Crusader Debentures
Offer Memorandum
Series 1a & Series 1b

Building for the next generation

The Crusader Debentures offered under this Offer Memorandum are only available to persons within Australia.

The Crusader Union of Australia
ABN 90 213 359 332
The date of this Offer Memorandum is 23 December 2004. This Offer Memorandum expires when Debentures worth $740,000 have been issued. This Offer Memorandum has not been examined or approved by the Australian Securities and Investments Commission (ASIC).

Terms and Conditions

We suggest you retain this document for future reference.

Debentures

The Crusader Debentures Series 1a & Series 1b are issued by the Crusader Union of Australia (ABN 90 213 359 332).

- Your investment gives you a fixed rate of interest for the whole of its term (subject to early repayment terms) and, if accepted, starts earning interest from the day your application money is received at the Registry office.
- Interest is credited to your nominated account quarterly in arrears (30/6, 30/9, 31/12 & 31/3).
- You can choose to make a tax deductible donation instead of receiving your interest payment.
- You can choose your own interest rate up to a maximum rate.
- You have a choice in either Series 1a or Series 1b or both.
- The minimum investment amount for Series 1a is $25,000 and for Series 1b $20,000.
- Series 1a will mature in 5 years and have a fixed interest rate of up to 3.0%.
- Series 1b will mature in 3 years and have a fixed interest rate of up to 2.5%.

Repayment of Debentures

The Crusader Debenture can be repaid by the Crusader Union of Australia on any of the following three occasions:
- At the maturity of the Debenture; or
- At the discretion of the Crusader Union of Australia and subsequently accepted by the investor; or
- At any time, where the investor chooses to make a tax deductible donation or a donation in lieu of receiving the full or partial principal value of their Debenture.

Interest will be adjusted to the date of repayment or the date a tax deductible receipt is issued.

A notice of intention will be issued 3 months prior to the maturity of a Debenture, asking whether you would like to reinvest, make a donation or to be repaid.

Why Crusader Debentures?

Crusaders now offers you the opportunity to invest directly in the lives of young people in Australia.

Crusaders has been at the forefront of Christian camping ministry in Australia for over 70 years since being established in 1930.

In the early 1990’s Crusader Council recognised that its Galston Gorge campsite needed substantial redevelopment to meet the standard of accommodation and facilities required by church and school groups, particularly for school aged students. Construction commenced in 2002 to update these facilities.

Short to medium term funding is required to complete the substantive design works now approved by Crusader Council. This Galston redevelopment, once completed, will double the ministry capacity of the site and meet the growing needs of school aged students over the next 25 years.

By investing in this Crusader Debenture you directly contribute to this important and strategic ministry by enabling Crusaders to reduce its interest costs and the principal amounts which would otherwise be required from commercial funding facilities.

Crusader Council has entered into the “Crusader Debentures Deed Poll” dated 29 November 2004 to govern the issue and management of Crusader Debentures.

The Chairman, Mr James Millar, and the Executive Director, Mr Gary Hill, encourage Crusaders supporters to financially support this substantial opportunity Crusaders has to share the gospel of Jesus Christ with a new generation of school aged students.

Within 14 days of each 30 June financial year end you will receive a Summary Statement and Tax Deductible receipt (if required) in relation to your investment in Crusader Debentures.
Statement to Investors

As an investor you should be aware:
- That Crusader Debentures are not subject to the normal requirement to be issued under a prospectus or other disclosure document or be constituted by a trust deed in accordance with the Corporations Act 2001;
- This Offer Memorandum has not been examined or approved by the ASIC;
- Crusader Debentures are offered to investors for whom considerations of profit are not of primary relevance in the investment decision; and
- Although a Deed Poll is not required by law, the Crusader Debentures are governed by the Crusader Debentures Deed Poll dated 29 November 2004.

How to Invest

To proceed with your investment, complete the attached application form. Application money can be paid by either:

- Cheque made payable to “Crusader Union of Australia Debenture A/c” and crossed “Not Negotiable”; or
- Transfer of Funds to:
  Account Name: “Crusader Union of Australia Debenture A/c”
  BSB: 704-998
  Account No.: 100008682
  Reference: Your name & your bank A/c No.

Send your application form and money to:
The Executive Director
Crusader Debentures
PO Box 590
Eastwood NSW 2122

Your Crusader Debentures will be recorded on the Register maintained at the office of the Crusader Union of Australia. We reserve the right to refuse any application or to accept any application in part only. Applications accepted will begin accruing interest from the date your application is received. Application money not accepted will not be paid interest and will be returned within 14 days.

The Registry will send you a certificate confirming your investment within 14 days, subject to the clearance and acceptance of cheques.

Signature

The application form must be signed by:
- the applicant personally; or
- each of the parties to a joint application; or
- the authorised representative of a company investor with title/position specified; or
- the authorised attorney of the applicant(s) (original power of attorney or certified copy should be forwarded with the application); or
- the trustee of a Trust.

Registry

The principal register for Crusader Debentures is administered by The Crusader Union of Australia and its email address is: debentures@crusaders.edu.au
and its postal address is:
Crusader Debentures
PO Box 590
Eastwood NSW 2122

Use of Proceeds

The proceeds received from Series 1 Crusader Debentures will be used to repay borrowings drawn down for the Galston Redevelopment.

Deed Poll Information

The Crusader Debentures Series 1a & Series 1b are issued in accordance with the Crusader Debenture Deed Poll dated 29 November 2004, executed by the Crusader Union of Australia in favour of each person who is from time to time a debenture holder (“Debenture Holder”).

The Deed Poll protects the interests of Crusader Debenture Holders by ensuring that the Crusader Union of Australia complies with the terms of the Crusader Debentures Deed Poll, including borrowing limits.

Amendments to the Deed Poll

The Crusader Union of Australia may amend the Crusader Debenture Deed Poll if the amendment is approved by a general meeting and the rights of current Debenture Holders under the Deed Poll are maintained.

If you would like a free copy of the Crusader Debentures Deed Poll please call the Crusaders office on 02 9874 8933 or send an email to debenture@crusaders.edu.au.
**Crusader Debentures Application Form**

This application form is for Debentures of the Crusader Union of Australia offered under the Offer Memorandum for Crusader Debentures Series 1a and Series 1b dated 23 December 2004, with a maximum combined issue amount of $740,000 ("Offer Memorandum").

- I/We hereby apply for Debentures of Crusader Union of Australia as set out below upon the terms and conditions in the Offer Memorandum. No Debentures will be issued pursuant to the Offer Memorandum in excess of $740,000.
- I/We acknowledge that the Debentures are issued pursuant to the Crusader Debentures Deed Poll.
- I/We acknowledge that before applying for Debentures, I/We have had access to the complete Offer Memorandum document which is 4 pages, including this page.
- By applying for Debentures I/we consent to the Crusader Union of Australia collecting and using my/our personal information for the purposes of the issue and administration of the Debentures.

### Individual / Joint Personal Details

<table>
<thead>
<tr>
<th>Applicant 1</th>
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<tbody>
<tr>
<td>Title</td>
<td>Surname</td>
<td>Given name(s)</td>
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<tr>
<td>Applicant 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title</td>
<td>Surname</td>
<td>Given name(s)</td>
</tr>
<tr>
<td>Address</td>
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<tr>
<td>Telephone (home)</td>
<td></td>
<td>Telephone (work)</td>
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<tr>
<td>Email address</td>
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### Company / Trust Details

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<thead>
<tr>
<th>Name of Company / Trust</th>
<th>Address</th>
<th>Postcode</th>
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### Interest Payment Instructions

<table>
<thead>
<tr>
<th>Account name</th>
<th>Bank/Building Society/Credit Union</th>
<th>BSB number</th>
<th>Branch</th>
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- I would like to give % of my interest payment as a tax deductible donation. (If left blank your interest will be transferred to the account information provided).

### Debentures

<table>
<thead>
<tr>
<th>Interest paid quarterly</th>
<th>Series 1a</th>
<th>Series 1b</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term</td>
<td>5 years</td>
<td>3 years</td>
</tr>
<tr>
<td>Minimum investment</td>
<td>$25,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Interest rate per annum</td>
<td>% up to 3.0%</td>
<td>% up to 2.5%</td>
</tr>
<tr>
<td>Amount invested</td>
<td>$ ____________</td>
<td>$ ____________</td>
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### Authorised Signatories

- Applicant 1: X
- Applicant 2: X

(For company/Trust lodgements, please specify company title/position)

**Tax File Number (TFN)**

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<tr>
<th>Applicant 1</th>
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<td>TFN</td>
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<tr>
<td>Applicant 2</td>
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<td>TFN</td>
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Collection is authorised by Tax Laws. Quotation is not compulsory, however, tax may be deducted from your interest if you do not disclose.