

LM Australian Structured Products Fund

ARSN 149 875 669

Established in March 2011

Investment Class: LMASPF5 - Fixed Rate Income Capital Protection

Part 2
Product Disclosure Statement (PDS)

Issued 27 January 2012

This PDS is issued in two parts where Part 1 is a separate core document with general information about the Fund and the investment and where Part 2 is a separate document relating to a specific offer of an identified financial product, comprising a Class of Fund Units, which is to be read with Part 1. Parts 1 and 2 make up the whole PDS.

ABN 68 077 208 461 Responsible Entity & AFSL No. 220281



LM Investment Management Ltd

The global pathway to Australian investment solutions

ESTABLISHED IN 1998

This is Part 2 of the Product Disclosure Statement (“PDS”) issued on 27 January 2012 that supplements Part 1 of the Product Disclosure Statement (“PDS”) issued on 31 March 2011 for the LM Australian Structured Products Fund ARSN 149 875 669 (the “Fund”). Investors should read both parts of the PDS prior to investing in the Fund.

The following is a summary of the terms of Investment Class LMASPF5 - Fixed Rate Income Capital Protection which generates a fixed income from an investment in notes which provide exposure to a basket of 6 shares. The underlying 6 shares are Commonwealth Bank of Australia, Fortescue Metals Group, Macquarie Group Limited, Newcrest Mining Limited, Rio Tinto Limited and Wesfarmers Ltd.

Key Dates¹

Offer Period Open	27 January 2012
Offer Period Close	30 March 2012
Trade Date	Within 10 business days of the Offer closing
Issue Date	Trade Date + not more than 10 business days
Final Valuation Date	Issue Date + 1 year (subject to any adjustments and cash settlement)
Maturity Date	Final Valuation Date + 3 Business Days

Investment Opportunity

Investors are invited to subscribe for Units in the LMASPF5 - Fixed Rate Income Capital Protection. Funds raised under this Offer will be invested in notes (“Notes”) issued by Deutsche Bank AG, London branch a branch of Deutsche Bank Aktiengesellschaft (Deutsche Bank AG). The Notes will generate a fixed income from the exposure to a basket of 6 shares made up of Commonwealth Bank of Australia, Fortescue Metals Group, Macquarie Group Limited, Newcrest Mining Limited, Rio Tinto Limited and Wesfarmers Ltd. This Part 2 of the PDS provides details of this Investment Class and the terms of the Notes, as well as information about Deutsche Bank AG.

Key Features of this Investment Class: LMASPF5 - Fixed Rate Income Capital Protection

Currency of Investment	Australian Dollar, Euro, Great British Pounds, New Zealand Dollars and United States Dollars.
Minimum Investment	AUD 1,000 or currency equivalent
Minimum Subscription	\$1,000,000 for each currency sub-class and a minimum total of \$5,000,000 for combined currencies.
Investment Term	1 year (subject to cash settlement)
Redemption Prior to Maturity	Investors can apply to redeem Units prior to maturity. The Manager’s ability to redeem Units will be dependent on Deutsche Bank AG facilitating a buy-back of the Notes as discussed in ‘Key Features of the Notes’ on page 7 of this Part 2 of the PDS under the paragraph headed “Secondary Market”. If the Manager is able to redeem Units prior to the maturity date it will be facilitated on a monthly basis and the Manager will redeem Units and pay redemption proceeds to a redeeming investor within 10 business days of the receiving the buy-back proceeds from Deutsche Bank AG.
Minimum Redemption Amount	\$5,000
Documentation	Investors must have read Parts 1 of the PDS issued 31 March 2011 and Part 2 of the PDS issued on 27 January 2012 for details in relation to their investment in this Investment Class in the Fund. The PDS is available from the Manager’s website at www.LMAustralia.com .

¹ The Key Dates are indicative only. The Manager may, in its discretion, extend or shorten the offer period without prior notice. If this happens, the Issue Date and/or Final Valuation Date and Maturity Date may vary accordingly. If the Manager extends or shortens the Offer period it may inform Applicants by posting a notice of changes at: <http://LMAustralia.com/LMASPF5.aspx>

Key Features of the Notes

Issuer of the Notes	Deutsche Bank AG, London Branch. A branch of Deutsche Bank Aktiengesellschaft ("Deutsche Bank AG").		
Description of Notes	<p>Income Component</p> <p>The Fund will invest in Notes issued by Deutsche Bank AG, London branch, a branch of Deutsche Bank Aktiengesellschaft ("Deutsche Bank AG"). Under the terms of the Notes Deutsche Bank AG undertakes to pay a fixed interest rate to the Fund if the Notes are held until maturity. This fixed interest rate is referred to as the Coupon Amount of each Note, is specified in the Terms Sheet of the investment and is payable at the maturity of the Note. The payment of the specified Coupon Amount is subject to Deutsche Bank AG's ability to perform. Deutsche Bank AG's obligation to pay the fixed income component is not dependent on the performance of the basket of shares.</p> <p>Capital Component</p> <p>At maturity, as well as receiving the Coupon Amount for each Note, the Fund will receive 100% return of the initial investment amount if during the investment term, the closing value on any trading day of each of the 6 shares remains above 70% of their initial investment value (measured in Australian dollars). If however, any one of the 6 underlying shares closing price on any trading day during the investment term is lower than 70% of the initial investment value, the underlying capital is no longer automatically protected. For further details on the capital protection mechanism, including the consequences of capital protection ceasing to apply, refer to the paragraphs below headed "Description of Capital Protection Mechanism".</p>		
Fixed Interest Return at Maturity	<p>Deutsche Bank AG undertakes to pay the Coupon Amount of each Note if the Notes are held until maturity. This fixed interest repayment obligation applies to the Fund's investment in the Notes and is subject to Deutsche Bank AG's ability to perform. The Coupon Amount for each Note in each of the relevant currencies of investment is as follows:-</p> <p>AUD = 12.50% pa return after deduction of management costs currently estimated at 0.25% pa. EUR = 10.00% pa return after deduction of management costs currently estimated at 0.25% pa. GBP = 9.00% pa return after deduction of management costs currently estimated at 0.25% pa. NZD = 11.50% pa return after deduction of management costs currently estimated at 0.25%pa USD = 9.00% pa return after deduction of management costs currently estimated at 0.25% pa.</p>		
Investment Term	1 year from the Issue Date		
Minimum Investment	AUD 1,000 or currency equivalent		
Currency of Notes	Notes will be issued in AUD, EUR, GBP, NZD and USD for each respective sub-class.		
Asset Class	A basket of shares (each, a "Basket Constituent"):-		
	Basket Constituent	Company Name	Reuters Code
	1	Commonwealth Bank Limited	CBA.AX
	2	Fortescue Metals Group	FMG.AX
	3	Macquarie Group Limited	MQG.AX
	4	Newcrest Mining Limited	NCM.AX
	5	Rio Tinto Limited	RIO.AX
	6	Wesfarmers Ltd	WES.AX

Description of Capital Protection Mechanism

The Notes chosen for investment by the Fund have a condition that applies to the protection of the capital investment. This is referred to as a "Barrier Level" which is connected to the individual performance of each of the 6 underlying shares during the term of the investment. The barrier level that applies to the Notes for this investment class is 70% of initial value of each of the 6 underlying shares.

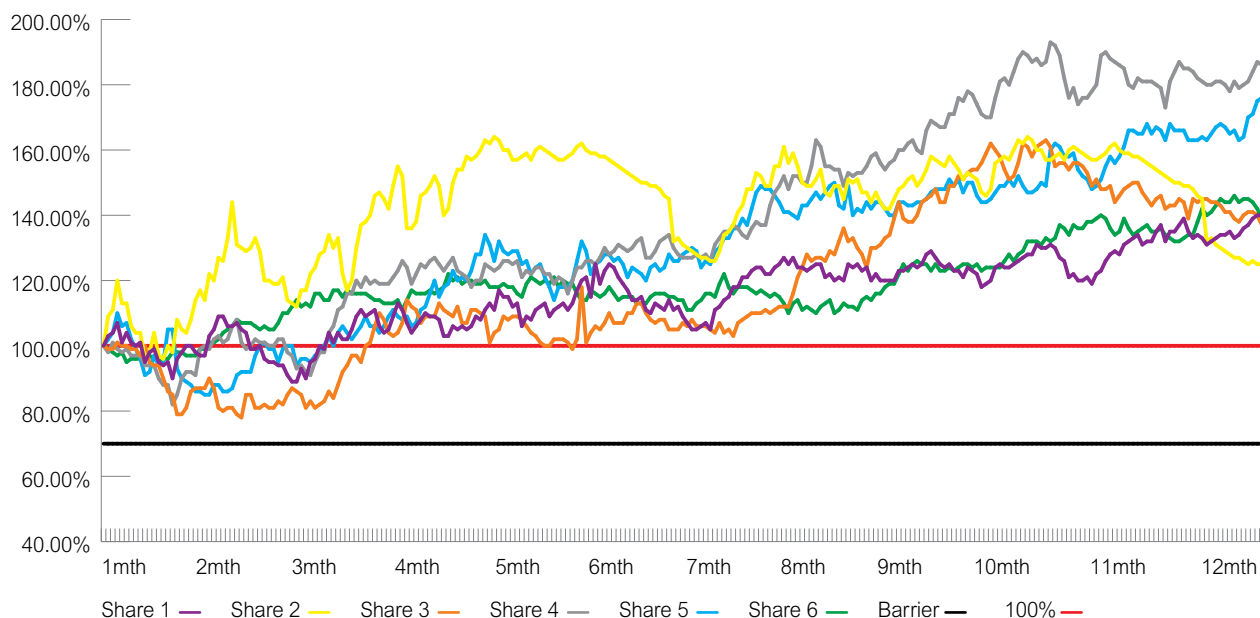
Barrier Level Not Breached

If during the investment term all 6 of the underlying shares have closed on any trading day during the investment term above 70% of their individual initial share value (see Figure 1 below for illustration) the Fund should receive:-

- (a) the fixed interest amount; and
- (b) 100% return of investment capital.

At maturity, both the fixed interest amount and investment capital will be paid to the Fund by Deutsche Bank AG in the relevant currency. Payment of the fixed interest amount and 100% return of capital remains dependent upon Deutsche Bank AG's ability to pay.

Figure 1
No Barrier Event, Fund Receives Income & 100% of Capital



The graph above is not intended to depict any possible performance of the 6 shares on the Australian Securities Exchange. The graph is for illustration purposes so that example data can be assessed in context.

> Payment of Investor Income and Capital if Barrier Level Not Breached

Following receipt of investment proceeds (interest and 100% of capital) from Deutsche Bank AG, the Fund will automatically proceed to pay Investor withdrawals relevant to their unit holdings.

Barrier Level Breached

If the Barrier Level is breached it triggers different events ("Barrier Events") that may result in the Fund not receiving 100% of the initial investment capital at maturity. Outlined below are details of different events that could occur at maturity if the Barrier Level of 70% of the initial share value is breached.

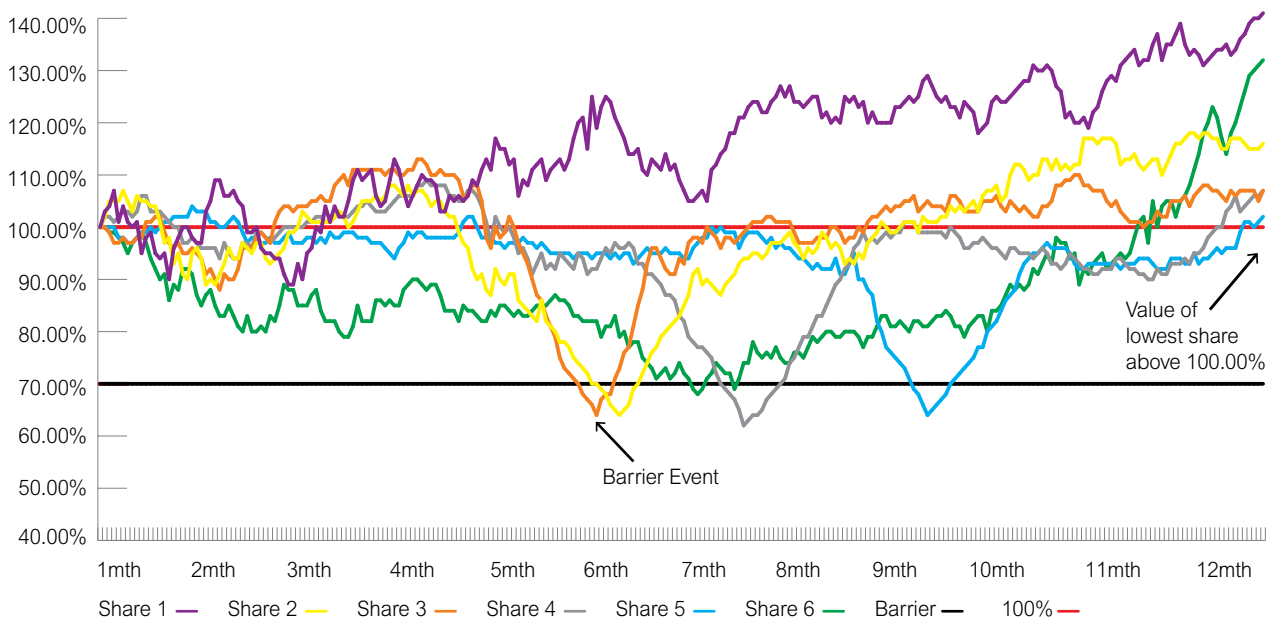
Event A - Barrier Level Breached Fund Receives Income and 100% of Capital

If any one of the underlying shares closes at 70% or below of their initial share value at any time during the investment term the barrier event is triggered. If however, at maturity the performance of all 6 underlying shares is 100% or above the initial share value, the Fund should receive:-

- (a) the fixed interest amount; and
- (b) 100% return of investment capital. The return of investment capital at maturity will never exceed 100% (see Figure 2 below for illustration).

Figure 2

Barrier Triggered, Fund Receives Income & 100% Capital



The graph above is not intended to depict any possible performance of the 6 shares on the Australian Securities Exchange. The graph is for illustration purposes so that example data can be assessed in context.

> Payment of Investor Income and 100% Capital for Event A

Following receipt of investment proceeds (interest and 100% of capital) from Deutsche Bank AG, the Fund will automatically proceed to pay Investor withdrawals relevant to their unit holdings.

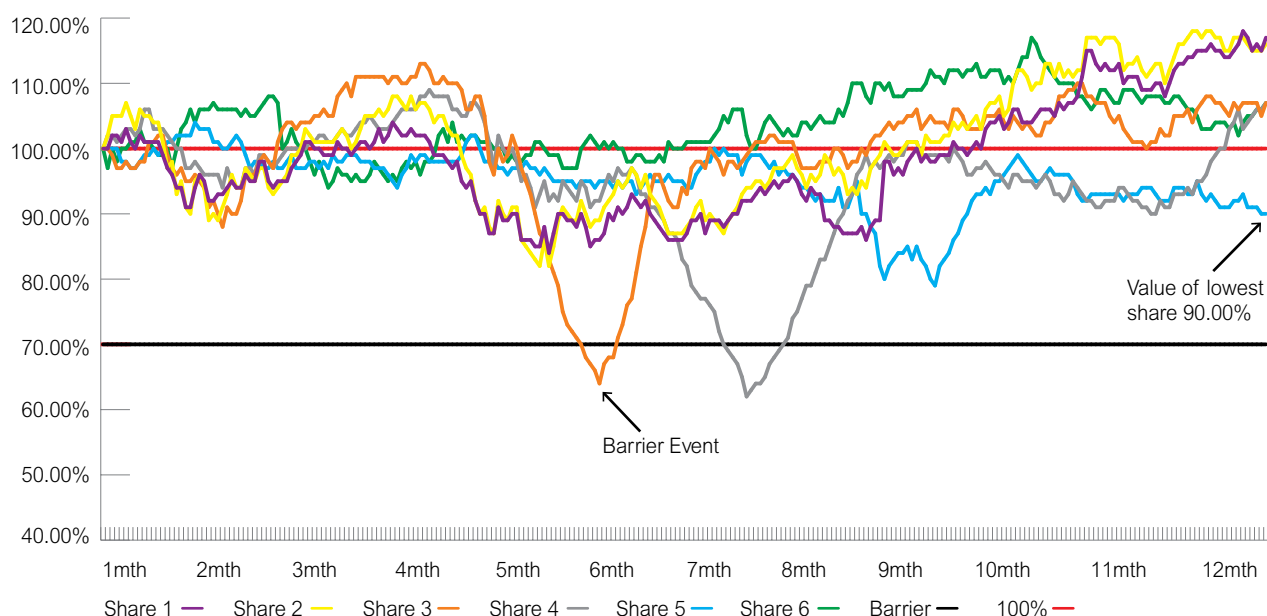
Event B - Barrier Level Breached Fund Receives Income and Capital Equals Value of Lowest Performing Stock at Maturity

If however, any one of the underlying shares closes at 70% or below of their initial share value at any time during the investment term and at maturity the performance of any one share is under 100% of the initial share value the Fund will receive:-

- (a) the fixed interest amount; and
- (b) a percentage of the initial investment capital determined on the lowest performing share of the 6 underlying shares at maturity.

For example: 6 months after commencement of the investment Share 3 performance falls to 70% of the initial share value this breaches the 70% barrier. Then at the maturity date Share 3 has recovered and returned to 110% of the initial share value but at maturity the lowest performing share is Share 5 and its performance is 90% of the initial share value, 90% of the initial capital investment will be paid at maturity (see Figure 3 on page 6 for illustration).

Figure 3
Barrier Triggered, Fund Receives Income & Capital Equals Value of Lowest Performing Stock at Maturity



The graph above is not intended to depict any possible performance of the 6 shares on the Australian Securities Exchange. The graph is for illustration purposes so that example data can be assessed in context.

> **Payment of Investor Income and Less than 100% Capital for Event B**

If a Barrier Event occurs and less than 100% of capital is returned, the method which Deutsche Bank AG will pay the investments proceeds at maturity changes. At maturity the fixed interest component will be paid by Deutsche Bank AG in the relevant currency of investment, and the relevant percentage of investment capital payable will be returned to the Fund by way of shares in the lowest performing company.

The Manager will decide, after consultation with investors, to either:-

(a) sell the shares at the current market price applicable at maturity and upon receipt of the fixed interest component and sale proceeds of the shares automatically proceed to pay investor withdrawals relevant to their unit holdings;

or

(b) the Manager will continue to hold the shares until such time that the value of the shares increased to 100% of their initial value or the Manager considers it is in the best interest of investors to sell the shares, and the maturity date of that Investment Class will be extended accordingly.

In this scenario, the Manager would contact investors prior to maturity and allow them to choose to continue with their investment as proposed by the Manager or to redeem their investment at maturity. The final decision to proceed to hold the shares after maturity will however be determined by the Manager. Non-Australian dollar investors should be aware that if the Manager decided to continue to hold the shares after maturity, non-Australian dollar investors will be subject to currency exchange exposure when the shares are sold and withdrawal proceeds are paid by the Fund.

Secondary Market:

Notes are saleable in the secondary market prior to maturity. Generally, under normal market conditions, the Fund can redeem the Notes prior to the maturity date however neither the fixed rate of return or return of capital will apply and redemption will be subject to Deutsche Bank AG being able to facilitate buy-back of the Notes at the time requested. The Manager does not have control over whether Deutsche Bank AG will allow buy-back prior to maturity, it is totally at their discretion. The minimum value of the requested redemption by the Fund is \$5,000 and if the Manager is able to redeem Units prior to maturity, it will be facilitated on a monthly basis.

Can Early Maturity Occur

In Part 1 of the PDS on page 12 under the heading “Can Early Maturity Occur” are details of a number of scenarios that could arise as to why maturity of the investment could be less than the proposed 1 year period. Apart from that information disclosed on page 12 of Part 1, the Manager also has the ability to terminate the Investment Class prior to investment in the proposed Notes for this Investment Class on the basis that it was acting in the best interests of the investors.

The table below provides an overview of the terms and conditions of the Notes in which this Investment Class will invest.

Note Terms & Conditions

Issuer	Deutsche Bank AG, London branch. A branch of Deutsche Bank Aktiengesellschaft (Deutsche Bank AG)		
Nominal Amount (Denomination)	AUD 1,000.00; EUR 1,000.00; GBP 1,000.00; NZD 1,000.00 or USD 1,000.00 dependent on currency of investment.		
Reference Currency	AUD; EUR; GBP; NZD or USD dependent on currency of investment		
Settlement Currency	AUD; EUR; GBP; NZD or USD dependent on currency of investment		
Denominated Currency	Australian dollars (AUD), Euros (EUR), Great British Pounds (GBP), New Zealand Dollars (NZD), United States Dollars (USD)		
Underlying Assets	A basket of shares (each, a "Basket Constituent"):-		
	Basket Constituent	Company Name	Reuters Code
	1	Commonwealth Bank Limited	CBA.AX
	2	Fortescue Metals Group	FMG.AX
	3	Macquarie Group Limited	MQG.AX
	4	Newcrest Mining Limited	NCM.AX
	5	Rio Tinto Limited	RIO.AX
	6	Wesfarmers Ltd	WES.AX
Reference Source (Exchange)	Australian Securities Exchange		
Minimum Trade Size:	AUD 1,000,000 or relevant currency equivalent		
Trade Date	Within 10 Business Days of the Offer closing		
Issue Date	Trade Date + not more than 10 Business Days		
Final Valuation Date	Issue Date + 1 year subject to adjustments		
Maturity Date	Final Valuation Date + 3 Business Days (subject to adjustment provisions)		
Fixed Coupon Payment Date	Means the Maturity Date		
Initial Reference Level	The Initial Reference Level for each sub-class is 100% of the Australian dollar share price for each of the 6 underlying shares at the trade date.		
Barrier Level (Strike)	The Barrier Level for each sub-class will be 70% of the Australian dollar share price for each of the 6 underlying shares during the term of the investment.		
Coupon Amount	<p>AUD 12.75% pa per security EUR 10.25% pa per security GBP 9.25% pa per security NZD 11.75% pa per security USD 9.25% pa per security</p> <p>The above figures are prior to deduction of the Management Costs currently estimated at 0.25% pa, for details of net return to investor refer to page 3 "Fixed Interest Return at Maturity" of this Part 2.</p>		
Barrier Event	<p>A Barrier Event is deemed to have occurred if, on any Trading Day, the Official Closing Price of any Basket Constituent is at or below its respective Barrier Level.</p> <p>The barrier is observed daily based on Official Closing Prices (Sydney).</p>		
Redemption at Maturity	<p>Each Note will be redeemed on the Maturity Date by way of cash or physical settlement as detailed previously.</p> <p>If no Barrier Event has occurred, the Cash Settlement Amount.</p> <p>If a Barrier Event has occurred, the lower of the Cash Settlement Amount and the Physical Settlement Amount.</p>		

Final Reference Level	Official closing price of the Basket Constituent on the Reference Source on the Final Valuation Date
Cash Settlement Amount	Nominal Amount
Physical Settlement Amount	Such number of units of the Lowest Basket Constituent determined by the Calculation Agent equal to the following: Nominal Amount / Initial Reference Level rounded down to the nearest whole number (subject to Adjustment Provisions – set out in the terms of the Global Security). Fractional shares of the Lowest Basket Constituent will be settled in cash.
Lowest Basket Constituent	The Basket Constituent with the worst percentage performance calculated as: (Final Reference Level – Initial Reference Level) / Initial Reference Level
Business Day	Sydney and London (for settlement purposes)
Trading Day	Any day on which each Reference Source is open for trading (or would have been open for trading but for the occurrence of a Market Disruption Event), notwithstanding the Reference Source closing prior to its scheduled closing time
Adjustment Provisions	As the Notes are linked to the 6 listed companies on the Australian Securities Exchange, there may be times that Deutsche Bank AG is required to make adjustments to the Notes, for example if one of the stocks stopped trading or de-listed Deutsche Bank AG may need to revalue the reference price or make other necessary valuation or pricing adjustments. Deutsche Bank AG has the right to make any necessary adjustments as and when required during the term of the investment in line with provisions as set out in the underlying base prospectus for the Notes. In the event that Potential Adjustment Provisions occur Deutsche Bank AG will deal with the event as outlined in the underlying base prospectus for the Notes. Investors can request a copy of the underlying base prospectus from the Manager's regional offices or head office on +617 5584 4500.
Market Disruption Event	Deutsche Bank AG will be responsible for dealing with the Notes which are linked to the Australian Securities Exchange during the term of the investment. As the Notes are reliant on Deutsche Bank AG's ability to trade and value the underlying shares on the relevant exchange/s, events could occur in the market that disrupt the trading/valuation of the underlying shares. These are referred to as Market Disruption Events and are out of the control of Deutsche Bank AG and could impact on Deutsche Bank AG's ability to transact the necessary dealings or valuations. In the event that a Market Disruption Event occurs Deutsche Bank AG will deal with the event as outlined in the underlying base prospectus for the Notes. If Market Disruption Event/s occur it could impact on any return and/or a delay in meeting a withdrawal payment to the Fund at the end of the investment term could occur. Investors can request a copy of the underlying base prospectus for the Notes from the Manager's regional offices or head office on +617 5584 4500.
Form	The Notes will be represented by a global security (the "Global Security"). Definitive Notes will not be issued.
Clearing System	Euroclear
Calculation Agent	Deutsche Bank AG London Branch
Secondary Market	The Deutsche Bank AG may under normal market conditions provide bid/offer prices
Listing	No listing
Governing Law	English law

Risk Considerations

Apart from the general risks outlined in Part 1 of this PDS, below are a number of risks that apply specifically to this Investment Class, relating to the Notes that the Fund will invest in.

- > **Capital Protection:** The Notes in which the Fund will invest for this Investment Class are capital protected subject to 70% barrier not being breached. Refer to “Description of Notes” on page 3 and ‘Description of capital protection mechanism’ on page 4 of this Part 2 of the PDS.
- > **Capped Performance:** The maturity price of Notes will never be more than their Nominal Amount, regardless of the value of the underlying shares at maturity. At maturity, there is also the prospect of the Fund being delivered physical stock in lieu of cash.
- > **General Market Risk:** Investors should be aware that some investments are riskier than others. Market and company specific factors may impact the price of the underlying shares during the term of the Notes. There is a risk that the share market in general will not perform or the specific underlying share underperforms the general market due to poor management decisions or risks associated with individual business investments or volatility and risks associated with investing in shares. This list is not exhaustive and other factors may cause underlying share underperformance. Share underperformance can adversely impact the capital protection feature of the Notes.
- > **Liquidity Risk:** The Notes are illiquid investments that are designed to be held to maturity. The Maturity Date for the Notes is around 1 year from the initial investment date and the Maturity Date for Units is approximately 1 year and 20 days from the Issue Date. If the settlement level of Notes cannot be determined on the Maturity Date, the investment period of Notes, and therefore Units, may be longer. Delays in settlement arising from a market disruption event (eg market shut-down/illiquidity) or adjustment event may result in movement in price of the affected underlying shares which may affect the capital protection feature of the Notes. There is no assurance investors will be able to realise their Units prior to maturity as this is contingent upon Deutsche Bank AG providing liquidity in the Notes.
- > **No Dividends:** The Fund, and consequently investors, will be foregoing dividend income and franking credits by investing in these Notes, as opposed to investing in the underlying shares directly, and as well as any potential capital growth.
- > **Early Termination Risk:** There is the risk of early delivery given that the Issuer has the discretion to terminate the Notes if certain material events occur. For example; if there is a tax event, a legislative event or an adjustment event or if the underlying assets (for example share price indices) are cancelled without being replaced. Early termination (if possible) may translate into capital losses and prices below valuation for the Notes, and consequently a loss of the capital invested in the Fund by investors .
- > **Credit Risk:** The obligations of Deutsche Bank on the Notes are unsecured contractual obligations of Deutsche Bank AG. Failure to comply with these obligations by Deutsche Bank (by virtue of credit risk) may result in a total loss on the Notes, and consequently a loss of capital invested in the Fund by investors.
- > **Maturity Price of Notes:** The maturity price of Notes is determined based on the worst performing share, not an average of the performance of the 6 underlying shares. The maturity price will never be more than the issue price, regardless of the value of the 6 shares at maturity.
- > **Settlement:** At maturity, there is also the prospect of the Fund being delivered physical stock in lieu of cash. The Fund would then need to realise the stock in order to return funds to investors.
- > **Valuation:** A valuation provided on the Notes prior to the maturity date may reflect a mark-to-market loss, as the performance characteristics only apply at maturity. This will also impact the redemption value of Units prior to maturity.
- > **Early Redemption Risk:** Any Notes redeemed prior to maturity do not have the benefit of the capital protection mechanism or fixed income component and will be bought-back for their market value. The market value may be less than the Notional Amount, being the issue price of the Notes. Where Notes are bought-back to meet a withdrawal request from investors and the amount received from the Fund from the buy-back of Notes is less than the Notional Amount, it will result in a capital loss for those redeeming investors.
- > **Foreign Currency Risk:** Investors in non-Australian dollar sub-classes may be exposed to fluctuations in foreign currency exchange rates if the Fund is delivered physical stock, and not cash, at maturity. This is because, upon realisation of those stocks, the Fund will receive sale proceeds in Australian dollars and remit those funds to non-Australian dollar investors at the applicable prevailing exchange rate.

Bank Account Details for Investment Subscription

The Application Form for investment is contained in Part 1 of the PDS. Please complete and sign the Application Form. Remit funds directly by telegraphic transfer or electronic direct credit to the relevant bank account below. Once funds have been remitted please fax the completed Application Form, appropriate Anti-Money Laundering Form and copy of the telegraphic transfer or credit receipt to the Manager on +617 5592 4116 or scan and email the documentation to the Manager at mail@LMAustralia.com and send the original to the Manager by mail at LM Investment Management Ltd, PO Box 485 Surfers Paradise Qld 4217, Australia.

All investors except New Zealand Residents can telegraphically transfer investment funds to the following bank accounts:-

AUD Investments Subscription Bank Account

Account Name: The Trust Company (PTAL) Limited acf LMIM atf LM Australian Structured Products Fund Subscription Account
Bank: HSBC
Address: 133 Regent Street, London W1B 4HX
Branch: London
Sort Code: 400515
Swift Code: MIDLGB22
IBAN: GB68MIDL40051570990633
Account No: 70990633

EUR Investments Subscription Bank Account

Account Name: The Trust Company (PTAL) Limited acf LMIM atf LM Australian Structured Products Fund Subscription Account
Bank: HSBC
Address: 133 Regent Street, London W1B 4HX
Branch: London
Sort Code: 400515
Swift Code: MIDLGB22
IBAN: GB22MIDL40051571395757
Account No: 71395757

GBP Investments Subscription Bank Account

Account Name: The Trust Company (PTAL) Limited acf LMIM atf LM Australian Structured Products Fund Subscription Account
Bank: HSBC
Address: 133 Regent Street, London W1B 4HX
Branch: London
Sort Code: 400602
Swift Code: MIDLGB22
IBAN: GB17MIDL40060214198182
Account No: 14198182

USD Investments Subscription Bank Account

Account Name: The Trust Company (PTAL) Limited acf LMIM atf LM Australian Structured Products Fund Subscription Account
Bank: HSBC
Address: 133 Regent Street, London W1B 4HX
Branch: London
Sort Code: 400515
Swift Code: MIDLGB22
IBAN: GB97MIDL40051571395765
Account No: 71395765

New Zealand resident investors can telegraphically transfer investment funds to the following bank accounts:-

NZD Investments Subscription Bank Account

Account Name: The Trust Company (PTAL) Limited acf LM Australian Structured Products Fund
Bank: ANZ
Address: G, 107 Carlton Gore Road, Newmarket, Auckland, New Zealand
Branch: Auckland
Swift Code: ANZBNZ22
Account No: 01-1845-0004286-00

AUD, EUR, GBP and USD Investments Subscription Bank Account

Account Name: The Trust Company (PTAL) Limited acf LM Australian Structured Products Fund
Bank: ANZ
Address: 215 Lambton Quay, Wellington, New Zealand
Branch: Wellington
Swift Code: ANZBNZ22

AUD Account No: 212070-AUD01

EUR Account No: 212070-EUR01

GBP Account No: 212070-GBP01

USD Account No: 212070-USD01

When depositing funds by telegraphic transfer or electronic direct credit please attach a copy of the telegraphic transfer or electronic direct credit receipt and provide, on the Application Form in Part 1 of the PDS in Section 12, the reference code provided by the bank.

Subscription Period

The Fund will open Investment Class LMASPF5 - Fixed Rate Income Capital Protection for subscription on 27 January 2012 and close the subscription period on 30 March, 2012. The Manager may, in its discretion, extend or shorten the offer period without prior notice.

A minimum of AUD \$5,000,000 in total with a minimum of AUD \$1,000,000 (or relevant currency equivalent) per currency of investment must be raised during the subscription period for the Manager to proceed to invest in the Notes. If the minimum subscription amount is not raised by the Closing Date the Manager may extend the subscription period, subject to Deutsche Bank AG's acceptance proceed with a lesser amount, or notify investors that the Investment Class is not proceeding to trade and return subscription monies to investors.

Applications and subscription monies received during the subscription period will be held in the Fund's subscription account pending the issue of Units to investors, and trade of the investment in the Notes issued by Deutsche Bank AG, London Branch. During the subscription period and prior to investment in the Notes, no interest will be earned on subscription monies.

There will be no currency exchange risk during the subscription period as each investment currency will be held in the relevant currency until investment and, on investment by the Fund, Deutsche Bank AG will hedge the investment in the relevant currency against the Australian dollar.

During the subscription period market events could occur which alter the terms and conditions of the Offer. Should any change occur, that alters the terms and conditions of the Offer the Manager will notify proposed investors of the changes prior to the Trade Date, being the date on which Units will be issued. Upon notification of the changes investors can reassess the Offer and decide whether they want to proceed to invest in the Fund. If an investor no longer wants to proceed to invest in the Fund, subscription monies will be returned to the bank account nominated on the Application Form without interest.

Following settlement of the investment by the Fund in the Notes issued by Deutsche Bank AG, London Branch, the Manager will issue confirmation statements to investors confirming commencement of investment in the Fund.

Description of Issuer – Deutsche Bank AG

The information set out below is intended to be a summary only of the Issuer. Investors must make their own assessment of the ability of Issuer to meet its obligations in relation to this Investment Class. Nothing in this Part 2 of the PDS is, or may be relied upon, as a representation as to any future event or a promise as to the future.

History and Development of the Deutsche Bank

The Deutsche Bank (the “Bank”) originated from the reunification of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Dusseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank Aktiengesellschaft which was founded in 1870. The merger of the name were entered in the Commercial Register of the District Court Frankfurt am Main on 2 May 1957.

Registered Office and Legal Form

The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Taunusanlage 12, 60325 Frankfurt am Main (telephone +49 69 910-00) and branch offices in Germany and abroad including London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore which serve as hubs for its operations in the respective regions.

The Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000 of the Commercial Register of Frankfurt am Main.

Organisation Structure and Principal Areas of Activity

The Bank is the parent company of a group consisting of banks, capital market companies, fund management companies, a property finance company, instalment financing companies, research and consultancy companies and other domestic and foreign companies (“the Deutsche Bank Group”).

The objects of Deutsche Bank Aktiengesellschaft, as laid down in its Articles of Association, include the transaction of all kinds of banking business, the provision of financial and other services and the promotion of international economic relations. The Bank may realise these objectives through itself or through subsidiaries and affiliated companies. To the extent permitted by law, the Bank is entitled to promote the objectives of the Bank, in particular: to acquire, administer and dispose of participations in other enterprises, and to conclude enterprise agreements.

Deutsche Bank Aktiengesellschaft operates through three group divisions, each of which is not established as a separate company but is rather operated across Deutsche Bank Group.

Issuing Branch of the Issuer under this Investment Class

The underlying assets for this Investment Class of the Fund will be issued by Deutsche Bank Aktiengesellschaft, acting through its London branch. On 12 January 1973, Deutsche Bank Aktiengesellschaft filed in the United Kingdom the documents required pursuant to section 407 of the Companies Act 1948 to establish a place of business within Great Britain. On 14 January 1993, Deutsche Bank Aktiengesellschaft registered under Schedule 21A to the Companies Act 1985 as having established a branch (Registration No. BR000005) in England and Wales. Deutsche Bank AG, London Branch is an authorised person for the purposes of section 19 of the Financial Services and Markets Act 2000. In the United Kingdom, it conducts wholesale banking business and through its Private Wealth Management division, it provides holistic wealth management advice and integrated financial solutions for wealthy individuals, their families and selected institutions.

Financial Report of Deutsche Bank AG

Investors can download the latest available annual financial report and quarterly financial report of Deutsche Bank AG from http://www.db.com/ir/en/content/reports_2011.htm.

External Custodian

The Manager has appointed The Trust Company (PTAL) Limited as external custodian for all Fund assets. The Trust Company (PTAL) Limited (the “Custodian”) is a wholly owned subsidiary of The Trust Company Limited. The Trust Company Limited is one of the oldest and largest independent statutory trustee companies in Australia having been established for over 125 years. The Trust Company Limited is a public company listed on the Australian Stock Exchange, employs more than 250 people across Australia and Asia Pacific, and holds a market capitalisation in excess of \$180 million.

The role of the Custodian is to hold the structured product assets and any other assets of the Fund (for example bank accounts) and undertake other duties as nominee of the Manager. The Custodian has not been involved in the preparation of this PDS. Although referred to in this PDS, the Custodian has not authorised the issue of it. The Custodian does not give any guarantee with respect to the performance of the Fund. The Custodian has no interest in relation to the Fund and has not received any inducements other than the remuneration it is entitled to receive under the custody agreement of the constitution by way of custodian fees. The Custodian fees for the Fund are the greater of 0.02% pa of the assets of the Fund or \$15,000 pa. This fee forms part of the Fund’s expenses.

Directors’ Consent

The Directors have consented to this issue of this Part 2 of the PDS.

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