

# C & P North East Australia Development Fund

ARSN 118 165 398

An unlisted, open-ended property investment fund

## **Supplementary Product Disclosure Statement**

Dated 9 November 2009

EA Securities Limited  
Issuer and Responsible Entity  
ABN 35 119 060 570 AFSL 308758

This Supplementary Product Disclosure Statement (SPDS) is dated 9 November, 2009. It updates and adds to the information contained in the Product Disclosure Statement (PDS) dated 15 May 2008 issued by EA Securities Limited (ABN 35 119 060 570 AFSL 308758). Together the PDS and the SPDS establish the terms of the Offer and provide information regarding the potential benefits of participating in an issue of units in the C & P North East Australia Development Fund (ARSN 118 165 398) (the Fund).

This SPDS should be read in conjunction with the PDS. The terms of the PDS continue in full force and effect except to the extent that those terms are modified by this SPDS. Words defined in the PDS have the same meaning when used in this SPDS. The PDS contains other information relevant to investments (including fees, costs and risks). Potential investors are directed to the EA Securities website at [www.easecurities.com.au](http://www.easecurities.com.au) for a copy of the PDS.

### **Important Information**

An investment made under this SPDS represents an investment in the Fund. Potential investors in the Fund should read the PDS and this SPDS in their entirety before deciding to participate in the Fund. Applications for Units in the Fund can only be submitted on an original Application Form attached to, or forming part of this SPDS, or an electronic copy of the Application Form accessible at [www.easecurities.com.au](http://www.easecurities.com.au).

### **Disclaimer**

An investment in the Fund is subject to investment risk, including the possibility of delays in payment of withdrawal proceeds in some circumstances, or the loss of income or capital.

None of EA Securities Limited, or its related bodies corporate nor any of their respective directors or officers guarantee the repayment of capital from the Fund or the investment performance of the Fund.

Investments in the Fund are not guaranteed or underwritten by EA Securities, its related bodies corporate, any of their respective directors or officers or the Custodian.

### **Representations**

No person is authorised to give any information or to make any representation in connection with the offer of Units in the Fund that is not contained in the PDS or this SPDS or in Updated Information provided by EA. Any information or representation not so contained cannot be relied upon as having been authorised by EA.

### **Updated information**

This SPDS has been prepared as at 6 November 2009. Where information which is not materially adverse to investors changes, the updated information will be made available on the website at [www.easecurities.com.au](http://www.easecurities.com.au) ('Updated Information'). Any materially adverse information will be provided to investors by way of a further SPDS.

While this PDS and any Updated Information are up to date at the time of preparation, changes may be made to the Fund from time to time in accordance with the Constitution and the Corporations Act.

This is not investment advice. You should seek your own financial advice.

This SPDS does not take into account the investment objectives, financial situation or particular needs of investors. It is important that you read the entire PDS and this SPDS, any Updated

Information in full before making any decision to invest in the Fund. In particular, in considering the prospects of the Fund, it is important that you consider the risk factors that could affect the financial performance of the Fund. You should carefully consider these factors in light of your particular investment needs, objectives and financial circumstances (including financial and taxation issues) and seek professional advice from your own professional advisers before deciding to invest. Some of the risk factors that should be considered are set out in the Risks section on page 20 of the PDS.

#### **Offering restriction**

The offer to which this SPDS relates is only available to persons receiving the SPDS (whether in print or electronic form) within Australia and is not being made, directly or indirectly, in any other jurisdiction in which the offer would constitute a violation of the relevant laws or require registration of the SPDS or any other document.

#### **ASIC not liable**

A copy of this document has been lodged with the Australian Securities and Investment Commission (ASIC). ASIC takes no responsibility for the contents of this SPDS.

#### **OFFERING**

EA Securities as manager is pleased to invite you to participate in the C & P North East Australia Development Fund (the Fund) an open ended unlisted unit trust that combines investors equity with borrowings to acquire direct real property. The fund commenced 1<sup>st</sup> Qtr 2006.

Existing Unitholders are given first priority in this offer to participate and retain their percentage ownership of the fund and to continue to participate in a portfolio of over \$24 million of commercial property assets in Australia's growth corridor.

Throughout 2009 the fund manager took action to seek to consolidate the position of the Fund; and during the financial year, no new projects were undertaken and existing projects were delayed or deferred wherever possible.

The fund has the continued support of its major lenders however some debt restructuring, refinancing and reduction, by way of equity raising is require to maintain a desired 50-60% debt to equity ratio.

There are a number of positive factors which support the underlying medium term strength of the fund and the broader commercial property market in Australia. In North East Australia, growth prospects remain strong with the recent media focus on Australia's rapid population growth to 35 million people by 2040, and the resurgence of the resources boom. This report highlighted Brisbane's South East and Western growth corridors doubling in population size. These areas were targeted because of proposed infrastructure, government and urban renewal initiatives, lifestyle attractions and under valued market perceptions in each area.

## SECTION ONE. OFFER SUMMARY

Structure	The fund is an open ended unlisted unit trust
Term	The fund has no specific expiry date
Use of Proceeds	To acquire additional properties, fund capital improvements and repay borrowings
Unit Price	80 cents
Minimum Investment	\$25,000
Opening Date of Offer- existing unit holders	23 <sup>rd</sup> November 2009
Opening Date of Offer – new investors	7 <sup>th</sup> December 2009
Issue of Units	Within 20 Business Days of receipt of a valid Application and Application Monies
Closing of offer under this SPDS	12 calendar months from the date on which this SPDS is lodged with ASIC

### KEY ELEMENTS OF THE OFFER

The Fund needs to rebuild equity and reduce debt levels, whilst maintaining adequate cash flow to maintain the desired monthly cash distributions to investors.

The land at Lot 5 Jones Road, Withcott due to settle on the 18 December 2009, will enable the expansion of the Withcott Shopping Centre.

Existing Unitholders are given first priority in this Offer to participate and retain their percentage ownership of the Fund (as it was prior to this Offer).

If Unitholders do not fully participate, their percentage ownership and the value of their interest in the Fund will be diluted.

### ACCEPTING THE OFFER

Complete the enclosed Application Form in accordance with the instructions set out on the Application Form and return it, together with the full amount payable (being the number of New Units for which you are applying multiplied by \$0.80) to: C & P North East Australia Development Fund, EA Securities, PO Box Q1683, Queen Victoria Building, NSW 1230.

Options available to Existing Unitholders:

For every two units presently held, Existing Unitholders are entitled to apply for a further unit with a minimum subscription of 31,250 units (\$25,000).

Existing Unitholders may:

- Take up your entitlement in full – see option a);
- Take up part of your entitlement – see option b);
- Apply to take up New Units in excess of your entitlement – see option c);
- Allow your Entitlement to lapse – see option d).

a) Take up your Entitlement in Full

Complete the enclosed Existing Unitholder Form in accordance with the instructions and return it, together with the full amount payable (being the number of New Units for which you are applying multiplied by \$0.80) to: C & P North East Australia Development Fund, EA Securities, PO Box Q1683, Queen Victoria Building, NSW 1230.

b) Take up part of your Entitlement

Existing Unitholders may choose to take up only part of their Entitlements.

Complete the accompanying enclosed Existing Unitholder Application Form in accordance with the instructions set out on the Existing Unitholder Application Form and return it, together with the full amount payable (being the number of New Units for which you are applying multiplied by \$0.80) to: C & P North East Australia Development Fund, EA Securities, PO Box Q1683, Queen Victoria Building, NSW 1230.

c) Apply to take up Additional Units in excess of your Entitlement

Investors who have taken up their Entitlement in full will be eligible to apply for Shortfall Units by completing the 'Additional Units' section of the Existing Unitholder Application Form.

The manager can not guarantee the availability of any Shortfall Units or the allocation of Shortfall Units to any particular applicant; however Existing Unitholders who apply prior to 30 November 2009 will have priority over New Investors for the Shortfall.

Existing Unitholders may choose to take up only part of their Entitlements.

Complete the accompanying enclosed Existing Unitholder Application Form in accordance with the instructions set out on the Existing Unitholder Application Form and return it, together with the full amount payable (being the number of New Units for which you are applying multiplied by \$0.80) to: C & P North East Australia Development Fund, EA Securities, PO Box Q1683, Queen Victoria Building, NSW 1230.

d) Allow your Entitlement to lapse

If you decide not to take up any of your Entitlement, no further action is required.

## SECTION 2. C & P NORTH EAST AUSTRALIA DEVELOPMENT FUND SUMMARY

Fund Strategy	Investment in a mix of retail, commercial and industrial properties along the north east coast of Australia.
Fund Aims	To provide investors with regular distributions (comprising a combination of income and a return of capital) and the potential for longer term capital growth.
Value of Assets in the Fund as at 30 Sept 2009	\$24,890,409
Type of Property Portfolio	Retail, Commercial and Industrial Properties
Gearing Ratio*	63% Targeted range from 50-60%LVR
Interest Cover*	1.8 times
Distributions	100% tax advantaged - paid monthly
Proposed Distribution pa	4.5cpu^
Total Return to investors (income and capital) since inception*	2.23%^

\*based on the audited accounts of the Fund as at 30 June 2009

^This is a targeted distribution only and is not guaranteed by the Manager. There is a risk in placing undue reliance on the distribution rate and prospective Investors should review the targeted distribution in conjunction with the Risk Factors section and the assumptions set out in the Financial Information Section of the Product Disclosure Statement.

^^The past performance of the Fund may not be indicative of future performance of the Fund.

## SECTION 3. OFFER DETAILS

### 3.1 The Offer

This SPDS provides investors with an opportunity to apply for Units in the Fund which invests in a mix of retail, commercial and industrial properties along the North East coast of Australia (which includes North East of New South Wales and South East Queensland). Proceeds raised through the issue of Units will be used to fund the acquisition of additional properties, fund capital improvements and repay borrowings. The fund will remain open to raise additional amounts to obtain further properties.

### 3.2 Minimum Investment

Applications are invited from investors for a minimum amount of \$25,000. All application monies are payable in full on application

### 3.3 Key Dates

Opening date of Offer	23 November 2009 for existing Unitholders 7 December 2009 for new investors
Issue of Units	Within 20 Business Days of receipt of a Valid Application and Application monies.
Closing date of Offer	12 calendar months from the date on which this SPDS is lodged with ASIC

### 3.4 How to Apply

An application for Units must be made on the application form accompanying this SPDS. A cheque for the application amount should accompany the application.

Investors should follow the instructions contained on page 17 of this SPDS on how to complete the application form.

## SECTION 4 REQUIRED DISCLOSURES

ASIC (the Australian Securities and Investments Commission) issued Regulatory Guide 46 in September 2008. The guide sets out principles for improved disclosure to retail investors to enable them to compare risks and rewards across investments in the unlisted property sector. This section of the SPDS applies the principles to the Fund and updates the information in respect of the subject matter provided in the PDS.

- Gearing Ratio
- Interest Cover
- Scheme Borrowing
- Portfolio diversification
- Valuation policy
- Related Party Transactions
- Distribution Practices
- Withdrawal Rights

#### 4.1. Gearing Ratio

Gearing Ratio =  $\frac{\text{Total interest Bearing Liabilities}}{\text{Total Assets}}$

0.63

The liabilities and assets used to calculate the Gearing Ratio is based on the Funds audited financial statements for the year ended 30 June 2009. These financial statements are available on the website [www.easecurities.com.au](http://www.easecurities.com.au)

The Gearing ratio indicates the extent to which the Fund's assets are funded by interest bearing liabilities. It gives an indication of the potential risks the fund faces in terms of its level of borrowings due to, for example, an increase in interest rates or a reduction in property values

#### 4.2. Interest Cover

$$\text{Interest Cover} = \frac{\text{EBITDA-Unrealised Gains + Unrealised losses}}{\text{Interest Expense}}$$

1.80 times

The Interest cover gives an indication of the Fund's ability to meet the interest payments from earnings. It is a critical indication of the Fund's financial health and key to analysing the sustainability and risks associated with Fund's level of borrowing.

#### 4.3. Scheme Borrowings

The fund has significant borrowings which have been used, along with member's funds to acquire additional properties and fund capital improvements. These borrowings rank before an investor's interests in the scheme.

The table below shows each borrowing type that will mature in less than 5 years

##### **Borrowings that mature in five years or less**

Loan Type	Less than 12 months	1-2 years	2-3 years	3-4 years	4 -5 years	More than 5 years
Secured bank loans	\$6,594,600	\$9,096,683				

\*Refer audited 30 June 2009 financials

The fund manager is confident that the borrowings which are due to mature within the next 12 months will be able to be financed [excellent relationship with bankers] and through sales of some assets of the fund

#### 4.4. Portfolio Diversification

The Fund's investment strategy remains the investment in a mix of retail, commercial and industrial properties along the North East coast of Australia. Investments may take place directly (by the acquisition of existing properties), or indirectly (by the acquisition of established property trusts)

## Property Portfolio Update:

### 1.1 Tweeds Heads

This Existing Property located at Tweeds Heads was acquired by the Fund on 31 March 2006.

The Property comprises two locations. Key property data for these locations as at the date of this SPDS is as follows:

Data	Description
Location	129 & 135 Minjungbal Drive, Tweed Heads South, NSW 62 & 64 Machinery Drive, Tweed Heads South, NSW
Property type	Retail and Industrial
Acquisition price	\$8,500,000 (including acquisition costs such as stamp duty, legal fees, due diligence outlays and capital improvement)
Market value	\$8,500,000 as per Valuation LandMark White (as at 19 Feb 2009)
Gross Rental Income	\$566,753 per annum
Gross Rental Yield	6.67% per annum
Built	It is estimated that the majority of capital improvements to the site were made in the late 1970's and by the Fund in 2008
Site area	6,372 square metres
Gross lettable area (GLA)	3,162 square metres
Site Ratio	Approximately 49.62%
Car spaces	72
Occupancy ratio	52% by number of tenancies
Number of shops and factories	25 (comprising 13 retail shops and 12 commercial/light industrial units)

### 1.2 About the Tweed Heads Properties

#### *Property location*

The Tweed Heads Properties are located in Tweed Heads, to the south of the Gold Coast in Queensland. Tweed Heads is a growth area which attracts visitors and residents from Brisbane and inter-state, and as the Gold Coast residential area expands progressively outwards.

The Tweed Heads Properties are located diagonally across from the Tweed City Shopping Centre. The Tweed City Shopping Centre is the major shopping centre in the South Tweed precinct.

Woolworths, the main anchor tenants at the Tweed City Shopping Centre, has recently purchased a block of land across the road from the Tweed Heads Properties.

### **Building description**

The site is improved by four separate buildings comprising a total of 25 tenancies. 129-133 is located to the corner of Minjungbal Drive and Machinery Drive and includes eight retail tenancies. Units five and six include a mezzanine level. The building has a total lettable area of 1,233 square metres.

135-137 Minjungbal Drive is located to the south of the above building and comprises a single level retail building with five tenancies. The building has a total lettable area of 700 square metres.

62 and 64 Machinery Drive are located to the rear of the site with vehicle access via the west from Machinery Drive. Both buildings are of concrete block construction and have recently been refurbished to provide a good level of retail/showroom accommodation. 62 Machinery Drive comprises six units with a total lettable area of 684 square metres. 64 Machinery Drive also comprises six units with a total lettable area of 545 square metres. Each unit had a single roller door, personal door with fit-out including grid title ceiling with ducted air conditioning and recessed fluorescent lighting.

### **1.3 Nerang**

This Existing Property was acquired by the Fund on 7 March 2007

Key property data for this property as at the date of this SPDS is as follows:

<b>Data</b>	<b>Description</b>
Location	52 Price Street, Nerang
Property type	All Retail Categories
Acquisition price	\$10,511,807
Market value	\$11,000,000 (as at 30 June 2009)
Gross Rental Income	\$1,346,416 (Rental and Outgoings)
Gross Rental Yield	12.81% per annum
Built	Approximately 1980's
Site area	12,141 square metres
Gross lettable area (GLA)	4,394 square metres
Site Ratio	36.19%
Car spaces	179 (approximately)
Occupancy ratio	100% by number of tenancies
Number of shops and offices	22 (comprising 20 retail shops and 2 commercial/office units)

## 1.4 About the Nerang Properties

### ***Property location***

Earle Plaza shopping centre is situated to the southern side of White Street. Nerang Street is its eastern boundary and Price Street is to the West. This location is within the Nerang Central Business District and is 500 metres from the west of the Pacific Motorway and approximately 13 kilometres from central Surfers Paradise.

### ***Building description***

The property is a single level shopping centre, which originally commenced trading during the early 1980's and has been periodically refurbished and extended, with the most recent extension being completed in 1993. The complex comprises of two separate buildings, with the Cinema tenancy being situated towards the south-western alignment of the site. The main building features 23 specialty tenancies.

## 1.5 Withcott Shopping Centre

Settlement of the following property at Withcott occurred on 7 May 2008.

Key property data for this property as at the date of this SPDS is as follows:

<b>Data</b>	<b>Description</b>
Location:	8589 Warrego Highway, Withcott, Queensland
Property type:	Retail
Price:	\$2,542,033 (this includes the acquisition price of \$2,050,000 plus stamp duty, legal fees, borrowing and other costs)
Gross Rental Income:	\$228,605 per annum
Gross Rental Yield:	8.99%
Built:	1985
Site area:	6,222 square metres
Gross lettable area (GLA):	1,274 square metres
Site Ratio	20.48%
Car spaces:	66
Occupancy ratio:	91% by number of tenancies
Number of shops	10 retail shops

### **Property Location**

The property is located in Withcott, which is part of the Gatton Shire in Queensland. It is located about 118 km west of Brisbane and approximately 10km east of Toowoomba on the busy Warrego Highway. This highway serves as the major road link between Toowoomba and Brisbane/Sunshine Coast/Gold Coast. Withcott is a town with a population of approximately 3000 people.

### **Gatton Shire**

The Gatton Shire is located in the Lockyer Valley of South East Queensland; Gatton is one hour's drive west from downtown Brisbane. Gatton Shire has some of the choicest produce grown locally which is a delight to local foodies and visitors from around the world. Gatton's myriad of growing crops and ploughed fields create a patchwork of colour all year round, which is set against the backdrop of the Great Dividing Range to the west. The local population is estimated at between 17,400 and 18,600 people. By 2026 this is expected to increase to 20,000 and 24,300 people.

### **Building Description**

The properties comprise a mixture of 10 retail shops ranging in size 48 square metres to 465 square metres. The property was built in 1985. The property is a single level, open plan retail centre set over two semi attached buildings each with covered awning extending along the western and southern building elevations.

Open car parking is located in front of the individual tenancies and west of the main building, being open and bitumen sealed. The external walls are of brick veneer and the roof coverings are of corrugated colour bond metal.

## **1.6 Lot 5 Jones Road, Withcott**

Settlement of the following property at Lot 5 Jones Road is to occur on 18 December 2009.

Key property data for this property as at the date of this SPDS is as follows:

<b>Data</b>	<b>Description</b>
Location:	Lot 5 Jones Road, Withcott, Queensland
Property type:	Under Contract - Vacant Land for expansion of the Withcott Shopping Centre (Property Site Plan attached)
Price:	\$2,500,000 (plus acquisition costs and shopping centre DA expansion expenses)
Gross Rental Income:	Nil
Site area:	2.133 hectares

The proposal is to develop a shopping centre consisting of a National Supermarket Anchor with supporting specialty shops. The building structures are to be linked with the existing Withcott Shopping Centre.

The intent is to develop a proposal which is consistent with the Planning Scheme to form an integral part of the strategic framework for the Withcott Township.

### 1.7 Hervey Bay – 31 Main Street, Pialba, Queensland

This Existing Property located at Hervey Bay was acquired by the Fund on 1 April, 2009

Key property data for this property as at the date of this SPDS is as follows:

<b>Data</b>	<b>Description</b>
Location:	31 Main Street, Pialba, Qld
Property type:	Retail-Commercial
Price:	\$1,250,000
Gross Rental Income:	\$139,930.00
Gross Rental Yield:	11.19%
Valuation:	\$1,250,000 (per Savills (QLD) Pty Ltd on 24 April 2009)
Valuation date:	24 April 2009
Site area:	1,222 square metres
Gross lettable area (GLA):	782.00 square metres
Site Ratio	64%
Car spaces:	7
Occupancy ratio:	100% by number of tenancies
Number of shops	4 retail shops

### 1.7 Hervey Bay – 37 Main Street, Pialba, Queensland

This Existing Property located at Hervey Bay was acquired by the Fund on 1 April, 2009

Key property data for this property as at the date of this SPDS is as follows:

Data	Description
Location:	37 Main Street, Pialba, Qld
Property type:	Retail
Price:	\$330,000
Gross Rental Income:	\$37,500.00
Gross Rental Yield:	11.36%
Valuation:	\$330,000 (per Savills (QLD) Pty Ltd on 24 April 2009)
Valuation date:	24 April 2009
Site area:	713 square metres
Gross lettable area (GLA):	171.00 square metres
Site Ratio	23.98%
Car spaces:	3
Occupancy ratio:	100% by number of tenancies
Number of shops	1 retail shops

#### ***Property location***

The Hervey Bay is located at the southern tip of the Great Barrier Reef, three hours north of Brisbane. The area is well renowned for its natural beauty and climate which attracts many visitors each year. The World Heritage listed Fraser Island with its pristine beaches and rainforests is just one of the Bays on that coastline.

In addition the area is well serviced by superior infrastructure including a jet airport (Sydney direct flights), good hospitals, schools, university; government offices and substantial private sector job opportunities.

#### **4.5. Valuation Policy**

The value of real property assets can be volatile and commercial property across Australia has suffered a significant decline in value as a result of the Global Financial Crisis.

The Properties listed above have been independently valued in accordance with industry standards by valuers who are registered under a state registration regime and whose valuation reports comply with all relevant industry standards and codes. These valuations are used for purchasing and financing purposes.

<b>Assets</b>	<b>State</b>	<b>Type</b>	<b>Valuation</b>	<b>Date of Valuation</b>
Tweed Heads	QLD	Retail	\$8,500,000	19 February, 2009
Nerang	QLD	Shopping Centre	\$11,900,000	19 February, 2008
Withcott Shopping Centre	QLD	Retail	\$2,050,000	5 March, 2008
31 Main Street, Pialba, Hervey Bay	QLD	Retail/Commercial	\$1,250,000	24 April, 2009
37 Main Street, Pialba, Hervey Bay	QLD	Retail	\$330,000	24 April, 2009
Lot 5 Jones Road, Withcott	QLD	Vacant Land - for expansion of Withcott Shopping Centre	Market Value	

The unit price of 80c of this offer is based on the underlying value of the assets of the Fund.

#### **4.6. Related Party Transactions**

C & P Properties Group Pty Ltd (C&P) is a company associated with Mark Walsh a director and responsible manager of EA Securities. C &P derives fees from the provision of property management services to the Fund and receives a share of management fees that EA Securities receive for the administration and accounting services provided to the Fund.

#### **4.7. Distribution Practices**

The fund aims to provide regular distributions in each income year. However the making of distributions is subject to the performance of the fund and the available cash flow to fund distributions. Distributions may comprise a mix of net income and a return of invested capital to unit holders. During the past year the distribution was principally a return of capital and this is likely to continue until the asset value add phase is complete. Therefore ongoing distributions will be dependant on continued cashflow being available. The current distribution of 4.5c per unit p.a. is reviewed regularly by the Responsible Entity.

#### **4.8 Withdrawal Arrangements**

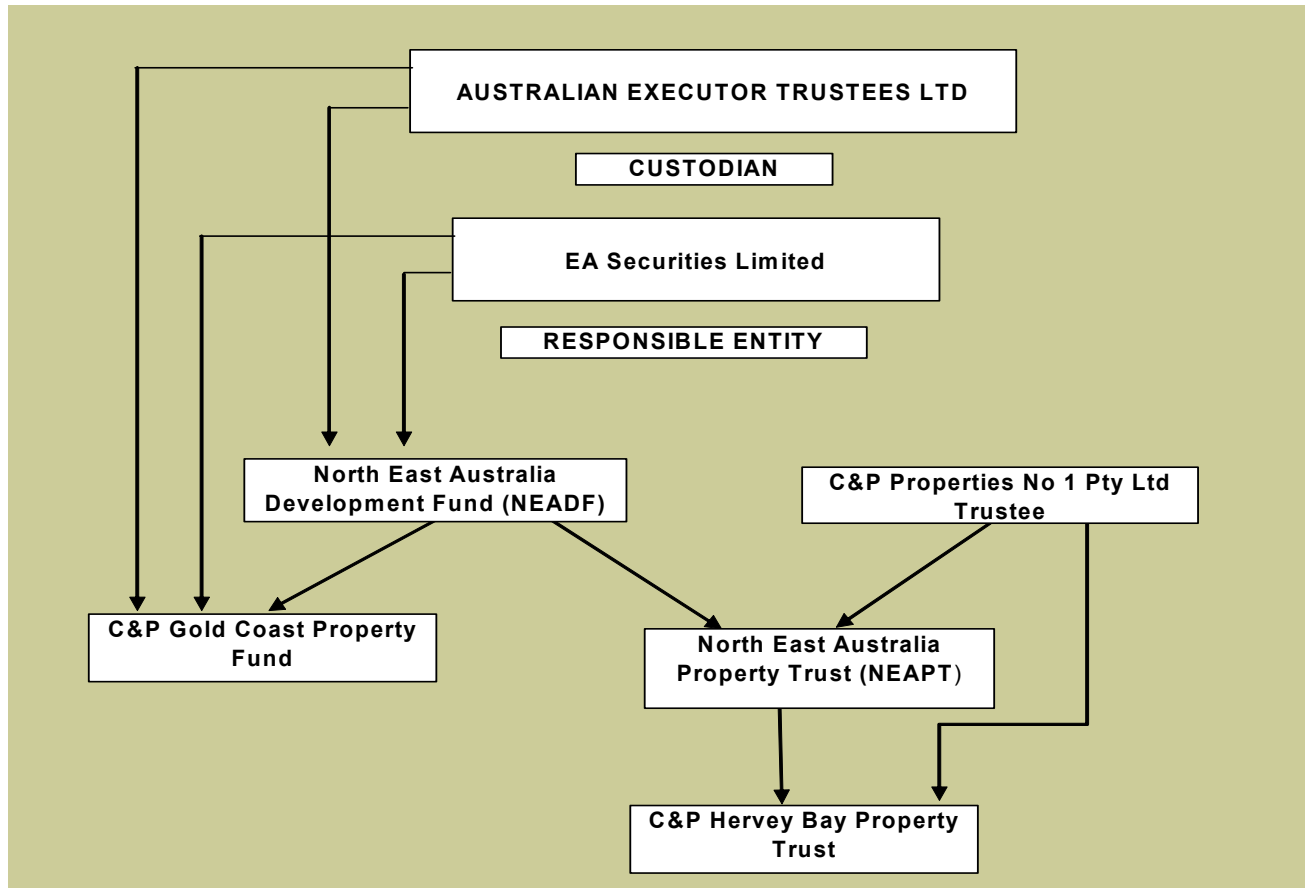
As outlined at page 11 of the PDS.

### **SECTION 5. FURTHER EXPRESS AMENDMENTS TO THE PDS**

The below clauses of the PDS are amended as follows:

**Clause 6 The Structure of the Fund**

The chart at clause 6 of the PDS is hereby replaced with the following:



**Clause 9 About the Responsible Entity** Amended as below

**Mark Christian Walsh (Responsible Manager and Director)**

Mark has over 15 years experience in property development and management. This experience extends to many classes of property, including residential, commercial, industrial, high-rise apartments, medical centres, mixed commercial/residential developments and holiday apartments.

Mark has extensive experience in the financial planning industry and holds a Master’s Degree in Taxation Law from the University of Technology, Sydney. He has over 20 years commercial experience, including 15 years running a public accountancy practice.

Mark is also the Managing Director of C & P Properties Group Pty Ltd, which is retained by EAS to assist in the identification and selection of Fund investments, as well as to undertake the day-to-day

property management of the Fund.

**Neil Gleeson (Responsible Manager)**

Neil is currently the Company Secretary and Chief Financial Manager for Koppers Australia and is accountable for the financial control of the company including group and local statutory reporting entity requirements. This includes full compliance of all relevant ASIC, AASB Australian accounting standards and USA Generally Accepted Accounting. Neil was also a Financial Services Director of BOC Australia Ltd and a Trustee Director of the BOC Superannuation Fund for a period of three years. During that term he was involved with APRA licensing of the Fund and well as regular review and performance of the Fund and review of the funds operation in his capacity as Trustee.

**Peter Hall (Responsible Manager)**

Peter holds Real Estate Licenses in Queensland and New South Wales and has been in the Real Estate business since 1996. Peter specialises in commercial real estate, and has been involved in the sales and management of commercial, retail and industrial properties of over \$30 million dollars in value. Peter has also been involved in development projects and infrastructure planning in both NSW and Qld ranging from Coastal cities to major regional inland areas.

**Clause 19** Amended as below

Add the following:

AE Securities Limited (35 119 060 570) has given and not withdrawn its consent to be named in this SPDS

Delete Absolute Financial Pty Ltd

**Clause 21 - Explanation of Terms** Amended as below

Application Price - replace \$1.22 with \$0.80

Delete all reference to Absolute Financial.



## **PLEASE READ CAREFULLY**

Please complete all relevant sections of the Application Form using BLOCK Letters. These instructions are cross referenced to each section of the Application Form. Further particulars and the correct forms of registrable titles to use on the Application Form are contained in the table below.

A. Insert the number of Units you wish to apply for. The Application must be for Units with a minimum aggregate subscription price of \$25,000 and thereafter in multiples of \$1,000. Insert the relevant amount of Application Monies.

B. To calculate your Application Monies, multiply the number of Units applied for by the subscription price per Unit.

Please complete cheque details as requested:

- Make your cheque payable to "Australian Executor Trustees (SA) Limited ACF C & P North East Australia Development Fund Units Applications A/c" in Australian currency and cross it "Not Negotiable". Your cheque can be abbreviated to "AET(SA)L ACF C&P Nth East Aust Development Fund - Unit Ap A/c". Your cheque must be drawn on an Australian Bank.
- The amount should agree with the amount shown in Section B.
- Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
- Pin (do not staple) your cheque(s) to the Application Form where indicated.

C. Write the full name you wish to appear as the registered holder(s). This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of title may be rejected.

D. Please enter your postal address for all correspondence. All communications to you from the C & P North East Australia Development Fund will be mailed to the person(s) and address as shown. For joint applications, only one address can be entered.

E. Enter your Tax File Number (TFN) or exemption category. Where applicable, please enter the TFN for each joint Applicant. Collection of TFN(s) is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application.

F. Enter your bank, building society or credit union account details. We will pay distributions to this account. Only one account can be entered, including for joint applications.

G. Sign the application. By signing the application form you agree to the statements listed below.

For further information refer to the relevant section of the SPDS.

### **Acknowledgements**

By returning this Application Form, I/we agree to the following statements. I/we:

- have personally received a paper or electronic copy of the SPDS that this Application Form accompanies and have read it in full;
- am/are at least 18 years of age if I/we am/are an individual(s);
- have completed this Application Form correctly;
- acknowledge that once the this Application Form is received, I/we may not withdraw it;
- apply for the number of Units at the Australian dollar amount shown on the front of this Application Form;
- agree to being allotted the number of Units that I/we apply for or a lower number allotted in a way allowed under the SPDS or no Units at all;
- authorise EAS and their respective officers or agents, to do anything on my/our behalf necessary for Units to be allotted to me/us, including without limitation to sign any documents necessary for Units to be allotted to me/us, and to act on instruction received by Absolute Financial using the contact details in Section D and my/our
- acknowledge that the information contained in the SPDS is not investment advice or a recommendation that Units are suitable to me/us, given my/our investment objectives, financial situation or particular needs; and
- represent and warrant that I/we have received the SPDS in Australia.

Before completing the Application Form the Applicant(s) should read the SPDS to which the Application relates. By lodging the Application Form, the Applicant(s) agrees that this Application is for Units in the C & P North East Australia Development Fund upon and subject to the terms of the SPDS and agrees to take any number of Units equal to or less than the number of Units indicated in Section A (subject to the minimum of \$25,000) that may be allotted to the Applicant(s) pursuant to the SPDS and declares that all details and statements made are complete and accurate.

### **Lodgement of Applications**

Return your completed Application Form with cheque(s) attached to:

C & P North East Australia Development Fund Applications  
EA Securities Limited  
Level 4, 143 York Street, Sydney NSW 2000  
PO Box Q1683  
QVB, NSW 1230

### Correct Form of Registrable Title

Note that only legal entities are allowed to hold Units. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the RE. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms or registrable title below:

Type of Investors	Correct Form of Registrable Title	Incorrect Form of Registrable Title
<b>Individual</b> Use names in full, no initials	Mr John Alfred Smith	J A Smith
<b>Minor</b> (a person under the age of 18) John Alfred Smith (Peter Smith) Use the name of a responsible adult.	John Alfred Smith	(Peter Smith)
<b>Company</b> Use company title, not abbreviations.	ABC Pty Ltd ABC Co	ABC P/L
<b>Trusts</b> Use trustee(s) personal name(s). Do not use the name of the trust.	Mrs Sue Smith (Sue Smith Family A/C)	Sue Smith Family Trust
<b>Deceased Estates</b> Use executor(s) personal name(s). Do not use the name of the deceased.	Ms Jane Smith (Est John Smith A/C)	Estate of Late John Smith
<b>Partnerships</b> Use partners personal names. Do not use the name of the partnership.	Mr John Smith and Mr Michael Smith (John Smith and Son A/C)	John Smith and Son
<b>Clubs/Unincorporated Bodies/Business Names</b> Use office bearer(s) personal name(s). Do not use the name of the club etc.	Mr Michael Smith (ABC Tennis Association A/C)	ABC Tennis Association
<b>Superannuation Funds</b> Use name of trustee of the fund. Do not use the name of the fund.	Jane Smith Pty Ltd (Super Fund A/C)	Jane Smith Pty Ltd Superannuation Fund

**C & P North East Australia Development Fund  
ARSN 118 165 398 Application Form**

Broker Reference – Stamp Only						

To meet the requirements of the Corporations Act, this Application Form must not be handed on unless attached to the SPDS dated **23 November 2009**.

PLEASE READ ALL INSTRUCTIONS AT THE END OF THIS FORM

Units applied for	Price per Unit	Application Monies
Minimum 31,250 units <b>A</b> <input type="text"/>	at A\$0.80	<b>B = A\$</b> <input type="text"/> .00

You may be allocated all of the above Units or a lesser number *(Please ensure the amount of your cheque(s) equals this amount)*  
**PLEASE MAKE CHEQUE(S) PAYABLE TO "Australian Executor Trustees (SA) Limited ACF C & P North East Australia Development Fund Units Applications A/c".**

PLEASE COMPLETE YOUR DETAILS BELOW (refer to end of Application Form for correct forms of registrable names)

<b>C Applicant - Title, Given Name(s) (no initials) and Surname or Company Name</b>	<b>Birth Date</b>
<input type="text"/>	<input type="text"/>
<b>Joint Applicant 2 – Title, Given Name(s) (no initials) and Surname or Company Name</b>	
<input type="text"/>	<input type="text"/>
<b>Joint Applicant 3 – Title, Given Name(s) (no initials) and Surname or Company Name</b>	
<input type="text"/>	<input type="text"/>
<b>Designated Account e.g. &lt;Super Fund&gt;</b>	
<input type="text"/>	

PLEASE COMPLETE YOUR CONTACT DETAILS BELOW

<b>D PO Box / RMB / Locked Bag / Care of (c/-) / Property Name / Building Name (if applicable)</b>			
<input type="text"/>			
<b>Unit Number / Level</b>	<b>Street Number</b>	<b>Street Name</b>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
<b>Suburb / City or Town</b>		<b>State</b>	<b>Postcode</b>
<input type="text"/>		<input type="text"/>	<input type="text"/>
<b>Email address (only for the purpose of electronic communication of shareholder information)</b>			
<input type="text"/>			
<b>Telephone Number during business hours</b>	<b>Mobile</b>	<b>Contact person</b>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	

<b>E TFN / ABN / Exemption Code</b>		
Applicant 1	Applicant 2	Applicant 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
TFN / ABN type – if NOT an individual, please mark the appropriate box		
Company <input type="checkbox"/>	Partnership <input type="checkbox"/>	Trust <input type="checkbox"/>
		Super Fund <input type="checkbox"/>

PLEASE COMPLETE YOUR BANK DETAILS BELOW (FOR PAYMENT OF DISTRIBUTIONS)

<b>F Name of Bank / Building Society / Credit Union</b>		
<input type="text"/>		
BSB	Account Number	Branch name
<input type="text"/>	<input type="text"/>	<input type="text"/>
Account Name		
<input type="text"/>		

PLEASE SIGN BELOW

<b>G</b>		
Signature Applicant 1	Signature Applicant 2	Signature Applicant 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Please indicate title if company or Super Fund		
Applicant 1		Applicant 2
Director <input type="checkbox"/>	Sole Director <input type="checkbox"/>	Director <input type="checkbox"/>
		Sole Director <input type="checkbox"/>
Trustee <input type="checkbox"/>	Super Fund <input type="checkbox"/>	Trustee <input type="checkbox"/>
		Super Fund <input type="checkbox"/>
Applicant 3		
Director <input type="checkbox"/>	Sole Director <input type="checkbox"/>	
Trustee <input type="checkbox"/>	Super Fund <input type="checkbox"/>	

I/We declare that this application is completed according to the declaration/appropriate statements at the end of this form and agree to be bound by the Constitution of the C & P North East Australia Development Fund. Return of the Application Form with your cheque for the Application Monies will constitute your offer to subscribe for Units in the C & P North East Australia Development Fund. No interest will be paid on Application Monies while they are held in the Application account. You should read this SPDS carefully before completing this Application Form.