BRANSGROVES REPORTING GROUP

Lender CDD & VOI Policy

Document	Lender Client Due Diligence & Verification of Identity Policy
Effective date	2 August 2026
Approved by	Matthew Bransgrove — Director and AML/CTF Compliance Officer
Review	Annually, or on material change (new client type, structure or regulatory update)

Background

1. Bransgrove Lawyers P/L and Private Mortgage Holdings P/L:

    a. share the same owners and directors.

    b. form part of a reporting "Group" for the purposes of AML/CTF.

2. Bransgrove Lawyers P/L is a incorporated legal practice which specialises in acting for lenders on real property mortgage transactions (never for borrowers).

3. Private Mortgage Holdings P/L is offered to the (lender) clients of Bransgroves Lawyers P/L:

    a. who appoint the firm to act for them on real property mortgage advances;

    b. as part of and/or ancillary to those legal services (and for no other purpose),

    c. to act as a bare trustee and lender of record;

    d. to act as the provider the "loan services" designated service and perform all applicable AML/CTF due diligence, in conjunction with Bransgroves Lawyers P/L, for the purposes of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).

4. Private Mortgage Holdings P/L:

    a. is a shell with no staff of its own;

    b. does not trade;

    c. performs all activities through the staff of Bransgroves Lawyers P/L and all its AML/CTF compliance activities are conducted by Bransgroves Lawyers staff in the course of providing legal services.

5. This document sets out the Group's risk-based approach to customer due diligence (CDD) and verification of identity (VOI) for **mortgagee / lender clients** under:

    a. the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) as amended (the Act); and

    b. the AML/CTF Rules 2025 (the Rules), and under the ARNECC Model Participation Rules (Version 7) and Model Operating Requirements as given force in each State and Territory by the Electronic Conveyancing National Law and the participation rules declared by the relevant Registrar.

6. The Groups risk-based approach to customer due diligence (CDD) and verification of identity (VOI) for **mortgagor / borrower parties** is:

    a. outside the scope of this document;

b. is set out in a counterpart document Group program documents entitled **Borrower / Guarantor Due Diligence & Verification of Identity Policy.**

7. The law requires mortgage lenders as:

a. AML/CTF reporting entities to assess the ML/TF risks they reasonably face; to conduct customer due diligence — identifying and verifying each customer and its beneficial owners, and screening against sanctions and PEP listings — before providing a designated service, with enhanced due diligence where risk is elevated; to monitor customers and transactions on an ongoing basis; to report suspicious matters and threshold transactions to AUSTRAC within statutory timeframes; to keep records for seven years; and to screen and train personnel.

b. as Subscribers to PEXA to take reasonable steps to verify the identity of their clients, mortgagors, signers and Subscriber administrators; to verify each client's right to deal with the land; to hold a valid Client Authorisation before signing or lodging electronically; and to retain supporting evidence for the prescribed period. Compliance with the Verification of Identity Standard in Schedule 8 of the Model Participation Rules constitutes a safe harbour of reasonable steps for VOI.

Lender Clients

8. This policy distinguishes between two categories of lender client:

a. "Beneficial Lenders": clients of Bransgroves Lawyers P/L who utilise Private Mortgage Holdings to act as lender of record); and

b. "Lenders of Record": clients of Bransgroves Lawyers P/L who act as Lender of Record themselves (either as beneficial owners of the funds advanced or trustees for the beneficial owners of the funds advanced).

9. This policy recognises the following as lender client "Customers":

a. Lenders of record;

b. Beneficial Lenders;

c. Parties transferring monies into our Trust Account which contribute to the funds being advanced by / on behalf of Lenders of Record or Beneficial Lenders other than counterparties to transactions we are acting on (or else enhanced due diligence regarding the source of the funds, for example if another solicitor transfers the money to our account we need to know from that solicitor the source of the funds e.g.: conveyancing transaction, and that the solicitor has reasonable grounds for asserting the source of the funds);

d. Directors, shareholders and beneficial owners of a, b or c.

Risk assessment

10. The lender client base of Bransgroves Lawyers P/L predominantly consists of:

a. Banks, and retail and wholesale mortgage funds and debenture issuers holding AFSLs.

b. Retired Australian residents, predominantly investing on behalf of their SMSFs.

c. Domestic sources of funds: retirement savings, superannuation, property equity and fund capital.

d. Bank transfers to the firm's trust account — no cash is accepted in any circumstances.

11. The lender profile involves:

a. no complex offshore structures;

b. no offshore clients (not countenanced as clients);

c. no cash handling;

d. no politically exposed persons (not countenanced as clients);

e. and no high-risk jurisdictions;

12. All mortgage instruments used by Bransgroves Lawyers P/L contain all contractual elements on their face (interest rates, principal, term, special condition), which consequently form part of the permanent public record through the state Torrens registries creating a transparent, publicly available, permanent audit trail which provides a strong deterrent to misuse of the transactions for the purposes of ML/TF.

13. Accordingly we assess the **overall risk rating for this client segment: Low.**

14. Consequentially simplified CDD is applied to these low-risk clients unless a trigger for enhanced due diligence arises.

Customer Due Diligence

15. Customers are identified, in the case of:

    a. Individuals: by obtaining a copy (which need not be certified) of their current passport, or of their driver licence together with one other supporting document (for example a Medicare card or expired passport).

    b. Companies: by performing an ASIC search.

    c. Trusts: by obtain a trust deed or trust deed extract.

Screening

16. Customers are searched:

    a. against DFAT Consolidated List (documented);

    b. via Google All and Google News for PEP for adverse media and activities (documented);

17. The identity documents of Individuals are verified electronically by the Group through the Document Verification Service (DVS), via a commercial gateway provider, confirming that the details on each document match the records of the government authority that issued it. The Individual's authority to perform the DVS check is obtained in writing (an email or signed note, however transmitted, suffices) and retained. Where DVS verification is unavailable, fails, or an EDD trigger arises, verification is instead performed by certified copy of the identity documents or by video KYC (screen dump only — not recorded), at the Group's election.

18. The DVS verification result and the Individual's authority are recorded against the Customer's record.

19. Ongoing CDD / monitoring against material changes (beneficiary change, director or shareholder change).

20. Refresh frequency every 2 years for low-risk repeat customers, or earlier on a trigger.

Triggers for enhanced due diligence

21. We move to enhanced CDD if any of the following appear:

    a. a non-Australian resident or offshore element;

b. sanctions match (not countenanced);

c. PEP (usually not countenanced);

d. unusual source of funds or wealth;

e. proposed cash (not countenanced);

f. third-party funding without clear explanation;

g. a rapid succession of high-value loans inconsistent with the client's profile; or any suspicion of structuring or evasion.

22. Enhanced Due Diligence requires Matthew Bransgrove approval, source-of-wealth proofs and enhanced monitoring, documented on the file.

Procedures

23. Our procedures include:

a. Onboarding: documented in ActionStep against the Customer's Record (not recorded on the loan file or contained in the Certification as to Title attachments).

b. Record the risk assessment and the rationale for enhanced CDD using the Certification as to Title to records the trigger and investigations taken and rationale for resolution.

c. Staff training: all fee earners and support staff complete AML/CTF training on induction and annually (CPD-aligned), with emphasis on the firm's internal controls and procedures.

d. Reporting: suspicious matter reports to AUSTRAC where required, within the timeframes in the Group AML/CTF Program, preserving legal professional privilege where applicable.

e. Review: this policy is part of the Group AML/CTF Program and is reviewed annually with it.

Responsibility and acknowledgment

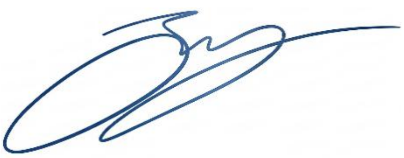
24. AML/CTF Compliance Officer: Matthew Bransgrove — ultimate day-to-day responsibility for the program.

25. Special Counsel: oversight of matters handled by their teams.

26. All staff report concerns immediately to Matthew Bransgrove or their supervising Special Counsel.

27. Each principal and staff member acknowledges this policy in writing in the Staff Acknowledgment Register on induction and on each material revision.

Signed by the sole director of Bransgroves Lawyers Pty Ltd and Private Mortgage Holdings Pty Ltd:



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Matthew Bransgrove — Director, AML/CTF Compliance Officer Date 2 August 2026