

Premium Income Fund

NSX Release: 3 December 2010



Bond Street Custodians Limited – Federal Court Proceedings

Wellington Capital Limited as responsible entity of the Premium Income Fund is pleased to advise that a commercial settlement has been reached in the proceedings commenced by Bond Street Custodians Limited.

On 16 October 2008, Bond Street Custodians Limited filed a claim against the responsible entity of the Wholesale Premium Income Fund for \$16.254 million in relation to a redemption request for 16.254 million units in the Wholesale Premium Income Fund which was lodged on 21 January 2008. This was shortly prior to the suspension of redemptions.

On 1 October 2010, Bond Street Custodians Limited has filed an amended Statement of Claim in these proceedings reducing the compensation sought to approximately \$465,000 plus interest.

This matter was set for trial in the week commencing 13 December 2010.

A settlement has been reached whereby Bond Street Custodians is paid the sum of \$150,000 without any admission of liability of either party.

Managing Director Jenny Hutson said, 'This is a commercially satisfactory outcome in a matter which would have incurred significant costs in the both the lead up to trial and the trial itself, regardless of the final outcome, and in excess of the settlement amount. This is a sensible outcome in a matter which has been before the courts for in excess of two years.'

For further information please contact:

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