

NOTICE TO MEMBERS

TO: The Members of the **LM First Mortgage Income Fund ARSN 089 343 288**

John Richard Park is the liquidator of LM Investment Management Limited (in liquidation) (receivers and managers appointed) ACN 077 208 461 ("LMIM"), which remains the responsible entity of the LM First Mortgage Income Fund ARSN 089 343 288 ("FMIF"), LM Australian Income Fund ARSN 133 497 917 ("AIF"), LM Australian Structured Products Fund ARSN 149 875 669 ("ASPF"), LM Cash Performance Fund ARSN 087 304 032 ("CPF"), LM Currency Protected Australian Income Fund ARSN 110 247 875 ("CP-AIF") and LM Institutional Currency Protected Australian Income Fund ARSN 122 052 868 ("ICP-AIF").

TAKE NOTICE that John Richard Park, the liquidator of LMIM, has applied to the Supreme Court of Queensland for:

- (a) an order permitting him to be paid the sum of \$662,981.80 (plus GST), being remuneration as voluntary administrator of the Second Applicant as follows:
 - (i) from the scheme property of the FMIF, \$165,745.45 (plus GST);
 - (ii) from the scheme property of the AIF, \$165,745.45 (plus GST);
 - (iii) from the scheme property of the ASPF, \$165,745.45 (plus GST);
 - (iv) from the scheme property of the CPF, \$165,745.45 (plus GST);
- (b) the determination of his remuneration as liquidators of LMIM for "**corporate remuneration**" (being remuneration relating to LMIM in its own right and general liquidation work), for the period 2 August 2013 to 30 June 2018, in the sum of \$603,019.50 (plus GST);
- (c) an order permitting him to be paid that remuneration of \$603,019.50 (plus GST) as follows:
 - (i) from the scheme property of the FMIF, \$150,754.87 (plus GST);
 - (ii) from the scheme property of the AIF, \$150,754.87 (plus GST);

- (iii) from the scheme property of the ASPF, \$150,754.87 (plus GST);
- (iv) from the scheme property of the CPF, \$150,754.87 (plus GST);
- (d) the determination of his remuneration as liquidator of the Second Applicant, save for corporation remuneration, for the period 1 October 2015 to 30 June 2018, in the sum of \$1,335,546 .00;
- (e) an order permitting him to be paid part of that remuneration of \$1,335,546.00 (plus GST) as follows:
 - (i) from the scheme property of the AIF, \$576,381.13 (plus GST);
 - (ii) from the scheme property of the ASPF, \$298,840.63 (plus GST);
 - (iii) from the scheme property of the FMIF, \$373,955.62 (plus GST).

The application is set down for hearing on **6 September 2018**.

Copies of the application and other court documents filed in the proceeding will be available on the website www.lminvestmentadministration.com. Any member who reasonably requires a hardcopy of the application and other court documents should call Russells Lawyers on +61 7 3004 8888.

The members of the FMIF are not respondents to the application but any member is entitled to be heard in the application if they wish. Any member who wishes to appear and to make submissions at the hearing of the application must file a Notice of Appearance in Form 4 to the Rules for Proceedings under the Corporations Act 2001 which are in Chapter 23 of the Uniform Civil Procedure Rules 1999; and serve a copy of that notice on Russells, the solicitors for John Richard Park, at their office at Level 18, 300 Queen Street, Brisbane, Q. 4000. Tel. +61 7 3004 8888 Fax +61 1 3004 8899 E-mail: Mail@RussellsLaw.com.au.

This notice is given pursuant to an order of the Supreme Court of Queensland made on 18 July 2018. A copy of the order may be seen on the website www.lminvestmentadministration.com.

Dated: 27 July 2018