

Base Prospectus

ARC Funding Limited
(incorporated as a private company in Ireland with registered number 456828)
€15,000,000,000 Programme for the issue of Notes

It is intended that ARC Funding Limited (the "**Issuer**") from time to time may issue notes (the "**Notes**") of a Series under the Programme for the issue of Notes of a Series described herein (the "**Programme**") subject to compliance with relevant laws, regulations and directives.

This document (the "**Base Prospectus**") comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in Ireland.

Application has been made to the Irish Financial Services Regulatory Authority ("**IFSRA**") as competent authority under the Prospectus Directive, for this Base Prospectus to be approved as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in Ireland for the purpose of giving information with regard to the issue of Notes of the Issuer under the Programme during the period of twelve months after the date of the Base Prospectus. IFSRA will only approve this document in relation to the Notes which are to be admitted to trading on the Irish Stock Exchange or any other EU regulated market and/or offered to the public within the EEA and IFSRA has neither reviewed nor approved this document in relation to any other Notes.

Application has been made to the Irish Stock Exchange Limited (the "**Irish Stock Exchange**") for Notes to be admitted to the Official List of the Irish Stock Exchange and to trading on the regulated market of the Irish Stock Exchange, a regulated market for the purposes of Directive 2004/39/EC.

In addition, Notes may be issued pursuant to the Programme which are listed on another stock exchange and/or admitted to trading on another market (which may or may not be regulated) and/or unlisted and/or not admitted to trading on any market, in each case as specified in the relevant Series Offering Document.

Notes of a Series may be issued under the Programme on the terms set out in this Base Prospectus and in the Series Offering Document for those Notes (the "**Series Offering Document**") entered into in connection therewith. Any Series Offering Document may constitute a prospectus for the purposes of the Prospectus Directive and relevant implementing measures in Ireland and, in any such case, such fact will be stated in the relevant Series Offering Document.

The Base Prospectus and Series Offering Document for any Notes will be filed with IFSRA and will be made available at the registered office of the Issuer.

The obligations of the Issuer under each Series of Notes will be secured by, *inter alia*, security interests in favour of the Security Trustee over the relevant Series Assets as more particularly specified in the relevant Series Offering Document. If the net proceeds of the enforcement of the security for a Series of Notes are insufficient to meet in full the claims of all relevant secured parties (in accordance with the relevant order of priorities), none of the other assets of the Issuer (if any) will be available to meet the insufficiency and any outstanding liability of the Issuer shall be extinguished upon such enforcement regardless of any such insufficiency.

Payments of principal and interest in respect of the Notes will be reduced by any applicable deductions or withholding taxes applicable to the Notes, without the Issuer being obliged to pay any additional or grossed-up amounts to compensate for such deductions or withholding.

Notes in respect of a Series should not be acquired by any Offshore Associate of the Issuer and should not be acquired subsequently by any such Offshore Associate.

The Notes will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations of, and will not be guaranteed by, the Arranger, the Dealers the Manager or the Security Trustee.

Notes may be issued in bearer form and in registered form. Notes may be issued in definitive form or may be held and cleared through Euroclear Bank S.A./N.V. of 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**") or Clearstream Banking, societe anonyme of 42 Avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg ("**Clearstream, Luxembourg**") or any other clearing system as may be specified in the relevant Series Offering Document.

Capitalised terms in this Base Prospectus are defined in the Glossary of Terms on page 48 of this Base Prospectus.

Any investment in the Notes of a Series does not have the status of a bank deposit in Ireland and is not within the scope of the deposit protections scheme operated by IFSRA. The Issuer is not regulated by IFSRA by virtue of the issue of the Notes.

Arranger and Dealer
Macquarie Bank Limited ABN 46 008 583 542

The date of this Base Prospectus is 12 June 2008.

IMPORTANT NOTICE

Neither Macquarie Bank Limited nor its wholly owned subsidiary Macquarie Securities Management Pty Limited ABN 26 003 435 443 (the "**Manager**") has any legal or beneficial interest in the shares of the Issuer. Macquarie Securities Management Pty Limited is participating as manager of the Issuer under the documents entered into in connection with the Notes. The obligations of Macquarie Securities Management Pty Limited are not guaranteed by Macquarie Bank Limited. Except as otherwise specified in the corresponding Series Offering Document, Macquarie Bank Limited is participating solely as an arranger and a dealer in respect of the Notes to which this Base Prospectus relates.

The Notes do not represent deposits or other liabilities of Macquarie Bank Limited, Macquarie Securities Management Pty Limited or any other member of Macquarie Group Limited and its related bodies corporate ("**Macquarie Group**"). The holding of Notes is subject to investment risks, including possible delays in repayment and loss of income and principal invested.

None of Macquarie Bank Limited, Macquarie Securities Management Pty Limited nor any other member of the Macquarie Group guarantees the payment or repayment of any moneys owing to Noteholders or the return of any principal invested or any particular rate of return, or makes any statement (including, without limitation, any representation) with respect to income tax or other taxation consequences of any investment which is made under this Base Prospectus.

Macquarie Securities Management Pty Ltd is not an authorised deposit-taking institution for the purposes of the Australian Banking Act (Commonwealth) 1959 and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Securities Management Pty Ltd, unless expressly noted otherwise.

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INTRODUCTION

Information in relation to the Issuer is set out Section 6 of this Base Prospectus. The final terms of each Series of Notes of the Issuer (and related information) will be set out in the relevant Series Offering Document, which should be read together with this Base Prospectus. The Base Prospectus should be read and construed in conjunction with each relevant Series Offering Document and all other documents which are deemed to be incorporated by reference in the relevant Series Offering Document.

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge and belief of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. None of the Security Trustee, the Arranger, the Dealers or the Manager accepts any responsibility for the information contained in this Base Prospectus.

The Series Offering Document relating to a Series will (if applicable) contain information relating to any underlying Series Assets to which the relevant Notes relate.

No person has been authorised to give any information or to make any representations other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Manager, the Security Trustee, the Arranger or any of the Dealers. Neither the delivery of this Base Prospectus nor any sale made in connection with it shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of this Base Prospectus or the date upon which this document has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date of this Base Prospectus or the date upon which this document has been most recently amended or supplemented or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer at any time.

Subject only as provided in the three immediately following paragraphs, the Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge and belief of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Macquarie Securities Management Pty Limited accepts responsibility in respect of the information contained in Section 7.4.2. To the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in Section 7.4.2 is in accordance with the facts and does not omit anything likely to affect the import of such information.

Structured Finance Management (Ireland) Limited accepts responsibility in respect of the information contained in Sections 6.5.1. To the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in Section 6.5.1 is in accordance with the facts and does not omit anything likely to affect the import of such information.

Citibank N.A., London Branch accepts responsibility in respect of the information contained in the third paragraph of Section 12.1. To the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in the third paragraph of Section 12.1 is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus (and any other information supplied in connection with the Notes) is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Manager, the Security Trustee, the Arranger or any of the Dealers that any recipient of this Base Prospectus or any other

information supplied in connection with the Notes, should purchase any of the Notes. Each investor contemplating purchasing any of the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer and of the tax, accounting and legal consequences of an investment in any of the Notes for such investor. Each prospective purchaser of any of the Notes, in connection with their primary distribution or otherwise, shall have such knowledge and experience in financial and business matters that it is capable of evaluating the merits, risks and suitability of investing in the Notes.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer or the Dealers to subscribe for, or purchase, any Notes. The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. For a description of certain further restrictions on offers and sales of Notes and distribution of this Base Prospectus, see Section 14.

The information contained in this Base Prospectus, to the extent that it comprises a description of certain provisions of the documentation relating to the transactions described in this Base Prospectus, is a summary and is not presented as a full statement of the provisions of such documentation. Such summaries are qualified by reference to and are subject to the provisions of such documentation.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "€" and "EUR" are to the Euro.

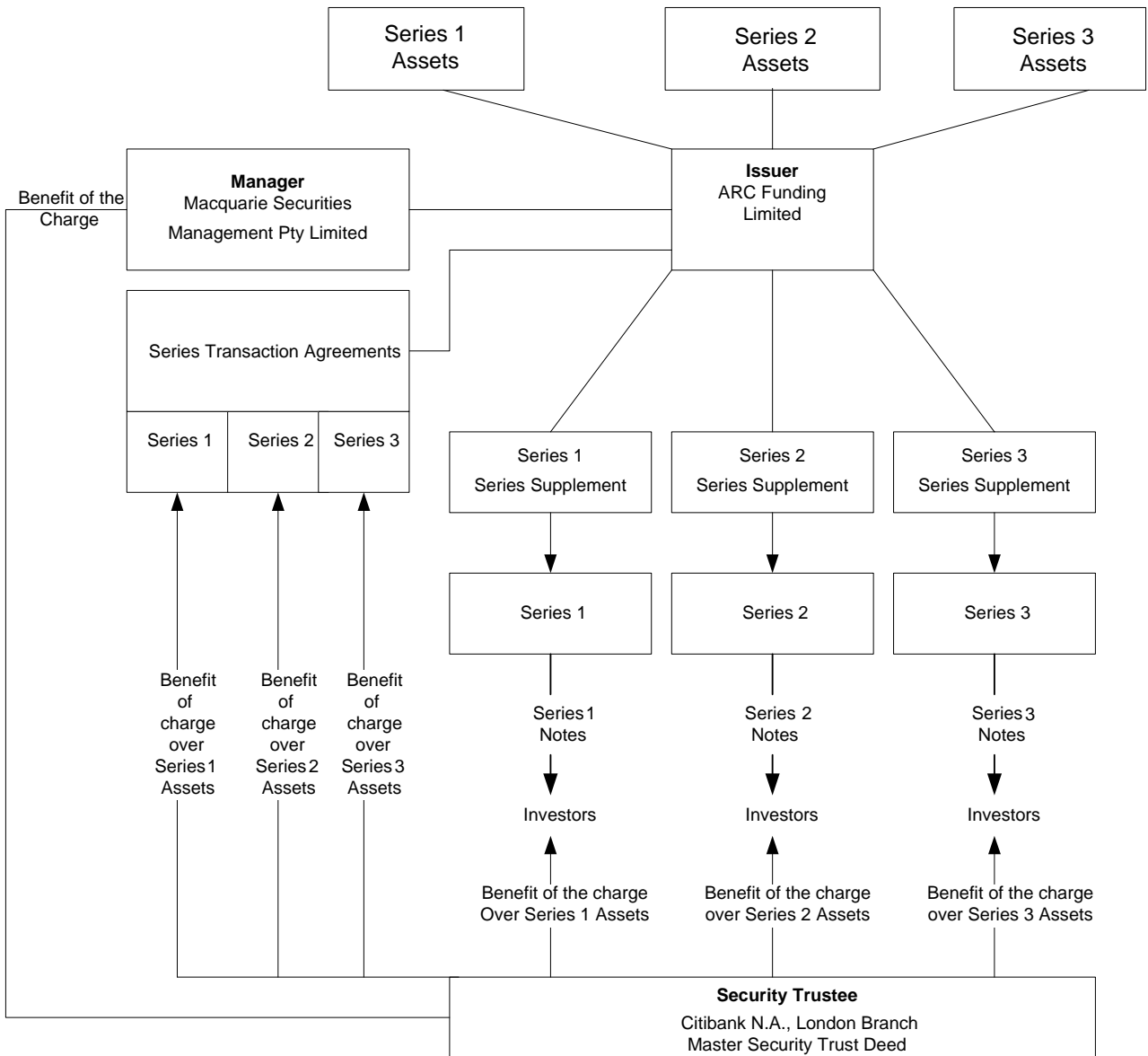
In connection with the issue of any Series of Notes, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "Stabilising Manager(s)") (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Series Offering Document may over-allot Notes (provided that, in the case of any Series of Notes to be listed on the Official List and admitted to trading on the regulated market of the Irish Stock Exchange, the aggregate principal amount of Notes allotted does not exceed 105 per cent of the aggregate principal amount of the relevant Series of Notes) or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Series of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Series of Notes and 60 days after the date of the allotment of the relevant Series of Notes.

SUPPLEMENTARY INFORMATION

The Issuer shall prepare a supplement to this Base Prospectus in the circumstances required by, and in compliance with, Article 16.1 of the Prospectus Directive and relevant implementing measures in Ireland.

STRUCTURE DIAGRAM

The following diagram summarises the structure of the Programme. This diagram shows, in generic terms, an initial three Series of the Programme. The Programme may have an unlimited number of Series up to a maximum amount of €15,000,000,000.



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SUMMARY OF THE PROGRAMME

The following summary of the Programme is qualified in its entirety by the remainder of this Base Prospectus and, with respect to each Series of Notes, by the relevant Series Offering Document. The Notes may be issued on such terms as may be agreed between the relevant Dealer(s) and the Issuer and, unless specified to the contrary in the relevant Series Offering Document, will be subject to the terms and conditions set out below. The relevant Series Offering Document will contain all relevant information concerning the Issuer and the Series of Notes to which it relates which does not appear in this Base Prospectus (as it may be supplemented from time to time – see Section 2).

Issuer	ARC Funding Limited, a special purpose company incorporated in Ireland.
Arranger	Macquarie Bank Limited.
Dealers	Initially, Macquarie Bank Limited. Any additional Dealers for a Series will be specified in the Series Offering Document for that Series.
Manager	Macquarie Securities Management Pty Limited, a wholly owned subsidiary of Macquarie Bank Limited.
Irish Listing Agent	Goodbody Stockbrokers.
Security Trustee	Citibank N.A., London Branch.
Custodian	Citibank N.A., London Branch.
Corporate Services Provider	Structured Finance Management (Ireland) Limited.
Series	<p>The Issuer may establish a Series from time to time under the terms of the Master Series Agreement by issuing a Series Supplement for that Series to the Manager and the Security Trustee. There is no limit to the number of Series that may be created.</p> <p>The assets and liabilities of each Series are segregated from the assets and liabilities of every other Series.</p>
Notes	The Issuer may issue Notes in relation to a Series from time to time. The particular terms and conditions of the Notes will be set out in the Series Offering Document for that Series.
Ratings	<p>The Notes of a Series may be rated by Standard & Poor's (Australia) Pty Limited, Moody's Investors Service, Inc. or any other recognised rating agency designated in writing by the Manager to the Issuer as set forth in the corresponding Series Supplement of a Series.</p> <p>Credit ratings are statements of opinion, not statements of fact or recommendations to buy, hold or sell any securities. Credit ratings may be changed, withdrawn or suspended at any time.</p> <p>The credit ratings referred to in this document have been assigned without taking into account any recipient's objectives, financial situation or needs. Before acting on any credit rating you should consider the appropriateness of the credit rating having regard to your own objectives, financial situation and needs.</p>
Use of Proceeds of Notes	The Issuer will apply the issue proceeds of the Notes of a Series towards the acquisition of Approved Investments of that Series or in meeting the obligations of the Issuer under or in connection with the

Transaction Documents of that Series as described in the Series Offering Document for that Series.

Segregation

The obligations of the Issuer in respect of the Notes, amongst other obligations of the Issuer, will be secured by the Master Security Trust Deed which contains a charge over the Series Assets of each Series (see Section 5.2.2).

The liability of the Issuer under each Series and in relation to the Notes of each Series is separate from its liability under any other Series and the Notes of any other Series. A default by the Issuer in respect of one Series is not of itself a default in respect of any other Series. The charge under the Master Security Trust Deed will be enforced separately over the Series Assets of each Series and only following an event of default with respect to the relevant Series.

If the net proceeds of the security for the Notes (constituted by the Master Security Trust Deed) are insufficient (after payment of the costs, charges, expenses and liabilities incurred by the Security Trustee) to meet in full the claims of Noteholders in relation to a Series and any other Secured Creditors in relation to that Series, none of the other assets of the Issuer (and in particular none of the assets of the Issuer held in respect of any other Series) will be available to meet the insufficiency and any outstanding liability of the Issuer will be extinguished by the application of the proceeds of such enforcement regardless of such insufficiency.

Each Noteholder is limited to only enforcing its rights under the Master Security Trust Deed in relation to the Notes and may not: bring any proceedings against the Issuer in any court; levy or enforce any court order, distress or other execution upon or against the property of the Issuer; or exercise or seek to exercise any right of set-off or counterclaim against the Issuer. Neither the Noteholders of a Series nor the Security Trustee may petition or take any other step for the winding up of the Issuer.

Denomination of Notes

Notes will be sold with minimum denominations of at least €50,000. The minimum denomination of the Notes of a particular Series will be specified in the Series Offering Document for that Series.

Form of Notes

The Notes may be issued in bearer or in registered form. See Section 8.1.1.

Pre-Conditions to Issuance of Notes

The Issuer will not issue Notes in relation to a Series unless certain pre-conditions under the Master Series Agreement have been fulfilled, which include the following:

- the Issuer has issued a Series Supplement in relation to that Series and the Manager and the Security Trustee have approved that Series Supplement;
- the Issuer has entered into or obtained the benefit of each Transaction Document specified in that Series Supplement;
- the Issuer reasonably considers that the obligations of the Issuer in respect of those Notes and other liabilities of that Series can be met by the Issuer when due from the Series Assets of that Series; and
- if the Series is a Rated Series each Approved Rating

Agency has:

- assigned to the Notes to be issued the designated rating in relation to that Approved Rating Agency and that Series as set out in the Series Supplement for that Series; and
- confirmed that any existing Notes in respect of that Rated Series rated by that Approved Rating Agency will have a rating, immediately following such an issuance, of at least the rating given by that Approved Rating Agency to those Notes immediately prior to that issuance.

The Issuer may issue Notes of a Series notwithstanding that to do so would breach certain of the criteria set forth above, provided that each Approved Rating Agency of each Series has confirmed that any Notes of that Series rated by that Approved Rating Agency will not have their rating downgraded as a result.

Clearing System

Notes may be lodged in a clearing system upon issuance if so specified in the Series Offering Document for a Series.

Notes lodged in Euroclear or Clearstream, Luxembourg may only be transferred on the Note's register or uplifted from Euroclear or Clearstream, Luxembourg as expressly permitted by the regulations relating to Euroclear or Clearstream, Luxembourg, as applicable. While the Notes of a Series remain in Euroclear or Clearstream, Luxembourg all notices required of the Issuer to Noteholders in respect of those Notes will be directed to Euroclear or Clearstream, Luxembourg, as applicable and all dealings and payments in relation to those Notes will be governed by the regulations of Euroclear or Clearstream, Luxembourg, as applicable.

Notes entered in a clearing system other than Euroclear or Clearstream, Luxembourg will, while in that clearing system, be transferable only in accordance with any applicable rules and regulations of that clearing system.

Investor Reports

Investor reports will be provided to the extent (if any) set out in the relevant Series Offering Document. The reports will provide information about the Approved Investments of a Series held by the Issuer from time to time.

Governing Law

Unless otherwise specified in the corresponding Series Offering Document the Notes will be governed by the laws of New South Wales, Australia.

Unless otherwise specified in the Series Offering Document for a Series, the Transaction Documents (other than the Corporate Services Agreement and the ICSD Agreement) will be governed by the laws of New South Wales, Australia. The Corporate Services Agreement and ICSD Agreement are governed by the laws of Ireland.

Taxes

If a Noteholder is an Australian resident, the Issuer will deduct tax from payments of interest or amounts in the nature of interest at the highest marginal tax rate plus the highest Medicare levy if the Noteholder has not supplied an appropriate tax file number or Australian Business Number or exemption details.

Unless the Series Offering Document in relation to the Notes of a Series specifies that the Notes are expected to be exempt from

interest withholding tax, the Issuer will deduct interest withholding tax from payments of interest or amounts in the nature of interest to non-residents of the Commonwealth of Australia (other than payments to non-residents carrying on business at or through a permanent establishment in Australia with which the payment is effectively connected) or to residents of the Commonwealth of Australia carrying on business at or through a permanent establishment outside Australia with which the payment is effectively connected.

Transaction Documents

Copies of the following Transaction Documents in relation to a Series are available for inspection in physical or electronic form by all Noteholders of the Series and bona fide prospective investors during business hours at the office of the Manager and the registered office of the Issuer:

- the Master Series Agreement;
- the Management Deed;
- the Corporate Services Agreement;
- the Master Security Trust Deed;
- the Master Dealer Agreement;
- the ICSD Agreement;
- the Master Custody Agreement;
- the Series Supplement in relation to the Series;
- any Funding Transaction Agreement(s) in relation to the Series;
- any Hedge Agreement(s) in relation to the Series;
- any Liquidity Transaction Agreement, Credit Enhancement and Note Document (if any) to the extent that it applies to the Series;
- each document specified to be a Transaction Document for the Series in the Series Offering Document in relation to the Series; and
- each other document which is agreed between the Manager and the Issuer to be a Transaction Document in relation to the Series.

Any person wishing to inspect the Transaction Documents (or any of them) in relation to a Series must first enter into a confidentiality agreement in a form acceptable to the Manager whereby that person undertakes not to distribute the contents of the documents without the prior written consent of the Manager.

5 RISK FACTORS

5.1 General

The following is a summary and is not intended to be an exhaustive description of all of the risks and investment considerations relevant to an investment in any Notes. Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes (i) is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or, if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. In particular, investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as underlying securities for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. The following investment considerations, alone or collectively, may reduce the return on the Notes and could result in the loss of all or a portion of a Noteholder's investment in the Notes. Each prospective purchaser of Notes is solely responsible for making its own independent appraisal of all such matters and such other matters as the prospective purchaser deems appropriate, in determining whether to purchase Notes and that an investment in the Notes is suitable for its investment purposes.

5.2 Risks Relating to the Notes

5.2.1 Limited Recourse

The Notes of each Series will be limited recourse obligations of the Issuer secured on the Series Assets and will not be obligations or responsibilities of, or guaranteed by, any other person or entity. The Issuer is a special purpose company established, *inter alia*, for the purpose of issuing Notes under the Programme. The holders of the Notes of any Series shall have no recourse to the Issuer beyond the moneys derived by or on behalf of the Issuer in respect of the relevant Series Assets. Any shortfall on realisation of the relevant Series Assets shall be borne by the Noteholders of that Series.

Further, none of the Noteholders nor any of the other Secured Creditors will be entitled at any time to petition or take any other step for the winding-up of, or the appointment of a liquidator, administrator, examiner or similar official to the Issuer. No person other than the Issuer will be obliged to make payments on the Notes.

5.2.2 Series Segregation

The obligations of the Issuer in respect of the Notes, amongst other obligations of the Issuer, will be secured by the Master Security Trust Deed which contains a charge over the Series Assets of each Series.

The liability of the Issuer under each Series and in relation to Notes of each Series is separate from its liability under any other Series and Notes of any other Series. A default by the Issuer in respect of one Series is not of itself a default in respect of any other Series. The charge under the Master Security Trust Deed will be enforced separately over the Series Assets of each Series and only following an event of default with respect to the relevant Series.

If the net proceeds of the security for the Notes (constituted by the Master Security Trust Deed) are insufficient (after payment of the costs, charges, expenses and liabilities incurred by the Security Trustee) to meet in full the claims of Noteholders in relation to a Series and other Secured Creditors in relation to that Series, none of the other assets of the Issuer (and in particular none of the assets of the Issuer held in respect of any other Series) will be available to meet the insufficiency and any outstanding liability of the Issuer will be extinguished by the application of the proceeds of such enforcement regardless of such insufficiency.

Each Noteholder is limited to only enforcing its rights under the Master Security Trust Deed in relation to the Notes and may not: bring any proceedings against the Issuer in any court; levy or enforce any court order, distress or other execution upon or against the property of the Issuer; or exercise or seek to exercise any right of set-off or counterclaim against the Issuer. Neither the Noteholders of a Series nor the Security Trustee may petition or take any other step for the winding up of the Issuer.

5.2.3 **Market, Liquidity and Yield Considerations**

Notes of a Series may not have an established trading market when issued. There can be no assurance of a secondary market for any Notes of a Series the liquidity of such market if one develops. Consequently, investors may not be able to sell their Notes readily or at prices that will enable them to realise a yield comparable to that of similar instruments, if any, with a developed secondary market.

5.2.4 **Legality of Purchase**

None of the Issuer, the Manager, the Security Trustee, the Arranger or any Dealer, nor any affiliate of such persons has or assumes responsibility for the lawfulness of the acquisition of the Notes of any Series by a prospective purchaser of such Notes (whether for its own account or for the account of any third party), whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser (or any such third party) with any law, regulation or regulatory policy applicable to it.

5.2.5 **Denomination**

Notes will be in such denominations as may be specified in the relevant Series Supplement subject to a minimum denomination of €50,000.

5.2.6 **Priority of Claims**

The ranking of the relative claims of, inter alia, the Noteholders of a Series over the Series Assets are specified in Sections 12.10 and 12.12, unless otherwise specified in the applicable Series Offering Document. The claims of the Security Trustee for its fees and expenses with respect to a series rank senior to the claims of the Noteholders of such Series.

5.3 **Risks Relating to Particular Series of Notes**

The Notes may not be a suitable investment for all Investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Base Prospectus and all the information contained in the applicable Series Offering Document;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal and/or interest payable in one or more currencies, or where the currency for principal and/or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

5.4 **Risks Relating to the Issuer**

5.4.1 **The Issuer is a Special Purpose Vehicle**

The Issuer's primary business is the raising of money by issuing Notes for the purposes of purchasing financial assets and entering into other related contracts. The Issuer has, and will have, no assets other than its issued and paid-up share capital, such fees (as agreed) payable to it in connection with the issue of each Series of Notes or entry into other obligations from time to time (and any related profits and the proceeds of any deposits and investments made from such fees) and any assets on which Notes of a Series or other obligations are secured.

5.4.2 **Not a Bank Deposit**

Any investment in the Notes does not have the status of a bank deposit in Ireland or in Australia and is not within the scope of the deposit protection scheme operated by IFSRA. The Issuer is not regulated by IFSRA by virtue of the issue of the Notes.

5.4.3 **Preferred Creditors under Irish Law and Floating Charges**

The charge under the Master Security Trust Deed is a floating charge and will not become fixed unless an Event of Default occurs.

Under Irish law, upon an insolvency of an Irish company such as the Irish Issuer, when applying the proceeds of assets subject to fixed security which may have been realised in the course of a liquidation or receivership, the claims of a limited category of preferential creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by any examiner of the company (which may include any borrowings made by an examiner to fund the company's requirements for the duration of his appointment) which have been approved by the Irish courts. (See Section 5.4.4).

The essence of a fixed charge is that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security in the sense of disposing of such assets or expending or appropriating the moneys or claims constituting such assets and accordingly, if and to the extent that such liberty is given to the Issuer any charge constituted by the Trust Deed may operate as a floating, rather than a fixed charge.

In particular, the Irish courts have held that in order to create a fixed charge on receivables it is necessary to oblige the charger to pay the proceeds of collection of the receivables into a designated bank account and to prohibit the charger from withdrawing or otherwise dealing with the monies standing to the credit of such account without the consent of the chargee.

Depending upon the level of control actually exercised by the chargor, there is therefore a possibility that the fixed security over the Issuer's account and the Authorised Investments would be regarded by the Irish courts as a floating charge.

Floating charges have certain weaknesses, including the following:

- (a) they have weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and the chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set-off;
- (b) as discussed above, they rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up;
- (c) they rank after certain insolvency remuneration expenses and liabilities;

- (d) the examiner of a company has certain rights to deal with the property covered by the floating charge; and
- (e) they rank after fixed charges.

5.4.4 **Examinership**

Examinership is a court procedure available under the Irish Companies (Amendment) Act, 1990, as amended (the "**1990 Act**") to facilitate the survival of Irish companies in financial difficulties.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, the examiner may sell assets, the subject of a fixed charge. However, if such power is exercised the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the sale.

During the period of protection, the examiner will formulate proposals for a compromise or scheme of arrangement to assist the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when at least one class of creditors has voted in favour of the proposals and the Irish High Court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Issuer, if the Security Trustee represented the majority in number and value of claims within the secured creditor class (which would be likely given the restrictions agreed to by the Issuer in the Conditions), the Security Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Security Trustee would also be entitled to argue at the Irish High Court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals included a writing down to the value of amounts due by the Issuer to the Noteholders. The primary risks to the holders of Notes if an examiner were appointed to the Issuer are as follows:

- (a) the potential for a compromise or scheme of arrangement being approved involving the writing down or rescheduling of the debt due by the Issuer to the Noteholders as secured by the Trust Deed;
- (b) the potential for the examiner to seek to set aside any negative pledge in the Notes prohibiting the creation of security or the incurring of borrowings by the Issuer to enable the examiner to borrow to fund the Issuer during the protection period; and
- (c) in the event that a scheme of arrangement is not approved and the Issuer subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Issuer and approved by the Irish High Court) will take priority over the monies and liabilities which from time to time are or may become due, owing or payable by the Issuer to each of the Secured Creditors under the Notes or the Transaction Documents.

5.5 **Risks Relating to the Series Assets**

5.5.1 **No Investigations**

No investigations, searches or other enquiries have been or will be made by or on behalf of the Issuer or the Security Trustee in respect of any Series Assets. Unless otherwise provided in the relevant Series Offering Document, no representations or warranties, express or implied, have been or will be given by the Issuer, the Arranger, any Dealer, the Manager, the Security Trustee or any other person on their behalf in respect of any Series Assets.

5.5.2 **Series Assets**

Noteholders may be exposed to the market price of the relevant Series Assets on which the relevant Notes are secured. The Issuer may have to fund its payments in respect of a Series of Notes by the sale of the relevant Series Assets at a market value and the nominal amount of the Series Assets will be reduced by the principal amount of the Series Assets sold. The market price of the Series Assets will generally fluctuate with, among other things, the liquidity and volatility of the financial markets, general economic conditions, changes in prevailing interest rates, domestic and international political events, developments or trends in a particular industry and the financial condition of the issuer or obligor of the Series Assets. The Dealers may have acquired, or during the terms of the relevant Series of Notes may acquire, confidential information with respect to any relevant Series Assets and, if so, they shall not be under any duty to disclose such confidential information to any Noteholder of the relevant Series.

5.5.3 **Default and Concentration Risk**

The risk that payments on any Series of Notes could be adversely affected by defaults on the Series Assets for such Series of Notes is likely to be increased to the extent that the relevant Series Assets are concentrated in any one industry, region or country as a result of the increased potential for correlated defaults in respect of a single industry, region or country as a result of downturns relating generally to such industry, region or country. To the extent that a default occurs with respect to any security comprised in the Series Assets and the Issuer sells or otherwise disposes of such security, it is not likely that the proceeds of such sale or disposition will be equal to the full amount of principal and interest thereon. Should increases in default rates occur with respect to the types of collateral comprised in any Series Assets, the actual default rates of such collateral may exceed any hypothetical default rates assumed by investors in determining whether to purchase Notes of the relevant Series.

5.6 **Risks Relating to Other Parties**

5.6.1 **Security Trustee Conflicts of Interest**

In connection with the exercise of its functions, the Security Trustee shall have regard to the interests of the Noteholders of a Series as a class and shall not have regard to the consequences of such exercise for individual Noteholders of the relevant Series and the Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

5.6.2 **Business Relationships and Capacity of Macquarie Bank Limited**

Macquarie Bank Limited and its affiliates may act in a number of capacities in respect of a Series of Notes issued under the Programme including, without limitation, as the Arranger, the Dealer or the Manager. Macquarie Bank Limited and its affiliates acting in such capacities in connection with any Series of Notes shall have only the duties and responsibilities expressly agreed to by such entities in the relevant capacity and shall not, by virtue of acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as expressly provided with respect to each such capacity. Macquarie Bank Limited and its affiliates in their various capacities in connection with the Notes of any Series may enter into business dealings, from which they may derive revenues and profits in addition to any fees, without any duty to account therefore.

5.6.3 **Reliance on the Manager**

Macquarie Securities Management Pty Limited have been appointed by the Issuer as its exclusive agent to manage on the Issuer's behalf the performance of the Issuer's obligations and the exercise of the Issuer's rights under the Transaction Documents upon and subject to the terms of the Management Deed. The Manager accepts the appointment and agrees that it will carry out the obligations imposed on it by the Management Deed.

The Manager's rights and obligations under the Management Deed are subject to the Credit and Investment Policy and the Transaction Documents. The Credit Investment Policy is an investment policy of the Issuer as set out in, and exhibited to, the Management Deed as Schedule

1 setting out the criteria for investment to be adhered to by the Manager and will be amended from time to time.

5.6.4 **Exposure to Series Transaction Providers**

The Issuer may enter into Series Transaction Documents in relation to a Series from time to time (including, without limitation, Liquidity Transaction Agreements, Hedge Transactions and Credit Enhancements, as described in Section 9.2). If a Transaction Document is terminated or the Series Transaction Provider in relation to such Transaction Document fails to perform its obligations, Noteholders will be exposed to the risk of losses with respect to the payment of interest (if any) or principal on the Notes.

5.7 **Risks Relating to the Market Generally**

Set out below is a brief description of certain market risks:

5.7.1 **The Secondary Market Generally**

Notes of a Series may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

5.7.2 **Exchange Rate Risks and Exchange Controls**

The Issuer will pay principal and, where applicable, interest on Notes issued under the Programme in the currency for such Notes. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the specified currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the specified currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the specified currency would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

5.7.3 **Interest Rate Risks**

Investment in Notes of a Series issued under the Programme may involve the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

5.7.4 **Credit Ratings may not Reflect all Risks**

One or more independent credit rating agency may assign credit ratings to a Series of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes of the relevant Series. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

6 THE ISSUER

6.1 General

The Issuer was incorporated in Ireland as a private limited company on 1 May 2008, with registration number 456828 under the name ARC Funding Limited, under the Companies Acts 1963-2006.

The registered office of the Issuer is at 25-26 Windsor Place, Lower Pembroke Street, Dublin 2, Ireland. The telephone number of the Issuer is +353 1 647 1550. The authorised share capital of the Issuer is EUR3 divided into 3 Ordinary Shares of EUR 1 each ("**Shares**"). The Issuer has issued 3 Shares which have been fully paid. The issued Shares are held directly or indirectly by an Irish single member private company limited by shares, Structured Finance Management Corporate Services (Ireland) Limited (the "**Share Trustee**"), on trust for charitable purposes. The Share Trustee has, inter alia, undertaken not to exercise its voting rights to wind up the Issuer unless and until it has received written confirmation from the Directors of the Issuer that the Issuer does not intend to carry on further business.

The Issuer has been established as a special purpose vehicle. The principal activities of the Issuer are the issuance of financial instruments, the acquisition of financial assets and the entering into of other legally binding arrangements.

6.2 Directors and Company Secretary

The Directors of the Issuer are as follows:

Jonathan Clifton Mott

Stuart William Palmer

The business address of Jonathan Clifton Mott is 4 Millicent Ave, Toorak, VIC 3142 and the business address of Stuart William Palmer is 37 Bayswater Road, Lindfield NSW 2070, Australia.

The Company Secretary is Structured Finance Management (Ireland) Limited.

Structured Finance Management (Ireland) Limited is the corporate services provider of the Issuer. Its duties include the provision of certain administrative, accounting and related services. The appointment of the corporate services provider may be terminated forthwith if the corporate services provider commits any material breach of the corporate service agreement between the Issuer and the corporate services provider, is unable to pay its debts as they fall due or becomes subject to insolvency or other related proceedings. The corporate services provider may retire upon 90 days' written notice subject to the appointment of an alternative administrator on similar terms to the existing administrator. The business address of the corporate services provider is 25-26 Windsor Place, Lower Pembroke Street, Dublin 2, Ireland.

6.3 Financial Statements

The Issuer has not prepared financial statements as of the date of this Base Prospectus. It intends to publish its first financial statements in respect of the period ending from incorporation to 30 June 2009. The Issuer will not prepare interim financial statements.

6.4 Auditors

The auditors of the Issuer are PricewaterhouseCoopers, One Spencer Dock, North Wall Quay, Dublin 1, Ireland who are chartered accountants and are members of the Institute of Chartered Accountants in Ireland (ICAI) and are qualified to practise as auditors in Ireland.

6.5 Corporate Services

6.5.1 Corporate Services Provider

Structured Finance Management (Ireland) Limited (the "**Corporate Services Provider**") has entered into a Corporate Services Agreement with the Issuer (the "**Corporate Services Agreement**").

Structured Finance Management (Ireland) Limited has its registered office at 25 -26 Windsor Place, Lower Pembroke Street, Dublin 2, Ireland, has been appointed to carry out general administration for, and to act as the company secretary to the Issuer pursuant to the Corporate Services Agreement between the Issuer and Corporate Services Provider.

The Corporate Services Provider is responsible for the provision of a registered office for the Company and the maintenance of the company registers to include registers of shareholders, directors and secretary, and other corporate records required under the Transaction Documents and Irish company law.

As Corporate Services Provider, Structured Finance Management (Ireland) Limited also has responsibility for the preparation and filing of the Issuer's annual financial statements. Recipients of the latter include among others, the Irish Stock Exchange and the Irish Companies Registration Office.

The Corporate Services Provider is a private limited liability company incorporated in Ireland on 11 August 2000 under the company number 331206.

6.5.2 **Duties of Corporate Services Provider**

Its duties include the provision of certain administrative, secretarial and related services in Ireland. The appointment of the Corporate Services Provider may be terminated in the following circumstances:

- (a) by the Issuer or the Corporate Services Provider by giving not less than ninety (90) days' written notice to the other party; or
- (b) forthwith by the Issuer or the Corporate Services Provider by giving written notice to the other party (the "**Defaulting Party**"), if the Defaulting Party:
 - (i) commits any material breach of the Corporate Services Agreement which is either incapable of remedy or has not been remedied within thirty (30) days of the other party serving notice upon the Defaulting Party requiring it to remedy same;
 - (ii) is unable to pay its debts as they fall due or otherwise becomes insolvent or enters into any composition or arrangement with or for the benefit of its creditors or any class thereof;
 - (iii) is the subject of any petition for the appointment of an examiner or similar officer to it;
 - (iv) has a receiver appointed over all or any substantial part of its undertaking, assets or revenues;
 - (v) is the subject of any effective resolution for its winding-up except in relation to a voluntary winding up for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other party; or
 - (vi) is the subject of a court order for its winding-up.

On termination of the appointment of the Corporate Services Provider or on its retirement, the Issuer shall promptly appoint a successor Corporate Services Provider.

7 TRANSACTION STRUCTURE

7.1 Programme Overview

The Programme has been established and is governed by the Master Series Agreement to allow the Issuer to fund the acquisition of Approved Investments and/or to enter into agreements by issuing Debt Securities (Notes) or making Funding Transaction Drawings which are in turn funded by the issuance of Debt Securities (Related Securities).

The Issuer operates through segregated Series and the Notes and Related Securities of different Series may have different credit ratings from Approved Rating Agencies or may be unrated.

The liability of the Issuer under each Series is separate from its liability under any other Series. A default by the Issuer in respect of one Series is not of itself a default in respect of any other Series. The assets of the Issuer held in respect of each Series must be kept separate and distinct by the Issuer from its assets held in respect of any other Series. The assets of the Issuer held in respect of a Series are not available to meet the liabilities of the Issuer in respect of any other Series.

The Approved Investments that may be acquired by the Issuer may vary from Series to Series and will be specified in the corresponding Series Offering Document for each Series.

A Series Supplement will be entered into under the Master Series Agreement in order to establish the Series and provide specific details in relation to that Series.

7.2 Issuer is a Private Company

The Issuer, ARC Funding Limited, is a private company incorporated in Ireland. The Issuer is not owned or controlled by Macquarie Bank Limited.

Except to the extent permitted or contemplated by the Master Series Agreement, the Master Security Trust Deed or the Series Supplement for a Series and subject to the following, the Issuer must not:

- (a) engage in any business or activity or do any thing whatsoever, except subject to the Transaction Documents the Issuer may:
 - (i) own the Series Assets of each Series to enable it to discharge its obligations under each Series and the Transaction Documents for that Series;
 - (ii) issue, acquire, cancel or re-issue Notes;
 - (iii) enter into Hedge Transactions;
 - (iv) enter into and perform its obligations under the Transaction Documents and any agreements incidental to the Transaction Documents;
 - (v) enforce any of its rights and exercise any of its powers under or in relation to the Transaction Documents and the Series Assets of each Series; and
 - (vi) perform any other act incidental to or necessary in connection with any of the above;
- (b) pay any dividend or make any other distribution to its shareholders;
- (c) incur or permit to subsist any indebtedness, or give any guarantee or indemnity or assume any other liabilities other than in accordance with the Transaction Documents;
- (d) issue any further shares in the Issuer (other than such shares as are on issue as at the date of this Base Prospectus); or
- (e) open or have any interest in any account whatsoever with any bank or financial institution if such account relates to any Series or Series Assets or any part of them,

save where security over such account or the Issuer's interest in such account is immediately granted in favour of the Security Trustee in accordance with the Master Security Trust Deed.

However, the Issuer will not be in breach of the foregoing in relation to a Rated Series if before it does anything referred to in paragraphs (a) to (e) (inclusive) above each Approved Rating Agency in respect of all Series has confirmed that any Notes or Related Securities rated by that Approved Rating Agency will have a rating, immediately following that action, of at least the rating given by that Approved Rating Agency to those Notes or Related Securities immediately prior to that action.

7.3 Limitation of Issuer's Liability

The liability of the Issuer to each Noteholder (or any person claiming through them) in respect of any amount owing to the Noteholder under or in relation to any Notes held by that Noteholder and any Series Supplement in relation to Notes held by that Noteholder is limited to the amounts available to be distributed to that Noteholder in respect of the liability from the Series Assets of the Series to which such liability relates in accordance with the Master Security Trust Deed. Each Noteholder by acquiring the Notes:

- (a) agrees to accept the total of such amounts in full and final satisfaction of all amounts owing at the time by the Issuer in respect of that liability and all claims in respect of such liability will thereupon be extinguished; and
- (b) waives all claims it may have against the Issuer under or in connection with the Notes and any Series Supplement in respect of which the Issuer is not liable.

The obligations of the Issuer in respect of the Notes, amongst other obligations relating to each Series, will be secured by the Master Security Trust Deed. Each Transaction Document under which a person has rights against the Issuer relates to a single Series (or is segregated between Series) and contains provisions which limit the rights of each party to that Transaction Document (other than the Issuer) against the Issuer to the amounts available to be distributed to that party under the Master Security Trust Deed.

7.4 Management of the Issuer

7.4.1 Appointment of Manager

The Manager, Macquarie Securities Management Pty Limited, is a wholly owned subsidiary of Macquarie Bank Limited.

Under the Management Deed, the Issuer has appointed the Manager, subject to certain limitations, to manage on the Issuer's behalf the performance of the Issuer's obligations and the exercise of the Issuer's rights under the Transaction Documents.

7.4.2 Macquarie Securities Management Pty Limited as Manager

Macquarie Securities Management Pty Limited is a wholly owned subsidiary of Macquarie Bank Limited. Macquarie Securities Management Pty Limited is a company that provides specialist securitisation management services to structured finance vehicles. The company holds an Australian Financial Services Licence under Part 7.6 of the Australian Corporations Act (Australian Financial Services Licence No. 237984).

7.4.3 Liability of Manager

The liability of the Manager is limited under the Management Deed including a general limitation which provides that the Manager will not be liable for any cost, loss, damage or expense suffered by the Issuer except where arising as a result of the fraud, negligence or wilful default by the Manager of its obligations under the Management Deed. In addition, the Management Deed contains a number of specific limitations on the Manager's liability including that the Manager will not be liable:

- (a) for directing the Issuer to acquire any Investment as a Series Asset of a Series if that Investment, as at the date of acquisition, is an Approved Investment of that Series other than if such a direction is in breach of the Issuer's credit and investment policy;
- (b) in relation to any default by any party to a Transaction Document (other than the Manager or the Issuer) of its obligations under that Transaction Document provided that that Transaction Document was entered into in accordance with the Master Series Agreement;
- (c) to the extent that the Manager acts on the opinion or advice of, or information obtained from, any lawyer, valuer, banker, broker, accountant or other expert appointed by the Manager provided that the Manager shall have exercised reasonable care in the selection of such expert;
- (d) to the extent that the Manager accepts or acts upon a document purportedly executed by or on behalf of any person which was not executed or validly executed by or on behalf of that person (unless the Manager knew or had reason to suspect that the document was not validly executed);
- (e) to the extent that the Manager accepts or acts upon the contents of a certificate given by any party to a Transaction Document and such contents are inaccurate (unless the Manager knew or had reason to suspect that the contents of such a certificate were inaccurate);
- (f) to the extent that the Manager fails to perform or do anything which by reason of any provision of any relevant present or future law of any place or any ordinance, rule, regulation or by-law made pursuant thereto or of any decree, order or judgment of any competent court or other tribunal the Manager shall be hindered, prevented or forbidden from doing or performing;
- (g) to the extent that the Manager makes or directs the Issuer to make payments in good faith to any duly empowered government authority or any other place for taxes or other charges upon any of the Notes or Related Securities or with respect to any transaction under or arising from the Management Deed or any other Transaction Document notwithstanding that any such payment ought or need not have been made; and
- (h) to the extent that for any reason whatsoever it becomes impossible or impracticable to carry out any or all of the provisions of the Management Deed or any other Transaction Document (unless such impossibility or impracticability arises as a result of the Manager's own fraud, negligence or wilful default).

7.4.4 **Manager's Fees and Expenses**

The Issuer will pay to the Manager a fee, and reimburse the Manager its expenses, with respect to the performance by the Manager of its obligations under the Management Deed in respect of each Series established under the Master Series Agreement.

7.4.5 **Retirement of the Manager**

The Manager may at any time retire as Manager upon giving not less than 90 day's written notice to the Issuer (or such shorter period of notice as may be agreed with the Issuer).

The Manager will retire immediately after notice from the Issuer requiring it to do so upon the occurrence of:

- (a) an Event of Insolvency in relation to the Manager; or
- (b) the Manager defaults in observing or performing any of its obligations under the Management Deed and:
 - (i) that default is caused by fraud, negligence or wilful default on the part of the Manager or any of its officers, employees, agents or delegates; and

- (ii) as a consequence of that default the Issuer defaults in observing or performing any of its material obligations under the Transaction Documents.

If the Manager fails to retire after such notice, the Issuer will have the right to remove the Manager immediately.

7.4.6 Fees and Expenses of the Programme

The Manager must endeavour to allocate all fees and expenses of the Issuer, the Manager or the Security Trustee incurred under the Transaction Documents (and which are payable by or recoverable from the Issuer) to a particular Series. In the event that the Manager is unable to allocate to a particular Series any such fees and expenses, the Manager shall apportion such fees and expenses to each of the Series in respect of which such fees and expenses were incurred in the proportion which the aggregate principal amount payable to the Issuer in respect of the Investments which are Series Assets in respect of such Series bears to the aggregate principal amount payable to the Issuer in respect of the Investments which are Series Assets of all such Series in respect of which such fees and expenses were incurred as a whole.

7.4.7 Receipts of moneys

The Issuer must ensure that all funds received by it on any day which are Series Assets of a Series are applied on that day in accordance with Sections 12.10 or 12.12 (as applicable) or are deposited on that day into a bank account for the Series.

8 TERMS AND CONDITIONS OF THE NOTES

8.1 Terms and Conditions of Notes

The Issuer may issue Notes in relation to a Series from time to time in accordance with the Master Series Agreement and the Note Documents applicable to that Series.

The Note Documents relevant to a specific Series and terms and conditions of the Notes of the Series will be specified in the Series Offering Document for that Series.

8.1.1 Form of Notes

The Notes of a Series may be issued in bearer form or may be register based Notes and no definitive certificate will be issued in relation to the Notes.

The form of the Notes of a Series will be specified in the Series Offering Document for that Series.

8.1.2 Clearing System

If any Notes are to be lodged in a clearing system upon issue this will be specified in the Series Offering Document for that Series.

8.1.3 Payments on Notes

All payments under a Note will be made on the due date for payment in accordance with, and subject to, the Series Supplement in relation to that Note:

- (a) unless otherwise specified in the corresponding Series Offering Document, in the currency in relation to that Note;
- (b) if the Note is entered in a clearing system, in accordance with the rules and regulations applying to that clearing system;
- (c) if the Note is not, or has ceased to be, entered in a clearing system:
 - (i) to an account or an address designated by the Noteholder to the registrar not later than the Record Date in relation to the relevant payment date and that Note; and
 - (ii) by cheque drawn on a bank or, in the case of payments to be credited to an account designated by the Noteholder, by the Issuer giving irrevocable instructions to effect a transfer of the relevant funds to such account in immediately available funds.

Payments will be made on the Notes to the Noteholder as shown in the register on the Record Date preceding the date for payment.

9 TRANSACTION DOCUMENTS

9.1 Description of Programme Transaction Documents

The Issuer has entered into the following Transaction Documents which relate to the Programme as a whole and, unless otherwise specified in a Series Offering Document, will be relevant to each Series established under the Master Series Agreement.

- (a) **"Master Series Agreement"**. Under the Master Series Agreement, the Issuer may establish one or more Series relating to the Programme by issuing a Series Supplement to the Manager and the Security Trustee. The form of the Series Supplement will be substantially as set out in the Schedule to the Master Series Agreement.

The Issuer may, amongst other things, from time to time issue Notes and enter into Transaction Documents in relation to a Series, subject to the limitations contained in the Master Series Agreement. Some of these limitations are contained in Sections 7.2 and 7.3 of this Base Prospectus.

- (b) **"Management Deed"**. Macquarie Securities Management Pty Limited has entered into the Management Deed with the Issuer pursuant to which it has agreed to manage the rights and obligations of the Issuer in respect of each Series subject to and in accordance with that deed. For more details about the role of the Manager, see Section 7.4.
- (c) **"Master Security Trust Deed"**. Citibank N.A., London Branch has entered into the Master Security Trust Deed with the Issuer, pursuant to which it has agreed to act as security trustee for the benefit of the Secured Creditors of each Series. The Issuer's obligations in relation to each Note, and under each Transaction Document, in relation to a Series will be limited to the amounts that are recoverable in respect of those obligations under or with reference to the Master Security Trust Deed. For more details about the Master Security Trust Deed and the security in relation to each Series, see Section 12.
- (d) **"Master Custody Agreement"**. Citibank N.A., London Branch has entered into the Master Custody Agreement with the Issuer pursuant to which it has agreed to provide custodian services for some or all of the Investments of a Series. Whether such custodian services will be provided by the Custodian in relation to a Series will be specified in the Series Offering Document for that Series.
- (e) **"Master Dealer Agreement"**. Macquarie Bank Limited has entered into the Master Dealer Agreement with the Issuer pursuant to which Macquarie Bank Limited as Arranger and Dealer may agree to subscribe for Notes issued by the Issuer in relation to a Series. Other entities may be appointed as Dealers under the Master Dealer Agreement pursuant to an accession letter.
- (f) **"Corporate Services Agreement"**. Structured Finance Management (Ireland) Limited has entered into the Corporate Services Agreement with the Issuer. The Services being provided by it are described in Section 6.5.
- (g) **"ICSD Agreement"**. The Issuer and International Central Securities Depositories Agreement between the Issuer, Euroclear and Clearstream, Luxembourg will set forth the understanding between the parties of certain matters with respect to the Notes of a Series which will be issued in the New Global Note format and which will be settled through Euroclear and Clearstream, Luxembourg.

9.2 Description of Series Transaction Documents

Each Series of the Programme will be created by the Issuer preparing and providing to the Manager and the Security Trustee a Series Supplement for that Series pursuant to the Master Series Agreement. The Series Supplement will set out the specific terms and conditions for that Series.

The Issuer may enter into Transaction Documents specific to a particular Series from time to time, the "**Series Transaction Documents**". The Series Transaction Documents in relation to a Series proposed to be entered into by the Issuer upon establishment of that Series will be described in the Series Offering Document for that Series. Unless otherwise specified in the Series Offering Document in relation to a Series, the Issuer may enter into Series Transaction Documents in relation to the Series without the consent of any Noteholder of that Series.

Series Transaction Documents in relation to a Series may include, amongst others:

- (a) "**Funding Transaction Agreements**". A Funding Transaction Agreement is an agreement (other than a Liquidity Transaction Agreement) under which a person agrees to provide financial accommodation to the Issuer.
- (b) "**Liquidity Transaction Agreements**". A Liquidity Transaction Agreement is an agreement under which a person agrees to fund a short-fall of funds available to be paid in respect of any or specified liabilities of the Issuer or otherwise to provide financial accommodation for specified purposes to the Issuer.
- (c) "**Hedge Transactions**". Hedge Transactions are any interest rate or currency hedge, swap option, cap, collar, forward rate agreement, futures contract, credit derivative or other transactions entered into under a Hedge Agreement.
- (d) "**Credit Enhancements**". Credit Enhancements are agreements entered into by, or such other security, support, rights and/or benefits made available to, the Issuer in support of or substitution for an Investment or income or benefits arising thereon.
- (e) "**Note Documents**". Note Documents are agreements pursuant to which Notes of a Series are created, issued, transferred or redeemed and include any agreement for the appointment of a registrar to maintain the register in relation to any Notes and any agreement for the appointment of an issuing and paying agent in relation to any Notes.

The Series Offering Document for a Series will specify whether there is any Funding Transaction Agreement, Liquidity Transaction Agreement, Hedge Agreement, Credit Enhancement or any Note Document in relation to that Series.

The rights of the parties to the Series Transaction Documents, other than the Issuer, will generally be secured under the Master Security Trust Deed against the Series Assets of the relevant Series.

9.3 **Liquidity Transaction Agreements, Hedge Agreements and Credit Enhancements of Rated Series**

The Issuer may only enter into Liquidity Transaction Agreements, Hedge Agreements and Credit Enhancements of a Rated Series with a Series Transaction Provider who has been assigned by each Approved Rating Agency in relation to that Series:

- (a) a rating of at least the designated rating in relation to that Approved Rating Agency and that Series; or
- (b) a rating lower than the designated rating in relation to that Approved Rating Agency and that Series, or no rating, provided that that Approved Rating Agency has confirmed that any Notes or Related Securities of that Series rated by that Approved Rating Agency will have a rating, immediately following the entry into that Liquidity Transaction Agreement, Hedge Agreement or Credit Enhancement (as the case may be), of at least the rating given by that Approved Rating Agency to those Notes or Related Securities immediately prior to the entry into that Liquidity Transaction Agreement, Hedge Agreement or Credit Enhancement.

9.4 **Variation of Transaction Documents**

The Issuer is empowered to amend any Transaction Document as it applies to a Series to effect amendments which:

- (a) correct a manifest error or ambiguity or are of a formal, technical or administrative nature only;
- (b) are necessary to comply with laws or requirements of government authorities;
- (c) in the opinion of the Security Trustee are appropriate or expedient as a change in law (including the decision of any Court) or the altered requirements of any governmental authority;
- (d) in the opinion of the Security Trustee are neither prejudicial nor likely to be prejudicial to the interests of any Noteholder of that Series or:
 - (i) if in the opinion of the Security Trustee any alteration, addition or modification is likely to be prejudicial to the rights of a particular class of Noteholders of that Series that class of Noteholders pass an Extraordinary Resolution approving such alteration, addition or modification; and
 - (ii) if in the opinion of the Security Trustee any alteration, addition or modification is likely to be prejudicial to the rights of all Noteholders in respect of that Series the Noteholders in respect of that Series pass an Extraordinary Resolution approving such alteration, addition or revocation (and, in this case, even if the proposed amendment, addition or revocation affects Noteholders of a particular class, a separate Extraordinary Resolution is not required for each class of Noteholders).

The Issuer will provide to each Noteholder upon the request of that Noteholder in respect of a Series, copies of each supplemental agreement or deed effecting any alteration, addition or modification to any Transaction Document which relates to that Series.

The Issuer will not amend, add to or modify any Transaction Document unless each such Approved Rating Agency has confirmed that any Notes or Related Securities rated by that Approved Rating Agency in respect of all Series, in the case of an amendment, addition or modification to the Master Series Agreement, or, otherwise, in respect of the relevant Rated Series, will have a rating, immediately following amendment, addition or modification taking effect, of at least the rating given by that Approved Rating Agency to those Notes or Related Securities immediately prior to the amendment, addition or modification.

10 **APPROVED INVESTMENTS**

10.1 **Approved Investment**

The Issuer may acquire as an "**Approved Investment**" of a Series:

- (a) any Investment:
 - (i) specified in the Series Offering Document relating to that Series; and
 - (ii) if the Series is a Rated Series, which is of a type in relation to which each Approved Rating Agency has confirmed prior to the acquisition of the investment that its acquisition will not result in a downgrading by it of the ratings of any Notes already on issue and has not subsequently withdrawn such confirmation; or
- (b) any "**Short-Term Investments**" made by the Issuer with surplus funds not immediately required to meet any payments obligation under a Transaction Document with respect to that Series and which (unless otherwise specified in the corresponding Series Offering Document):
 - (i) have a maturity on or prior to the day upon which such surplus funds will be required to meet any obligation under a Transaction Document in relation to the Series; and
 - (ii) if the Series is a Rated Series, has a rating of no less than the designated rating in relation to the Rated Series as is specified in the corresponding Series Offering Document (or the equivalent short term rating if this is a long-term rating).

10.2 **Disposal of Approved Investments**

The Issuer may from time to time dispose of Series Assets of that Series and hold or apply the proceeds of such disposal as Series Assets of that Series. Unless otherwise specified in the Series Offering Document in relation to a Series, the Issuer may dispose of, in whole or part, any Investment of a Series only in one of the following circumstances:

- (a) the Investment is a Short-Term Investment, and in the case of a Rated Series, the Issuer provides prior notice to each Approved Rating Agency in relation to that Rated Series of such disposal;
- (b) the Series is a Rated Series and each Approved Rating Agency of that Series has confirmed that any Notes or Related Securities of that Series rated by that Approved Rating Agency will have a rating, immediately following the disposal of the Investment, of at least the rating given by that Approved Rating Agency to those Notes or Related Securities immediately prior to such disposal;
- (c) the Series is not a Rated Series and the Issuer reasonably considers that the credit quality or value of the Series Asset is declining and that the sale of such Series Asset is in the interests of Secured Creditors of the Series (as a class);
- (d) otherwise:
 - (i) the Issuer obtains the consent of each Secured Creditor of the Series (other than the Noteholders of the Series) to such disposal; and
 - (ii) such disposal is approved by an Extraordinary Resolution of all of the Noteholders of the Series,

and in the case of a Rated Series, the Issuer provides prior notice to each Approved Rating Agency in relation to that Rated Series of such disposal.

10.3 **Transfer of Series Assets to different Series**

The Issuer may transfer Series Assets between Series provided that:

- (a) the Series Asset is an Approved Investment of the acquiring Series; and
- (b) the disposal of the Series Asset by the disposing Series complies with the restrictions described in Section 10.2.

10.4 **Custodian of the Approved Investment**

Citibank N.A., London Branch has been appointed pursuant to the Master Custody Agreement to provide custodian services in relation to any Series Assets of a Series. The Series Offering Document for a Series will specify whether the Custodian will provide such services for that Series. For a description of Citibank N.A., London Branch, see Section 12.1.

11 **BOOK-ENTRY CLEARANCE PROCEDURES**

11.1 **Procedures**

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Manager, the Security Trustee, the Arranger or the Dealer or the Noteholders (or any affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

11.2 **Euroclear and Clearstream, Luxembourg**

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and cross-market transfers of beneficial interests in the Notes associated with secondary market trading. (See Section 11.5 below).

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book-entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in such global certificate directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and, together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

11.3 **Book-Entry Ownership**

The global certificate will have an ISIN and a Common Code and will be registered in the name of Citivic Nominees Limited as nominee of, and deposited with Citibank N.A., London Branch as common safe-keeper on behalf of, Euroclear and Clearstream, Luxembourg.

11.4 **Relationship of Participants with Clearing Systems**

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a beneficial interest in a Note represented by the global certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such global certificate and in relation to all other rights arising under the global certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg (as the case may be). The Issuer expects that, upon receipt of any payment in respect of Notes represented by a global certificate, the common safe-keeper by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant global certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any global certificate held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due

on the Notes for so long as the Notes are represented by such global certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such global certificate in respect of each amount so paid. None of the Issuer, the Security Trustee or the Manager will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any global certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

11.5 **Settlement and Transfer of Notes**

Subject to the rules and procedures of each applicable Clearing System, purchases of beneficial interests in Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such beneficial interests in such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such beneficial interests in such Note (the "**Beneficial Owner**") will in turn be recorded on the Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in beneficial interests in Notes held within the Clearing Systems will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any global certificate held within a Clearing System is exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such beneficial interests in such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Initial settlement for the Notes will be made in euros.

The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a global certificate to such persons may be limited.

11.6 **Trading between Euroclear and/or Clearstream, Luxembourg and Participants**

Secondary market sales of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

12 SECURITY AND ENFORCEMENT

12.1 Master Security Trust Deed and Security Trustee

The rights of Noteholders in relation to the Notes of each Series, amongst other creditors in relation to the Series, are secured by the Master Security Trust Deed.

The Issuer grants a charge under the Master Security Trust Deed over all the Series Assets of each Series to the Security Trustee to be held by the Security Trustee on behalf of the Secured Creditors of the Series. The charge under the Master Security Trust Deed is a floating charge over the Series Assets in relation to a Series unless the Series Offering Document in relation to that Series states that the charge is a fixed charge over some or all of the Series Assets of that Series.

Citibank N.A., London Branch will initially be the security trustee under the Master Security Trust Deed. Citibank N.A., London Branch will serve as the Security Trustee. The corporate trust office of the Security Trustee responsible for the administration of the Security Trustee's obligations in relation to the Series is located at the 14th Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

12.2 Series Assets

The Series Assets in relation to a Series consist of:

- (a) the proceeds of the initial issue of Notes of that Series;
- (b) any Funding Transaction Drawings in relation to that Series;
- (c) all other amounts received by the Issuer under any Transaction Document in relation to that Series;
- (d) amounts standing to the credit of an account with respect to the Series;
- (e) Investments acquired with the proceeds of the foregoing;
- (f) the Issuer's rights under the Transaction Documents with respect to the Series; and
- (g) all Investments or other rights acquired by the Issuer with the proceeds of any of the foregoing as reinvested from time to time.

The Series Assets in relation to a Series are only available to meet the Secured Moneys owing to the Secured Creditors of that Series and are not available to meet the Secured Moneys owing to Secured Creditors of any other Series.

12.3 Secured Creditors

The "**Secured Creditors**" in relation to a Series consist of (unless otherwise specified in the Series Offering Document for the Series) the Manager, the Noteholders of that Series, the Series Transaction Providers of that Series and any other persons identified as such in the Series Offering Document for that Series but does not, unless otherwise specified in the Series Offering Document for the Series, include a registrar or any other person providing registry services with respect to the Notes.

12.4 Events of Default

Each of the following events is an Event of Default in relation to a Series:

- (a) an Event of Insolvency occurs in relation to the Issuer;
- (b) distress or execution is levied or a judgment, order or a security interest is enforced, or becomes enforceable against any of the Series Assets relating to the Series for an amount exceeding A\$1,000,000 or can be rendered enforceable by the giving of notice, lapse of time or fulfilment of any condition;

- (c) the charge in relation to the Series:
 - (i) is or becomes wholly or partly void, voidable or unenforceable; or
 - (ii) loses the priority which it has at or after the date of the Master Security Trust Deed (other than by an act or omission of the Security Trustee);
- (d) the Issuer deals with the Series Assets other than in accordance with the Transaction Documents relating to the Series or attempts to create or allows to exist a security interest over the Series Assets relating to the Series otherwise than in accordance with the Transaction Documents relating to the Series;
- (e) the commissioner of taxation, in Australia or its equivalent in Ireland, or its delegate, determines to issue a notice (under any legislation that imposes a tax) requiring any person obliged or authorised to pay money to the Issuer to instead pay such money to the relevant commissioner in respect of any tax or any fines and costs imposed on the Issuer;
- (f) any Secured Moneys in relation to the Series (other than Secured Moneys owing to the Manager) are not paid within the Applicable Grace Period for that Series of when due in accordance with the corresponding Transaction Documents; and
- (g) any other event occurs which is described in the Series Supplement relating to the Series as an Event of Default in relation to the Series.

12.5 **Immaterial Waivers**

The Security Trustee may, on such terms and conditions as it considers expedient, without the consent of the Secured Creditors in relation to a Series, and without prejudice to its rights in respect of any subsequent breach:

- (a) agree to any waiver or authorisation of any breach or proposed breach of any of the terms and conditions of the Transaction Documents in relation to the Series; and
- (b) determine that any event that would otherwise be an Event of Default in relation to the Series will not be treated as an Event of Default for the purpose of the Master Security Trust Deed relating to that Series,

if to do so would not, in the opinion of the Security Trustee, materially prejudice the interests of the Secured Creditors in relation to the Series as a class. No such waiver, authorisation or determination may be made in contravention of any prior directions contained in an Extraordinary Resolution of the Secured Creditors in relation to the Series. Any such waiver, authorisation or determination will, if the Security Trustee so requires, be notified to the Secured Creditors in relation to the Series by the Manager as soon as practicable after it is made in accordance with the Master Security Trust Deed.

12.6 **Meetings of Secured Creditors**

The Master Security Trust Deed contains provisions for convening meetings of the Secured Creditors of a Series to enable such Secured Creditors to direct or consent to the Security Trustee taking or not taking certain actions under the Master Security Trust Deed, including directing the Security Trustee to enforce or not to enforce (as applicable) the Master Security Trust Deed over the Series Assets of the Series following an Event of Default in relation to the Series.

12.7 **Extraordinary Resolutions**

At a meeting of the then Secured Creditors in relation to a Series called following an Event of Default in relation to the Series, the Secured Creditors must vote on whether to direct the Security Trustee by Extraordinary Resolution to:

- (a) declare the Secured Moneys in relation to the Series immediately due and payable;
- (b) appoint a receiver over the Series Assets in relation to the Series;

- (c) instruct the Security Trustee by notice in writing to sell and realise the Series Assets of the Series; and/or
- (d) take such other action in relation to the Series or its Series Assets as the Secured Creditors may specify in the terms of such Extraordinary Resolution and which the Security Trustee indicates that it is willing to take (such indication, subject to the Master Security Trust Deed, not to be unreasonably withheld or delayed).

12.8 **Voting Procedures**

Every question submitted to a meeting of the Secured Creditors of a Series must be decided in the first instance by a show of hands and in case of equality of votes the chairman must both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he or she may be entitled as a Secured Creditor of the Series or as a representative of a Secured Creditor. The voting entitlement of a Secured Creditor on a poll is determined based on the Secured Moneys owing to the Secured Creditor.

At any meeting of the Secured Creditors of a Series, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman, the Issuer, the Manager or the Security Trustee or by one or more persons holding, or being Representatives holding or representing between them, in aggregate a number of votes which is not less than 2% of the aggregate number of votes comprised in all Voting Entitlements of the Series at the time, a declaration by the chairman that a resolution has been carried by a particular majority or lost or not carried by any particular majority will be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

If at any meeting a poll is so demanded, it must be taken in such manner and either at once or after such an adjournment as the chairman directs and the result of such poll will be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll must not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. Any poll demanded at any meeting on the election of a chairman or on any question of adjournment must be taken at the meeting without adjournment.

A resolution of all of the Secured Creditors, including an Extraordinary Resolution, may be passed, without any meeting or previous notice being required, by an instrument or notice in writing which has been signed by all of the Secured Creditors.

12.9 **Security Trustee must receive Indemnity**

If:

- (a) the Security Trustee convenes a meeting of the Secured Creditors in relation to a Series, or is required by an Extraordinary Resolution of the Secured Creditors in relation to a Series, to take any action to enforce the Master Security Trust Deed, and advises the Secured Creditors that the Security Trustee will not take that action in relation to the enforcement of the Master Security Trust Deed unless it is personally indemnified by one or more of the Secured Creditors to its reasonable 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, in relation to the enforcement of the Master Security Trust Deed and put in funds to the extent to which it may become liable (including costs and expenses); and
- (b) the Secured Creditors refuse to grant the requested indemnity and put it in funds,

the Security Trustee will not be obliged to act in relation to the enforcement of the Master Security Trust Deed. In those circumstances, the Secured Creditors may then exercise such powers, and enjoy such protections and indemnities, of the Security Trustee under the Master Security Trust Deed in relation to the enforcement of the Master Security Trust Deed regarding the Series as they determine by Extraordinary Resolution. The Security Trustee will not be liable in any manner whatsoever if the Secured Creditors exercise, or do not exercise, the rights given to them in the preceding sentence.

12.10 Post-Enforcement Priority of Payments

Unless otherwise specified in the Series Offering Document in relation to a Series, amounts received by the Security Trustee in relation to the Series Assets of a Series upon enforcement of the charge over those Series Assets will be applied in the following general order of priority:

- (a) first, pari passu and rateably towards payment of the fees of the Security Trustee and any receiver appointed by it, towards satisfaction of amounts owing to the Security Trustee, any receiver and the Manager as a result of performing their respective obligations under the Master Security Trust Deed and towards all fees, costs and expenses incurred in connection with the winding-up of the Issuer;
- (b) second, in repayment to the relevant Secured Creditors of any funds advanced by the Secured Creditor to the Security Trustee as described in Section 12.9 or otherwise in funding the enforcement of the Master Security Trust Deed with respect to the Series Assets of the Series by the Security Trustee or a receiver;
- (c) third, in payment of other security interests (if any) over the Series Assets of the Series of which the Security Trustee is aware having priority to the charge;
- (d) fourth, pari passu and rateably in payment to the Manager, the Corporate Services Provider and the Series Transaction Providers in relation to the Series of:
 - (i) any Secured Moneys in respect of the Series owing in respect of the Manager's or the Corporate Services Provider's fees and expenses for that Series provided that, in relation to the Corporate Services Provider only, the maximum amount payable in that year under this clause 12.10(d)(i) must not exceed 0.05% of the outstanding principal amount of the Notes as at the commencement of that year for that Series (unless, if the Series is a Rated Series, an increase in this percentage has been notified to any relevant rating agency and the Manager has confirmed that it is satisfied that such increase will not result in a withdrawal, qualification or downgrading of the ratings on the Notes of that Series);
 - (ii) any liability, loss or expense incurred by the Manager in the performance by it of its obligations under the Transaction Documents; and
 - (iii) to the Series Transaction Providers in relation to that Series any money due and payable to those Series Transaction Providers for that Series;
- (e) fifth, pari passu and rateably to the Secured Creditors in relation to the Series, other than the Manager, any Series Transaction Provider in relation to the Series and any Credit Enhancement Providers in relation to the Series, in payment or satisfaction of all Secured Moneys in relation to the Series owing to such Secured Creditors;
- (f) sixth, in payment to the Credit Enhancement Providers in relation to the Series of moneys due and payable to such Credit Enhancement Providers;
- (g) seventh, in payment of subsequent security interest over the Series Assets;
- (h) eighth, in payment of any remaining moneys owing to the Manager or the Corporate Services Provider; and
- (i) last, in payment of the surplus (if any) to the Issuer to be distributed by the Issuer in accordance with the terms of the Master Series Agreement and the Series Supplement in relation to the Series.

12.11 Foreign Currencies

If any Secured Moneys in relation to a Series are denominated in a currency other than Australian dollars then, unless otherwise specified in the corresponding Series Offering Document, in calculating the amount to be distributed to the relevant Secured Creditors the Security Trustee will convert the amount of such Secured Moneys from that foreign currency to Australian dollars (at the exchange rate determined by the Security Trustee as the spot exchange rate two days prior to

the date of distribution or the exchange rate prevailing on that date, as the Security Trustee considers appropriate) and the Security Trustee must make any payments in respect of such Secured Moneys as so calculated.

The above paragraph will not apply if the Secured Moneys in relation to the Series are denominated in the same currency as the payments which the Issuer is required to make in relation to that Series.

12.12 Pre-Enforcement Priority of Payments

Provided that an Event of Default has not occurred and is subsisting in relation to a Series (and subject to the corresponding Series Offering Document), all moneys received by the Issuer in relation to the Series Assets of that Series which are to be applied on any day towards the liabilities of that Series payable on that day must (subject to the Transaction Documents in relation to that Series) be applied as follows:

- (a) first, towards the payment of or provision for:
 - (i) first, the fees payable to the Security Trustee on that day or which have accrued and are payable on a subsequent day; and
 - (ii) then, the indemnities and expenses due and payable to the Security Trustee on that day or which have accrued and are payable on a subsequent day;
- (b) second, pari passu and rateably in payment to:
 - (i) the Manager of any Secured Moneys in respect of the Series due and payable in respect of the Manager's fees and expenses for that Series on that day or in provision for such amounts which have accrued and are payable on a subsequent day;
 - (ii) the Corporate Services Provider of any Secured Moneys in respect of the Series due and payable in respect of the Corporate Services Provider's fees and expenses for that Series on that day or in provision for such amounts which have accrued and are payable on a subsequent day provided that the maximum amount payable in any year under this clause 12.12(b)(ii) must not exceed 0.05% of the outstanding principal amount of the Notes as at the commencement of that year for that Series (unless, if the Series is a Rated Series, an increase in this percentage has been notified to any relevant rating agency and the Manager has confirmed that it is satisfied that such increase will not result in a withdrawal, qualification or downgrading of the ratings on the Notes of that Series); and
 - A. to the Series Transaction Providers in relation to that Series any money due and payable to those Series Transaction Providers for that Series;
- (c) third, to the Issuer as its retained profit an amount equal to €1,000 per annum;
- (d) fourth, pari passu and rateably towards the fees of the directors of the Issuer, any fees for listing any Notes of that Series on the Irish Stock Exchange or any other exchange and the fees of the auditors and tax advisors of the Issuer in relation to that Series;
- (e) fifth, pari passu and rateably to the Secured Creditors in relation to the Series, other than the Manager, any Series Transaction Provider in relation to the Series and any Credit Enhancement Providers in relation to the Series, in payment or satisfaction of moneys due and payable to such Secured Creditors in respect of that Series or in provision for such amounts which have accrued and are payable on a subsequent date;
- (f) sixth, to the Credit Enhancement Providers in relation to the Series in payment or satisfaction of moneys due and payable to such Credit Enhancement Providers in

respect of that Series on that day or in provision for such amounts which have accrued and are payable on a subsequent day;

- (g) seventh, in payment towards satisfaction of any remaining amounts which are due and payable to the Security Trustee in respect of that Series on that day or in provision for such amounts which have accrued and are payable on a subsequent day;
- (h) eighth, *pari passu* and rateably in payment to the Manager and the Corporate Services Provider of any remaining Secured Moneys in relation to the Series due and payable to the Manager or to the Corporate Services Provider in respect of that Series on that day or in provision for such amounts which have accrued and are payable on a subsequent day; and
- (i) lastly, in payment of any other liabilities of the Issuer due and payable on that day.

12.13 Retirement of Security Trustee

The Security Trustee must retire if:

- (a) an Event of Insolvency occurs in relation to the Security Trustee (in its personal capacity, not in its capacity as trustee of any trust);
- (b) it ceases to carry on business;
- (c) it breaches a material duty and does not remedy the breach with 20 Business Days' notice from the Manager or the Issuer; or
- (d) there is a change in the holding company (as defined in the Corporations Act) of the Security Trustee or in the ownership of 50% or more of the issued equity share capital of the holding company of the Security Trustee from the position as at the date of the security trust deed or effective control of the Security Trustee alters from the position as at the date of the security trust deed unless in either case approved by the Manager, whose approval must not be unreasonably withheld.

If the Security Trustee refuses to retire the Manager is entitled to remove the Security Trustee from office immediately by notice in writing if an event referred to above has occurred. On the retirement or removal of the Security Trustee:

- (a) the Manager must promptly notify each Approved Rating Agency (if any) in relation to a Series of such retirement or removal; and
- (b) subject to any approval required by law, the Issuer is entitled to and must use its best endeavours to appoint in writing some other person to be the new Security Trustee provided that the Manager has confirmed in writing to the Issuer, that the Manager has received confirmation from the Approved Rating Agencies (if any) of all Series that the appointment of the proposed new Security Trustee will not result in a reduction, qualification or withdrawal of the then credit ratings of the Securities or Related Securities in relation to all Series. If the Issuer does not appoint a new Security Trustee, the Manager may appoint a new Security Trustee provided that the Manager receives confirmation from the Approved Rating Agencies (if any) of all Series that the appointment of the proposed new Security Trustee will not result in a reduction, qualification or withdrawal of the then credit ratings assigned to the Securities or Related Securities in relation to all Series by the Approved Rating Agencies.

The Security Trustee may retire on giving 3 months' written notice. If the Security Trustee retires, it may appoint a suitably qualified person to act in its place with the approval of the Manager, which must not be unreasonably withheld, and the Approved Rating Agencies. If the Security Trustee does not propose a replacement by one month prior to the date of its retirement, the Manager is entitled to appoint a substitute Security Trustee which must be a suitably qualified person approved by the rating agencies.

If a substitute Security Trustee has not been appointed at a time when the position of Security Trustee becomes vacant, the Manager must act as Security Trustee and must promptly convene

a meeting of all Secured Creditors who may by Extraordinary Resolution appoint a replacement Security Trustee. While the Manager acts as Security Trustee, it is entitled to the Security Trustee's fee.

12.14 **Limitation on Security Trustee's Liability**

The Master Security Trust Deed includes provisions limiting the scope of the Security Trustee's responsibilities and liabilities. For example, the Security Trustee is not required to monitor the Issuer or the Manager, or disclose information about them to the Noteholders of a Series. The Security Trustee is not responsible for the adequacy, validity or enforceability of any Transaction Document in relation to a Series. The Security Trustee is not required to act until directed by Secured Creditors of a Series and put in funds and indemnified by them. The Security Trustee and its related companies may act in different capacities which conflict with the interests of Noteholders of a Series, and the Security Trustee and its related companies will not have any liability in relation to the use or non-use of information obtained in these different capacities.

The Security Trustee has no liability under or in connection with the Master Security Trust Deed relating to a Series or any other Transaction Document (whether to the Secured Creditors, the Issuer, the Manager or any other person) in relation to a Series other than to the extent to which the liability is able to be satisfied out of the Series Assets in relation to the Series from which the Security Trustee is actually indemnified for the liability. This limitation will not apply to a liability of the Security Trustee to the extent that it is not satisfied because, under the Master Security Trust Deed or by operation of law, there is a reduction in the extent of the Security Trustee's indemnification as a result of the Security Trustee's fraud, negligence or wilful default.

The Issuer shall reimburse the Security Trustee for all costs and expenses of the Security Trustee incurred in performing its duties under the Security Trust Deed. The Security Trustee shall receive a fee in the amount agreed from time to time by the Issuer, the Security Trustee and the Manager.

13 TAXATION

The following is a general discussion of certain aspects of the anticipated Australian tax treatment of the Issuer and/or the holders of Notes. The discussion is based on laws, regulations, rulings and decisions (and interpretations of these) currently in effect, all of which are subject to change. Any such change may have retroactive effect. The discussion is intended for general information only, and does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase Notes.

Prospective investors should consult their own professional advisers concerning the possible tax consequences of buying, holding or selling any Notes under the applicable laws of their country of citizenship, residence or domicile.

13.1 Ireland

Company Residence

Until the passing of the Finance Act, 1999, Irish tax law regarded a company as a tax resident of the country where the management and control of the company was exercised. Post Finance Act 1999, a company which is incorporated in Ireland will be regarded as tax resident in Ireland unless:

- (a) the company or a related company is carrying on a trade in Ireland and either;
 - (i) the company is ultimately controlled by tax residents of an EU Member State or country with which Ireland has a double tax treaty, or
 - (ii) the company or a related company is quoted on a recognised stock exchange of an EU Member State or country with which Ireland has a double tax treaty, or
- (b) the company is treated as resident in a country by virtue of a double tax treaty entered into between that country and Ireland.

Ireland has a double taxation treaty with Australia (the "**Ireland/Australia DTT**").

Under Article 4(1) of the Ireland/Australia DTT, a person is a resident of Ireland or Australia (collectively, the "**Contracting States**"):

- (a) in the case of Australia, if the person is a resident of Australia for the purposes of Australian tax; and
- (b) in the case of Ireland, if the person is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature but not if he is liable to tax in Ireland in respect only of income from sources therein

Article 4(4) of the Ireland/Australia DTT provides that where a company is, pursuant to the provisions of Article 4(1), a resident of both Contracting States then it shall be deemed to be a resident of the Contracting State in which its place of effective management is situated.

The Issuer intends to have its place of effective management in Australia and therefore be resident in Australia for tax purposes.

13.2 Australia Taxation

The following statements with respect to Australian taxation are general summaries only and are based on taxation advice received by the Issuer. Prospective investors should consult their own tax advisers concerning the consequences, in their particular circumstances, under Australian tax laws, and under the laws of any other taxing jurisdiction, of the ownership of or any dealing in the Notes.

Any such dealing would need to comply with the selling restrictions and securities laws generally.

13.2.1 **The Issuer**

The Issuer will be subject to Australian tax. The Issuer is entitled under current tax laws to deduct against the Issuer's income, all expenses (net of any input tax credits) incurred by it in deriving that income (including interest paid or accrued on account of the Notes).

13.2.2 **The Noteholders**

The Noteholders will derive interest income from their Notes. Under the terms of the Notes the interest income will accrue on a periodic basis. The Noteholders will, if Australian residents, be assessable on this interest income for tax purposes. Whether this interest income will be recognised on a cash receipts or accruals basis for tax purposes will depend upon the tax status of the particular Noteholder.

13.2.3 **Withholding Tax and Pay-As-You-Go Withholding Obligations**

Under existing Australian tax laws, a payment made by the Issuer (which is an Australian resident) which is:

- (a) a payment:
 - (i) of interest; or
 - (ii) of an amount in the nature of interest; or
 - (iii) of an amount that could reasonably be regarded as having been converted into a form that is in substitution for interest; or
 - (iv) of an amount to the extent that it could reasonably be regarded as having been received in exchange for interest in connection with a washing arrangement;
 - (v) of a dividend in respect of a non-equity share; or
 - (vi) of an amount paid in respect of upper tier 2 capital instruments that are debt interests that are not a return on an investment,

but not an amount to the extent to which it is a return on an equity interest in a company; and
- (b) made to a non-resident of Australia and not derived in carrying on business through an Australian permanent establishment (an "**Australian PE**"), or to a permanent establishment of a resident carried on outside Australia; and
- (c) not an outgoing wholly incurred by the Issuer in carrying on business in a country outside Australia at or through a permanent establishment in that country,

will be subject to interest withholding tax at a rate (currently) of 10%, of the amount of such payment.

Pursuant to section 128F of the Australian Tax Act, an exemption from Australian withholding tax applies if all of the following conditions are met:

- (a) the Issuer is a company;
- (b) the Issuer is a resident of Australia or is a non-resident carrying on business through an Australian PE when it issues the Notes;
- (c) the Issuer is a resident of Australia or is a non-resident carrying on business through an Australian PE when the interest is paid; and
- (d) the issue of the Notes satisfies the public offer test set out in section 128F(3) or section 128F(4) of the Australian Tax Act.

Each Dealer has agreed with the Issuer to offer the Notes for subscription or purchase in accordance with certain procedures intended to result in the public offer test being satisfied and the Notes having the benefit of the section 128F exemption.

Under present law, the public offer test will not be satisfied if, at the time of issue, the Issuer knew, or had reasonable grounds to suspect, that the Notes, or an interest in the Notes, was being, or would later be, acquired either directly or indirectly by an Offshore Associate of the Issuer other than in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes, or in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme.

The section 128F exemption also does not apply to interest paid by the Issuer to an Offshore Associate of the Issuer if, at the time of payment of the interest, the Issuer knows, or has reasonable grounds to suspect, that such person is an Offshore Associate and the Offshore Associate does not receive the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

Accordingly, the Notes should not be acquired by any Offshore Associate of the Issuer subject to the exceptions referred to above.

Other than interest withholding tax as described above, under existing Australian tax laws, non-resident holders of the Notes or interests in any global note (other than persons holding such securities or interests as part of a business carried on, at or through an Australian Establishment) are not subject to Australian income tax on payments of interest or amounts in the nature of interest.

Tax at the rate of 46.5% may be deducted from payments to an Australian resident Noteholder or a non-resident holding the Notes or through an Australian PE who does not provide the Issuer with a Tax File Number or an Australian Business Number (where applicable) unless an exemption applies to that Noteholder.

13.3 **Redefinition of debt and equity**

Division 974 of the 1997 Act classifies financial instruments as either debt or equity on an "in substance" basis. These measures should not adversely affect the Notes issued by the Issuer and result in denial of deductions by the reclassification of the Notes as equity as the equity test only applies to interests in companies.

13.4 **Non-resident Withholding Tax Regime**

There are certain obligations to withhold an amount in respect of certain payments and non-cash benefits that are made to foreign residents as prescribed by regulations.

Regulations introduced to date (covering casino gaming junket arrangements, entertainment and sports activities and construction contracts) will not affect the Issuer. This is consistent with the non-resident withholding provisions which provide that the regulations will not apply to interest and other payments which are already subject to the current withholding tax rules.

Regulations which prescribe payments to which withholding applies can only be made where the Minister is satisfied that the payment could reasonably be related to assessable income of foreign residents.

Accordingly, it is not expected that the regulations would apply to repayments of principal under the Notes as such amounts will generally not be reasonably related to assessable income of foreign residents.

13.5 **Australian Taxation of Profit on Sale**

Under existing Australian law, non-resident holders of Notes will not be subject to Australian income tax on profits derived from the sale or disposal of the Notes provided that:

- (a) the profits do not have an Australian source; or

- (b) where the non-resident holder is located in a country which has concluded a tax treaty with Australia, the Notes are not held, and the sale and disposal of the Notes does not occur, as part of a business carried on, at or through an Australian PE.

The source of any profit on the disposal of Notes will depend on the factual circumstances of the actual disposal. Where the Notes are acquired and disposed of pursuant to contractual arrangements entered into and concluded outside Australia, and the purchasers are non-residents of Australia and do not have an Australian PE, the profits should not have an Australian source.

Where the Notes are held, and the sale and disposal occurs, as part of a business carried on by the non-resident holder at or through an Australian PE, the profits derived from the sale or disposal may be deemed to have an Australian source. Such deeming will depend upon the country in which the non-resident holder is located and any applicable tax treaty between Australia and that country.

There are specific withholding tax rules that can apply to treat a portion of the sale price of Notes as interest for withholding tax purposes (and which amounts are not covered by the exemption conditions in section 128F). These rules can apply when:

- (a) Notes are sold by a non-resident holder for any amount in excess of their issue price prior to maturity to a purchaser who is either a resident and who does not acquire the Notes in the course of carrying on business in a country outside Australia at or through a permanent establishment in that country, or a non-resident that acquires the Notes in the course of carrying on a business in Australia at or through a permanent establishment in Australia, where the issue of the Notes did not satisfy the public offer test; or
- (b) Notes are sold by a non-resident holder to an Australian resident or to a non-resident in connection with a business carried on, at or through a permanent establishment in Australia by the non-resident in connection with a "washing arrangement" as defined in section 128A(1AB) of the Australian Tax Act, in circumstances where the exemption conditions in Section 128F of the Australian Tax Act are not met.

13.6 **Thin Capitalisation**

Where the Issuer seeks a deduction for interest payable on the Notes, the thin capitalisation provisions will need to be considered. Broadly, these provisions will deny part of the interest deductions where specified **debt/equity ratios are exceeded**. However, there is an exemption from the thin capitalisation measures where the following conditions are met:

- the Issuer was established for the purposes of managing some or all of the economic risk associated with assets, liabilities or investments;
- at least 50% of the Issuer's assets are funded by debt interests; and
- the Issuer is an "insolvency remote special purpose entity" according to the criteria of an internationally recognised rating agency applicable to the entity's circumstances.

The Issuer would fall within the exemption for special purpose entities, provided that it is an "insolvency remote special purpose entity".

If that is the case, the thin capitalisation measures would not apply to the Issuer.

13.7 **Mutual assistance in the collection of debts**

Under Division 263 of Schedule 1 of the Taxation Administration Act 1953, the Commissioner of Taxation may have the power to collect a taxation debt on behalf of a foreign taxation authority if formally requested to do so, or to take conservancy measures to ensure the collection of that debt. Conservancy is concerned with preventing a taxpaying entity from dissipating their assets when they have a tax related liability. The provisions also treat Australian tax debts collected and remitted to Australia by a foreign tax authority as tax debts collected in Australia. As a result, in

certain circumstances, any foreign tax liabilities of a non-resident holder of the Notes the subject of the measures may be collected by Australia on behalf of another country.

13.8 **Tax Reform Proposals**

The Australian Federal Government is undertaking a program of reform of business taxation. In addition to many measures that have been enacted, there remain outstanding areas where the Federal Government has indicated that changes are being considered or may be introduced.

Taxation of Financial Arrangements ("TOFA")

The *Tax Laws Amendment (Taxation of Financial Arrangements) Bill 2007* (the "**Bill**") was introduced into Parliament on 20 September 2007. To date, the Bill has not been passed.

The Bill deals with the final stages of the TOFA reform measures. It seeks to insert proposed Division 230 into the 1997 Act, which sets out principles and rules for the tax timing and character treatment of gains and losses from "financial arrangements", which are broadly defined to include arrangements under which you have "cash settleable" legal or equitable rights or obligations to receive or provide a financial benefit of a monetary nature in the future. The legislation sets out six methods of recognising the quantum and timing of the income and expenses arising from a financial arrangement – accruals, realisation, fair value, retranslation, hedging and reliance on financial reports.

The proposed rules effectively remove the capital/revenue distinction for income and expenses from most financial arrangements by placing them on revenue account.

If passed in their current form, the amendments will apply to income years commencing on or after 1 July 2009. Accordingly, it would be unlikely that those rules will apply to the Issuer in relation to arrangements entered into before 1 July 2009.

13.9 **Stamp Duty**

The Manager has received advice that neither the issue, the transfer nor the redemption of the Notes will currently attract stamp duty in any jurisdiction of Australia.

14 SUBSCRIPTION AND SALE

14.1 Introduction

Subject to the terms and conditions contained in the Master Dealer Agreement as amended and supplemented from time to time in relation to a Series, the Notes may be sold by the Issuer to the Dealers, who shall act as principals in relation to such sales.

The name or names of the Dealer or Dealers (if any) of the Notes, the Issue Price of the Notes and, if listed, any commissions payable in respect of it will be specified in the relevant Series Offering Document.

The Issuer and the Manager have agreed to indemnify each Dealer against certain liabilities in connection with the offer and sale of Notes under the Master Dealer Agreement.

14.2 General

Each Dealer has agreed and each further Dealer appointed under the Master Dealer Agreement for the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries. None of the Issuer or any other Dealer shall have any responsibility therefore.

None of the Issuer or any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available under it, or assumes any responsibility for facilitating such sale.

With regard to each Series, the relevant Dealer(s) will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Series Offering Document.

In particular (but without limiting the generality of the above), subject to any amendment or supplement which may be agreed with the Issuer in respect of the issue of any Series, each Dealer has agreed, and each further Dealer appointed under the Master Dealer Agreement for the Programme will be required to agree, to comply with the following provisions except to the extent that, as a result of any change in, or the official interpretation of, any applicable laws and/or regulations, non-compliance would not result in any breach of the applicable laws and/or regulations.

14.3 Australia

This Base Prospectus is not a "Product Disclosure Statement" for the purposes of Chapter 7 of the Corporations Act and has not been lodged with the Australian Securities and Investments Commission as a disclosure document under Part 6D.2 of the Corporations Act. Accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Master Dealer Agreement for the Programme will represent and agree that it has not offered and will not offer, for issue, and has not invited and will not invite applications for the issue of the Notes or offer the Notes for sale or invite offers to purchase the Notes to a person, unless (i) the minimum amount payable to the relevant Dealer by each person for the Notes (after disregarding any amount paid or payable or lent by the Dealer or any associate (as determined under sections 10 to 17 of the Corporations Act)) of the Dealer, on acceptance of that offer by that person is at least A\$500,000 (calculated in accordance with both section 708(9) of the Corporations Act and regulation 7.1.18 of the Corporations Regulations) (or its equivalent in another currency), or (ii) the offer, invitation or sale otherwise does not otherwise require disclosure to investors under Part 6D.2 of the Corporations Act, otherwise complies with the Corporations Act and is not made to a person who is a "retail client" within the meaning of section 761G of the Corporations Act. In addition, the Master Dealer Agreement contains provisions which require the Dealer to take certain steps in relation to the offering of the Notes so that the Issuer can establish that it has met the requirements of the Australian Tax Act (see Section 13).

14.4 **The United States of America**

The Notes have not been registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as described in this Base Prospectus or any corresponding Offering Document. Terms used in this paragraph have the meanings given to them by Regulation S.

14.5 **The United Kingdom**

Each Dealer has represented and agreed and each further Dealer appointed under the Master Dealer Agreement for the Programme will represent and agree that:

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

14.6 **Spain**

Each Dealer has represented and agreed and each further Dealer appointed under the Master Dealer Agreement for the Programme will represent and agree that neither the Notes nor the Base Prospectus nor any corresponding Series Offering Document have been approved or registered in the administrative registries of the Spanish Securities Markets Commission (Comisión Nacional del Mercado de Valores). Accordingly, the Notes may not be offered or sold in Spain except in circumstances which do not constitute a public offering of securities in Spain within the meaning of article 30-bis of the Spanish Securities Market Law of 28 July 1988 (Ley 24/1988, de 28 de julio, del Mercado de Valores), as amended and restated, and supplemental rules enacted thereunder.

14.7 **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 Dealer has represented and agreed and each further Dealer appointed under the Master Dealer Agreement for the Programme will represent and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of the Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts, or
- (c) in any other circumstances which do not require the publication by the issuer of a prospectus pursuant to article 3 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 for the Notes, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state and the expression Prospectus Directive means directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 and includes any relevant implementing measure in each Relevant Member State.

14.8 **Singapore**

Each Dealer has acknowledged and each further Dealer appointed under the Master Dealer Agreement for the Programme will acknowledge that (1) this Base Prospectus and any corresponding Series Offering Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore and (2) the Notes are offered by the Issuer pursuant to exemptions invoked under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Master Dealer Agreement for the Programme will represent and agree that neither this Base Prospectus nor any corresponding Series Offering Document nor any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Notes will be distributed or circulated by it nor will the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly in Singapore other than pursuant to, and in accordance with the conditions of, an exemption invoked under Sub-division (4) of Division 1 of Part XIII of or other applicable provision of the SFA and to persons to whom any Notes may be offered or sold under any such exemptions.

14.9 **Hong Kong**

Each Dealer has represented and agreed and each further Dealer appointed under the Master Dealer Agreement for the Programme will represent and agree that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than:
 - (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent) or to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that ordinance; or
 - (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the 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 Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that ordinance.

14.10 **Ireland**

Each Dealer represents and warrants and each further Dealer appointed under the Master Dealer Agreement for the Programme will represent and warrant that they have not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the issue of any Notes in Ireland:

- (a) except in circumstances which do not require the publication of a prospectus pursuant to Article 3(2) of Directive 2003/71/EC;
- (b) otherwise than in compliance with the provisions of the Irish Companies Acts 1963-2006;

- (c) otherwise than in compliance with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (S.I. No. 60 of 2007) (as amended), and they will conduct themselves in accordance with any codes or rules of conduct and any conditions or requirements, or any other enactment, imposed or approved by IFSRA with respect to anything done by them in relation to the Notes;
- (d) otherwise than in compliance with the provisions of the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued by IFSRA pursuant thereto; and
- (e) otherwise than in compliance with the provisions of the Irish Central Bank Acts 1942 – 2004 (as amended) and any codes of conduct rules made under Section 117(1) thereof.

14.11 **General**

Other than the Manager seeking the approval by IFSRA of this Base Prospectus and any corresponding Series Offering Document as a prospectus in accordance with the requirements of the Prospectus Directive and application to the Irish Stock Exchange for the Notes of a Series to be admitted to the Official List, no action has been, or will be, taken by the Issuer, the Manager or a Dealer that would permit a public offering of the Notes of a Series or distribution of this Base Prospectus nor any corresponding Series Offering Document or any other offering or publicity material relating to the Notes in or from any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Base Prospectus and any corresponding Series Offering Document nor any 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 that will result in compliance with any applicable laws or regulation.

The Notes are only to be sold in a manner that does not constitute an offer to the public for the purposes of the Prospectus Directive.

15 EXCHANGE CONTROLS AND LIMITATIONS

15.1 Reserve Bank of Australia Approval

Under Australian foreign exchange controls, which may change in the future, payments by a person in Australia to, by order of, or on behalf of the following payees may only be made with Reserve Bank of Australia approval:

- (a) the Embassy or Consulate-General of the former Federal Republic of Yugoslavia (in respect of any amount in excess of A\$100,000);
- (b) the Narodna Banka Jugoslavije (including Banque Nationale de Yugoslavie) (in respect of any amount in excess of A\$100,000);
- (c) certain other persons and entities listed in instruments issued under the Australian Banking (Foreign Exchange) Regulations and published on behalf of the Reserve Bank of Australia in the Commonwealth of Australia Gazette on 24 October 2001; or
- (d) certain entities and individuals associated with the Democratic People's Republic of Korea listed in Commonwealth of Australia Gazette No. S176, dated 19 September 2006.

Reserve Bank of Australia approval is also required in relation to the taking or sending out of Australia by a person of any Australian currency derived or generated from property, securities or funds owed or controlled directly or indirectly or otherwise relating to payments directly or indirectly to, or for the benefit of, certain ministers and senior officials of the government of Zimbabwe as listed in instruments issued under the Australian Banking (Foreign Exchange) Regulations and published on behalf of the Reserve Bank of Australia in the Commonwealth of Australia Gazette on 11 December 2002 and 30 November 2005.

15.2 Australian Ministerial Approval

Additionally, under Part 4 of the Australian Charter of the United Nations Act 1945 and the Australian Charter of United Nations (Terrorism and Dealings with Assets) Regulations 2002 the approval of the Australian Minister for Foreign Affairs, or the Minister's delegate, is required with respect to certain payments and actions in relation to an asset proscribed or listed under, or which is owned or controlled directly or indirectly by a person or entity proscribed or listed under those Regulations or is an asset derived or generated from such assets (proscribed persons presently include, amongst others, the Taliban, Usama bin Laden, a member of the Al-Qaida organisation and other persons and entities connected with them). The Australian Department for Foreign Affairs and Trade maintains a consolidated list of all such proscribed and listed persons and entities, which is publicly available on its website. The identity of such proscribed persons or entities under those regulations may change in the future.

Under Part 4 of the Australian Charter of the United Nations Act 1945 and the Iraq (Reconstruction and Repeal of Sanctions) Regulations 2003, the approval of the Minister for Foreign Affairs, or the Minister's delegate, is required with respect to certain payments and actions in relation to certain Iraqi assets, assets acquired by certain Iraqis and assets derived or generated from such assets.

Under Part 4 of the Australian Charter of the United Nations Act 1945 and the Charter of the United Nations (Sanctions - Liberia) Regulations 2002 the assets owned or controlled by certain persons or entities as listed by the Security Council Committee, as established pursuant to United Nations Security Council Resolution 1521 (2003), are frozen. Under the Charter of the United Nations (Sanctions Liberia) Regulations 2002, it an offence to engage in dealings with or to facilitate dealings with such frozen assets or to give any asset to such listed persons or entities.

16 GENERAL INFORMATION

- 16.1 It is expected that Notes of a Series which are to be listed on the Official List and admitted to trading on the regulated market of the Irish Stock Exchange will be admitted separately as and when issued. The listing of the Programme is expected to be granted on or before 16 June 2008. The Programme provides that Notes of a Series may be listed on such further or other stock exchange(s) or admitted to trading on such further or other markets as the Issuer may decide.
- 16.2 The Issuer has obtained all necessary consents, approvals and authorisations in the Republic of Ireland in connection with the establishment of the Programme and the issue and performance of Notes under the Programme. The establishment of the Programme and the issue of Notes under the Programme was authorised by resolutions of the Board of Directors of the Issuer passed on 5 June 2008.
- 16.3 Since incorporation, the Issuer has not commenced operations and no financial statements have been made up as at the date of this Base Prospectus.
- 16.4 The Issuer is not nor has it been since the date of its incorporation, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have had in the recent past, significant effects on the Issuer's financial position or profitability.
- 16.5 From the date of this Base Prospectus and for as long as the Programme remains in effect or any Notes issued under it remain outstanding, the following documents will be available for inspection in physical or electronic form, during usual business hours on any weekday (Saturdays and Sundays and public holidays excepted) for inspection at the registered office of the Issuer:
- (a) the Master Series Agreement;
 - (b) the Management Deed;
 - (c) the Corporate Services Agreement;
 - (d) the Master Security Trust Deed;
 - (e) the Master Dealer Agreement;
 - (f) the Master Custody Agreement;
 - (g) the ICSD Agreement;
 - (h) each Series Supplement for Notes which are outstanding and are listed on the Official List of the Irish Stock Exchange Limited;
 - (i) any Funding Transaction Agreement in relation to a Series;
 - (j) any Liquidity Transaction Agreements in relation to a Series;
 - (k) any Hedge Transactions in relation to a Series;
 - (l) any Credit Enhancements in relation to a Series;
 - (m) any Note Documents in relation to a Series;
 - (n) a copy of this Base Prospectus;
 - (o) each Series Offering Document; and
 - (p) any Investor Reports in relation to a Series.

Documents or reports which relate to a particular Series will only be available to the Noteholders of that Series.

- 16.6 Investor reports will be provided to the extent (if any) set out in the relevant Series Offering Document. The reports will provide information about the Approved Investments of a Series held by the Issuer from time to time.
- 16.7 The auditors of the Issuer are PricewaterhouseCoopers, One Spencer Dock, North Wall Quay Dublin 1, Ireland who are chartered accountants and are members of the Institute of Chartered Accountants (ICAI) and registered auditors qualified to practise in Ireland.
- 16.8 The estimated expense related to the admission of the Notes to trading is €4,032.40.

GLOSSARY OF TERMS

Applicable Grace Period	In relation to a Series means 10 days or such other period as specified in the corresponding Series Offering Document.
Approved Investments	These are described in Section 10.
Approved Rating Agency	Each rating agency in relation to a Rated Series that at the request of the Manager has rated and currently rates, or is proposed to rate, any Notes or Related Securities (and has not subsequently been requested by the Manager to cease rating such Notes or Related Securities). Each Approved Rating Agency in relation to a Series will be specified in the Series Offering Document for that Series.
Arranger	Macquarie Bank Limited.
Clearstream, Luxembourg	This is described on the cover page.
Corporations Act	Corporations Act 2001 (Cth).
Corporate Services Agreement	This is described in Section 9.1.
Credit Enhancements	These are described in Section 9.1. Any Credit Enhancements applicable to a Series will be specified in the Series Offering Document for that Series.
Credit Enhancement Provider	In relation to a Series means each person who provides, or it is proposed will provide, a Credit Enhancement to the Issuer in relation to that Series and is specified as such in the Series Offering Document in relation to that Series, or otherwise agreed between the Manager and the Issuer, to be a Credit Enhancement Provider.
Custodian	Citibank N.A., London Branch or any substitute Custodian appointed under the Master Custody Agreement.
Dealer	Macquarie Bank Limited and any other person appointed as a dealer in respect of an issue of Notes of a Series by the Issuer from time to time under the Master Dealer Agreement.
Debt Securities	Bonds, notes, commercial paper, debentures, bills of exchange, promissory notes, credit-linked notes, deposits, certificates of deposit or other debt securities (convertible or otherwise), whether in bearer, registered or inscribed form or otherwise, whether having a fixed maturity, whether having a fixed principal amount or a principal amount linked to an index or calculable by any other means, whether bearing a fixed or variable rate of interest or no interest, whether issued at a discount, premium or at par and whether denominated in Australian dollars or in the currency of any other jurisdiction.
Euroclear	This is described on the cover page.
Event of Default	This is described in Section 12.4.
Event of Insolvency	In relation to any person, means each of the following events: <ul style="list-style-type: none"> • a liquidator, provisional liquidator, trustee, examiner, administrator, manager, receiver, receiver and manager or similar officer is appointed in respect of, or an encumbrancee enters into possession of, that

person or any of its assets;

- an application is made to a court for an order or an order is made, and that person does not obtain the dismissal or stay on appeal within 5 Business Days of the date of the application or the making of the order, or a meeting is convened, and the requisition or notice convening the meeting is not withdrawn or cancelled within 5 Business Days of the date, or a resolution is passed, for the purpose of appointing a person referred to in the above paragraph or for winding up that person or for implementing a scheme of arrangement for that person;
- a moratorium of any debts of that person or an official assignment or a composition or an arrangement formal or informal with that person's creditors or any similar proceeding or arrangement by which that person's assets are submitted to the control of its creditors, is applied for, ordered or declared;
- that person becomes or is declared insolvent within the meaning of any applicable law or is unable or admits in writing its inability to pay its debts as these fall due;
- that person ceases or threatens or announces that it will cease to carry on business;
- any step is taken to issue, levy or enforce any distress, execution, attachment or other similar process against any of that person's assets; or
- anything analogous or having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

Extraordinary Resolution	A resolution passed by a three quarters majority vote at a meeting convened under the Master Security Trust Deed (with voting rights proportional to the moneys secured to each Secured Creditor or Noteholder, as the case may be, under the Master Security Trust Deed).
Funding Transaction Agreements	These are described in Section 9.2. Any Funding Transaction Agreement applicable to a Series will be specified in the Series Offering Document for that Series.
Funding Transaction Drawing	In relation to a Series, any financial accommodation provided to the Issuer under a Funding Transaction Agreement secured by the Master Security Trust Deed.
Hedge Agreements	These are described in Section 9.2. Any Hedge Agreement applicable to a Series will be specified in the Series Offering Documents for that Series.
Hedge Transaction	In relation to a Series, any interest rate or currency hedge, swap option, cap, collar, forward rate agreement, futures contract, credit derivative or other transaction entered into, or to be entered into (as applicable), by the Issuer in respect of that Series under a Hedge Agreement.
ICSD Agreement	The International Central Securities Depositories Agreement

	between the Issuer, Euroclear and Clearstream. Luxembourg. This is described in Section 9.1.
Investment	An investment in any form and with any person by the Issuer including, without limiting the foregoing, the acquisition of debt securities, the acquisition of a beneficial interest in any trust, the provision of financial accommodation to any person and the acquisition of any type of property.
Issuer	ARC Funding Limited.
Liquidity Transaction Agreements	These are described in Section 9.2. Any Liquidity Transaction Agreement applicable to a Series will be specified in the Series Offering Document for that Series.
Management Deed	The Management Deed between the Issuer and the Manager in relation to the Programme.
Manager	Macquarie Securities Management Pty Limited or such substitute entity as is appointed in its place under the Management Deed.
Master Custody Agreement	The Master Custody Agreement entered into between Citibank N.A., London Branch, the Issuer and the Manager in relation to the Programme. This is described in Section 9.1.
Master Dealer Agreement	The Master Dealer Agreement entered into between the Issuer, the Manager and Macquarie Bank Limited in relation to the Programme. This is described in Section 9.1.
Master Security Trust Deed	The Master Security Trust Deed entered into by the Issuer, the Manager and the Security Trustee in relation to the Programme. This is described in Section 9.1.
Master Series Agreement	The Master Series Agreement between the Issuer and the Manager which establishes and governs the Programme. This is described in Section 9.1.
Note Document	This is described in Section 9.2. Any Note Document applicable to a Series will be specified in the Series Offering Document for that Series.
Noteholder	The holder of a Note of a Series in accordance with the relevant Note Document.
Notes	Debt Securities issued by the Issuer.
Offshore Associate	Means an associate (as defined in section 128F(9) of the Tax Act) of an entity that is either: <ul style="list-style-type: none"> (a) a non resident of Australia that does not acquire the Notes or an interest in the Notes in carrying on a business in Australia at or through a permanent establishment of the associate in Australia; or (b) a resident of Australia that acquires the Notes or an interest in the Notes in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country.
Programme	The ARC Funding Programme as described in Section 7.1.

Programme Transaction Documents	These are described in Section 9.1.
Rated Series	A Series specified as a Rated Series in the Series Supplement and Series Offering Document for that Series.
Record Date	Unless otherwise specified in the corresponding Series Offering Document, 5 Business Days before the relevant date for a payment to be made under a Note.
Related Securities	In relation to a Series any Debt Securities specified in the Series Offering Document for that Series as Related Securities for that Series.
Secured Creditors	These are described in Section 12.3.
Secured Moneys	All moneys owing to the Security Trustee or the Secured Creditors of a Series by the Issuer under or arising from or in connection with the Transaction Documents in relation to the Series.
Security Trustee	Citibank N.A., London Branch or such substitute person as is appointed in its place under the Master Security Trust Deed.
Series	This is described in Section 7.1.
Series Assets	In relation to a Series: <ul style="list-style-type: none"> (a) the amount payable by the initial subscribers of the Notes of that Series to the Issuer; (b) any Funding Transaction Drawings in relation to that Series; (c) all other amounts received by the Issuer under any Transaction Document in relation to that Series; (d) amounts standing to the credit of a bank account of the issuer opened in respect to that Series; (e) Investments acquired with the proceeds of the foregoing; (f) the Issuer's rights under the Transaction Documents with respect to that Series; and (g) all Investments or other rights acquired by the Issuer with the proceeds of any of the foregoing as reinvested from time to time.
Series Offering Document	This is described on the cover page.
Series Supplement	This is described in Section 9.2.
Series Transaction Documents	These are described in Section 9.2.
Series Transaction Provider	Each party (other than the Manager) who enters into or provides, or it is proposed will enter into or provide, a Series Transaction Document in relation to a Series with or to the Issuer (other than a Transaction Document which has been terminated).

Short-Term Investments	These are described in Section 10.1.
Tax Act	Income Tax Assessment Act 1936 (Cth).
Transaction Documents	These are described in Sections 9.1 and 9.2.
Voting Entitlement	In relation to a Series means on a particular date the number of votes which the Secured Creditors of the Series would be entitled to exercise if a meeting of Secured Creditors of the Series were held on that date, being in respect of a given Secured Creditor, the number calculated by dividing the Secured Moneys owing to that Secured Creditor in respect of the Series by 10 and rounding the resultant figure down to the nearest whole number.

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Manager
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Custodian
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*To the Manager and to the Dealer and
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