



Commonwealth of Australia



ASIC

Australian Securities &  
Investments Commission

Commonwealth of Australia Gazette

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# ASIC Gazette

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#### RIGHTS OF REVIEW

Persons affected by certain decisions made by ASIC under the Corporations Act and the other legislation administered by ASIC may have rights of review. ASIC has published **Practice Note 57 [PN57] Notification of rights of review** and Information Sheet [INFO 1100] **ASIC decisions – your rights** to assist you to determine whether you have a right of review. You can obtain a copy of these documents from the ASIC Digest, the ASIC website at [www.asic.gov.au](http://www.asic.gov.au) or from the Administrative Law Co-ordinator in the ASIC office with which you have been dealing.

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**Australian Securities and Investments Commission  
Corporations Act 2001 – Paragraph 601QA(1)(a) – Variation**

Under paragraph 601QA(1)(a) of the *Corporations Act 2001*, the Australian Securities and Investments Commission varies Class Order [CO 02/319] by, in the definition of “Lead Regulator” under the heading “Interpretation”:

1. omitting “Western Australian Turf Club,” and substituting “Racing and Wagering Western Australia,”; and
2. omitting “The Western Australian Trotting Association.”.

Dated this 25<sup>th</sup> day of September 2003



Signed by Stephen Yen, PSM  
as a delegate of the Australian Securities and Investments Commission

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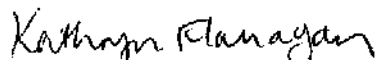
**Australian Securities and Investments Commission  
Corporations Act 2001 – Paragraph 825(a)**

**Order revoking licence**

**TO:** Zurich Capital Markets Asia Limited, ACN 095 545 887 (“the Licensee”)  
Level 2  
118 Mount St  
NORTH SYDNEY NSW 2059

Under paragraph 825(a) of the *Corporations Act 2001* (as continued in force by subsection 1432(1) of that Act), the Australian Securities and Investments Commission revokes Licence Number 207432 held by the Licensee with effect from when this order is served on the Licensee.

Dated this 30<sup>th</sup> day of September 2003

  
Signed by Kathryn Flanagan

as a delegate of the Australian Securities and Investments Commission

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**Australian Securities and Investments Commission  
Corporations Act 2001 - Subsection 741(1) - Declaration**

Under subsection 741(1) of the Corporations Act 2001 ("Act") the Australian Securities and Investments Commission ("ASIC") hereby declares that Chapter 6D of the Act applies to all persons in relation to an offer made in or accompanied by the prospectus specified in Schedule A in the case referred to in Schedule B as if a reference to:

- (a) disclosure document in paragraphs 723(1)(a), 728(1)(a) and 728(1)(b) of the Act;
- (b) prospectus in paragraph 723(1)(a) of the Act; and
- (c) a copy of a prospectus in subsections 721(3) and 727(2) of the Act,

includes a reference to a document or copy of a document that differs from the version of the prospectus lodged with ASIC ("**Lodged Version**") to the following extent:

- (d) the version of the prospectus distributed to investors with an application form ("**Investor Version**") includes the margin that is payable on the securities the subject of the prospectus during the first eight years after they are issued, as determined in accordance with the bookbuild process which is described in the Lodged Version

**Schedule A**

A prospectus to be lodged on or about 26 September 2003 by Australian Leisure and Entertainment Property Management Limited (ACN 105 275 278) ("**ALE Property Management**") in connection with the offer of unsecured redeemable loan notes ("**ALE notes**").

**Schedule B**

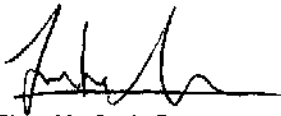
All offers made in or accompanied by the prospectus where:

- (a) no application form is attached to the Lodged Version;
- (b) no application form has been distributed with the Lodged Version or a copy of the Lodged Version;
- (c) an application form is only attached to, or accompanied by, the Investor Version;
- (d) any application form accompanying the Investor Version or a copy of the Investor Version discloses the differences between the Investor Version and the Lodged Version;
- (e) the prospectus contains a clear description of the effect of this declaration;
- (f) the following words appear on the inside front cover of the Investor Version: "Application for ALE Notes may only be made on an Application Form attached to or accompanying this Prospectus";
- (g) an electronic copy of the Investor Version (without the application form being attached) is posted in a prominent place on the internet site [www.macquarie.com.au/ale](http://www.macquarie.com.au/ale) on behalf of ALE Property Management within three (3) business days of lodgment with ASIC of the Lodged Version;
- (h) a copy of the Investor Version (without the application form being attached) is provided to ASIC within three (3) business days of lodgment with ASIC of the Lodged Version; and

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- (i) the offer period commences no earlier than seven (7) days after the Investor Version (without the application form being attached) is posted on the internet site described in paragraph (g) of this schedule.

Dated 25 September 2003



Signed by Justin Sam  
as a delegate of the Australian Securities and Investments Commission

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**AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION  
CORPORATIONS ACT 2001 SUBSECTION 340(1)  
ORDER**

Pursuant to subsection 340(1) of the Corporations Act 2001 ("**Act**"), the Australian Securities and Investments Commission ("**ASIC**") relieves the person specified in Schedule A from the requirement in paragraph 323D(2)(b) of the Act, that a financial year subsequent to the first financial year be 12 months long, in the case specified in Schedule B, on the conditions specified in Schedule C.

**Schedule A**

Neverfail Springwater Limited ACN 003 559 519 and its subsidiaries (the "**Company**")

**Schedule B**

The financial year of the Company ending 30 June 2003

**Schedule C**

1. The Company complies with Parts 2M.2, 2M.3 and 2M.4 of the Act in respect of the period from 1 July 2002 to 31 December 2003 ("**Relevant Financial Year**"), as if the Relevant Financial Year was a financial year for the Company; and
2. The directors of the Company include a brief statement in the directors' report for the Relevant Financial Year about the relief given by this order.

Dated: 30 September 2003



Signed by Shirley Wu  
as a delegate of the Australian Securities and Investments Commission

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**Australian Securities and Investments Commission  
Corporations Act 2001  
Paragraph 992B(1)(a) – Exemption**

Under paragraph 992B(1)(a) of the Corporations Act 2001 ("the Act") the Australian Securities and Investments Commission ("ASIC") hereby exempts, until 11 March 2004, the persons referred to in Schedule A from compliance with subsection 991F(3) of the Act in the case referred to in Schedule B.

**Schedule A**

Employees of Morgan Stanley Dean Witter Australia Securities Limited (ACN 078 652 276) ("Morgan Stanley").

**Schedule B**

The acquisition, or agreement to acquire, financial products of a kind that are able to be traded on the financial market operated by Australian Stock Exchange Limited ACN 008 624 691 ("ASX") ("the transaction") by an employee of Morgan Stanley where:

1. The person who acts as agent for the employee of Morgan Stanley in the transaction:
  - (a) is a body corporate; and
  - (b) is a participant on the ASX; and
  - (c) holds a securities dealers licence;
2. Morgan Stanley gives its written consent to the transaction before it occurs;
3. The employee provides Morgan Stanley with a copy of the confirmation of transaction; and
4. There is an agreement in place between the broker and Morgan Stanley under which, if the broker provides financial product advice to the employee:
  - (a) the broker will keep a record of:
    - (i) the advice provided; and
    - (ii) the research and other material information that formed the basis for the advice provided; and
  - (b) subject to sub-paragraph (c), the broker will provide the advice to the employee in writing; and
  - (c) if the advice is execution-related telephone advice, the broker will provide the advice to the employee in writing unless:
    - (i) the employee agrees that the advice need not be given in writing; and
    - (ii) at the time the broker provides the advice, the broker provides the following to the employee:
      - (A) information about the remuneration (including commission) or other benefits that any of the following persons is to receive that might reasonably be expected to be or have been capable of influencing the broker in providing the advice:
        - (I) the broker;
        - (II) a related body corporate of the broker;

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- (III) a director or employee of the broker or a related body corporate;
- (IV) an associate of any of the above; and
- (B) information about:
  - (I) any other interests, whether pecuniary or not and whether direct or indirect, of the broker or of any associate of the broker; and
  - (II) any associations or relationships between the broker or any associate of the broker and the issuers of any financial products; that might reasonably be expected to be or have been capable of influencing the broker in providing the advice.

**Interpretation**

In this instrument:

"execution-related telephone advice" has the meaning given by subsection 946B(1) of the Act.

"financial product advice" has the meaning given by section 766B of the Act.

Dated this first day of October 2003



Signed by Philippa Bell  
as a delegate of the Australian Securities and Investments Commission



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**Australian Securities and Investments Commission  
Corporations Act 2001 – Paragraph 601QA(1)(b) –  
Corporations Law – Subsections 1084(6) and 1454(2) – Variation**

Pursuant to paragraph 601QA(1)(b) of the Corporations Act 2001 and subsections 1084(6) and 1454(2) of the Corporations Law (as continued in force by section 1408 of that Act) the Australian Securities and Investments Commission ("ASIC") hereby further varies ASIC Instrument [00/1348] dated 30 June 2000, as varied by ASIC Instrument [03/0511], by deleting "30 September 2003" (twice occurring) and substituting "1 July 2010".

Dated this 30<sup>th</sup> day of September 2003.



Signed by Philippa Bell  
as a delegate of the Australian Securities and Investments Commission

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**Australian Securities and Investments Commission  
Corporations Act 2001 — Subsection 741(1) — Declaration**

Under subsection 741(1) of the Corporations Act 2001 (**Act**) the Australian Securities and Investments Commission (**ASIC**) hereby declares that Chapter 6D of the Act applies to all persons in relation to an offer made in or accompanied by the disclosure document specified in Schedule A (**Prospectus**) in the case referred to in Schedule B as if a reference to:

- (a) disclosure document in paragraphs 723(1)(a), 728(1)(a) and 728(1)(b) of the Act;
- (b) prospectus in paragraph 723(1)(a) of the Act; and
- (c) a copy of a prospectus in subsections 727(2) of the Act,

includes a reference to a document or copy of a document that differs from the version of the Prospectus lodged with ASIC (**Lodged Version**) to the extent that the version of the Prospectus distributed to investors with an application form (**Investor Version**) includes the minimum dividend rate and initial margin for the reset preference shares offered under the Prospectus.

**Schedule A**

A prospectus to be lodged on or about 2 October 2003 by Toll Holdings Limited (ABN 25 006 592 089) (**Toll**) offering reset preference shares in Toll.

**Schedule B**

All offers made in or accompanied by the Prospectus where:

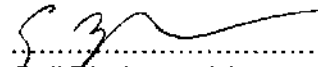
- (a) no application form is attached to the Lodged Version;
- (b) no application form has been distributed with the Lodged Version or a copy of the Lodged Version;
- (c) an application form is only attached to, or accompanied by, the Investor Version;
- (d) the Prospectus contains a description of this declaration;

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- (e) any application form accompanying the Investor Version or a copy of the Investor Version discloses the difference between the Lodged Version and the Investor Version;
- (f) the following words appear on the inside front cover of the Investor Version: "Applications for Toll RPS may only be made on the Application Forms attached to or accompanying this Prospectus (including an electronic copy of this Prospectus)";
- (g) an electronic copy of the Investor Version (which need not have the application form attached) is posted in a prominent place on the internet site [www.toll.com.au](http://www.toll.com.au) within six (6) business days of lodgment with ASIC of the Lodged Version; and
- (h) a copy of the Investor Version (which need not have the application form attached) is provided to ASIC within six (6) business days of lodgment with ASIC of the Lodged Version.

Dated this 1<sup>st</sup> day of October 2003.

Signed by:



Gadi Bloch, as a delegate of the  
Australian Securities and Investments Commission.

**Australian Securities and Investments Commission  
Corporations Act 2001 – Paragraph 825(a)**

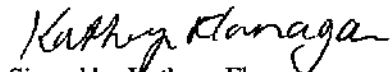
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**Order revoking licence**

**TO:** Nicholas Edwin Renton (“the Licensee”)  
194 Kilby Rd  
KEW EAST VIC 3102

Under paragraph 825(a) of the *Corporations Act 2001* (as continued in force by subsection 1432(1) of that Act), the Australian Securities and Investments Commission revokes Licence Number 12897 held by the Licensee with effect from when this order is served on the Licensee.

Dated this 2<sup>nd</sup> day of October 2003



Signed by Kathryn Flanagan  
as a delegate of the Australian Securities and Investments Commission

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**Australian Securities and Investments Commission  
Corporations Act 2001 – Paragraph 825(a)**

**Order revoking licence**

**TO:** Sydney Credit Union Limited, ACN 087 650 726 (“the Licensee”)  
Level 7  
447 Kent St  
SYDNEY NSW 2000

Under paragraph 825(a) of the *Corporations Act 2001* (as continued in force by subsection 1432(1) of that Act), the Australian Securities and Investments Commission revokes Licence Number 69884 held by the Licensee with effect from when this order is served on the Licensee.

Dated this 1<sup>st</sup> day of October 2003



Signed by Kathryn Flanagan  
as a delegate of the Australian Securities and Investments Commission

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**Australian Securities and Investments Commission  
Corporations Act 2001 — Paragraphs 601QA(1)(a), 911A(2)(l), 992B(1)(a) and  
1020F(1)(a) — Exemption**

1. Under paragraph 601QA(1)(a) of the *Corporations Act 2001* ("the Act"), the Australian Securities and Investments Commission ("ASIC") hereby exempts the persons referred to in Schedule A from section 601ED of the Act in the case referred to in Schedule B on the conditions set out in Schedule C.
2. Under paragraphs 911A(2)(l), 992B(1)(a) and 1020F(1)(a) of the Act ASIC hereby exempts the persons referred to in Schedule A in the case referred to in Schedule B on the conditions set out in Schedule C from:
  - (a) sections 992A, 992AA and 1017F of the Act; and
  - (b) the requirement to hold an Australian financial services licence for the provision of financial services by that person in relation to dealing in interests in a managed investment scheme of the kind and offered on the basis referred to in Schedule B.
3. Under paragraphs 992B(1)(a) of the Act ASIC hereby exempts a person (other than a person referred to in Schedule A) in the case of an offer to sell an interest in a managed investment scheme referred to in Schedule B and offered on a basis that appears to comply with Schedule C, from sections 992A and 992AA of the Act.

**SCHEDULE A — WHO IS EXEMPT**

Any person who operates the scheme specified in Schedule B (scheme) including Twin Towns Resort Management Pty Ltd ACN 087 708 978 and the following persons (promoters):

- (a) Twin Towns Services Club Limited ACN 001 042 833 and Baulderstone-Hornibrook Projects Pty Ltd ACN 003 442 804; and
- (b) any other person offering an interest in the scheme for issue,

other than a person who is aware that any disclosure statement required to be given to a person under this instrument or any Product Disclosure Statement required to be given to a person under the Act in relation to the scheme, was not given or was given but did not comply with this instrument or the Act as the case may be.

**SCHEDULE B — SCHEMES EXEMPTED**

Operating a managed investment scheme which involves an owner (investor) of real property (strata unit), in the investor's discretion, making their strata unit available for use by a person (operator) as part of a serviced apartment, hotel, motel or resort complex located at 2-4 Stuart Street, Tweed Heads, New South Wales, developed in accordance

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with an approval of the Tweed Shire Council that was given to ASIC on 19 September 2003 and in relation to which, on 1 March 2000, there was no person who had bought or agreed to buy a strata unit and who, before agreeing to buy, had been offered an interest in the scheme, where:

- (a) the sale of the strata unit is not and was not conditional on participation in the serviced strata scheme;
- (b) each investor and the operator may withdraw from participation in the scheme on no more than 90 days notice and an investor that withdraws will not be bound after that notice expires to allow use of their strata unit except for occupation of the strata unit:
  - (i) by a person other than the operator or an associate of the operator; and
  - (ii) under an agreement that the operator made with that person before the notice of withdrawal was given;
- (c) each investor may, if the investor withdraws from participation in the scheme, appoint another person to manage their strata unit;
- (d) the operator is licensed in relation to the conduct of the letting services under the law of a State or Territory or is an Australian financial services licensee;
- (e) no payment is liable to be made by an investor to participate in the scheme other than:
  - (i) payment of money to buy the strata unit; and
  - (ii) one or more payments of the investor's reasonable proportion of the operator's fees and expenses with respect to the management of the scheme where each such payment:
    - (A) relates to a period of no more than 3 months; and
    - (B) is reasonably commensurate with the work done or to be done, or the expenses incurred or likely to be incurred (as the case may be), by the operator during that period;
- (f) there is no obligation on any person to ensure that other owners of strata units agree to participate in the scheme; and
- (g) the serviced apartment, hotel, motel or resort complex is operated in accordance with a written agreement entered into or to be entered into between the operator and each investor which agreement includes provisions as specified in Schedule E.

#### SCHEDULE C — CONDITIONS ON OPERATORS AND PROMOTERS

- 1 The operator must ensure that any part of the scheme property held in cash or on deposit with an Australian ADI or another financial institution must be held on trust for the members in a trust account and subject to audit as to whether the moneys have been dealt with in accordance with the terms of the trust by a registered company auditor at least annually;

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- 2 Each promoter that is involved in making an offer of interests in the scheme for issue must:
- (a) not engage in any misleading or deceptive conduct or conduct that is likely to mislead or deceive in connection with those offers;
  - (b) during the transition period (within the meaning of subsection 1433(3) of the Act) ensure that a disclosure statement complying with Schedule D is given to each person to whom an offer is made at or before the making of the offer; and
  - (c) during the transition period (within the meaning of subsection 1438(3) of the Act) ensure that the disclosure statement is signed and dated by the operator or, if the operator is not knowingly concerned in the offer, by a promoter; and
- 3 The operator must comply with the provisions specified in Schedule E which are included in the agreement referred to in paragraph (g) of Schedule B.

#### SCHEDULE D — THE DISCLOSURE STATEMENT

- 1 The disclosure statement must:
- (a) describe the main features of the interests in the scheme;
  - (b) set out the main terms and conditions of the offer; and
  - (c) provide answers to the questions set out in paragraph 2 of this Schedule (the questions need not be set out, and the answers can be provided in any order or format),
- sufficiently to enable a typical investor in those interests to make an informed decision whether to become a member of the scheme, having regard to every matter which is material to such a decision that is known to any person who authorised or caused the issue of the disclosure statement.
- 2 The questions are:
- (a) What is being offered?
    - (i) How are the investor's property rights affected by holding an interest in the scheme?
    - (ii) What key rights will investors have in relation to the use of their strata unit by the operator?
    - (iii) What sort of serviced apartment, hotel, motel or resort complex is being operated under the scheme? How will it be operated?



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- (iv) What are the key terms of any lease, licence or rights that investors are to confer on the operator in relation to the operation of the scheme?
- (v) Does the operator own or have rights in relation to any property that may adversely affect:
  - (A) how the scheme would operate if the operator were changed; or
  - (B) the amount investors are likely to receive for use of their strata unit if the property ceases to be available (for whatever reason),and, if so, what are those rights? How could the adverse effect happen?
- (b) What are the risks and returns of the investment?
  - (i) How, in general terms, will the operation of the serviced apartment, hotel, motel or resort complex generate returns for investors?
  - (ii) When and how are these returns to be calculated and made available to investors?
  - (iii) Are investors in the scheme guaranteed or promised that they will receive a particular rate of return from the scheme? If so:
    - (A) what are the conditions for receiving the benefits of this guarantee or promise;
    - (B) what (if any) are the circumstances in which the person providing the guarantee or promise may be unable to honour it;
    - (C) what is the financial position of the person giving the guarantee or promise; and
    - (D) on what basis do investors receive returns once the guarantee or promise expires?
  - (iv) If no particular rate of return is guaranteed or promised:
    - (A) is the operator aiming to achieve a particular return;
    - (B) can investors expect any particular return; or
    - (C) are returns from the scheme uncertain?
  - (v) If returns from the scheme may vary from what is aimed for or expected, or are otherwise uncertain, what are the main factors which will affect the level of return? If occupancy rates will affect the returns what are the main factors that will affect occupancy rates?

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- (vi) Do investors have potential liability to pay moneys in relation to the scheme or their ownership of a strata unit in any circumstances? If so, what are these liabilities and what main factors will affect the amount of these liabilities? For example, how will any repairs, refurbishment or replacement of any part of the serviced apartment, hotel, motel or resort complex and its furniture and fittings be paid for?
- (vii) Is there a suggested minimum period of time that an investor's investment should remain in the scheme? If so, why is that period of time suggested? What, if any, are the kinds of qualifications on that suggestion?
- (c) What are the fees, charges, expenses and taxes associated with the scheme?
- (i) What fees, charges, expenses or taxes, if any, may be payable by an investor if they join the scheme?
- (ii) What fees, charges, expenses or taxes, if any, may be payable by an investor if they withdraw from the scheme?
- (iii) What other fees, charges, expenses or taxes may be deducted from the assets or income of the scheme or otherwise borne by investors?
- (iv) What general kinds of tax are likely to be payable on an investor's returns on investment in the scheme?
- (d) Who is the operator?
- (i) If the operator signs the disclosure statement, who is it and what are its credentials in operating hotels, motels, resorts or serviced apartment complexes (including details of its principal activities and relevant experience)?
- (ii) If the operator does not sign the disclosure statement, how, and on what basis, will the operator be selected to undertake the operation of the scheme?
- (iii) If the operator signs the disclosure statement and the operator is to engage a person to operate the complex on its behalf, what credentials will that person have to operate the hotel, motel, resort or serviced apartment complex?
- (iv) What are the custodial arrangements for holding the money of the scheme including money held for distribution to members and to meet expenses of the scheme?
- (e) When can investments be withdrawn and transferred?
- (i) When and how can an investor withdraw from the scheme?

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- (ii) Can the interest in the scheme be transferred and, if so, in what circumstances? What legal requirements apply?
- (f) What information can be obtained?
  - (i) How can the entity signing the disclosure statement be contacted?
  - (ii) Is there any particular information available to a prospective or existing investor on request made to that entity? If so, how can that information be obtained?
  - (iii) When and how is the operator to report to an investor in the scheme on the operations of the scheme (including the scheme's performance)?
- 3 The disclosure statement must also include a prominent statement to the effect that a person should consider whether to consult:
  - (a) an investment adviser who is either an Australian financial services licensee or an authorised representative of an Australian financial services licensee;
  - (b) a taxation adviser; and
  - (c) a lawyer,

before making a decision to become a member of the scheme and if the disclosure statement is given to a person that does not own and has not agreed to buy a strata unit to which the scheme relates, also before signing any contract to buy a strata unit on the basis that the person will become a member.

#### SCHEDULE E — PROCEDURES FOR TRANSFERRING MANAGEMENT RIGHTS

1. *Transfer of management rights*
  - (a) If a majority of scheme members advise the operator in writing that they wish to terminate the operator's engagement, the operator must within 9 months transfer the management rights to a person that is chosen by the operator that has not been involved in the operation (including promotion) of the scheme and is not controlled by a person that has been involved in the operation (including promotion) of the scheme.
  - (b) If an operator fails to complete that transfer within the 9 month period, the operator must cause the transfer of the management rights to a replacement operator named in a written notice given by a majority of scheme members, at a price specified in the notice.
  - (c) A transfer referred to in paragraphs (a) or (b) must be done as soon as practicable, but if there is a body corporate for the real property to which the scheme relates, there must be a reasonable time for members of the body

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corporate to consider whether to make a decision referred to in paragraph 2(b) unless the body corporate has consented to the transfer.

2. *Consent of body corporate to new care-taking arrangements*

- (a) If an operator receives a notice under paragraph 1(b) of this Schedule, the operator must advise all body corporate members of the name of the person to whom the transfer is to be made.
- (b) Unless the body corporate has consented to the transfer, an operator does not have to transfer the management rights to the person named in the notice described in paragraph 1(b) of this Schedule if a majority of body corporate members state in writing to the operator that the person should not be engaged by the body corporate to perform care-taking functions.
- (c) If a majority of body corporate members make a decision referred to in paragraph 2(b) of this Schedule, a majority of scheme members may then at any time name a replacement operator by a written notice, to whom the operator must transfer the management rights at a price specified in the notice and the notice will be taken to be given in accordance with paragraph 1(b) of this Schedule.
- (d) This paragraph 2 does not apply if the body corporate or a majority of body corporate members agree in writing to the transfer to the person named in a notice under paragraph 1(b) or 2(c) of this Schedule before that notice is given to the operator.

3. *Price payable on transfer*

The price scheme members specify in a notice under paragraph 1(b) of this Schedule must be one of the following:

- (a) the average of two valuations of the management rights by independent qualified valuers nominated by the Australian Property Institute (or another relevant independent professional body approved by ASIC); or
- (b) the highest bona fide bid for the management rights (excluding a bid by the operator or its associates) at an auction of which at least 60 days' notice had been given; or
- (c) the highest bona fide amount tendered (excluding any tender by the operator or its associates) for the management rights following reasonable efforts to market the property for at least 60 days.

4. *Voting*

- (a) In determining if there is a majority of scheme members or body corporate members, the operator and its associates and any person nominated as a replacement operator and associates of that person must not be counted.

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- (b) For scheme members, a majority is based on their entitlement to vote at body corporate meetings if there is a body corporate for the property to which the scheme relates, and otherwise each member shall have one vote.
- (c) For body corporate members, a majority is based on their entitlement to vote at body corporate meetings.
- (d) A scheme member or a body corporate member makes a decision by signing a document that sets out the decision.

#### 5. *Costs*

- (a) Any member may arrange a valuation or auction of, or may market, the management rights before or after the expiration of the 9 month period referred to in paragraph 1(a) of the Schedule for the purposes of determining a price to be specified in a notice under paragraph 1(b) of this Schedule.
- (b) If a member incurs any reasonable valuation, auction or marketing costs under paragraph 5(a) of this Schedule that member is entitled to be reimbursed out of the price payable by any person nominated by the members as transferee of the management rights when the price is paid to the operator.

#### 6. *Assistance*

The operator must give reasonable assistance to enable the transferee to operate the resort, hotel, motel or serviced apartment complex including making available information concerning any prospective bookings.

#### 7. *Definitions*

In this Schedule:

“scheme members” means investors in the scheme excluding the operator and its associates;

“management rights” means all real or personal property (including contractual rights) held by the operator or any of its associates that facilitates the operation of the scheme; and

“transfer” in relation to management rights means to assign or transfer the management rights or to cause another person to become the holder of those rights or rights substantially the same as those rights.

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Interpretation

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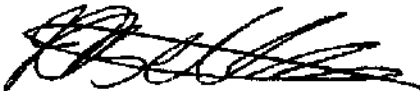
In this instrument:

1. "financial services licensee" means:

- (a) a financial services licensee within the meaning of the Act; and
- (b) a person who, on 11 March 2002, was the holder of a dealers licence within the meaning of the old Corporations Act (as defined in subsection 1410(1) of the Act), until the earlier of:
  - (i) if ASIC revokes the person's dealers licence - the date of that revocation; or
  - (ii) 11 March 2004; and

2. "offer" is to be interpreted in accordance with subsection 1010C(2) of the Act.

Dated this third day of October 2003

Signed by Philippa Bell  
as a delegate of the Australian Securities and Investments Commission

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**Australian Securities and Investments Commission  
Corporations Law - Subsection 257D(4) - Exemption**

Pursuant to subsection 257D(4) of the Corporations Act ("the Act"), the Australian Securities and Investments Commission ("ASIC") hereby exempts the person named in Schedule A from compliance with section 257D of the Act in the case referred to in Schedule B if and so long as the conditions specified in Schedule C are met.

**Schedule A**

Telstra Corporation Limited ABN 33 051 775 556 ("Telstra")

**Schedule B**

A share buy-back scheme offered or to be offered to all holders of Shares, except those described in paragraphs 2 (c)(x) of this Schedule, on or around 3 November 2003 ("Buy-back Invitations") which:

- 1 is substantially on the terms contemplated by the draft offer document provided to ASIC on or around 1 October 2003; and
- 2 complies with the conditions in subsection 257B(2) of the Act, subject to subsection 257B(3), except:
  - (a) that Telstra does not comply with paragraph (a) of subsection 257B(2) of the Act but rather the Buy-back Invitations relate only to Shares;
  - (b) that Telstra does not comply with paragraph (b) of subsection 257B(2) of the Act, but rather invites all holders of Shares to offer for sale to Telstra any number of their Shares in accordance with the terms and conditions of the Buy-back Invitations;
  - (c) that Telstra does not comply with paragraph (c) of subsection 257B(2) of the Act but rather all persons who hold Shares in Telstra have a reasonable opportunity to offer for sale any number of their Shares to Telstra in accordance with the terms and conditions of the Buy-back Invitations (except that the Trustee may only submit a Tender on behalf of a Restricted TESOP 99 Participant if that participant has repaid all amounts outstanding on their TESOP 99 Loans); and
  - (d) that Telstra does not comply with paragraph (d) of subsection 257B(2) of the Act but rather the buy-back agreements are not entered into until the Tender Period has closed;
  - (e) that Telstra does not comply with paragraph (e) of subsection 257B(2) of the Act but rather the Buy-back Invitations are to be made by Telstra to every person who holds Shares for those holders to Tender their Shares to Telstra for Telstra to buy back those Shares on the same terms subject to:

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- (i) each Shareholder (except the Trustee acting on behalf of Restricted TESOP 97 Participants and Restricted TESOP 99 Participants) having the ability to nominate a maximum number of Shares which they wish to offer for sale to Telstra;
- (ii) if a Shareholder has a Small Holding, that Shareholder will only be permitted to lodge one tender either at a specified price within the tender range or as a Final Price Tender;
- (iii) Restricted TESOP 97 Participants will only be permitted to direct the Trustee to lodge one Tender for all TESOP 97 Loan Shares held by that participant at a specified price or as a Final Price Tender;
- (iv) Restricted TESOP 99 Participants will only be permitted to direct the Trustee to lodge one Tender for all TESOP 99 Loan Shares held by that participant at a specified price or as a Final Price Tender;
- (v) Restricted TESOP 97 Participants and Restricted TESOP 99 Participants will only be permitted to direct the Trustee to withdraw a Tender and not amend a Tender;
- (vi) a Scale Back Mechanism operating in the manner described in conditions 2 and 3 of Schedule C to ensure that Telstra does not exceed the limit specified in condition 1 of Schedule C (or such lesser amount determined by Telstra in accordance with its Buy-back Invitations);
- (vii) Tenders lodged in respect of TESOP 97 Loan Shares, TESOP 99 Loan Shares and Small Holdings will not be subject to the Scale Back Mechanism described in conditions 2 and 3 of Schedule C;
- (viii) if acceptance of any Tender received from the Commonwealth, on the terms of the Buy-back, would result in a contravention of any of the provisions of Part 2 of the Telstra Corporation Act, such Tender will not be accepted by Telstra;
- (ix) if acceptance of any Tender received from a Foreign Person, on the terms of the Buy-back, would result in a contravention of any of the provisions of Part 2A of the Telstra Corporation Act, such Tender will not be accepted by Telstra; and
- (x) a Buy-back Invitation is not made to Excluded Foreign Persons and any Tender received from an Excluded Foreign Person will not be accepted by Telstra.

#### Schedule C

- 1 The number of Shares that Telstra buys back does not exceed 260 million or such amount determined by Telstra (including a lesser amount) but such amount must not exceed 10% of the smallest number of votes attaching to voting Shares of Telstra on issue at any time during the 12 months before the commencement of the Tender Period.
- 2 Telstra makes it a term of the Buy-back Invitations that:
  - (a) if the Buy-back Price is determined by Telstra to be the Lowest Tender Price; and



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- (b) at the close of the Tender Period, Telstra has received offers that in aggregate amount to more than the Buy-back Amount, calculated using the Lowest Tender Price and including Final Price Tenders,
  - (c) then Tenders of Shares made at the Buy-back Price and as a Final Price Tender will be subject to a reduction by the same proportion (pro-rata) being the proportion needed to ensure that:
    - (i) after taking into account the TESOP 97 Acquisition and the TESOP 99 Acquisition, the Priority Acquisition and the Small Holding Acquisition, no more than the Buy-back Amount is bought back; and
    - (ii) the TESOP 97 Acquisition and the TESOP 99 Acquisition, the Priority Acquisition and the Small Holding Acquisition may be made, and
  - (d) the TESOP 97 Acquisition and the TESOP 99 Acquisition, the Priority Acquisition and the Small Holding Acquisition will be made.
- 3 Telstra makes it a term of the Buy-back Invitations that:
- (a) if the Buy-back Price is determined by Telstra to be a price other than the Lowest Tender Price; and
  - (b) at the close of the Tender Period, Telstra has received offers that in aggregate amount to more than the Buy-back Amount, calculated using the Buy-back Price,
- then:
- (c) all Shares tendered at less than the Buy-back Price will be bought back in full;
  - (d) all Shares tendered as Final Price Tenders will be bought back in full;
  - (e) Shares tendered at the Buy-back Price (other than as Final Price Tenders) will be bought back but the number of Shares to be bought back will be subject to a reduction by the same proportion (pro-rata) being the proportion needed to ensure that:
    - (i) after taking into account the TESOP 97 Acquisition and the TESOP 99 Acquisition and the Small Holding Acquisition no more than the Buy-back Amount is bought back; and
    - (ii) the TESOP 97 Acquisition and the TESOP 99 Acquisition and the Small Holding Acquisition may be made; and
  - (f) the TESOP 97 Acquisition and the TESOP 99 Acquisition and the Small Holding Acquisition will be made.
- 4 For the purpose of paragraphs 2 and 3 of this Schedule, disregard, in determining whether the proportion by which the number of each offeror's Shares is reduced is the same, any difference in proportion arising from the rounding down of fractions for the purpose of ensuring that only whole numbers of Shares are bought back, and disregard any difference in proportion arising from an adjustment to ensure that only whole numbers of Shares are bought back.

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- 5 Telstra makes it a term of the Buy-back Invitation that if:
- (a) Telstra receives any Tenders from the Commonwealth; and
  - (b) a Tender from the Commonwealth, if accepted on the terms of the Buy-back, (including application of the Scale Back Mechanism) would result in a decrease in the Commonwealth's interest in Telstra in contravention of any of the provisions of Part 2 of the Telstra Corporation Act, or create a risk of such contravention,
- then:
- (c) such Tender or Tenders will be non-conforming and will not be accepted by Telstra but only to the extent necessary to ensure that the Buy-back does not result in a contravention of any provision to Part 2 of the Telstra Corporation Act, or create a risk of such a contravention.
- 6 Telstra makes it a term of the Buy-back Invitations that if:
- (a) Telstra receives any Tenders from Foreign Persons; and
  - (b) a Tender from a Foreign Person, if accepted on the terms of the Buy-back (including application of the Scale Back Mechanism), would result in an Unacceptable Foreign Ownership Situation, or create a risk that an Unacceptable Foreign Ownership Situation might arise,
- then:
- (c) such Tender or Tenders will be treated as non-conforming and will not be accepted by Telstra,
- but only:
- (d) to the extent necessary to ensure that the Buy-back does not result in an Unacceptable Foreign Ownership Situation, or create a risk that an Unacceptable Foreign Ownership Situation might arise; and
  - (e) if the number of Tenders which are deemed to be non-conforming is the same proportion (pro-rata) for all Foreign Persons who have submitted a Tender.
- 7 Disclosure is made by Telstra in any document sent to shareholders pursuant to subsection 257C(2) of the Act, to the effect that shareholders are entitled to vote (in accordance with the voting rights attached to their Shares) at any meeting that is held before the buy-back period ends (and the buy-back period shall not end before 21 November 2003).

**Interpretation**

**body corporate** has the meaning it has in the Act.

**Buy-back Amount** means up to approximately 260 million Shares or such amount determined by Telstra (including a lesser amount) but such amount must not exceed 10% of the smallest number, at any time during the 12 months before the start of the Tender Period, of votes attaching to voting shares of Telstra.

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**Buy-Back Invitations** means the invitation by Telstra to its shareholders to offer to sell Shares to Telstra.

**Buy-back Price** means the price at which Telstra will buy-back shares tendered in accordance with the Buy-back Invitations.

**Commonwealth** means the Crown in the right of the Commonwealth of Australia.

**Eligible TESOP 97 Employee** means any person submitting a Tender who:

- (a) is an Employee; or
- (b) has ceased to be Employee, but under the terms of the TESOP 97 Trust Deed, has a right to arrange through the Trustee, the sale of all of the TESOP 97 Loan Shares held by the Trustee on behalf of that person.

**Eligible TESOP 99 Employee** means any person submitting a Tender who:

- (a) is an Employee; or
- (b) has ceased Employment, but under the terms of the TESOP 99 Trust Deed, has a right to arrange through the Trustee, the sale of all of the TESOP 99 Loan Shares held by the Trustee on behalf of that person.

**Employee** means a permanent, full or part time, fixed term or casual employee of a body corporate in the Group (including a director of such body corporate who holds on a permanent full time or part time basis salaried employment in such body corporate).

**Excluded Foreign Person** means any person holding Shares:

- (a) to whom Telstra would be prohibited from paying money pursuant to the:
  - (i) *Banking (Foreign Exchange) Regulations 1959* (Cth);
  - (ii) Part 4 of the *Charter of the United Nations Act 1945* (Cth);
  - (iii) Part of the *Charter of the United Nations (Terrorism and Dealings with Assets) Regulations 2002* (Cth);
  - (iv) *Iraq (Reconstruction and Repeal of Sanctions) Regulations 2003*; or
  - (v) any other act, rule, or regulation prohibiting Telstra from making payments to foreign persons;
- (b) to whom the Buy-Back Invitation may not lawfully be made under the laws of the jurisdiction in which they are resident; or
- (c) whose participation in the Buy-back is not permitted under the laws of the jurisdiction in which they are resident.

**Final Price Tender** means a Tender in which the shareholder elects to receive the Buy-back Price determined under the Buy-back Invitations.

**Foreign Person** has the meaning it has in the Telstra Corporation Act.

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**Group** means Telstra and its subsidiaries.

**Lowest Tender Price** means the lowest price in the price range specified by Telstra at which it will accept Tenders under the Buy-back Invitations.

**Priority Acquisition** means the acquisition by Telstra of:

- (a) the Priority Allocation from those Shareholders who Tender more than the Priority Allocation at prices that are any one or more of the following:
  - (i) a Final Price Tender; or
  - (ii) the Buy-back Price.
- (b) all of the Shares tendered by those Shareholders who Tender a number of Shares equal to or less than the Priority Allocation at prices that are any one or more of the following:
  - (i) a Final Price Tender; or
  - (ii) the Buy-back Price.

**Priority Allocation** means 400 Shares or such lesser number of Shares as is required to ensure that the Buy-Back Amount is not exceeded as a result of the aggregate number of Shares bought back by Telstra pursuant to the:

- (a) Priority Acquisition;
- (b) Small Holding Acquisition;
- (c) TESOP 97 Acquisition; and
- (d) TESOP 99 Acquisition.

**Restricted TESOP 97 Participant** means any person who:

- (a) acquired Shares pursuant to a TESOP 97 Loan;
- (b) has not repaid all amounts outstanding on a TESOP 99 Loan; and
- (c) is an Eligible TESOP 97 Employee.

**Restricted TESOP 99 Participant** means any person submitting a Tender who:

- (a) acquired Shares pursuant to a TESOP 99 Loan;
- (b) has not repaid all amounts outstanding on a TESOP 99 Loan; and
- (c) is an Eligible TESOP 99 Employee.

**Scale-Back Mechanism** means the reduction of Shares bought back by Telstra in the manner described in conditions 2 and 3 of Schedule C to ensure that the limit specified in condition 1 of Schedule C (or such lesser amount determined by Telstra in accordance with its Buy-back Offers) is not exceeded and the Unmarketable Parcel Acquisition may be made.

**Shares** means fully paid ordinary shares in the capital of Telstra.

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**Shareholder** means a holder of Shares.

**Small Holding** means a parcel of 400 or less Shares.

**Small Holding Acquisition** means the acquisition by Telstra of all of the Small Holding of those shareholders who Tender all of their Shares at a price that is:

- (a) a Final Price Tender;
- (b) the Buy-back Price; or
- (c) below the Buy-back Price,

and would, but for this acquisition, have had a Small Holding as a result of the Scale Back Mechanism.

**Subsidiary** has the meaning it has in the Act.

**Telstra Corporation Act** means the Telstra Corporation Act 1991 (Cth)

**Tender** means an offer made in accordance with the Buy-back Invitations by a holder of Shares to sell to Telstra a specified number of Shares at a specified price by delivering to Telstra a tender form (which has not been withdrawn).

**Tender Period** means the time period beginning when the Buy-back Invitations are open for tenders and ending when the Buy-back Invitations are closed (i.e. 9.00am on 3 November 2003 to 7.00pm on 21 November 2003).

**TESOP 97** means Telstra Employee Share Ownership Plan 1997, as established by the TESOP 97 Trust Deed and the TESOP 97 Loan Scheme.

**TESOP 99** means Telstra Employee Share Ownership Plan II, as established by the TESOP 99 Trust Deed.

**TESOP 97 Acquisition** means the acquisition by Telstra of all of the TESOP 97 Loan Shares held by the Trustee on behalf of an Eligible TESOP 97 Employee who directs the Trustee to Tender all of the TESOP 97 Loan Shares held on behalf of that Eligible TESOP 97 Employee at a price that is:

- (a) a Final Price Tender;
- (b) the Buy-back Price; or
- (c) below the Buy-back Price,

and would, but for this acquisition, have had TESOP 97 Loan Shares held on their behalf by the Trustee as result of the Scale-back mechanism.

**TESOP 99 Acquisition** means the acquisition by Telstra of all of the TESOP 99 Loan Shares held by the Trustee on behalf of an Eligible TESOP 99 Employee who directs the Trustee to Tender all of the TESOP 99 Loan Shares held on behalf of that Eligible TESOP 99 Employee at a price that is:

- (a) a Final Price Tender;

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(b) the Buy-back Price; or

(c) below the Buy-back Price,

and would, but for this acquisition, have had TESOP 99 Loan Shares held on their behalf by the Trustee as result of the Scale-Back Mechanism.

**TESOP 97 Loan** means a loan made or facilitated by Telstra under the TESOP 97 Loan Scheme.

**TESOP 99 Loan** means a loan made or facilitated by Telstra under the TESOP 99 Loan Scheme.

**TESOP 97 Loan Scheme** means the Telstra Employee Share Ownership Plan Loan Scheme.

**TESOP 99 Loan Scheme** means the Telstra Employee Share Ownership Plan II Loan Scheme.

**TESOP 97 Loan Shares** mean Shares acquired with a TESOP 97 Loan.

**TESOP 99 Loan Shares** means Shares acquired with a TESOP 99 Loan.

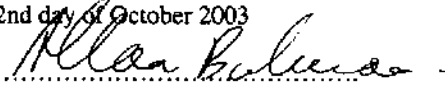
**TESOP 97 Trust Deed** means the Telstra Employee Share Ownership Plan Trust Deed dated 26 September 1997 between Telstra and the Trustee.

**TESOP 99 Trust Deed** the Telstra Share Ownership Plan II Trust Deed dated 3 September 1999 between Telstra and the Trustee.

**Trustee** means Telstra ESOP Trustee Pty Ltd (ACN 080 180 285).

**Unacceptable Foreign Ownership Situation** has the meaning it has in the Telstra Corporation Act.

Dated this 2nd day of October 2003

Signed: 

Allan Bulman, as a delegate of the  
Australian Securities and Investments Commission