevant Notes.

14A.4 Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

15 Selling Restrictions

15.1 Introduction

No action has been taken by Firstmac or each Joint Lead Manager which would or is intended to permit a public offer of the Notes in any country or jurisdiction where action for that purpose is required. The offer does not constitute an offer to a “retail client” for the purposes of Chapter 7 of the Corporations Act. All Notes will be offered to wholesale investors only. Neither this Information Memorandum nor any other circular, prospectus, form of application, advertisement or other material may be distributed in or from or published in any country or jurisdiction except under circumstances which will result in compliance with applicable laws and regulations.

15.2 Australia

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Notes has been lodged with ASIC.

Accordingly each Joint Lead Manager represents and agrees that it:

- (a) has not made or invited, and will not make or invite, directly or indirectly, an offer of the Notes (or an interest in them) for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive Information Memorandum or any other offering material, advertisement or other document relating to any Notes (or an interest in them) in Australia,

unless:
 - (c) either (x) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternate currency, and, in either case, disregarding money lent by the offeror or its associates), (y) the offer is to a professional investor for the purposes of section 708 of the Corporations Act, or (z) the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;
 - (d) the offer or invitation does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act;
 - (e) such action complies with applicable laws and directives in Australia (including, without limitation the financial services licensing requirements of the Corporations Act); and
 - (f) such action does not require any document to be lodged with ASIC.

15.3 The United States of America

Each Joint Lead Manager:

- (a) acknowledges that the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (“**Securities Act**”), and Firstmac has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended (“**Investment Company Act**”). An interest in the Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, a “U.S. person” (as defined in Regulation S under the Securities Act (“**Regulation S**”)) at any time except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the Securities Act;

- (b) represents, warrants and agrees that it has offered and sold the Notes, and will offer and sell the Notes:
- (i) as part of their distribution at any time; and
 - (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date,

only in accordance with Rule 903 of Regulation S.

Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and will comply with the offering restriction requirements of Regulation S;

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

"The Securities covered hereby have not been registered under the US 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 or to, or for the account or benefit of, US 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.";

- (d) represents, warrants and agrees that it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of the Notes in contravention of this paragraph and paragraphs (a), (b) and (c) above, except with its affiliates or with the prior written consent of Firstmac and the Manager; and

- (e) represents, warrants and agrees that:

- (i) except to the extent permitted under US Treas. Reg. § 1.163-(5)(c)(2)(i)(D) (the "**D Rules**"):
 - (A) it has not offered or sold, and until 40 days after the later of the commencement of the offering and the Closing Date (the "**restricted period**") will not offer or sell, the Notes to a person who is within the United States or its possessions or to a United States person; and
 - (B) it has not delivered and will not deliver within the United States or its possessions definitive Notes that are sold during the restricted period;
- (ii) it has, and throughout the restricted period will have, in effect procedures reasonably designed to ensure that its employees or agents who directly engage in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (iii) if it is a United States person, it is acquiring the Notes for purposes of resale in connection with their original issue and if it retains Notes for its own

account, it will only do so in accordance with the requirements of US Treas. Reg. § 1.163-5(c)(2)(i)(D)(6); and

- (iv) with respect to each affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, such Joint Lead Manager either:
 - (A) repeats and confirms the representations and agreements contained in sub-paragraphs (i), (ii) and (iii) above on behalf of such affiliate; or
 - (B) agrees that it will obtain from such affiliate for Firstmac's benefit the representations and agreements contained in sub-paragraphs (i), (ii) and (iii) above.

Terms used in paragraphs (a), (b) and (c) have the meanings given to them by Regulation S.

Terms used in paragraph (e) have the meanings given to them by the US Internal Revenue Code and regulations thereunder, including the D Rules.

15.4 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**"), each Joint Lead Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum to the public in that Relevant Member State other than:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Joint Lead Managers; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Manager, Firstmac or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/75/EU) and includes any relevant implementing measure in the Relevant Member State.

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Information Memorandum in relation thereto to any retail investor in the European Economic Area ("**EEA**"). For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "Insurance Mediation Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"); and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

The target market assessment in respect of the Notes by the distributor, solely for the purpose of its product governance determination under Article 10(1) of Delegated Directive (EU) 2017/593, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor subject to MiFID II subsequently offering, selling or recommending the Notes is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the distributor's target market assessment) and determining appropriate distribution channels.

15.5 The United Kingdom

In relation to each Class of Notes, each person subscribing for the Notes:

- (a) may only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**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 or would not, if Firstmac was not an authorised person, apply to Firstmac; and
- (b) must comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

15.6 Hong Kong

Each of the Joint Lead Managers has represented, warranted and agreed that:

- (a) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") 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 (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) unless permitted to do so under the laws of Hong Kong, 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 (in each case whether in Hong Kong or elsewhere), any

advertisement, invitation or document relating to the 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 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 SFO and any rules made under that Ordinance.

15.7 Singapore

Each Joint Lead Manager acknowledges that the Information Memorandum has not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager represents and agrees that it will not offer, sell, deliver or transfer the Notes nor make the Notes the subject of an invitation for subscription or purchase, nor will it circulate or distribute the Information Memorandum or any relevant supplement, advertisement or other offering material in connection with the offer, sale, delivery or transfer, or an invitation for subscription or purchase, of the Notes to the public or any member of the public, whether directly or indirectly, to any person in Singapore other than:

- (a) to an institutional investor pursuant to section 274 of the Securities and Futures Act, Chapter 289 of Singapore as amended (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 Notes are subscribed or purchased in reliance on an exemption under section 274 or 275 of the SFA, the Notes will not be sold within the period of 6 months from the date of the initial acquisition of the Notes, except to any of the following persons:

- (d) an institutional investor (as defined in section 4A of the SFA);
- (e) a relevant person (as defined in section 275(2) of the SFA); or
- (f) any person pursuant to an offer referred to in section 275(1A) of the SFA,

unless expressly specified otherwise in section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Where the Notes are subscribed or purchased under section 275 of the SFA by a person who is:

- (g) a corporation (which is not an accredited investor as defined in section 4A 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
- (h) 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 (howsoever described) in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes under section 275 of the SFA except:

- (i) to an institutional investor (for corporations, under section 274 of the SFA) or to a relevant person, or any person defined in section 275(2) of the SFA and in accordance with the conditions, specified in section 275 of the SFA;
- (ii) (in the corporation) where the transfer arises from an offer referred to in section 276(3)(i)(B) of the SFA or (in the case of a trust) where the transfer arises from an offer referred to in section 276(4)(i)(B) of the SFA;
- (iii) where no consideration is given for the transfer;
- (iv) where the transfer is by operation of law;
- (v) as specified in section 276(7) of the SFA; or
- (vi) as specified in regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

15.8 Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) ("**Financial Instruments and Exchange Act**") and, accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the account or benefit of, any Japanese Person, or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the account or benefit of, any Japanese Person, except pursuant to an exemption from the registration requirements of and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

For the purposes of this paragraph, "**Japanese Person**" means a "resident" of Japan as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No 228 of 1949, as amended). Any branch or office in Japan of a non-resident will be deemed to be a resident for the purpose whether such branch or office has the power to represent such non-resident.

15.9 Republic of Ireland

Each Joint Lead Manager represents, warrants and agrees that:

- (a) no person may and it has not offered or sold and will not offer or sell any Notes, except in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (Statutory Instrument No. 324 of 2005) ("**Prospectus Directive Regulations**") and the provisions of the Irish Companies Act 1963-2005 and any rules issued under section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Irish Central Bank and the Irish Financial Services Regulatory Authority;
- (b) no person may and it has not and will not offer or sell any Notes other than in compliance with the provisions of the Irish European Union (Market Abuse) Regulations 2016 and any rules issued under section 34 of the Irish Investment Funds Companies and Miscellaneous Provisions Act 2005 by the Irish Central bank and the Irish Financial Services Regulatory Authority;
- (c) it will not underwrite the issue of, or place, the Notes in the Republic of Ireland, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942-2011 (as amended) and any codes of conduct made under Section 117(1) of the Central Bank Act 1989 thereof; and

- (d) no person may and it will not underwrite the issue of or place the Notes otherwise than in conformity with the provisions of the Irish Investment Intermediaries Act 1995 (as amended), including without limitation Sections 9, 23 (including any advertising restrictions made under that section), 37 and 50 (including any codes of conduct issued under that section) and the provisions of the Irish Investor Compensation Act 1998, including without limitation, section 21.

15.10 Republic of China

Each Joint Lead Manager represents, warrants and agrees that:

- (a) the Notes may not be sold or offered in the Republic of China; and
- (b) it will only offer and sell the Notes to Republic of China resident investors from outside the Republic of China in such a manner as complies with securities laws and regulations applicable to such cross border activities in the Republic of China.

15.11 New Zealand

Each Joint Lead Manager represents and agrees that:

- (a) it has not offered or sold, and will not offer or sell, directly or indirectly, any Notes; and
- (b) it has not distributed and will not distribute, directly or indirectly, any offering materials or advertisement in relation to any offer of Notes,

in each case in New Zealand other than:

- (c) to persons who are “wholesale investors” as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the Financial Markets Conduct Act 2013 of New Zealand (“**FMC Act**”), being 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 FMC Act; or

- (d) in other circumstances where there is no contravention of the FMC Act, provided that (without limiting paragraph (c) above) Notes may not be offered or transferred to any “eligible investors” (as defined in the FMC Act) or any person that meets the investment activity criteria specified in clause 38 of Schedule 1 to the FMC Act.

15.12 Switzerland

This Information Memorandum does not constitute a prospectus within the meaning of Article 652A of the Swiss Code of Obligations and Article 1156 et seq. of the Swiss Code of Obligations. Each Joint Lead Manager represents, warrants and agrees that it will not publicly offer or distribute the Notes in or from Switzerland, and neither the preliminary Information Memorandum, the final Information Memorandum nor any other offering materials relating to any of the Notes may be publicly distributed in connection with any such offering or distribution.

The Information Memorandum does not constitute a public offering prospectus as that term is understood pursuant to Article 1156 et seq. of the Code of Obligations. Firstmac has not applied for a listing of the Notes on the SIX Swiss Exchange and as a result, the information set out in this prospectus does not necessarily comply with the information standards set out in the relevant listing rules. The Notes will not be publicly offered or sold in Switzerland. Each

Joint Lead Manager represents, warrants and agrees that it will not publicly offer or distribute the Notes in or from Switzerland, and neither the preliminary Information Memorandum, the final Information Memorandum nor any other offering materials relating to any of the Notes may be publicly distributed in connection with any such offering or distribution.

15.13 General

These selling restrictions may be modified by the agreement of Firstmac and each Joint Lead Manager following a change in or clarification of a relevant law, regulation, directive, request or guideline having the force of law or compliance with which is in accordance with the practice of responsible financial institutions in the country concerned or any change in or introduction of any of them or in their interpretation or administration.

16 Transaction Documents

Copies of the following documents will be available for inspection by Holders and bona fide prospective investors during business hours at the office of the Manager. However, any person wishing to inspect these documents must first enter into an agreement with the Manager, in a form acceptable to it, not to disclose the contents of these documents without its prior written consent.

However, the term “Transaction Documents” appearing throughout this Information Memorandum has the meaning given to that term in section 18 (“*Glossary of Terms*”).

16.1 Master Trust Documents

- FirstMac Trusts Master Definitions Schedule dated 23 June 2003 between Firstmac Fiduciary Services Pty Limited and P.T. Limited (as amended from time to time) (“**Master Definitions Schedule**”);
- FirstMac Trusts Master Trust and Security Trust Deed dated 23 June 2003 between Firstmac Fiduciary Services Pty Limited, P.T. Limited and others (“**Master Trust Deed**”);
- FirstMac Trusts Master Management Deed dated 23 June 2003 between Firstmac Fiduciary Services Pty Limited, the Manager and P.T. Limited (as amended from time to time) (“**Master Management Deed**”);
- FirstMac Trusts Master Origination Deed dated 23 June 2003 between Firstmac Fiduciary Services Pty Limited, the Security Trustee and the Originator (as amended from time to time); and
- FirstMac Trusts Master Servicer Deed dated 23 June 2003 between Firstmac Fiduciary Services Pty Limited, P.T. Limited, the Servicer and the Standby Servicer (as amended from time to time) (“**Master Servicer Deed**”).

16.2 Firstmac Mortgage Funding Trust No. 4 Series 1-2018 Documents

- Notice of Creation of Trust executed by Firstmac dated 2 June 2014 constituting the Firstmac Mortgage Funding Trust No. 4 (“**Notice of Creation of Trust**”);
- Notice of Creation of Security Trust executed by Firstmac and P.T. Limited dated 8 February 2018 constituting the Firstmac Mortgage Funding Trust No. 4 Series 1-2018 Security Trust (“**Notice of Creation of Security Trust**”);
- Firstmac Mortgage Funding Trust No. 4 Series 1-2018 Supplementary Terms Notice dated on or about 14 March 2018 between (among others) Firstmac, the Manager, the Servicer and the Security Trustee (“**Supplementary Terms Notice**”);
- Firstmac Mortgage Funding Trust No. 4 Series 1-2018 General Security Agreement dated on or about 14 March 2018 between Firstmac and the Security Trustee (“**General Security Agreement**”);
- Delegation and Calculation Agency Deed (FirstMac Mortgage Funding Trust) dated 24 April 2009 between Firstmac Fiduciary Services Pty Limited, the Manager and Perpetual Nominees Limited (ABN 37 000 733 700) (“**Delegation Deed**”);
- Firstmac Mortgage Funding Trust No.4 Series 1-2018 Dealer Agreement dated 9 March 2018 between Firstmac, the Manager, each Co-Arranger and each Joint Lead Manager (“**Dealer Agreement**”);

- Firstmac Mortgage Funding Trust No. 4 - Series 1-2018 Note Deed Poll dated on or about 14 March 2018 executed by Firstmac ("**Note Deed Poll**");
- Firstmac Mortgage Funding Trust No.4 Series 1-2018 Scheduled Amortisation Facility Agreement dated on or about 14 March 2018 between Firstmac, the Manager and the Scheduled Amortisation Facility Provider;
- Firstmac Mortgage Funding Trust No.4 Series 1-2018 Note Trust Deed dated on or about 14 March 2018 between Firstmac, the Standby Trustee, the Manager, the Security Trustee and the US\$ Note Trustee;
- Firstmac Mortgage Funding Trust No.4 – Series 1-2018 Agency Agreement dated on or about 14 March 2018 between Firstmac, the Manager, the US\$ Note Trustee, the US\$ Note Principal Paying Agent, the US\$ Note Registrar and the US\$ Note Calculation Agent;
- Firstmac Mortgage Funding Trust No.4 – Series 1-2018 Deposit Deed dated on or about 14 March 2018 between the Deposit Bank, Firstmac and the Manager;
- ISDA Master Agreement dated on or about 14 March 2018, and the Schedule, each Credit Support Annex and each Confirmation forming part of it, between the Manager, the Currency Swap Provider and Firstmac ("**Currency Swap Agreement**");
- ISDA Master Agreement dated on or about 14 March 2018, and the Schedule, each Credit Support Annex and each Confirmation forming part of it, between the Manager, the Interest Rate Swap Provider and Firstmac ("**Interest Rate Swap Agreement**"); and
- any Security Interest and guarantee to be given by the relevant FirstSub in favour of the Security Trustee.

17 Receivables Parameters

A Housing Loan is an Eligible Receivable where the Housing Loan satisfies the following criteria (unless otherwise agreed between Firstmac and the Security Trustee):

- A FirstSub or Firstmac is the registered first mortgagee of the Mortgages.
- The Housing Loan is denominated in Australian Dollars.
- The Housing Loan may only be made to Australian residents. At the Closing Date, the aggregate Outstanding Amount of Housing Loans made to Australian residents domiciled overseas will be 0.05% of the Limit.
- The Housing Loan has a maximum term of thirty years and the final maturity date (however defined) of the Housing Loan is at least one year and one day prior to the Final Maturity Date of the Notes.
- Interest is payable at either a fixed rate or floating rate, provided that the fixed rate period in respect of any Housing Loan must not exceed five years. The Outstanding Amount of Housing Loans with a fixed rate of interest is limited to an amount not exceeding 12% (or such other percentage in respect of which a Rating Notification has been provided) of the Outstanding Amount of Housing Loans in respect of the Series.
- Repayments on the Housing Loan are either principal and interest or interest only. The maximum interest only term is ten years. Interest only loans represent 25.39% of the Limit as at the Closing Date.
- Properties are located in capital city metropolitan areas and regional centres in any Australian State or Territory. Properties which are located in non-metropolitan areas, represent 14.63% of the Limit as at the Closing Date.
- At the Closing Date, the maximum LVR of any Housing Loan will not exceed 80%.
- As at the Closing Date, all Properties are restricted to residential properties and include no Properties under construction.
- The Housing Loans are secured only by registered first Mortgages over land. The form of title may be either freehold or Crown leasehold (where the term of the Crown leasehold expires not less than 15 years after the term of the Housing Loan).
- Full fire and general insurance cover with the interest of the mortgagee or assignee noted is in place.
- An Insurance Policy in respect of any Receivable which can be drawn upon in the event of a loss arising which is due to the absence of general insurance cover over a particular Debtor's Property is in place. The insurance cover will be for a minimum amount of A\$1,000,000.
- Debtors are entitled to discharge their Mortgages early upon the repayment of all principal and of all interest and other amounts due and upon payment of any contractual prepayment fee if applicable.
- A Valuation, in a form and by a valuer acceptable to the Mortgage Insurers, has been obtained in respect of the Property, and was dated no earlier than six (6) months from the proposed Housing Loan settlement date (unless otherwise agreed in writing by the Servicer).

- All legal requirements (including by way of example and not limitation, the Consumer Credit Code and the Corporations Act in each case as amended from time to time) must have been and will be strictly complied with.
- The interest rate on each fixed rate Housing Loan will be set such that a margin with a weighted average of greater than 2.50% per annum exists between the rate of interest charged on the aggregate Outstanding Amount of fixed rate Housing Loans at the relevant time, being the date the Housing Loan is made or at the commencement of the relevant fixed rate period ("**Relevant Day**"), and the interbank swap rate relevant for the fixed rate period of the Housing Loan on the Relevant Day.
- Housing Loans for investment purposes represent 32.55% of the Limit at the Closing Date.
- There will be no Housing Loans with arrears greater than 30 days as at the Closing Date.
- Where a Mortgage secures one or more Housing Loans, all Housing Loans secured by such Mortgage will be transferred.
- There will not be any Housing Loans where the borrower's income and employment has not been verified.

18 Glossary of Terms

128F Notes means the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes and the Class A2 Notes.

A\$ Class A1-U Principal has the meaning given to that term in section 10.20 ("*Application of A\$ Class A1-U Principal*").

A\$ Class A1-U Note Interest Amount means in respect of a Payment Date on which Class A1-U Notes are outstanding, the "A\$ Floating Amounts payable by Party B" (as defined in the confirmation for the Class A1-U Note Currency Swap) payable by Firstmac to the Class A1-U Currency Swap Provider in respect of that Payment Date in accordance with the Currency Swap and the Currency Swap Agreement.

A\$ Class A1-U Unpaid Interest Amount in relation to a Payment Date means the aggregate of:

- (a) any A\$ Class A1-U Note Interest Amount remaining unpaid from prior Payment Dates; and
- (b) interest on the A\$ Class A1-U Note Interest Amount referred to in paragraph (a) above calculated at the A\$ Class A1-U Note Interest Rate applicable from time to time from the date that the A\$ Class A1-U Note Interest Amount first became payable until (but not including) the date actually paid..

A\$ Equivalent means, in relation to an amount which is calculated, determined or expressed in US\$ or which includes a component determined or expressed in US\$, that US\$ amount or US\$ component (as the case may be) multiplied by the relevant A\$ Exchange Rate and expressed in A\$ (as calculated by the Manager).

A\$ Exchange Rate means, in respect of any calculation or determination relating to the Class A1-U Notes, the "A\$ Exchange Rate" specified under the heading "Exchange Rates" in the confirmation for the Currency Swap.

A\$ Note means a Note other than a Class A1-U Note.

A\$ Note Calculation Agent has the meaning given to that term in the A\$ Note Conditions.

A\$ Note Conditions means the terms and conditions of the Notes summarised in section 7 ("*Terms and Conditions of the A\$ Notes*").

A\$ Note Deed Poll means the deed poll entitled "Firstmac Mortgage Funding Trust No.4 Series 1-2018 A\$ Note Deed Poll" dated on or about 14 March 2018 executed by Firstmac

A\$ Note Registrar means Firstmac Fiduciary Services Pty Limited (ABN 60 105 052 515) in its capacity as trustee of the Trust in respect of the Series

A\$ Note Register means the Register of Holders of A\$ Notes in respect of the Series maintained by the A\$ Note Registrar pursuant to the Master Trust Deed and the Supplementary Terms Notice

ABN has the meaning given to that term in section 14.3(g) ("*Other withholding taxes on payments in respect of Notes*").

Accrual Amount means for a specified period:

- (a) the aggregate amount of fees, interest and charges which were accrued (but which have not been Posted) on the Receivables (excluding any Delinquent Receivables or

Defaulted Receivables) up to (and including) the last day of that specified period (provided that the accrued amount on the last day of the specified period in respect of a Receivable sold during that period is zero); minus

- (b) the aggregate of fees, interest and charges which were accrued (but which have not been Posted) on the Receivables (excluding any Delinquent Receivables or Defaulted Receivables) up to (but excluding) the first day of that specified period (provided that the accrued amount on the first day of the specified period in respect of a Receivable purchased during that period is zero).

Additional Class A1-A Note Principal Allocation has the meaning given to it in the definition of Class A1-U Note Principal Allocation.

Additional Deposit Account has the meaning set out in section 10.26(a) (“Additional Deposit Account”).

Additional Deposit Account Bank has the meaning set out in section 10.26(a) (“Additional Deposit Account”).

Additional Deposit Account Balance means, on any day, the balance of an Additional Deposit Account on that day.

Additional Deposit Account Maximum Balance means A\$27,600,000.

Additional Principal Allocation has the meaning set out in paragraph (b) of the definition of the term “Class A1-U Note Principal Allocation”.

Additional Remaining Sums means any Secured Moneys owing in respect of the Class A1-U Notes after the application of section 10.25 (“*Application of Scheduled Amortisation Fund Balance following an Enforcement Event*”) and section 10.22 (“*Conversion of amounts relating to Notes denominated in US\$*”) in respect of an A\$ payment under section 10.21(f)(ii) above, subject to paragraph (b) of section 10.22 (“*Conversion of amounts relating to Notes denominated in US\$*”),

Adjusted Collections means for a Collection Period:

- (a) the Collections received during that Collection Period; minus
- (b) the Collection Period Distributions for that Collection Period.

Adverse Rating Effect means an effect which either causes or contributes to a downgrading or withdrawal of the rating given to any Notes by a Current Rating Agency.

Agency Agreement means the agreement entitled “Firstmac Mortgage Funding Trust No.4 Series 1-2018 Agency Agreement” dated on or about 14 March 2018 between Firstmac, the Manager, the US\$ Note Principal Paying Agent, the US\$ Note Registrar, the US\$ Note Calculation Agent and the US\$ Note Trustee.

Aggregate Invested Amount means at any time in respect of:

- (c) a Class of A\$ Notes, the aggregate of the Invested Amounts of all the Notes of that Class at that time; and
- (d) the Class A1-U Notes, the A\$ Equivalent of the aggregate Invested Amounts of all the Class A1-U Notes at that time.

Approved Corporation means:

- (a) a person having a Required Credit Rating; or
- (b) a person who is a wholly owned subsidiary of an entity having a Required Credit Rating, and whose obligations are unconditionally guaranteed by such entity at the relevant time.

ASIC means the Australian Securities and Investments Commission.

Assets means, in respect of the Series, the right, title and interest of Firstmac, in its capacity as trustee of the Trust in respect of the Series, in all assets which are subject to the General Security Agreement in respect of the Series including, without limitation, the following (to the extent to which they relate to the Series):

- (a) any Receivables, and Related Securities related to such Receivables held by Firstmac;
- (b) cash on hand or at a Bank representing cleared or immediately available funds;
- (c) Authorised Investments or any other investments;
- (d) amounts owing to Firstmac by Debtors;
- (e) any prepayment of expenditure;
- (f) any asset acquired by Firstmac or originated in accordance with the Master Trust Deed and the Supplementary Terms Notice for that Series;
- (g) the benefit of all representations, warranties, undertakings, covenants, indemnities and promises made by any party in favour of Firstmac under the Transaction Documents;
- (h) other property as identified in writing by Firstmac; and
- (i) income, or amounts in the nature of income, accrued from investments or other assets referable to the Series to the extent not included in the preceding paragraphs of this definition.

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

ASX means the Australian Securities Exchange.

Austraclear has the meaning given to that term in the A\$ Conditions.

Austraclear Regulations has the meaning given to that term in section 3.4 (*"Principal Characteristics of the Notes"*).

Austraclear System has the meaning given to that term in the A\$ Conditions.

Australian Holder has the meaning given in section 14.3(b) (*"income tax - Australian Holders"*).

Australian Tax Act has the meaning given in section 14 (*"Taxation Considerations"*).

Authorised Investments means investments in:

- (a)
 - (i) stock, bonds, notes or other securities issued by;

- (ii) securities, deposits or loans secured or guaranteed by; or
- (iii) deposits or loans secured upon stock, bonds, notes or other securities issued or guaranteed by,

the Commonwealth of Australia or any State or Territory of the Commonwealth of Australia and which investments have a Required Credit Rating at the time of the acquisition of such investments by Firstmac;

- (b) deposits with, or purchase of bills of exchange, promissory notes, certificates of deposit or other negotiable instruments accepted, drawn or endorsed by, an Approved Corporation at the time of the deposit, loan or purchase;
- (c) guarantee investment contract with a party which has a Required Credit Rating at the time Firstmac enters into the contract; and
- (d) a chose in action in respect of rights to direct the Reserve Bank of Australia to deliver securities being Authorised Investments (other than under this paragraph (d)) to or to the order of Firstmac,

being, in all cases:

- (i) an investment which will mature prior to the immediately succeeding Payment Date;
- (ii) an investment denominated in Australian Dollars;
- (iii) an investment held in the name of Firstmac; and
- (iv) an investment which does 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).

Authorised Officer means:

- (a) in respect of Firstmac or the Manager, each director, secretary and attorney and any person whose title or office includes the word "Manager" of each of Firstmac or the Manager (as the case may be) and any other person appointed by Firstmac or the Manager to act as an authorised person and notified to the other parties; and
- (b) in respect of the US\$ Note Trustee, means any officer within the Corporate Trust Office (or any successor group of the US\$ Note Trustee) authorised to act for and on behalf of the US\$ Note Trustee, including any managing director, director, vice president, assistant vice president, assistant secretary, assistant trust officer, or trust officer of the US\$ Note Trustee customarily performing functions similar to those performed by the persons who at the time are such officers, respectively, or to whom any corporate trust matter is referred at the Corporate Trust Office because of his knowledge of and familiarity with the particular subject and to whom responsibility for the primary administration of the transaction contemplated by the deed and the Transaction Documents has been specifically assigned.

Available Scheduled Amortisation Amount means on any Determination Date an amount equal to the lesser of:

- (a) the Scheduled Amortisation Facility Limit on that Determination Date; and
- (b) an amount equal to:

- (i) the Initial Scheduled Amortisation Facility Limit; less
- (ii) the Scheduled Amortisation Principal Outstanding on that Determination Date.

Bank has the meaning given to the expression “Australian bank” in the Corporations Act.

Bank Bill Rate or **BBSW** has the meaning given to it in the A\$ Note Conditions.

Borrower Exit Fees means any break costs or exit fees (howsoever defined) charged to the borrower in respect of a Receivable for early determination of that Receivable but excluding any break costs or exit fees charged due to the prepayment of a fixed rate Receivable.

Borrower Rate means, in respect of a Receivable, the interest rate from time to time applicable to that Receivable.

Business Day means a day (excluding Saturday, Sunday and any public holiday) on which commercial banks are open for business in Sydney, Melbourne, Brisbane, Hong Kong, London, Singapore, Tokyo and New York.

Calculation Period means:

- (a) in respect of calculations being made on a Determination Date in respect of a Payment Date, the relevant Collection Period; or
- (b) on any other day, the period from and including the first day of the Collection Period during which that day falls, to but excluding that day.

Call Date means the earlier of:

- (a) the Date Based Call Date; and
- (b) the Payment Date following the Determination Date on which the aggregate of the Invested Amount of all Notes is equal to or less than 10% of the aggregate of the Initial Invested Amount of all Notes on the initial Issue Date for the Series,

and each Payment Date thereafter.

Call Option means Firstmac’s option to redeem all Classes of Notes in full on a Call Date.

Carryover Charge-Offs at any time means either a Class A1-U Carryover Charge-Off, a Class A1-A Carryover Charge-Off, a Class A1-B Carryover Charge-Off, a Class A1-BR Carryover Charge-Off, Class A2 Carryover Charge-Off, a Class B Carryover Charge-Off, a Class C Carryover Charge-Off, a Class D Carryover Charge-Off, a Class E Carryover Charge-Off, a Class F Carryover Charge-Off or a FastPay Carryover Charge-Off at that time, as the context requires.

Cashflow Allocation Methodology means the methodology outlined in section 10 (“*Cashflow Allocation Methodology*”).

Charge-Off means either a Class A1-U Charge-Off, a Class A1-A Charge-Off, a Class A1-B Charge-Off, a Class A1-BR Charge-Off, a Class A2 Charge-Off, a Class B Charge-Off, a Class C Charge-Off, a Class D Charge-Off, a Class E Charge-Off, a Class F Charge-Off or a FastPay Charge-Off, as the context requires.

Cheque means a cheque, bank cheque or payment order.

Class A Notes means the Class A1 Notes and the Class A2 Notes.

- (E) in respect of the Class A2 Notes, 0%; or
- (b) on which the Pro Rata Test is satisfied:
 - (i) in respect of the Class A1-U Notes, the amount (expressed as a percentage) equal to:

$$\frac{IA(A1U)+IA(A1B) +SAP-SAF}{IA(A)+SAP-SAF},$$

- (ii) in respect of the Class A1-A Notes, the amount (expressed as a percentage) equal to:

$$\frac{IA(A1A)}{IA(A)+SAP-SAF},$$

- (iii) in respect of the Class A1-B Notes or the Class A1-BR Notes (as applicable), the amount (expressed as a percentage) equal to:

$$\frac{IA(A1B)}{IA(A)+SAP-SAF},$$

provided that, in each case, if on the Determination Date immediately preceding that Payment Date there are Class A1-U Notes outstanding, such amount will be 0%; and

- (iv) in respect of the Class A2 Notes, the amount (expressed as a percentage) equal to:

$$\frac{IA(A2)}{IA(A)+SAP-SAF},$$

In this definition:

- IA(A1U)* = the Aggregate Invested Amount of the Class A1-U Notes as at the Determination Date immediately preceding that Payment Date.
- IA(A1A)* = the Aggregate Invested Amount of the Class A1-A Notes as at the Determination Date immediately preceding that Payment Date.
- IA(A1B)* = the Aggregate Invested Amount of the Class A1-B Notes or the Class A1-BR Notes (as applicable) as at the Determination Date immediately preceding that Payment Date.
- IA(A2)* = the Aggregate Invested Amount of the Class A2 Notes as at the Determination Date immediately preceding that Payment Date.
- IA(A1)* = the Aggregate Invested Amount of the Class A1 Notes as at the Determination Date immediately preceding that Payment Date.
- IA(A)* = the Aggregate Invested Amount of the Class A Notes as at the Determination Date immediately preceding that Payment Date.
- SAP* = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date.

SAF = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date.

Class A1 Notes means Class A1-U Notes, the Class A1-A Notes, the Class A1-B Notes and the Class A1-BR Notes.

Class A1 Subordination Percentage means on any day:

- (a) the Aggregate Invested Amount of the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes on the previous Payment Date (after any payments made on that Payment Date); divided by
- (b) the amount equal to:
 - (i) the Aggregate Invested Amount of all Notes on the previous Payment Date (after any payments made on that Payment Date); plus
 - (ii) the Scheduled Amortisation Principal Outstanding on that day; less
 - (iii) the Scheduled Amortisation Fund Balance on that day,

expressed as a percentage.

Class A1-A Carryover Charge-Off has the meaning given to it in section 10.17(g) (“*Carryover Charge-Offs*”).

Class A1-A Charge-Off has the meaning given to it in section 10.16(g) (“*Allocation of Liquidation Losses*”).

Class A1-A Margin has the meaning given to that term in the A\$ Note Conditions.

Class A1-A Note means a Note issued pursuant to clause 4.1(b) (“*Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes*”) of the Supplementary Terms Notice.

Class A1-A Note Principal Allocation means, on any Payment Date:

- (a) on which the Pro Rata Test has not been satisfied, the amount equal to the lesser of:
 - (i) the amount equal to:
$$A = (B \times C) + D$$
where
 - A = the Class A1-A Note Principal Allocation;
 - B = Class A Note Principal Allocation Percentage in respect of the Class A1-A Notes on that Payment Date;
 - C = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(d) (“*Distribution of Principal Repayment Fund*”) (inclusive); and
 - D = the Additional Class A1-A Note Principal Allocation (if any) in respect of that Payment Date; and

- (ii) the Aggregate Invested Amount of the Class A1-A Notes as at the Determination Date immediately preceding that Payment Date; or
- (b) on which the Pro Rata Test has been satisfied, the amount equal to:

$$A = \frac{B + D - E}{(C + D - E)} \times (F \times G) + H$$

where

- A = the Class A1-A Note Principal Allocation;
- B = the Aggregate Invested Amount of the Class A Notes as at the Determination Date immediately preceding that Payment Date;
- C = the Aggregate Invested Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Determination Date immediately preceding that Payment Date;
- D = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;
- E = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date;
- F = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(c) (*"Distribution of Principal Repayment Fund"*) (inclusive);
- G = the Class A Note Principal Allocation Percentage in respect of the Class A1-A Notes on that Payment Date; and
- H = the Additional Principal Allocation (if any) in respect of that Payment Date.

Class A1-A Stated Amount means, in relation to a Class A1-A Note on any date, an amount equal to the Invested Amount of that Class A1-A Note on that date less any Class A1-A Carryover Charge-Offs as at the immediately preceding Payment Date made in respect of that Class A1-A Note which have not been reimbursed at that date.

Class A1-B Carryover Charge-Off has the meaning given to it in section 10.17(g) (*"Carryover Charge-Offs"*).

Class A1-B Charge-Off has the meaning given to it in section 10.16(g) (*"Allocation of Liquidation Losses"*).

Class A1-B Margin has the meaning given to it in the A\$ Note Conditions.

Class A1-B Note means a Note issued pursuant to clause 4.1(c) (*"Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes"*) of the Supplementary Terms Notice.

Class A1-B Note Principal Allocation means, on any Payment Date:

- (a) on which the Pro Rata Test has not been satisfied, the amount equal to the lesser of:
- (i) the amount equal to:

$$A = B \times C$$

where

A = the Class A1-B Note Principal Allocation;

B = Class A Note Principal Allocation Percentage in respect of the Class A1-B Notes on that Payment Date; and

C = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(d) ("*Distribution of Principal Repayment Fund*") (inclusive); and

(ii) the Aggregate Invested Amount of the Class A1-B Notes as at the Determination Date immediately preceding that Payment Date; or

(b) on which the Pro Rata Test has been satisfied, the amount equal to:

$$A = \frac{B + D - E}{(C + D - E)} \times (F \times G)$$

where

A = the Class A1-B Note Principal Allocation;

B = the Aggregate Invested Amount of the Class A Notes as at the Determination Date immediately preceding that Payment Date;

C = the Aggregate Invested Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Determination Date immediately preceding that Payment Date;

D = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;

E = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date;

F = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(c) ("*Distribution of Principal Repayment Fund*") (inclusive); and

G = the Class A Note Principal Allocation Percentage in respect of the Class A1-B Notes on that Payment Date.

Class A1-B Note Scheduled Maturity Date means the Payment Date in March 2023.

Class A1-B Remarketing Period means the period of 3 months ending on the Determination Date immediately preceding the Class A1-B Note Scheduled Maturity Date (or such other period notified to Firstmac by the Manager).

Class A1-B Stated Amount means, in relation to a Class A1-B Note on any date, an amount equal to the Invested Amount of that Class A1-B Note on that date less any Class A1-B Carryover Charge-Offs made in respect of that Class A1-B Note as at the immediately preceding Payment Date which have not been reimbursed at that date.

Class A1-BR Carryover Charge-Off has the meaning given to it in section 10.17(g) ("*Carryover Charge-Offs*").

Class A1-BR Charge-Off has the meaning given to it in section 10.16(g) (“*Allocation of Liquidation Losses*”).

Class A1-BR Margin has the meaning given to it in the A\$ Note Conditions.

Class A1-BR Note means a Note issued in accordance with the terms of the Class A1-BR Note Dealer Agreement on the Class A1-B Note Scheduled Maturity Date.

Class A1-BR Note Dealer Agreement means the agreement (if any) entered into after the date of the Supplementary Terms Notice between Firstmac (acting on the direction of the Manager), any arranger or dealer appointed to market the Class A1-BR Notes and the Manager and which is expressed to be the “Class A1-BR Note Dealer Agreement” for the purposes of the Series.

Class A1-BR Note Principal Allocation means, on any Payment Date:

(a) on which the Pro Rata Test has not been satisfied, the amount equal to the lesser of:

(i) the amount equal to:

$$A = B \times C$$

where

A = the Class A1-BR Note Principal Allocation;

B = Class A Note Principal Allocation Percentage in respect of the Class A1-BR Notes on that Payment Date; and

C = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(d) (“*Distribution of Principal Repayment Fund*”) (inclusive); and

(ii) the Aggregate Invested Amount of the Class A1-BR Notes as at the Determination Date immediately preceding that Payment Date; or

(b) on which the Pro Rata Test has been satisfied, the amount equal to:

$$A = \frac{B + D - E}{C + D - E} \times (F \times G)$$

where

A = the Class A1-BR Note Principal Allocation;

B = the Aggregate Invested Amount of the Class A Notes as at the Determination Date immediately preceding that Payment Date;

C = the Aggregate Invested Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Determination Date immediately preceding that Payment Date;

D = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;

E = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date;

F = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(c) (“*Distribution of Principal Repayment Fund*”) (inclusive); and

G = the Class A Note Principal Allocation Percentage in respect of the Class A1-BR Notes on that Payment Date.

Class A1-BR Stated Amount means, in relation to a Class A1-BR Note on any date, an amount equal to the Invested Amount of that Class A1-BR Note on that date less any Class A1-BR Carryover Charge-Offs made in respect of that Class A1-BR Note as at the immediately preceding Payment Date which have not been reimbursed at that date.

Class A1-U Carryover Charge-Off has the meaning given to it in section 10.17(g) (“*Carryover Charge-Offs*”).

Class A1-U Charge-Off has the meaning given to it in section 10.16(g) (“*Allocation of Liquidation Losses*”).

Class A1-U Margin means 0.80% per annum.

Class A1-U Note means a Note issued pursuant to section 4.1(a) (“*Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes*”) of the Supplementary Terms Notice.

Class A1-U Note Amortisation Amount means, in respect of a Payment Date:

(a) occurring prior to the first to occur of:

- (i) the first Call Date; and
- (ii) the Early Redemption Date,

the aggregate of the Class A1-U Note Scheduled Amortisation Amount for that Payment Date plus all Class A1-U Note Scheduled Amortisation Amounts from prior Payment Dates to the extent remaining unpaid (if any);

(b) occurring on or after the first to occur of:

- (i) the first Call Date; and
- (ii) the Early Redemption Date,

the Aggregate Invested Amount of the Class A1-U Notes (as at the Determination Date immediately preceding that Payment Date).

Class A1-U Note Principal Allocation means, on any Payment Date:

(a) on which the Pro Rata Test has not been satisfied, the amount equal to the lesser of:

(i) the amount equal to:

$$A = B \times C$$

where

A = the Class A1-U Note Principal Allocation;

- B = Class A Note Principal Allocation Percentage in respect of the Class A1-U Notes on that Payment Date; and
 - C = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(d) (“*Distribution of Principal Repayment Fund*”) (inclusive); and
- (ii) the aggregate of:
- (A) the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;
 - (B) the Class A1-U Note Amortisation Amount in respect of that Payment Date; and
 - (C) the amount (if any) by which the Scheduled Amortisation Fund Limit exceeds the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date,
- provided that the amount calculated under this sub-paragraph (ii) shall be zero if:
- (D) as at the Determination Date immediately preceding that Payment Date:
 - (aa) no Class A1-U Notes are outstanding; and
 - (ab) no Scheduled Amortisation Principal Outstanding is owing; and
 - (E) that Payment Date is prior to the first Call Date.

If the amount calculated under sub-paragraph (i) exceeds the amount calculated under sub-paragraph (ii) above, such excess shall be the “**Additional Class A1-A Note Principal Allocation**” in respect of that Payment Date; or

- (b) on which the Pro Rata Test has been satisfied, the amount equal to the lesser of:
 - (i) the amount equal to:

$$A = \frac{B + D - E}{(C + D - E)} \times (F \times G)$$

where:

- A = the Class A1-U Note Principal Allocation;
- B = the Aggregate Invested Amount of the Class A Notes as at the Determination Date immediately preceding that Payment Date;
- C = the Aggregate Invested Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Determination Date immediately preceding that Payment Date;
- D = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;

- E = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date;
- F = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(c) ("*Distribution of Principal Repayment Fund*") (inclusive); and
- G = the Class A Note Principal Allocation Percentage in respect of the Class A1-U Notes on that Payment Date; and
- (ii) the aggregate of:
- (A) the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;
- (B) the Class A1-U Note Amortisation Amount in respect of that Payment Date;
- (C) the amount (if any) by which the Scheduled Amortisation Fund Limit exceeds the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date,
- provided that the amount calculated under this sub-paragraph (ii) shall be deemed to be zero if as at the Determination Date immediately preceding that Payment Date:
- (D) no Class A1-U Notes are outstanding; and
- (E) no Scheduled Amortisation Principal Outstanding is owing.

If the amount calculated under sub-paragraph (i) above exceeds the amount calculated under sub-paragraph (ii) above, such excess shall be the "**Additional Principal Allocation**" in respect of that Payment Date.

Class A1-U Note Scheduled Amortisation Amount means, in respect of a Payment Date, the amount specified as such for that Payment Date in accordance with Annexure 2 ("*Class A1-U Note Scheduled Amortisation Amount*").

Class A1-U Stated Amount means, in relation to a Class A1-U Note on any date, an amount equal to the Invested Amount of that Class A1-U Note on that date less the US\$ Equivalent of any Class A1-U Carryover Charge-Offs made in respect of that Class A1-U Note as at the immediately preceding Payment Date which have not been reimbursed at that date.

Class A2 Carryover Charge-Off has the meaning given to it in section 10.17(f) ("*Carryover Charge-Offs*").

Class A2 Charge-Off has the meaning given to it in section 10.16(f) ("*Allocation of Liquidation Losses*").

Class A2 Margin has the meaning given to that term in the A\$ Note Conditions.

Class A2 Note means a Note issued pursuant to clause 4.1(b) ("*Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes*") of the Supplementary Terms Notice.

Class A2 Note Principal Allocation means, on any Payment Date:

- (a) on which the Pro Rata Test has not been satisfied, the amount equal to the lesser of:

(i) the amount equal to:

$$A = B \times C$$

where

A = the Class A2 Note Principal Allocation;

B = Class A Note Principal Allocation Percentage in respect of the Class A2 Notes on that Payment Date; and

C = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(d) ("*Distribution of Principal Repayment Fund*") (inclusive); and

(ii) the Aggregate Invested Amount of the Class A2 Notes as at the Determination Date immediately preceding that Payment Date; and

(b) on which the Pro Rata Test has been satisfied, the amount equal to:

$$A = \frac{B + D - E}{C + D - E} \times (F \times G)$$

where

A = the Class A2 Note Principal Allocation;

B = the Aggregate Invested Amount of the Class A Notes as at the Determination Date immediately preceding that Payment Date;

C = the Aggregate Invested Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Determination Date immediately preceding that Payment Date;

D = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;

E = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date;

F = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(c) ("*Distribution of Principal Repayment Fund*") (inclusive); and

G = the Class A Note Principal Allocation Percentage in respect of the Class A2 Notes on that Payment Date.

Class A2 Stated Amount means, in relation to a Class A2 Note on any date, an amount equal to the Invested Amount of that Class A2 Note on that date less any Class A2 Carryover Charge-Offs as at the immediately preceding Payment Date made in respect of that Class A2 Note which have not been reimbursed at that date.

Class A2 Subordination Percentage means on any day:

- (a) the Aggregate Invested Amount of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes on the previous Payment Date (after any payments made on that Payment Date); divided by
- (b) the amount equal to:
- (i) the Aggregate Invested Amount of all Notes on the previous Payment Date (after any payments made on that Payment Date); plus
 - (ii) the Scheduled Amortisation Principal Outstanding on that day; less
 - (iii) the Scheduled Amortisation Fund Balance on that day,

expressed as a percentage.

Class B Carryover Charge-Off has the meaning given to it in section 10.17(e) (“*Carryover Charge-Offs*”).

Class B Charge-Off has the meaning given to it in section 10.16(f) (“*Allocation of Liquidation Losses*”).

Class B Margin has the meaning given to it in the A\$ Note Conditions.

Class B Note means a Note issued pursuant to clause 4.1(e) (“*Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes*”) of the Supplementary Terms Notice.

Class B Note Principal Allocation means, on any Payment Date on which the Pro Rata Test has been satisfied, the amount calculated as follows:

$$A = \frac{B}{(C+D-E)} \times F$$

where:

- A = the Class B Note Principal Allocation;
- B = the Aggregate Invested Amount of the Class B Notes as at the Determination Date immediately preceding that Payment Date;
- C = the Aggregate Invested Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Determination Date immediately preceding that Payment Date;
- D = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;
- E = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date; and
- F = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(c) (“*Distribution of Principal Repayment Fund*”) (inclusive).

Class B Residual Margin has the meaning given to it in the A\$ Note Conditions.

Class B Stated Amount means, in relation to a Class B Note on any date, an amount equal to the Invested Amount of that Class B Note on that date less any Class B Carryover Charge-Offs as at the immediately preceding Payment Date made in respect of that Class B Note which have not been reimbursed at that date.

Class B Subordination Percentage means on any day:

- (a) the Aggregate Invested Amount of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes on the previous Payment Date (after any payments made on that Payment Date); divided by
- (b) the amount equal to:
 - (i) the Aggregate Invested Amount of all Notes on the previous Payment Date (after any payments made on that Payment Date); plus
 - (ii) the Scheduled Amortisation Principal Outstanding on that day; less
 - (iii) the Scheduled Amortisation Fund Balance on that day,

expressed as a percentage.

Class C Carryover Charge-Off has the meaning given to it in section 10.17(d) (“*Carryover Charge-Offs*”).

Class C Charge-Off has the meaning given to it in section 10.16(d) (“*Allocation of Liquidation Losses*”).

Class C Margin has the meaning given to it in the A\$ Note Conditions.

Class C Note means a Note issued pursuant to clause 4.1(f) (“*Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes*”) of the Supplementary Terms Notice.

Class C Note Principal Allocation means, on any Payment Date on which the Pro Rata Test has been satisfied, the amount calculated as follows:

$$A = \frac{B}{(C+D-E)} \times F$$

where:

- A = the Class C Note Principal Allocation;
- B = the Aggregate Invested Amount of the Class C Notes as at the Determination Date immediately preceding that Payment Date;
- C = the Aggregate Invested Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Determination Date immediately preceding that Payment Date;
- D = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;
- E = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date; and
- F = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(c) (“*Distribution of Principal Repayment Fund*”) (inclusive).

Class C Residual Margin has the meaning given to it in the A\$ Note Conditions.

Class C Stated Amount means, in relation to a Class C Note on any date, an amount equal to the Invested Amount of that Class C Note on that date less any Class C Carryover Charge-Offs as at the immediately preceding Payment Date made in respect of that Class C Note which have not been reimbursed at that date.

Class C Subordination Percentage means on any day:

- (a) the Aggregate Invested Amount of the Class D Notes, the Class E Notes and the Class F Notes on the previous Payment Date (after any payments made on that Payment Date); divided by
- (b) the amount equal to:
 - (i) the Aggregate Invested Amount of all Notes on the previous Payment Date (after any payments made on that Payment Date); plus
 - (ii) the Scheduled Amortisation Principal Outstanding on that day; less
 - (iii) the Scheduled Amortisation Fund Balance on that day,

expressed as a percentage.

Class D Carryover Charge-Off has the meaning given to it in section 10.17(c) (“*Carryover Charge-Offs*”).

Class D Charge-Off has the meaning given to it in section 10.16(c) (“*Allocation of Liquidation Losses*”).

Class D Margin has the meaning given to it in the A\$ Note Conditions.

Class D Note means a Note issued pursuant to clause 4.1(g) (“*Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes*”) of the Supplementary Terms Notice.

Class D Note Principal Allocation means, on any Payment Date on which the Pro Rata Test has been satisfied, the amount calculated as follows:

$$A = \frac{B}{(C+D-E)} \times F$$

where:

- A = the Class D Note Principal Allocation;
- B = the Aggregate Invested Amount of the Class D Notes as at the Determination Date immediately preceding that Payment Date;
- C = the Aggregate Invested Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Determination Date immediately preceding that Payment Date;
- D = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;
- E = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date; and
- F = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(c) (“*Distribution of Principal Repayment Fund*”) (inclusive).

Class D Residual Margin has the meaning given to it in the A\$ Note Conditions.

Class D Stated Amount means, in relation to a Class D Note on any date, an amount equal to the Invested Amount of that Class D Note on that date less any Class D Carryover Charge-Offs as at the immediately preceding Payment Date made in respect of that Class D Note which have not been reimbursed at that date.

Class D Subordination Percentage means on any day:

- (a) the Aggregate Invested Amount of the Class E Notes and the Class F Notes on the previous Payment Date (after any payments made on that Payment Date); divided by
- (b) the amount equal to:
 - (i) the Aggregate Invested Amount of all Notes on the previous Payment Date (after any payments made on that Payment Date); plus
 - (ii) the Scheduled Amortisation Principal Outstanding on that day; less
 - (iii) the Scheduled Amortisation Fund Balance on that day,

expressed as a percentage.

Class E Carryover Charge-Off has the meaning given to it in section 10.17(b) ("*Carryover Charge-Offs*").

Class E Charge-Off has the meaning given to it in section 10.16(b) ("*Allocation of Liquidation Losses*").

Class E Margin has the meaning given to it in the A\$ Note Conditions.

Class E Note means a Note issued pursuant to clause 4.1(h) ("*Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes*") of the Supplementary Terms Notice.

Class E Note Principal Allocation means, on any Payment Date on which the Pro Rata Test has been satisfied, the amount calculated as follows:

$$A = \frac{B}{(C+D-E)} \times F$$

where:

- A = the Class E Note Principal Allocation
- B = the Aggregate Invested Amount of the Class E Notes as at the Determination Date immediately preceding that Payment Date;
- C = the Aggregate Invested Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Determination Date immediately preceding that Payment Date;
- D = the Scheduled Amortisation Principal Outstanding as at the Determination Date immediately preceding that Payment Date;
- E = the Scheduled Amortisation Fund Balance as at the Determination Date immediately preceding that Payment Date; and

F = the remaining Principal Repayment Fund following distributions under sections 10.19(a) to 10.19(c) ("*Distribution of Principal Repayment Fund*") (inclusive).

Class E Residual Margin has the meaning given to it in the A\$ Note Conditions.

Class E Stated Amount means, in relation to a Class E Note on any date, an amount equal to the Invested Amount of that Class E Note on that date less any Class E Carryover Charge-Offs as at the immediately preceding Payment Date made in respect of that Class E Note which have not been reimbursed at that date.

Class F Carryover Charge-Off has the meaning given to it in section 10.17(a) ("*Carryover Charge-Offs*").

Class F Charge-Off has the meaning given to it in section 10.16(a) ("*Allocation of Liquidation Losses*").

Class F Margin has the meaning given to it in the A\$ Note Conditions.

Class F Note means a Note issued pursuant to clause 4.1(i) ("*Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes*") of the Supplementary Terms Notice.

Class F Residual Margin has the meaning given to it in the A\$ Note Conditions.

Class F Stated Amount means, in relation to a Class F Note on any date, an amount equal to the Invested Amount of that Class F Note on that date less any Class F Carryover Charge-Offs as at the immediately preceding Payment Date made in respect of that Class F Note which have not been reimbursed at that date.

Class of Notes means each of the Class A1-U Notes, the Class A1-A Notes, the Class A1-B Note, the Class A1-BR Notes, the Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes, as the context requires.

Clearing System has the meaning given to that term in the A\$ Note Conditions.

Closing Date means the date specified in a Receivables Transfer Statement as the date on which Receivables are to be transferred or Redesignated to the Series.

Co-Arranger means each of:

- (a) National Australia Bank Limited (ABN 12 004 044 937); and
- (b) United Overseas Bank Limited (ABN 56 060 785 284),

or either of them, as the context requires.

Code and **Consumer Credit Code** means the National Credit Code set out in Schedule 1 of the National Consumer Credit Protection Act 2009 (Cth), the Consumer Credit Code set out in the Appendix to the Consumer Credit (Queensland) Act 1994 (Qld) as in force or applied as a law of any jurisdiction of Australia or the provisions of the Code set out in the Appendix to the Consumer Credit (Western Australia) Act 1996 (WA) or the provisions of the Code set out in the Appendix to the Consumer Credit Code (Tasmania) Act 1996.

Collateral means all present and future Assets of the Series held by Firstmac on the terms of the Trust and the Series in accordance with the Master Trust Deed and the Supplementary Terms Notice.

Collection Account means the account opened by Firstmac in its capacity as trustee of the Trust in respect of the Series in accordance with the Supplementary Terms Notice.

Collection Period means:

- (a) with respect to the first period, the period commencing on (but excluding) the Cut-Off Date and ending on (but including) 31 March 2018;
- (b) with respect to the last period, the period commencing on (but excluding) the last day of the previous Collection Period to (and including) the Final Maturity Date for the Notes; and
- (c) with respect to every other period, each calendar month.

Collection Period Distributions has the meaning given to that term in section 10.3 ("*Distributions made during a Collection Period*").

Collections has the meaning given to it in section 10.2 ("*Collections*").

Corporate Trust Office means, at any time:

- (a) the office of the US\$ Note Trustee at which its corporate trust business is administered at that time, which office as at date of the Note Trust Deed is located at Level 52 International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong; or
- (b) such other address as the US\$ Note Trustee may designate from time to time by notice to Firstmac and the Manager,

Corporations Act means the Corporations Act 2001 (Cth).

Counterparty means, in respect of the Series, any counterparty with which Firstmac has entered into one or more Derivative Contracts in respect of the Series.

Currency Swap means currency swap transaction that is entered into under the Currency Swap Agreement.

Currency Swap Agreement means:

- (a) the ISDA Master Agreement and the Schedule forming part of it entered into on or about 14 March 2018 in relation to the Class A1-U Notes; and
- (b) each Credit Support Annex and the Confirmation forming part of the ISDA Master Agreement referred to in paragraph (a), dated on or about 14 March 2018 in relation to the Class A1-U Notes,

in each case between Firstmac, the Manager and the Currency Swap Provider.

Currency Swap Failure means, in relation to a Currency Swap, either of the following events:

- (a) the Currency Swap is terminated without a replacement agreement being entered into on equivalent terms; or
- (b) the relevant Currency Swap Provider does not make a payment that was scheduled to be made under that Currency Swap on any Payment Date for any reason.

Currency Swap Provider means National Australia Bank Limited (ABN 12 004 044 937).

Current Rating Agency means, in respect of the Series or any Transaction Document, at any given time, each internationally recognised rating agency which at that time, at the request of Firstmac, assigns a rating to any Notes.

Custodian means Perpetual Trustee Company Limited (ABN 42 000 001 007).

Cut-Off Date means 30 October 2017.

Date Based Call Date means the Payment Date in March 2025.

Day Count Fraction has the meaning given to that term in the A\$ Note Conditions.

Dealer Agreement means the agreement entitled "Firstmac Mortgage Funding Trust No.4 Series 1-2018 Dealer Agreement" dated 9 March 2018 between Firstmac, the Manager, each Co-Arranger and each Joint Lead Manager.

Debtor means, in relation to a Receivable, the person who is obliged to make payments with respect to that Receivable, whether as a principal or secondary obligation and includes, where the context requires, another person obligated to make payments with respect to that Receivable (including any mortgagor or guarantor).

Debtor Insolvency Event means:

- (a) in relation to a body corporate, the happening of any of these events in respect of that body corporate:
 - (i) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
 - (ii) it has a Controller (as defined in the Corporations Act) appointed, is in liquidation, in provisional liquidation, under administration or wound up or has had a Receiver appointed to any part of its property; or
 - (iii) 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 Firstmac); or
 - (iv) 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 (i), (ii) or (iii) above; or
 - (v) it is taken (under section 459(F)(1) of the Corporations Act) to have failed to comply with a statutory demand; or
 - (vi) it is the subject of an event described in section 459(C)(2)(b) or section 585 of the Corporations Act (or it makes a statement from which Firstmac reasonably deduces it is so subject); or
 - (vii) it is otherwise unable to pay its debts, other than the relevant Receivable, when they fall due; or
 - (viii) something having a substantially similar effect to (i) to (vii) happens in connection with that person under the law of any jurisdiction; and

- (b) in respect of a person which is not a body corporate, the happening of any of the following events in respect of that person:
 - (i) the death, mental incapacity or bankruptcy of the person (including without limitation the occurrence of an “act of bankruptcy” (as defined in section 40 of the Bankruptcy Act 1966 (Cwth) with respect to the person) or the appointment of a receiver, trustee or other official in respect of all or any part of the assets of the person; or
 - (ii) such person has a security granted by them enforced against them; or
 - (iii) the person is otherwise unable to pay its debts, other than the relevant Receivable, when they fall due; or
 - (iv) anything analogous to or having a substantially similar effect to any of the events referred to above happens under the law of any applicable jurisdiction.

Defaulted Receivable means a Housing Loan:

- (a) under which the relevant Debtor fails to make a payment (in whole or in part) and 90 days or more have elapsed since the due date for such payment;
- (b) which has been written-off in accordance with the credit and collection policies of the relevant Servicer; or
- (c) in respect of which a Debtor Insolvency Event has occurred in respect of the applicable Debtor.

Delegate A\$ Note Registrar means Perpetual Nominees Limited (ABN 37 000 733 700).

Delegation Deed has the meaning given to that term in section 16.2 (“*Firstmac Mortgage Funding Trust No.4 Series 1-2018 Documents*”).

Delinquent Receivable means a Housing Loan under which the relevant Debtor fails to make a payment (in whole or in part) and at least 30 days but not more than 90 days have elapsed since the due date for such payment.

Denomination has the meaning given to that term in each of the A\$ Note Conditions and US\$ Note Conditions.

Deposit Account means an account denominated in A\$ in the name of Firstmac opened with the Deposit Bank in Sydney or Melbourne.

Deposit Account Balance means, on any day, the aggregate of the balance of the Deposit Account on that day and the outstanding principal amount of any Deposit Authorised Investments.

Deposit Account Maximum Balance means A\$27,600,000.

Deposit Authorised Investments means any Authorised Investments acquired using amounts standing to the credit of the Deposit Account in accordance with the terms of the Deposit Deed.

Deposit Bank means National Australia Bank Limited or any other person specified as such in the Deposit Deed from time to time.

Deposit Deed means the deed entitled "Firstmac Mortgage Funding Trust No.4 Series 1-2018 Deposit Deed" dated on or about 14 March 2018 between Firstmac, the Manager and the Deposit Bank.

Derivative Contract means, in respect of the Series, any interest rate swap, forward rate agreement, cap, floor, collar or other rate or price protection transaction or agreement, currency swap, any option with respect to any such transaction or agreement, or any combination of such transactions or agreements or other similar arrangements entered into by Firstmac in connection with:

- (a) the Notes in respect of the Series;
- (b) any Asset in respect of the Series; or
- (c) any Authorised Investment of the Series.

Determination Date means the day which is 2 Business Days prior to a Payment Date. The first Determination Date will be 5 April 2018.

Drawdown Date means the date on which a Scheduled Amortisation Advance is made under the Scheduled Amortisation Facility.

Early Redemption Date means the Payment Date on which all (but not some only) of the Notes are to be redeemed in full in accordance with the Transaction Documents.

Eligible Bank means a Bank with a short term and a long term credit rating equal to, or greater than, the Required Credit Rating.

Eligible Receivables means, at any time, Receivables complying with the Receivables Parameters.

Encumbrance means any:

- (a) 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 and any "security interest" as defined in sections 12(1) or (2) of the PPSA; or
- (b) 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
- (c) 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
- (d) third party right or interest or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

Enforcement Event means any of the following has occurred:

- (a) the occurrence of an Event of Default and the enforcement of the Security under the General Security Agreement; or
- (b) the Termination Date for the Trust has occurred and Firstmac has sold and realised the Assets of the Series.

Enforcement Expenses means all expenses paid by the Servicer and/or Firstmac in connection with the enforcement of any Housing Loan or any Related Security in respect of the Trust.

Event of Default means the occurrence of an event specified in section 11.8 (“*Security structure*”).

Expenses of the Series means all costs, charges and expenses reasonably and properly incurred by Firstmac or the Manager in connection with the Series excluding any amounts owing to any Secured Creditors, any Co-Arrangers and any Joint Lead Managers.

Extraordinary Expense Draw has the meaning given to that term in section 10.11 (“*Extraordinary Expense Draw*”).

Extraordinary Expense Reserve means the reserve account established in accordance with section 10.11 (“*Extraordinary Expense Draw*”).

Extraordinary Expenses means, in relation to a Collection Period, any out of pocket expenses properly and reasonably incurred by Firstmac in relation to the Trust in respect of the Series in respect of that Collection Period which are:

- (a) not contemplated by the Transaction Documents; and
- (b) not incurred in the ordinary course of business of the Trust in respect of the Series.

Extraordinary Resolution means a Resolution which is by 75% of votes cast by the persons present and entitled to vote at a meeting.

FastPay Carryover Charge-Off has the meaning given to it in section 10.17(g) (“*Carryover Charge-Offs*”).

FastPay Charge-Off has the meaning given to it in section 10.16(g) (“*Allocation of Liquidation Losses*”).

FastPay Conversion Date means, in respect of a FastPay Note, the first anniversary of its Issue Date.

FastPay Margin has the meaning given to it in the A\$ Note Conditions.

FastPay Note means a Note issued pursuant to clause 4.1(j) (“*Class A1-U Notes, Class A1-A Notes, Class A1-B Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and FastPay Notes*”) of the Supplementary Terms Notice.

FastPay Stated Amount means, in relation to a FastPay Note on any date, an amount equal to the Invested Amount of the FastPay Note on that date less any FastPay Carryover Charge-Offs as at the immediately preceding Payment Date made in respect of that FastPay Note which have not been reimbursed at that date.

FATCA has the meaning given to that term in the A\$ Note Conditions.

FATCA Withholding Tax has the meaning given to that term in the A\$ Note Conditions.

Final Maturity Date means the Payment Date occurring in March 2049.

Finance Charge Collections means, as calculated on a Determination Date, any interest and other amounts in the nature of interest or income, fees and charges (excluding Borrower Exit Fees but including any Holding Period Interest received in respect of Assets disposed of, transferred or Redesignated by Firstmac during such Collection Period) received during the

immediately preceding Collection Period under or in respect of any Receivable, or any similar amount in respect of a Receivable deemed by the Servicer to be in the nature of income, interest, fee or charge.

Firstmac Entity means any of the following:

- (a) Firstmac Limited;
- (b) Firstmac Mortgage Company Pty Ltd;
- (c) any Related Entity of Firstmac Limited; or
- (d) any investment trust:
 - (i) which is managed by Firstmac Limited;
 - (ii) in respect of which Firstmac Limited owns all of the units and most subordinated debt instruments issued in relation to that investment trust; and
 - (iii) which forms part of the consolidated accounting group and consolidated income tax group of Firstmac Limited and Firstmac Assets Pty Limited.

FirstSub means Firstmac Assets Pty Limited, its subsidiaries and each entity appointed a 'FirstSub' pursuant to the Transaction Documents.

Fitch means Fitch Australia Pty Ltd.

Further Advance means, in respect of a Receivable, any additional provision of financial accommodation (other than Redraws) made pursuant to the terms of the Receivable.

General Security Agreement has the meaning given to that term in section 16.2 ("*Firstmac Mortgage Funding Trust No. 4 Series 1-2018 Documents*").

GST means the goods and services tax payable under the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

GST Act means the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Holder in respect of:

- (a) a Class A1-U Note, has the meaning given to that term "Class A1-U Note Holder" in the US\$ Note Conditions; and
- (b) an A\$ Note, means the person for the time being registered on the A\$ Note Register as the holder of that A\$ Note.

Holding Period means in respect of any Receivables being acquired, Redesignated or disposed, the period commencing on the Cut-Off Date relating to such disposal, Redesignation or acquisition of such Receivables and ending on the date of such disposal, Redesignation or acquisition of such Receivables.

Holding Period Interest means, in respect of any Receivables being acquired or disposed of by Firstmac, the Accrual Amount for Receivables for the Holding Period calculated on the assumption that the Outstanding Amount of such Receivables for the duration of the Holding Period was the Outstanding Amount of those Receivables as at the first day of such Holding Period.

Housing Loan means a receivable secured by a Mortgage over Land.

Initial Invested Amount has the meaning given to that term:

- (a) for each Class A1-U Note, in the US\$ Note Conditions; and
- (b) for each A\$ Note, in the A\$ Note Conditions.

Initial Scheduled Amortisation Facility Limit means \$82,842,449.

Insolvency Event means the happening of any of these events:

- (a) an application (other than a frivolous or vexatious application or an application which is stayed within 15 Business Days) is made to a court or an order is made that the relevant body corporate be wound up other than for the purposes of a solvent reconstruction or amalgamation;
- (b) an application is made to a court or an order appointing a liquidator or provisional liquidator in respect of the relevant body corporate, or one of them is appointed, whether or not under an order;
- (c) a receiver, receiver and manager, liquidator, trustee or similar officer is appointed in respect of any part of the property of the relevant body corporate and such appointment is not remedied within 15 Business Days;
- (d) an administrator is appointed to the relevant body corporate or any steps are taken for the appointment of an administrator to the relevant body corporate;
- (e) the relevant body corporate commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors;
- (f) the relevant body corporate is or states that it is unable to pay its debts as and when they fall due or is deemed unable to pay its debts under any applicable legislation (other than as a result of the failure to pay a debt or claim which is the subject of a good faith dispute); or
- (g) anything analogous or having a substantially similar effect to any of the events specified above happens under the laws of any applicable jurisdiction.

Insurance Policy means, in respect of a Receivable, any policy of insurance provided by a relevant insurer in force in respect of a Receivable or its Related Security (if any), including:

- (a) any policy insuring against losses resulting from a default by a Debtor in respect of that Receivable; and
- (b) any property insurance insuring damage to the Property.

Interest Collections means an amount determined in accordance with section 10.5 ("*Calculation of Interest Collections*").

Interest Period has the meaning given to it in each of the A\$ Note Conditions and the US\$ Note Conditions.

Interest Rate:

- (a) for each Class A1-U Note, has the meaning given to the term "Class A1-U Note Interest Rate" in the US\$ Note Conditions; and
- (b) for each A\$ Note, has the meaning given to it in the A\$ Note Conditions.

Interest Rate Swap means each interest rate transaction that is entered into under the Interest Rate Swap Agreement.

Interest Rate Swap Agreement means:

- (a) the ISDA Master Agreement dated on or about 14 March 2018, and the Schedule, each Credit Support Annex and Confirmation forming part of it, between Firstmac, the Manager and the Interest Rate Swap Provider; and
- (b) any other ISDA Master Agreement and the Schedule forming part of it, which is designated as an "Interest Rate Swap Agreement" for the purposes of the Supplementary Terms Notice, entered into between Firstmac, the Manager and the Interest Rate Swap Provider from time to time provided that a Rating Notification has been given in respect of such agreement.

Interest Rate Swap Provider means National Australia Bank Limited (ABN 12 004 044 937).

Invested Amount means on any date and in respect of:

- (a) an A\$ Note, an amount equal to:
 - (i) the Initial Invested Amount of that A\$ Note; less
 - (ii) the aggregate of the principal payments made on or before that date in relation to that A\$ Note; and
- (b) a Class A1-U Note, an amount equal to:
 - (i) the Initial Invested Amount of that Class A1-U Note; less
 - (ii) the US\$ Equivalent of the aggregate of the principal payments made on or before that date in relation to that Class A1-U Note.

Issue Date means

- (a) in relation to a Class of Notes other than the Class A1-BR Notes and the FastPay Notes, 16 March 2018
- (b) in relation to the Class A1-BR Notes, the Class A1-B Note Scheduled Maturity Date; and
- (c) in relation to the FastPay Notes, such other date as may be determined by the Manager.

IWT has the meaning given to that term in section 14.1 ("*Interest Withholding Tax*" ("*IWT*")).

Joint Lead Manager means:

- (a) National Australia Bank Limited (ABN 12 004 044 937); and
- (b) United Overseas Bank Limited (ABN 56 060 785 284),

or either of them, as the context requires.

Land means:

- (a) land (including tenements and hereditaments corporeal and incorporeal and every estate and interest in it whether vested or contingent, freehold or Crown leasehold,

the terms of which lease is expressed to expire not earlier than five years after the maturity of the relevant Mortgage, and whether at law or in equity) wherever situated and including any fixtures to land; and

- (b) any parcel and any lot, common property and land comprising a parcel within the meaning of the Strata Schemes (Freehold Development) Act 1973 (NSW) or the Community Land Development Act 1989 (NSW) or any equivalent legislation in any other Australian jurisdiction.

Limit means the aggregate Outstanding Amount of all Receivables of the series as at the Closing Date.

Liquid Authorised Investments means the following for the purposes of the Trust:

- (a) cash held at an Eligible Bank (other than amounts held in the Collection Account or the Extraordinary Expense Reserve);
- (b) deposits with an Approved Corporation at the time of the deposit:
 - (i) rated AAA by Standard & Poor's for maturities exceeding 365 days, or A-1+ by Standard & Poor's for maturities less than 365 days (or both the long term and short term ratings if the liquid authorised investment holds both short term and long term ratings); and
 - (ii) with:
 - (B) a minimum long-term issuer default rating of A or a minimum short-term issuer default rating of F1 by Fitch for maturities up to 30 days; or
 - (C) a minimum long-term senior unsecured credit rating of AA- or a minimum short-term credit rating of F1+ by Fitch for maturities between 31 days and 365 days; and
- (c) deposits with a bank or financial institution:
 - (i) rated AAA by Standard & Poor's for maturities exceeding 365 days, or A-1+ by Standard & Poor's for maturities less than 365 days (or both the long term and short term ratings if the liquid authorised investment holds both short and long term ratings); and
 - (ii) with:
 - (A) a minimum long-term issuer default rating of A or a minimum short-term issuer default rating of F1 by Fitch for maturities up to 30 days; or
 - (B) a minimum long-term senior unsecured credit rating of AA- or a minimum short-term credit rating of F1+ by Fitch for maturities between 31 days and 365 days.

Such investments must:

- (i) be held in the name of Firstmac in respect of the Series;
- (ii) be in Australian Dollars;
- (iii) mature prior to the immediately succeeding Payment Date;

- (iv) not have any significant non-credit risks, for instance securities with the 'r' symbol attached to the rating and all mortgage-backed securities should not be included as eligible investments unless reviewed by Standard & Poor's or Fitch before their inclusion;
- (v) have a predetermined fixed-dollar amount of principal due at maturity that cannot vary or change;
- (vi) have interest tied to a single interest rate index plus a single fixed spread, if any, and move proportionately with that index; and
- (vii) not be an investment which constitutes 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).

Liquidation Loss means, in respect of a Collection Period, the aggregate of:

- (a) all losses (as determined by the Manager) for all Authorised Investments acquired from Principal Collections and the Deposit Account which arise during that Collection Period; and
- (b) in respect of a Housing Loan:
 - (i) the amount payable by the borrower under that Housing Loan together with all expenses relating to enforcement of that Housing Loan and the Related Security; less
 - (ii) the sum of:
 - (A) the amount realised by Firstmac on enforcement of the Housing Loan and the Related Security;
 - (B) any amount received in respect of the Housing Loan and the Related Security under any Insurance Policy; and
 - (C) the amount received by Firstmac from the Manager, the relevant FirstSub or Servicer in respect of a breach of a representation, warranty or covenant in respect of that Housing Loan or under an indemnity.

Liquidity Shortfall has the meaning given in section 10.7 ("*Liquidity Shortfall*").

Loan Agreement means the document or documents which evidence the obligation of a Debtor to repay amounts owing under a Receivable and to comply with the other terms of that Receivable.

London Business Day means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

LVR has the meaning given to that term in section 17 ("*Receivables Parameters*").

Manager means Firstmac Limited (ABN 59 094 145 963).

Manager Termination Event has the meaning given to that term in section 11.6 ("*The Manager*").

Master Definitions Schedule has the meaning given to that term in section 16.1 (“*Master Trust Documents*”).

Master Management Deed has the meaning given to that term in section 16.1 (“*Master Trust Documents*”).

Master Servicer Deed has the meaning given to that term in section 16.1 (“*Master Trust Documents*”).

Master Trust Deed has the meaning given to that term in section 16.1 (“*Master Trust Documents*”).

Material Adverse Effect means an event which will materially and adversely affect the amount of any payment of a Senior Obligation to a Secured Creditor or the timing of such payments.

Maximum Class A1-BR Note Margin has the meaning given to that term in the A\$ Note Conditions.

Monthly Expenses means in respect of a Payment Period the aggregate of the Required Payments in respect of that Payment Date, the Residual Class B Interest payable on that Payment Period and any Unpaid Residual Class B Interest, the Residual Class C Interest payable on that Payment Period and any Unpaid Residual Class C Interest, the Residual Class D Interest payable on that Payment Period and any Unpaid Residual Class D Interest, the Residual Class E Interest payable on that Payment Period and any Unpaid Residual Class E Interest.

Mortgage Insurance Policy means, in respect of a Receivable, any policy of insurance provided by a Mortgage Insurer in force in respect of a Receivable or its Related Security (if any), including any policy insuring against losses resulting from a default by a Debtor in respect of that Receivable.

Mortgage Insurer means each of Genworth Financial Mortgage Insurance Pty Ltd (ABN 60 106 974 305), and QBE Lenders’ Mortgage Insurance Limited (ABN 70 000 511 071).

NAB Group means National Australia Bank Limited (ABN 12 004 044 937) and each Associate of National Australia Bank Limited (ABN 12 004 044 937).

Note means a Class A1-U Note, each Class A1-A Note, each Class A1-B Note, each Class A1-BR Note, each Class A2 Note, Class B Note, Class C Note, Class D Note, Class E Note, Class F Note and FastPay Note (or more than one of them) as the context requires.

Note Trust means the trust entitled “Firstmac Mortgage Funding Trust No.4 Series 1-2018 Note Trust” constituted under the Note Trust Deed.

Notice of Creation of Security Trust has the meaning given to that term in section 16.2 (“*Firstmac Mortgage Funding Trust No. 4 Series 1-2018 Documents*”).

Notice of Creation of Trust has the meaning given to that term in section 16.2 (“*Firstmac Mortgage Funding Trust No. 4 Series 1-2018 Documents*”).

Offered Notes has the meaning given to it in section 14 (“*Taxation Considerations*”).

Originator means each of Firstmac Limited (ABN 59 094 145 963) and First Mortgage Company Pty Limited (ABN 37 099 125 318).

Originator Termination Event means, in respect of a FirstSub, the occurrence of any of the following events in respect of that FirstSub:

- (a) that FirstSub breaches any material covenant or provision of the Master Origination Deed (as determined in the reasonable opinion of Firstmac) and such breach has a Material Adverse Effect and such breach (if capable of remedy) is not remedied to the satisfaction of Firstmac within 10 days of notice of such breach by Firstmac to that FirstSub;
- (b) any representation or warranty made by that FirstSub under the Master Origination Deed is untrue or incorrect and has a Material Adverse Effect and either:
 - (i) the breach is not remedied to the satisfaction of Firstmac within 30 days of notice of such inaccuracy by Firstmac to that FirstSub; or
 - (ii) that FirstSub has not paid an amount to Firstmac representing the loss suffered by Firstmac as a result of that inaccuracy (being an amount agreed between that FirstSub and Firstmac or, failing agreement, by Firstmac's accountants) within 30 days of notice of such inaccuracy by Firstmac to that FirstSub;
- (c) an Insolvency Event occurs in respect of that FirstSub;
- (d) that FirstSub, without the prior consent of Firstmac, ceases to carry on business or threatens so to do; or
- (e) the Master Origination Deed ceases to be in full force and effect or is declared by any court of competent jurisdiction to be void or unenforceable.

Other Income means, on a Determination Date:

- (a) any interest received on Authorised Investments and Deposit Authorised Investments during the immediately preceding Collection Period;
- (b) any income earned and received on moneys standing to the credit of the Collection Account, the Deposit Account and the Extraordinary Expense Reserve during the immediately preceding Collection Period; and
- (c) any other miscellaneous income received or expected to be received by Firstmac on or before the immediately following Payment Date.

Other Series means any Series (as defined in the Master Definitions Schedule) relating to the Trust other than the Series.

Outstanding Amount means, in relation to a Receivable, the principal outstanding (for the avoidance of doubt, including any interest that has been Posted but remains unpaid) in respect of that Receivable calculated in accordance with the terms of the relevant Loan Agreement.

Payment Date means:

- (a) the 8th day of each month or if that day is not a Business Day, then the immediately following Business Day (unless that day falls in the next calendar month, in which case the preceding Business Day); and
- (b) the date on which all Secured Money is repaid by Firstmac.

The first Payment Date will be 9 April 2018.

Payment Period means the period commencing on (and including) a Payment Date and ending on (but excluding) the next Payment Date. The first Payment Period in respect of a

Note will be the period commencing on (and including) the Issue Date of that Note and ending on (but excluding) the first Payment Date. The last Payment Period in respect of a Note will be the period commencing on (and including) the Payment Date immediately preceding the Final Maturity Date and ending on (but excluding) the date on which all Secured Money is repaid by Firstmac.

Payment Shortfall has the meaning given to that term in section 10.9 (*"Payment Shortfall"*).

Permitted Encumbrance means any Encumbrance over any Receivable or Related Security, which will be released on the relevant Closing Date.

Posted means, in respect of any interest, fees and charges in respect of a Receivable that such any interest, fees and charges have accrued on such Receivable and have been added to the account of the borrower and which remain unpaid by the borrower.

PPSA means:

- (a) the Personal Property Securities Act 2009 (Cth) (**"PPS Act"**);
- (b) any regulations made at any time under the PPS Act;
- (c) any provision of the PPS Act or regulations referred to in paragraph (b) above;
- (d) any amendment to any of the above, made at any time; or
- (e) any amendment made at any time to any other legislation as a consequence of the PPSA referred to in paragraphs (a) to (d) above.

Pricing Date means:

- (a) in respect of Notes other than the Class A1-BR Notes and the FastPay Notes, the date notified by the Manager to Firstmac pursuant to the Dealer Agreement in respect of the issue of the Notes (other than the Class A1-BR Notes and the FastPay Notes);
- (b) in respect of the Class A1-BR Notes, has the meaning given to it in the Class A1-BR Note Dealer Agreement; and
- (c) in respect of the FastPay Notes, such other date as may be determined by the Manager in respect of the issue of FastPay Notes (as applicable).

Principal Collections means an amount determined in accordance with section 10.6 (*"Calculation of Principal Collections"*).

Principal Draw has meaning given in section 10.10 (*"Principal Draw"*).

Principal Repayment Fund means, for a Collection Period, the aggregate of:

- (a) all Principal Collections for that Collection Period;
- (b) all amounts allocated to the Principal Repayment Fund to reimburse Class A1-U Charge-Offs, Class A1-A Charge-Offs, Class A1-B Charge-Offs, Class A1-BR Charge-Offs, Class A2 Charge-Offs, Class B Charge-Offs, Class C Charge-Offs, Class D Charge-Offs, Class E Charge-Offs, Class F Charge-Offs or FastPay Charge-Offs (as the case may be) pursuant to section 10.14 (*"Distribution of Total Interest Collections"*) on the Payment Date immediately following the end of that Collection Period;

- (c) all amounts allocated to the Principal Repayment Fund to reimburse Class A1-U Carryover Charge-Offs, Class A1-A Carryover Charge-Offs, Class A1-B Carryover Charge-Offs, Class A1-BR Carryover Charge-Offs, Class A2 Carryover Charge-Offs, Class B Carryover Charge-Offs, Class C Carryover Charge-Offs, Class D Carryover Charge-Offs, Class E Carryover Charge-Offs, Class F Carryover Charge-Offs or FastPay Carryover Charge-Offs (as the case may be) pursuant to section 10.14 ("*Distribution of Total Interest Collections*") on the Payment Date immediately following the end of that Collection Period;
- (d) the amount (if any) allocated to Principal Collections in reimbursement of any outstanding Principal Draw under section 10.14(r) ("*Distribution of Total Interest Collections*");
- (e) the Accrual Amount for the immediately preceding Collection Period;
- (f) in respect of the first Determination Date, any proceeds:
 - (i) of issuance of the A\$ Notes issued on the Closing Date; and
 - (ii) received from the Currency Swap Provider on the Closing Date,which is in excess of what was required to acquire the Housing Loans and the initial Liquid Authorised Investments on the Closing Date;
- (g) the proceeds from the realisation of any Liquid Authorised Investments during that Collection Period in accordance with section 10.8(d) ("*Liquid Authorised Investments*") to the extent that the Liquid Authorised Investments are not required for the purposes of satisfying the Required Liquid Authorised Investment Amount as at the Payment Date immediately following the end of that Collection Period;
- (h) any Liquid Authorised Investments realised in accordance with section 10.8(e)(ii) ("*Liquid Authorised Investments*") on the Payment Date on which all Notes are to be redeemed in full; and
- (i) any Scheduled Amortisation Fund Excess to be applied on the immediately following Payment Date under section 10.12(c)(iii) ("*Scheduled Amortisation Fund Draw, Scheduled Amortisation Facility Draw and Scheduled Amortisation Fund Excess*").

Pro Rata Test will be satisfied on any Payment Date after the third anniversary of the Issue Date if, as at the immediately preceding Determination Date:

- (a) no more than 2.0% (calculated by reference to the Outstanding Amounts of the relevant Receivables) of the Receivables is 90 days or more in arrears on average as at the last day of each of the four Collection Periods immediately prior to that Determination Date;
- (b) the Payment Date is not on or after the first Call Date;
- (c) there are no Carryover Charge-Offs in respect of any Notes which remain unreimbursed as at that Determination Date;
- (d) the Class A1 Subordination Percentage is at least 19.00%;
- (e) the Class A2 Subordination Percentage is at least 6.00%;
- (f) the Class B Subordination Percentage is at least 3.75%;
- (g) the Class C Subordination Percentage is at least 2.25%; and

- (h) the Class D Subordination Percentage is at least 1.50%.

Rating Notification in relation to an event or circumstance means that the Manager has confirmed in writing to Firstmac that:

- (a) it has notified each Current Rating Agency in writing of the event or a circumstance; and
- (b) it is satisfied that the event or circumstance is unlikely to result in an Adverse Rating Effect.

RBA Bond Basis has the meaning given to that term in the A\$ Note Conditions.

Receivable means the right, title and interest in, to and under any asset, including, without limitation, under:

- (a) a Housing Loan, secured line of credit or other secured revolving facility, commercial loan, personal loan, credit card receivables and other receivables or any other form of monetary obligation; or
- (b) Related Securities and other rights in respect of such an asset.

Receivables Parameters means, in respect of the Series, the parameters set out in section 17 ("*Receivables Parameters*").

Receivables Transfer Statement means a statement by Firstmac substantially in the form of Schedule 3 to the Master Trust Deed.

Record Date has the meaning given to that term in each of the A\$ Note Conditions and the US\$ Note Conditions.

Redesignation means the redesignation by Firstmac (in its capacity as trustee of the trusts) of a Receivable from being designated as a Receivable of one Relevant Trust or Relevant Series, to being designated as a Receivable of a Relevant Trust or Relevant Series (or both) pursuant to the Master Trust Deed.

Redraws means a request made by a Debtor under the terms of a Receivable for payment to that Debtor of amounts which that Debtor has repaid under the terms of its Receivable which does not result in an increase in the scheduled balance (calculated in accordance with the terms of the Housing Loan related to that Receivable on its Settlement Date) of the Housing Loan related to that Receivable.

Related Body Corporate has the meaning set out in section 9 of the Corporations Act.

Related Security means, in respect of a Receivable:

- (a) any:
- (i) Mortgage;
 - (ii) Insurance Policy;
 - (iii) Security Interest;
 - (iv) guarantee, indemnity or other assurance; or
 - (v) asset,

which, in either case, secures or otherwise provides for the repayment or payment of the amount owing under the Receivable; or

- (b) any Insurance Policy (both present and future) in respect of the Receivable.

Relevant Country has the meaning given to that term in the A\$ Note Conditions.

Relevant Day has the meaning given to that term in section 17 ("*Receivables Parameters*").

Relevant Margin has the meaning given to it in the A\$ Note Conditions.

Relevant Series means each part of the assets of a trust (other than the Trust) created pursuant to the Master Trust Deed which are secured under a separate general security agreement and the transaction documents relating to those assets and liabilities which is constituted by the creation of the relevant security trust.

Relevant Trust means any trust constituted under the Master Trust Deed (other than the Trust, the Security Trust or any other security trust including any trust (other than the Trust)) constituted under clause 2 ("*Establishment of Trusts*") of the Master Trust Deed.

Required Credit Rating means:

- (a) for Authorised Investments and Deposit Authorised Investments:
- (i) a short term credit rating of F1+ or a long term credit rating of 'AA-' from Fitch; together with
 - (ii) a short term credit rating of A-1+ or a long term credit rating of AAA from Standard and Poor's (as the case may be); and
- (b) for an Eligible Bank:
- (i) a short term credit rating of 'F1' or a long term credit rating of 'A' from Fitch; together with
 - (ii) either a:
 - (A) long term credit rating of at least 'A' from Standard & Poor's, provided the Bank also has short term credit rating of not less than 'A-1' from Standard & Poor's; or
 - (B) long term rating is at least 'A+' from Standard & Poor's.

Required Extraordinary Expense Reserve Balance means \$250,000.

Required Liquid Authorised Investment Amount means an amount of Liquid Authorised Investments equal to:

- (a) on the Closing Date, \$4,800,000;
- (b) at any time following the Closing Date, the greater of:
- (i) 0.8% of the Aggregate Invested Amount of all Notes at the relevant time; and
 - (ii) \$480,000,

or such lesser amount in respect of which a Rating Notification has been given.

Required Payments means:

- (a) on any Determination Date where the Stated Amount of the Class E Notes is less than the Invested Amount of the Class E Notes, the aggregate of priority payments in paragraphs (a) to (o) (inclusive) only of section 10.14 (*"Distribution of Total Interest Collections"*);
- (b) on any Determination Date where the Stated Amount of the Class D Notes less than the Invested Amount of the Class D Notes, the aggregate of priority payments in paragraphs (a) to (n) (inclusive) only of section 10.14 (*"Distribution of Total Interest Collections"*);
- (c) on any Determination Date where the Stated Amount of the Class C Notes is less than the Invested Amount of the Class C Notes, the aggregate of priority payments in paragraphs (a) to (m) (inclusive) only of section 10.14 (*"Distribution of Total Interest Collections"*);
- (d) on any Determination Date where the Stated Amount of the Class B Notes is less than the Invested Amount of the Class B Notes, the aggregate of priority payments in paragraphs (a) to (p) (inclusive) only of section 10.14 (*"Distribution of Total Interest Collections"*); and
- (e) in all other cases, the aggregate of priority payments in paragraphs (a) to (p) (inclusive) of section 10.14 (*"Distribution of Total Interest Collections"*).

Residual Capital Unit means each unit issued by Firstmac to the Residual Capital Unitholder in accordance with the terms of the Trust.

Residual Capital Unitholder means each holder of a Residual Capital Unit in accordance with the Transaction Documents being, at the date of this Information Memorandum, First Mortgage Company Pty Limited (ABN 37 099 125 318).

Residual Class B Interest has the meaning given to that term in the A\$ Note Conditions.

Residual Class C Interest has the meaning given to that term in the A\$ Note Conditions.

Residual Class D Interest has the meaning given to that term in the A\$ Note Conditions.

Residual Class E Interest has the meaning given to that term in the A\$ Note Conditions.

Residual Class F Interest has the meaning given to that term in the A\$ Note Conditions.

Residual Income Unit means the unit issued by Firstmac to the Residual Income Unitholder in accordance with the terms of the Trust.

Residual Income Unitholder means the holder of a Residual Income Unit in accordance with the Transaction Documents being, at the date of this Information Memorandum, First Mortgage Company Pty Limited (ABN 37 099 125 318).

Resolution means:

- (a) a resolution passed at a meeting:
 - (i) on a show of hands, by the required majority or percentage, as the case may be, of persons present and voting, in person or by proxy; or
 - (ii) if a poll is duly demanded, by the persons holding the required majority of the Secured Money (in the case of a meeting of Beneficiaries) or percentage of

the amount outstanding under the Notes (in the case of a meeting of Holders); or

- (b) where the law allows, a resolution in writing signed by persons holding the required majority of the Secured Money (in the case of a meeting of Beneficiaries) or percentage of Holders (in the case of a meeting of Holders).

Retention Vehicle means Firstmac Risk Retention Pty Ltd (ACN 624 813 074).

Scheduled Amortisation Advance has the meaning given to that term in section 11.16 (*"Scheduled Amortisation Facility Agreement"*) under the sub-heading "Scheduled Amortisation Advances".

Scheduled Amortisation Availability Period means the period from the date of the Scheduled Amortisation Facility Agreement to the Determination Date in respect of the Payment Date immediately preceding the first to occur of the date on which the Invested Amount of the Class A1-U Notes is reduced to zero, first Call Date and the Early Redemption Date.

Scheduled Amortisation Facility means the facility available to be drawn to fund Scheduled Amortisation Facility Draws under the Scheduled Amortisation Facility Agreement.

Scheduled Amortisation Facility Agreement means the agreement entitled "Firstmac Mortgage Funding Trust No. 4 – Series 1-2018 Scheduled Amortisation Facility Agreement" dated on or about 14 March 2018 between Firstmac, the Manager and the Scheduled Amortisation Facility Provider.

Scheduled Amortisation Facility Draw has the meaning set out in section 10.12 (*"Scheduled Amortisation Fund Draw, Scheduled Amortisation Facility Draw and Scheduled Amortisation Fund Excess"*).

Scheduled Amortisation Facility Provider means National Australia Bank Limited (ABN 12 004 044 937).

Scheduled Amortisation Fund means each of the Deposit Account and any Additional Deposit Account.

Scheduled Amortisation Fund Balance means, at any time, the aggregate of the Deposit Account Balance and each Additional Deposit Account Balance (if any) at that time.

Scheduled Amortisation Fund Draw has the meaning set out in section 10.12 (*"Scheduled Amortisation Fund Draw, Scheduled Amortisation Facility Draw and Scheduled Amortisation Fund Excess"*).

Scheduled Amortisation Fund Excess means, in respect of a Determination Date, the amount (if positive) by which the Scheduled Amortisation Fund Balance in respect of that Determination Date exceeds the Scheduled Amortisation Fund Limit on that day.

Scheduled Amortisation Fund Limit means, at any time:

- (a) if Class A1-A Notes are outstanding at that time, A\$42,000,000; or
- (b) if Class A1-A Notes are not outstanding at that time, the Aggregate Invested Amount of all Notes at that time; and

provided that the Scheduled Amortisation Fund Limit will be zero on and from the Determination Date immediately preceding the Payment Date which is the first to occur of the

date on which the Invested Amount of the Class A1-U Notes is reduced to zero, the Early Redemption Date and the first Call Date.

Scheduled Amortisation Further Shortfall means, in respect of a Determination Date, the amount (if positive) by which the Scheduled Amortisation Shortfall in respect of that Determination Date exceeds the Scheduled Amortisation Fund Draw in respect of that Determination Date.

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

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

Scheduled Amortisation Shortfall means, in respect of a Determination Date and the immediately following Payment Date, the amount (if positive) by which the aggregate of the Class A1-U Note Amortisation Amount in respect of that Payment Date exceeds the amount available to be applied from Total Available Principal on the next Payment Date under sections 10.19(d)(i)(B), 10.19(e)(i)(A)(ab), or 10.19(e)(i)(B)(ab) ("*Distribution of Principal Repayment Fund*") (as applicable).

Secured Creditors means:

- (a) each Holder of a Note;
- (b) the Interest Rate Swap Provider;
- (c) the Currency Swap Provider;
- (d) each other Counterparty;
- (e) the Manager;
- (f) the Servicer;
- (g) the Custodian;
- (h) the A\$ Note Registrar;
- (i) the Delegate A\$ Note Registrar;
- (j) the Standby Trustee;
- (k) the Standby Servicer;
- (l) the Standby Manager;
- (m) the Security Trustee (in its personal capacity and as trustee of the Security Trust);
- (n) the US\$ Note Trustee;
- (o) the US\$ Note Paying Agent;
- (p) the US\$ Note Registrar;
- (q) the US\$ Note Calculation Agent; and

- (r) the Scheduled Amortisation Facility Provider.

Secured Money means all amounts which at any time for any reason or circumstance in connection with any Transaction Document that relates to, or applies to, the Series or the General Security Agreement or any transactions contemplated by any of them (insofar as such transactions relate to, or apply to, the Series), whatsoever whether at law, in equity, under statute or otherwise, and whether or not of a type within the contemplation of the parties at the date of the General Security Agreement:

- (a) are payable, are owing but not currently payable, are contingently owing, or remain unpaid by Firstmac to the Security Trustee on its own account or for the account of the Secured Creditors or to any Secured Creditor or to any Receiver; or
- (b) have been advanced or paid by the Security Trustee on its own account or for the account of the Secured Creditors or by any Secured Creditor:
- (i) at the express request of Firstmac; or
- (ii) on behalf of Firstmac; or
- (c) which the Security Trustee on its own account or for the account of the Secured Creditors or any Secured Creditor is liable to pay by reason of any act or omission on Firstmac's part or has paid or advanced in the protection or maintenance of the Collateral or the security interest in the General Security Agreement following an act or omission on Firstmac's part; or
- (d) are reasonably foreseeable as likely, after that time, to fall within any of paragraphs (a), (b) or (c) above.

This definition applies:

- (i) irrespective of the capacity in which Firstmac, the Security Trustee or any Secured Creditor became entitled or is liable in respect of the amount concerned;
- (ii) whether Firstmac, the Security Trustee or any Secured Creditor is liable as principal debtor or surety or otherwise;
- (iii) whether Firstmac is liable alone or jointly, or jointly and severally with another person;
- (iv) whether or not the Security Trustee or any Secured Creditor is the original obligee or an assignee or a transferee of the Secured Money and whether or not:
- (A) the assignment or transfer took place before or after the date of the General Security Agreement; or
- (B) Firstmac consented to or was aware of the assignment or transfer; or
- (C) the assigned or transferred obligation was secured; or
- (i) whether the Security Trustee or any Secured Creditor is the original Security Trustee or an original Secured Creditor or an assignee or a transferee of the original Security Trustee or an original Secured Creditor, and whether or not Firstmac consented to or was aware of the assignment or transfer; or

- (ii) irrespective of whether or not Firstmac has a right of indemnity out of the Collateral.

Securities Act means the U.S. Securities Act of 1933, as amended.

Security means:

- (a) the Master Trust Deed;
- (b) the General Security Agreement;
- (c) each other present or future Encumbrance created or entered into as security for the payment of the Secured Money of the Series in favour of the Security Trustee; and
- (d) each other document which Firstmac and the Security Trustee agree is a 'Security' for the purposes of the Security Trust.

Security Interest means any bill of sale (as defined in any statute), mortgage, charge, letter of credit, lien, pledge, hypothecation, title retention arrangement, trust or power, as or in effect as security for the payment of a monetary obligation or the observance of any other obligation.

Security Trust means the "Firstmac Mortgage Funding Trust No. 4 Series 1-2018 Security Trust" constituted under the Master Trust Deed and the Notice of Creation of Security Trust.

Security Trustee means P.T. Limited (ABN 67 004 454 666) as trustee of the Security Trust.

Seller means Firstmac Fiduciary Services Pty Limited in its capacity as trustee of each Relevant Trust and in respect of each Relevant Series.

Senior Obligations means, the obligations of Firstmac:

- (a) in respect of the FastPay Notes, Class A1 Notes, and any obligations ranking equally or senior to the FastPay Notes and Class A1 Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), at any time while the FastPay Notes or Class A1 Notes are outstanding;
- (b) in respect of the Class A2 Notes and any obligations ranking equally or senior to the Class A2 Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), at any time while the Class A2 Notes are outstanding but no FastPay Notes or Class A1 Notes are outstanding;
- (c) in respect of the Class B Notes and any obligations ranking equally or senior to the Class B Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), other than Residual Class B Interest at any time, while the Class B Notes are outstanding but no FastPay Notes, Class A1 Notes or Class A2 Notes are outstanding;
- (d) in respect of the Class C Notes and any obligations ranking equally or senior to the Class C Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), other than Residual Class C Interest at any time while the Class C Notes are outstanding but no FastPay Notes, Class A1 Notes, Class A2 Notes or Class B Notes are outstanding;
- (e) in respect of the Class D Notes and any obligations ranking equally or senior to the Class D Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), other than Residual Class

- D Interest at any time while the Class D Notes are outstanding but no FastPay Notes, Class A1 Notes, Class A2 Notes, Class B Notes or Class C Notes are outstanding;
- (f) in respect of the Class E Notes and any obligations ranking equally or senior to the Class E Notes (as determined in accordance with the order of priority set out in section 10.14 (“*Distribution of Total Interest Collections*”)), other than Residual Class E Interest at any time while the Class E Notes are outstanding but no FastPay Notes, Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes or Class D Notes are outstanding;
- (g) in respect of the Class F Notes and any obligations ranking equally or senior to the Class F Notes (as determined in accordance with the order of priority set out in section 10.14 (“*Distribution of Total Interest Collections*”)), other than Residual Class F Interest at any time while the Class F Notes are outstanding but no FastPay Notes, Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes or Class F Notes are outstanding; and
- (h) under the Transaction Documents generally, at any time while no Notes are outstanding.

Series means the Series 1-2018 established in accordance with the Master Trust Deed and the Supplementary Terms Notice.

Servicer means Firstmac Limited (ABN 59 094 145 963).

Servicer Termination Event has the meaning given to that term in section 11.7 (“*The Servicer*”).

Servicing Procedures means, from time to time, the then current policies and procedures of the Servicer and Firstmac in relation to the servicing of Receivables.

Shortfall Adjustment means, if the amount in paragraph (a)(i) less the amounts in paragraphs (b), (c) and (d) of the definition of Principal Collections is a negative amount, the absolute value of that amount, otherwise zero.

Specified Officer has the meaning given to that term in the A\$ Note Conditions.

Standard & Poor’s means S&P Global Ratings Australia Pty Limited (ABN 62 007 324 852).

Standby Manager means the standby manager appointed in accordance section 11.6 (“*Standby Manager*”) under the heading “*Termination*”.

Standby Servicer means Perpetual Trustee Company Limited (ABN 42 000 001 007).

Standby Trustee means Perpetual Corporate Trust Limited (ABN 99 000 341 533).

Stated Amount means the Class A1-U Stated Amount, the Class A1-A Stated Amount, the Class A1-B Stated Amount, the Class A1-BR Stated Amount, the Class A2 Stated Amount, the Class B Stated Amount, the Class C Stated Amount, the Class D Stated Amount, the Class E Stated Amount, the Class F Stated Amount or the FastPay Stated Amount, as the context requires.

Step-down Margin Date has the meaning given to that term in the A\$ Note Conditions.

Supplementary Terms Notice has the meaning given to that term in section 16.2 (“*Firstmac Mortgage Funding Trust No. 4 Series 1-2018 Documents*”).

Support Facilities means the agreements or arrangements (the terms of any such agreements or arrangements must be notified by the Manager and notified to the Current Rating Agencies) entered into by Firstmac with the Support Facility Provider to fund Redraws where there are insufficient Principal Collections on any particular day.

Support Facility Provider means any support facility provider to the Series.

Swap Collateral means, on any day, the amount of cash collateral or securities (if any) paid to Firstmac by the Interest Rate Swap Provider, any Currency Swap Provider or a Counterparty that has not been previously applied to satisfy that person's obligations under the relevant Interest Rate Swap Agreement, the Currency Swap Agreement or the Derivative Contract (as the case may be).

Tax Amount means, a proportion determined by the Manager to be the Series share, in respect of a Payment Period, of the amount (if any) of Tax that the Manager reasonably determines will be payable in the future by Firstmac in respect of the Trust and which accrued during that Payment Period.

Tax Shortfall means, a proportion determined by the Manager to be the Series share, in respect of a Payment Period, of the amount (if any) determined by the Manager to be the shortfall between the aggregate Tax Amounts determined by the Manager in respect of previous Payment Dates and the amounts set aside under sections 10.14(rr) and 10.14(ss) ("*Distribution of Total Interest Collections*") on previous Payment Dates.

Threshold Amount means the total amount required to pay all Monthly Expenses (taking into account the commercial rates that would apply if the Manager, the Servicer or Firstmac, as the case may be, were replaced by unrelated third parties) on each Payment Date as calculated by the Manager.

Threshold Margin means 0.25%.

Threshold Rate means the Threshold Margin plus the minimum rates required to be set on the Receivables (excluding any Defaulted Receivables) which will ensure that Firstmac has sufficient funds (from Collections on such Receivables as well as any net amounts due to it under Derivative Contracts) available to meet the Threshold Amount, under the Transaction Documents assuming that all parties comply with their obligations under such documents and such Receivables, and taking into account Receivables where the Servicer does not have the discretion under the related Loan Agreement to vary the interest rate of that Receivable and moneys held in Authorised Investments and other income earned on the Deposit Account and Deposit Authorised Investments.

Title Documents means the documents of title and other supporting documents with respect to that Housing Loan including, without limitation:

- (a) the mortgage cover sheet and any schedule or annexure to it;
- (b) the Loan Agreement;
- (c) any guarantee in respect of the borrower's obligations under the Loan Agreement;
- (d) any acknowledgment that the obligations of the borrower under the Loan Agreement or a guarantor under the guarantee are secured under the Housing Loan;
- (e) the certificate of title or its equivalent (if issued) to the property over which the Housing Loan is taken;
- (f) a copy of the solicitor's certificate given in respect of the Housing Loan;

- (g) if applicable, a copy of all Insurance Policies or evidence of the currency or existence of such Insurance Policies required in relation to the Housing Loan; and
- (h) such other originals or copies of documents relating to the Housing Loan as may have been entered into or prepared and which evidence the obligations of the borrower, mortgagor or guarantor in respect of the Housing Loan, or the interest of Firstmac in respect of the Housing Loan.

Title Perfection Event means, in respect of a Series:

- (a) the occurrence of an Insolvency Event in respect of a Seller or a FirstSub; or
- (b) a Seller or the Servicer of the Series fails to pay Collections in accordance with the Master Trust Deed within three Business Days of the due date for payment (except where the Security Trustee determines that the event is not a "Title Perfection Event" and notifies each Current Rating Agency).

Total Interest Collections means, on a Determination Date, the amount calculated in accordance with section 10.13 ("*Calculation and application of Total Interest Collections*") on that Determination Date.

Transaction Document means:

- (a) the Master Trust Deed (insofar as it relates to the Trust and the Series);
- (b) the Master Definitions Schedule (insofar as it relates to the Trust and the Series);
- (c) the Notice of Creation of Trust in respect of the Trust;
- (d) the Notice of Creation of Security Trust in respect of the Series;
- (e) the Supplementary Terms Notice;
- (f) the Interest Rate Swap Agreement;
- (g) the Currency Swap Agreement;
- (h) the Dealer Agreement;
- (i) the Class A1-BR Note Dealer Agreement;
- (j) the A\$ Note Deed Poll (including the A\$ Note Conditions);
- (k) the Note Trust Deed (including the US\$ Note Conditions);
- (l) the Agency Agreement
- (m) the Deposit Deed;
- (n) the Scheduled Amortisation Facility Agreement;
- (o) the Master Servicer Deed (insofar as it relates to the Series);
- (p) the Master Management Deed (insofar as it relates to the Series);
- (q) the General Security Agreement;
- (r) any Derivative Contract;

- (s) any Support Facilities; and
- (t) any Security Interest or guarantee to be given by the relevant FirstSub in favour of the Security Trustee.

Trust means the Firstmac Mortgage Funding Trust No. 4 constituted under the Master Trust Deed by the Notice of Creation of Trust.

Unpaid Interest means, on any day, any amount of interest (other than Residual Class B Interest, Residual Class C Interest, Residual Class D Interest, Residual Class E Interest and Residual Class F Interest) due to the Holder of an A\$ Note which is not paid in full on the date when it is due and payable, together with interest on that amount calculated at the aggregate of:

- (a) the Interest Rate (as defined in the A\$ Note Conditions) in respect of that A\$ Note; and
- (b) in respect of the Class B Notes only, the Class B Residual Margin; and
- (c) in respect of the Class C Notes only, the Class C Residual Margin; and
- (d) in respect of the Class D Notes only, the Class D Residual Margin; and
- (e) in respect of the Class E Notes only, the Class E Residual Margin; and
- (f) in respect of the Class F Notes only, the Class F Residual Margin,

from the date on which the amount of interest fell due for payment until the day on which it is actually paid in full in accordance with the Supplementary Terms Notice.

Unpaid Residual Class B Interest means, on any day, any amount of Residual Class B Interest due to the Holder of a Class B Note which is not paid in full on the date when it is due and payable, together with interest on that amount calculated at the aggregate of:

- (a) the Bank Bill Rate; and
- (b) the Class B Margin; and
- (c) the Class B Residual Margin,

from the date on which the amount of interest fell due for payment until the day on which it is actually paid in full in accordance with the Supplementary Terms Notice.

Unpaid Residual Class C Interest means, on any day, any amount of Residual Class C Interest due to the Holder of a Class C Note which is not paid in full on the date when it is due and payable, together with interest on that amount calculated at the aggregate of:

- (a) the Bank Bill Rate; and
- (b) the Class C Margin; and
- (c) the Class C Residual Margin,

from the date on which the amount of the interest fell due for payment until the day on which it is actually paid in full in accordance with the Supplementary Terms Notice.

Unpaid Residual Class D Interest means, on any day, any amount of Residual Class D Interest due to the Holder of a Class D Note which is not paid in full on the date when it is due and payable, together with interest on that amount calculated at the aggregate of:

- (a) the Bank Bill Rate; and
- (b) the Class D Margin; and
- (c) the Class D Residual Margin,

from the date on which the amount of the interest fell due for payment until the day on which it is actually paid in full in accordance with the Supplementary Terms Notice.

Unpaid Residual Class E Interest means, on any day, any amount of Residual Class E Interest due to the Holder of a Class E Note which is not paid in full on the date when it is due and payable, together with interest on that amount calculated at the aggregate of:

- (a) the Bank Bill Rate; and
- (b) the Class E Margin; and
- (c) the Class E Residual Margin,

from the date on which the amount of the interest fell due for payment until the day on which it is actually paid in full in accordance with the Supplementary Terms Notice.

Unpaid Residual Class F Interest means, on any day, any amount of Residual Class F Interest due to the Holder of a Class F Note which is not paid in full on the date when it is due and payable, together with interest on that amount calculated at the aggregate of:

- (a) the Bank Bill Rate; and
- (b) the Class F Margin; and
- (c) the Class F Residual Margin,

from the date on which the amount of the interest fell due for payment until the day on which it is actually paid in full in accordance with the Supplementary Terms Notice.

UOB Group means United Overseas Bank Limited (ABN 56 060 785 284) and each Associate of United Overseas Bank Limited (ABN 56 060 785 284).

USD-LIBOR-BBA for an Interest Period will be calculated by the US\$ Note Calculation Agent in accordance with paragraph (a) (or, if applicable, paragraph (b)) below:

- (a) on the day that is two London Business Days preceding the Rate Set Date the Class A1-U Note Calculation Agent will determine the rate USD-LIBOR-BBA as the applicable Floating Rate Option under the 2006 ISDA Definitions of the International Swaps and Derivatives Association, Inc. (the "ISDA Definitions") being the rate applicable to any Interest Period for one month deposits in US dollars in the London inter-bank market which appears on the Rate Page as of 11:00 a.m., London time, on the day that is two London Business Days preceding the Rate Set Date;
- (b) if such rate does not appear on the Rate Page at that time, the USD-LIBOR-BBA for that Interest Period will be determined as if Firstmac and the Class A1-U Note Calculation Agent had specified "USD-LIBOR-Reference Banks" as the applicable Floating Rate Option under the ISDA Definitions. For this purpose "USD-LIBOR-Reference Banks" means that the rate for an Interest Period will be determined on the

basis of the rates at which deposits in US Dollars are offered by the Reference Banks (being four major banks in the London interbank market selected by the Class A1-U Note Calculation Agent) at approximately 11:00 a.m. London time, on the day that is two London Business Days preceding the Rate Set Date to prime banks in the London interbank market for a period of one month commencing on that Rate Set Date and in a Representative Amount (as defined in the ISDA Definitions). The Class A1-U Note Calculation Agent will request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, the USD-LIBOR-BBA for that Interest Period will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the USD-LIBOR-BBA for that Interest Period will be the arithmetic mean of the rates quoted by not less than two major banks in New York City, selected by the Class A1-U Note Calculation Agent, at approximately 11:00 a.m., New York City time, on that Rate Set Date for loans in US Dollars to leading European banks for a period of one month commencing on the Rate Set Date and in a Representative Amount (as defined in the ISDA Definitions). If no such rates are available in New York City, then the USD-LIBOR-BBA for such Interest Period will be the rate determined by the Class A1-U Note Calculation Agent as USD-LIBOR-BBA (in accordance with paragraph (a) or this paragraph (b) as applicable) for the immediately preceding Interest Period; and

- (c) the USD-LIBOR-BBA for the first Interest Period will be the rate determined by linear interpolation calculated by reference to two USD-LIBOR-BBA rates. The first rate shall be determined in accordance with paragraph (a) or, if applicable, paragraph (b) above as if the reference to “one month” were a reference to the period of time for which rates are available next shorter than the duration of the first Interest Period, and the second rate shall be determined in accordance with paragraph (a) or, if applicable, paragraph (b) above.

US\$, USD and United States Dollars means the lawful currency for the time being of the United States of America.

US\$ Class A1-U Note Scheduled Amortisation Amount means, in respect of a Payment Date, the amount of US Dollars scheduled to be applied in repayment of the Invested Amount of the Class A1-U Notes on that Payment Date, as specified in Annexure 1 (“*US\$ Class A1-U Note Scheduled Amortisation Amounts*”).

US\$ Class A1-U Principal has the meaning set out in section 10.20(b)(ii) (“*Application of A\$ Class A1-U Principal*”).

US\$ Equivalent has the meaning given to it in the US\$ Note Conditions.

US\$ Exchange Rate has the meaning given to it in the US\$ Note Conditions.

US\$ Note Agents means the US\$ Note Paying Agents and the US\$ Note Calculation Agent.

US\$ Note Calculation Agent means Deutsche Bank AG, Hong Kong Branch or each person named as such in the Agency Agreement.

US\$ Note Conditions means the terms and conditions of the Notes set out in section 9 (“*Terms and Conditions of the Class A1-U Notes*”).

US\$ Note Paying Agent means the US\$ Note Principal Paying Agent and each other person appointed in accordance with the Agency Agreement.

US\$ Note Principal Paying Agent means Deutsche Bank AG, Hong Kong Branch or each person named as such in the Agency Agreement.

US\$ Note Register means each register of Holders of U\$ Notes in respect of the Series maintained by the US\$ Note Registrar pursuant to the Agency Agreement and the Note Trust Deed.

US\$ Note Registrar means Deutsche Bank AG, Hong Kong Branch or each person named as such in the Agency Agreement.

US\$ Note Trustee means the party specified as such in the Details or any other person acting as the trustee of the Note Trust.

Voting Secured Creditors means at any time:

- (a) if any Class A1 Notes or FastPay Notes remain outstanding:
 - (i) (for so long as Class A1-U Notes are outstanding) the US\$ Note Trustee on behalf of the Holders of Class A1-U Notes (or, if the US\$ Note Trustee has become bound to take steps and/or proceed under the Note Trust Deed, the Master Trust Deed or the General Security Agreement and fails to do so within a reasonable time and such failure is continuing, the Holders of the Class A1-U Notes);
 - (ii) (for so long as Class A1-A Notes are outstanding) the Holders of the Class A1-A Notes;
 - (iii) (for so long as the Class A1-B Notes are outstanding) the Holders of the Class A1-B Notes;
 - (iv) (for so long as the Class A1-BR Notes are outstanding) the Holders of the Class A1-BR Notes;
 - (v) (for so long as FastPay Notes are outstanding) the Holders of the FastPay Notes;
 - (vi) the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider, provided that any amounts owing to the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider that rank below the Class A1 Notes or the FastPay Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")) will not be taken into account for the purposes of calculating the voting entitlement of the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider; and
 - (vii) any Secured Creditors ranking equally or senior to the Holders of the Class A1 Notes or the FastPay Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*"));
- (b) if Class A2 Notes but no Class A1 Notes or FastPay Notes remain outstanding:
 - (i) the Class A2 Holders;
 - (ii) the Interest Rate Swap Provider, the Currency Swap and the Scheduled Amortisation Facility Provider, provided that any amounts owing to the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider that rank below the Class A2 Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")) will not be taken into account for the purposes of calculating the voting entitlement of the Interest Rate Swap

- Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider; and
- (iii) any Secured Creditors ranking equally or senior to the Holders of the Class A2 Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*"));
- (c) if Class B Notes, but no Class A2 Notes, Class A1 Notes or FastPay Notes, remain outstanding:
- (i) the Holders of the Class B Notes;
 - (ii) the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider, provided that any amounts owing to the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider that rank below the Class B Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")) will not be taken into account for the purposes of calculating the voting entitlement of the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider; and
 - (iii) any Secured Creditors ranking equally or senior to the Holders of the Class B Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), other than Residual Class B Interest;
- (d) if Class C Notes, but no Class B Notes, Class A2 Notes, Class A1 Notes or FastPay Notes, remain outstanding:
- (i) the Holders of the Class C Notes;
 - (ii) the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider, provided that any amounts owing to the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider that rank below the Class C Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")) will not be taken into account for the purposes of calculating the voting entitlement of the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider; and
 - (iii) any Secured Creditors ranking equally or senior to the Holders of the Class C Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), other than Residual Class C Interest;
- (e) if Class D Notes, but no Class C Notes, Class B Notes, Class A2 Notes, Class A1 Notes or FastPay Notes, remain outstanding:
- (i) the Holders of the Class D Notes;
 - (ii) the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider, provided that any amounts owing to the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider that rank below the Class D Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")) will not be taken into account for the purposes of calculating the voting entitlement of the Interest

Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider; and

- (iii) any Secured Creditors ranking equally or senior to the Holders of the Class D Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), other than Residual Class D Interest;
- (f) if Class E Notes, but no Class D Notes, Class C Notes, Class B Notes, Class A2 Notes, Class A1 Notes or FastPay Notes, remain outstanding:
- (i) the Holders of the Class E Notes;
 - (ii) the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider, provided that any amounts owing to the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider that rank below the Class E Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")) will not be taken into account for the purposes of calculating the voting entitlement of the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider; and
 - (iii) any Secured Creditors ranking equally or senior to the Holders of the Class E Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), other than Residual Class E Interest;
- (g) if Class F Notes, but no Class E Notes, Class D Notes, Class C Notes, Class B Notes, Class A2 Notes, Class A1 Notes or FastPay Notes, remain outstanding:
- (i) the Holders of the Class F Notes;
 - (ii) the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider, provided that any amounts owing to the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider that rank below the Class F Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")) will not be taken into account for the purposes of calculating the voting entitlement of the Interest Rate Swap Provider, the Currency Swap Provider and the Scheduled Amortisation Facility Provider; and
 - (iii) any Secured Creditors ranking equally or senior to the Holders of the Class F Notes (as determined in accordance with the order of priority set out in section 10.14 ("*Distribution of Total Interest Collections*")), other than Residual Class F Interest;
- (h) if no Notes remain outstanding, the Secured Creditor or Secured Creditors then ranking the highest in priority for payment in accordance with the order set out in section 10.14 ("*Distribution of Total Interest Collections*").

Annexure 1 - US\$ Class A1-U Note Scheduled Amortisation Amounts

The US\$ Class A1-U Note Scheduled Amortisation Amount for each Payment Date up to (and including) the first Date Based Call Date is as follows:

Payment Date	US\$ Class A1-U Note Scheduled Amortisation Amount
April 2018	14,867,365
May 2018	2,991,799
June 2018	3,235,265
July 2018	3,250,633
August 2018	3,492,225
September 2018	3,594,850
October 2018	3,599,693
November 2018	3,835,355
December 2018	3,804,632
January 2019	4,034,409
February 2019	4,107,651
March 2019	3,816,017
April 2019	4,316,555
May 2019	4,059,072
June 2019	4,114,026
July 2019	3,894,402
August 2019	3,947,007
September 2019	3,851,727
October 2019	3,659,233
November 2019	3,708,504
December 2019	3,510,617

Payment Date	US\$ Class A1-U Note Scheduled Amortisation Amount
January 2020	3,557,776
February 2020	3,471,533
March 2020	3,196,819
April 2020	3,355,213
May 2020	3,165,634
June 2020	3,207,904
July 2020	3,036,876
August 2020	3,077,327
September 2020	3,002,690
October 2020	2,852,560
November 2020	2,890,487
December 2020	2,736,639
January 2021	2,772,866
February 2021	2,705,570
March 2021	2,413,952
April 2021	2,292,965
May 2021	2,156,936
June 2021	2,185,308
July 2021	2,068,942
August 2021	2,096,084
September 2021	2,045,304
October 2021	1,943,168
November 2021	1,968,782
December 2021	1,864,001
January 2022	1,888,402
February 2022	1,842,438
March 2022	1,644,429

Payment Date	US\$ Class A1-U Note Scheduled Amortisation Amount
April 2022	1,787,167
May 2022	1,681,130
June 2022	1,704,743
July 2022	1,614,926
August 2022	1,639,258
September 2022	1,606,874
October 2022	1,541,706
November 2022	1,568,383
December 2022	1,483,955
January 2023	1,503,239
February 2023	1,464,231
March 2023	1,310,070
April 2023	1,423,844
May 2023	538,834

Annexure 2 - Class A1-U Note Scheduled Amortisation Amounts

The Class A1-U Note Scheduled Amortisation Amount for each Payment Date up to (and including) the first Date Based Call Date is as follows:

Payment Date	Class A1-U Note Scheduled Amortisation Amount (A\$)
April 2018	19,030,228
May 2018	3,829,503
June 2018	4,141,139
July 2018	4,160,810
August 2018	4,470,048
September 2018	4,601,407
October 2018	4,607,607
November 2018	4,909,254
December 2018	4,869,929
January 2019	5,164,043
February 2019	5,257,793
March 2019	4,884,502
April 2019	5,525,190
May 2019	5,195,613
June 2019	5,265,954
July 2019	4,984,835
August 2019	5,052,169
September 2019	4,930,211
October 2019	4,683,818
November 2019	4,746,885
December 2019	4,493,589

Payment Date	Class A1-U Note Scheduled Amortisation Amount (A\$)
January 2020	4,553,953
February 2020	4,443,562
March 2020	4,091,929
April 2020	4,294,673
May 2020	4,052,012
June 2020	4,106,117
July 2020	3,887,202
August 2020	3,938,979
September 2020	3,843,443
October 2020	3,651,277
November 2020	3,699,824
December 2020	3,502,898
January 2021	3,549,268
February 2021	3,463,129
March 2021	3,089,858
April 2021	2,934,995
May 2021	2,760,878
June 2021	2,797,194
July 2021	2,648,246
August 2021	2,682,987
September 2021	2,617,990
October 2021	2,487,255
November 2021	2,520,040
December 2021	2,385,921
January 2022	2,417,154
February 2022	2,358,320
March 2022	2,104,869

Payment Date	Class A1-U Note Scheduled Amortisation Amount (A\$)
April 2022	2,287,574
May 2022	2,151,847
June 2022	2,182,072
July 2022	2,067,105
August 2022	2,098,250
September 2022	2,056,799
October 2022	1,973,384
November 2022	2,007,530
December 2022	1,899,462
January 2023	1,924,145
February 2023	1,874,215
March 2023	1,676,890
April 2023	1,822,521
May 2023	689,707

DIRECTORY

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Manager, Servicer and Originator

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US\$ Note Trustee

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Originator

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