

# anadara



Anadara Deferred Purchase Agreement  
Master Product Disclosure Statement

Issue Date: 19 May 2025

## IMPORTANT INFORMATION

This Master Product Disclosure Statement ("Master PDS") forms part of the PDS for the offer of an agreement to purchase the shares ("Delivery Assets") specified in the relevant Term Sheet PDS on certain terms including deferred delivery and entry into an Investment Loan for the Investment Amount ("the Offer"). This Master PDS should be read in conjunction with the relevant Term Sheet PDS. This Master PDS is dated 19 May 2025 and is issued by Anadara Specialist Investments Pty Ltd (ACN 668 232 488) ("the Issuer") and arranged by Viriathus Capital Pty Ltd (ACN 113 959 596 AFSL 297950) ("the Arranger") pursuant to Section 911A(2)(b) of the Corporations Act. Pursuant to Section 911A(2)(b), the Issuer will issue the Units in accordance with the offer made by the Arranger.

This PDS has not been lodged and is not required to be lodged with the Australian Securities and Investments Commission ("ASIC"). The Issuer will notify ASIC that this PDS is in use in accordance with the Corporations Act. ASIC and its officers take no responsibility for the contents of this PDS.

Apart from being named as the arranger of the issue of Units, the Arranger takes no responsibility for the contents of this PDS. To the maximum extent permitted by law, the Arranger expressly disclaims and takes no responsibility for any part of this PDS other than the references to its name. The Arranger does not guarantee the performance of the Units, the repayment of capital invested nor any particular rate of capital or income return.

Fees in this PDS are stated inclusive of any GST (unless stated otherwise).

Monetary amounts referred to in this PDS are given in Australian dollars (unless stated otherwise). References to legislation in this PDS are to Australian legislation. Explanations as to tax treatment and other features of the Offer have been provided for Australian Investors.

## INVESTMENT IN THE UNITS

This PDS (including the Term Sheet PDS for a Series of Units) is an important document which should be read before deciding to acquire the Units. The information in this PDS and the Term Sheet PDS for a Series of Units is general information only and does not take into account an individual's investment objectives, financial situation or particular needs or circumstances.

Nothing in this PDS is a recommendation by the Issuer or its related bodies corporate or by any other person concerning investment in the Units or the Reference Asset or any specific taxation consequences arising from an investment in the Units. Potential Investors should also obtain independent financial and taxation advice as to the suitability of this investment to them having regard to their investment objectives, financial situation, and particular needs. No cooling off rights apply to investments in the Units.

Potential Investors should note that the Issuer retains discretion to amend the closing date of the offer for a Series and move the Commencement Date (and all other consequential dates) for a Series, or not to continue with the issue of a Series of Units on the Commencement Date and terminate any Units in that Series already issued, including where there is a significant change in the Issuer's cost of hedging between the date of the relevant Term Sheet PDS and the Commencement Date for that Series.

In particular, the Issuer will not continue with the issue of a Series of Units if it considers that it and its affiliates have not completed sufficient arrangements for management of their respective obligations in respect of that Series of Units. If a decision is made not to issue a Series of Units or to terminate Units in a Series that have already been issued, the Issuer will return the Prepaid Interest, any other application monies and any applicable Fees that have been paid upfront to applicants without interest within 10 Business Days of the scheduled Commencement Date.

## ELIGIBLE INVESTORS AND ELECTRONIC PDS

This PDS (including any Term Sheet PDS) and the Offer are available only to Australian resident investors receiving this PDS (including electronically) in Australia. Applications from outside Australia will not be accepted. If anyone prints an electronic copy of this PDS they must print all pages including the Application Form. If anyone makes this PDS available to others, they must give them the entire electronic file or printout, including the Application Form and any additional documents that the Issuer may require such as identification forms for the purpose of satisfying Australian anti-money laundering legislation.

The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States or to, or for the benefit of U.S. persons unless the Units are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

## UPDATED INFORMATION

Information set out in this PDS is subject to change from time to time. Information not materially adverse to Investors in the Units may be amended without issuing an updated or supplementary PDS. Investors can find this updated information at any time on the Issuer's website.

A paper copy of this Master PDS and any Term Sheet PDS (and any supplementary documents) can be obtained free of charge on request by contacting the Issuer. The Issuer can be contacted on 1300 509 904 or at L35 International Tower One, 100 Barangaroo Avenue, Sydney NSW 2000.

If an Investor establishes that information is not accurate, complete, and up-to-date, the Issuer must take reasonable steps to correct it.

## MAKING AN INVESTMENT

Units can only be issued if potential Investors use an Application Form (including relevant attachments) attached to either a paper or electronic copy of the relevant Term Sheet PDS.

## RETURNS NOT GUARANTEED

Returns on the Units are not guaranteed. Neither the Issuer, the Arranger, nor any of their associates or subsidiaries guarantees the return on an investment in the Units or any gain. Investors may not recoup the total amount invested nor is there any guarantee that any returns will be in excess of the total amount paid by Investors, or of any particular rate of return on the Units. Please refer to Section 2 "Risks" in this Master PDS and the relevant Term Sheet PDS for the risks specific to the particular Series.

## Superannuation fund investors

Superannuation funds may invest in Units in a Series. Superannuation fund Investors should take note of the representations and warranties they make when investing – see clause 5.27 "Superannuation Funds and Trusts" of the Terms in this Master PDS.

## DEFINITIONS

Capitalised terms used in this PDS have the meaning given in Section 9 "Definitions" of this Master PDS and as defined in the relevant Term Sheet PDS.

## NATURE OF THE UNITS

Please note "Unit" or "Units", when used in this PDS means an agreement to buy the Delivery Assets between the Issuer and the Investor pursuant to the Deferred Purchase Agreement. The Units are not units in a trust or managed investment scheme.

**THIS INVESTMENT CARRIES RISK**

Before investing, potential Investors should read this entire Master PDS and the relevant Term Sheet PDS for a Series of Units to make sure they fully understand the risks of investing in the Units and having exposure to the relevant Reference Asset, and speak to their financial, legal and tax advisers. This document does not take into account a potential Investor's own financial needs, investment goals or financial circumstances.

Investors should seek professional advice which considers their individual objectives, financial situation and needs before making any investment decision.

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## 1. The Units

The Units are interests in Deferred Purchase Agreements issued by the Issuer from time to time, on the terms contained in this Master PDS and the relevant Term Sheet PDS for an individual Offer or Series. The Units are designed to deliver at the Settlement Date a Delivery Parcel which has a value equivalent to the Final Value at the Maturity Date. During the Investment Term and at Maturity there may be the potential for Coupons to be paid, calculated by reference to a Reference Asset as described in the relevant Term Sheet PDS.

### 1.1 Investment Loan

The Units are acquired through the use of a limited recourse Investment Loan. The Investment Loan details will be specified in the relevant Term Sheet PDS. The Issuer will apply the Loan Amount to pay the Issue Price per Unit. Additionally, the relevant Term Sheet PDS will specify whether you are required to prepay any interest on the Investment Loan before the Commencement Date for the Units or annually. The Interest Rate and Interest Payment Dates are described in the relevant Term Sheet PDS.

### 1.2 What do Investors receive at Maturity?

At Maturity, if an Investor has repaid their Investment Loan, they will receive the Delivery Parcel. The number of Delivery Assets in the Delivery Parcel which an Investor receives is calculated by dividing the Final Value of the Units by the purchase price of the Delivery Assets. The calculation for the Final Value will be specified in the relevant Term Sheet PDS.

The Term Sheet PDS for a Series may also specify a Final Coupon (or other such Performance Coupon as defined in the relevant Term Sheet PDS) to be paid in relation to Units in that Series. Unless the Term Sheet PDS for that Series specifies otherwise, the Final Coupon will be paid in cash to Investors on the Settlement Date and will not form part of the Delivery Parcel.

At Maturity, once the Loan Amount has been repaid, the Delivery Parcel will be transferred to Investors, unless an Investor asks the Issuer to sell it under the Agency Sale Option. If an Investor elects the Agency Sale Option, the Investor will be deemed to direct the Issuer to hold the Delivery Parcel on its behalf and to authorise and direct the Issuer (or its nominees) to sell or procure the sale of them on the Investor's behalf. If an Investor has not repaid their Investment Loan at Maturity, then they will be deemed to have elected to use the Agency Sale Option and the Sale Monies will be used repay the Loan Amount. For more information, please refer to Section 1.7 "Agency Sale Option" below.

### 1.3 How is the Delivery Parcel calculated?

The size of the Delivery Parcel delivered to Investors is calculated by reference to the Final Value per Unit at Maturity, multiplied by the number of Units held by an Investor. The value of the Delivery Parcel you receive at Settlement will be reduced by an amount equal to the Delivery Costs and subject to rounding of the number of Delivery Assets. As at the date of this PDS, the Issuer does not expect there to be any Delivery Costs.

Investors should be aware that market movements from the Maturity Date to the Settlement Date will affect the value of the Delivery Parcel, that is, after the Maturity Date, the value of the security will be determined by the price of the security as traded on the ASX. The Issuer will transfer the Delivery Assets to Investors as soon as practical but there is a risk, they may fall in value by the time they are transferred to Investors.

Should Investors prefer to receive their investment return in cash at Maturity, Investors may elect (in the Notice of Maturity) to use the Agency Sale Option and for the Issuer (or its nominee) to sell or procure the sale of their Delivery Parcel and pay them the cash Sale Monies (which includes a deduction for any Delivery Costs) instead. Additionally, if Investors have not repaid the Investment Loan by the Maturity Date, they will be deemed to have elected to use the Agency Sale Option.

The Units may mature early if an Early Maturity Event occurs or if an Investor requests (and the Issuer accepts) an Issuer Buy-Back. For further information, see Section 1.10 "Early Maturity" of this Master PDS and the section headed "Early Maturity" of the Terms in this Master PDS.

Delivery of the Delivery Parcel relies on the Issuer meeting its obligations and the Hedge Counterparty's ability to meet its obligations under the Hedge. A relevant factor for the assessment of counterparty risk is the financial strength of the Issuer and Hedge Counterparty. You should refer to "Counterparty risk of Issuer and Hedge Counterparty" in Section 2 "Risks" of this Master PDS.

An example of how the Delivery Parcel is calculated is set out below:

**Example**

If the Final Value at Maturity was \$1.00 per Unit and assuming you held 50,000 Units, the Final Value for your entire holding will be \$50,000.

The value of the Delivery Parcel would be \$50,000 less any Delivery Costs and subject to rounding of the number of Delivery Assets.

Therefore, the number of Delivery Assets that would be received by an Investor (i.e. the Delivery Parcel) would be calculated as follows:

$$(Final\ Value\ per\ Unit \times Number\ of\ Units\ held\ by\ Investor - Delivery\ Costs) / Delivery\ Asset\ Price.$$

For example, assuming that the Delivery Asset is ordinary shares in Telstra Corporation and assuming that the Delivery Asset Price is \$3.50, the number of Delivery Assets in the Delivery Parcel for an Investor with 50,000 Units will be 14,285 (i.e.  $(\$1.00 \times 50,000) / \$3.50 = 14,285$ ) (assuming no Delivery Costs).

Delivery Asset	Delivery Asset Price	Number of Delivery Assets
Telstra Corporation	\$3.50	14,285

The Delivery Asset Price used for the purpose of this example is indicative and is provided for illustrative purposes only. The above figures were calculated on the assumption that the Loan Amount has been repaid and that there were no Delivery Costs applicable (as at the date of this PDS, it is not anticipated that any Delivery Costs will apply).

In the above example, the number of Delivery Assets has been rounded down to the nearest whole number and is valued at \$49,997.50. Therefore, there is a difference of \$2.50 (i.e. \$50,000 less \$49,997.50). As this amount is less than A\$20, an Investor will not receive this amount. If the fractional amount were greater than A\$20, it would be paid to the Investor's Nominated Account within 10 Business Days of the Settlement Date.

**1.4 Delivery Parcel and substitution**

You should note that the Issuer has the right to delay or substitute the Delivery Asset if the nominated Delivery Asset is unable to be delivered due to any legal or regulatory restriction relating to the Delivery Asset (including cessation or Suspension from listing) or the Issuer, including but not limited to trade limitations resulting from internal conflict arrangements, or if it is not reasonably practicable or economically viable for the Issuer, in its discretion, to deliver the nominated Delivery Assets.

In these circumstances, the Issuer may delay delivery of the Delivery Parcel or substitute another security (other than the nominated Delivery Asset) listed on the ASX and which is a constituent of the S&P/ASX 200 Index as the Delivery Asset. Please refer to clause 5.16 "Substitution of the Delivery Assets" in Section 5 "Terms of the Deferred Purchase Agreement" below.

## 1.5 Maturity

Prior to the Maturity Date you will be sent a Notice of Maturity informing you that Maturity of the Units is approaching. If you have repaid the Investment Loan before the Maturity Date, upon Maturity you may either:

- accept physical delivery of the Delivery Parcel; or
- use the Agency Sale Option and receive the Sale Monies (which includes a deduction for any Delivery Costs).

If you wish to use the Agency Sale Option and receive Sale Monies (which includes a deduction for any Delivery Costs), you need to make this election in the Notice of Maturity.

You should note that you are also required to repay the Investment Loan on or before the Maturity Date – see Section 6 "The Investment Loan" and Section 7 "Loan Agreement" below. If you fail to do so, you will be deemed to have elected to use the Agency Sale Option and you will not be able to receive the Delivery Asset. Please refer to Section 1.6 "Physical Delivery" and Section 1.7 "Agency Sale Option" below.

## 1.6 Physical delivery

At Maturity, if the Investment Loan has been repaid in full, and you have not elected to use the Agency Sale Option, you will not be delivered the Reference Assets. Instead, you will hold a parcel of ASX listed securities (the Delivery Asset). You will need to carefully consider whether an investment in those shares will be a suitable investment for you to hold beyond Maturity. More information about the relevant Delivery Assets will be provided in the relevant Term Sheet PDS.

The Issuer will purchase the Delivery Asset constituting your Delivery Parcel and register those securities on the issuer-sponsored sub register (i.e. as an issuer sponsored holding) in your name. You may at a later stage transfer the securities into your own CHESS account by providing your broker with your Sponsor Reference Number.

The Issuer or its nominee will deliver the Delivery Parcel comprising the Delivery Assets (less any Delivery Costs) on the Settlement Date. As at the date of this PDS, the Issuer does not expect any Delivery Costs to be associated with the delivery.

## 1.7 Agency Sale Option

If you form the view that you do not wish to hold the Delivery Assets after the Maturity Date, you may elect for the Issuer (or its nominees) to sell or procure the sale of the Delivery Assets on your behalf and receive Sale Monies (which includes a deduction for any Delivery Costs) via the Agency Sale Option. You will be deemed to have elected to use the Agency Sale Option if you have not repaid your Investment Loan on or before the Maturity Date.

If you have not repaid the Investment Loan then you will be deemed to elect the Agency Sale Option and to direct the Issuer to apply the Sale Monies against your obligations under the Loan Agreement on your behalf. You will be deemed to direct the Issuer to hold the Delivery Parcel on your behalf and to authorise and direct the Issuer (or its nominees) to sell or procure the sale of the Delivery Parcel and to apply the resulting Sale Monies (which includes a deduction for any Delivery Costs) to pay the Lender an amount equal to the outstanding Loan Amount. Any surplus will be paid to you. As at the date of this PDS, the Issuer does not expect any Delivery Costs to be associated with the Agency Sale Option.

If you have repaid the Investment Loan and elected to use the Agency Sale Option, then the Issuer (or its nominee) will accept physical delivery of the Delivery Assets on your behalf and the Issuer (or its nominees) will sell or procure the sale of them on your behalf. The Issuer (or its nominees) will then pay you the Sale Monies (which includes a deduction for any relevant Delivery Costs associated with the sale). The funds received from the Sale Monies will be paid to your nominated bank account.

As at the date of this Master PDS, the Issuer does not expect any Delivery Costs to be associated with the Agency Sale Option.

To use the Agency Sale Option and receive the Sale Monies (which includes a deduction for any Delivery Costs), or balance of Sale Monies, (if any) you must return the Notice of Maturity to the Issuer at least 10 Business Days prior to the Maturity Date. In circumstances where you have elected to use the Agency Sale Option, Sale Monies (if any) will be paid to your Nominated Account within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter.

See clause 5.13 of the Terms "Delivery through the Agency Sale Option" in this Master PDS for further details about the Agency Sale Option.

## **1.8 Fractions**

If the Delivery Parcel includes a fraction of a Delivery Asset which is valued at more than A\$20.00, the Issuer will transfer the AUD fractional amount into your Nominated Account within 10 Business Days after the Settlement Date or as soon as reasonably practicable thereafter. This amount is in effect a reimbursement of a portion of your Investment Amount.

## **1.9 Can I sell my Units prior to Maturity?**

### **Issuer Buy-back and Annual Walk Away Option**

Investors may request the Issuer buy-back their Units ("Issuer Buy-Back") at certain times as described in the relevant Term Sheet PDS. It is important to note that the amount that Investor receive may vary significantly from what would be expected had the investments matured at that an equivalent time. This is due to several reasons, predominantly to do with the way the investment is hedged and the ability of the Issuer to unwind its hedging to fund the required amount for the Issuer buy-back. It is not recommended that Investors invest in Units if they intend to have the Issuer buy-back their Units prior to Maturity. Acceptance of a request for an Issuer Buy-Back is at the Issuer's discretion.

If an Investor elects to participate in an Issuer Buy-Back, the Investor will not be entitled to any further Coupons or the Final Value. You may request that the Issuer Buy-Back some of your Units by requesting from the Issuer, completing and then lodging an Issuer Buy-Back Form. The Issuer will pay the Investor the Buy-Back Price which will first be applied to any outstanding Loan Amount, and the remainder, if any, will be delivered to the Investor in cash. If there is any outstanding Loan Amount following set off against the Buy-Back Price, Investors will not be liable for this amount due to the Investment Loan being limited recourse to the Units. Delivery Assets will not be provided in the event of an Issuer Buy-Back. Instead, settlement will be in cash.

The Issuer may also offer Investors the opportunity for an Annual Walk Away Option for a Series of Units. If the Term Sheet PDS for a Series specifies that an Annual Walk Away Option applies, the Investor has the choice to continue or discontinue the Investment Loan at the end of each year (or such other date specified in the Term Sheet PDS) and therefore, continue or discontinue their investment in the Units (the "Annual Walk Away Option"). An Investor may elect to exercise the Annual Walk Away Option by notifying the Issuer of their intention in writing at least 14 days prior to the relevant Interest Payment Date (or any other such date as specified in the relevant Term Sheet PDS). The Issuer will send a notice prior to each Interest Payment Date which indicates how Investors can exercise the Annual Walk Away Option.

If the Investor elects to use the Annual Walk Away Option the Investor's investment in the Units and the Investment Loan will be terminated on the next Interest Payment Date with no Break Costs payable and the Investor will not need to pay the Prepaid Interest for the next year of the Investment Term or any other amount or penalties in relation to the Investment Loan. Unless otherwise specified, the Investor will not be entitled to any Coupons (Fixed, Performance, Final or any other Coupons as specified in the relevant Term Sheet PDS) or any other returns in the event that they exercise the Annual Walk Away Option and their exposure to the Units will be terminated.

### 1.10 Early Maturity

The Units may mature early if an Early Maturity Event occurs or if an Investor requests an Issuer Buy-Back which is accepted by the Issuer.

Early Maturity Events generally arise in circumstances which prevent the Issuer being able to hedge or deliver on its obligations under the Terms of the Units or if the Investor defaults on an Investment Loan. Early Maturity Events may include (but are not limited to) the relevant Reference Asset ceasing to be calculated or exist and circumstances where a Change of Law occurs that prevents the normal operation of the Units or results in the Issuer having to pay additional amounts in relation to the Units. Please refer to Section 2 "Risks" of this Master PDS and clause 5.17 "Early Maturity by the Issuer" of Section 5 "Terms of the Deferred Purchase Agreement" below which sets out the Early Maturity Events.

If an Early Maturity Event occurs the Issuer may reasonably determine whether to call Early Maturity or allow the Units to continue. An Early Maturity Event may occur on the Maturity Date, in which case the Units will mature in accordance with the Early Maturity mechanism in clause 5.20 "Early Maturity Mechanism" of Section 5 "Terms of the Deferred Purchase Agreement" below.

An Early Maturity may lead to Investors suffering losses and bearing various costs associated with the Early Maturity. Where the Issuer calls an Early Maturity and the Investment Loan has been fully repaid, Investors will either receive the Termination Payment or a Delivery Parcel with value equal to the Early Maturity Value. In calculating the Termination Payment and the Early Maturity Value, the Issuer may deduct any costs it reasonably incurs acting in a commercially reasonable manner in relation to the Early Maturity, including Break Costs and the costs of unwinding any hedge. The amount the Issuer achieves on the unwinding of its hedge position may be minimal or zero and Investors may receive nothing. However, a minimum Early Maturity Value or Termination Payment per Unit may apply. Please refer to the relevant Term Sheet PDS to see if a minimum Early Maturity Value or Termination Payment applies.

In an Early Maturity Event occurs, Investors will not be entitled to a refund on any Prepaid Interest or any Fees paid. Investors should also note that it may be the case that even if the Reference Asset is above its starting level, if there is an Early Maturity Event no Final Coupon will be payable.

Investors should also note that they will be required to repay the Investment Loan on Early Maturity. If the Investor does not repay the Investment Loan before the Early Maturity Date, the Early Maturity Value (or Termination Payment) will be applied towards repayment of the Investment Loan, or if a Delivery Parcel is delivered, the Investor will be deemed to have elected to use the Agency Sale Option, and the Sale Monies (which includes a deduction for any Delivery Costs) will be applied first against the Investment Loan.

***However, as the Investment Loan is a limited recourse loan, the Lender cannot take action against the Investors to recover any amount beyond the Investor's interest in the Units including without limitation, any corresponding Delivery Assets or Sale Monies.***

Please see the section headed "Early Maturity" in Section 5 "Terms of the Deferred Purchase Agreement" for more details about Early Maturity.

### 1.11 Derivatives

The Issuer obtains exposure to the Reference Asset(s) through the use of derivatives or other securities (such as Notes) rather than a direct investment in the Reference Asset or securities comprising the Reference Asset.

### 1.12 Fees & Costs

The Fees and any other costs applicable to a Series will be set out in the Term Sheet PDS.

In addition to Fees and any other costs charged by the Issuer, if you agree to pay a fee to your adviser for financial product advice given by them to you in relation to your investment in the Units ("Application Fee or

Adviser Fee"), you should insert the agreed amount of the Application Fee or Adviser Fee payable on the Application Form attached to the relevant Term Sheet PDS. By signing the Application Form you irrevocably authorise the Issuer to collect the Application Fee or Adviser Fee (if any) specified on your Application Form at the same time as the other payments are direct debited and irrevocably direct the Issuer to pay the Application Fee or Adviser Fee (if any) to your adviser, or a service provider of the Adviser nominated by you, on your behalf.

## **2. Risks**

An investment in the Units carries risk. This is a summary of some of the specific risks applicable to the Units. Before investing, potential Investors should make sure they understand the risks. Investors should read all of the Term Sheet PDS and this Master PDS and should consult an independent financial, legal and tax adviser before investing in any Units. This document does not take into account a potential Investor's own financial needs, investment goals or financial circumstances.

### **2.1 The Units**

Investors may not receive any returns (in particular, no Coupons or Final Value may be payable) on the Units and therefore they may not recoup any of the amount they paid upfront for the Units. If there is an Investment Loan associated with a particular Series, the returns may not be sufficient to recover the Prepaid Interest and any applicable Fees set out in the relevant Term Sheet PDS.

#### **Performance of the Reference Asset**

Historical prices of the Reference Asset should not be taken as an indication of the future performance of the Reference Asset during the Investment Term. It is impossible to determine with certainty whether the Reference Asset will rise or fall.

#### **Coupons**

Some Series may have the potential to pay Coupons, either during the Investment Term or at Maturity, or both. The Coupons may be Fixed Coupons, Performance Coupons or Conditional Coupons (or as otherwise specified in the relevant Term Sheet PDS). Where a Coupon is Conditional or Performance based (e.g. determined based on the performance of the Reference Asset and/or the Strategy Value), there will not be a Coupon if the performance of the Reference Asset and/or the Strategy Value is not higher than the level described in the relevant Term Sheet PDS. For example, a particular Series may pay a Final Coupon of 20%, provided that the Performance of the Reference Asset is greater than a specified percentage (for example a Series may have a Hurdle set at 10%). Investors need to refer to the relevant Term Sheet PDS for detailed calculations of Coupons.

Investors should note that if the Coupons cannot be set to a level satisfactory to the Issuer for a particular Series, for example if there is a significant movement in its cost of hedging prior to the Commencement Date, then the Issuer may, at its discretion, withdraw the offer of Units in that particular Series. For some Series, the Coupons may be determined in a foreign currency before being converted to Australian Dollars. Even if a Coupon is payable, it may not be sufficient to cover the costs such as Prepaid Interest and any other applicable Fees (as set out in the Term Sheet PDS).

Further information and worked examples on the Coupons and how they are calculated may be found the relevant Term Sheet PDS.

#### **Investment Loan risks**

In the event of an Investor requested Issuer Buy-Back which is accepted by the Issuer or an Early Maturity Event, Investors will not be entitled to a refund of any Prepaid Interest or any other Fees.

Loan Break Costs may also apply if your Investment Loan is repaid prior to the Maturity Date. The Lender may exercise its rights to effect repayment of your Investment Loan in the event of non-payment, or in certain circumstances you may be deemed to have elected to use the Agency Sale Option. You will be deemed to direct the Issuer to hold the Delivery Parcel on your behalf and to authorise and direct the Issuer (or its

nominees) to sell or procure the sale of the Delivery Parcel and to apply the resulting Sale Monies (which includes a deduction for any Delivery Costs) to pay the Lender an amount equal to the outstanding Loan Amount, and any surplus will be paid to you. The Sale Monies will be applied first to the Investment Loan.

*As the Investment Loan is a limited recourse loan, the Lender cannot take action against Investors to recover any amount beyond the Investor's interest in the Units.*

#### **Prepaid Interest and other applicable Fees**

The Investment Amount or Prepaid Interest and any other applicable Fees for the Investment Term must be prepaid by Investors by the relevant Application Payment Date and/or such other date as set out in the relevant Term Sheet PDS. Investors must provide direct debit details with their application. Cleared funds must be received by the Issuer by the Application Payment Date or such other date specified in the Term Sheet PDS.

There is no guarantee that the Units will generate returns in excess of the Prepaid Interest and any other Fees. Additionally, in the event of an Investor requested Issuer Buy-Back, an Early Maturity Event or if Investors elect to repay their Investment Loan prior to the Maturity Date, they will not receive a refund of any of the Prepaid Interest or other Fees.

#### **Averaging risk**

Some Series may use an averaging technique to attempt to reduce the effect of volatility of the Reference Asset or Strategy Value when calculating the Initial Strategy Value and the Final Strategy Value at Maturity. This averaging at Maturity may decrease the impact of a fall in the value of the Strategy Value during that period. This averaging at the Commencement of the Investment Term may decrease the impact of an increase in the value of the Strategy Value on the value of your Units during that period.

#### **Secondary Market risk**

The Issuer may make Units available for purchase after the Initial Offer Period has closed in a Secondary Market. The returns during the Investment Term on the Units will typically always be calculated with respect to the Initial Unit Price (e.g. \$1.00 per Unit). However, the Unit Price offered in the Secondary Market may be higher or lower than Initial Unit Price. For example, Units may have initially been offered at \$1.00 per Unit. After 2 months Investors may be able to purchase units at \$1.05. As the Coupons or Final Value of the Units are calculated with reference to the Initial Unit Price of \$1.00, that means the Investors who purchased Units in the Secondary Market would have earned a lower return on their capital as a percentage when compared to Investors who purchase during the Initial Offer Period.

#### **Foreign exchange risk (if applicable)**

Units in some Series may have exposure to a foreign currency/exchange rate. Additionally, the Reference Asset may be listed on a foreign exchange and denominated in a currency other than Australian dollars. Investors' returns from the Coupons and Final Value in these Series may be subject to movements in the relevant exchange rate. If this is the case, this may significantly affect the performance of the investment. For example, if a Series has exposure to the AUD/USD and the AUD/USD exchange rate has increased between the Commencement Date and a Coupon Determination Date, the Coupons payable will decrease. Conversely, if the AUD/USD exchange rate decreases, the Coupons payable will increase. Any Coupons payable will be converted to Australian dollars using the relevant Currency spot exchange rate at the relevant Coupon Determination Date.

In the event of Early Maturity or Issuer Buy-Back, the Early Maturity Value or Buy-Back Price may also be affected by adverse movements in foreign currencies.

**Participation Rate risk (if applicable)**

Units in some Series may provide Investors more than or less than 100% exposure to the performance of the Reference Asset (the “Participation Rate”). The Participation Rate may present an investment risk as a Participation Rate above 100% represents an exposure of more than 100% to the Reference Asset. This has the potential to magnify both gains and losses. Investors should also be aware that where there is a Participation Rate of less than 100%, Investors will not gain the full benefits of an increase of the value of the Reference Asset.

**Exposure and volatility risk (if applicable)**

A Particular Series may have varying levels of exposure to the Reference Asset (the “Participation Rate”). This may be a simple calculation or formula, or it may be linked to the volatility of the Reference Asset using a Volatility Target. The relevant Term Sheet PDS will state whether a Participation Rate applies with respect to a Series.

A simple percentage exposure Participation Rate may be used—for example, 150% of the performance of the Reference Asset during Investment Term.

Alternatively, a Volatility Target may be used. This is a mechanism designed to manage market risk associated with the performance of the Reference Asset by managing the Participation Rate. It operates by varying the exposure that the Units will have to the Reference Asset depending on the volatility of the Reference Asset and the Target Volatility, usually on a daily basis. Target Volatility is the level of volatility that would provide a Participation Rate of 100%. The higher the volatility, the lower the Participation Rate (and hence the lower the exposure to the Reference Asset) and vice versa.

The Participation Rate may present an investment risk as a Participation Rate above 100% represents an exposure of more than 100% to the Reference Asset. This has the potential to magnify both gains and losses. Investors should also be aware that where there is a high level of volatility, triggering a Participation Rate of less than 100%, Investors may not gain the full benefits of an increase of the value of the Reference Asset. Conversely, where volatility is low, the Participation Rate will be higher than 100% and Investors will have a magnified exposure to the Reference Asset. Where the level of the Reference Asset drops in these circumstances, the Participation Rate of more than 100% will result in Investors' losses being magnified. The minimum Participation Rate for all Series is 0%, which means Investors have no exposure to the Reference Asset. Please note that historical performance is not a reliable indicator of future performance.

Investors should note that if the Target Volatility for a Series cannot be set to a level satisfactory to the Issuer, for example if there is a significant movement in its cost of hedging prior to the Commencement Date, then the Issuer may, at its discretion, withdraw the offer.

Finally, Investors should note that there may be a lag in measuring the volatility of the Reference Asset. The Participation Rate may be based on the realised volatility of the Reference Asset over number of Scheduled Business Days (e.g. a Series may use the 60 Scheduled Business Days prior to the day that the Participation Rate is calculated). This means that where there has been a period of high volatility, the Investor's exposure to the Reference Asset will be low, regardless of whether the Reference Asset is performing positively or negatively and regardless of the then prevailing level of volatility. Where historical volatility has been very low, the exposure to the Reference Asset will be high, again regardless of whether the Reference Asset is performing positively or negatively and regardless of the then prevailing level of volatility.

**An early termination of the Hedge will constitute an Early Maturity Event or an Adjustment Event under the Units.**

Any event as a result of which the Hedge Counterparty cannot make physical delivery of the relevant assets (or otherwise results in the early termination of the Hedge) will constitute either an Early Maturity Event or an Adjustment Event under the Units.

### **Reference Asset risk**

The value of the Reference Asset may change substantially over the life of your investment. The Reference Asset gives exposure to various underlying securities (including via any relevant index). The returns on the Reference Asset are subject to the performance of the individual equities or assets included in the relevant Reference Asset. Therefore, all factors likely to affect the performance of the securities which comprise the Reference Asset are important, and Investors should consider all appropriate publicly available information in relation to the Reference Asset (and the securities which comprise it).

These factors may include movements in international financial markets, interest rates, currency rates and global economic, political, technological, and environmental factors.

For a Reference Asset that is an index, the securities comprising the Reference Asset may change substantially over the life of the investment. In particular, it is possible that the initial constituent securities will increase substantially in value prior to the Maturity Date but that the Reference Asset will decline in value during such period. Investors should have regard to this when considering the importance of the identity of the initial securities comprising the Reference Asset.

In addition, you should note that you will not have an actual investment in the Reference Asset, or any of the securities comprising the Reference Asset.

### **Foreign tax legislation risks**

Foreign tax legislation may impose taxes on payments made by the Hedge Counterparty; payments made to the Hedge Counterparty; or in relation to payments made under the Hedge Agreement. These taxes may adversely affect the value of your Units.

Payment disruptions under the Hedge

There is a risk an event may occur that:

- prevents, restricts or delays the relevant Hedge Counterparty from converting or delivering relevant currencies under the Hedge Agreement;
- imposes capital controls in relation to a Hedge Agreement; or
- implements changes to laws relating to foreign investments that impact the Hedge Agreement.

Such an event may lead to a delayed and/or reduced payment under the Hedge. In such circumstances, the Hedge Counterparty's obligation to make a payment may be postponed up to 20 Business Days (or longer) after the date at which the payment disruption event is no longer occurring. No accrued interest will be payable in respect of any such postponement. This may lead to an Early Maturity Event or an Adjustment Event under the Units.

### **Price return index**

Where the Reference Assets are price return indices, the performance of the Reference Assets reflects the movements in the price of the shares in the indices and do not take into account dividends, interest or other income paid on those shares.

### **Unit value before the Maturity Date**

The market value of the Units will be determined by many factors before the Maturity Date. These include:

- i. prevailing interest rates in Australia and offshore;
- ii. the remaining time to Maturity; and
- iii. general market risks and movements.

Investors should be aware the Units are designed to be held to Maturity and are not designed to be a trading instrument.

### **Time value of money risk**

The present value of \$1.00 is not the same as a Final Value of \$1.00 at a future time. The level of inflation is likely to adversely affect the value of \$1.00, so that a Final Value of \$1.00 per Unit at Maturity is likely to have less buying power than \$1.00 at the date of issue of the Units or at any other time prior to the Maturity Date.

### **Delivery Assets**

The Delivery Assets are subject to market risks and other risks inherent in owning listed instruments. For example, the market value of the Delivery Assets could fall between the date the Issuer buys them for the Investors and the date they are transferred to Investors or sold on the Investor's behalf.

The Delivery Assets might not be very liquid so Investors may not be able to sell when they would like to.

The Delivery Asset may be substituted by the Issuer or delivery of the Delivery Assets may be delayed. Although the Issuer does not intend to substitute the Delivery Assets, the Issuer might need to make a substitution because they are not able to, or it is not reasonably practicable or economically viable, to deliver the nominated Delivery Assets.

### **Adjustment Events and Market Disruption Events**

Unexpected events may occur which may impact the Units in a way the Issuer had not anticipated, often adversely. The Issuer has certain powers under Section 5 "Terms of the Deferred Purchase Agreement" in relation to how it may deal with such events, referred to as Adjustment Events and Market Disruption Events. Examples include changes in the Reference Asset or in laws and regulations that would in turn affect the Units. For example, if the Reference Asset (or a component of the Reference Asset) was an index and was amended, replaced, terminated or otherwise stopped and stopped being calculated and published then Units would be affected because there is no longer a Reference Asset (or a component of the Reference Asset is missing). In this case, the Issuer might, amongst other options, consider replacing the Reference Asset or, where the Reference Asset has more than one component, replacing the affected component or determining to continue using the unaffected components only. Another example is if the Reference Asset was a security and was consolidated, restructured, sub-divided or replaced with some other form of security or property then the Units would be affected as the Reference Asset has been changed. In this case, the Issuer might, amongst other options, consider replacing the Reference Asset.

Other Adjustment Events include where the Issuer is unable to perform its obligations or it would be illegal to do so, or there is a disruption or material increase in costs in the Issuer's management arrangements. A full list of Adjustment Events is set out in Section 9 "Definitions" of this Master PDS.

If there is a Market Disruption Event affecting the Reference Asset, Delivery Parcel or a component of them on certain dates for working calculations during the Investment Term (such as the Maturity Date) then the Issuer may determine to take action to take account of the disruption, or may delay the calculation to the next Scheduled Business Day on which there is no Market Disruption Event. However, if the next 10 Scheduled Business Days are all affected by a Market Disruption Event, then the Issuer will make a good faith determination, acting in a commercially reasonable manner, of the calculation which would have applied for the original date. The Issuer will notify you of a Market Disruption Event as soon as practicable and in any event within 5 Business Days. Please refer to clause 5.25 "Market Disruption Events" of the Terms of this PDS.

In some circumstances these events could also be classified as Early Maturity Events and lead to Early Maturity of the Units. Please refer to clause the section headed "Adjustment Events and Market Disruption Events" in the Terms.

**Early Maturity**

The Issuer may determine an Early Maturity Date for specific events for example disruptions to the Issuer's management arrangements such as where the management arrangements are suspended or terminated (whether due to the Hedge Counterparty's insolvency or any other reason). Other examples of Early Maturity Events include, where tax costs increase, a Change of Law occurs, it becomes illegal for the Issuer to perform its obligations, an Investor Insolvency occurs, or there is an Adjustment Event or Market Disruption Event which the Issuer nominates as an Early Maturity Event under the section headed "Adjustment Events and Market Disruption Events" in the Terms.

The Issuer will determine the Early Maturity Value, acting in good faith and a commercially reasonable manner. Investors could receive returns that are lower than the performance of the Reference Asset.

**Withdrawals and liquidity**

There is no established market for trading the Units.

The Issuer may reject an Investor's Issuer Buy-Back Request or restrict when they withdraw. Generally, the Issuer would only reject or defer an Issuer Buy-Back Request if it is unable to adequately unwind its own hedging arrangements. The Issuer determines the Buy-Back Price, acting in good faith and a commercially reasonable manner. Investors could receive returns that are lower than the performance of the Reference Asset.

Investors may contact the Issuer for estimates of the Buy-Back Price in the few weeks prior to each Buy-Back Date.

**Counterparty risk of Issuer and Hedge Counterparty**

If the Issuer goes into liquidation or receivership or statutory management or is otherwise unable to meet its debts as they fall due, the Investor could receive none, or only some, of the amount invested. The Issuer is a special purpose vehicle established to issue Deferred Purchase Agreements and other structured products. Investors should not seek to rely on the creditworthiness of the Issuer.

The Issuer will enter into the Hedge Agreements with the relevant Hedge Counterparties. Therefore, a relevant factor for the assessment of counterparty risk relevant to the Units is the financial strength of the Issuer and the relevant Hedge Counterparty (as Investors will have credit exposure to the creditworthiness of a Hedge Counterparty through the relevant Hedge).

The Hedge Counterparty may be a U.S. entity or other offshore entity which means that U.S. bankruptcy law or other offshore bankruptcy law may apply if the Hedge Counterparty becomes insolvent.

Investors should note that the Issuer maintains only one trust account and all money relating to all Units on issue is paid into that trust account.

Prior to payment of a Coupon and/or Final Value, the Issuer will receive, depending on the performance of the Reference Asset, a payment from the Hedge Counterparty of a Series equivalent to the Coupon (if any) and/or Final Value (if any) due to be paid to Investors for that Series. This amount received from the Hedge Counterparty may be paid to Investors of that Series.

If the Issuer defaults under a Series, this may also be a default under the Hedge (for example, if the Issuer is insolvent). If this is the case, the Hedge Counterparty may have the right to terminate the Hedge and calculate the termination value of the Hedge. This termination value may be significantly less than the Issue Price and may be zero.

This means that Investors may receive nothing and lose their total Prepaid Interest or Investment Amount and any Fees paid.

### **Default under the Hedge for another Series**

There is a separate Hedge for each Series and, except in the case of an insolvency event, the right to set off and net payments may apply separately to the Hedge for each Series. However, if there is an insolvency event (in relation to either the Issuer or the Hedge Counterparty) under a Hedge, then the Hedges for all Series may terminate and the relevant Hedge Counterparty and the Issuer may have the right to set off and net the amounts payable on termination across the Hedges for all Series. The Issuer aims to ensure that there will never be a net amount owing from the Issuer to the Hedge Counterparty under the Hedge.

The Issuer may have a number of different Hedges (i.e. for a number of different Series) with one Hedge Counterparty. In this case, if the Issuer defaults under one of the Hedges only and the relevant default is a default under the other Hedges with that Hedge Counterparty, the Hedge Counterparty may have the ability to elect whether to terminate all the outstanding Hedges, or whether to suspend any payment or delivery obligations the Hedge Counterparty owes. Although the Hedge Counterparty generally cannot net across all the Hedges (unless the Issuer is insolvent), the early termination or payment suspension of all Hedges outstanding with that Hedge Counterparty may adversely impact the return Investors in those affected Series may receive. The Issuer aims to ensure that there will never be a net amount owing from the Issuer to the Hedge Counterparty under the Hedge, which reduces the risk of such cross default. Similarly, if the Hedge Counterparty defaults under one Hedge only, the Issuer may have the ability to elect to terminate all outstanding Hedges with that Hedge Counterparty or suspend its obligations to the Hedge Counterparty.

### **Tax neutrality**

Any tax liabilities incurred by the Issuer could impair the Issuer's ability to satisfy its obligations under the Units. As at the date of this PDS, the Issuer expects that it will be in a position to pay all tax debts as and when they fall due, without adversely affecting the Issuer's ability to satisfy its obligations under the Units.

### **No investigation**

The Issuer and the Arranger will not perform any investigation or review of the Reference Asset or, where the Reference Asset is an index or has exposure to an index, the underlying securities comprised in the Reference Asset from time to time or the issuers of such securities, including without limitation, any public filings made by the issuers of the underlying securities, for the purposes of forming a view as to the merits of an investment linked to the Reference Asset. Where the Reference Asset is an index or has exposure to an index, there is no guarantee or express or implied warranty in respect of the selection of the underlying securities comprised within the Reference Asset or the methodology of calculating the Reference Asset. Investors should not conclude that the sale by the Issuer of the Units is any form of investment recommendation by it, the Arranger, or any of their affiliates.

You will not receive any dividends or distributions on the Delivery Assets or the securities making up the Reference Asset during the Investment Term. In addition, you will not have voting rights or any other rights that you may otherwise have if you were the holder of the Delivery Assets, Reference Asset or the securities making up the Reference Asset during the Investment Term.

## **2.2 General Risks**

### **General market risk**

The performance of the Reference Asset will largely determine the market price of the Units. The volatility of the Reference Asset, and, where the Reference Asset is an index, the market price of the securities or commodities that comprise the Reference Asset and other interrelated and complex factors and general risks applicable to financial markets on which those securities or commodities will be traded (such as investor confidence and present and expected future global economic conditions) will be relevant as well.

### **Conflicts of interest**

Anadara Specialist Investments Pty Ltd may face possible conflicts of interest in connection with its roles as Issuer and any other role as described in this PDS.

### **Change of Issuer**

Under the Terms of the Units, the Issuer has the right to transfer its rights and obligations under this PDS and the Terms provided it is not unfair to Investors (as defined in Section 12BG of the ASIC Act).

### **Change of Lender**

The Lender may assign or transfer the Investment Loan and any or all of its rights and obligations under the Loan Agreement at any time during the Investment Term provided it is not unfair to Investors (as defined in Section 12BG of the ASIC Act). If the Lender assigns or transfers the Investment Loan during the Investment Term, the terms of the Investment Loan will not change. The Investment Loan will continue to be a limited recourse loan.

### **Tax risk**

The expected tax implications of entering into and exiting of the Units at Maturity may change as a result of changes in the taxation laws or changes in interpretation of them by the ATO. Please refer to Section 3 "Taxation" of this Master PDS for a more detailed description of the taxation of the Units and obtain independent advice that takes into account your specific circumstances.

### **Tax deductions**

There is a risk that deductions will not be available in respect of the Investor's interest expense on the Investment Loan. Further, interest that is not deductible would not be included in the reduced cost base of the Unit. As such, interest that is not deductible will not give rise to any capital loss. See further Section 3 "Taxation".

### **No claim against underlying asset**

You do not have any interest in or rights to the Reference Asset to which the Units relate. Any claim against the Delivery Assets only arises after Maturity and upon taking physical delivery of them.

### **Interest rate risk**

You are exposed to the movement of interest rates whenever you redeem, transfer or sell your Units prior to the Maturity Date. Movements in interest rates will have an impact upon the value of Units. As interest rates move upwards, the value of the Units generally fall.

### **Settlement risk**

Upon purchasing the Units, you assume settlement risks relating to the Issuer failing to deliver the Delivery Assets. The Issuer believes this risk is remote however a delay in delivering the Delivery Parcel and/or Sale Monies could occur.

### **Compounding of risks**

An investment in the Units involves risks and should only be made after assessing the direction, timing, and magnitude of potential future changes in the value of the Reference Asset, and the terms and conditions of the Units as contained in the PDS.

More than one risk factor may have simultaneous effects with regard to the Units such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Units.

## Break Costs

The Issuer may deduct Break Costs in relation to Early Maturity (whether following an Early Maturity Event or Issuer Buy-Back). The Break Costs will form part of the calculation of the amount you will receive if your Issuer Buy-Back request is permitted or if an Early Maturity Event occurs.

Break Costs include all costs, expenses and losses reasonably incurred by the Issuer as a result of the determination of an Early Maturity Date, Buy-Back Date or other early termination, unwinding of any hedge position entered into in connection with the Units, or any loss of bargain.

Break Costs could be significant and may not be in your favour. Break Costs will depend on the economic value the Issuer achieves on the unwinding of its hedge position (i.e. the amount it achieves on the sale or unwind of the options that underlie the Units). The economic value the Issuer achieves will be reliant on several factors including but not limited to market liquidity, volatility, interest rates, market prices, foreign exchange rates, and the time to Maturity. The economic value that the Issuer achieves may be minimal or nothing.

The impact of these factors is largely unknown and is dependent on movements in financial markets. Investors and their advisers may contact the Issuer and request an estimate of the Buy-Back Price (including Break Costs) that would apply to Units in the few weeks leading up to each Buy-Back Date.

The Issuer will provide estimates of Buy-Back Prices (which will include Break Costs) to Investors when it is able to accurately value the Units to enable them to determine the likely Buy-Back Price if the Investor requests an Issuer Buy-Back. However, the actual Buy-Back Price at which the Issuer will buy-back your Units will not be known at the time an Issuer Buy-Back request is made and may be significantly less than the estimate provided.

Investors should also note that they will be required to repay the Investment Loan on an Issuer Buy-Back. The Issuer will provide the Investor with an estimate of the amount outstanding on the Investment Loan, calculated by the Issuer, acting in good faith and a commercially reasonable manner, and subject to interest rates, liquidity, Loan Break Costs and other relevant factors, upon request from the Investor.

If the Investor does not repay the Investment Loan before the Buy-Back Date, the Buy-Back Price will first be applied towards repayment of the Investment Loan. However, as the Investment Loan is a limited recourse loan, the Lender cannot take action against the Investors to recover any amount beyond the Investor's interest in the Units. In the case of Early Maturity or Issuer Buy-Back, Investors will not receive a refund of the Prepaid Interest.

A minimum Early Maturity Value and/or minimum Buy-Back Price may apply in respect of a Series. Please refer to the relevant Term Sheet PDS.

## Derivatives risk

Derivatives (such as swap agreements, deferred purchase agreements, options, futures, forward rate agreements and forward foreign exchange contracts) may be utilised by the Issuer to manage risk or to gain exposure to individual securities, currencies and investment markets. Risks associated with using derivatives include the value of the derivative failing to move in line with the underlying asset, potential illiquidity, and counterparty risk (this is where the counterparty to the derivative contract cannot meet its obligations under the contract). Any such risk occurring is likely to adversely impact on the value of your Units prior to Maturity.

## Regulatory risk

The following risks may apply when investing in the Units:

- characteristics of the Units may change;
- taxation, superannuation and other laws and their interpretation are subject to continual change and may affect the tax implications or other characteristics of your investment;

- Investors, particularly superannuation fund trustees must be satisfied that the Units are a permissible investment and suitable for their superannuation fund;
- there may be different tax consequences for different Investors compared to investing directly in underlying investments;
- there may be different tax consequences for Investors investing directly in the Reference Asset and those investing through an Investor Directed Portfolio Service operator;
- the Units could be, by regulation, deemed not to be securities but another class of financial product;
- the Reference Asset could be terminated or cease to exist; and
- the Issuer's hedging arrangements could be adjusted, amended, or terminated.

### **Managing your risks**

You can always help manage risks. Importantly, you can manage risk by:

- obtaining professional investment advice to determine whether the Units suit your investment objectives, financial situation, and particular needs; and
- reading all the information in this Master PDS and the relevant Term Sheet PDS before investing in the Units and making sure you understand what it is you are investing into; and
- obtaining professional investment advice concerning a suggested minimum investment timeframe for the Units.

Please note, however, that investing for the suggested minimum investment timeframe does not entirely eliminate the risk of loss, although the Investment Loan is limited recourse to your interest in the Units and any assets which replace the Units (including without limitation any associated Coupons, Delivery Parcel, or Sale Monies).

You should note that the amount of the Investment Amount, Prepaid Interest, any Fees are at risk as there is no guarantee that returns on the Units will be in excess of these amounts. You should consider your investments in light of your investment objectives, financial situation and particular needs and seek independent investment advice.

### 3. Taxation

This summary provides a general outline of the main Australian income tax, GST and stamp duty implications arising for an Australian resident Investor. The summary applies on the basis that the Investor, at the time of entering into the scheme and on each Interest Payment Date thereafter have a:

- Purpose of staying in the scheme until it is completed (that is, being a party to the Terms until their term expires) whose rights and obligations under the scheme commence on a relevant commencement date; and
- A realistic expectation of deriving assessable income from the scheme that exceeds the deductible expenditure that is incurred in respect of it.

The summary in this Master PDS is provided on the basis that the Investor is not a trader in financial instruments or securities and is not treated for tax purposes as trading in the Units or the Delivery Assets, carrying on a business of investing in the Units or the Delivery Assets, or holding the Units or the Delivery Assets as trading stock or as revenue assets. Certain Investors such as superannuation funds and tax-exempt entities may be subject to special or different tax consequences peculiar to their circumstances which are not discussed in this Master PDS.

Whilst the Australian Taxation Office (“**ATO**”) encourages issuers of financial products to obtain a product ruling prior to the issuance of such financial products in the market, obtaining a product ruling is not mandatory and was not sought from the ATO for this product.

This is on that basis that *Product Ruling PR 2024/6, Tax consequences of investing in the Anadara Deferred Purchase Agreement (“PR 2024/6”)* confirms certain aspects of the tax treatment of an investment which has the same terms as the product under this Master PDS and as set out in the relevant Term Sheet PDS.

PR 2024/6 is a ruling on the application of taxation law, and is only binding on the ATO if the scheme is implemented in the specific manner outlined in the product ruling. As such PR 2024/6 is not binding with respect to the product under this Master PDS and as set out in the relevant Term Sheet PDS. The Commissioner does not sanction or guarantee the product in PR 2024/6. Further, the Commissioner gives no assurance that the product in PR 2024/6 is commercially viable, that charges are reasonable, appropriate or represent industry norms, or that projected returns will be achieved or are reasonably based. Please refer to PR 2024/6 for more detailed information on the income tax consequences for entities that participate as an Investor in that applicable scheme.

Notwithstanding the above comments, we expect that the Commissioners views with respect to the main Australian Australian income tax, GST and stamp duty implications arising for an Australian resident Investor with respect to this product are consistent with those in PR 2024/6 given the likeness of the characteristics of the product which is the subject of this Master PDS to the product in PR 2024/6.

This summary is based on Australian law and administrative practice as at the date of this Master PDS. Investors should be aware that the ultimate interpretation of taxation law rests with the Courts and that the law, and the way the Federal Commissioner of Taxation (“**Commissioner**”) and State and Territory revenue authorities administer the law, may change at any time. References in this section to the (“**ITAA 1936**”) and the (“**ITAA 1997**”) are references to the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth), respectively.

This summary is necessarily general in nature and does not take into account the specific taxation circumstances of each individual Investor. Investors should seek independent professional tax advice in

relation to their own particular circumstances before making any investment decision to understand their taxation implications.

### 3.1 General Australian Income Tax Implications

#### Holding and Disposal of Delivery Assets

Where an investor, at maturity, has repaid the Investment Loan in full, and has not elected to use the Agency Sale Option, the Investor will hold the Delivery Assets (being a parcel of ASX listed securities) at the time of delivery. The Delivery Assets are a Capital Gains Tax (“CGT”) asset. The following should be applicable and apply in respect of holding the Delivery Assets, being the ASX listed equities:

- Dividends paid on the Delivery Assets (grossed up for any franking credits) are assessable, and Investors may, depending on their personal circumstances, be entitled to tax offsets for any franking credits attached to the dividends; and
- Tax File Number (“TFN”) withholding (currently at a rate of 47%) will be required to be deducted from the unfranked portion of dividends paid on the Delivery Assets unless Investors quote their TFN or, where applicable, their Australian Business Number (“ABN”) or exemption details.

Any subsequent disposal of the Delivery Assets by an Investor should constitute a CGT event at the time the contract for disposal is executed. An Investor should be assessed on any capital gain made from the CGT event. The capital gain should be the difference between the capital proceeds received on disposal less the cost base which the Investor has in the Delivery Assets. If the capital proceeds received by an Investor are less than the cost base or reduced cost base that the Investor has in the Delivery Assets, then the Investor should make a capital loss. Capital losses may be able to be offset against taxable capital gains made by an Investor.

The capital proceeds which an Investor receives will most likely be the cash (or other property) the Investor receives or is entitled to receive when the Investor disposes of the Delivery Assets. The Investor’s cost base in the Delivery Assets should be their market value at the time of delivery. An Investor that is an individual, complying superannuation entity or trust may claim the benefit of the CGT discount on any capital gain made on the disposal of the Delivery Assets where they have held the Delivery Assets for more than 12 months (excluding the acquisition and disposal dates). In **TD 2008/22** the Commissioner has stated that for CGT purposes an Investor acquires the Delivery Assets at the time of delivery (i.e. the holding of the Delivery Asset does not include the period during which the Units were held).

#### Investment in Units and Investment Loan

The Investor’s legally enforceable rights in respect of their Units under the terms set out under this Master PDS are, in their totality, a CGT asset. The Investor’s ownership of those contractual rights in respect of their Units under the DPA comes to an end by reason of those rights being discharged or satisfied upon either the application or payment of the Sale Monies from the sale of the Delivery Parcel under the Agency Sale Option, or the delivery of the Delivery Parcel to the Investor. A CGT event, being CGT event C2, happens for the investor at this time with respect to the Units.

The Investor’s capital proceeds from the CGT event will, as applicable, be equal to the Sale Monies obtained under the Agency Sale Option, or the market value of the Delivery Parcel received by the Investor on (or shortly after) the Settlement Date. For Units in a Series where the only payment receivable by the Investor on (or shortly after) the Settlement Date is a Performance Coupon (as a Final Coupon) the Investor’s capital proceeds from the CGT event will be equal to the Performance Coupon.

Where part or all of the capital proceeds also represent Coupons received by an Investor and are included as assessable income of the Investor, any capital gain made by the Investor should be reduced to nil if it does not exceed the amount included as assessable income.

The cost base or reduced cost base of the Investor's contractual rights in respect of their Units includes the Investment Amount. The cost base of the Investor's contractual rights in respect of their Units in a Series that does not have the potential to pay Coupons also includes interest incurred by the Investor under an Investment Loan used to acquire those Units.

The capital gain should be the difference between the capital proceeds received from the CGT event and the cost base or reduced cost base of the Investor's contractual rights in respect of their Units.

Any capital gain realised by the Investor as a result of the satisfaction of the Investor's rights in respect of their Units will be treated as a discount capital gain. An Investor that is an individual complying superannuation entity or trust may claim the benefit of the CGT discount on any capital gain made as a result of CGT Event C2 happening, where the Units were held for more than 12 months. Please also refer to our comments above with respect to discount capital gains.

### **Coupons**

Fixed Coupons received by the Investor in respect of their Units under the DPA is income according to ordinary concepts and assessable income of the Investor in the income year in which the Coupons are credited or received.

Performance Coupons (which are not a Final Coupon) and Conditional Coupons received by the Investor in respect of their Units under the DPA is income according to ordinary concepts and assessable income of the Investor in the income year in which the Coupons are credited or received.

Where a Performance Coupon is in the form of a Final Coupon, we refer to the comments above with respect to the tax treatment of the final coupon where part or all of the capital proceeds also represent Coupons received by an Investor and are included as assessable income of the Investor.

### **Investor Loan and Interest Deductibility**

For Units in a Series that have the potential to pay Coupons, the outcome for the Investor should be as follows:

- Interest incurred by the Investor in respect of their Investment Loan under the DPA is deductible. This deduction is allowable in the income year incurred, on the basis that the Investor's purpose of investing in the Units is to derive a return from these assessable amounts in excess of their expenditure.

For Units in a Series that do not have the potential to pay Coupons, the outcome for the Investor should be as follows

- Interest incurred by the Investor in respect of their Investment Loan is not deductible. This is on the basis that the interest incurred by the Investor under these circumstances does not have a sufficient connection with the derivation of assessable income to be deductible, and therefore is not deductible on the basis that the Investor's purpose of investing in the Units is to derive a return of a capital nature.

Subdivision H of Division 3 of Part III of the ITAA 1936 deals with the timing period of deductions for certain advance expenditure incurred under an agreement in return for the doing of a thing under that agreement that will not be wholly done within the same year of income.

The Prepaid Interest charged on the Investment Loan that is deductible may or may not be in relation to a prepayment of loan interest for a period that is 12 months or less. Payment of interest that is made in return for the making available of a loan principal is to be taken, for the purposes of Subdivision H of Division 3 of Part III of the ITAA 1936, to be expenditure incurred under an agreement in return for the doing of a thing under the agreement for the period to which the interest payment relates. The eligible service period in relation to a payment of loan interest is determined by reference to the period to which the interest relates and not to the period of the loan.

For each of the years of income during which part of the Prepaid Interest Period falls, the Investor can deduct an amount using the following formula and if the following conditions are satisfied with respect to the interest incurred:

$$\text{Expenditure} \times \frac{\text{Number of days of eligible service period in the year of income}}{\text{Total number of days of eligible service period}}$$

- is allowable as a deduction under section 8-1 of the ITAA 1997
- is not less than \$1,000
- relates to a period extending beyond the end of the income year in which the Prepaid Interest is incurred, and
- is incurred by an Investor whose allowable deductions that are attributable to the Units for the income year in which the Prepaid Interest is incurred exceeds the Investor's assessable income that is attributable to the Units for that same year.

However, where the Prepaid Interest is not excluded expenditure and the eligible service period in relation to the deductible Prepaid Interest under the Investment Loan is more than 12 months, the deduction will be spread over more than one income year if the Investor is either a small business entity or an individual that has not incurred the expenditure in carrying on a business. This occurs when the prepaid expenditure is not excluded expenditure, and the eligible service period for the expenditure is longer than 12 months, or the eligible service period for the expenditure is 12 months or shorter but ends after the last day of the year of income after the one in which the expenditure was incurred.

Where the eligible service period in relation to the deductible Prepaid Interest under the Investment Loan is more 12 months or less, the deduction should not need to be spread by the Investor and the deduction would be allowable in the year of income in which the prepaid expenditure is incurred.

### **Fees**

A range of fees may be charged with respect to the investment as set out in this Master PDS.

#### *Loan Establishment Fee*

Any loan establishment fee incurred by the Investor is deductible should be deductible at the time incurred where the Investment Loan is used to acquire Units in a Series that has the potential to pay Coupons.

#### *Application Fee / Advisor Fee*

Any application or advisor fees charged for ongoing services, including some Adviser Fees for financial product advice given by them to you in relation to your investment in the Units, may be deductible at the time they are incurred. This will depend on the nature of the agreement with the adviser. Investors should seek independent tax advice on whether any such fees may be deductible, instead of forming part of the tax cost base of the Units.

#### *Loan Break Costs*

Any loan break costs incurred by the Investor is deductible should be deductible at the time incurred where the Investment Loan is used to acquire Units in a Series that has the potential to pay Coupons.

#### *Delivery Costs*

On the basis that there are not expected to be any delivery costs, the Investor does not need to consider the tax implications for these.

### **3.2 General Stamp Duty and Goods and Services Tax (“GST”)**

#### **Stamp Duty**

Stamp duty is not payable by Investors on the acquisition, transfer or redemption of Units or Delivery Assets.

#### **Goods and Services Tax (“GST”)**

GST is not payable by Investors on the acquisition, transfer or redemption of Units or Delivery Assets.

### **3.3 Other Tax Comments**

#### **Holding of Investment on Revenue Account**

To the extent that an Investor purchases a Unit and does not have an intention to hold the Unit, and the Delivery Assets which they may acquire under the Unit, on capital account, then an Investor may be required to treat any gain or loss made as arising on revenue account and brought to account as ordinary income or a deductible loss, rather than under the CGT provisions. In such a situation the Investor would not be entitled to the CGT discount on any gain. An established pattern of investing in deferred purchase agreements without taking delivery of the delivery assets may be relevant to the determination of the Investor’s purpose.

#### **Foreign Currency**

The Investor should not be required to bring to account foreign exchange gains or losses as the Investor does not acquire a right to receive an amount of foreign currency or an amount calculated by reference to a “currency exchange rate effect”. Units in some Series may have exposure to a foreign currency/exchange rate. Additionally, the Reference Asset may be listed on a foreign exchange and denominated in a currency other than Australian dollars. Investors' returns from the Coupons and Final Value in these Series may be subject to movements in the relevant exchange rate.

Notwithstanding this, any Coupons payable will be converted to Australian dollars using the relevant Currency spot exchange rate at the relevant Coupon Determination Date and therefore a forex realisation event does not therefore happen in respect of an Investor’s Units.

**Taxation of Financial Arrangements (“TOFA”) Rules**

The TOFA rules contained in Division 230 of the ITAA 1997 affect the character and timing of gains and losses from TOFA financial arrangements. There are a number of exclusions from the application of the TOFA rules. Specifically, the TOFA rules should not apply to superannuation entities with assets of less than \$100 million, or individuals that hold a Unit (since the Unit should not be regarded as a qualifying security (see comments below regarding the Unit not meeting the definition of ‘security’). Other Investors should seek their own advice as to the possible application of the TOFA regime to their investment in the Units.

**Part IVA Anti Avoidance Provisions**

Part IVA of the ITAA 1936 contains the general anti-avoidance provisions. Broadly, Part IVA can apply to an Investor’s investment if any party has entered into the arrangement for the dominant purpose of enabling the Investor to obtain a tax benefit.

The anti-avoidance provisions in Part IVA of the ITAA 1936 will not apply to the Investor in respect of an investment in the Units offered under the DPA. Investors should discuss the potential application of Part IVA of the ITAA 1936 with their own tax adviser.

**Commercial Debt Forgiveness**

The commercial debt forgiveness rules in Division 245 will not apply to reduce the tax attributes of an Investor as a result of the debt forgiveness that occurs when the limited recourse provisions of the Investment Loan come into effect if at Maturity insufficient Sale Monies are raised from the Agency Sale Option in order for the Investor to fully repay the loan.

## **4. Additional Information**

### **4.1 What are the Units?**

Each Unit is a separate right to receive the Delivery Parcel and certain related rights under a deferred purchase agreement as described in this PDS. A Unit is not an interest in a trust or other type of managed investment scheme, and the investment is not a direct investment in the Reference Asset or, for a Reference Asset that is an index, the securities making up the Reference Asset.

### **4.2 Preparation of this PDS**

You should also note that no person is authorised by the Issuer to give any information to Investors or to make any representation not contained in this PDS. In particular, none of the Issuer, Arranger, nor any of their affiliates takes any responsibility for statements or actions of any distributor of the product or any financial adviser of an Investor. None of the Issuer, the Arranger, nor any of their affiliates accepts any liability or responsibility for, and makes no representation or warranty, express or implied, as to the adequacy, accuracy or completeness of such information.

No representation as to future performance of the Reference Asset, the Delivery Assets or as to the future performance of assets, dividends or other distributions of any of the Reference Asset or Delivery Assets are made in this PDS or in any offer or invitation to subscribe for, sell or issue Units. The Issuer does not take into account labour standards or environmental, social or ethical considerations.

### **4.3 Obligations of the Issuer**

The Units will constitute direct obligations of the Issuer. Please refer to Section 2 “Risks” under the heading “Creditworthiness of Issuer and Hedge Counterparty” for more details. Applications may be lodged at any time during the Offer Period for the Units, subject to the right of the Issuer to close the offer at an earlier date without prior notice. No cooling-off rights apply in respect of a purchase of the Units.

### **4.4 Consents**

None of the parties referred to below have authorised or caused the issue of this PDS or make or purport to make any statement in this PDS (or any statement on which a statement in this PDS is based) other than as specified below.

Baker & McKenzie, solicitors, has given, and not withdrawn, its written consent to being named as having acted as solicitors to the Issuer in connection with the issue of the Units pursuant to this PDS. It has in that capacity, prepared the Terms of the Deferred Purchase Agreement and the Loan Agreement. It has not been responsible for Section 3 “Taxation”. Baker & McKenzie does not make any statement in, or take responsibility for any part of this PDS other than the Terms of the Deferred Purchase Agreement and Loan Agreement and has not authorised the issue of the PDS nor does any statement herein purport to be based on a statement made by Baker & McKenzie.

Alvarez and Marshall, has given, and not withdrawn, its written consent to being named as having acted as tax adviser to the Issuer in connection with the issue of the Units pursuant to this PDS. It has in that capacity, prepared Section 3 “Taxation”. It has not been responsible for any other section of this PDS. Alvarez and Marshall does not make any statement in, or take responsibility for any part of this PDS other than Section 3 “Taxation” and has not authorised the issue of the PDS nor does any statement herein purport to be based on a statement made by Alvarez and Marshall.

Viriathus Capital Pty Ltd has given and, as at the date of this PDS, not withdrawn its consent to the inclusion of statements regarding Viriathus Capital Pty Ltd in this PDS in the form and context in which they are included and to be named as the Registrar in this PDS in the form and context in which it is named. It has not been involved in the preparation of any part of the PDS. It has not authorised or caused the issue of, and

expressly disclaims and takes no responsibility for any part of the PDS other than reference to its name and it takes no responsibility for the contents of the PDS. Viriathus Capital Pty Ltd does not guarantee the success of the Units, the repayment of capital or any particular rate of capital or income return.

#### 4.5 Privacy Policy

Should you apply for Units by lodging an Application Form with the Issuer, you acknowledge and agree that:

- (a) The Issuer (and or any of its nominees) may collect your personal information for the purpose of processing your Application for the Units, issuing the Units, managing your investment and complying with relevant laws. If you do not provide the personal information as the Issuer requires, your application may not be processed; and
- (b) The Issuer may be required to disclose all or some of your personal information to:
  - i. related bodies corporate that might not be governed by Australian laws for the purpose of account maintenance and administration;
  - ii. share registries, custodians and certain software providers related to the operational management and settlement of the Units;
  - iii. other third parties for the purpose of account maintenance and administration, marketing research or acquiring any interest in any part of the business of your adviser; and
  - iv. regulatory authorities such as ASIC or the ASX.

All personal information collected from you will be collected, used, and stored by the Issuer in accordance with the Issuer's Privacy Policy, a copy of which will be made available to you on request. To obtain a copy, please contact the Issuer as per the details in the directory at the back of this Master PDS.

You may access the personal information the Issuer holds about you. If you establish that information is not accurate, complete, and up to date, the Issuer must take reasonable steps to correct it. The Issuer and/or its associates may wish to communicate with you in the future about other investment opportunities which may be of interest to you. If you do not wish to be contacted for these purposes, please contact the Issuer. If you establish that information is not accurate, complete, and up to date, the Issuer must take reasonable steps to correct it.

#### 4.6 Dispute resolution

The Corporations Act requires the Issuer to have procedures in place for dispute resolution. The Issuer's process for dispute resolution is available by contacting the Issuer.

If an Investor has an enquiry or concern about their Units, they should contact the Issuer on 1300 509 904 or by writing to:

Anadara Specialist Investments Pty Ltd  
 L35 International Tower One  
 100 Barangaroo Avenue  
 Sydney NSW 2000

If you have a complaint and it is not addressed to your satisfaction by the Issuer's complaints department, you can then direct your complaint to the Head of Compliance using the addresses above.

The Issuer's Compliance team will acknowledge receipt of your complaint in writing. Your complaint will be investigated in accordance with the Issuer's Complaints Policy and will be responded to within 30 days. The Issuer will take all steps necessary to investigate any complaint and seek a resolution. You will be informed in writing of the result of the Compliance investigation into your complaint.

If you are not satisfied with the Issuer's response to your complaint you can then contact the Australian Financial Complaints Authority ("AFCA") at:

Australian Financial Complaints Authority Limited  
 GPO Box 3  
 Melbourne, VIC 3001  
 Telephone: 1800 931 678  
 Email: [www.afca.org.au](http://www.afca.org.au)

AFCA is a free independent dispute resolution scheme.

#### **4.7 Potential Conflicts of Interest**

The Issuer and other related companies may conduct transactions as principal and agent in various securities including the Reference Asset and the Delivery Assets. These trading activities may impact the price at which the Reference Asset and Delivery Assets trade or the level of the Units at any point in time. Please see the Section 2 "Risks" for more details of conflicts of interest.

#### **4.8 Confirmations**

Generally, within 10 Business Days of the Commencement Date, the Issuer will send to you a Confirmation Notice acknowledging either the acceptance or rejection of your application and setting out any relevant details of the Unit and the Investment Loan.

Investors will also receive confirmation of:

- any variation of the terms of Units while an Investor holds Units;
- an Investor's redemption or surrender of Units; and
- any other transactions affecting their Units (including details for any Prepaid Interest or Fees paid) for tax purposes.

Investors will receive an annual interest statement setting out the amount of Prepaid Interest paid on the Investment Loan for tax purposes.

## 5. Terms of the Deferred Purchase Agreement

These Terms form the terms and conditions between the Issuer and each Investor and sets out the terms upon which each Investor agrees to purchase the Delivery Parcel from the Issuer. Capitalised words have the meaning given to them in the Section 9 “Definitions” of this Master PDS.

### Applications and Acceptance

#### 5.1 Offer by the Investor

An Investor may make an offer to the Issuer to acquire the beneficial interest in a Unit, and its corresponding Delivery Parcel from the Issuer on a deferred basis in accordance with these Terms:

- i. by completing and returning a valid Application Form (including direct debit details) contained in the relevant Term Sheet PDS to the Issuer by the Offer Closing Date; and
- ii. for Investments with an Investment Loan, ensuring that any Prepaid Interest, Fees or other amounts as described in the relevant Term Sheet PDS are received by the Issuer in cleared funds by the applicable Application Payment Date and/or such other date as set out in the relevant Term Sheet PDS or as otherwise accepted by the Issuer in its absolute discretion.

#### 5.2 Investor bound.

By signing the Application Form and lodging it with the Issuer, the Investor agrees to be bound by these Terms including any variation to these Terms advised to Investors in a supplementary PDS, Term Sheet PDS or otherwise.

#### 5.3 Acceptance of the offer by the Issuer

- i. The Issuer may decide in its absolute discretion whether or not it will accept an Investor's offer to acquire the Delivery Parcel from the Issuer and whether or not to issue the Units to the Investor.
- ii. The Issuer may decide to accept an application in part and issue a lesser number of Units than the number applied for. In this case, the Prepaid Interest or Investment Amount and any Fees paid for the unissued Units will be returned without interest within 10 Business Days of the Commencement Date and, the Investment Loan will only be drawn down in respect of the Units actually issued. No part of the Application Fee or Adviser Fee (if any) will be returned in these circumstances.
- iii. If the Issuer decides that they will accept an Application and provided that the Issuer has received the Prepaid Interest or Investment Amount and any Fees as per the relevant Term Sheet PDS in cleared funds by the Application Payment Date and/or such other date as set out in the relevant Term Sheet PDS or if otherwise accepted by the Issuer in its discretion (the direct debit details must be provided with the Application by the Offer Closing Date), acceptance of the Investor's offer will take place, and the parties' rights and obligations under these Terms and the Loan Agreement will commence on the date the Units are issued by entry in the Register, provided that the Investor acknowledges that the economic exposure for the Units commences on the Commencement Date.
- iv. Within 10 Business Days of the Commencement Date (or as soon as practicable), the Issuer will send to the Investor a Confirmation Notice acknowledging either the acceptance or rejection of an Investor's offer and setting out any relevant details of the Units.

For each multiple of the Prepaid Interest or Investment Amount and any Fees paid in respect of a Series, and as set out in the Term Sheet PDS (after deducting the Application Fee or Adviser Fee, if any), the Investor will be deemed to apply for one Unit in that particular Series.

#### 5.4 Payment of the Application Fee and / or Adviser Fee

- i. An Application Fee or Adviser Fee may be payable in addition to the Prepaid Interest, or Investment Amount and any other Fees, as agreed between an Investor and their financial adviser for financial product advice given in relation to the Units. The amount of the Application Fee or Adviser Fee (if any) will be indicated on the Application Form and will be direct debited by the Issuer on behalf of the Adviser.
- ii. By signing the Application Form and applying for Units, the Investor:
  - a. agrees to pay the Application Fee or Adviser Fee specified in their Application Form to their adviser;
  - b. irrevocably authorises the Issuer to collect the Application Fee or Adviser Fee;
  - c. irrevocably directs the Issuer to deduct the Application Fee or Adviser Fee from their total application monies and to pay the Application Fee or Adviser Fee to their adviser, or a service provider nominated by the Investor, on their behalf as soon as reasonably practicable following issue of the Units; and
  - d. indemnifies the Issuer against any claim from an adviser to recover the Application Fee or Adviser Fee once the investment has commenced and Units have been issued.

By signing the Application Form, the adviser agrees to and consents to the payment of the Application Fee or Adviser Fee in the manner set out in paragraph (b) above.

#### 5.5 Issue of Units

The Units will be issued if the Issuer accepts an application under clause 5.3. Units are issued within one month of the receipt of application monies, provided the Issuer has accepted the Application. Economic exposure for the Units commences on the Commencement Date.

If the Issuer is unable to achieve the economic exposure described in the PDS on the Commencement Date due to any condition set out in the PDS not being satisfied (e.g. the Issuer being unable to hedge its obligations), or otherwise determines in its absolute discretion not to proceed with the issue for any reason, then the Issuer will terminate any Units already issued, return, or set off against the Prepaid Interest or Investment Amount and any Fees without interest. The Investment Loan is also terminated, and no drawdown will be made.

#### 5.6 Offer Period

The Issuer may, in its discretion, extend or shorten the Offer Period for a Series without prior notice. If this happens, the Commencement Date and one or more consequential dates for the Series may vary. The Issuer may also defer the Commencement Date for a Series, in which case the Maturity Date, Final Coupon Determination Date, and other consequential dates for the Series may vary. If the Issuer varies the Offer Period or the Commencement Date for a Series, it will post a notice on its website informing applicants of the change or otherwise provide notice of the change to Investors.

#### **Appointment of Registrar**

- i. The Issuer will appoint the Registrar set out in the PDS. The Issuer will ensure that there is always a Registrar appointed.
- ii. The Registrar will be responsible for establishing and maintaining a Register for the Units issued by the Issuer during the term of the Registrar's appointment. The Register will be established and maintained in Sydney (or any other place in Australia as the Issuer and the Registrar may agree).

- iii. The Investor acknowledges and agrees that the Register will be conclusive evidence of legal and beneficial ownership of interests in the Units. The Issuer is not required to recognise any interest in Units not recorded in the Register.

**Deferred purchase of Delivery Assets**

**5.7 Purchase of Delivery Assets**

The Investor agrees to purchase from the Issuer the Delivery Parcel for the amounts set out in the Term Sheet PDS (including any Investment Amount, Prepaid Interest or Fees) which are to be paid by the Investor in accordance with clause 5.8. The Issuer will deliver the Delivery Parcel to the Investor in accordance with the section headed “Maturity and Settlement” in these Terms.

**5.8 Payment of the Prepaid Interest and Investment Amount**

- i. The Investor must pay the Prepaid Interest or Investment Amount and any Fees to the Issuer in cleared funds by the Application Payment Date and/or such other date as set out in the relevant Term Sheet PDS or if otherwise accepted by the Issuer in its discretion.
- ii. The Investor must ensure that the Issuer receives the Prepaid Interest or Investment Amount and any Fees in cleared funds by the commencement date (or such later time if otherwise accepted by the Issuer in its discretion).
- iii. The Minimum Investment Amount for which an application will be accepted by the Issuer under these Terms is the minimum amount set out in the relevant Term Sheet PDS.

**5.9 Coupons and payments**

- i. The Issuer will pay the Coupons and/or Final Value (if any) to the Investor as described in the relevant Term Sheet PDS.
- ii. The Coupons and/or Final Value (if any) will be paid on the relevant payment date set out in, and subject to such conditions as specified in the relevant Term Sheet PDS.
- iii. In the event the Issuer is required by law, these Terms, or the Loan Agreement to make any deduction or withholding from the payment of the Coupons and/or Final Value, the Issuer will make the required deduction or withholding and pay Coupons and/or Final Value (if any) to the Investor after such deduction or withholding.

**Maturity and Settlement**

**5.10 Notice of Maturity**

The Issuer will give a Notice of Maturity to each Investor not less than 20 Business Days prior to the Maturity Date, unless otherwise specified in the relevant Term Sheet PDS.

**5.11 Effecting Maturity**

Physical delivery of the Delivery Parcel will occur in accordance with clause 5.12, unless:

- i. the Investor wishes to use the Agency Sale Option and validly elects to do so by:
  - a. returning a Notice of Maturity to the Issuer at least 10 Business Days before the Maturity Date; and
  - b. clearly specifying in the Notice of Maturity that the Investor will use the Agency Sale Option; or

- ii. the Investor has failed to repay the Investment Loan when due, in which case the Investor is deemed to have elected to use the Agency Sale Option under clause 5.13A below.

## 5.12 Physical delivery of the Delivery Assets to the Investor

Provided that the Investor has repaid the Loan Amount in full on or before the Maturity Date:

- i. The Issuer (either itself or through a nominee) will procure the performance of all acts required of a transferor of marketable securities under the ASX Settlement Operating Rules for ASX listed Delivery Assets to enable the Delivery Assets to be transferred to the Investor on the Settlement Date or as soon as possible thereafter, free from any security interest or third-party interest or restriction on transfer;
- ii. In respect of ASX listed Delivery Assets, the Investor irrevocably authorises the Issuer and any of their nominees, at the option of the Issuer to act as the Investor's agent to do all things required to be done, including but not limited to supplying the Investor's HIN, to effect the delivery of Delivery Assets to the Investor (or the Investor's nominee); and
- iii. Investors will have their Delivery Parcel delivered to an issuer sponsored sub-register CHES account of the Delivery Asset issuer.

## 5.13 Delivery through the Agency Sale Option

### 5.13A Where the Loan Amount is not repaid by the Maturity Date

If the Investor does not repay the Loan Amount on or before the Maturity Date, the Investor is deemed to have elected to use the Agency Sale Option and:

- i. the Investor is deemed to irrevocably authorise and direct:
  - c. the Issuer or its nominees to sell, or procure the sale of, the Delivery Parcel for and on behalf of the Investor; and
  - d. the Issuer to apply an amount from the Sale Monies equal to the Loan Amount against the Loan Amount.
- ii. the Issuer (either itself or through a nominee) will procure the delivery and sale of the Delivery Parcel as follows:
  - a. the Issuer (or its nominee) is irrevocably authorised to accept physical delivery of the Delivery Parcel for and on behalf of the Investor;
  - b. the Issuer or any of its nominees will take all actions necessary or desirable to effect the sale, or procure the sale, of the Delivery Parcel for and on behalf of the Investor;
- iii. the Issuer or its nominees will pay or procure payment of the lesser of:
  - a. the Sale Monies (which includes a deduction for any Delivery Costs); and
  - b. the Loan Amount,

to the Lender to be applied in discharge of the Investor's obligation to repay the Loan Amount under the Loan Agreement with any surplus to the Investor's Nominated Account; and
- iv. the Investor acknowledges and agrees that:
  - a. the Issuer or its nominees agree to sell, or procure the sale of, the Delivery Parcel on behalf of the Investor as soon as reasonably practicable on or after the Settlement Date for an amount per Delivery Asset equal to the Delivery Asset Price;

- b. to the maximum extent permitted by law, the Issuer and its nominees are not responsible for any loss, costs or expense incurred by the Investor as a result of the Agency Sale Option, except to the extent that such loss, cost or expense arises as a direct result of the Issuer's or the nominee's gross negligence, wilful default, fraud or dishonesty; and
- c. if, for any reason whatsoever, the Issuer and its nominees are unable to sell or procure the sale of the relevant Delivery Parcel at the Delivery Asset Price, the Investor irrevocably authorises the Issuer and their nominees to sell or procure the sale of, the relevant Delivery Parcel as soon as reasonably practicable for the market price applicable at the time of sale.

**5.13B Where the Loan Amount is repaid by Maturity Date**

If the Loan Amount is repaid by the Maturity Date and the Investor elects to use the Agency Sale Option, then:

- i. the Investor irrevocably authorises and directs the Issuer (or its nominee) to hold the Delivery Parcel and to accept physical delivery of the Delivery Parcel for and on behalf of the Investor;
- ii. the Investor irrevocably authorises and directs the Issuer or its nominees to sell or procure the sale of the Delivery Parcel for and on behalf of the Investor including, without limitation, to sell or procure the sale of the Delivery Assets;
- iii. the Issuer or its nominees will pay or procure payment of the Sale Monies (which includes a deduction for any Delivery Costs) to the Investor's Nominated Account, within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter. As at the date of this PDS, it is anticipated that no Delivery Costs will apply; and
- iv. the Investor acknowledges and agrees that:
  - a. the Issuer or its nominees agree to sell, or procure the sale of, the Delivery Parcel on behalf of the Investor as soon as reasonably practicable on or after the Settlement Date for an amount per Delivery Asset equal to the Delivery Asset Price;
  - b. to the maximum extent permitted by law, the Issuer and its nominees are not responsible for any loss, costs or expense incurred by the Investor as a result of the Agency Sale Option, except to the extent that such loss, cost or expense arises as a direct result of the Issuer's or the nominee's gross negligence, wilful default, fraud or dishonesty;
  - c. if, for any reason whatsoever, the Issuer and its nominees are unable to sell or procure the sale of the relevant Delivery Parcel at the Delivery Asset Price, the Investor irrevocably authorises the Issuer and its nominees to sell or procure the sale of, the relevant Delivery Parcel as soon as reasonably practicable for the market price applicable at the time of sale.

**5.14 Satisfaction of obligations**

Upon delivery of the Delivery Assets to the Investor in accordance with clause 5.12 or payment of Sale Monies (if any) to an Investor in accordance with clause 5.13A or 5.13B, or if, following deduction of the Loan Amount, no Sale Monies or Delivery Assets are payable or deliverable, the Issuer's obligations to the Investor under these Terms are satisfied in full and discharged.

**5.15 Delivery of a whole number of Delivery Assets only**

The Issuer or its nominee will not transfer a fractional Delivery Asset or parts of a Delivery Asset. If after aggregating all Delivery Assets transferred to an Investor on the Settlement Date, and if any fractional unit would be transferable by the Issuer on the Settlement Date, the Issuer will cause to be paid to the Investor (within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter) an amount equal to the value of the fraction of the unit forgone based on the Delivery Asset Price provided that such amount exceeds twenty Australian Dollars (A\$20.00). If the amount does not exceed A\$20.00, the Issuer is

under no obligation to the Investor to make any payment for the fractional unit. Upon payment of the amount under this clause, the Issuer is discharged of its obligation to deliver the fraction of the unit forgone.

#### **5.16 Substitution of Delivery Assets**

If the Delivery Asset is unable to be delivered due to any legal or regulatory restriction relating to the Delivery Asset (including but not limited to cessation, illiquidity or Suspension from listing) or the Issuer, including but not limited to trade limitations resulting from internal conflict arrangements or where it is not reasonably practicable or economically viable, in the Issuer's discretion, to deliver the nominated Delivery Asset(s), then the Issuer will either:

- i. delay delivery of the Delivery Asset(s);
- ii. substitute the affected Delivery Asset with any other security listed on the ASX and which is a constituent of the S&P/ASX 200 Index and deliver that substituted security in accordance with these Terms as if the definition of "Delivery Asset" was amended to refer to the substituted security; or
- iii. if a basket of Delivery Assets is to be delivered, the Issuer may substitute the affected Delivery Asset with any other security listed on the ASX and which is a constituent of the S&P/ASX 200 Index or deliver only the remaining unaffected Delivery Assets in the basket.

#### **Early Maturity**

#### **5.17 Early Maturity by the Issuer**

The Issuer may, acting reasonably, at any time nominate (including on the Maturity Date) any of the following events as an Early Maturity Event:

- i. any arrangements entered into by the Issuer in order to hedge the Issuer's obligations in respect of the Units in whole or in part are terminated, redeemed, suspended, ended or cannot reasonably be acquired, established, maintained, substituted or re-established;
- ii. the Issuer does not receive any of the amounts due to the Issuer under any arrangements entered into by the Issuer in order to hedge the Issuer's obligations in respect of the Units (including the Hedge);
- iii. the Issuer has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of or any political subdivision or any authority thereof or therein having power to Tax, or any change in the application of official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of this PDS;
- iv. a Change of Law occurs;
- v. if the Issuer determines in good faith that the performance of its obligations in relation to or under these Terms has or will become, in circumstances beyond the reasonable control of the Issuer, impossible, unlawful, illegal or otherwise prohibited or that the Units or investment returns provided by the Units are or will be substantially different from those described this PDS as a result of one or more Adjustment Events;
- vi. if the Issuer receives written notice from the Lender that the Investor has failed to pay interest in full and that the failure has not been remedied within 7 Business Days of the Lender's notice to the Investor to do so;
- vii. an Investor Insolvency occurs in respect of an Investor;
- viii. the Reference Asset is terminated or ceases to exist for any reason whatsoever;

- ix. any actual or proposed event that may reasonably (in the Issuer's opinion) be expected to lead to any of the events referred to in paragraphs 5.17.i to ix above occurring.

If any event occurs which constitutes both an Adjustment Event and an Early Maturity Event as defined in this clause, the Issuer may, acting in good faith and a commercially reasonable manner, treat that event as either an Adjustment Event or Early Maturity Event and notify Investors accordingly.

#### **5.18 Determination that there will be an Early Maturity**

Where the Issuer has nominated an event as an Early Maturity Event, the Issuer may reasonably determine that there will be an Early Maturity and may specify a date as the Early Maturity Date.

#### **5.19 Investor Requested Issuer Buy-Back**

Unless specified otherwise, an Investor may request the Issuer to buy back their Units on any Business Day by giving a completed Issuer Buy-Back Form to the Issuer. An Issuer Buy-Back may only be requested in respect of the Minimum Buy-Back Amount of Units. Once lodged the request for an Issuer Buy-Back is irrevocable. It is in the Issuer's absolute discretion to accept or reject or hold over the request for an Issuer Buy-Back. If the Issuer accepts:

- i. The Issuer will as soon as practicable after the request is received and accepted, execute the Issuer Buy-Back on the Buy-Back Date. The Investor acknowledges that the Buy-Back Date will depend, in part, upon the Issuer's ability to liquidate its hedging arrangement (if any), and may require the Issuer to delay and holdover an Issuer Buy-Back request.
- ii. The Issuer will in its reasonable discretion determine the Buy-Back Price for the purchase of the Investor's Units. The Buy-Back Price will be calculated by reference to the fair market value of the Units on the Buy-Back Date less any Delivery Costs, Break Costs and any bid-offer spread charged by the Issuer. The Issuer may provide an Investor with an estimate of the Buy-Back Price before effecting the buy-back but is not obliged to do so. The Investor acknowledges this is an estimate only and the actual Buy-Back Price on the Buy-Back Date may be significantly less than the estimate.
- iii. Settlement of an Issuer Buy-Back will take place by application of the Buy-Back Price first to any amount outstanding on the Investment Loan on the Buy-Back Date. The Buy-Back Price less the amount used to repay the Loan Amount will be paid to the Investor in cash.
- iv. Upon settlement of the Issuer Buy-Back, the Issuer will arrange for an Investor's name and details as legal owner of the Units that have been bought back to be removed from the Register.
- v. If the Term Sheet PDS states that a minimum Buy-Back Price is applicable to a Series, then the minimum Buy-Back Price for the Units in respect of that Series will be the minimum Buy-Back Price specified in the relevant Term Sheet PDS.

#### **5.20 Early Maturity Mechanism**

- i. If the Issuer determines that there will be an Early Maturity, the Early Maturity will take place as follows:
  - a. The Issuer will, before the Early Maturity Date, notify the Investor that Early Maturity will occur on the Early Maturity Date in accordance with this section headed "Early Maturity" in these Terms. The Issuer will specify in the Early Maturity Notice whether Early Maturity will occur by the Maturity process in accordance with clause 5.20.i.b or by Termination Payment in accordance with clause 5.20.i.c.
  - b. If specified in the Early Maturity Notice and subject to clause 5.20.ii, Early Maturity will take place in accordance with the procedures set out in clauses 5.11 to 5.14 of these Terms.

- c. If specified in the Early Maturity Notice, Early Maturity will occur by the Issuer or its nominees paying or procuring payment to the Investor the Termination Payment less any Loan Amount outstanding (if the Investor has not repaid the Investment Loan prior to the Early Maturity Date) on the Early Maturity Date to the Investor's Nominated Account by the Settlement Date or as soon as practicable thereafter.
  - d. After the Delivery Parcel is delivered to the Investor under clause 5.12 or the Issuer or its nominees pays or procures payment to the Investor the Termination Payment in accordance with clause 5.20.i.c as a result of an Early Maturity Event occurring, all obligations of the Issuer to the Investor under these Terms are satisfied in full and discharged. This clause does not discharge the Issuer of its obligations under the Privacy Act or the terms of its privacy policy.
- ii. If an Early Maturity is nominated by the Issuer, for the purposes of determining the Delivery Parcel, the definition of "Delivery Parcel" in Section 9 "Definitions" of the PDS and in the Term Sheet PDS is amended by replacing "Final Value" with "Early Maturity Value".

#### **5.21 Early Maturity Value, Termination Payment, and Buy-Back Price**

In determining the "Early Maturity Value", "Termination Payment" or the Buy-Back Price the Issuer may deduct any costs, losses or expenses that it reasonably incurs acting in a commercially reasonable manner in relation to the Early Maturity or Issuer Buy-Back, including without limitation, Delivery Costs, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under these Terms, and any cost of funding or any loss of bargain.

If the Term Sheet PDS states that a minimum Early Maturity Value, Termination Payment or Buy-Back Price is applicable to a Series, then the minimum Early Maturity Value, Termination Payment or Buy-Back Price for the Units in respect of that Series will be the minimum Early Maturity Value, Termination Payment or Buy-Back Price specified in the relevant Term Sheet PDS.

#### **5.22 Possible reduction of value on Early Maturity**

If there is an Early Maturity, the Issuer does not guarantee to deliver a Delivery Parcel based on the Final Value per Unit. For the avoidance of doubt, when there is an Early Maturity (and the Issuer elects to apply the Maturity process in accordance with clause 5.20.i.b) the Delivery Parcel will only be determined in accordance with clause 5.20ii.

#### **5.23 Adjustments to this clause**

Subject to the section headed "Amendment of Terms" below, where the Issuer determines that any of the provisions of this section headed "Early Maturity" are not appropriate in any particular circumstances, or that any event which is not dealt with in this section headed "Early Maturity" should have been dealt with, it may make any alterations to the effect of this provision or any other Term that it considers to be appropriate provided that the alteration is not unfair (as defined in Section 12BG of the ASIC Act).

#### **Adjustment Events and Market Disruption Events**

#### **5.24 Adjustment Events**

If an Adjustment Event occurs or is proposed to occur on or before the Maturity Date, the Issuer may in its reasonable discretion elect to do any or all of the following:

- i. substitute part or all of the affected Reference Asset with any other asset (including an index) or withdraw part or all of the affected Reference Asset; and/or
- ii. substitute the affected Delivery Asset with any other security quoted and trading on the ASX which is a constituent of the S&P/ASX 200 Index or, where the Delivery Asset is a basket of

securities, determine to withdraw the affected Delivery Asset and deliver only the unaffected Delivery Assets in the basket; and/or

- iii. adjust or amend any variable, formula, amount or calculation as set out or used in these Terms (including this Master PDS and the relevant Term Sheet PDS); and/or
- iv. adjust, amend or substitute the definition of Reference Asset or Delivery Asset, Final Value, Final Coupon, Coupons, Investment Term and/or vary, adjust, amend or replace any of the terms referred to in the PDS; and/or
- v. determine to suspend, delay, defer or bring forward any of the necessary calculations or any date which a calculation, valuation or payment is due to be made referred to in these Terms as appropriate until reliable values can be obtained;
- vi. either: (i) in a manner consistent with any adjustment or change made to the Issuer's hedging arrangement, and, where appropriate, using similar data as referred to in the Hedge or (ii) as the Issuer otherwise determines, provided that in the reasonable opinion of the Issuer the adjustment is appropriate to put both the Issuer and the Investor in as substantially similar and economic position as possible to what the Investor and the Issuer would have been in had the Adjustment Event not occurred.

If in the reasonable opinion of the Issuer it is not possible or desirable to deal with the occurrence of the Adjustment Event in accordance with this section "Adjustment Events and Market Disruption Events", the Issuer may nominate the event as an Early Maturity Event and may deal with that event in accordance with the section headed "Early Maturity" in these Terms. The Issuer will notify Investors of any adjustment that it proposes to make under this clause before the adjustment occurs or, if it is not possible to notify before the adjustment, as soon as reasonably practicable after the adjustment occurs and the Issuer will reasonably determine and notify Investors of the effective date of that adjustment.

#### 5.25 Market Disruption Events

- i. If there is a Market Disruption Event affecting the Reference Asset on the Commencement Date, Maturity Date, Early Maturity Date, Settlement Date, any Buy-Back Date, Final Value Determination Date, the Final Value Payment Date, Coupon Determination Date or Coupon Payment Date, (together, the "Relevant Dates"), or any other date on which a payment, calculation, adjustment or amendment is to be made or a level is to be observed then the Issuer may reasonably determine in its discretion to either:
  - a. take any action required to reflect any adjustment, change, substitution, delay, Suspension or other action taken in relation to its hedging arrangements: or
  - b. to determine that such date is to be the first following Scheduled Business Day on which there is no Market Disruption Event. However, if there is a Market Disruption Event affecting the Reference Asset on each of the 10 Scheduled Business Days immediately following the original date that, but for the Market Disruption Event, would have been the Relevant Date, then (A) that 10th Scheduled Business Day is to be taken to be the Relevant Date (as applicable), despite the Market Disruption Event; and (B) the Issuer must on that 10th Scheduled Business Day in good faith and acting in a commercially reasonable manner determine the observation to be recorded for the calculation of the level of the Reference Asset, Strategy Value, Coupon, Final Coupon, Final Value or any other formulae or calculation required to be determined, that would have prevailed on the original date but for that Market Disruption Event.
- ii. The Issuer must, as soon as practicable (and, in relation to the Maturity Date, in no event later than 5 Business Days after the original date that, but for the occurrence or existence of a Market

Disruption Event, would have been the Maturity Date) notify Investors of the existence or occurrence of a Market Disruption Event.

- iii. If there is a Market Disruption Event affecting a Delivery Asset on the Settlement Date, then the Settlement Date for the affected Delivery Asset is to be the first following Business Day on which there is no Market Disruption Event.
- iv. If an event is both a Market Disruption Event and an Adjustment Event, the Issuer may, acting in good faith and a commercially reasonable manner, determine whether to treat the event as either a Market Disruption Event or an Adjustment Event or both (if possible).

**Accretions**

These Terms do not confer on the Investor any right or interest in respect of Accretions to the Delivery Assets arising prior to delivery of the Delivery Assets. Accretions to the Delivery Assets or the Reference Asset may lead to adjustments as provided for under the heading “Adjustment Events and Market Disruption Events” in these Terms.

**Issuer's obligations**

The Issuer's obligations under these Terms (including in relation to the deferred purchase of the Delivery Assets) are direct obligations of the Issuer.

**Beneficial Interest in Delivery Asset**

- i. Upon the issue of Units, the Investor receives, in respect of their total Investment Amount, a Beneficial Interest in a Portion of the Delivery Assets on the Commencement Date. The Investor holds the Beneficial Interest in the Portion of the Delivery Assets until the earlier of the Maturity Date or transfer of their Units in accordance with these Terms.
- ii. An Investor may deal with the Beneficial Interest only in accordance with these Terms.
- iii. The Beneficial Interest held by the Investor may not be severed from the balance of the rights in connection with those Units or dealt with separately in any way from the Investor's interest in the Units.
- iv. When an Investor deals with its interest in the Units in any way, then without the need for any additional writing or action, the same dealing between the same parties will occur in respect of the corresponding Beneficial Interest. When an Investor deals with a Beneficial Interest in any way, then without the need for any additional writing or action, the same dealing between the same parties will occur in respect of the corresponding interest in the Units. For example, when an Investor (the "old holder") transfers its interest in the Units to another person (the "new holder"):
  - a. all the rights and obligations that attach to those Units, including the Beneficial Interest are transferred from the old holder to the new holder;
  - b. the old holder's legal or beneficial interest in the Units will be removed from the Register and the new holder will be added to the Register as a legal or beneficial owner; and
  - c. the old holder ceases to have any rights in relation to those Units or the Beneficial Interest.
- v. If any Investor purports to deal with its interest in the Units without an equivalent dealing in the corresponding Beneficial Interest, or if any Investor purports to deal with a Beneficial Interest without an equivalent dealing in the corresponding interest in the Units, or if any Investor purports to contract out of this clause in any way, any such dealing will be void and the interest in the Units and the Beneficial Interest will remain with the Investor recorded on the Register of holders.

- vi. The Issuer or its nominee will hold the Portion of the Delivery Assets from the Commencement Date until the Maturity Date for the relevant Investor and will be entitled to retain any distributions made in connection with those assets, exercise all voting rights and will not be required to pass on any notice of meeting or other material in connection with those assets to the Investor. On the Maturity Date, the Issuer will sell the Portion of the Delivery Assets and the Sale Monies from this sale will be included in the Final Value.
- vii. The Investor agrees and acknowledges that the agreement to purchase the Delivery Assets as set out in these Terms and the payment of the total Prepaid Interest or Investment Amount does not transfer the legal or beneficial interest in the Delivery Assets to the Investor other than the Beneficial Interest in a Portion of the Delivery Assets. The parties agree and acknowledge that the legal or beneficial interest in the balance of the Delivery Assets will transfer to the Investor only on the Settlement Date. If the Issuer fails to deliver the balance of the Delivery Parcel to the Investor in accordance with these Terms, the Investor agrees that it will not be entitled to an injunction, specific performance or any other equitable rights or remedies and will be entitled only to damages.

**Taxes and indemnity**

- i. The Issuer and its nominees are not liable for any Taxes or other charges:
  - a. payable by the Investor in connection with these Terms; or
  - b. payable by the Issuer (or its nominee) or any other person arising in any way in connection with the Transaction Documents other than any Tax payable by the Issuer on its own taxable income (as defined under in the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth)),

and are not liable to pay the Investor any additional amount on account of any Taxes or other charges.
- ii. The Investor:
  - c. must pay all Taxes (including GST) and other charges for which the Investor becomes liable in connection with these Terms; or
  - d. must pay an additional amount to the Issuer on demand equal to any applicable Taxes (including GST) and other charges arising in any way in connection with the Transaction Documents other than any Tax payable by the Issuer on its own taxable income (as defined under in the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth)) for which the Issuer or any other person becomes liable and indemnifies the Issuer on demand for any such amounts;
  - e. indemnifies the Issuer on demand against all liabilities, losses, costs and expenses howsoever characterised which are incurred by the Issuer in connection with the Transaction Documents to the extent that the Issuer is not otherwise fully indemnified under the Terms, provided that the Issuer has not been guilty of fraud, wilful default or gross negligence in respect of the Terms; and
  - f. acknowledges that the indemnities are continuing obligations, independent of the Investor's other obligations and continue, without limitation, after this agreement ends and the delivery of the Delivery Parcel to the Investor. It is not necessary for the Issuer to incur any expense or make any payment before enforcing a right of indemnity.

## **Investor's representations and warranties**

### **5.26 General**

By signing the Application Form and lodging it with the Issuer the Investor represents and warrants to the Issuer in its capacity as Issuer and Lender (as a continuing representation and warranty) that:

- i. the Investor has full legal capacity to make the Application and be bound by these Terms and has taken all actions that are necessary to authorise the Application and be bound by these Terms;
- ii. the Investor has reviewed these Terms and the PDS and has made its own independent investigations and appraisals of the taxation, legal, commercial and credit aspects associated with the purchase of the Delivery Assets;
- iii. the Investor has not relied in any way on any statements made by the Issuer or its related entities or their agents, employees or representatives in relation to these Terms, the deferred purchase of the Delivery Assets or the PDS and the Investor acknowledges that the Issuer has not made any representations to the Investor regarding the suitability or appropriateness of the deferred purchase of Delivery Assets pursuant to these Terms or the relevant transactions in connection with them;
- iv. the Investor understands that nothing in these Terms, Master PDS, any Term Sheet PDS or any marketing material associated with these Terms may be considered investment advice or a recommendation to acquire the Delivery Assets;
- v. the Investor has obtained all consents which may be required by law to enable the Investor, as the case may be, to acquire the Delivery Assets and to become registered as the holder of the Delivery Assets and the registration of the Investor as the holder of the Delivery Assets will not contravene any law, regulation or ruling or the constitution of the issuer of the Delivery Assets;
- vi. the Units being applied for will not breach or result in a breach of any exchange controls, fiscal, securities or other laws or regulations for the time being applicable the Investor and the Investor is not a resident or national of any jurisdiction where Application for or the Maturity of the Units is prohibited by any law or regulation or where compliance with the relevant laws or regulations would require filing or other action by the Issuer or any of its related bodies corporate;
- vii. the Investor acknowledges that Section 3 "Taxation" in the PDS is provided only for the benefit of the Issuer and is necessarily general in nature and does not take into account the specific taxation circumstances of each Investor; and
- viii. the Investor has the power to enter into and perform its obligations under the Terms and that its obligations under the Terms constitute valid and binding obligations of the Investor.

For the avoidance of doubt, "Terms" in this clause 5.26 refers to this Section 5 "Terms of the Deferred Purchase Agreement" and Section 7 "Loan Agreement".

### **5.27 Superannuation Funds and Trusts**

By signing the Application Form and lodging it with the Issuer an Investor which is the trustee of a trust or fund ("Fund") (including, without limitation, one which is a regulated superannuation fund) (as that term is defined in the Superannuation Industry (Supervision) Act 1993 ("SIS Act")) ("Governing Rules") also represents and warrants to the Issuer (as a continuing representation and warranty) that:

- i. the Fund has been validly constituted (and where necessary, the relevant documents have been duly stamped according to the laws of the relevant state or territory) and the Fund is continuing at the date of this agreement;
- ii. where the trustee is a body corporate, the trustee has been validly constituted;

- iii. the trustee has been properly appointed as trustee of the Fund and the trustee is not in breach of the trust;
- iv. the terms of the Governing Rules or the constitution for other trusts empower and authorise the trustee (i) to invest in the Units; and (ii) to borrow as permitted by the SIS Act and (iii) to enter into and be bound by the Deferred Purchase Agreement;
- v. the terms of the Governing Rules or constitution do not restrict the right of the trustee to be fully indemnified out of the assets of the Fund to satisfy a liability to any party which is properly incurred by the trustee as trustee of the Fund under the Units;
- vi. investing in Units will be for the benefit and in the best interests of the Fund and its beneficiaries; and
- vii. if investing as joint trustees, each applicant declares that the applicants are all trustees of one Fund and there are no other trustees of the Fund and that each joint trustee has the authority to act as agent for all of the joint trustees to give instructions or to receive notices on behalf of all of the joint trustees.

#### **5.28 Set off Rights**

- i. All monetary obligations imposed on the Investor under these Terms are absolute, free of any right to counterclaim or set off and may only be satisfied once the payment has cleared.
- ii. The Issuer may at any time (including without limitation during the Investment Term or at Maturity) set off any amount payable to the Investor against any amount payable by the Investor to the Issuer or the Lender whether payable under these Terms, the Loan Agreement or otherwise. The Issuer may withhold any amount payable by it to the Investor in satisfaction of any amount payable to it by the Investor.

#### **5.29 Notices**

- i. The Investor agrees that any notice or statement to be given or demand to be made on the Investor under these Terms or required by the Corporation Act:
  - a. will be effectively signed on behalf of the Issuer if it is executed by the Issuer, any of its officers, its solicitor or its attorney;
  - b. the Issuer will give all notices required to be given by the Issuer to the Investor directly to the Investor;
  - c. may be served by being delivered personally to, by being left at, by being e-mailed to, or by being posted in a prepaid envelope or wrapper to the Investor's address (or e-mail address) notified to the Issuer or the Investor's registered office, place of business, or residence last known to the Issuer, or by being sent to the Investor by facsimile transmission; and
  - d. may be posted on the Issuer's website or an announcement made in an Australian newspaper with national coverage, provided that providing notice in such a manner is not prohibited by the Corporations Act or any ASIC policy.
- ii. A demand or notice if:
  - e. posted will be deemed served two Business Days after posting;
  - f. sent by facsimile or electronic transmission will be deemed served on conclusion of transmission;

- g. posted on a website or published in a newspaper will be given the date of posting or publishing.
- iii. Service by any of these methods will be valid and effectual even if the Investor does not receive the document or if the document is returned to the Issuer unclaimed.

### **Amendment of Terms**

The Issuer may from time to time with the consent of the Investor by notice sent to the Investor make any modification, variation, alteration or deletion of, or addition to these Terms ("Change") where:

- i. the Change is one reasonably determined by the Issuer as being required under either of the headings "Early Maturity" or "Adjustment Events and Market Disruption Events" in these Terms provided that the change is not unfair (as defined in Section 12BG of the ASIC Act);
- ii. the Change is necessary or desirable in the reasonable opinion of the Issuer to comply with any statutory or other requirement of law; or
- iii. the Change is desirable to correct an inconsistency or error in these Terms (but only if such is not unfair (as defined in Section 12BG of the ASIC Act)).

The Issuer will give the Investor notice of any Change to these Terms and the Investor will be bound by any such Change at the time the Investor is given such notice.

### **General provisions**

#### **5.30 Currency**

All amounts payable by either party under these Terms will be paid in the denomination specified in the relevant Term Sheet PDS. All calculations will be performed in the currency specified in the relevant Term Sheet PDS.

#### **5.31 No merger**

The Issuer's rights under these Terms are additional to and do not merge with or affect and are not affected by any mortgage, charge or other encumbrance held by them or any other obligation of the Investor to the Issuer, despite any rule of law or equity or any other statutory provision to the contrary.

#### **5.32 Rounding**

All calculations made by the Issuer for the purposes of these Terms will be made to not fewer than two decimal places. Other than as provided in these Terms, rounding of numbers will not occur until the final calculation of a relevant amount or number at which time the Investor's entitlements will be aggregated and that aggregate will be rounded so that all money amounts are rounded down to the nearest whole cent and all numbers of Delivery Assets are rounded down to the nearest whole number.

#### **5.33 Certificates**

Any document or thing required to be certified by the Investor or the Issuer must be certified by the Investor (if an individual) or a director, secretary or authorised officer of the Investor (if a company) or the Issuer, as the case requires, or in any other manner that the Issuer may approve.

#### **5.34 Execution by attorneys**

Each attorney executing an Application Form which binds the Investor to these Terms states that he, she or it has no notice of revocation or suspension of the power of attorney under which the attorney executes that form.

### 5.35 Appointment of Agent

The Investor irrevocably appoints the Issuer, and their nominees and any of their directors, secretaries and officers whose title includes the word "director" from time to time jointly and severally as their agent to do (either in the name of the Investor or the agent) all acts and things:

- i. necessary to bind the Investor to the Terms, give effect to the Terms, including without limitation, completing or amending any Application Forms (if the Issuer, in its absolute discretion, has accepted the Application Form);
- ii. that the Investor is obliged to do under these Terms;
- iii. which, in the opinion of the Issuer are necessary in connection with:
  - a. payment of any moneys to the Investor;
  - b. the Maturity process, including without limitation, if an Early Maturity Event occurs;
  - c. any Issuer Buy-Back;
  - d. the Delivery Assets, including without limitation the delivery or sale of the Delivery Assets;
  - e. the repayment of the Loan Amount.

For the avoidance of doubt, "Terms" in this clause 5.35 means both this Section 5 and Section 7 "Loan Agreement".

### 5.36 Invalid or unenforceable provisions

If a provision of these Terms is invalid or unenforceable in a jurisdiction, it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability, and that fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.

### 5.37 Waiver and exercise of rights

A single or partial exercise of a right by the Issuer does not preclude another exercise or attempted exercise of that right or the exercise of another right by the Issuer. Failure by the Issuer to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

### 5.38 Assignment and transfer of interests

- i. Each of the Issuer and the Lender may transfer its rights and obligations, under these Terms at any time by giving notice to the holder of the Units provided that the transfer is not to the detriment of the Investor and is otherwise not unfair within the meaning of Section 12BG of the ASIC Act. Any transfer or novation of rights or obligations must be notified to the Registrar.
- ii. Subject to clause 5.3, the rights and obligations under these Terms (including the legal ownership of or beneficial interest in the Units) may be transferred or novated by an Investor in whole only, not in part, with the prior consent of the Issuer. Any transfer or novation or rights or obligations must be notified to the Registrar.
- iii. If an Investor wishes to transfer their Units, they should contact the Issuer in relation to the transfer, mechanics of transfer and any relevant forms required.
- iv. When an Investor deals with a Unit in a manner that does not involve the transfer of legal ownership of the Unit or a change of the person identified on the Register as the beneficial holder, the Issuer has no duty to record, or procure the recording of, the dealing on the Register.

Each Beneficial Interest corresponding to the Units will pass to a new Investor upon registration of the transfer of the beneficial owner of those Units in the Register.

**5.39 Recording conversations**

The Investor acknowledges that conversations between the Investor and the Issuer (or any officer of the Issuer or an adviser) may be tape-recorded. The Investor consents to the tape-recording and its use (or any transcript of the recording) in any proceedings that may be commenced in connection with these Terms.

**5.40 Calculations and references to dates and times**

Calculations or determinations which are to be made on or by reference to a particular day, are to be made on or by reference to that day in the place and time zone of the Relevant Exchange to which that calculation or determination relates.

**5.41 Payments by the Issuer**

All amounts payable by the Issuer under these Terms will be paid to the Investor's Nominated Account and on doing so the Issuer is discharged of their obligations under these Terms. Electronic Funds Transfer are the only method that monies will be paid to an Investor.

**5.42 Governing law and jurisdiction**

These Terms are governed by the laws of New South Wales. The Investor irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

**5.43 Terms of Deferred Purchase Agreement prevail**

If there is an inconsistency between the terms and conditions of the Deferred Purchase Agreement and statements made in the Master PDS or the relevant Term Sheet PDS, the terms and conditions of the Deferred Purchase Agreement prevail.

**5.44 Time is of the Essence**

Time is of the essence in respect of the obligations of the Investor under these Terms.

**5.45 Discretions**

Any determination made by the Issuer will be made by acting in good faith and in a commercially reasonable manner and will be conclusive and binding on all parties, except in the case of manifest error.

**5.46 Interpretation**

- i. In these Terms, unless the context requires another meaning, a reference:
  - a. to the singular includes the plural and vice versa;
  - b. to a document (including these Terms) is a reference to that document (including any schedules and annexures) as amended, consolidated, supplemented, novated or replaced;
  - c. to a person (including a party) includes an individual, company, other body corporate, association, partnership, firm, joint venture, trust or Government Agency, and it also includes the person's successors, permitted assigns, substitutes, executors and administrators;
  - d. to a law is a reference to that law as amended, consolidated, supplemented or replaced and it includes a reference to any regulation, rule, statutory instrument, by-law or other

subordinate legislation made under that law, or any legislation, treaty, judgment, rule of common law or equity or rule of any applicable stock exchange;

- ii. Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- iii. Headings are for convenience only and do not affect interpretation.
- iv. If a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day.
- v. If a period occurs from, after or before a day or the day of an act or event, it excludes that day.
- vi. These Terms may not be construed adversely to a party only because that party was responsible for preparing them.
- vii. Any term not defined in these Terms and which is defined in the PDS has the same meaning as the PDS unless the context otherwise requires.
- viii. All references to time are to time in Sydney, Australia (unless otherwise stated).

#### **5.47 Early repayment of the Investment Loan**

If the Investor repays the Loan Amount then for the purposes of that Investor's Units, clauses 5.11.ii and 5.13A will not apply.

## 6. The Investment Loan

Investors in the Units may be eligible to borrow up to 100% of the Issue Price per Unit from the Lender on the Commencement Date for a particular Series (the Investment Loan). Please refer to the relevant Term Sheet PDS for information on the details of the Investment Loan.

If an Investment Loan is available per the relevant Term Sheet PDS, Investors automatically apply for the Investment Loan when they submit the Application Form and approval will be at the absolute discretion of the Lender.

Lender: Anadara Specialist Investments Pty Ltd (ACN 632 644 609)

### 6.1 Prepaid Interest on the Investment Loan

On or prior to the Application Payment Date and/or such other date as set out in the relevant Term Sheet PDS, Investors will be required to prepay the Prepaid Interest amount on the Investment Loan for a specified period (e.g. Annually in Advance or for the entire Investment Term) at an Interest Rate specified in the relevant Term Sheet PDS. The Prepaid Interest must be received by the Issuer in cleared funds by the relevant Interest Payment Date.

Prepaid Interest and any other Fees due from you will be direct debited from the bank account nominated on your Application Form on or after the relevant Payment Date.

Investors must provide direct debit details by the Offer Closing Date with their Application. You must ensure that you have sufficient funds in your nominated account to meet your interest obligations and obligation to pay the Prepaid Interest during the Investment Term.

Failure to do so constitutes an event of default under the terms of the Investment Loan and gives the Lender the right to determine that Early Maturity will take place in relation to your Units. As the Investment Loan is a limited recourse loan, the Lender cannot take action against the Investors to recover any amount beyond the Investor's interest in the Units (including without limitation, any Coupons, any corresponding Delivery Assets or Sale Monies). If Early Maturity occurs following an Investors' failure to pay an amount of Prepaid Interest or any other Fees, the Investor will not be entitled to any Coupon payable on or after the occurrence of the Early Maturity Event.

Investors should note that there is no guarantee that returns on the Units will exceed the total amount of Prepaid Interest and any applicable Fees and there is no refund of these amounts in the case of Early Maturity, exercise of the Annual Walk Away Option or if the Investor repays the Investment Loan prior to the Maturity Date.

In the event of an Investor requested Issuer Buy-Back, exercise of the Annual Walk Away Option or an Early Maturity Event, Investors will not be entitled to a refund of any Prepaid Interest amounts or other Fees

### 6.2 Limited Recourse Investment Loan

The Investment Loan is limited recourse to an Investor's interest in the Units.

Since the Investment Loan is limited recourse to an Investor's interest in the Units, once an Investor has paid their Prepaid Interest and any Fees as specified in the relevant Term Sheet PDS, even if the return on the Units is insufficient to repay the Loan Amount, the Investor cannot be pursued for anything more (even upon Early Maturity or Issuer Buy-Back).

### 6.3 Repayment of Investment Loan

Using your own funds, you must repay the Investment Loan on or prior to the Maturity Date. If you have not repaid the Investment Loan at Maturity then you will be deemed to elect the Agency Sale Option and to direct the Issuer to apply the Sale Monies against your obligations under the Loan Agreement on your behalf. You will be deemed to direct the Issuer (or its nominee) to hold the Delivery Parcel on your behalf and to authorise

and direct the Issuer (or its nominees) to sell or procure the sale of the Delivery Parcel and to apply the resulting Sale Monies (which includes a deduction for any Delivery Costs) to pay the Lender an amount equal to the outstanding Loan Amount, and any surplus Coupons (if any) will be paid to you.

If you elect to repay your Investment Loan at any time on or prior to the Maturity Date, then you will not be entitled to a refund of any Prepaid Interest paid.

It is recommended that Investors should not invest for less than the full Investment Term of the Units.

Section 7 "Loan Agreement" of this PDS sets out the terms for repayment of the Investment Loan.

#### **6.4 Early repayment of the Investment Loan**

You can elect to repay your Investment Loan at any time during the Investment Term. If you elect to repay your Investment Loan on or prior to the Maturity Date, you will not receive a refund of any Prepaid Interest and may incur significant Loan Break Costs.

The Issuer will provide the Investor with an estimate of the amount outstanding on the Investment Loan, calculated by the Issuer acting reasonably, and subject to interest rates, liquidity, Loan Break Costs and other relevant factors, upon request from the Investor. The Investor may use this estimate to decide whether or not to proceed with early repayment of the Investment Loan. Investors should note that this is an estimate only and the final amount outstanding on the Investment Loan may differ. Investors should note that the amount outstanding will always be equal to or less than the Issue Price.

#### **6.5 Repayment of Investment Loan on Early Maturity and Issuer Buy-Back**

In the event of an Investor requested Issuer Buy-Back or an Early Maturity Event, the Investor's Investment Loan will become repayable and the Investor will not be entitled to a refund of any Prepaid Interest and may incur significant Loan Break Costs. However, the Investment Loan is limited recourse to the Units (including without limitation, any corresponding Delivery Assets or Sale Monies) and you cannot be pursued for anything more in respect of the Investment Loan upon Issuer Buy-Back or Early Maturity. Proceeds payable to an Investor from an Issuer Buy-Back or Early Maturity will first be applied against any outstanding Investment Loan.

You should read the Terms relating to the Investment Loan in Section 7 "Loan Agreement" carefully to understand your obligations in relation to the Investment Loan.

## 7. Loan Agreement

This is the form of Loan Agreement entered into between a successful applicant for the Units and the Lender.

### **Definitions and Interpretations**

#### 7.1 Definitions

Terms which are capitalised and not defined in this Loan Agreement are defined in Section 9 "Definitions" of the PDS.

#### 7.2 Interpretation

The section headed "Issuer's obligations" and the sections headed "Taxes and indemnity" onwards (other than clauses 5.35, 5.38 and 5.41) of the Terms of the Deferred Purchase Agreement apply to this Loan Agreement, as if references to "the Terms of the Deferred Purchase Agreement" or "these Terms" were references to this Loan Agreement, and reference to the "Issuer" were references to the "Lender".

Each Investor acknowledges that by entering into the Loan Agreement, it may only use the Investment Loan for the purposes of investing in the Units.

### **Investment Loan**

#### 7.3 Lender to fund

- i. By submitting the Application form, you apply for an Investment Loan from the Lender.
- ii. The Lender may decide in its absolute discretion whether or not they will accept the Investor's Application for an Investment Loan in full or in part. Where the Lender does not accept the Application in full, any Prepaid Interest paid for the unissued Units will be returned without interest within 10 Business Days of the Commencement Date and the Investment Loan will only be drawn down in respect of the Units actually issued.
- iii. On and from the Commencement Date the Lender will make an Investment Loan available to you in an amount equal to the amount specified in the relevant Term Sheet PDS.
- iv. Each Investor irrevocably directs and authorises the Lender to draw down the Loan Amount and pay the amount directly to the Issuer in satisfaction of the Investor's obligation to pay the Investment Amount to the Issuer under clauses 5.1.ii and 5.8 of the Terms of the Deferred Purchase Agreement.

#### 7.4 Limited recourse Investment Loan

The Investment Loan is a limited recourse facility whereby the Lender's recourse against the Investor for repayment of the Investment Loan is limited to the interest of the Investor in the Units (including without limitation any corresponding Final Coupon, Delivery Assets or Sale Monies). The Lender will not take any action against the Investor in relation to the Investment Loan to recover any amount beyond setting off amounts payable to the Investor in respect of the Units against any outstanding Loan Amount.

### **Using the Investment Loan**

#### 7.5 Initial advance

You are automatically taken to have requested an advance on the Commencement Date of the Investment Loan for the Loan Amount on that date.

**Interest on the Investment Loan**

**7.6 Amount of Prepaid Interest**

The Prepaid Interest per Unit for the Investment Term will be specified in the relevant Term Sheet PDS. The amount of Prepaid Interest payable in respect of the Investment Loan is an amount equal to the Prepaid Interest per Unit for the Investment Term, as applicable, multiplied by the number of Units.

**7.7 Payment of Prepaid Interest and any Fees**

- i. By:
  - a. the Application Payment Date and/or such other date(s) set out in the relevant Term Sheet PDS; or
  - b. such other date as accepted by the Lender in its absolute discretion,

you must prepay to the Lender the Prepaid Interest on the Investment Loan for the relevant period specified in the Terms Sheet PDS. The Prepaid Interest for the relevant period, and any other Fees must be received by the Issuer in cleared funds by:

  - c. the Application Payment Date and/or such other date(s) as set out in the relevant Term Sheet PDS; or
  - d. such other date(s) as accepted by the Issuer in its discretion.
- ii. The direct debit details must be provided with the Application by the Offer Closing Date.
- iii. Subject to clause 5.3.iii of the Terms of the Deferred Purchase Agreement, the Application Fee or Adviser Fee must be received by the Issuer in cleared funds by the Application Payment Date and/or such other date as set out in the relevant Term Sheet PDS or such other date(s) as accepted by the Issuer in its discretion. The direct debit details must be provided with the Application by the Offer Closing Date.

**7.8 No entitlement to refund on the Prepaid Interest**

The Investor will not be entitled to any refund of the Prepaid Interest paid in any circumstance (other than if there is no Commencement Date) including if:

- i. it repays the Investment Loan on or prior to the Maturity Date; or
- ii. if an Early Maturity Event or Issuer Buy-Back occurs.

**Repayment of the Investment Loan**

The Investor must repay the Loan Amount on or before the Maturity Date (cleared funds must be received no later than 5pm on the Maturity Date) unless:

- i. the Issuer determines that Early Maturity occurs, in which case the Investor must repay the Investment Loan on or before the Early Maturity Date; or
- ii. an Investor Insolvency occurs, in which case the Investment Loan is repayable immediately.

**7.9 Issuer Buy-Back and Early Maturity**

- i. If the Investor requests Issuer Buy-Back, the Investor will receive the Buy-Back Price less any Loan Amount outstanding on the Buy-Back Date. The Issuer will provide the Investor with an estimate of the amount outstanding on the Investment Loan calculated by the Issuer acting

reasonably and subject to interest rates, liquidity, Loan Break Costs and other relevant factors, upon request from the Investor. The Investor may use this estimate to decide whether or not to proceed with early repayment of the Investment Loan but should note that it is only an estimate and the final amount may vary.

- ii. If you request an Issuer Buy-Back or if Early Maturity occurs, you irrevocably direct the Lender to set off any Buy-Back Price or Early Maturity Value against any outstanding Loan Amount. Following this, any Buy-Back Price or Early Maturity Value in excess of the Loan Amount remains payable to you. If the Buy-Back Price or Early Maturity Value are less than the Loan Amount then you will have no further liability under the Investment Loan. If you are a superannuation fund, this direction is revocable. However, if you revoke, this will be a breach of the Loan Agreement.

### **Liability of Investors**

#### **7.10 Investor's Liability**

- i. Where:
  - a. the Investor does not repay any Loan Amount (if any) when due and payable; or
  - b. an Investor Insolvency occurs in relation to the Investor,

the Lender may, in its absolute discretion, declare all amounts owing under the Investment Loan to be due and payable.
- ii. The liability of the Investor in relation to the Investment Loan may be enforced by the Lender against the Investor only by exercising the rights it has in relation to the Units. This clause does not limit any proceedings being brought or other action being taken by the Lender to establish the Investor's liability or the Lender's rights in relation to the Units.

### **Transfer of the Investment Loan**

- i. The Lender may transfer, novate, assign or sub-participate the Investment Loan and any or all of its rights under the Investment Loan at any time, provided that the terms of the Loan Agreement and the limited recourse nature of the Investment Loan continue and are not amended and provided that the transfer is not unfair (as defined in Section 12BG of the ASIC Act) to an Investor and provided that the terms of the Loan Agreement and the limited recourse nature of the Investment Loan continue and are not amended.
- ii. If an Investor transfers their interest in the Units under the Terms, then the Investment Loan must be transferred with the Units and the transferee must agree to the terms of the Loan Agreement.
- iii. A third party (as nominated in the PDS or otherwise approved by the Issuer) ("Acceptor") may (by notice in writing to the Lender) assume the obligations of the Investor under the Loan Agreement with effect from the time specified in the notice ("Effective Time") in which case with effect on and from the Effective Time:
  - a. the Acceptor is substituted for the Investor under the Loan Agreement as if a party to the Loan Agreement on the terms of this paragraph (c);
  - b. the Acceptor assumes all of the obligations of the Investor under the Loan Agreement arising on or after the Effective Time;
  - c. the Investor assigns all of its rights title and benefits under the Loan Agreement arising on or after the Effective Time to the Acceptor; and
  - d. every reference in the Loan Agreement to Investor is to be read as if it were a reference to the Acceptor.

- iv. With effect from the Effective Time, the Lender releases the Investor from all its obligations and liabilities under the Loan Agreement arising on or after the Effective Time. Nothing in paragraph 0(c) or this paragraph (d) has the effect that the Acceptor assumes any obligations or liabilities of the Investor that have arisen before the Effective Time or discharges or otherwise affects any rights, obligations or liabilities of the Investor which have accrued or arisen before the Effective Time.

**Set off Rights**

- i. All monetary obligations imposed on the Investor under these Investment Loan Terms are absolute, free of any right to counterclaim or set off and may only be satisfied once the payment has cleared.
- ii. The Lender may at any time (including without limitation during the Investment Term or at Maturity) set off any amount payable to it by the Investor against any amount payable by the Lender (whether in its capacity as Lender or Issuer) to the Investor whether payable under these Terms, the Deferred Purchase Agreement or otherwise. The Lender may withhold any amount payable by it (whether in its capacity as Lender or Issuer) to the Investor in satisfaction of any amount payable to it by the Investor.

**General**

- i. The Lender may exercise a right or remedy or give or refuse its consent under this Loan Agreement in any way it considers appropriate (including by imposing conditions).
- ii. The Lender is not liable for any loss caused by the exercise or attempted exercise of, failure to exercise or delay in exercising a right or remedy under these Terms.
- iii. The rights and remedies of the Lender under this Loan Agreement are in addition to other rights and remedies given by law independently of this Loan Agreement.
- iv. Rights given to the Lender under this Loan Agreement and the Investor's liabilities under it are not affected by anything which might otherwise affect them at law.
- v. The Investor agrees to do anything the Lender asks (such as obtaining consents, signing and producing documents and getting documents completed and signed):
  - a. to bind the Investor and any other person intended to be bound under this Loan Agreement;
  - b. to show whether the Investor is complying with this Loan Agreement.
- vi. All payments of principal or interest must be paid in full and without any deduction or withholding. If any withholding or deduction is required by law, then the payer must pay such additional amounts so that the amount received by the payee is the same amount that would have been received if the deduction or withholding had not been made.

**Taxes and indemnity**

- i. The Lender is not liable for any Taxes or other charges:
  - a. payable by the Investor in connection with this Loan Agreement; or
  - b. payable by the Lender or any other person arising in any way in connection with the Transaction Documents (other than any Tax payable by the Issuer on its own taxable income (as defined under in the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth));

and are not liable to pay the Investor any additional amount on account of any Taxes or other charges.

- ii. The Investor:
  - a. must pay all Taxes (including GST) and other charges for which the Investor becomes liable in connection with this Loan Agreement; or
  - b. must pay an additional amount to the Lender on demand equal to any applicable Taxes (including GST) and other charges arising in any way in connection with the Transaction Documents (other than any Tax payable by the Issuer on its own taxable income (as defined under in the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth)) for which the Lender or any other person becomes liable and indemnifies the Issuer on demand for any such amounts;
  - c. indemnifies the Lender on demand against all liabilities, losses, costs and expenses howsoever characterised which are incurred by the Lender in connection with the Transaction Documents to the extent that the Lender is not otherwise fully indemnified under the Loan Agreement, provided that the Lender has not been guilty of fraud, wilful default or gross negligence in respect of the Loan Agreement; and
  - d. acknowledges that the indemnities are continuing obligations, independent of the Investor's other obligations and continue, without limitation, after this agreement ends and each Investment Loan is repaid. It is not necessary for the Issuer to incur any expense or make any payment before enforcing a right of indemnity.

**8. Parties to the Offer****Issuer**

The Issuer has been incorporated for the purpose of issuing deferred purchase agreements (including the Units under this PDS) and other financial products (it has no other business activities).

All major administration functions, such as registry are outsourced to third party providers.

**Arranger**

Viriathus Capital Pty Ltd (ACN 113 959 596 AFSL 297950.) has been appointed as the Arranger for the Offer. Viriathus operates a financial services business, and its directors have experience in investment management, superannuation, financial planning, and stock broking, specialising in equities, options, and designing and managing innovative investment solutions.

**Registrar**

As specified in the Term Sheet PDS.

## 9. Definitions

Capitalised words have the following meaning given to them, unless the context requires otherwise. All references to clauses are to clauses in the Terms.

Acceptor has the meaning specified in Section 6 "The Investment Loan";

Accretions means all rights, accretions and entitlements attaching to any Reference Assets or Delivery Assets after the Commencement Date including without limitation, all voting rights, all dividends and all rights to receive dividends and other distributions or shares, notes, options, units or other financial products exercisable, declared, paid or issued in respect of the Delivery Asset;

Adjustment Event means any of the following in respect of the Units, Hedge, Reference Asset, and where relevant, in respect of one or more of the Assets:

- (a) where the Asset is a security or interest in a managed investment scheme:
  - (i) any event which results in the Asset being consolidated, reconstructed, sub-divided or replaced with some other form of security or property;
  - (ii) the issuer of the Asset reduces its share capital through either a cash return of share capital, capital distribution or otherwise (whether or not resulting in the cancellation of securities in the Delivery Parcel);
  - (iii) the issuer of the Asset declares a rights issue or restructures its share capital in any manner;
  - (iv) a scheme of arrangement, quasi-scheme of arrangement or merger in the nature of a scheme of arrangement occurs in relation to the issuer of the Asset;
  - (v) the issuer of the Asset makes a buy-back offer in relation to all or any of the Assets;
  - (vi) the issuer of the Asset issues bonus shares, units or other property to holders of the Asset;
  - (vii) a takeover bid is made or announced for all or any of the Assets;
  - (viii) any part of the Asset is or becomes subject to compulsory acquisition under the Corporations Act or otherwise;
  - (ix) the issuer of the Asset declares or makes a non-cash Dividend or Special Dividend;
  - (x) any event occurs which constitutes a Disposal Event; or
  - (xi) the issuer of the Asset is insolvent by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the issuer of the Asset.
- (b) where the Asset is an index:
  - (i) the Asset is suspended or ceases to be published for a period of 24 hours or more;
  - (ii) the Asset is terminated or ceases to exist for any reason whatsoever;
  - (iii) the Asset is not calculated and announced by the Index Sponsor, but is calculated and announced by a successor to the Index Sponsor;
  - (iv) the Asset is replaced by a successor index using the same or a substantially similar formula for and method of calculation; or

- (v) there is a Suspension or material limitation on trading of securities generally on a Relevant Exchange or a Related Exchange for a period of 24 hours or more;
  - (vi) the Index Sponsor or any successor makes a material change in the formula for or the method of calculating the Asset or the basket constituents of the index or in any way materially modifies that Asset;
- (c) where the Asset is a futures contract:
- (i) the temporary or permanent discontinuance or unavailability of the Price Source;
  - (ii) the failure to obtain at least three quotations as requested from relevant dealers, if pricing is determined by reference to dealer quotes;
  - (iii) the permanent discontinuation of trading in the relevant futures contract on the relevant exchange;
  - (iv) the disappearance of, or of trading in, the relevant asset underlying the futures contract;
  - (v) the disappearance or permanent discontinuation or unavailability of a price for the relevant futures contract notwithstanding the availability of the Price Source;
  - (vi) the occurrence of a material change (as determined by the Issuer in its discretion) in the formula for or the method of calculating the relevant futures contract price; and
  - (vii) the occurrence of a material change (as determined by the Issuer in its discretion) in the content, composition or constitution of the relevant futures contract, or the asset underlying the futures contract.
- (d) any Force Majeure Event occurs, or any other event occurs which Issuer determines in good faith results in the performance of its obligations having become or becoming, in circumstances beyond its reasonable control, impossible, unlawful, illegal or otherwise prohibited;
- (e) a Change of Law occurs;
- (f) the Issuer is unable, on or after the date of this PDS up to and including the Settlement Date (which includes the Maturity Date) or any other relevant date, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Units, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s);
- (g) the Issuer would, on or after the date of this PDS up to and including the Settlement Date (which includes the Maturity Date) or any other relevant date, incur a materially increased (as compared with circumstances existing on the date of this PDS) amount of tax, duty, expense or fee (other than brokerage commissions) to:
- i. acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Units, or
  - ii. realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer will not be deemed an Adjustment Event;
- (h) the Issuer's hedging arrangements are suspended, terminated, adjusted or changed for any reason as determined by the Calculation Agent for those hedging arrangements or any Asset relevant to the hedging arrangement is terminated suspended, adjusted or changed in any way;

- (i) a security granted by the Asset, its manager or certain service providers becomes enforceable or any of their trading or dealing arrangements become terminable because of default by them;
- (j) the net asset value of the Asset is not calculated or published as required, or the timing of the calculation or publication changes, or the methodology used changes;
- (k) information about the Asset is not published or provided as required;
- (l) trading in the Asset is suspended or restricted;
- (m) the Asset, its manager or certain service providers become insolvent by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the issuer of the Asset;
- (n) there is an event in respect of the Asset or its manager by which:
  - i. the entity will be merged with another entity (unless it will continue as an entity without reclassification or change of its shares/units); or
  - ii. there is a change in control of the entity;
- (o) a securities lending agreement (if any) is terminated, adjusted or changed;
- (p) any actual or proposed event that in the Issuer's reasonable option be expected to lead to any of the events referred to in paragraphs (a) to (o) above occurring;
- (q) any other event that the Issuer reasonably declares to be an Adjustment Event.

Application Fee or Adviser Fee means the Application Fee or Adviser Fee (if any) as described in Section 1.12 or as set out in the Term Sheet PDS;

Agency Sale Option means the agreement between the Investor and the Issuer entered into on receipt by the Issuer of a Notice of Maturity specifying the Investor's election to use the Agency Sale Option or the Investor's deemed election under clause 5.13A of the Terms, under which the Issuer (or its nominee) will sell, or procure the sale of, the Delivery Assets for and on behalf of the Investor on or as soon as practicable after the Settlement Date in accordance with clause 5.13 of the Terms of the Deferred Purchase Agreement in this PDS;

Annual Walk Away Option (if applicable) means the annual choice given to Investors in the Units to continue or discontinue the Investment Loan and therefore, their investment in the Units as described in the relevant Term Sheet PDS;

Application means an offer by the Investor to the Issuer to acquire the Delivery Parcel on a deferred basis on the terms and conditions set out in the Terms;

Application Fee (if applicable) has the meaning given to it in the relevant Term Sheet;

Application Form means, in respect of a Series, the Application Form attached at the back of the relevant Term Sheet PDS;

Application Payment Date means, in respect of a Series, the date specified in the relevant Term Sheet PDS;

Arranger means Viriathus Capital Pty Ltd (ACN 113 959 596 AFSL 297950.) unless otherwise specified in a Term Sheet PDS;

ASIC means the Australian Securities and Investments Commission;

ASIC Act means the Australian Securities and Investments Commission Act 2001 (Cth), as amended from time to time;

Asset means, in respect of a Series, the Reference Asset, Delivery Asset, or any component or constituent thereof (including any Hedge Agreement), or a factor relevant to the calculation of, any payment or any component of the Units as specified in the relevant Term Sheet PDS;

ASX Settlement Operating Rules means the settlement rules of the ASX Settlement and Transfer Corporations Pty Limited as amended or substituted from time to time;

ASX means Australian Securities Exchange as operated by ASX Limited (ABN 98 008 624 691);

ATO means the Australian Taxation Office;

AUSTRAC means the Australian Transaction Reports and Analysis Centre which regulates the Anti-Money Laundering and Counter-Terrorism Financing Act 2006;

Beneficial Interest means the beneficial interest in the Portion of the Delivery Assets in accordance with the section headed “Beneficial Interest in Delivery Asset” in the Terms;

Break Costs means all costs, expenses and losses reasonably incurred by the Issuer acting in a commercially reasonable manner (including without limitation, any amounts paid or incurred on account of GST to the extent that input tax credits are not available and any upfront selling fees paid to an adviser that may be applicable) and notified by the Issuer as payable by the Investor as a result of:

- a. the determination of an Early Maturity Date or Buy-Back Date or other early termination of the Deferred Purchase Agreement;
- b. the termination or reversal of any arrangements service contracts or hedge position entered into by the Issuer in connection with Units which is terminated early; or
- c. any loss of profits that the Issuer may suffer by reason of the early termination of the Deferred Purchase Agreement;

Business Day means:

- a. a day when the ASX and any other Relevant Exchange is open for trading; and
- b. in relation to any payments or deliveries due under the Terms, a day on which the ASX is open for trading; and
- c. in relation to any calculations involving a Relevant Exchange or an Asset, a day on which banks are open for business in the primary jurisdiction in which that Relevant Exchange is located or in which the Asset is traded;

Buy-Back Date is as specified in the relevant Term Sheet PDS;

Buy-Back Price means the fair economic value of the Units as determined by the Issuer, acting in good faith and a commercially reasonable manner, on the Buy-Back Date taking into account any Delivery Costs, Break Costs and bid-offer spread;

Calculation Agent means Anadara Specialist Investments Pty Ltd undertaking such role by reference to the Issuer's hedge and/or other arrangements in relation to the Units;

Change has the meaning given in the section headed “Amendment of Terms” in the Terms;

Change of Law means that due to the adoption of, or any change in any applicable law or regulation (including any tax legislation) or due to the promulgation of or any change in the interpretation (by any court, tribunal or regulatory authority with competent jurisdiction) of any applicable law or regulation (including any action taken by a taxing authority) the Issuer determines in good faith that it has become illegal for any party to hold, acquire or dispose of the relevant assets or the Issuer or any other party will incur a materially increased cost

in performing its obligations under the Units (including due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

CHESS has the meaning given in the ASX Settlement Operating Rules;

Conditional Coupon (if applicable) has the meaning given to it in the relevant Term Sheet PDS;

Confirmation Notice means a notice provided by the Issuer to an Investor in accordance with clause 5.3.iv of the Terms;

Corporations Act means the Corporations Act 2001 (Cth) as amended from time to time;

Coupon (if applicable) means, in respect of a Series, a Fixed Coupon and/or Conditional Coupon (if any) calculated on a Coupon Determination Date and paid on the relevant Coupon Payment Date as described in the relevant Term Sheet PDS and includes, unless otherwise specified in the relevant Term Sheet PDS, any Final Coupon;

Coupon Determination Date is the date specified as such in the relevant Term Sheet PDS;

Coupon Payment Date is the date specified as such in the relevant Term Sheet PDS;

Commencement Date means the date specified in the Investor's Confirmation Notice as the "Commencement Date" for the Units held, as specified in the relevant Term Sheet PDS;

Deferred Purchase Agreement or DPA means the agreement between the Issuer and Investor as set out in the Terms and this Master PDS and the relevant Term Sheet PDS;

Delivery Asset means the Delivery Assets specified in the relevant Term Sheet PDS or determined by the Issuer in accordance with the Terms;

Delivery Asset Price means, as calculated by the Issuer in its reasonable discretion, the price per Delivery Asset at which the Issuer (or its nominee) acquires or purchases, in connection with the Units, the Delivery Asset on the Business Day immediately following the Maturity Date (or in the case of an Early Maturity, the Early Maturity Date), unless it is not possible or practical to determine the price of the Delivery Asset at that time, in which case the Issuer may, in its reasonable discretion acting in a commercially reasonable manner, nominate another time or period of time to determine the price (including, if the Issuer determines in its discretion, the average weighted price at which the Issuer (or its nominee) acquires or purchases, in connection with the Units, the Delivery Asset);

Delivery Costs means any incidental costs or expenses incurred by the Issuer in relation to the transfer of any Delivery Assets to or for the benefit of the Investor following Maturity or Early Maturity. For the avoidance of doubt, this includes, without limitation, any amounts paid or incurred by the Issuer or its nominees on account of GST to the extent that input tax credits are not available or on account of any other Taxes incurred as a result of transferring the Delivery Assets on Maturity or Early Maturity;

Disposal Event means an event which gives rise to an obligation on the Issuer under law to dispose of all or part of the Delivery Assets, or Reference Asset;

Delivery Parcel has the meaning as specified in the relevant Term Sheet PDS and the number of each type of Delivery Asset in the Delivery Parcel (rounded down to the nearest whole number) to be delivered by the Issuer to the Investor on the Settlement Date is determined by the following formula:

$$[(\text{Final Value} \times \text{Number of Units held by Investor} - \text{Delivery Costs}) / N] / \text{Delivery Asset Price}$$

Where N means the number of different types of Delivery Assets in each Delivery Parcel;

Dividend means an ordinary dividend or distribution;

Early Maturity means accelerated Maturity in accordance with clause 5.17 of Section 5 "Terms of the Deferred Purchase Agreement" and includes early maturity following an Early Maturity Event or an Issuer Buy-Back;

Early Maturity Date means the date notified to the Investor as such in the Early Maturity Notice;

Early Maturity Event has the meaning given in clause 5.17 "Early Maturity by the Issuer" of the Terms;

Early Maturity Notice means the notice of early maturity given in accordance with clause 5.20.i.a of the Terms;

Early Maturity Value means the fair economic value of the Unit at or around 5:00 pm Sydney time on the Early Maturity Date as determined by the Issuer acting in good faith and a commercially reasonable manner, unless it is not possible or practical to determine the fair economic value of the Unit at that time, in which case the Issuer may nominate another time to determine the Early Maturity Value;

Exchange Business Day means a day that is both a Business Day and on which the Relevant Exchange is open for trading;

Fees means the total of any fees payable by the Investor as set out in the relevant Term Sheet PDS;

Final Averaging Date(s) (if applicable) means the date(s) specified as the Final Averaging Date(s) in the relevant Term Sheet PDS;

Final Coupon means, in respect of a Series, the coupon (if any) calculated on the Final Coupon Determination Date and paid on the Final Coupon Payment Date as specified in the relevant Term Sheet PDS;

Final Coupon Determination Date (if applicable) has the meaning given to it in the relevant Term Sheet;

Final Coupon Payment Date (if applicable) has the meaning given to it in the relevant Term Sheet PDS;

Final Strategy Value (if applicable) has the meaning given to it in the relevant Term Sheet

Final Value (if applicable) means, in respect of a Series, the Final Value (if any) calculated in accordance with the formula for calculating the Final Value set out in the relevant Term Sheet PDS;

Fixed Coupon (if applicable) has the meaning given to it in the relevant Term Sheet PDS;

Force Majeure Event means an event or circumstance beyond the reasonable control of a party that prevents one or more parties from performing their obligations under this Agreement;

Fund has the meaning given in clause 5.27 of the Terms "Superannuation Funds";

Governing Rules means, in respect of a superannuation fund, the governing rules under which the superannuation fund is established and administered including the relevant trust deed, the SIS Act and all relevant law.

Government Agency means:

- a. a government, whether foreign, federal, state, territorial or local;
- b. a department, office or minister of a government acting in that capacity; or
- c. a commission, delegate, instrumentality, agency, board or other governmental, semi-governmental, administrative or judicial, monetary or fiscal body, department, tribunal, entity or authority, whether statutory or not and includes any self-regulatory organisation established under statute or any stock exchange;

GST has the same meaning as in the A New Tax System (Goods and Services Tax) Act 1999 (as amended from time to time);

Hedge and Hedge Agreement means any contract(s) pursuant to which the Issuer hedges its obligations under a Series and including any Notes or ISDA Master Agreement or other hedging instrument entered into by

and between the Issuer and the Hedge Counterparty (the counterparty to the Hedge with the Issuer) from time to time including any schedules, credit support annex and confirmations relating to hedging the Issuer's obligations under the Units for the Series;

Hedge Counterparty means an entity with whom the Issuer enters into a Hedge;

Holder Identification Number or HIN has the meaning given in the ASX Settlement Operating Rules;

Hurdle (if applicable) has the meaning given to it in the relevant Term Sheet PDS

PDS means the Product Disclosure Statement, constituted by this Master PDS and any Term Sheet PDS, for the relevant Units as supplemented or updated from time to time;

Index Sponsor has the meaning given to it as specified in the relevant Term Sheet PDS;

Initial Averaging Date (if applicable) means the date(s) specified as the Initial Averaging Date(s) in the relevant Term Sheet PDS;

Initial Strategy Value (if applicable) has the meaning given to it in the relevant Term Sheet;

Interest Payment Date means the date on which any Prepaid Interest is required to be paid to the Issuer, as set out in the relevant Term Sheet PDS;

Interest Period means, for a Series, each period for which an Investor is required to pay Prepaid Interest as specified in the relevant Term Sheet PDS.

Investment Amount means the Issue Price multiplied by the number of Units purchased;

Investment Loan means a limited recourse loan issued by the Lender to Investors, as described in Section 6 "The Investment Loan" and Section 7 "Loan Agreement";

Investment Term means, in respect of Units held by an Investor, the time period from the Commencement Date to the Maturity Date as specified in the relevant Term Sheet PDS;

Investor means the person or entity whose name is entered on the Register as the legal owner and/or beneficial holder of Units from time to time during the Investment Term;

Investor Insolvency means the occurrence of any of the following events in relation to the Investor at any time prior the Maturity Date:

- a. where the Investor is a corporation (subject to paragraph (d) below):
  - (i) except to reconstruct or amalgamate while solvent, an application is made for an order, a meeting is convened
- b. to consider a resolution, a resolution is passed or an order is made that the Investor be wound up or otherwise dissolved or that an administrator, liquidator or provisional liquidator of the Investor be appointed; or
  - ii) a receiver, receiver and manager, administrator, controller, trustee or similar officer is appointed in respect of all or any part of the business, assets or revenues of the Investor;
- c. the Investor dies, becomes insolvent (or is presumed to be insolvent under any applicable law) or is subject to any arrangement, assignment or composition (except to reconstruct or amalgamate while solvent), or is protected from any creditors or otherwise unable to pay their debts when they fall due;
- d. where a Investor is an individual, the Investor dies or commits an act of bankruptcy;
- e. where the Investor is the trustee of a trust or fund:
  - (i) the trust or fund is wound up in accordance with its constitution, governing rules, Corporations Act, Superannuation Industry (Supervision) Act 1993 or other applicable legislation or a government authority or court has determined that the Fund be wound up; or

- (ii) an event described in paragraph (a) above has occurred in relation to the trustee and a replacement trustee has not been appointed within 60 calendar days or the Issuer determines in its reasonable discretion that a replacement trustee is unlikely to be appointed within this timeframe;
- f. the Investor states that it is insolvent or is presumed to be insolvent under any applicable law;
- g. as a result of the operation of the Corporations Act the Investor is taken to have failed to comply with a statutory demand; or
- h. g) anything analogous to or of a similar effect to anything described above occurring to any party under the Corporations Act, Bankruptcy Act 1996 (Cth) or the law of any relevant jurisdiction.

Issue Date means the date specified in a Term Sheet PDS as the expected date for the issue of the Units.

Issue Price means, if specified in the relevant Term Sheet PDS for a Series, the price as specified in the relevant Term Sheet PDS as the amount payable by an Investor for a Unit issued on or before the Commencement Date;

Issuer means Anadara Specialist Investments Pty Ltd;

Issuer Buy-Back means an Investor requested buy back of Units by the Issuer in accordance with Section 5 "Terms of the Deferred Purchase Agreement";

Issuer Buy-Back Form means the form by that name attached to the relevant Term Sheet PDS;

Issuer Buy-Back Request means an Investor's request for the Issuer to buy back their Units as made via the Issuer Buy-Back Form contained in the Term Sheet PDS or provided by the Issuer upon request or any other method specified from the Issuer from time to time;

Lender means the Lender under the Loan Agreement as specified in the relevant Term Sheet PDS;

Loan Agreement means the loan agreement in Section 7;

Loan Amount means the Investment Loan amount outstanding from the Investor to the Lender as determined by the Lender in its absolute discretion from time to time;

Loan Break Costs means any costs, expenses or losses incurred by the Lender as a result of an Investment Loan being repaid early;

Market Disruption Event means the occurrence or existence on any Business Day of any of the following events, in the determination of the Issuer:

- a. the Suspension or material limitation or disruption of trading in one or more of the Assets or in securities or futures contracts generally on the ASX, Relevant Exchange, Related Exchange or a market associated with any of the Assets; or
- b. any of the Assets or prices relating to the Assets ceases to exist or is materially changed, fails to be calculated and published, or the method of calculation materially changes;
- c. any event occurs that disrupts or impairs the ability of market participants in general (i) to effect transactions in, or obtain market values for, any of the Assets, on the Relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts related to the Assets on the Relevant Exchange or any Related Exchange;
- d. the Relevant Exchange closes prior to its scheduled closing time on a Business Day and the earlier closing time was not expected or announced with sufficient notice;
- e. the declaration of a general moratorium in respect of banking activities in the country where any Relevant Exchange or Related Exchange is located;
- f. any market disruption event (however described) under the Hedge Agreement; or

- g. any similar event the Issuer reasonably declares to be a Market Disruption Event, including a Force Majeure Event.

For the purposes of this definition, (1) a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the Relevant Exchange or Related Exchange; (2) a limitation on trading imposed during the course of a day by reason of movements in price otherwise exceeding levels permitted by the Relevant Exchange or Related Exchange will constitute a Market Disruption Event; and (3) issues of materiality are to be determined in the reasonable discretion of the Issuer;

Master PDS means this Master PDS dated 1 September 2023;

Maturity means the settlement of the deferred purchase of the Delivery Parcel in accordance with the section headed "Maturity and Settlement" in the Terms other than as a result of Early Maturity;

Maturity Date means the date as specified in the relevant Term Sheet PDS as the "Maturity Date", unless there is an Early Maturity under the section headed "Early Maturity" of the Terms, in which case the Maturity Date will be the Early Maturity Date;

Minimum Buy-Back Amount has the meaning as specified in the relevant Term Sheet PDS;

Minimum Investment Amount means, the amount as specified in the relevant Term Sheet PDS as the "Minimum Investment Amount" or such lesser amount as the Issuer in its discretion may determine for any one or more applicants;

Nominated Account means the transactional banking account held with an Australian bank which is nominated by the Investor on their Application Form;

Note means a structured note pursuant to which the Issuer may hedge its obligations under a Series;

Notice of Maturity means the notice sent to Investors at least 20 Business Days prior to the Maturity Date in which an Investor may, subject to the Terms, elect to participate in the Agency Sale Option;

Offer means the offer of an agreement to purchase the Delivery Assets specified as specified in the relevant Term Sheet PDS on certain terms including deferred delivery and to enter into an Investment Loan for the Investment Amount;

Offer Closing Date means the date as specified in the relevant Term Sheet PDS as the cut off time for initial investments;

Offer Opening Date means the opening dates of the Offer Period as specified in the relevant Term Sheet PDS as the time from which Applications for Units will be accepted;

Offer Period means the period from the Offer Opening Date to the Offer Closing Date;

Participation Rate (if applicable) means the Participation Rate as specified in the relevant Term Sheet PDS.

Performance Cap (if applicable) means the Performance Cap on the Reference Asset as specified in the relevant Term Sheet PDS

Performance Coupon has the meaning given to it in the relevant Term Sheet PDS;

Portion means the number of Delivery Assets per Unit held by the Issuer on the Commencement Date and is equal to 0.00001 Delivery Assets per Unit. In the event the Portion is adjusted due to a substitution of the Delivery Asset or otherwise in accordance with this PDS or the Corporations Act, the Issuer will notify Investors of such an adjustment;

Prepaid Interest has the meaning as specified in the relevant Term Sheet PDS;

Prepaid Interest Payment Date means, in respect of a Series, the date(s) specified in the relevant Term Sheet PDS;

Prepaid Interest Period means, in respect of a Series, an interest period for an Investment Loan, as specified in the relevant Term Sheet PDS

Price Source means the publication or other origin reporting or publishing the price of a Reference Asset;

Reference Asset has the meaning as specified in the relevant Term Sheet PDS;

Register means the registers of legal and beneficial owners of Units, as named on the register, maintained by the Registrar;

Registrar means the person or entity as specified in this Master PDS or the relevant Term Sheet PDS or any other registrar appointed by the Issuer from time to time;

Related Exchange means each exchange or quotation system where trading has a material effect (as determined by the Issuer) on the overall market for the futures, options, securities or other assets underlying the Reference Asset are traded;

Relevant Exchange means in the case of:

- a. any exchange traded security or financial product, the primary exchange upon which that financial product is traded; and
- b. an index, the primary exchange upon which the financial products which primarily constitute that index are traded; and
- c. a commodity, any exchange where contracts or futures relating to the commodity are traded;
- d. or as determined in the reasonable discretion of the Issuer;

Sale Monies mean the monies from the sale of the Delivery Assets obtained by the Issuer (or its nominee) on behalf of the Investor under the Agency Sale Option, less Break Costs and if applicable Delivery Costs, including brokerage, applicable to the sale of the Delivery Parcel;

Scheduled Business Day means, in respect of a Reference Asset or Delivery Asset, any day on which the Relevant Exchange and/or Related Exchange in respect of such Reference Asset or Delivery Asset is scheduled to be open for trading for their respective regular trading sessions;

Series means the series of Units offered under the relevant Term Sheet PDS that accompanies this Master PDS, and each other series of financial products issued by the Issuer;

Settlement Date means the tenth Exchange Business Day after the Maturity Date or such other date as determined by the Issuer in its discretion as is reasonably necessary for the Issuer to fulfil its obligations under the Terms;

Settlement Notice means the notice from the Issuer to Investors following settlement on Early Maturity or a Buy-Back Date;

Special Dividend means any special or abnormal dividend or distribution in respect of securities (including a distribution of income or capital) and includes a dividend or distribution described by the entity declaring that dividend or distribution as:

- a. special, abnormal, extraordinary, additional or extra;
- b. part of a scheme of arrangement or takeover consideration;

- c. part of a special distribution involving a return of capital, or are otherwise characterised by the ASX or the Relevant Exchange as a special dividend or special distribution.

Strategy Value has the meaning given in relevant Term Sheet PDS;

Suspension means any temporary cessation of the trading or quotation of the Delivery Asset, including a trading halt on the ASX, Relevant Exchange or Related Exchange (as the context requires);

S&P means Standard & Poor's;

S&P/ASX 200 Index means the S&P/ASX 200 Price Return Index published by S&P;

Tax or Taxes means any income tax, capital gains tax, GST, withholding tax, stamp, registration and other duties and other related taxes, levies, imposts, deductions, interest, penalties and charges;

Term Sheet PDS means the Term Sheet Product Disclosure Statement, including any Application Form and any Issuer Buy-Back Form, for the relevant Series of Units and which is to be read in conjunction with this Master PDS;

Termination Payment means the amount determined by the Issuer acting in good faith and a commercially reasonable manner. Without limiting the foregoing, in determining the Termination Payment, the Issuer may adjust the Termination Payment for any costs, losses or expenses that it reasonably incurs acting in a commercially reasonable manner in relation to the Early Maturity, including without limitation, Delivery Costs, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under the Terms, and any cost of funding or any loss of bargain;

Terms means the Terms of the Deferred Purchase Agreement and the Terms of the Loan Agreement (and either or both of them as the context requires) which are set out in Section 5 and Section 7 of this Master PDS respectively, on which the Investor agrees to acquire the Delivery Parcel from the Issuer and enter into the Investment Loan with the Lender;

Transaction Documents means, in respect of a Series:

- the Hedge for that Series;
- each DPA for that Series;
- this Master PDS and the relevant Term Sheet PDS including the Terms of the Deferred Purchase Agreement and the Loan Agreement (as it applies to that Series) and the Application Form; and
- each document entered into or provided under any of the documents described in paragraphs (a), (b), or (c) for the purpose of amending or novating any of those documents;

Units or Unit means a Deferred Purchase Agreement entered into by the Issuer and the Investor. The total number of Units held by the Investor will be notified by the Issuer to the Investor in the Confirmation Notice provided by the Issuer in accordance with clause 5.3.iv of the Terms;

Volatility Target has the meaning given in relevant Term Sheet PDS.

## 10. Reference Asset Disclaimers

There is no association or relationship between the Units or the Issuer and any securities exchange or index provider or securities which may be referenced by a Series from time to time (collectively, in this Section, the “Relevant Entities”).

The Units are issued by the Issuer and marketed by third party dealer groups, they are not sponsored, endorsed, issued, distributed, sold, marketed or promoted by any of the Relevant Entities in any way. The Relevant Entities have no obligations or liabilities whatsoever in connection with the Units.

In particular, Investors should note that the Relevant Entities and, if relevant, their affiliates:

- are responsible only for composing, calculating, and/or issuing the relevant products linked to a Series (the “Relevant Product”). All decisions and calculations are made without any regard to the Units or the Issuer;
- are not involved in any way or in any way responsible for the issue of the Units;
- do not make any statements regarding the advisability of investing in the Units;
- are not involved in any way or in any way responsible for the calculation of any Coupons, Final Value or any other calculations or determinations made in relation to the Units;
- do not make any representations or warranties to any person (including the Issuer and Investors) in relation to the Units or the Relevant Product. In particular, no representations are made in relation to the ability of each Relevant Product to track the movements in the underlying share market or to perform as intended and no warranties are made in relation to the appropriateness of any use of the Relevant Product;
- do not guarantee that the Relevant Product data included in or correspondence regarding the Relevant Product is correct, complete, up-to-date or accurate and have no liability for any errors, omissions or delays; and
- will not be liable, in any event, for any damages arising out of contract, tort, strict liability or otherwise (including indirect, special, incidental, punitive or consequential damages), regardless of whether they have advised of the possibility of such damages.

### Preparation of this PDS

This PDS has been prepared by the Issuer from publicly available information only. No entity has been a party to its preparation or furnished any information specifically to the Issuer for the purpose of its preparation. Similarly, information in this PDS concerning an entity has not been independently verified. The Issuer has no affiliation with any entities underlying the Reference Assets and have no access to information concerning them other than that which is in the public domain.

The Issuer and the Arranger do not accept any liability or responsibility for, and make no representation or warranty, express or implied, as to the accuracy or completeness of any information about an entity in this PDS. Investors should make their own enquiries about an entity. Nothing in this PDS may be relied upon as implying that there has been no change in the affairs of an entity, including the Issuer and the Arranger, since the dates as at which information is given in this PDS.

## **11. Completing the Application Form**

### **11.1 Anti-Money Laundering and Counter-Terrorism Financing Act 2006**

#### **Identification and Verification Requirements**

Under the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) legislative regime, certain due diligence must be conducted on any prospective Investor before Units may be issued to that Investor. The due diligence includes identifying and verifying the identity of a prospective Investor. Applications made without providing this information cannot be processed until all the necessary information has been provided. There are also ongoing customer due diligence obligations under the AML/CTF legislative regime which may require the Issuer to collect further information.

The Issuer is obliged under the AML/CTF legislative regime to take and maintain copies of any information collected from applicants. The Issuer may be required to share collected information with the Australian Transaction Reports and Analysis Centre (AUSTRAC) and may be prohibited from informing applicants of such disclosures. The Issuer may share collected information with related entities.

Under the AML/CTF legislative regime, the Issuer has an obligation to report suspicious matters to AUSTRAC. This obligation may require the collection of further information from Investors. The Issuer may be prohibited from informing Investors that reporting to AUSTRAC has taken place.

The Issuer has the right to not accept Buy-Back requests or transfers or pay benefits under this product where there are reasonable grounds to believe doing so would breach Australian law or sanctions (or the law or sanctions of any other country) and the Issuer is not liable for any resulting loss.

By applying for units in the Units, applicants are acknowledging that the Issuer may, in its absolute discretion, not issue units to them, cancel any Units previously issued to them, delay, block or freeze any transactions or redeem any Units issued to them if it believes it necessary to comply with the AML/CTF legislative regime. In the above circumstances, the Issuer will not be liable to applicants for any resulting loss.

### **11.2 Requirements for Individuals / Sole Traders**

Individual Investor and sole trader must give the Issuer certified copies of one document from column [1] OR one document from each of column [2] AND [3]:

Please note: for Companies, Trusts, Partnerships, Associations and Co-Operative Applicants, please contact the Issuer in addition to referring to Section 2.2 below for details of the information the Issuer must collect and verify in reference to the Application.

If the individual section of the Application Form is completed in addition to other sections, then the applicant must provide the documents required for an individual applicant in addition to any others required.

**Reliable and Independent Verification Documentation**

Primary Photographic 1 x Required		Primary non- photographic 1 x Required		Secondary Identification 1 x Required
<ul style="list-style-type: none"> <li>• Australian Driver’s License</li> <li>• Australian Passport*</li> <li>• State or Territory Photo ID</li> <li>• Current Foreign Passport^</li> <li>• Current ID card issued by a foreign Government including a photo and signature^</li> <li>• Current Foreign Driver’s License with Photo and Date of Birth^</li> </ul>	OR	<ul style="list-style-type: none"> <li>• Birth Certificate</li> <li>• Commonwealth citizenship certificate</li> <li>• Centrelink Pension card</li> <li>• Health Card issue by Centrelink</li> <li>• Foreign citizenship certificate or birth certificate^</li> </ul>	AND	<ul style="list-style-type: none"> <li>• Commonwealth, State and Territory financial benefits notice</li> <li>• ATO Tax notice</li> <li>• Local government body or utility provider notice</li> <li>• Notice issued within the last 3 months by school principal for a person under 18, recording the period a person attended school and person's residential address</li> </ul>

\* A passport that expired within the two years prior to submitting the Application Form will also be accepted.

^ Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

**There is a wide range of persons who may certify an applicant's documents. A list is given below:**

^Who may certify your documents as being a true and correct copy of the original		
<ul style="list-style-type: none"> <li>• Legal Practitioner enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia</li> <li>• A Judge of a court CEO of a Commonwealth Court</li> <li>• Registrar or deputy registrar of a court</li> <li>• Justice of the Peace</li> <li>• Notary public</li> <li>• Police Officer</li> </ul>	<ul style="list-style-type: none"> <li>• An agent of the Australian Postal Corporation</li> <li>• Permanent employee of a post office*</li> <li>• Australian Consular Officer or Diplomatic Officer</li> <li>• Financial institution officer/employee of a bank*</li> </ul>	<ul style="list-style-type: none"> <li>• A finance company officer</li> <li>• Officer of or authorised representative of a holder of an Australian financial services licence*</li> <li>• A member of the Institute of Chartered Accountants in Australia, CPA or NIA membership*</li> </ul>

\* Those persons marked with an asterisk \* are required to have two or more years of continuous service or membership.

The eligible certifier must include the following information:

- Their full name
- Address
- Telephone Number
- The date of certifying
- Capacity in which they are eligible to certify, and
- An official stamp/seal if applicable

**The certified copy must include the statement, "I certify this is a true copy of the original document".**

For photographic documents, the certified copy must include the statement, "I certify this is a true copy of the original document and the photograph is a true likeness".

### 11.3 Non-individual Investors

Different identification and verification requirements apply to prospective Investors who are not individuals, such as companies, other bodies corporate, trusts, including partnerships, associations and registered co-operatives. Where applicable, applicants will need to give us:

**Australian Companies** – Any one of the following documents: a certified copy of the certification of registration or licence or other records of the relevant commonwealth, state or territory statutory regulator or a public document issued by the relevant company.

**Foreign Companies** – a certified copy of the certification of registration or licence or other records held by ASIC (if registered in Australia), registration document issued by the foreign registration body or Disclosure Certificate, or a public document issued by the company.

**Trusts & Trustees** - If the trust is a:

- Registered managed investment scheme or regulated trust
- any one of the following documents:
  - a certified copy; or
  - certified extract from the relevant regulator's website showing the full name of the trust, and that the trust is a registered scheme or regulated trust.

**Other trust type** - any one of the following documents: a certified copy or certified extract of the Trust Deed showing the name of the trust, reliable and independent documents relating to the trust or reliable and independent electronic data relating to the trust. This may include the following:

- A letter from a solicitor or qualified accountant that confirms the name of the trust;
- A notice issued by the Australian Tax Office within the last 12 months in relation to the trust Individual Trustee;
- Australian Company Trustee – a certified copy of the certification of registration.
- Australian Listed Company or majority owned subsidiary of an Australian Listed Company or is a regulated company - a certified copy of a public document issued by the relevant company.
- Foreign Company Trustee – copy or extract of the Trust Deed; reliable and independent documents relating to the trust or reliable and independent electronic data relating to the trust.

**Partnerships, Associations, and Registered Cooperatives**

- partnership agreement or Australian Partnership Taxation Return or Australian State or Territory Business Names Search or Minutes of a partnership meeting or Disclosure Certificate; Rules or constitution of the association or minutes of meeting of the association or search of databases of ASIC or State, Territory or overseas body responsible for the incorporation of the association or reliable and independent documents relating to the trust or reliable and independent electronic data relating to the association; Register maintained by the cooperative or minutes of meeting of the co-operative or search of databases of ASIC or State, Territory or overseas body responsible for the registration of the co-operative or reliable and independent documents relating to the trust or reliable and independent electronic data relating to the cooperative.

**Important: If applicants need further information, they may contact the Issuer to obtain details of the Issuer's identification and verification requirements as an AML/CTF Reporting Entity for each type of applicant.**

# anadara

**Issuer**

**Anadara Specialist Investments Pty Ltd**

L35 International Tower One  
100 Barangaroo Avenue  
Sydney NSW 2000

**Issuer's Solicitors**

**Baker & Mackenzie**

Tower One – International Towers Sydney  
L46 100 Barangaroo Avenue  
Sydney NSW 2000

**Issuer's Tax Advisors**

**Alvarez and Marshall**

20 Bond Street  
Sydney NSW 2000

All application forms and correspondence to:

Anadara Specialist Investments Pty Ltd

1300 509 904

[www.anadara.com.au](http://www.anadara.com.au)