SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT

Ingwersen & Lansdown Securities Fund ARSN 089 634 453

Ingwersen & Lansdown Securities Limited ACN 088 636 220, AFSL No. 241097

This Supplementary Product Disclosure Statement (**SPDS**) is dated **28 November 2008** and is supplementary to the Product Disclosure Statement dated 31 January 2008 (**PDS**) issued by Ingwersen & Lansdown Securities Limited (**Manager**) for the Ingwersen & Lansdown Securities Fund (**Fund**).

This SPDS must be read in conjunction with the PDS and (unless otherwise specifically defined in this SPDS) terms defined in the PDS have the same meaning where used in this SPDS. The information below supplements and amends information presently contained in the PDS. The directors of the Manager have authorised the issue of this SPDS.

ASIC Benchmark Disclosure

In September 2008 ASIC introduced Regulatory Guide 45: Mortgage Schemes – Improving Disclosure for Retail Investors. The Regulatory Guide sets out eight benchmarks to help retail investors understand the risk or rewards being offered and decide whether the investment is suitable for them.

Benchmark	Has the criteria been meet?	If not, why not?	PDS reference
Benchmark 1: Liquidity The Manager should have cash flow estimates for the Fund for the next three months and ensure that at all times the Fund has cash or cash equivalents sufficient to meet its projected cash needs over the next three months. It should also disclose its policy on balancing the maturity of its assets and liabilities.	Not applicable	As the Fund is a contributory mortgage scheme, the Manager is not required to comply with this reporting benchmark.	Not applicable
Benchmark 2: Fund borrowing If the Fund has borrowed funds or if the Manager expects it to, it should disclose the amount owing under those loans and whether they rank ahead of an investor's interests in the Fund, as well as the purpose for which the funds have or will be borrowed. If the loan facilities are due to mature within 12 months, the Manager should disclose the prospect of refinancing or possible alternative actions. The Manager should also explain any risks associated with the debt and credit facility maturity profile.	Yes	The Fund does not undertake borrowings secured against the full portfolio of Mortgage Investments. The Manager may in particular circumstances undertake borrowings secured against a particular Mortgage Investment. In those circumstances the particulars of the borrowing facility will be disclosed to the affected investors in the Investment Proposal or any supplementary Investment Proposal. Borrowings may be used to assist in the completion of the Mortgage Investment (advancing further money to the borrower) or funding distributions to investors in that particular Mortgage Investment. As a result, the financier's right to repayment of the funds it has advanced under the facility ranks ahead of investor's entitlement to distributions or any return capital in the particular Mortgage Investment. Any such facility is only limited to the particular Mortgage Investment and	2.11 and 2.15

Benchmark	Has the criteria been meet?	If not, why not?	PDS reference
		not other Mortgage Investments within the Fund. The Manager (or related entities of the Manager) may also borrow money to fund the payment of distributions. In those circumstances the financer will have no recourse to the assets of the Fund, however the Manager will be entitled to be repaid the money advanced from the loan (when it is repaid) in priority to the investors in that Mortgage Investment.	
Benchmark 3: Portfolio diversification The Manager should disclose the current nature of the Fund's investment portfolio, including, by number and value: • loans by class of activity; • loans by geographic region; • proportion of loans in default or arrears; • nature of the security for loans; • what proportion of the total loan moneys have been lent to the largest Borrower and the ten largest Borrowers; • loans that have been approved that have funds yet to be advanced; • the maturity profile of all loans in increments of not more than 12 months; • loan-to-valuation ratios; • interest rates on loans; • loans where interest has been capitalised; and • a clear description of the non-loan assets of the scheme including the value of such assets.	Not applicable	As the Fund is a contributory mortgage scheme, the Manager is not required to comply with this benchmark, however, the Manager has set out most of this information in section 4 of the PDS and updates this information quarterly on its website at www.ilsl.com.au .	4
Benchmark 4: Related party transactions Any related party transaction should be disclosed, as well as the Manager's policy on related party transactions and how the process and arrangements are monitored to ensure that policy is followed.	Yes	The Manager has not and does not enter into any related party transactions where investors' funds are used for loans to related parties. The Manager and related entities may take second mortgage positions behind loans undertaken by the Fund using their own funds. If the Manager decided to undertake a related party loan, prior to the Manager proceeding: • the transaction would be fully disclosed to potential investors in the Investment Proposal; and • this benchmark disclosure would be updated to include details of the transaction and processes used by the Manager to monitor	1.10, 1.11 and 8.5

Benchmark	Has the criteria been meet?	If not, why not?	PDS reference
		related party transactions. The Manager in its own right or via related entities may provide funding to the Fund in order to meet Assurance obligations. The Manager, its directors, officers and other related parties may hold units in the Fund from time to time. Where this occurs, Units will be acquired on the same terms as any other investor in the Fund. Ingwersen & Lansdown Solicitors and other entities associated with the Manager may provide services to the Fund or the Manager. The arrangements for these services are reviewed annually to ensure they remain on commercial arms length terms.	
Benchmark 5: Valuation policy The Manager should have a clear policy on how often valuations will be obtained.	No	The Manager's valuation policy can be summarised as follows: • valuation reports for any loan must not be older than 6 months prior to the date of the initial advance; • a new valuation will be obtained in circumstances where a loan has been rolled over after its maturity date; • relevant details of valuations are disclosed in the Investment Proposal in relation to each particular loan; • valuations are valued on an 'as is' basis and for development property also on an 'as if complete' basis; • valuations are comprehensive and contain reasonable assumptions; • valuations are conducted by persons authorised to practice as a valuer or licensed real estate agents and who certify the valuation complies with all relevant industry codes and standards; and • the Manager has a panel of authorised valuers which it believes has appropriate qualifications and experience to determine the value of the secured property. In certain limited circumstances (where the loan to value ratio is less than 35%) the Manager may	1.2, 2.4 and 2.5

Benchmark	Has the criteria been meet?	If not, why not?	PDS reference
		undertake a Mortgage Investment without a formal valuation. The Manager does not have a policy which limits one valuer to valuing no more than 1/3rd of all security properties. The Manager has through 20 years of experience determined that the quality of valuations can very dramatically. As such the Manager retains a select panel of experienced valuers who have a demonstrated track record of providing the Manager with appropriate valuations.	
Benchmark 6: Lending principles – loan-to-valuation ratios The Manager should maintain the following loan to valuation ratios: • for loans made by the Fund where the loan relates to property development not more than 70% on the latest 'as if complete' valuation; and • in all other cases not more than 80% on the latest market valuation	No	Loans secured by a mortgage will generally be no more than 66.6% of the value of the secured property. For all registered first mortgages provided to Borrowers, the Manager will maintain the following LVRs: • where the loan relates to property development – 70% on the basis of the latest 'as if' complete valuation; and • in all other cases – 80% on the basis of the latest market valuation. Where the loan relates to property development, loan funds are advanced progressively against the 'as is', and 'on completion' values provided the quantity surveyor (or other suitably qualified person) has assessed each stage is complete. Appropriate loan funds are withheld in order to complete the development. Where the property is secured by a registered second mortgage, the relevant LVRs may be higher than that set out above. However, these loans will only be offered to investors under an Investment Proposal which contains full disclosure of the risks associated with registered second mortgages.	2.4, 2.7 and 2.12
Benchmark 7: Distribution practices The Manager should disclose the expected source for each distribution, as well as details of circumstances in which a lower return may be payable, together with details of how that lower return will be determined.	Yes	Distribution rates for the Fund are variable for each Mortgage Investment and are dependent upon the Borrower meeting its loan commitments for the particular Mortgage Investment. The Investment Proposal will disclose the likely distribution rate but this is not a forecast. This distribution rate represents the Borrowers contractual obligations under the loan agreement and whether this distribution rate is	1.3, 1.18, 1.19 and 4.2

Benchmark	Has the criteria been meet?	If not, why not?	PDS reference
		paid from the Mortgage Investment will be dependent on the Borrower meetings its loan commitments. Generally where the Mortgage Investment has the interest on the loan capitalised this will be disclosed. Interest capitalised means the loan advanced includes the interest payable on the loan and the interest is retained by the Manager to meet distribution payments during the agreed term of the loan.	
Benchmark 8: Withdrawal arrangements The Manager should provide details of whether investors will have the ability to withdraw from the Fund.	Yes	Unless a substitute investor can be found, it is not possible to withdraw your investment during the term of a Mortgage Investment.	1.7