

CASH ACCOUNT.

Prospectus No.6 for the issue of notes

Issued by Bell Potter Capital Limited
ABN 54 085 797 735
AFSL No. 360457

Offered by Bell Potter Securities Limited
ABN 25 006 390 772
AFSL No. 243480

Prospectus No 6
Dated 2 May 2011
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BELL POTTER

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DISCLOSURES AND DEFINITIONS

ISSUER

Bell Potter Capital Limited ("Bell Potter Capital", the "Company", "we", "us" or "our") – a wholly owned subsidiary of Bell Financial Group Ltd ABN 59 083 194 763 ("Bell Financial Group") – is the issuer of the notes described in this prospectus. Bell Financial Group is the listed holding company of Bell Potter Capital (the Issuer) and Bell Potter Securities Limited AFSL No. 243 480 ("Bell Potter Securities"). Bell Financial Group guarantees the repayment of principal and accrued interest on Bell Potter Cash Accounts.

ARRANGEMENT WITH BELL POTTER SECURITIES

We issue notes pursuant to an arrangement between us and Bell Potter Securities. As a licensed entity, Bell Potter Securities promotes the notes. We will issue notes in accordance with offers made by Bell Potter Securities. The offer of notes is authorised under Bell Potter Securities' Australian financial services licence.

LODGEMENT WITH ASIC

This prospectus is dated 2 May 2011 and a copy has been lodged with the Australian Securities and Investments Commission ("ASIC"), which takes no responsibility for the content of this prospectus. Notes will not be issued on the basis of this prospectus later than 13 months after its date.

NOT A BANK ACCOUNT

A Bell Potter Cash Account is not a bank account. Bell Potter Capital is not authorised under the Banking Act, is not supervised by the Australian Prudential Regulatory Authority and the depositor protection provisions in section 13A of the Banking Act will not cover the investment in the Bell Potter Cash Account. However, a Bell Potter Cash Account is represented by notes that are secured by a charge over Bell Potter Capital's assets and are guaranteed by Bell Financial Group.

TRUSTEE

The Trust Company (Australia) Limited (formerly Trust Company Fiduciary Services Limited) (the "Trustee"), a member of The Trust Company Group has been appointed as trustee in respect of the note issue under a trust deed (the "Trust Deed") with Bell Potter Capital.

The Trustee has given and not withdrawn its written consent to be named as Trustee in this prospectus. The Trustee has not authorised or caused the issue of this prospectus. Neither the Trustee nor any member of The Trust Company Group makes any representations as to the truth or accuracy of the contents of this prospectus other than the parts which refer directly to the Trustee. The Trustee does not make any representation regarding or accepting any responsibility for any statements or omissions in or from any other parts of this prospectus. Other than the parts of this prospectus which refer directly to the Trustee or which refer to the provisions of the Trust Deed, the Trustee has relied upon the Company for the accuracy of the content of this prospectus. Neither the Trustee nor any member of The Trust Company Group makes any representations as to the performance of the issue, the maintenance of capital or any particular rate of return.

GENERAL INFORMATION ONLY

This prospectus has been prepared without taking into account the investment objectives, financial situation and needs of any particular investor. You should read this prospectus in its entirety and in particular, the risks associated with investing in notes which are outlined in section 3 of this prospectus. Before deciding whether to invest, you should consider the appropriateness of this investment to your own financial objectives, situation and needs and consult a financial adviser if you are unsure.

No person is authorised to give any information or to make any representation in connection with

the offer which is not contained in this prospectus. Any information or representation not contained in this prospectus may not be relied upon as having been authorised by us, our directors, or any other person in connection with the offer.

NO OFFER OUTSIDE AUSTRALIA

This prospectus does not constitute an offer or invitation in any place outside Australia where, or to any person to whom, it would be unlawful to make such an offer or invitation. The distribution of this prospectus 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. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The notes have not been and will not be registered under the U.S. Securities Act 1933 and may not be offered or sold in the United States or to, or for the account of, a U.S. Person (as defined in Regulation S under the U.S. Securities Act 1933) except in transactions exempt from the registration requirements of the U.S. Securities Act 1933.

EXPOSURE PERIOD

The Corporations Act prohibits us from processing applications for notes in the period beginning with the lodgement of this prospectus with ASIC and ending seven days after such lodgement, or if that period is extended, the end of the period as extended by ASIC (the "Exposure Period"). During the Exposure Period, this prospectus will be made generally available by being posted on our website www.bellpotter.com.au and copies will be made available on request by calling 1800 061 327.

ELECTRONIC PROSPECTUS

The Bell Potter Cash Account is available to people receiving the electronic

prospectus or hard copy prospectus within Australia. If you have obtained this prospectus electronically, you should ensure that you download and read the entire prospectus. A paper copy of this prospectus and application form is available free of charge, simply by contacting us on 1800 061 327.

DEFINITIONS

In this prospectus "you" means the person opening a Bell Potter Cash Account, and in the case of a jointly owned Bell Potter Cash Account, "you" means each of you separately and jointly. "You" includes your successors and assigns and any person authorised under a power of attorney to act on your behalf.

ASIC RELIEF

For an application to apply for a fixed term deposit, this prospectus adopts ASIC Class Order [CO 00/174] which deals with updating interest rate and term information in a note prospectus.

Bell Potter Capital has been granted ASIC relief that will permit it to refuse inspection of the register of note holders or to refuse to provide a copy, unless the person wishes to inspect or copy only that part of the register relating to that person or has provided an undertaking restricting the use of any information obtained.

For any queries, go to www.bellpotter.com.au or call Bell Potter Capital on 1800 061 327.

1 FEATURES AT A GLANCE

FEATURE	FACTS, BENEFITS AND RISKS	
	At-call deposits	Fixed deposits
Minimum initial investment**	None	\$25,000
Minimum additional investment	None	Not applicable
Minimum withdrawal amount	None	Not applicable
Minimum balance**	None	\$25,000
A competitive interest rate on your entire balance	The current interest rates are available on the Bell Potter website: www.bellpotter.com.au or can be obtained by contacting us on 1800 061 327	
Fees and charges	Bell Potter Capital doesn't impose any fees or charges on basic transactions. We may, however, charge fees where you request that we provide a specific service for you such as a special clearance.	
Operates like a traditional deposit	<p>You do not need any initial investment funds to open your Cash Account. Simply complete the application form that accompanies this prospectus.</p> <p>Your Cash Account has a BSB and account number – which means you can arrange for direct crediting of funds (eg dividends).</p> <p>We also provide you with a B-Pay Biller Code and Reference so you can B-Pay from other cheque and savings accounts.</p> <p>Your Cash Account is not a bank account and does not offer the same depositor protection as a bank account. See section 3 "Risks" for more information.</p>	
No minimum or maximum deposit amounts or account balances on at-call deposits	On your at-call deposit, you have flexibility to deposit funds and withdraw up to your available balance any amount you choose without limit.	
Interest calculated daily	You start earning interest from the day you deposit cleared funds.	
Ready access to Bell Potter Cash Account details	You can access details about your Bell Potter Cash Account (including balance) at any time over the internet at www.bellpotter.com.au . You can also keep track of the details of your Cash Account with your monthly statements.	
Links to other Bell Potter stock broking facilities	<p>You can arrange to have your share transactions with Bell Potter Securities automatically settled from the balance of your at-call deposit.</p> <p>You can use your at-call deposit to make application for other financial products (eg managed funds, new floats). You can have a Cash Account linked to your Bell Potter Portfolio Lending Facility so you can hold cash and receive dividends in your at-call deposit.</p>	
Risks of the Bell Potter Cash Account	An investment in the Bell Potter Cash Account is subject to risks. This includes credit, liquidity and interest rate risk. See section 3 "Risks" for more information. You need to understand these risks and we encourage you to seek professional financial advice if you are unsure of any aspect of this investment.	

** When you apply for a Bell Potter Cash Account you are also automatically applying for a \$1 "Foundation Account" note. We will give you this \$1 and by maintaining this account, you will not be required to complete further application forms for future deposits. See section 5.4 for more details.

2 ABOUT THE OFFER

2.1 Bell Potter Capital business model

Bell Potter Capital is a company set up specifically to provide cash management and margin lending services to clients of the Bell Financial Group and other investors. The funds that are deposited by clients with Bell Potter Capital (via the issue of notes) are used to fund margin loans provided to other clients.

Margin loans provided to investors are typically secured by listed Australian shares and managed funds. When loans are made they are over-collateralised – in that the maximum we lend against any asset (share or managed fund) is limited, usually to between 40% - 75% of the value of the assets. The notes issued by Bell Potter Capital are secured against the assets of the Company and repayment of principal and interest are guaranteed by Bell Financial Group.

Senior management of Bell Potter Capital have 12+ years of experience operating margin lending and cash businesses within stockbroking environments.

Section 3 provides more details about the risks in investing in Bell Potter Capital notes.

2.2 What type of investment is this?

“Bell Potter Cash Account” is the name given to the cash management facility through which you can apply for and hold notes issued by Bell Potter Capital and offered by Bell Potter Securities under this prospectus.

The balance of your Cash Account is represented by the issue of notes – which are a type of debt security – to you. The notes are issued by Bell Potter Capital which is a special purpose company established to provide margin lending and cash management facilities to investors. The notes are secured by a charge over the assets of Bell Potter Capital and are issued pursuant to the Trust Deed.

Under the law, an issuer can only describe or refer to its product in certain terms, based on the type of security which is given by the issuer. The purpose of this law is to ensure that investors are informed of the risks associated with that security being available and sufficient to repay the investor. We have elected to describe the Cash Account as a note because it is secured by a first ranking charge over all of the assets of Bell Potter Capital, which principally comprise margin loans. Under ASIC interpretation, loan receivables (such as margin loans) are considered a form of intangible property. Loan receivables are considered tangible property under Accounting Standards and appear as such in our audited financial statements. The Cash Account is not called a debenture because using ASICs interpretation, the Cash Account is not fully secured by tangible property (such as goods or land). It is also not called an ‘unsecured note’ because the Cash Account is secured by a first ranking charge. ASIC currently proposes to allow the use of the term ‘notes’ to describe a product if an issuer meets certain conditions such as

giving investors information about the security.

The Trustee has been appointed under the Trust Deed to represent the interests of the note holders. The terms and conditions of your Cash Account are therefore governed both by that Trust Deed and this prospectus. Under the Trust Deed, Bell Potter Capital has given undertakings to the Trustee to observe certain borrowing limitations to protect the interests of investors. See section 18 "Material documents and privacy" for more details.

Your investment in a Bell Potter Cash Account is secured against the assets of Bell Potter Capital but, as with all non-bank deposit facilities, is not subject to the depositor protection provisions of the Banking Act. When investing in a Bell Potter Cash Account you should seek advice and ensure that the investment is appropriate for you. See section 3 "Risks" for more details.

The Company has been offering its note programme and operating its margin lending facility since May 2006.

The Company has comprehensive policies and procedures which seek to ensure that loans made operate according to facility agreements. For the year to 31 December 2010, the Company issued 85 margin calls. Most margin calls were satisfied in a timely manner. We continually review all loans for impairment. At the date of this prospectus, we expect to recover all amounts and therefore the Company has made no provisions for bad or doubtful debts.

To provide additional funding for its margin lending programme, Bell Potter Capital formed the Bell Potter Margin Loan Trust (BPMLT) in 2007 which is a vehicle by which Bell Potter Capital can obtain funding. Bell Potter Capital will purchase both rated and unrated note investments from BPMLT (see section 18 for more information).

As at 25 March 2011 Bell Potter Capital had lent just over \$181m under its margin lending facility and has raised \$166m under its note issue. Additional funding available through BPMLT totals approximately \$150m and a committed subordinated loan facility of \$15m has been provided from Bell Financial Group (see section 18 for more information).

2.3 What can I use the Cash Account for?

The Bell Potter Cash Account is designed to act both as your core cash account for your investment activities with Bell Potter Securities and as a competitive cash investment account.

The at-call component of your Bell Potter Cash Account operates in a very similar way to a traditional deposit account (although it is not a bank account). You can make deposits and withdrawals and earn interest on the balance in your account. The Bell Potter Cash Account pays a competitive rate of interest and also gives you the option of requesting a fixed interest rate for a fixed term deposit. In particular, your account can be linked to your Bell Potter stockbroking account to facilitate share settlements. It can also be

linked to your Bell Potter Portfolio Lending Facility, which is a margin lending facility made available by Bell Potter Capital. It can be linked to external bank accounts to provide for electronic transfer of funds.

You can also invest funds through your Bell Potter Cash Account in a fixed term deposit. While you can not add to or withdraw from your fixed term deposit during its term, you will generally expect to earn a better rate of interest than on your at-call deposit.

2.4 Continuous disclosure

In June 2009 ASIC issued Regulatory Guide 198 ("RG 198") which provided guidelines as to how unlisted disclosing entities, such as the company, should comply with continuous disclosure obligations under the Corporations Act 2001.

The Company has a policy to ensure that price sensitive information in relation to the notes which is not disclosed in this prospectus is available, in accordance with the continuous disclosure requirements of the Corporations Act, to investors in the Company's notes. Consistently with RG198 the Company will comply with its continuous disclosure obligations by posting continuous disclosure information on the Company's website at www.bellpotter.com.au.

Bell Potter Capital will also post copies of the quarterly report given to the Trustees and ASIC pursuant to s283BF of the Corporations Act on this website.

3 RISKS

3.1 Appropriateness

All investments carry risks and the risks involved in this investment need to be considered as part of your overall financial position. You need to ensure that you understand these risks and that an investment in a Bell Potter Cash Account is consistent with your personal financial objectives. We strongly encourage you to seek professional financial advice if you are unsure about any aspect of this investment.

In particular, please remember that if you select a fixed term account for all or part of your investment, those funds will not be available until the fixed term matures. See section 3.4 "Interest rate risk" below.

3.2 Credit risk

Credit risk relates to the capacity of the borrower, Bell Potter Capital, to repay your investment and interest. Repayment of capital and interest is guaranteed by Bell Potter Capital's parent, Bell Financial Group.

If the borrowers who borrow money from the Company default on their loans, the Company may not have enough money to repay investors' principal and their interest.

If Bell Potter Capital defaults on the notes and Bell Financial Group becomes insolvent, investors will rank with other unsecured creditors of Bell Financial Group in enforcing the guarantee and may not recover interest and principal owed on the notes.

Investors should be aware that the Bell Potter Cash Account is not a bank deposit and does not offer depositor protection. Bell Potter Capital manages this risk by:

- ensuring that liabilities to investors are adequately covered by total tangible assets; and
- ensuring that the assets of the Company are well managed, protecting both the amounts invested and the income.

The assets of the Company will consist of:

- a portfolio of short and medium term loans secured by charges over listed equities and managed funds;
- a portfolio of short-dated bank bills and bank deposits;
- a portfolio of rated and unrated note investments in the Bell Potter Margin Loan Trust; and
- units in the Bell Potter Margin Loan Trust.

Risk limits are set and approved by the Board to ensure that the assets are well diversified and the exposure to any one party or security is limited.

There is a risk that a borrower under the margin lending programme may default. We manage this risk by seeking to ensure that:

- the loan portfolio and the underlying security remain well diversified; and
- loans are adequately secured with appropriate margins.

The approved securities under the margin lending programme will generally be listed securities of Australian companies or Australian domiciled managed funds. If the value of the security held by Bell Potter Capital falls and a borrower from Bell Potter Capital defaults, Bell Potter Capital may not realise enough from the sale of the security to repay that borrower's loan. This risk is managed actively through

monitoring borrowers' collateral relative to their loan. The principal method through which sufficient security coverage is maintained is the making of margin calls. The Company may also choose to seek alternative commercial arrangements subject to management approval.

The monies owed to investors under the note programme are secured by a charge over all of the assets of Bell Potter Capital. In the event that Bell Potter Capital is wound up, investors would rank behind any prior ranking secured bank facilities but would rank ahead of all other creditors (except those given preference by law).

Bell Potter Capital intends to limit any bank facilities that rank in priority to the note holders to \$30m. These facilities are designed to provide liquidity to the note holders and to facilitate growth in the margin lending book. As at 31 December 2010 and at the date of this Prospectus, the Company has no bank facilities that rank in priority to the note holders.

The Company is obliged to provide the Trustee with regular reports, including but not limited to, copies of its financial reports, details of the notes on issue and of the Company's assets and liabilities.

3.3 Liquidity risk

Liquidity risk relates to the ability of the Company to liquidate its assets promptly in order to repay your investment when required. Bell Potter Capital meets that risk by maintaining a portion of our investments in liquid assets such as short-dated bank bills and cash deposits.

3.4 Interest rate risk

Interest rates fluctuate according to changes in economic conditions and monetary policy. These changes are reflected in the interest rates you receive on your Cash Account.

Interest rates paid on at-call accounts will vary over time according to changes in underlying interest rates.

By selecting a fixed rate of interest, you gain certainty about the rate that will be received for the duration of the fixed term, but this rate may be higher or lower than underlying rates.

4 BENCHMARK DISCLOSURE FOR RETAIL INVESTORS

This prospectus seeks to comply with the requirements of ASIC Regulatory Guide 69 “Debentures and unsecured notes – Improving disclosure for retail investors” dated June 2010. ASIC has developed eight Benchmarks (of which six are relevant to note issues such as this one, and the other two are relevant only to property-based note issues) on which all note issuers are required to comment, on an ‘if not, why not’ basis. This means that we need to state either:

1. that we meet the benchmark; or
2. that we do not meet the benchmark and explain how and why we deal with the business factor or issue underlying the benchmark in another way.

A full copy of Regulatory Guide 69 can be obtained from the ASIC website www.asic.gov.au.

The Company does not comply with the two property related benchmarks - “Valuations” and “Lending Principles - loan-to-valuation ratios” - as these benchmarks are not relevant to our business.

Set out below are the six benchmarks relevant to our note issue and a summary of Bell Potter Capital’s compliance with them. We encourage you to discuss these benchmarks with your financial adviser or contact us on 1800 061 327.

We also encourage potential investors to consider the ASIC guide entitled “Investing in Unlisted Debentures and Unsecured Notes” which is available from the ASIC website or on our website at www.bellpotter.com.au

BENCHMARK	DO WE MEET THE BENCHMARK?	EXPLANATION
<p>EQUITY CAPITAL</p> <p>Issuers to maintain a minimum of 8% equity, Issuers to disclose comparative equity ratio from prior year.</p>	No	<p>Using ASIC’s definition of Equity Capital, Bell Potter Capital’s level of equity as at 31 December 2010 was:</p> $\frac{\text{equity capital}}{\text{total debt} + \text{equity capital}} = 2.56\% \text{ equity (2009:1.98\%)}$ <ul style="list-style-type: none"> ■ However, Bell Potter Capital is required under the Trust Deed to maintain Committed Capital of 2% of total tangible assets or \$15m, whichever is higher. ■ Bell Potter Capital is also required under its AFSL to maintain NTA of at least \$5m. Our NTA as at 31 December 2010 was \$5.7m. ■ ‘Committed Capital’ as defined in the Trust Deed is not the same as ASIC’s definition of ‘Equity Capital’ and in particular, Committed Capital pursuant to the Trust Deed includes subordinated debt. Currently Bell Financial Group (the listed parent of Bell Potter Capital) has provided a committed subordinated debt facility of \$15m and accordingly the level of Committed Capital as at 31 December 2010 was \$20,703,146. If ASIC’s definition of “Equity Capital” included committed subordinated debt, Bell Potter Capital’s level of equity would be 9.21% (2009: 8.68%). ■ In addition, Bell Financial Group has guaranteed the repayment of principal and interest (more details in section 18.4). ■ We consider the level of capital required in our Trust Deed and our NTA sufficient for the business. The assets of Bell Potter Capital that constitute security for the charge given in favour of the Trustee are sufficient and are reasonably likely to be sufficient to meet the repayment of all other liabilities: <ol style="list-style-type: none"> (i) that have been made or incurred; and (ii) that rank in priority to or equally with that liability.

BENCHMARK	DO WE MEET THE BENCHMARK?	EXPLANATION
<p>LIQUIDITY</p> <p>All issuers:</p> <ol style="list-style-type: none"> 1. Have cash flow estimates for next 3 months; and 2. Ensure they have on hand cash or cash equivalents to meet projected cash needs for next 3 months 	Yes	<ul style="list-style-type: none"> ■ The assets supporting our note issue are margin loans, which are repayable on demand and are mostly at-call – thus there is inherent liquidity in our business (ie. our current liabilities [repaying note holders] are closely matched by our current assets [at-call loans to margin lending clients]). ■ We produce high level cash flow expectations on a monthly basis for the next 2 years, with detailed cashflow measurements produced every day for the following 3 days (to take into account the settlement of trades in the margin lending book). ■ We are, subject to terms and conditions, able to raise funds from the BPMLT. For more information see section 18.5. ■ If our level of notes held on an at call basis over the next three months dropped by 20% we would have sufficient cash on hand to meet our needs, or could draw down from the BPMLT.
<p>ROLLOVERS</p> <p>All issuers to clearly disclose their approach to rollovers, including whether the default is that note investments are automatically rolled-over and how they inform those rolling over of any current prospectus and continuous disclosure announcements.</p>	Yes	<ul style="list-style-type: none"> ■ Client funds are held at-call unless a client specifically requests a fixed term deposit. If a fixed term deposit is requested, then on maturity the fixed term deposit will be credited to your at-call account and will therefore be available at call, unless you specifically instruct us to the contrary. ■ A reminder is sent to all clients prior to fixed term maturity, seeking instructions. As part of that notice, clients are encouraged to review the current prospectus and any continuous disclosure notices on the internet.
<p>DEBT MATURITY</p> <p>All issuers to disclose:</p> <ol style="list-style-type: none"> a) an analysis of the maturity profile of interest-bearing liabilities b) the interest rate or average interest rates applicable to their debts 	No	<ul style="list-style-type: none"> ■ Bell Potter Capital does not comply with this benchmark. Current interest rates for our cash account are available on our internet site www.bellpotter.com.au. We consider that as a company with a narrow range of products - the provision of cash accounts and margin lending facilities - sufficient information is available in our accounts for our investors. To provide more detailed information would be commercially disadvantageous.

BENCHMARK	DO WE MEET THE BENCHMARK?	EXPLANATION
<p>LOAN PORTFOLIO</p> <p>Issuers who on-lend funds should disclose the current nature of their loan portfolio, their policies on these issues and explanations about security taken in relation to the loans</p>	No	<ul style="list-style-type: none"> ■ Funds lent to Bell Potter Capital by note holders are predominantly on-lent to clients as margin loans. All margin loans are made on a secured basis only and Bell Potter Capital holds a mortgage over all the assets used as security for its margin loans. Security for the loans is usually ASX listed Australian shares and managed funds. We do not extend margin loans until we have control of, and good title to, the underlying shares and managed funds. ■ We are required under this benchmark to provide an analysis of the maturity profile by term and value of our loan portfolio and the average interest rates applicable to the assets. We consider our investors have sufficient information in this prospectus and our accounts, and to provide this level of detail would be commercially disadvantageous. ■ All risk policies are established and governed by the Bell Financial Group Credit Committee which has established a series of limits, including maximum loan size. ■ The average gearing of the margin loan book as at 25 March 2011 is 34.07%. The median level of gearing is 40.09%. ■ As at 25 March 2011 we have 2013 margin lending clients to whom we have extended \$182m in loans. ■ As at 25 March 2011 the value of the collateral securing those loans is \$509m. ■ Loans are extended to clients from across Australia and we also have a small number of clients who reside overseas. The vast majority of our clients have a Bell Potter Securities adviser. ■ At 25 March 2011 there was one margin loan in arrears. This loan has a principal value of \$28,978 (including capitalised interest to date). The value of the assets securing the loan exceed the value of the loan and the borrower has been granted extended payment terms. No impairment provision has been made at the date of this prospectus and recoverability is monitored and assessed on an ongoing basis. ■ As at 25 March 2011 no loans are subject to legal proceedings. ■ In aggregate we have lent \$38.2m to the top 10 borrowers as at 25 March 2011. Our policy is that no loan should exceed 10% of the total loan book, except with appropriate authorisation. Our largest loan as at 25 March 2011 was \$7.5m (4.1% of the loan book). This loan has been approved in accordance with the Company's lending policy and has operated according to the facility agreement at all times.
<p>RELATED PARTY TRANSACTIONS</p> <p>Issuers to disclose their approach and policies in relation to related party transactions</p>	Yes	<ul style="list-style-type: none"> ■ Bell Potter Capital provides all margin loans on commercial, arm's length terms. We do not extend loans to our parent, nor to any other company in the Bell Financial Group. Some margin loans have been made to senior staff including directors. These loans have all been made on standard commercial terms and are subject to usual risk management scrutiny including impairment assessment. In aggregate, we have made 151 loans to staff totalling \$16.4m (9% of total loan book) and \$0m to related entities.

5 OPENING A BELL POTTER CASH ACCOUNT

5.1 Application form

You can open a Bell Potter Cash Account by completing the application form that accompanies this prospectus and by following the instructions specified. Prospectuses can be obtained either by downloading via Bell Potter's website (www.bellpotter.com.au) or in hard copy (available by calling us on 1800 061 327).

You must provide all of the information in the application form that is required. The Cash Account is available in Australia to any person or persons including individuals, companies, superannuation entities and trustees. Where applications are made jointly, we accept a maximum of three parties.

5.2 Selecting your deposits

The application form invites you to select a combination of at-call and fixed term deposits. The minimum amount for a fixed term deposit is \$25,000.

If you do not select a fixed term deposit on your application form, then you will be taken to have applied for an at-call deposit. Your money will be deposited at-call unless you give us instructions to make a fixed deposit with some or all of that money. Section 10.2 "Giving us instructions" explains how to give us instructions.

5.3 Tax File Numbers

It is not compulsory for you to provide your Tax File Number details. However, if you do not do so, Bell Potter Capital is required to deduct withholding tax from interest earned unless you are in an exempt category and provide relevant details as specified in the application form. A further explanation of this and of other tax implications of your investment is set out in section 15 "Taxation". Bell Potter Capital will preserve the confidentiality of your tax file number, collection of which is authorised by tax laws.

5.4 Foundation account

When you first apply for a Bell Potter Cash Account, you are also automatically applying for a \$1.00 "Foundation Account" note. As long as you retain your Foundation Account, you will not need to complete another application form when you make additional deposits to your Cash Account.

We will give you the \$1.00 to establish your Foundation Account. No interest is payable on your Foundation Account and it will not form part of the regular reporting to you.

The Foundation Account represents your initial investment and is sufficient to open your Cash Account. Further funds can then be deposited to your Cash Account either electronically or from share settlements.

There will be an administrative charge of \$1.00 levied when you close the Foundation Account.

5.5 Confirmation of account opening

Once Bell Potter Capital has processed your completed application form, we will post or email you a letter informing you that your Bell Potter Cash Account has been activated and providing you with details of your account and details of any initial deposit. We will also provide you with a BSB, account number and B-Pay reference number that can be used to electronically transfer funds into your Cash Account.

5.6 At-call deposits

Cleared funds deposited at-call will generally be available within one business day.

The interest rate payable on at-call deposits is variable during the term of the investment and determined by Bell Potter Capital. Current available interest rates can be obtained at any time by calling 1800 061 327 during business hours or by visiting our website www.bellpotter.com.au. The interest rate will vary periodically with changes in underlying economic and market conditions. See section 3.4 "Interest rate risk".

We encourage you to look at our current at-call interest rates when you apply for an at-call deposit. As the funds are at-call, they can be withdrawn at any time.

5.7 Fixed term deposits

Funds can be deposited for a fixed term, at a fixed rate of interest and cannot be withdrawn until maturity. The minimum amount for a fixed term deposit is \$25,000.

When you apply for a fixed term deposit, you need to fill in the applicable rate on your application form. Current available interest rates and terms can be obtained at any time by calling 1800 061 327 during business hours or by visiting www.bellpotter.com.au. See section 3.4 "Interest rate risk".

We strongly encourage you to contact us to confirm current rates before completing your application form.

If we receive an application from you for a fixed term deposit that does not contain the currently available interest rates and terms (for example, you do not insert the interest rate or insert an incorrect rate or term on the application form), we will invest your funds in a fixed term deposit at the current interest rate and on the current terms. We will notify you that an error has been made in your application form and the correct interest rate and term. You may request repayment (with any accrued interest) within one month after we notify you.

These procedures are in line with ASIC Class Order [CO 00/174] "Note prospectuses: updating of interest rate and term information". This prospectus adopts that class order.

When you invest in a fixed term deposit, we will send you a confirmation, confirming the amount, term, and interest rate.

Interest on your fixed term deposit will be credited to your at-call account, unless you tell us otherwise in writing. Please refer to section 9 "Interest payments".

Upon maturity, your funds can be:

- reinvested in another fixed term deposit;
- credited to your at-call account;
- credited to your nominated bank account; or
- paid to you by cheque.

If you do not provide us with specific instructions prior to maturity, your funds will be credited to your at-call account.

6 MAKING DEPOSITS AND WITHDRAWALS

6.1 Deposits

To make a 'deposit' into your Bell Potter Cash Account is to invest in a Bell Potter Capital note or to increase the amount we owe you under your note.

You can make deposits into your Bell Potter Cash Account in a variety of ways, as shown in the table below. Your BSB, Account number, B-Pay biller code and reference number are all included in your Welcome Pack, emailed or posted to you once your Bell Potter Cash Account is established.

FEATURE	DETAILS
Direct credit	Transfer funds via a direct crediting arrangement eg to receive dividends. You will need to complete a "direct credit" form from the participating registry. Quote BSB 013-986 and your account number.
B-Pay	B-Pay cleared funds into your account and start earning interest immediately. Contact your participating Bank, Credit Union or Building society and quote Biller Code 253104 and your reference number.
Electronic funds transfer	Instruct another financial institution with whom you have funds to transfer them to your Cash Account. Quote BSB 013-986 and your account number.
Internet banking	Transfer funds into your Cash Account from a bank account held with another financial institution. Quote BSB 013-986 and your account number. For over-the-counter banking contact us for additional details.
By mail	Post a cheque and instructions (including your account name and number) to: Bell Potter Capital GPO Box 4718 Melbourne VIC 3001
Automatically deposit proceeds of share transactions into your Bell Potter Cash Account	You can authorise Bell Potter Securities to settle all share, commodity and derivative sales to your Bell Potter Cash Account.

6.2 Withdrawals

To make a 'withdrawal' from your Bell Potter Cash Account is to redeem a Bell Potter Capital note or to reduce the amount which we owe you under your note.

You can make withdrawals from your account in a number of ways, as shown in the table below. Details of the BSB and your account number are included in your Welcome Pack, emailed or posted to you once your Bell Potter Cash Account is established.

FEATURE	DETAILS
Automatically draw from your Bell Potter Cash Account to settle share purchases	You can authorise Bell Potter Securities to settle all share, commodity and derivative purchases from your Bell Potter Cash Account.
By mail	<p>You can instruct us in writing to transfer funds to a financial institution account or to draw a cheque made payable:</p> <ul style="list-style-type: none">■ to you; or■ to a third party for the purchase of a financial product. <p>Post instructions (including your name, account number and signature of an authorised person) to:</p> <p>Bell Potter Capital GPO Box 4718 Melbourne VIC 3001</p>
By phone, email, or fax	If you have already nominated a designated bank account (in the application form or via a signed instruction to us) we will accept phone, email or fax instructions to transfer funds to that account.

7 KEEPING YOU INFORMED

After processing your application and establishing your Bell Potter Cash Account, we will post or email you a Welcome Pack, which includes:

- a welcome letter;
- confirmation of your initial investment;
- your BSB and account number;
- your B-Pay biller code and reference;
- our contact details; and
- the name of your designated Account Manager.

You can access your Bell Potter Cash Account through our website at www.bellpotter.com.au 24 hours a day, 7 days a week. Our website provides account details and current interest rates. You can also download your transaction history at any time from the website.

You can also call your designated Account Manager on 1800 061 327.

We will send statements to you at the end of each month, which show all transactions on your Cash Account for that month. When you receive your statement, please check the entries on it carefully and report any error or unauthorised transaction to Bell Potter Capital as soon as possible.

The first statement you receive after the end of the taxation year will provide you with details of interest paid on the Cash Account for the previous taxation year ended 30 June.

Each quarter we are required to send a quarterly report to the trustee and ASIC pursuant to s283BF of the Corporations Act. We will publish this report on our website at www.bellpotter.com.au.

We are committed to handling any of your queries, issues or complaints quickly, fairly and in the strictest of confidence.

8 RESOLVING YOUR ISSUES

We encourage you to raise any issues directly with your dedicated Account Manager. If your issue is not resolved to your satisfaction, please write to:

General Manager – Investment Services

Bell Potter Capital Limited
GPO Box 4718
Melbourne VIC 3001

We will acknowledge receipt of your issue within 48 hours, and we will let you know the process and the timing we will follow to resolve your issue.

9 INTEREST PAYMENTS

The current interest rate for your Bell Potter Cash Account can be confirmed by going to Bell Potter's website, www.bellpotter.com.au or by calling 1800 061 327. Since the interest rates will vary from time to time to reflect competitive market rates, Bell Potter Capital publishes current rates on the Bell Potter website, and includes details in your monthly statements.

9.1 At-call interest

Interest is calculated daily on the end-of-day balance of your Bell Potter Cash Account. This includes the day we receive your cleared funds for deposit but excludes the day of withdrawal.

Interest is credited to your Bell Potter Cash Account on the last Business Day in each month and on the day your Bell Potter Cash Account is closed. Interest credited to your Bell Potter Cash Account on the last Business Day of each month is available for your use on the next Business Day.

9.2 Fixed term interest

For fixed terms of less than 12 months – interest is paid at maturity, unless otherwise agreed.

For fixed terms of greater than or equal to 12 months – interest is paid quarterly in arrears, unless otherwise agreed.

Interest on fixed term deposits can be paid in the following ways:

- by reinvesting the interest in an at-call account;
- by capitalising the interest at rollover (for maturities less than 12 months); and
- payment by cheque or crediting to your nominated financial institution.

10 TERMS AND CONDITIONS OF YOUR CASH ACCOUNT

By applying for a Bell Potter Cash Account on the accompanying application form, you agree to be bound by the terms and conditions set out in this section. Bell Potter Capital has the right to refuse to accept any application.

10.1 Opening an Account

With more than one signatory

If you require more than one signatory on your Bell Potter Cash Account, you will need to specify how your Account will operate i.e. who will be required to sign instructions or requests. If no option is specified then this means that any one signatory can operate the Account alone.

Account in the name of a trust

If you wish to open an account in the name of, or including a trust, you will need to provide us with a copy of the trust deed.

10.2 Giving us instructions

Unless otherwise agreed, all instructions to Bell Potter Capital must be in writing and signed by an authorised person on the Account. The instruction must be clear and unambiguous and include the following:

- the date that the transaction is to occur;
- the account details (name and account number) from which the transaction is to occur; and
- the amount of the transaction.

Where Bell Potter Capital is not clear on the instruction, does not have sufficient information to process the instruction, or is not able to process the instruction, we will attempt to contact you to resolve the issue. It is important therefore that you maintain up to date contact details with us. Bell Potter Capital is not liable to you for transactions that it cannot process due to inaccurate, ambiguous or incomplete instructions.

You agree Bell Potter Capital can delay, block, or refuse to effect a transaction if Bell Potter Capital believes on reasonable grounds that the transaction may breach any law and Bell Potter Capital is not liable to you if it does so.

10.3 Settlement authority

If you wish transactions with Bell Potter Securities to be settled to and from your Bell Potter Cash Account, please complete section 5 of the application form.

Completion of this section constitutes a 'standing instruction' and we will continue to settle transactions to and from your Bell Potter Cash Account unless and until an instruction to revoke it is received.

10.4 Withdrawals by phone or facsimile

If you wish to transfer funds from your Bell Potter Cash Account by giving instructions via telephone or facsimile, you must have previously nominated an external bank account, by providing the following details in writing:

- the name of the account
- BSB; and
- account number.

10.5 Cut-off times for receipt of instructions

Cut-off times for receiving instructions to allow for same-day processing will be published from time-to-time on our website (www.bellpotter.com.au) or you can obtain current cut-off information by calling us on 1800 061 327 or emailing cash@bellpotter.com.au

11 FEES AND CHARGES

Bell Potter Capital does not charge you fees to operate your Bell Potter Cash Account. There is a \$1 termination fee (GST inclusive) levied when you close your Account. This fee can be paid by redeeming your Foundation Account note.

Government transaction charges do not presently apply to your Bell Potter Cash Account.

Bell Potter Capital may charge fees where you request that we provide a specific service for you (eg for a special clearance). We will let you know if any fees apply to a requested service.

12 RIGHT OF SET-OFF

You acknowledge our right, at any time and without notice, to set off the balance of your Bell Potter Cash Account with any other money you may owe us unless this would breach any law. Bell Potter Capital will promptly inform you if it has done this but need not do so in advance.

13 SUSPENSION OF WITHDRAWALS

If Bell Potter Capital places a stop on your Bell Potter Cash Account, you will not be able to access or transact on your Bell Potter Cash Account until the stop is lifted. We may place a stop on your Account if:

- we are required to do so by law or by a Court order;
- you die;
- an overdrawn balance on your Account is not rectified;
- we have received returned mail or email;
- you have not provided us with mandatory details; or
- we become aware of a dispute involving Account holders.

14 CHANGING TERMS AND RATES

14.1 Amending these terms and conditions

You acknowledge that Bell Potter Capital can change any of these terms and conditions. Where the change may have a material or adverse affect on you, we will give you, at least 30 days beforehand:

- a summary of the proposed change; and
- an opportunity to read the detail of the change which we will make available by posting details of the change on our website or, if you ask us, by mailing a copy of the change to you.

14.2 Interest rate changes

You agree that a change in interest rates is deemed not to be an adverse change to you and you agree to notification of changes in interest rates from time to time by placing these details on our website www.bellpotter.com.au and including details of current interest rates in your monthly statement. You can also check current interest rates by calling us on 1800 061 327.

The interest rate payable on your fixed term deposit is fixed for the term of that deposit.

15 TAXATION

Investing in your Bell Potter Cash Account will have taxation implications. The effect of taxation will vary according to your personal circumstances. You should seek independent professional advice having regard to your personal circumstances. You must satisfy yourself as to the tax implications of this investment.

The following is a guide to the tax implications of this investment:

- Interest income earned on your deposits will be assessable income. Generally, you will include the interest in your assessable income in the financial year in which it is received or credited.
- However, if you hold your deposits as part of a business conducted by you, it may be more appropriate to recognise the interest on an accruals basis. This will depend on your individual circumstances.
- The first statement you receive after the end of the taxation year will provide you with details of interest paid on your deposits for the previous taxation year ended 30 June.
- If you are an Australian investor, we will ask you to quote your TFN, ABN (if your investment is made through an enterprise) or relevant exemption to Bell Potter Capital. If an ABN, TFN or exemption is not quoted, Bell Potter Capital must deduct tax from any interest income paid at the highest marginal rate plus Medicare levy. However, amounts withheld can be claimed as a credit against your tax liability in your income tax return.
- Please advise if you are or become a non-resident, as we are required to deduct withholding tax from all interest paid to you.

16 IMPORTANT INFORMATION

16.1 About the issuer

Bell Potter Capital is a wholly owned subsidiary of Bell Financial Group. Bell Financial Group guarantees repayment of principal and accrued interest on your Bell Potter Cash Account.

Bell Potter Capital has been formed as a special purpose company to provide margin lending and cash management facilities to investors. The Trustee is appointed to represent the interests of the note holders. The notes are secured by a charge over all the assets of Bell Potter Capital.

The Board of Bell Potter Capital comprises:

Rowan G. Fell joined Bell Potter Securities as Director of Investment Services in October 2005 to establish in-house Margin Lending and Cash facilities for clients of the firm. Rowan has worked in financial services since 1979, developing experience in a broad range of activities, including senior management roles in Margin Lending and other investment services, equities research, portfolio trading, derivatives and quantitative analysis. Prior to joining Bell Potter Securities, Rowan was a partner at Goldman Sachs JBWere, where he was responsible for a broad range of investment services. Rowan has Honours in Pure Mathematics from Australian National University and is a Fellow of the Financial Services Institute of Australia.

Colin M. Bell founded Bell Commodities in 1970 after working with the International Bank for Reconstruction and Development in Washington DC, USA. Mr Colin Bell is the Executive Chairman of Bell Financial Group and oversees the business development of the group. He has a Bachelor of Economics (Hons.) degree from Monash University.

Andrew G. Bell joined the Bell Financial Group in 1978 after working in merchant banking in Melbourne and London with Australia United Corporation Ltd., S.G. Warburg & Co Ltd. and Capel Court Corporation Ltd. Mr Andrew Bell is an Executive Director of Bell Potter Securities. He has a Bachelor of Commerce degree and an MBA from Melbourne University.

Lewis M. Bell joined the Bell Financial Group in 1980 after working in management positions with Australian industrial companies. Mr Lewis Bell is an Executive Director of Bell Potter Securities Limited and is responsible for the Bell Financial Group's compliance function. He has an LLB degree from Melbourne University and an MBA from the Wharton School of Finance and Commerce at the University of Pennsylvania.

Alastair Provan joined the Bell Financial Group in 1983 and was appointed Group Managing Director in 1992. Mr Provan is the Managing Director of Bell Financial Group and is in charge of the operating and daily administration of Bell Potter Securities Limited.

Craig Coleman has been a Senior Adviser with Wyllie Group since 2006, and is also a non-executive director of the Wyllie Group. He is also a non-executive director of Bell Financial Group. Previously, he was managing director and a non-executive director of Home Building Society Limited. Prior to joining Home Building Society, Craig held a number of senior executive positions and Directorships with ANZ, including managing director – Banking Products; managing director – Wealth Management and non-executive director of E*Trade Australia Limited. He is also Chairman of Rubik Financial Ltd. He is a member of the Bell Financial Group's Risk and Audit and Remuneration Committees. Craig has a Bachelor of Commerce, University of Western Australia.

Dean A. Davenport joined the Bell Financial Group in 1995. He is a chartered accountant with over 17 years financial services industry experience. He is currently the Chief Financial Officer and Chief Operating Officer for the Bell Financial Group and has held these positions for over 10 years and is also an Executive Director of Bell Potter Securities. Dean previously worked for KPMG Melbourne for 5 years. He has a Bachelor of Business from Swinburne University.

16.2 Directors' consents

Mr Rowan Fell, Mr Colin Bell, Mr Andrew Bell, Mr Lewis Bell, Mr Alastair Provan, Mr Craig Coleman and Mr Dean Davenport as directors of Bell Potter Capital each have consented:

- to being named in this prospectus as directors and have not withdrawn their consent as at the date of this prospectus; and
- to the lodgement of this prospectus with ASIC.

16.3 Other consents

The following persons have consented to being named in this prospectus in the manner detailed below and have not withdrawn their consent as at the date of this prospectus:

- KPMG as Auditors of Bell Potter Capital;
- Blake Dawson as Legal Advisers to Bell Potter Capital;
- The Trust Company (Australia) Limited as Trustee;

- Bell Financial Group Ltd as the ultimate holding company, provider of subordinated loan finance and provider of guarantee; and
- Bell Potter Securities Limited as the offeror of the notes.

No entity referred to above has made any statement that is included in this prospectus or any statement on which a statement made in this prospectus is based, except as stated above. Each of the entities and persons referred to above expressly disclaims and takes no responsibility for any statements in or omissions from this prospectus, except to the extent where consent is given above. No entity or person referred to above makes any representation as to the performance of the issue, the maintenance of capital or any particular rate of return.

16.4 Interests

How we and our staff are remunerated

Representatives of Bell Potter Capital, including our account managers, do not receive any remuneration directly related to providing the Bell Potter Cash Accounts. They do however receive a fixed salary for their assistance in the administration of the Cash Accounts and may receive a bonus related to their overall performance.

Commissions

Investment advisers of Bell Potter Securities may receive a trailing commission of up to 0.25% per annum calculated on the daily balance in the Bell Potter Cash Account.

Trustee remuneration

The Trust Company (Australia) Limited has agreed to act as Trustee in relation to the notes. Bell Potter Capital has paid or agreed to pay approximately \$60,000 in relation to the total issue of notes issued under this and any related prospectuses, to the date of this prospectus. Further amounts will be payable to the Trustee at the rate agreed by Bell Potter Capital with the Trustee from time to time. This fee is payable by Bell Potter Capital.

Lawyer remuneration

Blake Dawson has acted as legal adviser to Bell Potter Capital in connection with the offer. An amount not exceeding \$12,000 will be paid to Blake Dawson in accordance with its usual time-based charge-out rates.

Auditor remuneration

KPMG has audited the consolidated accounts of Bell Potter Capital and was paid \$55,000 for this service.

Directors

The directors of Bell Potter Capital, other than Craig Coleman, are employees of Bell Potter Securities, a related entity of Bell Potter Capital and are shareholders in the parent company of Bell Potter Capital, Bell Financial Group Ltd.

The directors may participate in employee remuneration arrangements of Bell Potter Securities and Bell Financial Group Ltd. As at 1 January 2011, the directors each have interests in shares in Bell Financial Group Ltd as set out below:

	DIRECT INTEREST	DIRECT AND INDIRECT INTEREST
Mr Colin Bell	0.62%	13.00%
Mr Andrew Bell	0.25%	9.81%
Mr Lewis Bell	0.40%	12.77%
Mr Alastair Provan	0.57%	12.95%
Mr Rowan Fell	0.24%	0.24%
Mr Craig Coleman	0.02%	0.70%
Mr Dean Davenport	0.07%	0.07%

Other than disclosed in this prospectus, there are no interests that any director holds or has held at any time in the last two years in:

- the formation or promotion of Bell Potter Capital;
- property acquired or proposed to be acquired by Bell Potter Capital in connection with its formation or promotion or the offer of the notes; or
- the offer of the notes.

Other than disclosed in this prospectus, no director or other person named in this prospectus has received a payment or benefit:

- to induce them to become a director; or
- for services in connection to the formation or promotion of Bell Potter Capital or the offer of the notes.

17 FINANCIAL POSITION

The following financial information is an extract from the audited accounts of the Company as at 31 December 2010 and at 31 December 2009. The accounts show the consolidated position of Bell Potter Capital, including the Bell Potter Margin Loan Trust.

BALANCE SHEET	31 DECEMBER 2010 \$	31 DECEMBER 2009 \$
CURRENT ASSETS		
Cash and cash equivalents	49,995,318	30,412,611
Loans and advances	174,907,259	193,030,819
Trade and other receivables	1,607,124	2,507,880
Derivative asset	-	197,263
Prepayments	224,827	265,552
Total current assets	226,734,528	226,414,125
NON-CURRENT ASSETS		
Loans and advances	-	-
Total non-current assets	-	-
Total assets	226,734,528	226,414,125
CURRENT LIABILITIES		
Deposits and other borrowings	217,132,007	216,887,857
Derivative	8,190	-
Trade and other payables	3,891,185	5,046,963
Provisions	-	92,500
Total current liabilities	221,031,382	222,027,320
NON-CURRENT LIABILITIES		
Deposits and other borrowings	-	-
Total non-current liabilities	-	-
Total liabilities	221,031,382	222,027,320
Net assets	5,703,146	4,386,805
EQUITY		
Contributed equity	3,000,000	3,000,000
Cash flow hedge reserve	(8,190)	197,263
Retained earnings	2,711,336	1,189,542
Total equity	5,703,146	4,386,805

The following financial information is an extract from the audited accounts of the Company as at 31 December 2010 and at 31 December 2009.

INCOME STATEMENT	31 DECEMBER 2010 \$	31 DECEMBER 2009 \$
REVENUE		
Finance income	16,229,662	13,559,064
Finance costs	(10,817,992)	(9,348,795)
Total finance income	5,411,670	4,210,269
Other income	24,463	37,513
Total revenue	5,436,133	4,247,782
Management expenses	(1,384,959)	(1,619,278)
System expenses	(427,922)	(365,796)
Professional expenses	(68,556)	(198,300)
Commission paid	(1,116,783)	(875,502)
Other expenses	(263,921)	(268,240)
Profit before income tax	2,173,992	920,666
Income tax benefit/[expense]	(652,198)	(276,200)
Profit for the period attributable to members of the parent entity	1,521,794	644,466

The Company commenced operating in May 2006. The Trust Deed requires that the Company maintains committed funds (defined as total of shareholders funds and subordinated liabilities) of not less than \$15m or 2% of total tangible assets, whichever is the greater. The parent company, Bell Financial Group, has provided a committed subordinated debt facility of \$15m, which is subject to the terms of the Trust Deed. As at 31 December 2010 this facility was drawn to \$13m.

The future earnings of the Company following the date of this prospectus will depend on its ability to promote its margin lending facility and to raise funds through this note issue.

Bell Potter Capital provides services for the Bell Potter Margin Loan Trust for which it earns fees.

18 MATERIAL DOCUMENTS AND PRIVACY

18.1 The Trust Deed

Notes are issued under a Trust Deed dated 11 May 2006 made between Bell Potter Capital and The Trust Company (Australia) Limited as the Trustee.

The Trust Deed contains terms upon which Bell Potter Cash Account investments are accepted and contains a number of provisions binding on Bell Potter Capital for your protection. The Trustee monitors compliance by Bell Potter Capital with these provisions.

The Trust Deed has been lodged with ASIC and is incorporated by reference into this prospectus. Holders of notes are bound by the provisions of the Trust Deed.

As at the date of this prospectus, Bell Potter Capital fully complies with its obligations under the Trust Deed. A copy of the Trust Deed can be obtained by telephoning 1800 061 327. The Trust Deed may be amended by Bell Potter Capital and the Trustee if the amendment is taken by the Trustee not to be prejudicial to investors' interests or if approved by a special resolution of investors.

An outline of the key provisions of the Trust Deed is set out below.

Committed capital

The Company must maintain committed funds of not less than \$15 million or 2% of total tangible assets, whichever is the greater.

Charge

All notes issued under this prospectus are secured by a first-ranking floating charge in favour of the Trustee over:

- (a) all of the present and future undertakings, tangible and intangible assets and rights of Bell Potter Capital that are located in Victoria, ACT, the Northern Territory or outside of Australia;
- (b) all of the future undertakings, tangible and intangible assets and rights of Bell Potter Capital that are located in:
 - (i) Western Australia, Queensland, New South Wales and Tasmania, excluding any land in the first 12 months; and
 - (ii) South Australia.

The charge will crystallise and become a fixed charge on the occurrence of particular events such as:

- on a demand by the Trustee or Bell Potter Capital to pay secured money (which demand can be made on an event of default); or
- on an insolvency event, such as the appointment of a receiver to Bell Potter Capital; or
- on a breach of a negative pledge.

The Trustee holds this charge on behalf of, and for the benefit of, the holders of notes from time to time.

The charge ranks in priority to all interests except a permitted security interest. Except with the Trustee's consent, Bell Potter Capital must not create a permitted security interest that exceeds \$30 million or 10% of the total tangible assets, whichever is the greater.

Events of default

It is an event of default under the Trust Deed if, for example:

- (a) Bell Potter Capital fails to pay or repay an amount outstanding within a specified timeframe;
- (b) Bell Potter Capital fails to comply with the Trust Deed and that failure is not remediable or is not remedied within a specified period;
- (c) a security interest, judgment or other process of a government agency in an amount exceeding the greater of \$250,000 and 5% of the total tangible assets of Bell Potter Capital becomes enforceable;
- (d) Bell Potter Capital becomes insolvent;
- (e) there is a capital reduction without the authorisation of the Trustee; or
- (f) the borrowing limitation is breached.

On default, the charge will crystallise, the amounts owing under the notes become due and payable and the Trustee has all powers to act in relation to the charge over the assets of Bell Potter Capital.

Application of money by the Trustee

When the charge crystallises, the Trustee must apply money recovered in the following manner:

- (a) first, in payment of all amounts which, to the extent required by law, have priority;
- (b) second, in payment of all costs of Trustee, attorney or receiver incurred in or incidental to the exercise of any right, power, authority, discretion or remedy conferred by the Trust Deed or applicable law;
- (c) third, in payment of any other outgoings the Trustee, attorney or receiver thinks fit to pay;
- (d) fourth, in payment to the receiver of its remuneration;
- (e) fifth, any security interests of which the trustee, attorney or receiver is aware and which have priority to the charge;
- (f) sixth, in payment to the Trustee towards satisfaction of money received by or payable to the Trustee;

(g) seventh, other security interests which the Trustee, attorney or receiver is aware and which are due and payable in accordance with their terms; and

(h) eighth, payment of any surplus.

18.2 The Trustee

The Trustee's duties are set out in the Trust Deed and the Corporations Act.

The Trustee is subject to an indemnity in respect of actions, proceedings, claims, damages, losses, liabilities, costs and expenses incurred in performance of its duties under the Trust Deed. Subject to the Corporations Act, the Trust Deed limits the Trustee's liability.

The Trustee must exercise reasonable diligence to ascertain whether the property of Bell Potter Capital that is or should be available will be sufficient to repay the amount deposited or lent when it becomes due. The Trustee will also exercise reasonable diligence to ascertain when Bell Potter Capital has committed any breach of the Trust Deed or the Corporations Act.

The Trustee is entitled to be paid a fee agreed with Bell Potter Capital and to be paid for all costs, charges and expenses.

The Trustee may retire on no less than 60 days' notice.

18.3 Subordinated loan facility

There is an agreement between Bell Financial Group and Bell Potter Capital dated 11 May 2006 which provides that Bell Financial Group provides to Bell Potter Capital access to a facility of up to \$15m. Bell Potter Capital pays interest on the amount that it accesses under the facility and must repay the amount to Bell Financial Group in such a manner as agreed by the parties from time to time, subject to the terms of the Trust Deed.

The terms of the agreement are supported by a deed poll between the Trustee and Bell Financial Group dated 30 November 2007. Under the deed poll, Bell Financial Group agrees for the Trustee's benefit to comply with the subordinated loan agreement and to not amend this agreement without the Trustee's consent whilst any notes are on issue under the Trust Deed.

18.4 Guarantee

Bell Financial Group has given a guarantee to the Trustee of all amounts outstanding (being all amounts owing by Bell Potter Capital by way of principal, interest, fees, costs and expenses under the Trust Deed) and the performance of Bell Potter Capital's other obligations under that Deed. If amounts owing by Bell Potter Capital are not paid when due, Bell Financial Group must immediately on demand from the Trustee pay those amounts to the Trustee. Bell Financial Group indemnifies the Trustee for claims, losses and expenses relating to the failure by Bell Potter Capital to perform an obligation under the Trust

Deed. The liability of Bell Financial Group under the guarantee must be released by the Trustee if Bell Potter Capital requests, but only if the Trustee receives an auditor's opinion that the release will not result in a breach of the financial covenants in the Trust Deed. The liability of Bell Financial Group will also cease if as a result of a change of ownership of shares in Bell Potter Capital, Bell Potter Capital ceases to be a subsidiary of Bell Financial Group and Bell Potter Capital gives a director's certificate stating that the cessation of the guarantee would not result in a breach of the financial covenants in the Trust Deed.

18.5 Bell Potter Margin Loan Trust

The Bell Potter Margin Loan Trust (BPMLT) was established on 12 December 2007 to provide an additional source of finance for margin loans offered by Bell Potter Capital. The framework which establishes BPMLT follows well accepted commercial and legal principles. Bell Potter Capital may offer to transfer loans to BPMLT and it receives the full amount outstanding of those loans as consideration. Bell Potter Capital continues to service the loans in BPMLT and BPMLT is fully consolidated into Bell Potter Capital's financial accounts. Bell Potter Capital invests in both subordinated and senior notes in BPMLT and is paid interest on those notes. In addition, Bell Potter Capital receives fees and any residual income from BPMLT. BPMLT finances the margin loans

that it purchases by a combination of bank borrowing and the potential to issue notes to the wholesale capital markets. Borrowings by BPMLT have no recourse to Bell Potter Capital.

The BPMLT is funded by a bank facility with a limit of \$150m and as at 25 March 2011 was drawn to \$15m. That facility is an ongoing facility which is reviewed each six months. Each review extends the facility for 12 months.

The funding arrangements with BPMLT are subject to a range of terms and conditions. If the arrangements were to become unavailable, it would require margin loans within the BPMLT to be repaid or refinanced. The Company is not required to repay those borrowings and they do not rank in priority to note holders.

18.6 Privacy

We respect your privacy. Any personal details provided to Bell Potter Capital will be used to administer and report on your application for notes. By way of example, we will use your information to assess and process your application and provide you with relevant information.

Tax and company law requires some of the information to be collected in connection with your application. If you do not provide the information requested, your application may not be able to be processed efficiently or at all.

The Company may disclose your personal information for purposes related to your investment. Such people may include advisers, agents, government regulators, custodians, mailing houses, administrators and auditors or as otherwise authorised under the Privacy Act 1988 (Cth).

If you become a note holder, your information may also be used or disclosed from time to time to inform you about the Company's products or services that the Company thinks may be of interest to you. If you do not want your personal information to be used for this purpose, you should contact:

Bell Potter Capital
GPO Box 4718
Melbourne VIC 3001

The information may also be disclosed to members of the Bell Financial Group of companies and their agents and service providers on the basis that they deal with such information in accordance with Bell Potter Capital's privacy policy.

Under the Privacy Act 1988 (Cth), you may request access to your personal information by notice in writing to Bell Potter Capital.

If you would like a copy of the Company's privacy policy, free of charge, please call us on 1800 061 327.

CASH ACCOUNT APPLICATION FORM

BELL POTTER CAPITAL

BELL POTTER

This application form relates to the Bell Potter Capital Limited ABN 54 085 797 735 Prospectus No 6 dated 2 May 2011 and should be read with that document prior to investing. The Prospectus contains important information about the Bell Potter Cash Account. This application form must not be handed to any person unless attached to, or accompanied by, the Prospectus.

1. INDIVIDUAL APPLICANT(S) DETAILS (Complete full name details in black pen and capital letters)

APPLICANT 1

Title	Given Name(s)		
Surname			Date of Birth (dd/mm/yyyy) / /
Residential Address			
Postal Address			
Business Phone ()	Mobile Phone		
Home Phone ()	Email Address		

APPLICANT 2

Title	Given Name(s)		
Surname			Date of Birth (dd/mm/yyyy) / /
Residential Address			
Postal Address			
Business Phone ()	Mobile Phone		
Home Phone ()	Email Address		

APPLICANT 3

Title	Given Name(s)		
Surname			Date of Birth (dd/mm/yyyy) / /
Residential Address			
Postal Address			
Business Phone ()	Mobile Phone		
Home Phone ()	Email Address		

2. COMPANY OR CORPORATE TRUSTEE DETAILS (Complete full name details in black pen and capital letters)

Company name or Corporate Trustee	
Registered Address	
ACN	Phone ()
Postal Address	
Fax ()	Contact Name
Mobile Phone	Email Address

Application form expires 02/06/2012

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3. ACCOUNT DESIGNATION (OPTIONAL) (e.g. <Susan Brown Family A/c>)

<

A/C >

4. TAX FILE NUMBER OR ABN DETAILS

By law you are not required to provide your Tax File Number (TFN). However, Australian residents will have resident withholding tax deducted from interest when the TFN is not provided.

If you are not an Australian resident for tax purposes, non-resident withholding tax may be deducted in respect of interest paid to you from the Cash Account.

If a foreign resident for tax purposes, please specify your tax country of residence.

INDIVIDUAL 1

Name	
TFN/Exemption Code	Tax Country

INDIVIDUAL 2

Name	
TFN/Exemption Code	Tax Country

INDIVIDUAL 3

Name	
TFN/Exemption Code	Tax Country

Please mark appropriate box with a cross

<input type="checkbox"/> Company	<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust	<input type="checkbox"/> Superannuation Fund
TFN/Ex.Code/ABN		Tax Country	

5. LINKS TO TRADING ACCOUNTS

Please settle transactions in the accounts below from/to my Bell Potter Cash Account.

BELL POTTER

Account Number	Account Name
----------------	--------------

BELL COMMODITIES

Account Number	Account Name
----------------	--------------

BELL POTTER DERIVATIVES

Account Number	Account Name
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6. NOMINATED BANK ACCOUNT (OPTIONAL)

By providing a nominated Bank Account, you are able to arrange transfers from your Bell Potter Cash Account to this account by either phone or fax. See page 17 of the Prospectus for more details.

Account Name	
Bank Name	Bank Branch
BSB Number	Bank Account Number

7. INVESTMENT DETAILS

Please insert details of any initial investment into the table below. Cheques should be made payable to Bell Potter Capital Limited (<a/c your name>)

We will treat your application as for an at-call deposit and your money will be deposited at-call, unless you nominate in the table below that you are applying for a fixed term deposit. If you provide any indication on this application form that you wish to apply for a fixed term deposit, the terms of ASIC Class Order Co 00/174 apply and you must complete both the rate and the term of the investment.

Please call us to confirm current interest rates and applicable terms or go to www.bellpotter.com.au before completing this application form. The interest rate you receive will be that applicable on the day we accept your application.

	AMOUNT	RATE	TERM
At-Call	\$	%	
Fixed	\$	%	Months
Fixed	\$	%	Months
TOTAL	\$		

8. PRIVACY

I do not wish to receive information about other products and services offered by Bell Potter Capital or its related bodies corporate.

9. EXECUTION BY THE APPLICANT

By signing this application form I/we:

- a. acknowledge that I/we have received, read and understood the Prospectus
- b. acknowledge that the Corporations Act 2001 prohibits me/us from passing on the application form to another person unless it is attached to or accompanied by the complete Prospectus
- c. agree to be bound by the terms and conditions:
 - i. set out in the Prospectus; and
 - ii. of the Trust Deed,

as each may be amended, modified or replaced from time to time and acknowledge that those terms and conditions will apply to all additional monies deposited to our Bell Potter Cash Account
- d. acknowledge that I/we have received the Prospectus in Australia
- e. if I/we are a citizen or resident of a country other than Australia, Bell Potter will not contravene the laws of that country by accepting this application or opening the Foundation Account or the Bell Potter Cash Account for the Applicant
- f. acknowledge that I/we am/are over 18 years of age
- g. apply for the issue of the Foundation Account on the terms in the Prospectus
- h. acknowledge that the acceptance of my/our application form is at the discretion of Bell Potter Capital
- i. agree that, unless otherwise directed by me/us, interest in my/our Bell Potter Cash Account is to be reinvested at call
- j. agree to collection, maintenance, use and disclosure of my/our personal information in the manner set out in the Prospectus
- k. agree that Bell Potter Capital may require information from me/us to comply with relevant legislation, including anti-money laundering and counter-terrorism funding legislation and I/we agree to provide that information on request
- l. agree that Bell Potter Capital has no liability for any loss or damage suffered by me/us as a result of acting on a telephone, facsimile or written instruction which appears to have been given by me but has been given by another person
- m. agree that Bell Potter Capital has no liability for any delay or refusal to act on my instructions if those instructions are not clear.

9. EXECUTION BY THE APPLICANT (CONTINUED...)

Name of Signatory 1	
Signature 1	Date (dd/mm/yyyy) / /
Capacity <input type="checkbox"/> Individual <input type="checkbox"/> Director <input type="checkbox"/> Secretary <input type="checkbox"/> Sole Director <input type="checkbox"/> Trustee	

Name of Signatory 2	
Signature 2	Date (dd/mm/yyyy) / /
Capacity <input type="checkbox"/> Individual <input type="checkbox"/> Director <input type="checkbox"/> Secretary <input type="checkbox"/> Trustee	

Name of Signatory 3	
Signature 3	Date (dd/mm/yyyy) / /
Capacity <input type="checkbox"/> Individual <input type="checkbox"/> Director <input type="checkbox"/> Secretary <input type="checkbox"/> Trustee	

- Companies signing must sign by a director and secretary or two directors or signed by one director for a sole director company.
- If signing under a power of attorney a certified copy of the power of attorney must be provided. The attorney acknowledges that the attorney has not received notice of revocation of the power.

PLEASE SEND YOUR COMPLETED FORM TO:

Bell Potter Capital Limited
GPO Box 4718
Melbourne VIC 3001

Please return the entire application form.

ADVISER USE ONLY	
Adviser Code	Adviser Name
Other Details	

CORPORATE DIRECTORY

TRUSTEE

The Trust Company (Australia) Limited
Level 3, 530 Collins Street
Melbourne VIC 3000

AUDITOR

KPMG
147 Collins Street
Melbourne VIC 3000

LEGAL ADVISERS

Blake Dawson
225 George Street
Sydney NSW 2000

