



Guardian Securities Limited
ABN 47 106 187 731 AFSL 240506

Product Disclosure Statement

Master Mortgage Fund No. 6

ARSN 114 364 886

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CORPORATE DIRECTORY



RESPONSIBLE ENTITY AND MANAGER

Guardian Securities Limited

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Australian Financial Services License No. 240506
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WEBSITE

www.guardiansecurities.com.au

DIRECTORS OF THE COMPANY

Joint Managing Director: Guy Hasenkam
Joint Managing Director: Chris Kite
Director: Simone Hertzke

INDEPENDENT AUDITOR OF GUARDIAN SECURITIES, THE MORTGAGE FUND AND COMPLIANCE PLAN

KPMG
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Corporate Centre 1
2 Corporate Court
Bundall QLD 4217



LAWYERS FOR GUARDIAN SECURITIES

Minter Ellison Lawyers
159 Varsity Parade
Varsity Lakes QLD 4227

IMPORTANT NOTICE

Guardian Securities Limited (Guardian Securities) ACN 106 187 731 is the issuer of this Product Disclosure Statement (PDS) which is dated the 15th day of March 2010. Guardian Securities is licensed by ASIC (AFS Licence No. 240506) to act as the Responsible Entity (RE) for the Master Mortgage Fund No. 6 ARSN 114 364 886 (Scheme).

Neither the Responsible Entity, nor its associates, directors nor related parties guarantee the performance or success of the investment, the repayment of capital, or any particular rate of capital or income return. There may be a loss of income or principal invested and delays in repayment. Some of the risk factors that should be considered are set out in Section 9.

Applications to invest may only be made on the Application Form attached to this PDS or a Supplementary PDS or in its paper copy form as downloaded in its entirety from www.guardiansecurities.com.au.

Defined terms and abbreviations used in this PDS are explained in Section 11 Definitions and Glossary. The properties depicted in photographs in this PDS are not assets of the RE or the Scheme unless otherwise noted. These images are indicative only of types of properties over which mortgages may be taken by Guardian Securities on behalf of Investors.

Investment in the Scheme is likely to be illiquid. Investors may only withdraw their funds from the Scheme before those funds are invested in a mortgage Investment.

The offer under this PDS is available to persons receiving the PDS within Australia. The distribution of this PDS in jurisdictions outside Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. This PDS does not constitute an offer to any person to whom or in any place in which it would be illegal to make that offer.

No person is authorised to provide any information or to make any statement in connection with the offer described in this PDS, which is not included in this PDS.

This PDS does not take into account the investment objectives, financial situation and particular needs of any potential Investor. Accordingly before you invest you should read this PDS and any Supplementary PDS in full.

Financial advice is not being provided and your financial needs have not been taken into account. We therefore recommend that before making a decision to invest in the Scheme you should consult a financial planner or other professional adviser.

This PDS contains important information and you should read it carefully and in its entirety and if required, obtain independent legal and financial advice.

DIRECTORS' LETTER

Dear Investor

On behalf of **Guardian Securities Limited**, it is my pleasure to introduce our contributory mortgage Scheme inviting Investors to invest in a range of property loans approved by the Board. In a contributory mortgage scheme, Investors have a direct interest in the mortgage they chose to invest in rather than an indirect interest in a pool of mortgages as in a pooled mortgage fund.

While many investment offers have a number of features that may apply, there are six basic rules investors need to keep in mind when looking at investment alternatives. These are:

- **HOW** much money do you want?
- **WHAT** do you want it for?
- **WHO** is looking after my money?
- **WHAT'S** in it for me?
- **WHEN** do I get my money back?
- **HOW** do I get my money back?

Too often investors look at a return **ON** equity and sometimes ignore return **OF** equity. Higher than normal returns generally mean a higher risk attached to that return. The risk tolerance of investors vary greatly according to net worth, experience, age, diversification of portfolio, taxation and retirement benefits.

As has been recently demonstrated, many supposedly attractive offers are now frozen or lost completely with investors facing a substantial reduction in their quality of living and income standards. Often the management of these failed companies became involved in complicated company structures, too much debt, little appreciation for risk, reliant on the continuation of rising asset values and charging inappropriate management fees to look after investor funds.

At Guardian Securities all of our offers fully disclose the amount of funds to be raised, investment details of the loan for which funds will be applied, information on Guardian Securities and the applicable management fees charged, returns to Investors, the term of the Investment and how investor funds will be repaid.

With in depth knowledge of the Australian property market and many years experience in property funding and investment, risk minimisation coupled with continuous research, the board of Guardian Securities carefully analyses each loan proposal before recommending the offer to potential Investors. This management expertise is further enhanced by a compliance committee which consists of a majority of independent members whose role it is to: (1) monitor Guardian Securities responsibility and diligence in respect of Investor funds, (2) ensure legislative requirements are adhered to, (3) and obtain confirmation that a comprehensive professional indemnity policy is in place.

On behalf of the directors and the management team of Guardian Securities Limited, I look forward to welcoming you as an investor.

Guy Hasenkam & Chris Kite

Joint Managing Directors
Guardian Securities Limited



1. INVESTMENT SUMMARY

1.1 Key Features

Name of Scheme	Master Mortgage Fund No. 6 ARSN 114 364 886
Manager and Responsible Entity	Guardian Securities Limited ABN 47 106 187 731
AFS License Number	240506
Investment Objective	To lend funds to and invest in most types of real estate and property developments within Australia in accordance with established lending criteria outlined in the Manager's Lending Manual.
Type of Investment	Contributory Mortgages
Investment Term	Ranging from 6 to 24 months.
Rate of Return	1 st Mortgages ranging from 9.0% to 13.0% 2 nd Mortgages ranging from 18.0% to 22.0%
Minimum Investment	The minimum investment is \$10,000 and thereafter in multiples of \$1,000. Guardian Securities reserves the right to accept Applications of less than \$10,000 at its discretion.
Responsible Entity and Management Fees	There are no entry, exit or management fees payable by the Investor to the Manager. The Manager will receive interest income and fees from the Borrower as described in this PDS. Please refer to Section 5 Costs and Fees for more detail. The Borrower, and not the Investor, is responsible for all costs and fees associated with the establishment of a loan.
Loan to Value Ratio (LVR):	1 st Mortgages – up to 70% "as if complete" for development loans 1 st Mortgages – up to 80% "as is" market value for all other types of loans 2 nd Mortgages – up to 85% "as if complete" for development loans

1.2 Important Information

This PDS and any Supplementary PDS contains important information about the investment opportunity and the risks associated with a mortgage Investment.

Before making a decision to invest, please read this PDS and any Supplementary PDS in full to gain a better appreciation of the risks associated with this offer and any specific mortgage Investment. If in doubt regarding a particular Investment, please consult your investment adviser or other professionals.

1.3 ASIC Disclosure Requirements for Retail Investors

ASIC Benchmarks	References and Explanation	Benchmark conditions met / not met
Benchmark 1 Liquidity	This benchmark applies only to Pooled Mortgage Funds. This PDS deals specifically with Contributory Mortgages; hence this Benchmark is not applicable in this instance. Investors do not have the right to redeem their Investment prior to the loan being repaid by the borrower.	Not applicable to this Scheme – benchmark met.
Benchmark 2 Scheme borrowing	As at the date of this PDS, the RE has no external debts and there is neither a requirement for the Scheme to borrow funds nor a provision to do so. Any borrowings on Scheme assets will be fully disclosed in the Supplementary PDS.	Benchmark met.
Benchmark 3 Portfolio diversification	This benchmark applies to Pooled Mortgage Funds. Investors in a contributory mortgage Scheme have a proportional beneficial interest in the assets of the Scheme in which they invest but will not have an interest in other schemes or assets of the Manager.	Not applicable to this Scheme – benchmark met.
Benchmark 4 Related party transactions	It is the strict policy of the Board that no investor funds are advanced to related parties as defined in the Corporations Act. However related parties may invest in a mortgage Investment and thereby become Investors, who are treated equally and fairly and on the same basis as other Investors. GSL Services Pty Ltd is an entity associated with the directors of the RE and provides a range of services to Guardian Securities and the Scheme. The arrangement for these services is reviewed annually to ensure they remain on commercial arm's length terms.	Benchmark met. Refer to Section 8 In the event that a transaction occurs which would be deemed to be a related party transaction, such a transaction will be disclosed in the appropriate SPDS.
Benchmark 5 Valuation policy	Standard valuation principles apply for all loans approved by the Manager. Valuations are obtained on a market value "as is" or "as if complete" basis for development loans assuming specified improvements are made. Valuations must be dated not more than ninety (90) days prior to approval of the loan. New valuations are obtained for all loans in excess of two (2) years or when a loan falls into default. The Manager has an approved list of panel Valuers that are registered under the appropriate state registration and ensures that all valuations comply with all relevant industry standards and codes. Valuers need to comply with the Manager's standing instruction to Valuers. Guardian's lending criteria are set out in Section 2.11 and all loans are secured by registered first and/or second mortgages. Details of valuations in regards to specific Investments are disclosed in the accompanying Supplementary PDS.	Benchmark met. Refer to Section 9.2

ASIC Benchmarks	References and Explanation	Benchmark conditions met / not met
<p>Benchmark 6 Lending principles – loan to value ratios</p>	<p>The Manager will consider all loans that meet the following loan to value ratios:</p> <ul style="list-style-type: none"> (a) 1st mortgages for property development – up to 70% of the “as if complete” market valuation (b) 1st mortgages for completed projects – up to 80% of the “as is” market valuation (c) 2nd mortgages – up to 85% of the “as is” or “as if complete” market valuation <p>Investment specific loan to value ratios are disclosed in the Supplementary PDS associated with the relevant Investment.</p>	<p>Benchmark met for (a) and (b) 1st mortgage transactions.</p> <p>Benchmark not met for (c) 2nd mortgage transactions.</p> <p>The appropriate SPDS will disclose details in respect of all LVR issues including 2nd mortgage lending and its associated risks.</p>
<p>Benchmark 7 Distribution practices</p>	<p>Distributions to Investors vary for Investment Offers and details of these are disclosed in the Supplementary PDS associated with those Investments. Distributions to Investors are made from interest payments received from the borrower or where interest is capitalised within the facility from loan funds withheld from the borrower to meet Investor interest payments.</p> <p>There is no provision for the Manager to meet or subsidise distributions to Investors from other assets of the Manager or from other schemes controlled by the Manager.</p>	<p>Benchmark met.</p>
<p>Benchmark 8 Withdrawal arrangements</p>	<p>An Investor may only withdraw that part of their Investment that has not been invested in a mortgage Investment. This request to withdraw non-allocated funds must be made by providing fourteen (14) days written notice to the Manager requesting withdrawal.</p> <p>Once investor funds are allocated to a specific mortgage Investment, Investors do not have a right of early withdrawal from that mortgage Investment until the relevant loan is repaid by the borrower.</p>	<p>Benchmark met.</p> <p>For risks associated with the delay of withdrawals due to loan extensions or rollovers please refer to Section 9 – Risk Factors – Withdrawal Risk.</p>



1.4 The Offer – Significant Benefits and Features

Based upon the success of previous schemes and the Directors' extensive experience in property valuations and lending with major banks, this Scheme has been established to offer existing and new Investors the opportunity to achieve attractive and competitive returns in the current property market.

The following attributes allow Guardian Securities to offer Investors a fixed rate of return for a fixed term secured by registered mortgages and other security provided by experienced and successful property developers.

Contributory Mortgage Schemes	The offer is a contributory mortgage Scheme which means that Investors can select which mortgage Investment best suits their risk profile. Investments are not pooled with other Investors' money and each Investor holds a beneficial interest in the mortgage in which they choose to invest. In pooled schemes, investors do not have an interest in a particular loan, but have an interest in Scheme property as a whole.
Attractive Investment Returns	The returns offered to Investors will range from 9-13% per annum for first mortgage investments with payments made on a regular basis direct to nominated bank accounts. Details of each investment return will be outlined in a Supplementary Product Disclosure Statement. Distributions to Investors are generated by interest payments received from the borrower of the Scheme.
No Fees and Costs payable by Investor	No entry or exit fees are payable by Investors. The borrower pays all of the establishment fees and interest costs on the loan. This means that the investor's total investment capital is receiving interest returns.
Minimum Investment	The minimum application is \$10,000 with further increments of \$1,000 providing the flexibility for Investors to choose the level of capital investment into various products and thereby diversifying their investment portfolio. The Manager has the right to accept lower amounts at its discretion.
Directors Expertise	The Directors have considerable knowledge and experience in property valuations and lending to most property sectors and are well known and respected in the property development community in Queensland.
Investor Profile	The investment is suitable for a range of investor classes including superannuation funds, enabling diversity of investment portfolios.
Investment Term	Investment terms range from 6 to 24 months providing Investors the ability to select the most appropriate investment strategy suitable for their own cash flow planning.
ASIC and Statutory Licensing and Legislation	Guardian Securities Limited meets all of the regulatory and legal requirements imposed by ASIC for holders of licenses of this type. Investors can take comfort that their money is held in specified mortgages and that independent parties regularly check on the performance of the Manager.

1.5 Application and Application Monies

This PDS invites Investors to invest in the Scheme. Once an application to invest in the Scheme is accepted, the investment will be held in an interest bearing trust account. Upon approval of a specific mortgage Investment, the Manager issues a Supplementary PDS in respect of that mortgage Investment.

This Supplementary PDS provides details of the mortgage Investment on offer and invites Investors to invest a nominated amount of their Investment in that mortgage Investment.

The Manager will not invest any Investment in a specific mortgage Investment until the Investor has applied to do so on the 'Consent to Invest Application Form' attached to the applicable Supplementary PDS.

1.6 Investment Offers

Investors' funds will be used to fund a range of projects to experienced developers which are to be secured by registered first and/or second mortgages plus directors' guarantees and other forms of security.

Details of each mortgage Investment offered to Investors including details of the borrower, location of the secured property, financial information and background of the borrower and directors, loan to value ratios, fees and applicable charges, and supporting information such as a valuation summary from an approved valuer will be provided in the Supplementary PDS applicable to the relevant mortgage Investment.

Investors will be able to choose from a range of mortgage Investments approved by the Manager.

1.7 Who Can Invest In The Scheme?

An Application may be made in the name of an individual, multiple individuals, a partnership, company including where such persons are acting as trustee of a trust or a Self-Managed Superannuation Scheme.

1.8 Minimum Investment

The minimum investment is \$10,000 and thereafter in multiples of \$1,000. Guardian Securities reserves the right to accept Applications of less than \$10,000 or multiples of less than \$1,000 at its discretion.

1.9 How to Apply

This Product Disclosure Statement along with the associated Supplementary Product Disclosure Statement(s) contains important information about the Scheme and the Offer. To invest we suggest:

READ	Please read this Product Disclosure Statement and the associated Supplementary Product Disclosure Statement(s) carefully.
CONSIDER	Consider all the risk factors (refer Section 9) and other information concerning the Scheme in light of your own particular investment objectives and circumstances.
COMPLETE	Complete the Application Form which accompanies this Product Disclosure Statement and the applicable Supplementary Product Disclosure Statement by following the instructions provided.
SEND	Send a completed Application Form together with payment of your Application Monies to Guardian Securities at the address provided on the Application Form.



1.10 Payment of Application Moneys

Cheques

Cheques must be made payable to Guardian Securities Limited - MMF No. 6. All cheques must be drawn on an Australian authorised deposit taking institution and crossed "not negotiable".

Direct Credit / Electronic Transfer

Applicants wishing to pay by direct credit or electronic transfer should call Guardian Securities on **1800 60 11 77** to receive particulars of the Guardian Securities applications account and other instructions necessary to complete payment.

1.11 Acceptance of Application

In the event that an offer is oversubscribed or does not proceed for any other reason, Guardian Securities has the sole discretion to accept or to decline an Application, or a portion of an Application.

To the extent that Applications are unsuccessful, all Application Moneys received from an unsuccessful Applicant will be returned to that Applicant within five (5) business days of receipt of the Application.

1.12 Cooling Off Period

Prior to the allocation of investment funds into a specific mortgage Investment approved by the Manager and accepted by the Investor in a Supplementary PDS, the Investor has the right to withdraw the initial or subsequent Investment (without penalty or fees) within fourteen (14) days of receiving confirmation from the Manager that the investment funds have been accepted and processed.

Requests to withdraw invested funds must be done in writing to the address shown in the Corporate Directory on page 3 of this document.

Upon receipt of such withdrawal request the Manager will redeem the invested funds to the Investor within seven (7) days of such request.



1.13 Investor Statement / Certificate

Investors are issued with an Investment Certificate confirming the amount of their Investment, loan conditions and date received within 7 business days of receipt of the Application and allocation to a specific mortgage Investment.

1.14 Investor Distributions

Distributions to Investors will be made in accordance with the Constitution of the Scheme and as outlined in the Supplementary PDS. Interest returns to Investors will generally be calculated in arrears on a monthly basis and paid to Investors by the fourteenth (14th) day of the following month, subject to timely receipt of interest payments from the borrower.

Distributions will be paid to Investors by direct deposit into a bank account nominated by the Investor as provided on the Application Form. These distributions are taxable in the hands of the Investor. Guardian Securities is not responsible for incorrect bank details provided by Investors. Any changes to the bank details of Investors should be notified in writing as soon as practicable to enable distributions to continue on a regular basis.

1.15 Reporting To Investors

Investors will be provided with regular updates detailing the progress of their Investment.

Prior to 30 September each year, Investors will be provided with a tax certificate outlining details of their investment and the amount of income earned for the previous financial year.

Investors will also be kept informed of any significant changes in the operations of the Manager that may impact on their Investment.

1.16 Investor Meetings

Under the Constitution the Manager must hold Investor Meetings under the following conditions:

- The Manager must call and arrange to hold a meeting of the Investors to consider and vote on a proposed special or extraordinary resolution on the request of:
 - a. Investors with at least 5% of the votes that may be cast on the resolution; or
 - b. at least 100 Investors who are entitled to vote on the resolution.
- The request by the Investors must be in writing; state any resolution to be proposed at the meeting; and be signed by the Investors proposing to move the resolution.
- The Manager must call the meeting within twenty-one (21) days after the request is given to it. The meeting must be held not later than two (2) months after the request is given to the Manager.
- A Member who is entitled to attend and cast a vote at a meeting of Investors may appoint a person as the Member's proxy to attend and vote for the Member at the meeting.



2. BUSINESS OVERVIEW

2.1 Recent Market Events

The recent events in financial markets has caused disruption and turmoil for many investors across a range of investment sectors including share markets, listed property trusts, pooled mortgage funds, merchant banks and companies. The property market over the past decade has been relatively buoyant with high demand for owner occupied and investor residential stock supported by government incentives and rising real estate values.

The current storm in property and other investments will end and the market will be better regulated with tighter controls imposed on institutions handling investment capital. The new regime will be better attuned to investor requirements and will be specifically targeted to meeting those needs through innovation and detailed market due diligence by the promoters of these offers.

2.2 Market Outlook

A recent research report states” Population numbers for Australia are forecast to grow strongly over the next few years. Housing is anticipated to continue to be in short supply and rents are expected to increase now and in the near future. The reduction in interest rates has occurred as the RBA is not concerned about inflation, with the expectation these will decrease.

The reduction in interest rates needs to be considered together with the recently announced First Home Buyer Grant and Stamp Duty concessions which will result in the \$500,000 price bracket being stimulated by owners and not investors. This reduction however did hope to stimulate the broader residential market as reductions are being passed on to home loans.

While variable interest rates continue to decrease back to lows seen in the early 00’s, with uncertainty surrounding labour markets it is unlikely we will see a huge wave of investment back into residential in the short term. This will result in continued strong results in the already tight rental market with further rental increases projected particularly within the inner city locations.”

2.3 Company Background

Guardian Securities is supported by a board of directors with many years experience in property transactions, construction and development funding, property syndications, compliance and company directorships.

The directors have been actively involved in all types of construction and property lending for over 30 years with major financial institutions such as Westpac, Suncorp Metway, AMP, Citibank, St George and NatWest Bank. They have funded billions of dollars worth of property projects for most of the major developers in south east Queensland and they bring this expertise and knowledge to Guardian Securities.

Guardian Securities Limited

Guardian Securities Limited is an unlisted public company holding an Australian Financial Services Licence No. 240506. Guardian Securities was established in 2004 to provide the framework for good business practices, underpinned by highly skilled and motivated professionals who actively manage carefully selected and thoroughly investigated investment opportunities to mitigate risks and maximise returns to stakeholders.



2.4 The Guardian Philosophy

Guardian's philosophy is based on team success aimed to achieve a positive and profitable outcome for all involved.

Guardian Securities prides itself on 'old-fashioned values' in this fast electronic environment and acknowledges the demand for an 'old-vogue, reliable, sustainable, win-win oriented and trustworthy operation' based on sound morals, managed by people who have good product knowledge, an understanding of the market, are appreciative of their clients and communicate honestly and diligently to all associated parties especially Investors.

As such Guardian Securities has implemented operational management structures to facilitate and maintain sustainability, return on invested capital and most importantly the return of equity.

The Board and Management Team of Guardian Securities are committed to provide superior management structures and procedures with a view to fully achieving all performance objectives of the Scheme as outlined in this Product Disclosure Statement and all related Supplementary Product Disclosure Statements.



2.5 Previous Investment Offers

The Directors of Guardian Securities have extensive property valuation and lending experience, dealing with most of the major property developers in Queensland funding various projects worth many millions of dollars.

Guardian Securities has successfully completed a number of specialised schemes where in all cases Investors have been paid the nominated interest as disclosed in the applicable offer document along with their original capital investments.

Examples of these are:

Property Type	Mortgage Type	End Sale Price	Investor Return	LVR	Term
Residential units	1 st mortgage	\$ 10,800,000	10.0% pa	66%	12 months
Civils on land project	1 st mortgage	\$ 2,500,000	9.5% pa	40%	6 months
Commercial complex	1 st mortgage	\$ 4,080,000	10.0% pa	70%	12 months

Residential units	2 nd mortgage	\$ 16,900,000	20.0% pa	85%	12 months
Mixed use comm./residential	2 nd mortgage	\$ 7,600,000	20.0% pa	80%	12 months
Commercial offices	2 nd mortgage	\$ 23,300,000	14.0% pa	85%	24 months

NB: Past performance is no indication of future performance or a return of principal or interest to Investors.

2.6 Investment Objectives

The investment objectives of the Manager, based on the investment policy set out below, are:

- To provide a secure and increasing return to Investors.
- To secure loans and investments by taking varying forms of security over the freehold property of the borrower.
- To provide Investors with an income stream to offset the cost of funds invested, whilst offering them an opportunity to participate in income returns which reflect the risk and reward matrix.
- To identify and monitor exit strategies for all loans approved by the Manager.

2.7 Investment And Lending Diversification

The Manager may approve loans that meet the Manager's lending criteria. The lending criteria do not limit the type or purpose of loans.

The Manager expects that loans may be advanced for and secured by:

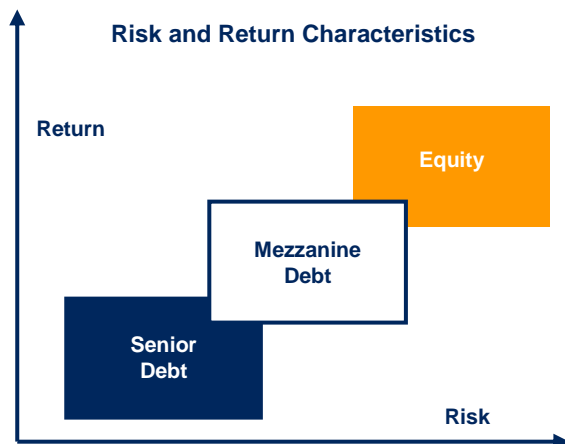
- Vacant land;
- Improved residential land;
- Development and construction projects;
- Completed commercial, industrial and retail property.

The lending manual does not restrict the location of the secured property but the loan portfolio does have a Queensland bias. Details of the secured property will be disclosed in the relevant Supplementary PDS.

2.8 Debt vs. Equity

Debt and equity are traditional sources of finance for businesses including property investment and construction. Equity investors in a business or project have no guarantee of investment returns. In compensation for accepting relatively high levels of risk, equity investors look for generous investment returns in form of dividends, capital growth or both.

Debt providers, in contrast typically earn lower returns in the form of interest. The lower returns reflect the security which they require, as a condition for advancing funds, over the assets of the enterprise or the property itself. Mezzanine debt, as its name implies, occupies a position along a continuum between traditional debt and equity, combining some of the characteristics of both traditional forms of finance i.e. debt and equity.



Source: Prudential Real Estate Investor

Senior Debt (also known as a 1st mortgage) is typically the least expensive form of finance available to the owners of a business. The fact that interest payments on debt are tax deductible further reduces the cost, and increases the attractiveness of traditional debt to the borrower. As a condition for providing this relatively inexpensive form of finance, debt providers such as banks typically require guarantees that their interest payments and, ultimately, their capital are secured. In the event the enterprise is unable to meet its financial obligations to pay interest and redeem the debt, the debt providers have first claim on the assets against which the loan is secured.

Mezzanine debt (also known as 2nd mortgage) occupies a position along the risk/return spectrum between debt and equity. In the event that an enterprise fails, mezzanine debt ranks behind (or is subordinated to) 'senior' debt but ahead of equity in its claim on the assets of the business. In recognition of their relative position, mezzanine investors require a rate of return greater than the senior debt providers but less than the equity investors. As with senior debt, returns are normally in the form of interest payments, not capital appreciation.

Equity investors enjoy no guarantees of returns. In compensation for assuming this higher level of risk, equity investors typically look for relatively high returns – this is called the “cost of equity”. The less certain the future returns of the business, the higher the “cost of equity”. Returns to equity investors can take the form of dividends, capital growth or a combination of both. Unlike the cost of debt, which is contractually specified, the “cost of equity” is harder to measure and is often deduced by referring to returns achieved in related projects or enterprises.

Illustration of debt and equity in a typical construction project: In the current economic and interest rate environment the finance for a commercial property construction project might look like this:

Senior debt: 60% to 80% of total development cost with an interest rate of 7% to 9%.

Mezzanine debt: additional 10% to 20% of total development cost with an interest rate of 15% to 25%.

Equity: final 10% of total development cost with expected returns of 20% to 30% of total development cost or 100% to 200% return on equity.

2.9 Why Mezzanine Debt?

Mezzanine funding has grown rapidly in recent years for the simple reason that both property developers and investors find it attractive.

Benefits to Borrowers:

- Mezzanine finance provides a convenient bridge between the level of senior debt that banks are willing to provide (typically 60% to 80% of the cost of a project) and the 10% to 20% of equity that developers are typically willing or able to contribute.
- The surge in construction and property development activity across Australia in recent years has created an escalating demand for finance at a time when some banks, with tighter credit policies are more conservative in their lending to this market.
- When mezzanine debt replaces equity funding, the overall cost of capital (senior debt, mezzanine debt and equity) falls because interest payments on mezzanine debt are tax deductible. The interest cost of mezzanine debt is also lower than the return typically required on equity due to its secured and prior ranking position. It should also be understood that mezzanine debt is typically a small percentage of the overall debt (15% to 20%) and therefore the higher interest cost is limited to a small slice of the overall debt. While the dollar return from a project may decline to the equity investors because mezzanine debt commands a higher interest rate, the rate of Return on Equity (ROE) typically increases.
- Properly used, mezzanine debt can be a sensible capital management tool for borrowers. It frees up equity which can then be spread across more activities, reducing exposure risk to any individual project or investment property.
- Finally, mezzanine debt offers a source of finance that, unlike an equity injection by a joint venture partner, does not dilute the control exercised by the equity investors.

Benefits to investors in a mezzanine debt product:

- Investors enjoy a relatively high yield while at the same time accepting a lower level of risk than is typically associated with a direct equity investment.

- The Manager takes a registered second mortgage over the project plus other security including directors' guarantees, fixed and floating charges and a deed of priority from the first mortgagee limiting the amount of the first mortgage to an agreed figure.
- Well managed mezzanine funds should offer professional management in selection and continuous monitoring of projects, financial controls and the assessment of risks by experienced personnel.

Conclusion:

If an investment is offering high returns one can feel confident that the risks are high. However the reverse does not necessarily apply: the fact that an investment is offering a modest return unfortunately is no guarantee that this equates to low risk exposure.

Rising demand for high yield investment opportunities combined with low interest rate settings will ensure that enthusiasm for these investment vehicles remains high. Mezzanine debt is a legitimate capital management tool that is here to stay in property investment and construction funding. However the spotlight will be on the quality of fund managers and construction projects over the next few years.

2.10 Security of Investors Funds

Prior to advancing funds to a borrower, the Manager will undertake a due diligence on the project and the borrower to ensure that the following criteria (where applicable) are satisfied. The Manager will only approve loans to borrowers for development projects if these conditions (as appropriate) are met:

<p>A detailed loan proposal is provided outlining:</p>	<ul style="list-style-type: none"> ➤ the use of funds required; ➤ proposed repayment schedule; ➤ a detailed risk assessment of the project; ➤ financial information on the borrower and guarantors; ➤ information on the builder and their capacity to complete the project within time and budget; ➤ sensitivity analysis on the project; ➤ competition in the immediate area; ➤ sales rate and price range of similar individual strata sales; ➤ current status of sales and expressions of interest; ➤ background and experience of the developer; ➤ copies of council approvals and consents.
<p>Receipt of an independent valuation report prepared by a reputable valuation firm addressing the following information:</p>	<ul style="list-style-type: none"> ➤ An “as is” and “on completion” valuation; ➤ comment on construction costs and timing; ➤ comment on profit margins to ensure that the project can meet projected interest costs and fees; ➤ rate of sale of the individual strata title units; ➤ sale prices and rentals proposed for the project; ➤ and a range of valuation methodologies.
<p>Execution of the following documentation by the borrower/guarantor on terms acceptable to the Manager:</p>	<ul style="list-style-type: none"> ➤ Loan agreement outlining the terms and conditions of the loan; ➤ Registered mortgage(s) over the site and improvements; ➤ Registered mortgage debenture over all assets and undertakings of the company borrower; ➤ Deed of guarantee and indemnity from the principal director(s) of the borrower; ➤ If required, deed of priority from the 1st mortgagee limiting their debt to principal advanced plus outstanding interest and costs.
<p>Building Contract (if applicable)</p>	<p>If applicable, receipt of a guaranteed maximum price building contract between the borrower and a reputable builder on terms acceptable to the Manager. A tripartite agreement will also be taken where required.</p>
<p>Solicitor’s certification</p>	<p>The Manager receives from a qualified solicitor a certificate confirming the enforceability of the loan documents. That solicitor must be independent of the borrower and practice in the jurisdiction in which the security property is located.</p>

Letter of Offer	If required, the borrower receives and accepts a formal Letter of Offer for the senior debt from a major bank or financial institution for an amount and on terms and conditions acceptable to the Manager.
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The Manager will only invest some or all of an Investor’s Investment in a particular mortgage Investment, if that Investor applies to invest in that mortgage Investment on the Application Form accompanying the Supplementary PDS in respect of that mortgage Investment.

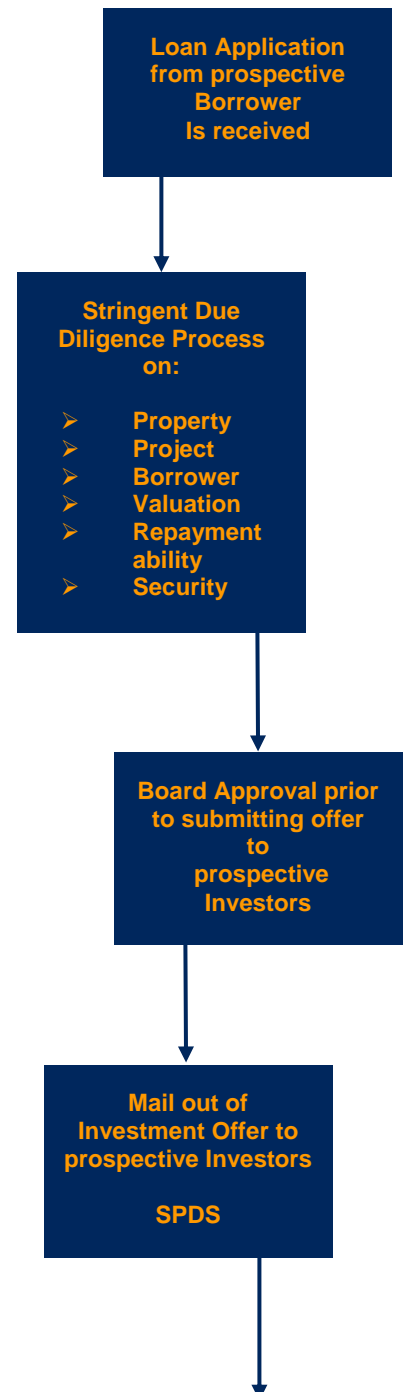
If a default under a mortgage Investment occurs, that default will only have an effect on the return to Investors who have invested in that mortgage Investment and not on any other Investor.

The Investments held in other mortgage Investments or on trust pending investment in a mortgage Investment are not available to make up any shortfall or loss on a defaulting mortgage Investment.

2.11 Lending Criteria

The salient issues that form the parameters set out in the lending manual include but are not limited to:

Experience and character of prospective borrower	The borrower must have successfully completed two projects in the last 5 years. Generally borrowers are well known to Guardian Securities directors from past associations.
Minimum proofs and source documentation requirements	All loan documentation requested in the letter of offer to the borrower to be certified by an independent solicitor as enforceable and complete prior to loan drawdown. Minimum proofs should include a detailed feasibility analysis of the project, development approvals being acceptable to the Manager, acceptable building contract from a reputable builder, marketing plan, financial information on the borrower and directors, and background on the borrower including a list of other projects completed and under construction.
Relevant searches and bankruptcy proofs	Where applicable, to include bankruptcy searches on the borrower and directors, credit reference checks, town planning searches, statutory searches, subdivisional approvals, survey and Development Approvals.
Construction drawdowns	Normal constructing funding conditions such as receipt of independent engineers and/or quantity surveyors report confirming costs expensed and cost to complete project will be required before any construction loan advances are made direct to the contractor.
Relevant presale requirements	Where considered necessary, all presales to be on at least 5% deposit to arm’s length purchasers. Deposit bonds are acceptable and must be from reputable suppliers with at least a 6 month term beyond the proposed completion date of the project.
Loan to Value Ratios	For first mortgage development funding, no more than 70% of gross realisation “as if complete” loan to value ratio.



	<p>For all other first mortgage loans, no more than 80% of the current "as is" market value</p> <p>For second mortgage or mezzanine funding, no more than 85% of gross realisation "as if complete" loan to value ratio.</p>
Security requirements	<p>All first and mezzanine funding will be secured by registered mortgages over the property supported by guarantees of directors and fixed and floating charges over the borrower (if a company). Where required a deed of priority from the first mortgagee will also be held as well as caveats and other charges.</p>
Loan and payment terms	<p>Generally up to two (2) years with interest payable either monthly, quarterly or annually in arrears or upon completion of the Project. In the case of construction loans, the interest may be capitalised into the facility.</p>
Panel of Valuers and quantity surveyors	<p>Only those Valuers and quantity surveyors who are independent of the borrower, approved by the Manager, and having the necessary skills and qualifications to value the property will be accepted.</p> <p>Valuations cannot be older than ninety (90) days from the loan approval date and must include an analysis of valuation methods, such as discounted cash flows, direct comparison and capitalisation rates.</p>
Insurance	<p>All property upon which funds are advanced will be insured with a licensed insurance company. The nature of the insurance cover will depend on whether the property is completed or under construction.</p> <ul style="list-style-type: none"> ➤ If the property is completed - a fire and all risks policy will be obtained. ➤ If the property is under construction - a contractors all risks policy will be obtained converting to a fire and all risks policy on completion.



3. ROLE OF THE MANAGER

3.1 Duties of the Manager

In exercising its powers and carrying out its duties, the Manager must:

- act honestly;
- exercise the degree of care and diligence that a reasonable person would exercise if they were in the Manager's position;
- act in the best interests of the Investors and, if there is a conflict between the Investors' interests and the Manager's own interests, give priority to the Investors' interests;
- treat the Investors of the same class equally and Investors of different classes fairly;
- ensure that the assets are:
 - clearly identified as assets; and
 - held separately from property of the Manager and the property of any other managed investments scheme;
 - all Scheme assets are to be registered with the Scheme's name and the Manager's name on behalf of the Scheme;
- receive all monies and deposit these into a designated bank account within two (2) business days of receipt;
- the Compliance Officer is to supervise the separation of the assets of the Manager and the Scheme;
- arrange annual audit of the Scheme's assets within ninety (90) days of fiscal year end;
- ensure all original security loan documents are held by qualified solicitors appointed by the Manager.

3.2 Indemnity of the Manager

Subject to the Corporations Act, the Manager is indemnified out of the Scheme's assets for all debts, liabilities, damages, costs, taxes, charges, expenses and outgoings incurred by it in the proper performance of its functions and duties and exercising its powers under the Constitution or at law.

This indemnity does not apply to debts, liabilities, damages, costs, taxes, charges, expenses or outgoings incurred or payable in respect of or as a result of the negligence of, fraud of, or breach of trust by the Manager.

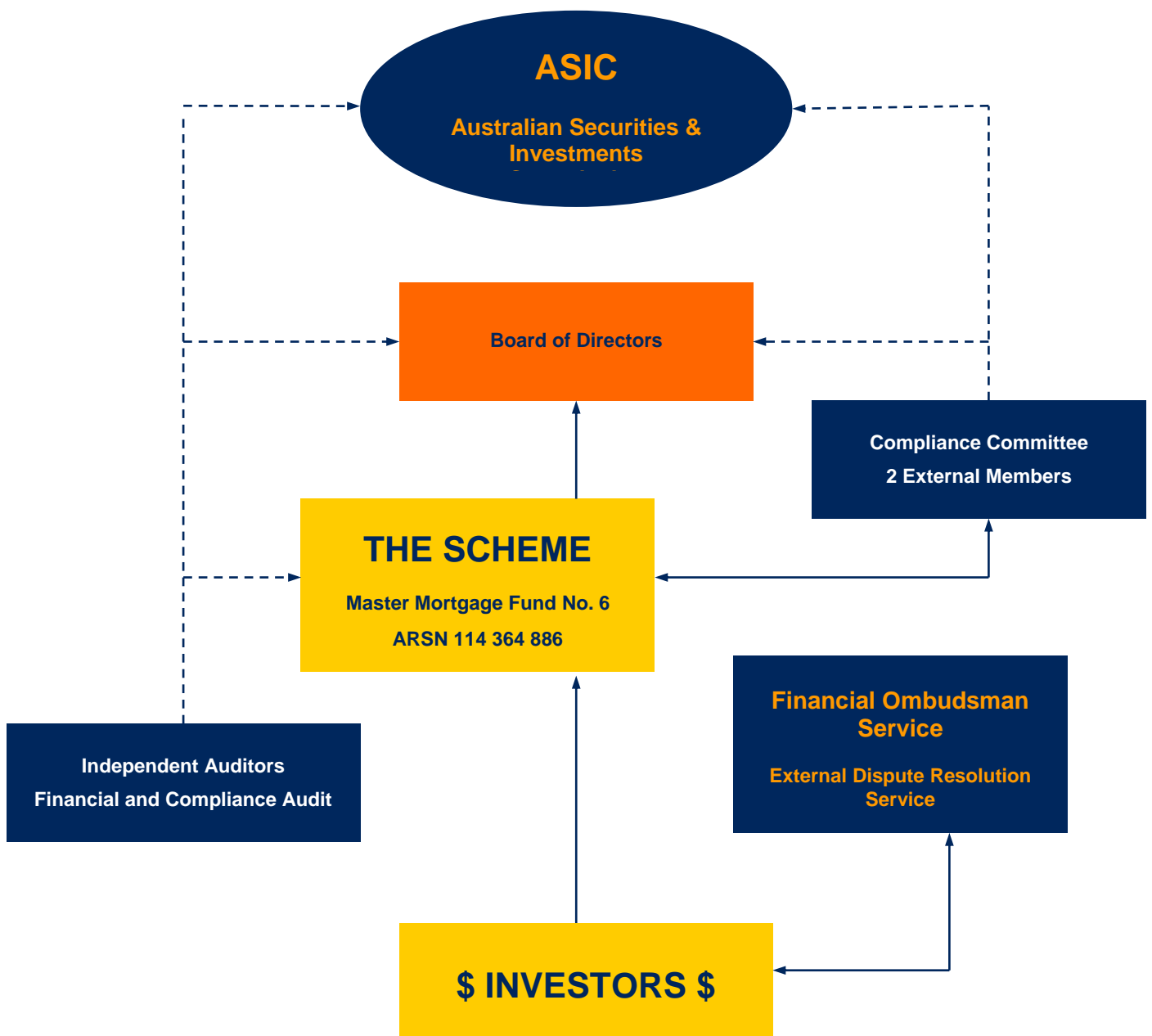


4. CORPORATE GOVERNANCE

4.1 Overview

As Manager of the Scheme, Guardian Securities is required to manage the affairs of the Scheme in accordance with the Constitution and general fiduciary obligations applicable at law to persons acting in the capacity as Manager.

The Scheme is registered as a managed investment Scheme regulated by Chapter 5C of the Corporations Act. Guardian Securities and its Directors are committed to “best practice” in corporate governance and in providing full disclosure to Investors about these corporate governance practices. Set out below is a statement of the main corporate governance practices which Guardian Securities has in place for the Scheme.



4.2 Board of Directors of Guardian Securities

The Board of Guardian Securities currently comprises a total of three Directors: Guy Hasenkam, Chris Kite and Simone Hertzke. The Board sets the strategic direction of the Scheme and has ultimate responsibility for the performance of the Scheme. The Board seeks to create Investor value and ensure that Investors' investments in the Scheme are prudently managed.

Full Board meetings are held regularly with approximately five regular meetings held during a financial year and additional meetings where necessary.

Guy Hasenkam



FAICD, F Fin, FPA (Aff.), MDIA –
Joint Managing Director

Guy has had many years experience in banking, property syndication, equity raising, property development, funding, and company directorships. Guy was State Manager Property for Advance Bank (now St George) with a loan portfolio in excess of \$400M and 13 staff. He has had many years experience in funding large scale property projects in south east Queensland, both in construction projects and long term holdings.

Guy is a Fellow of both the Australian Institute of Company Directors and the Financial Services Institute of Australasia and an Affiliate of the Financial Planning Association of Australia.

Chris Kite



MDIA, JP -
Joint Managing Director

Chris began his property finance career in the 1960's leading to a number of senior positions within the property finance industry, including Regional Manager positions with high profile financial firms such as National Westminster Bank, Suncorp-Metway and AMP Bank.

During his extensive career Chris has been responsible for funding and managing a large number of the regions most significant developments and maintained and managed a loan portfolio of approximately \$500M.

Chris is a Member of the Urban Development Institute of Australia and has been on the advisory boards of a number of major property developers in Qld.

Simone Hertzke

Director

Simone studied Commercial Business Management and Development in Germany specializing in manufacturing, international trade, corporate structure, local and international accounting practices, finance and business development.

Having acquired many practical skills over the years, Simone has been mostly self-employed and assisted during the set-up phase of various companies and corporates in particular in the fund management, property funding, and development industries.

At Guardian Securities, Simone is responsible for all compliance issues ensuring legislative and commercial practices are properly executed and adhered to.

4.3 Key Person

Guy Hasenkam has been nominated and appointed as Key Person for the Responsible Entity under the AFS license issued to Guardian by the Australian Securities and Investments Commission (ASIC).

The duties of the Key Person include implementation of the business plan determined by the board; oversee and coordinate due diligence investigations carried out internally along with any external due diligence advice; oversee development of capital raising documentation; oversee development and negotiation of securities documentation; liaise with the compliance officer; oversee, monitor and manage investments; facilitate regular investor reporting; develop and implement investment exit strategies.

4.4 Compliance Committee

A compliance committee has been appointed comprising of a majority of independent members as required under the Corporations Act. This committee has the role of overseeing the Manager's compliance with the Constitution, Compliance Plan and the Corporations Act.

The compliance committee is to review the performance of compliance staff and the appropriateness of the Compliance Plan (refer Section 8 Material Contracts).

4.5 Financial Statement and Compliance Audits

KPMG have been appointed as Auditors of Guardian Securities and the Scheme in accordance with the Mortgage Fund's Constitution. KPMG are required to audit the annual financial report of the Manager, the Scheme and the Compliance Plan:

- on an annual basis,
- on completion of the project, once the Scheme's goals and objective have been realised, and
- and on winding-up of the Scheme.

These financial accounts are lodged with ASIC within ninety (90) days of fiscal year end.

4.6 Financial Ombudsman Service

Guardian Securities has been a member of the Financial Ombudsman Service since 2004.

If an Investor has a complaint about the performance of Guardian Securities, he/she is entitled to have his/her complaint dealt with in a proper and efficient manner. The Constitution and Compliance Plan details how complaints can be made and how Guardian Securities must deal with them. In addition the Regulatory Guide 165 details how disputes may be resolved between investors and the Manager.

Guardian Securities is required to appoint a complaints handling officer. The Australian Standard - Complaints Handling AS ISO 10002-2006 provides the format as to how complaints may be handled by an Investor and how it must be dealt with by Guardian Securities.

Complaints may be made to the Complaints Manager at the address shown in the Corporate Directory. Guardian Securities will respond to all complaints within two business days of receipt and a determination of the complaint must be dealt with by the Manager within 45 days of receipt of the complaint.

Failing that or dissatisfied with the response provided by Guardian Securities, Investors may address their complaint to the ASIC approved external dispute resolution service at:

Financial Ombudsman Service
GPO Box 3
MELBOURNE VIC 3001

Telephone: 1300 78 08 08
Email: info@fos.org.au



5. COSTS AND FEES

5.1 Scheme Management Fees

The table below shows the fees which the Manager may charge in relation to a mortgage Investment. Investors are encouraged to read all information about fees and charges, to understand their impact on an Investment in a mortgage Investment. Such fees and other costs may be deducted from an Investment, from the returns on an Investment or from the Scheme assets as a whole. All fees shown are exclusive of GST where applicable.

Explanation of Fee	Amount
<p>Establishment Fee A fee payable to the Manager to open the Investment in the Scheme which is usually calculated as a percentage of the total Application Moneys and paid by the Investor.</p>	Nil
<p>Contribution Fee A fee payable to the Manager for each amount being invested by the Investor.</p>	Nil
<p>Withdrawal Fee A fee payable to the Manager by the Investor on early repayment of the Investment to the Investor and calculated as a percentage of the amount being withdrawn. (For example, on an early withdrawal of \$10,000 the Investor may be charged a withdrawal fee calculated at 1% amounting to \$100.)</p>	<p>Nil – if that part of the Investment is not invested in a mortgage Investment.</p> <p>Up to 1% - if that part of the Investment is invested in a mortgage Investment. The Manager has sole discretion to determine whether an Investor may withdraw from the Scheme.</p>
<p>Transfer Fee A fee payable to the Manager by Investors for transferring invested funds between investment options.</p>	Nil
<p>Management Fees The fees for managing the Investment and related administration of the Scheme. The Manager is entitled to fees in respect of that part of an Investment invested in a mortgage Investment. (There is no management fee payable for managing any part of an Investment that is not invested in a mortgage Investment.) This fee is paid by a borrower of a mortgage Investment and is paid to the Manager monthly after distributions for that month have been paid to Investors.</p>	<p>This management fee is not payable by the Investor.</p> <p>The Supplementary PDS specifies the level of management fee, represented by the difference between the interest payable by a borrower in respect of a mortgage Investment and the interest rate payable to Investors in that mortgage Investment.</p> <p>The interest rate differential will not exceed 4% at the lower rate.</p>

Consumer Advisory Warning

Did you Know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period.

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Manager or your financial adviser.

To Find Out More

If you would like to find out more, or see the impact of the fees based on your own circumstance, the Australian Securities and Investment Commission (ASIC) website (www.fido.asic.gov.au) has a managed investment fee calculator to help you check out different fee options.

5.2 Loan Management Fees and Costs

A borrower under a mortgage Investment will be required to pay certain fees and costs to the Manager in respect of that mortgage Investment. These fees and costs may include:

Explanation of Fee	Amount
<p>Loan Establishment Fee A fee payable to the Manager to establish the loan. Such fees are generally calculated as a percentage of the total Loan value and paid by the Borrower.</p>	<p>Up to 3% of the loan value payable on approval of the Loan by the Manager and acceptance by the Borrower.</p> <p>Introduction fees and other costs are payable by the Manager out of proceeds from fees received from the Borrower.</p>
<p>Loan Management Fee A fee payable to the Manager by the Borrower for the general administration and management of the loan. Such fees are generally calculated as a percentage of the total Loan value.</p>	<p>Up to 0.25% of the Loan value payable on approval of the loan by the Manager and acceptance by the Borrower.</p>
<p>Early Repayment Fee A fee payable by the Borrower if a loan is fully repaid prior to loan maturity.</p>	<p>An early repayment fee may be payable by the Borrower and will be retained by the Manager. Generally this will not exceed two (2) months interest at the lower rate.</p>
<p>Adviser Fee and Commissions</p>	<p>A fee or commission payable to advisers or parties who introduce Investors to the Scheme. Fee amount subject to negotiation and payable by the Manager out of its Management Fee at settlement of the loan,</p>
<p>Expense Recoveries Expenses related to the arrangement of the loan including but not limited to valuation costs, legal fees, searches and other professional charges.</p>	<p>The Borrower is required to reimburse the Manager for any costs related to the arrangement of the loan.</p>

Explanation of Fee	Amount
<p>Interest Loans to Borrowers will be at a rate of interest (not exceeding 4%) above the interest rate paid to Investors. The difference between the amount the Manager received in interest payments on a loan from a Borrower and the interest payments payable to Investors is applied to payment of Management Fees.</p>	On a loan of \$100,000 the interest differential may be up to \$4,000 per annum.
<p>Default Interest Each loan is structured so that the borrower must pay a higher interest rate on the loan and when they comply with the terms of the loan a lower interest rate will apply. Generally the difference between the higher rate of interest and the lower rate of interest is 5% per annum.</p>	If the borrower is in default the higher rate of interest will apply. On a loan of \$100,000, the higher interest charge will be \$5,000 per annum. The default interest charge is payable to the Manager to offset increased administration and recovery costs.
<p>Costs of the Scheme The Manager will pay all costs associated with the administration of the Scheme including but not limited to audit costs, compliance committee costs, legal fees, printing and marketing costs, advertising and general operating expenses.</p>	The Manager pays these costs from the management fees it receives from the borrower. The Manager does not separately charge these fees and costs to Investors.

5.3 Example of Annual Fees and Costs

The table below provides an example of how fees and costs of the Scheme can affect an Investment in this Scheme over a one (1) year period. Investors are recommended to use this table to compare this product with other managed investment products.

Example		Balance of \$50,000 with a contribution of \$5,000 during the year.
Contribution fees	Nil	For every additional \$5,000 an investor is charged \$0.
+ Management Fees	Up to 4.00 % per annum	For every \$50,000 of investment into this Scheme an investor will be charged \$2,000 per annum.*
= Cost of Scheme		Assuming an investor invests \$50,000 at the beginning of the year and added another \$5,000 during that year, the fees charged on the total investment may amount up to \$2,200.*

* This amount is not deducted from the Investment or the return. It represents the interest rate differential between the interest rate charged to the borrower and the interest rate payable to an Investor. The interest rate differential applicable to a particular mortgage Investment will be specified in the Supplementary PDS applicable to that mortgage Investment.

6. FINANCIAL INFORMATION

As at the date of this PDS, Guardian Securities meets the net tangible asset requirements stipulated by ASIC for licences of this type.

A full copy of our financial statements for the financial year ending 30 June 2009 has been lodged with ASIC. These accounts are audited on an annual basis and the 2009 accounts have been audited without qualification.

Copies of these statements are available for Investors on request by contacting Guardian Securities during normal business hours.



7. TAXATION AND OTHER MATTERS

7.1 Taxation and Other Matters

The policy of the Manager is to distribute all net taxable income (after payment of management fees and other costs owing to the Manager) of the Scheme to Investors. Under the current income tax legislation the Scheme operates as a flow through vehicle such that any distributions to Investors are treated as income in the hands of the Investor. Generally if you are subject to Australian income taxation legislation, distributions paid to you will be taxed at your marginal rate and should be included in your taxation return.

The Manager will provide Investors with a Tax Statement within ninety (90) days of fiscal year end showing the Distributions received during the previous financial year. You should not complete your taxation return until you receive your statement.

The Manager is not an expert in taxation matters and Investors should consult their accountant or taxation adviser if they have any questions relating to their own particular circumstances.

7.2 Your Tax File Number

On the Application Form we have requested provision of your Tax File Number (TFN). However, it is not an offence to fail to provide a TFN. Whilst, quoting your TFN is not compulsory, Australian tax law requires that we withhold an amount of tax from some payments made to Investors where some or all of the payment is income unless you provide us with either:

- (a) a Tax File Number (TFN) (or if you are exempt from providing a TFN you may provide your Exemption Number);
- (b) an Australian Business Number (ABN). (an Investor is only able to quote its ABN if the Investment is made in the course or furtherance of an enterprise carried on by the Investor).

If an Investor does not supply a TFN, an Exemption Number or an ABN, we are required by tax law to withhold from any income distributions to that Investor an amount equal to 48.5% of the distribution (the highest marginal tax rate plus the Medicare levy).

Please note, Investor Tax File Numbers or Exemptions will only be used for tax-related purposes in accordance with the Income Tax Assessment Act 1936, Income Tax Assessment Act 1997 and Taxation Administration Act 1974. It is not an offence to decline providing a Tax File Number or Exemption number.

Guardian Securities will protect the confidentiality of information in relation to your Tax File or Exemption number. Access to Investor Tax File Numbers or Exemptions is restricted to employees or agents of Guardian Securities who require them for legitimate purposes. Investor Tax File Numbers or Exemptions will be securely disposed of when no longer required for administrative or legal purposes.

7.3 Conflict of interest

Where there is a conflict of interest for a member of the Board or senior management or the potential for a perception of a conflict of interest, the Director or manager concerned will not participate in the investment decision.

7.4. Labour standards, social, environmental and ethical considerations

While the Manager intends to conduct its affairs in an ethical and sound manner, labour standards, social and ethical considerations are not expressly taken into account when selecting retaining or realising an Investment in the Scheme.

7.5 Accounts and Audit

The Manager must keep proper books of accounts for the Scheme to enable true and accurate accounts of the Scheme to be kept and audited by the nominated auditor. The audited financial statements of the Scheme will be forwarded to Investors upon request by contacting Guardian Securities on **1800 60 11 77** during normal business hours.

8. MATERIAL CONTRACTS

8.1 Overview

Guardian Securities considers that certain agreements relating to the Scheme are significant to Investors. These documents include:

- (a) the Constitution of the Scheme;
- (b) the Compliance Plan;
- (c) this PDS

Each of these agreements are summarised below. Complete copies of the Constitution and Compliance Plan will be made available to Investors on request.

8.2 Constitution

The Scheme is governed by its Constitution. The Constitution for the Scheme is a legal contract between Guardian Securities as Manager of the Scheme (or any succeeding manager of the Scheme) and each Investor.

The Constitution is available for inspection at the offices of Guardian Securities. Alternatively, a copy of the Constitution can be made available to you, free of charge, upon request. The following is an outline of the main terms of the Constitution, apart from those provisions which are disclosed elsewhere in this Product Disclosure Statement. Capitalised terms in this section, not defined in the Glossary, have the same meaning as in the Constitution.

Commencement Date	The Scheme was established by a trust deed executed by Guardian Securities as a deed poll on 12 May 2005 and as amended from time to time.
Duration of Scheme	80 years or until wound up by the Manager.
Assets of the Scheme	The Manager declares that it holds and will at all times hold assets on trust for Investors of the Scheme subject to the terms and conditions contained in the Constitution.
Constitution is binding on the parties	The Constitution operates as a deed and is binding on the Manager and each Investor and all persons claiming through them as if they were parties to this Constitution, and each Applicant by signing the Application, acknowledges being so bound.
Interest of Investors	The Manager holds the Investor's funds of each Investor on separate trust for that Investor.
Exercise of powers of the Manager	The Manager has extensive powers to manage and deal with the Scheme's assets as if the Manager was the owner of those assets.
Role of the Manager	Please refer to Section 3 for more detail.
Retirement, removal or liquidation of the Responsible Entity	The Constitution outlines the manner in which: <ul style="list-style-type: none"> • The Manager may retire; • The Investors may remove the Manager; • The consequences of a change in the Manager; • The winding up of the Scheme.
Indemnity	Subject to the Corporations Act, the Manager is indemnified out of the Scheme's assets for all debts, liabilities, damages, costs, taxes, charges, expenses and outgoings incurred by it in the proper performance of its functions and duties and exercising its powers under the Constitution or at law. This indemnity does not apply to debts, liabilities, damages, costs, taxes, charges, expenses or outgoings incurred or payable in respect of or as a result of the negligence of, fraud of, or breach of trust by the Manager.
Liabilities of Investors	The liability of Investors is limited to their Investment in the Scheme.
General rights of Investors	The Constitution otherwise includes provisions dealing with the general rights of Investors in the Scheme and the rights of Investors to receive notice, attend and vote at meetings of Investors.

Interested dealings by the Manager	<p>The Constitution does not, other than subject to the Act prevent Guardian Securities (or any succeeding Manager of the Scheme) from:—</p> <ul style="list-style-type: none"> (a) being interested in any contract or transaction with itself (as Manager of the Scheme or in another capacity) or as Investor, including any contract or transaction involving the sale of property by the Scheme or the purchase of property by the Scheme, (b) acting in the same or similar capacity in relation to any other managed investment Scheme; or (c) holding Interests in the Scheme in any capacity.
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8.3 The Compliance Plan

The Compliance Plan is the document that outlines the principles and procedures the Manager will follow to ensure it complies in all respects with the provisions of the Corporations Act, ASIC policies and the Constitution. The Compliance Plan has been registered with ASIC and is dated 31 October 2008.

The Compliance Plan is available for inspection at the offices of Guardian Securities. Alternatively, a copy of the Compliance Plan can be made available to you, free of charge, upon request.

The Compliance Plan deals with a wide range of issues including, but not limited to, the following:

- The establishment of an independent compliance committee;
- The appointment of an auditor for the Scheme to audit the Scheme on behalf of the Investors;
- The appointment of an auditor for the Manager and the Compliance Plan;
- Having a documented dispute resolution process in place, including being a member of an external dispute resolution service approved by ASIC;
- The Manager maintains adequate records and systems including the acceptance of Applications, income distribution, accounting, record keeping, monitoring external service providers and risk management.

The Manager has appointed a compliance committee comprised of a majority of independent members as required under the Corporations Act. This committee has the role of overseeing the Manager's compliance with the Constitution, Compliance Plan and the Corporations Act.

8.4 Consents

The following parties have provided their written consents to being named in this Product Disclosure Statement:

Minter Ellison has given its written consent to being named in this Product Disclosure Statement as lawyers for the Manager in the form and context in which it is named and has not withdrawn that consent prior to the date of issue of this Product Disclosure Statement. Minter Ellison has not made any statement in this Product Disclosure Statement or provided any advice to the Manager on its content.

KPMG has given its written consent to being named in this Product Disclosure Statement as Auditor of the Scheme in the form and context in which it is named and has not withdrawn that consent prior to the issue of this Product Disclosure Statement.

8.5 Documents Available for Inspection

Copies of the following documents are available for inspection during normal office hours at the registered office of the Manager:

- (a) constitution;
- (b) compliance plan;
- (c) pro-forma letters of offer;
- (d) auditor's report on the compliance plan;
- (e) most recent financial statements of the Manager; and
- (f) most recent financial statements for the Scheme.

9. RISK FACTORS

9.1 Overview

This section of the Product Disclosure Statement identifies the areas that are believed by Guardian Securities to be some of the major risks associated with an Investment in the Scheme. The success of the Project is subject to risk factors, both specific to the activities of Guardian Securities and of a general nature.

Individually, or in combination, these might affect the future operating performance of the Scheme and the value of an Investment in a Scheme.

There can be no guarantee that Guardian Securities will achieve the stated objectives or that any forward-looking statements or forecasts will eventuate.

An Investment should be considered in light of relevant risks, both general and specific. Such risks, if they eventuate, may have a material adverse impact on the Scheme's operating performance and profits and its ability to meet commitments to Investors.

Before deciding to invest in the Scheme, potential Investors should:

- read this entire Product Disclosure Statement and any Supplementary Product Disclosure Statement;
- consider the assumptions underlying the financial forecasts and the risk factors that could affect the financial performance of the Scheme;
- review these factors in light of each Investor's personal circumstances; and
- consider seeking professional advice from their accountant, lawyer and/or other professional advisor before deciding whether to Invest.



9.2 Risk Types and Mitigating Factors

Risk	Mitigating factor
<p>General and Market Risks</p> <p>There are a number of risk factors outside the control of the Manager which may impact on an Investment in the Scheme, including a downturn in the real estate market, changes in taxation law, increases in interest rates, changes to legislation and government fiscal monetary regulations, domestic and global economic conditions. Any change in property market sentiment during the construction of a project may affect the price and the rate of sales which can be achieved. Any change in these factors may affect the value of the security property, profitability of a development or ability of a borrower to repay a loan.</p>	<p>Research by Guardian Securities into the specific area of property development has ascertained that there is sufficient demand for the development and the reasonableness of the sales rates assumed in the project cost feasibility.</p>
<p>Loan Default Risk</p> <p>The primary risk to any mortgage Investment is the default by the borrower under its loan conditions. The borrower may default for a number of reasons including changes in its financial or personal circumstances, changes in the general state of the Australian or international economy, fluctuating business and economic conditions and changes to the Australian property market. The borrower's ability to comply with loan conditions will depend on the success of the relevant project.</p> <p>If the Borrower defaults under the Facility and Guardian Securities are required to exercise its power of sale under the mortgage, interest payments and return of capital to investors may be delayed or lost partially or totally.</p> <p>In the event that Guardian Securities exercises its powers under the mortgage, priority repayment from sales proceeds (after GST and selling costs) will be in the order of:</p> <ul style="list-style-type: none"> ➤ Legal and recovery costs incurred by Guardian Securities; ➤ Payment of Investor capital; ➤ Payment of Investor interest at the lower interest rate; and ➤ Payment of interest to Guardian Securities at the higher interest rate. 	<p>The Manager relies primarily on the value of the underlying security to secure a mortgage Investment. This risk is minimised by the following mitigants:</p> <ul style="list-style-type: none"> ➤ Prudent assessment of the loan application and the borrower's financial capacity to repay; ➤ Receipt of a comprehensive valuation report chosen from a panel of Valuers approved by the Board; ➤ Guarantees from the principal director and/or shareholder of the borrower; ➤ Legal signoff regarding enforceability of loan documents; ➤ Construction loan drawdowns on a cost to complete basis. <p>Each loan will be assessed on its merits by the Manager and the Manager's assessment of the Borrower's capacity to repay an approved loan will be outlined in the relevant Supplementary PDS.</p>
<p>Valuation Risk</p> <p>As with any loan that is secured against property, the valuation provided to the lender may not accurately reflect the true value of the security property at the time the valuation is undertaken. This becomes a risk if the borrower defaults or there is a fall in the value of the security property. Should this occur during the term of a mortgage Investment, this may diminish the amount of principal and outstanding interest that can be repaid to Investors.</p>	<p>Utilising only those Valuers approved by the Board who are independent of the Manager and who have the necessary qualifications to value the security property.</p> <p>Utilising the combined experience of the Directors of the Manager to assess the loan proposal and reviewing the valuation report.</p> <p>Taking additional security and guarantees to support the loan proposal.</p> <p>Careful monitoring of all construction loan drawdowns including reports from quantity surveyors or construction cost managers.</p> <p>Ensuring that the valuation report is not older than ninety (90) days from the approval date of the loan and a fresh valuation is obtained for all loans in excess of two (2) years.</p>

Risk	Mitigating factor
<p>Building Risk and Cost Overruns</p> <p>If a mortgage Investment comprises a construction loan, there are specific risks.</p> <p>Construction loans can meet unexpected cost overruns or variations which impact on the viability of the project and may cause increased debt funding for the developer and lenders.</p>	<p>A guaranteed maximum price building contract from well-known and respected builders who have experience in the type of proposed construction to be executed between the builder and borrower. Any variations to the building contract will require the prior approval of the borrower.</p> <p>That the project is employing standard construction techniques and that adequate building insurance cover is in place.</p> <p>Ongoing review of building costs by the Manager or its appointed quantity surveyor/project manager to ensure that industry standards are observed and adhered to.</p> <p>The Directors of the Manager will closely monitor all construction loan drawdowns to ensure that there are always sufficient funds remaining from both lenders to complete the development. An independent quantity surveyor or construction cost manager will be appointed by the lender(s) prior to the commencement of the project to verify that there are sufficient funds available to complete the project and to verify the completion of each stage of construction prior to the drawdown of funds.</p> <p>A contingency factor on total construction costs are also factored into the debt funding by the borrower for each project.</p>
<p>Withdrawal Risk</p> <p>In the event that the borrower is unable to complete the project the invested funds were applied to or is unable to refinance or sell the subject property within the timeline of the loan term and as a result the borrower requires a loan extension or loan rollover to finalise the transaction and such an extension is granted; then any Investor funds allocated to the subject property may not be available for withdrawal by Investors on completion of the original loan term as stated in the SPDS, unless a replacement investor can be found.</p>	<p>All loans, borrowers and projects are monitored closely and Investors are advised of any changes in the status of the loan conditions.</p> <p>Loan extensions or rollovers are only granted where the borrower has complied with all loan conditions and is able to meet ongoing interest payments as stipulated in the loan conditions.</p> <p>The Manager will use its best endeavours to source replacement Investors in the event that existing investors require repayment of their Investment.</p>
<p>Insurance Risk</p> <p>If a property or project is not fully or adequately insured the Investors may suffer significant loss.</p>	<p>All property upon which funds are advanced will be insured with a licensed insurance company. The nature of the insurance cover will depend on whether the property is completed or under construction.</p> <ul style="list-style-type: none"> ➤ If the property is completed a fire and all risks policy will be obtained. ➤ If the property is under construction a contractors all risks policy will be affected converting to a fire and all risks policy on completion.

Risk	Mitigating factor
<p>Taxation Risk</p> <p>Australian taxation laws are subject to change in line with government fiscal policy. Introduction of new taxation laws may impact on individual Investor's taxation liability. These liabilities are the responsibility of each individual Investor and Guardian Securities is not responsible either for tax charges or penalties incurred by Investors. Investors should obtain their own taxation advice in regard to their Investment in the Scheme.</p>	<p>Regardless of any changes to Government policy, Guardian Securities does not consider that the Scheme will be affected to any greater extent than any other similar managed investment scheme.</p> <p>A Supplementary PDS will contain details of the risks that the Manager considers are relevant to the mortgage Investment to which that Supplementary PDS applies.</p>

The list of risk factors in this section of the Product Disclosure Statement is not complete. Intending Investors should consult with their own professional advisers before deciding whether to invest in the Scheme. Additional risks may be disclosed in the Supplementary PDS relevant to that particular Investment.



10.1 Privacy Policy

Guardian's Privacy Policy sets out the policies on management of personal information. Please contact us if you would like information about, or a copy of, our Privacy Policy.

In completing the Application Form to invest in the Scheme, you are requested to provide your personal information including contact details (name, address and Phone numbers), which is required to effect your Investment. You may choose not to provide your tax file number, the consequences of which are described in Section 7 of this Product Disclosure Statement entitled: Taxation and Other Matters.

We use your personal information to establish and manage the Investment for you. We may also use such information to forward to you, from time to time, details of other investment opportunities or promotions available from the Manager or any member of the group. However, you may request that no information of that nature be sent to you. In this case an appropriate notation will be made in your investment records.

Under Australia's National Privacy Principles, you may access personal information about you (except in limited circumstances). This will enable you to ensure that the information held by us is accurate, complete and up-to-date. Under various superannuation and tax laws we may be obliged to pass certain information on to other organisations such as the Australian Taxation Office.

To find out more about your rights and remedies of breaches of privacy, you can visit the Privacy Commissioner's web site at www.privacy.gov.au or contract the Privacy Commissioner's hotline on 1300 363 992.

10.2 Goods and Services Tax

Goods and Services Tax (GST) is not directly applicable to your Investment in the Scheme. The Scheme may incur GST in respect of various expenses and the Scheme may not be entitled to input tax credits with respect to all the GST the Scheme incurs.

Taxation law is constantly under review and changing. The comments above are accurate at the date of this Product Disclosure Statement. Tax law is complex and each Investor's circumstances are different. Guardian Securities recommends all Investors seek professional independent taxation advice on their Investment.

10.3 Overseas Investors

If an Investor is not an Australian resident for taxation purposes, the Investor must (when completing the Application Form) provide their overseas address. Where an overseas address is provided, withholding tax at the current applicable levels must be deducted by Guardian Securities from all Distributions.

10.4 Distribution Account Details

Distributions will be paid to you by direct electronic transfer to your bank account. Please ensure that the bank and account details you provide to us on your Application Form are correct.

Your B/S/B Number is a six digit number which identifies your financial institution and branch. If unsure, please contact your financial institution to confirm the correct number.

10.5 Correspondence

All correspondence will only be addressed to the person and address stated on the Application Form. For joint applicants, please specify the applicant and relevant postal address you would like all correspondence to be mailed to.

10.6 Interests Requiring Disclosure

GSL Services Pty Ltd (ACN 124 411 329) provides services to the Scheme for which it receives fees on normal commercial terms. Some of the Directors have a beneficial interest in this company and may benefit from any fees received from the Scheme. Some of the directors have a beneficial interest in Guardian Securities and will benefit from any fees derived by it.

10.7 Directors Authorisation

Each of the Directors has consented to and authorise the issue of this PDS.

11. DEFINITIONS & GLOSSARY

When reading this Product Disclosure Statement terms shown below have the following meanings:

Act or Corporations Act	The Corporations Act 2001 (Cth) for the time being in force together with any corresponding regulations made under the Corporations Act.
AFS Licence	An Australian Financial Services Licence issued by ASIC under Part 7.6 of the Act.
Applicant	A person who has completed and lodged with Guardian Securities an Application Form included in or accompanied by this Product Disclosure Statement and has paid the Application Money for Interests in the Scheme.
Application Form	A duly completed and signed Application Form to invest in the Scheme which accompanies this Product Disclosure Statement, lodged with the Manager and accompanied by payment of the Application Money.
Application Money	All money paid by the Applicant pursuant to this Product Disclosure Statement, accepted by the Manager and held by the Manager in an application account.
Approved Valuer	Any independent valuer appointed by the Manager to value property.
ASIC	Australian Securities & Investments Commission.
Auditor	The auditor of the Scheme, appointed by the Manager.
ATO	The Australian Taxation Office, the Australian Federal Government's principal revenue collection agency.
Business Day	A day on which banks are open for business on the Gold Coast, except a Saturday, Sunday or public holiday.
Directors	The directors of the Manager.
Constitution	The Deed Poll executed by the Manager on 12 May 2005 establishing the Scheme and governing the relationship between the Manager and Investors (as amended from time to time in accordance with its terms).
Distribution	The payment of capital and/or income entitlements to Investors.
Guardian Securities	Guardian Securities Limited ACN 106 187 731 (including "we", "us" or "our").
Income Distributions	The distributions of income to Investors made in accordance with the Scheme Constitution, AIFRS and relevant accounting standards.
Product Disclosure Statement	This Product Disclosure Statement or any supplementary or replacement Product Disclosure Statement or other disclosure document as defined in the Act, issued by Guardian Securities in relation to the proposed issue of interests in the Scheme.
Investment	Means an Investor's interest in the Scheme.
Investment Term	The term or duration of the Investment as disclosed in the Supplementary PDS.
Investor, you or your	A person or entity whose application to join the Scheme is successful and who is issued Interests in the Scheme.
Manager	The Responsible Entity of the Scheme which as at the date of this PDS is Guardian Securities Limited ACN 106 187 731 and includes any other person appointed as replacement Manager during the term of the Scheme.
Minimum Investment	The minimum investment is A\$10,000. Guardian Securities may accept lesser amounts at its sole discretion.
Offer	The offer under this Product Disclosure Statement to acquire Interests in the Scheme
Scheme	Master Mortgage Fund No 6 ARSN 114 364 886
TFN	A Tax File Number issued to an individual by the ATO.



Manager and Responsible Entity:

Guardian Securities Limited ABN: 47 106 187 731 AFSL No: 240506

Level 2, Delfin House
235 Varsity Parade Varsity Lakes Qld 4227
PO Box 170 Robina DC, Qld 4226

Ph: **+61 7 5657 5205** Fax: +61 7 5657 5206 Toll Free: **1800 60 11 77**

Email: info@guardiansecurities.com.au

www.guardiansecurities.com.au





Application Form

Master Mortgage Fund No. 6

ARSN 114 364 886

How to Apply

INSTRUCTIONS TO APPLICANTS INVESTING IN THE SCHEME

Before completing and signing the Application Form which accompanies this Product Disclosure Statement, you should read this Product Disclosure Statement in its entirety.

Please read these instructions carefully before completing the Application Form.

Applications may only be made on the Application Form attached to, or accompanied by, this Product Disclosure Statement.

Completed Application Forms and cheques in relation to payment of Application Moneys must be sent to:

Guardian Securities Limited
P.O. Box 170
Robina DC QLD 4226
AUSTRALIA

Cheques must be drawn in Australian currency and made payable to '**Guardian Securities Ltd MMF 6**' and attached to your completed Application Form and sent to the above address.

Guardian Securities will issue you a receipt in relation to payments received by it.

Guardian Securities has the right to accept or reject an Application in its absolute discretion and at its discretion will accept an Application in relation to an Investment amount of less than \$10,000 per Applicant being the Minimum Subscription amount applicable to this Offer.

The Application Form must be signed by you personally, or under Company seal or by an attorney.

Joint applications must be signed by each applicant. Joint applicants will be assumed to be joint tenants unless otherwise specified.

If signed by an attorney, the attorney declares that no notice of revocation of the power of attorney has been received.

If signed as a company, please sign in accordance with company constitution which may be under seal or otherwise.

Anti-Money Laundering and Counter Terrorism Financing Act

Further instructions in relation to requirements for the completion of Applications Forms are set out in the table on the following page. As Guardian Securities is a Reporting Entity under Australia's *Anti-Money Laundering and Counter Terrorism Financing Act 2006*, Guardian Securities is required to identify and verify the identity of all Applicants for Interests in the Scheme and accordingly will not process an Application unless accompanied by sufficient identifying information.

Minimum Application requirements will differ. For clarification, please refer to the section headed 'Instructions for Completion of Application Form' on page 3 of this document.

INSTRUCTIONS FOR COMPLETION OF APPLICATION FORM

If you are investing as:	Documentation required ² : (to accompany return of this completed application form)	Application must be in the name of:	Complete Application Form sections: (names are used as examples only)
Individual/s	A certified ¹ copy of one of the following for <u>each</u> applicant: (a) passport; (b) driver's licence; or (c) any other form of photographic identification advised by Guardian Securities as required.	Full name of Applicant(s) (Unless indicated otherwise, multiple applicants are assumed to apply to hold interests as joint tenants and agree that correspondence be sent only to address specified for first named applicant.)	(in section 3 of application form) <i>'Mary Citizen' and 'John Sample Citizen'</i>
A company	Certified ¹ copy of the Certificate of Registration	The name of the company	(in section 4 of application form) <i>'ABC Company Pty Ltd'</i>
A trust	Certified ¹ copy of an extract ³ of the trust deed. The extract should include the pages which show the: (a) name of the trust; (b) trustee(s) name(s); and (c) trustee's signature(s) with witness signatures. For corporate trustees a certified copy of the trustee's Certificate of Registration will also be required.	The trustees of the trust ⁴	Natural person(s) as trustee(s) (Section 3 of application form) <i>Mary Citizen and John Sample Citizen</i> (as trustee for the Citizen Family Trust) Corporation(s) as trustee(s) (Section 4 of application form) <i>XYZ Company Pty Ltd</i> (as trustee for the Citizen Family Trust)
A superannuation fund	Certified ¹ copy of an extract ³ of the trust deed. The extract should include the pages which show the: (a) name of the trust; (b) trustee's name(s); and (c) trustee's signature(s) with witness signatures. For corporate trustees a certified copy of the trustee's Certificate of Registration will also be required.	The trustees of the superannuation fund ⁴	Natural person(s) as trustee(s) (Section 3 of application form) <i>Mary Citizen and John Sample</i> (as trustee of the Citizen Superannuation Scheme) Companies (Section 4 of application form) <i>XYZ Citizen Pty Ltd</i> (as trustee for the Citizen Pty Ltd Superannuation Scheme)
A partnership	Certified ¹ copy of Partnership Agreement or Certificate of Partnership Registration or Business Name Certificate	The principals of the partnership	<i>Mary Citizen and John Sample Citizen</i> as partners of Sample & Associates

1. A certified copy which is certified as being a true and accurate copy of the original by an Australian Justice of the Peace, a lawyer or a medical doctor.
2. Additional documentation may be required in some circumstances.
3. Please do not send us a full trust deed. Only an extract of the deed identifying the trustee(s), the trust name, trust powers and objectives and date of execution of deed is required.
4. Applications in the name of a trust, rather than a trustee will not be accepted.

Investor 2	<input type="checkbox"/> Individual	<input type="checkbox"/> Joint-2	<input type="checkbox"/> Partnership	<input type="checkbox"/> Trustee	
Title	<input type="checkbox"/> Mr	<input type="checkbox"/> Mrs	<input type="checkbox"/> Miss	<input type="checkbox"/> Ms	<input type="checkbox"/> Dr
First Names					
Surname					
Date of Birth		/		/	
Tax File No.					
Street / PO Box					
Suburb					
State			Postcode		
Home phone					
Work ph.				Mob.	
Email					

If there are additional accounts holders please attach details in writing to this Application Form.

4. Name of Company, Corporate trustee of trust or superannuation fund

Name of Company or Corporate Trustee										
Registered Office										
Account designation										
	i.e. name of trustee / superannuation fund									
ABN (if applicable)										
Contact Name										
Tax File Number										

5. How would you like to receive your payments?

Distributions will be made by credit transfer to your nominated bank account as indicated in the Supplementary PDS. Please provide details of same below.

5.1 Account Details (N.B. Account must be within Australia)

Bank/Credit Union										
Branch Address										
Account Name(s)										
Branch No. (B/S/B)										
Account No.										

Important Notice – This Application Form must be accompanied by the PDS

- The person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the PDS. A complete copy of the paper form of the PDS, Application Form and any supplementary document will be sent to Investors free of charge if requested.
- The offer under the PDS is available to people receiving the PDS within Australia.
- The PDS dated the 15th March 2010, which is the date it was issued.
- It is advisable to read the PDS before applying to invest because the PDS contains important information about Guardian Securities Limited and an Investment in the Scheme.

Declaration and applicant signature(s)

- I/We have read and understood the attached Product Disclosure Statement for the Master Mortgage Fund No 6 and agree to be bound by the provisions of the Scheme's Constitution and any other additional obligations or restrictions contained in this Product Disclosure Statement.
- I/We acknowledge the Scheme's privacy policy and acknowledge that it will hold personal information about me/us and will disclose this information to my/our authorised representative in relation to the Investment described in this form.
- I/We acknowledge that Guardian Securities will cease to disclose this personal information if I/we notify Guardian Securities that the authorised representative above no longer acts on my/our behalf.
- I/We acknowledge that Guardian Securities is not bound to accept my/our application, but may accept it in part or in whole.
- I/We have made an offer to become an Investor in the Scheme which cannot be revoked.
- I/We confirm that I/we have had opportunity to seek professional advice regarding all aspects of this Investment and have not relied on any statements or representations made by any party (including Guardian Securities Limited and its officers, employees and agents) prior to applying, other than those written representations made in the PDS.
- I/We acknowledge that no company in the Guardian Securities or its associated entities, its shareholders, directors or associated companies guarantees the performance of the Scheme, the return of my/our capital or any specific rate of return.

Signing the Application Form

I have read the Application Form and the Product Disclosure Statement and hereby apply to become an Investor in the Scheme.

Executed as a deed:

For individuals and partnerships:

Applicant #1:

Applicant #2:

Dated this ____ day of _____ 201__

For companies:

Signed in accordance with section 127 of the Corporations Act:
_____ Director
_____ Director/Secretary (Delete this if only single director company.)