

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 3383 of 2013

Applicant: RAYMOND EDWARD BRUCE AND VICKI PATRICIA BRUCE

AND

First Respondent: LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED), ACN 077 208 461,
IN ITS CAPACITY AS RESPONSIBLE ENTITY OF THE LM FIRST
MORTGAGE INCOME FUND

AND

Second Respondent: THE MEMBERS OF THE LM FIRST MORTGAGE INCOME FUND
ARSN 089 343 288

AFFIDAVIT OF ROGER SHOTTON

I, ROGER SHOTTON of Phirom Gardens – Flat 9A, 11, Sukhumvit Road Soi 41, Wattana, Bangkok 10110,
Thailand, being duly sworn make oath and say as follows:-

1. I am an investor in the LM First Mortgage Income Fund.
2. My investor ID no. is 131395, being account no. 100261130.
3. I made my initial investment in the LMFIMF on 2 September 2008 by investing a sum of
US\$260,000. I continue to be owed that sum plus accrued interest.

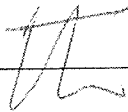
Amanda Jane Spence

อแมนดา เจน สเปนเซอร์

Page 1

Second Secretary and Consul

Signed:



Witnessed by:



AFFIDAVIT:
Form 46, R.431

TUCKER & COWEN
Solicitors
Level 15
15 Adelaide Street
Brisbane, Qld, 4000.
Tele: (07) 300 300 00
Fax: (07) 300 300 33

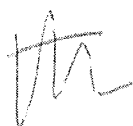
Filed on behalf of the Respondent

Document1

4. Now produced and shown to me and marked "RS-1" is an indexed paginated bundle of the documents referred to in this Affidavit.
5. Prior to making my investment in the LM First Mortgage Income Fund, I was provided with a Product Disclosure Statement and Application Form issued 10 April 2008, a copy of which is at pages 1 to 63 of Exhibit RS-1.
6. I invested in the Fund to obtain a regular monthly income. That has not transpired as interest payments ceased in about mid-2009. Also, I recall that in about mid-2009, I was notified by LM Investment Management Limited that redemption requests were suspended, so I could not obtain a return of my investment.
7. At page 64 to 71 of Exhibit RS-1 is a copy of my Application Form pursuant to which I invested US\$260,000 for a 6 month term.
8. On or about 30 September 2011, I received a Consolidated Distribution Statement for the year ended 30 June 2011, which noted that the unit price of units in the FMIF was US\$0.80 and that my account value had been reduced to US\$215,541.87. A copy of that appears at page 72 of Exhibit RS-1. I have since been advised by LM Investment Management Limited that the unit price has been written down to 55 units per unit as at 31 December 2012.
9. In late December 2012, I received a letter from by LM Investment Management Limited dated 20 December 2012 advising of:
 - (a) an orderly sale of all remaining assets of FMIF;
 - (b) the unit price as at 30 June 2012 was 59 cents; and
 - (c) redemption requests had been suspended since mid-2009.A copy of that appears at pages 73 to 78 of Exhibit RS-1.

Page 2

Signed:
Document 1



Witnessed by:



Amanda Jane Spence
อะแมนดา เจน สเปนเซอร์
Second Secretary and Consul

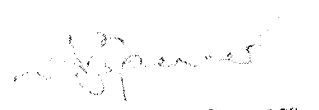
10. All the facts and circumstances above deposed to are within my own knowledge save such as are deposed to from information only and my means of knowledge and sources of information appear on the face of this my Affidavit.

Sworn by **ROGER SHOTTON** on the day of June 2013 in Thailand in the presence of:

Deponent



Solicitor/A Justice of the Peace



Amanda Jane Spencer
อะแมนดา เจน สเปนเซอร์
Second Secretary and Consul

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 3383 of 2013

Applicant: RAYMOND EDWARD BRUCE AND VICKI PATRICIA BRUCE

AND

First Respondent: LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED), ACN 077 208 461,
IN ITS CAPACITY AS RESPONSIBLE ENTITY OF THE LM FIRST
MORTGAGE INCOME FUND

AND

Second Respondent: THE MEMBERS OF THE LM FIRST MORTGAGE INCOME FUND
ARSN 089 343 288

CERTIFICATE OF EXHIBIT

Exhibit "RS-1" to the Affidavit of ROGER SHOTTON sworn this day of June 2013

Deponent



Solicitor/A Justice of the Peace



Amanda Jane Spencer
อแมนดา เจน สเปนเซอร์
Second Secretary and Consul

CERTIFICATE OF EXHIBIT:
Form 47, R.435

Filed on behalf of the Respondent

Document 1

TUCKER & COWEN
Solicitors
Level 15
15 Adelaide Street
Brisbane, Qld, 4000
Tele: (07) 300 300 00
Fax: (07) 300 300 33

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 3383 of 2013

Applicant: RAYMOND EDWARD BRUCE AND VICKI PATRICIA BRUCE

AND

First Respondent: LM INVESTMENT MANAGEMENT LIMITED
(ADMINISTRATORS APPOINTED), ACN 077 208 461,
IN ITS CAPACITY AS RESPONSIBLE ENTITY OF THE LM FIRST
MORTGAGE INCOME FUND

AND

Second Respondent: THE MEMBERS OF THE LM FIRST MORTGAGE INCOME FUND
ARSN 089 343 288

INDEX OF EXHIBITS

No.	Index to "RS-1"	Date	Page No.
1.	Product Disclosure Statement	10.04.2008	1-63
2.	Application Form	10.04.2008	64-71
3.	Consolidated Distribution Statement	30.06.2011	72
4.	LM Investments Management Pty. Ltd. letter to investors	20.12.2012	73-78