

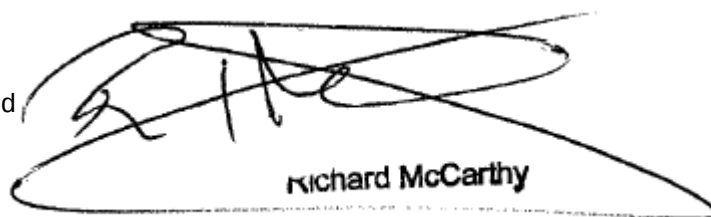
MCP Master Income Trust

Supplementary Product Disclosure Statement

MCP Master Income Trust
(ARSN 620 465 090)

RESPONSIBLE ENTITY

The Trust Company (RE Services) Limited
(ACN 003 278 831; AFSL 235 150)



Richard McCarthy

12/03/2020

MANAGER

Metrics Credit Partners Pty Ltd
(ACN 150 646 996; AFSL 416 146)

Withdrawal of Entitlement Offer

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

THIS IS AN IMPORTANT DOCUMENT WHICH IS AND SHOULD BE READ IN ITS ENTIRETY. PLEASE CALL YOUR STOCKBROKER, ACCOUNTANT, FINANCIAL ADVISER, TAXATION ADVISER OR OTHER INDEPENDENT PROFESSIONAL ADVISER OR THE SHARE REGISTRY IF YOU HAVE ANY QUESTIONS

1. Important information

This is a supplementary product disclosure statement (**Supplementary PDS**) for the purposes of Part 7.9 of the Corporations Act and has been issued by The Trust Company (RE Services) Limited (ACN 003 278 831; AFSL 235 150) (**Responsible Entity**) as responsible entity of the MCP Master Income Trust (ARSN 620 465 090) (**Trust**). It supplements, and is intended to be read together with, the product disclosure statement dated 24 January 2020 (**Original PDS**), issued by the Responsible Entity as responsible entity of the Trust. This Supplementary PDS is dated 12 March 2020 and was lodged with ASIC on that date. Neither ASIC, ASX nor their respective officers take any responsibility for the contents of this Supplementary PDS. The expiry date of the Original PDS is brought forward to the date of this Supplementary PDS.

The information set out below is taken to be included in the Original PDS. Terms defined in the Original PDS have the same meaning in this Supplementary PDS. If there is a conflict between the Original PDS and this Supplementary PDS, this Supplementary PDS will prevail.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers.

Obtaining a copy of this Supplementary PDS

This Supplementary PDS will be available on ASX's website at (www.asx.com.au) and at <https://metrics.com.au/funding-solutions/mcp-master-income-trust/>.

Manager's website

Any references to documents included on the Manager's website at www.metrics.com.au are for convenience only, and none of the documents or other information available on the Manager's website are incorporated herein by reference.

Disclaimer

No person is authorised to provide any information or to make any representation in connection with the Offer that is not contained in this Supplementary PDS. Any information or representations not contained in this Supplementary PDS may not be relied upon as having been authorised by the Directors, the Manager or the Responsible Entity.

2. Withdrawal of Offer

The Responsible Entity advises that the Directors have resolved to withdraw the Offer set out in the Original PDS. This Supplementary PDS formally withdraws the Offer.

The Responsible Entity advises that the Offer is now closed and that the timetable for the Offer, as set out in the Original PDS, is no longer in effect. Accordingly, no Units have or will be issued under the Offer on the basis of the Original PDS and the Responsible Entity will not be accepting any Applications arising from the Offer. Further none of the Applications which have been received by, or on behalf of, the Responsible Entity have been or will be processed.

All Application Monies received by, or on behalf of, the Responsible Entity pursuant to the Original PDS will be refunded without interest as soon as practicable.

For Eligible Unitholders who subscribed for Units through the Unit Registry, payment of the refund will be made to the bank account recorded with the Unit Registry. If there is no bank account recorded with the Unit Registry as at 5.00pm (Sydney time) on 12 March 2020, payments will be refunded by cheque to the address recorded with the Unit Registry. Applicants may update their bank account details online at <https://investor.automic.com.au/>.

The Responsible Entity will coordinate with the Unit Registry to make payment to bank accounts and despatch cheques by 13 March 2020. Existing Applicants can contact the Manager on + 61 1300 010 311 to discuss their refund or the Unit Registry on 1300 816 157 (within Australia) or on +61 2 8072 1417 (international) if they require assistance updating their bank account details.

3. Directors' authorisation

This Supplementary PDS is issued by the Responsible Entity and its issue has been authorised by a resolution of the Directors.

In accordance with the Corporations Act, each Director has consented to the lodgement of this Supplementary PDS with the ASIC.



MCP MASTER INCOME TRUST

PRODUCT DISCLOSURE STATEMENT

MCP Master Income Trust
(ARSN 620 465 090)

RESPONSIBLE ENTITY

The Trust Company (RE Services) Limited
(ACN 003 278 831; AFSL 235 150)

MANAGER

Metrics Credit Partners Pty Ltd
(ACN 150 646 996; AFSL 416 146)

MANAGER



AFS Licence 416146

LEAD ARRANGER AND JOINT LEAD MANAGER

TAYLOR COLLISON

Sharebrokers and Investment Advisers

AFS Licence 247083

JOINT LEAD MANAGERS



AFS Licence 235410



AFS Licence 237121



AFS Licence 238383

DISTRIBUTION PARTNER



AFS Licence 322140

CO-MANAGERS



AFS Licence 243480



IMPORTANT NOTICES

The MCP Master Income Trust ARSN 620 465 090 (**Trust**) is an Australian registered managed investment scheme.

This document is a product disclosure statement (**PDS**) for the purposes of Part 7.9 of the Corporations Act.

This PDS is issued by the responsible entity of the Trust. The responsible entity of the Trust is The Trust Company (RE Services) Limited ACN 003 278 831 AFSL 235 150 (**Responsible Entity**).

The Responsible Entity has authorised the Manager (defined below) to provide investment and other services to the Trust, pursuant to an Investment Management Agreement entered into between the Responsible Entity and the Manager. The manager of the Trust is Metrics Credit Partners Pty Ltd ACN 150 646 996; AFSL 416 146 (**Metrics** or **Manager**).

Taylor Collison Limited ABN 53 008 172 450, AFSL 247 083 (**Taylor Collison**) is acting as the Lead Arranger and Joint Lead Manager to the Offer. Ord Minnett Limited ABN 86 002 733 048, AFSL 237 121 (**Ords**), Morgans Financial Limited ABN 49 010 699 726 AFSL 235 410 (**Morgans**) and Wilsons Corporate Finance Limited ABN 65 057 547 323, AFSL 238 383 (**Wilsons**) are acting as Joint Lead Managers to the Offer. The Co-Managers are Bell Potter Securities Limited ABN 25 006 390 772, AFSL 243 480 (**Bell Potter**) and Escala Partners Pty Ltd ACN 155 884 236 (**Escala**) a corporate authorised representative (no. 000439722) of Escala Wealth Management Pty Ltd ACN 162 573 828, the holders of AFSL 456 207. The Lead Arranger, Joint Lead Managers and the Co-Managers will together manage the Offer on behalf of the Trust.

The Lead Arranger, Joint Lead Manager, Co-Manager, and Distribution Partner functions should not be considered to be an endorsement of the Offer or a recommendation of the suitability of the Offer for any investor. The Lead Arranger, Joint Lead Managers, the Co-Manager and the Distribution Partner do not guarantee the success or performance of the Trust or the returns (if any) to be received by investors. None of the Lead Arranger, Joint Lead Managers, the Co-Managers and the Distribution Partner nor any other person is responsible for, or has caused the issue of this PDS.

PDS

This PDS is dated 24 January 2020 and a copy of this PDS was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date.

Neither ASIC nor the ASX (or their respective officers) take any responsibility for the contents of this PDS or the merits of the investment to which this PDS relates. Units issued under this PDS will be issued by the Responsible Entity on the terms and conditions set out in this PDS.

NOT INVESTMENT ADVICE

The information contained in this PDS is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs.

Before deciding to invest in the Trust, you should read this PDS in its entirety. You should take into account all risk factors referred to in this PDS (including those in section 8) and consider whether acquiring Units represents an appropriate investment in view of your personal circumstances. You should carefully consider your particular investment objectives, financial circumstances and investment needs (including financial and taxation issues) and you should seek advice from your professional adviser before deciding whether to invest. You should consider the risk factors that could affect the financial performance of the Trust. There is no guarantee that the Units offered under this PDS will provide a return on capital, lead to payment of distributions or that there will be any increase in the value of the Units. If you wish to apply for Units you must do so using the relevant Application Form.

APPLICATION FORM

No person is authorised to give any information or to make any representation in connection with the Offer, which is not contained in this PDS. Neither the Manager, the Responsible Entity, the Distribution Partner nor any other person associated with the Trust guarantees or warrants the future performance of the Trust, the return on an investment made under this PDS, the repayment of capital or the payment of distributions on the Units. Any information or representation in relation to the Offer not contained in this PDS may not be relied on as having been authorised in connection with the Offer by the Responsible Entity, Manager or any other person that may have liability for the content of this PDS.

NO OFFER WHERE OFFER WOULD BE ILLEGAL

This PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Units in any jurisdiction outside Australia and New Zealand. The distribution of this PDS outside Australia and New Zealand may be restricted by law and persons who come into possession of this PDS outside Australia and New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law.

EXPOSURE PERIOD

The Responsible Entity will not process Applications in the 14 days following the lodgement date of this PDS with ASIC (**Exposure Period**).

The Exposure Period enables this PDS to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this PDS. If deficiencies are detected, the Responsible Entity will either:

- > return any Application Monies that the Responsible Entity has received;
- > provide each Applicant with a supplementary or replacement product disclosure statement that corrects the deficiency, and gives the Applicant the option to withdraw the Application within one month and be repaid the Application Monies; or
- > issue to the Applicant the Units applied for in the Application, provide each Applicant with a supplementary or replacement product disclosure statement that corrects the deficiency and gives the Applicant the option to withdraw the Application within one month and be repaid the Application Monies.

Application Forms received prior to the expiration of the Exposure Period will not be processed until after the Exposure Period. No preference will be conferred on Application Forms received during the Exposure Period and all Application Forms received during the Exposure Period will be treated as if they were simultaneously received on the first Business Day after the Exposure Period.

WARNING STATEMENTS FOR NEW ZEALAND INVESTORS

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the *Corporations Act 2001* (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the *Financial Markets Conduct Act 2013* and Part 9 of the *Financial Markets Conduct Regulations 2014*.

This Offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the *Corporations Act 2001* (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Currency exchange risk

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Dispute resolution process

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

NO COOLING-OFF RIGHTS

Cooling-off rights do not apply to an investment in Units pursuant to the Offer. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

RIGHTS AND OBLIGATIONS ATTACHED TO THE UNITS

New Units issued under the Offer will be fully paid and rank equally with existing Units from allotment, including in respect of distributions.

Details of the rights and obligations attached to the New Units are summarised in section 14.2 and set out in the Constitution. A copy of the Constitution is available, free of charge, on request from the Manager.

ELECTRONIC PDS

This PDS will be available and may be viewed online at www.metrics.com.au/mxt/. The information on the website does not form part of this PDS.

The Offer pursuant to this PDS is available to persons receiving an electronic version of this PDS within Australia and New Zealand. The Offer made under this PDS is only available to persons receiving this PDS in Australia and New Zealand. The Responsible Entity is entitled to refuse an Application if it believes the Applicant did not receive the Offer in Australia or New Zealand.

Any person accessing the electronic version of this PDS for the purpose of making an investment in the Trust must only access the PDS from within Australia and New Zealand. Applications for Units may only be made on either a printed copy of the Application Form attached to or accompanying this PDS or via the electronic Application Form attached to the electronic version of this PDS, available on the Manager's website.

Units to which this PDS relates will only be issued on receipt of an Application Form issued together with the PDS, whether it will be by a printed copy or an electronic Application Form.

PAY BY BPAY®

Eligible Unitholders will receive a personalised Entitlement and Acceptance Form and can pay for Units using BPAY®.

Any BPAY® payment must be received by the Unit Registry by 5:00pm (Sydney time) on the Closing Date.

APPLYING BY POST AND PAY BY CHEQUE, BANK DRAFT OR MONEY ORDER

You can apply by post and pay your Application Monies by cheque, bank draft or money order by completing the Application Form attached to this PDS and following the instructions on the back of the Application Form to lodge your Application.

Your Application Form and Application Monies must be posted so that they are received by the Unit Registry by 5:00pm (Sydney time) on the Closing Date.

During the Offer Period, any person may obtain a paper copy of this PDS free of charge by contacting Pinnacle Investment Management Ltd, the Distribution Partner to the Offer on:

Tel: 1300 010 311 (between 9:00am to 5:00pm Sydney time Monday to Friday).

DISCLAIMER

No person is authorised by the Responsible Entity, the Manager, the Lead Arranger, the Joint Lead Managers, the Co-Managers or the Distribution Partner to give any information or make any representation in connection with the Offer that is not contained in this PDS. Any information or representation that is not contained in this PDS may not be relied on as having been authorised by the Responsible Entity, the Manager, their directors or any other person in connection with the Offer. The Trust's business, financial condition, operations and prospects may have changed since the date of this PDS.

Certain statements in this PDS constitute forward looking statements. These forward-looking statements are identified by words such as 'aim', 'anticipate', 'assume', 'believes', 'could', 'expects', 'intends', 'may', 'plan', 'predict', 'potential', 'positioned', 'should', 'target', 'will', 'would', and other similar words that involve risks and uncertainties. Investors should note that these statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors which could cause actual values or results, performance or achievements to differ materially from anticipated results, implied values, performance or achievements expressed, projected or implied in the statements.



These forward-looking statements are based on current expectations, estimates, and projections about the Trust's business and the industry in which the Trust invests and the beliefs and assumptions of the Manager and the Responsible Entity. These forward-looking statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Responsible Entity's and Manager's control. As a result, any or all of the forward-looking statements in this PDS may turn out to be inaccurate. Factors that may cause such differences or make such statements inaccurate include, but are not limited to, the risk factors described in section 8.

Potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on the forward-looking statements. The Responsible Entity and Manager do not make any assurance, express or implied, in relation to whether any forward-looking statements will actually eventuate.

These forward-looking statements speak only as at the date of this PDS. Unless required by law, the Responsible Entity or Manager does not intend to publicly update or revise any forward-looking statements to reflect new information, future events or otherwise. They are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. You should, however, review the factors and risks the Responsible Entity describes in the reports to be filed from time to time with the ASX after the date of this PDS.

Some numerical figures in this PDS have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

UPDATED INFORMATION

Information in this PDS may need to be updated from time to time. Any updated information that is considered not materially adverse to investors will be made available on the website: www.metrics.com.au/mxt/ and the Manager will provide a copy of the updated information, free of charge to any investor who requests a copy by contacting the Distribution Partner on:

Tel: 1300 010 311 (between 9:00am to 5:00pm Sydney time Monday to Friday). Any changes to the Offer timetable including closing the Offer early will be made via the website: www.metrics.com.au/mxt/ and ASX announcement.

In accordance with its obligations under the Corporations Act, the Responsible Entity may issue a supplementary PDS to supplement any relevant information not disclosed in this PDS. You should read any supplementary disclosures made in conjunction with this PDS prior to making any investment decision.

PRIVACY

The Responsible Entity may collect personal information from you when you contact the Responsible Entity and from any other relevant forms to be able to administer your investment and comply with any relevant laws, including the *Privacy Act 1998* (Cth) and provide information to relevant government agencies in accordance with those laws. If you do not provide us with your relevant personal information, the Responsible Entity may not be able to properly administer your investment.

Privacy laws apply to the handling of personal information and the Responsible Entity will collect, use and disclose your personal information in accordance with its privacy policy, which includes details about the following matters:

- > the kinds of personal information the Responsible Entity collects and holds;
- > how the Responsible Entity collects and holds personal information;

- > the purposes for which the Responsible Entity collects, holds, uses and discloses personal information;
- > how you may access personal information that the Responsible Entity holds about you and seek correction of such information (note that exceptions apply in some circumstances);
- > how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds the Responsible Entity and how the Responsible Entity will deal with such a complaint; and
- > whether the Responsible Entity is likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for the Responsible Entity to specify those countries.

The privacy policy of the Responsible Entity is publicly available on its website at www.perpetual.com.au or you can obtain a copy free of charge by contacting the Responsible Entity.

The Manager and the Distribution Partner may also collect, use and disclose your personal information, including personal information provided to the Manager by the Responsible Entity, for investor relations purposes in accordance with its privacy policy. A copy of the Manager's privacy policy is publicly available at www.metrics.com.au/privacy/.

INVESTIGATING ACCOUNTANT'S REPORT ON THE FINANCIAL INFORMATION AND FINANCIAL SERVICES GUIDE

The providers of the Investigating Accountant's Report on the financial information of the Trust are required to provide Australian retail Applicants with a Financial Services Guide.

The Investigating Accountant's Report and accompanying Financial Services Guide are provided in section 12.

MISCELLANEOUS

Photographs and diagrams used in this PDS that do not have descriptions are for illustration only and should not be interpreted to mean that any person in them endorses this PDS or its contents or that the assets shown in them are owned by the Trust.

References in this PDS to currency are to Australian dollars unless otherwise indicated. All data contained in charts, graphs and tables within this PDS are based on information available as at the date of this PDS unless otherwise stated.

Certain terms and abbreviations in this PDS have defined meanings that are set out in Appendix A to this PDS.

TIME

Unless otherwise stated or implied, references to time in this PDS are to Australian Eastern Time (**Sydney time**).

Any references to documents included on the Manager's website are provided for convenience only, and none of the documents or other information on the website is incorporated by reference into the PDS.



CONTENTS

Important Notices	inside front cover
Key Offer Details	4
Letter to Investors	6
Section 1: Investment overview	9
Section 2: Details of the Offer and how to apply for New Units under the Offer	28
Section 3: Purpose and effect of the Offer	36
Section 4: Overview of Australia's Corporate Loan Market	37
Section 5: About the Trust	43
Section 6: About the Manager	58
Section 7: Fees and other costs	62
Section 8: Risk Factors	67
Section 9: Corporate Governance	74
Section 10: Financial Information	76
Section 11: Taxation Information	81
Section 12: Investigating Accountant's Report	86
Section 13: Material Contracts	91
Section 14: Additional Information	101
Appendix A: Glossary	110
Appendix B: Corporate Directory	116

KEY OFFER DETAILS

THE OFFER	
Trust	MCP Master Income Trust
ASX code	MXT
Entitlement Offer ratio	1 New Unit for every existing 2 Units
Price per Unit under the Offer	\$2.00
Maximum number of New Units that may be issued under the Entitlement Offer	Up to approximately 319,100,766 Units
Maximum gross proceeds from the Entitlement Offer	Up to approximately \$638 million at \$2 per unit

Further information in respect of the Shortfall Offer (and applying for New Units under the Shortfall Offer) is set out in section 2.5 of this PDS.

KEY DATES	
Announcement of the Offer and lodgement of PDS with ASIC	24 January 2020
Units trade on an ex-Entitlement basis	11 February 2020
Record Date for Entitlement Offer (7:00pm Sydney time)	12 February 2020
Offer opens (9:00am Sydney Time) (Opening Date)	13 February 2020
Dispatch of PDS and Application Forms for the Offer	13 February 2020
Last day to extend the Offer	3 March 2020
Offer closes (5:00pm Sydney Time) (Closing Date)	6 March 2020
New Units quoted on ASX on a deferred settlement basis	9 March 2020
Results of the Offer announced	9 March 2020
Shortfall Notification Date	10 March 2020
Issue of New Units and Additional New Units under the Entitlement Offer	13 March 2020
Expected date for dispatch of holding statements for the Entitlement Offer	16 March 2020
Normal trading of New Units and Additional New Units issued under the Entitlement Offer expected to commence on ASX	16 March 2020
Issue of New Units under the Shortfall Offer	18 March 2020
Normal trading of New Units issued under the Shortfall Offer expected to commence on ASX	20 March 2020

Dates and times in this PDS are indicative only and subject to change. All times and dates refer to Sydney time.

The Responsible Entity reserves the right, subject to the Corporations Act, Listing Rules, Lead Arranger and Joint Lead Manager approval and other applicable laws, to vary the dates of the Offer without prior notice, including closing the Offer early, extending the closing date for the Offer or accepting late Applications, either generally or in particular cases, or to withdraw the Offer for any reason without prior notice.

Before making a decision about investing in the Offer, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs.

If you have any questions on how to:

- (a) complete the Application Form which accompanies this PDS; or
- (b) take up your Entitlement either in full or in part; or
- (c) take up your Entitlement in full and apply for Additional New Units,

please call Pinnacle Investment Management Ltd, the Distribution Partner to the Offer, between 9.00am and 5.00pm (Sydney time) Monday to Friday during the Offer Period on 1300 010 311. If you have lost your personalised Entitlement and Acceptance Form or Shortfall Offer Application Form and would like a replacement form, please call the applicable number above.



LETTER TO INVESTORS

24 January 2020

Dear Investor,

We would like to thank you for your interest in the MCP Master Income Trust (ASX: MXT) (**Trust**) and advise you of the opportunity to participate in an offer of New Units in the Trust (**Offer**).

The Trust provides investors with direct exposure to the Australian corporate loan market, a market which is dominated by regulated banks and has in the past typically been hard for non-bank investors to access. The Trust has delivered investors regular monthly cash income above the Trust's Target Return and a stable Net Asset Value (**NAV**) by lending to over 140 Australian companies and projects diversified across borrowers, industries and the credit spectrum. Past performance is not a reliable indicator of future performance. The Trust seeks to provide investors with a means of diversifying their own portfolios as the Trust's units have traded with little correlation to public domestic and international equity and bond markets. The Trust continues to enjoy a strong pipeline of lending opportunities and will invest proceeds from the Offer to further diversify the Trust.

The Trust provides this exposure through investments in and alongside wholesale funds managed by Metrics Credit Partners Pty Ltd (ACN 150 646 996; AFSL 416 146) (**Metrics** or **Manager**).

ABOUT THE MANAGER

Metrics is an Australian-based alternative asset management firm specialising in direct lending to Australian companies and currently manages in excess of A\$5 billion in assets. Metrics launched its first wholesale fund in 2013 and is the appointed manager of several wholesale and listed investment trusts including the Trust. Metrics' Investment Team is experienced in the direct origination and management of loan investments and seeks to manage risk through detailed initial and ongoing due diligence, structuring and portfolio risk management strategies.

ABOUT THE TRUST

The Investment Objective of the Trust is to provide monthly cash income, low risk of capital loss and portfolio diversification by actively managing diversified loan portfolios and participating in Australia's bank-dominated corporate loan market. The Manager seeks to implement active strategies designed to balance delivery of the Target Return, while seeking to preserve investor capital. The Trust may not be successful in reaching its objective. Key benefits of investing in the Trust include:

- > **Monthly cash income with low risk of capital loss** – The Trust has consistently delivered cash income of 5.55% per annum over the twelve months including December 2019 and 5.45% per annum since listing in October 2017. Past performance is not a reliable indicator of future performance. The Trust's Target Return is the RBA Cash Rate plus 3.25% per annum net of fees (currently 4%) and pays cash distributions monthly. Corporate loans generally have floating interest rates with lender protections such as security, resulting in an expected stable capital value and low loss rates. The Trust may not be successful in achieving its objective or Target Return.
- > **Attractive risk-adjusted returns from a diversified portfolio** – The Trust offers direct, diversified exposure to the bank-dominated Australian corporate loan market and its attractive risk-adjusted returns. The Trust is diversified with over 140 loans to borrowers across industries and the credit spectrum and Offer proceeds will be used to further enhance diversification.
- > **An experienced and active management team** – Metrics comprises a high calibre Investment Team who have on average over 30 years of market experience in direct lending, supported by a team of over 40 investment professionals. The Manager seeks out proprietary origination opportunities, undertakes detailed risk analysis and attends to the legal documentation, execution and ongoing portfolio risk management of loan portfolios. Metrics has an organisational culture focused on risk management and investor capital preservation.



- > **Portfolio diversification from an investment in Australian corporate fixed income** – Fixed income is an important component of a balanced investor portfolio offering the potential for stable cash yields with low risk of capital loss. Australian investors typically have limited domestic fixed income investment alternatives, and limited ability to access the attractive risk-adjusted returns offered by direct lending to Australian companies. The Trust's NAV and traded Unit price evidence the diversification benefits from this asset class demonstrating strong defensive characteristics and little correlation to public equities and bonds, bank hybrids or term deposits.
- > **Low management fees** – Base management fees are equivalent to fees paid by wholesale investors in Metrics' Wholesale Funds.

The Trust may from time to time be unsuccessful in providing all these benefits.

OFFER HIGHLIGHTS

Metrics believes the Offer will provide several benefits to existing and new Unitholders including:

- > Additional scale to expand the Trust's participation in Australia's corporate lending market and develop greater portfolio diversification;
- > Promote additional market liquidity through an expanded investor base; and
- > Reduce overall costs to investors.

RISKS

An investment in MXT's New Units, or if applicable to you, Additional New Units, is subject to a range of risks, which are more fully detailed in section 8 of the PDS. Key risks to the Trust include credit and default risk, investment strategy risk, interest rate risk, credit cycle risk, liquidity risk and leverage risk, among others. If any of these risks or other material risks eventuate, it will likely have a material adverse impact on the Trust's future financial performance and position. An investment in the Trust also carries investment risks such as loss of invested capital, Units trading at below NAV, inability to buy and sell Units on the ASX, volatility of returns and the Trust not delivering the Target Return and distributions set out above.

The PDS contains important information regarding the Offer. We encourage you to read it carefully and in its entirety, including Section 8. If you have any questions, you should seek relevant professional advice before making an investment decision.

THE OFFER

Under the Entitlement Offer, Eligible Unitholders are invited to apply for 1 New Unit for every 2 existing Units held on the Record Date, being 7.00pm (Sydney time) on 12 February 2020. New Units will be issued at a price of \$2.00 per New Unit (**Offer Price**) to raise up to approximately \$638 million.

Any units not taken up by Eligible Unitholders under the Entitlement Offer (including by way of the Oversubscription Facility) will be offered to new investors under this PDS (**Shortfall Offer**).

It is important to note that the Offer closes at 5.00pm (Sydney time) on 6 March 2020.

Details of the Offer and how to invest are contained in section 2. You should also read section 7, which sets out the fees and other costs associated with investing in the Trust.



FURTHER INFORMATION

Further information on the Offer, the Trust and the Manager is detailed in this PDS. You should carefully read this PDS in its entirety before deciding whether to participate in the Offer.

If you would like further information regarding the Offer please call Pinnacle Investment Management Ltd, the Distribution Partner to the Offer, between 9.00am and 5.00pm (Sydney time) Monday to Friday during the Offer Period on 1300 010 311, email invest@metrics.com.au or visit www.metrics.com.au/mxt/. For other questions, you should consult your broker, solicitor, accountant, taxation adviser, financial adviser or other professional adviser without delay. You should be aware that the Responsible Entity and Metrics have not had regard to your individual circumstances or needs, including your personal taxation or financial position, in sending this PDS and accompanying information to you. If you have any doubt about whether you should invest in the Offer, you should seek professional advice before making any investment decision. Please note that no cooling-off period applies in relation to the Offer (you cannot withdraw your application once it has been accepted).

If you are an Eligible Unitholder we thank you for your continued support. As a new investor, we look forward to welcoming you to the MCP Master Income Trust.

Metrics Credit Partners

SECTION 1: INVESTMENT OVERVIEW

1.1 ABOUT THE TRUST

The following provides a high level and non-exhaustive overview of the Trust. For more information, please refer to the relevant sections under 'For more information', as detailed in the following table.

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the Trust?	The Trust is an Australian registered managed investment scheme under Chapter 5C of the Corporations Act. The Trust was listed on the ASX (ASX code MXT) on 9 October 2017. The Trust invests in units in the MCP Wholesale Investments Trust (Sub-Trust) which in turn invests in three Wholesale Funds currently managed by Metrics, cash at bank and other direct assets in accordance with the Investment Strategy.	Section 5.1
Who is the Responsible Entity?	The Responsible Entity of the Trust is The Trust Company (RE Services) Limited ACN 003 278 831; AFSL 235 150. The Responsible Entity is responsible for management of the operations of the Trust. While the Responsible Entity delegates investment management and administrative services to other entities, it retains ultimate responsibility for these functions.	Section 5.2
Who is responsible for managing the affairs of the Trust?	The Responsible Entity has appointed or will appoint: > Metrics as manager of the Trust under an Investment Management Agreement. > Perpetual Corporate Trust Limited ACN 000 341 533; AFSL 392673 (Custodian) as custodian of the Trust under a Custodian Agreement. The Custodian is a wholly-owned subsidiary of Perpetual. > MCH Fund Administration Services Pty Ltd ACN 636 286 970 (Administrator) as the administrator of the Trust under the Fund Administration Agreement. The Administrator is a wholly-owned subsidiary of Metrics Credit Holdings Pty Ltd ACN 150 647 091 (MCH). > Automic Pty Ltd ACN 152 260 814 (Unit Registry) as unit registrar of the Trust under a Registry Agreement.	Sections 5.12, 5.13 and 6

TOPIC	SUMMARY	FOR MORE INFORMATION
Who is the Manager?	Metrics is an Australian-based alternative asset management firm specialising in direct lending to Australian companies and is an active participant in the Australian private credit market. Metrics launched its first wholesale fund in 2013 and is the appointed manager of a number of wholesale investment trusts in addition to the Trust. Metrics is also the manager of the MCP Income Opportunities Trust, which listed on the ASX (ASX code MOT) on 29 April 2019. Metrics currently manages in excess of A\$5 billion in assets¹. Metrics is 100% owned by Metrics Credit Holdings Pty Ltd ABN 66 150 647 091 which is owned 65% by the Investment Team and 35% by Pinnacle Investment Management Limited (ACN 109 659 109) (Pinnacle), a wholly-owned subsidiary of Pinnacle Investment Management Group Limited (ASX:PNL).	Section 6.1
Who is the Metrics Investment Team?	The Metrics investment team consists of the following senior professionals: > Andrew Lockhart – 33 years’ experience; > Justin Hynes – 23 years’ experience; > Graham McNamara – 40 years’ experience; and > Andrew Tremain – 33 years’ experience. The Investment Team comprises the Metrics’ Investment Committee and are responsible for all investment decisions of all funds managed by Metrics. A team of investment professionals covering transaction origination, analysis, execution and portfolio risk management provide the Investment Team with analytical and portfolio management support. The Investment Team implements pro-active risk management strategies and maintains a robust risk management framework and culture focused on investor capital preservation.	Section 6.2
What is the Investment Objective?	The Trust’s Investment Objective is to provide monthly cash income, low risk of capital loss and portfolio diversification by gaining exposure to actively managed diversified loan portfolios and participating in Australia’s bank-dominated corporate loan market. <i>The Trust may not be successful in achieving its objective.</i> The Manager seeks to implement active strategies designed to balance delivery of the Target Return, while seeking to preserve investor capital.	Section 5.3

¹ As at the date of this PDS.

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the Trust's Investment Strategy and target Portfolio Construction?	The Trust's Investment Strategy is to maintain a diversified exposure to Australian corporate loans generally reflecting activity in the corporate loan market providing investors with exposure to an investment portfolio diversified by borrower, industry and credit quality. Through active portfolio risk management, the Manager seeks to preserve investor capital. The capital is intended to be invested in a manner which targets the following Portfolio Construction: Diversified by borrowers > Lending to public and private companies and projects (currently >140 individual investments). > No more than 5% of the Trust's assets are to be invested in a single borrower.² Diversified by industries > Lending across industry sectors. > It is not intended that the Trust will invest in the banking sector (i.e. regulated banks that otherwise issue public debt securities and hybrid securities). Diversified by credit quality > Lending across the credit spectrum reflective of the corporate loan market.³ Borrowers are Australian domiciled (greater than 80%) with investments in debt products typical in the Australian corporate loan market, including being secured or unsecured, senior or subordinated, investment grade or sub-investment grade, with such investments undertaken by the Manager to best achieve the Investment Objective.	Sections 5.4 and 5.5

² Measured at investment. This limit may be exceeded in some situations such as revaluations, redemptions from the Sub-Trust or Wholesale Funds or workouts.
³ As represented by Metrics analysis of the market based on major banks APRA APS 330 reports and other publicly available information.

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the MCP Wholesale Investments Trust?	The Trust has exposure to a diversified portfolio of corporate loans via its investment in the MCP Wholesale Investments Trust. The MCP Wholesale Investments Trust is an unregistered Australian unit trust. The Trust Company Limited ACN 004 027 749 is the trustee of the MCP Wholesale Investments Trust (Sub-Trustee) and is a 100% owned subsidiary of Perpetual. The Sub-Trustee has appointed Metrics to be the manager of the MCP Wholesale Investments Trust (Sub-Trust Manager). The MCP Wholesale Investments Trust, can make either direct investments or invest in various other Wholesale Funds which are managed by the Manager. This may include investing in the Wholesale Funds by way of units, convertible notes (Notes), debt facilities and other financial instruments from time to time. The MCP Wholesale Investments Trust is an open-ended, unlisted trust and is open to accept applications direct from wholesale investors. Notes are unsecured with a term of up to 10 years, and the Sub-Trust is entitled to a return referable to the returns on the underlying investments of the Wholesale Funds. The Notes rank behind third party creditors and will rank equally alongside other noteholders and unitholders in the respective Wholesale Funds. The Notes do not carry the right to vote unless required by law. Any losses in the underlying portfolios of the Wholesale Funds will reduce the value of the Notes.	Section 5.10 and 13.4
What is the Target Return of the Trust?	Target return of RBA Cash Rate plus 3.25% per annum net of fees (Target Return) through the economic cycle. Based on the RBA Cash Rate as at the date of this PDS of 0.75%, the Target Return is 4.00% per annum. The total return may rise or fall based on, amongst other things, performance in the underlying corporate loan assets and movements in the RBA Cash Rate. <i>The Target Return is only a target and may not be achieved. Please refer to the 'Target return assumptions' in section 5.3.2.</i>	Section 5.3

TOPIC	SUMMARY	FOR MORE INFORMATION
What returns have been generated by the Trust since the Initial Public Offering in October 2017?	The returns below reflect the returns (based on audited accounts for financial year 2018 and 2019, and unaudited management accounts for the first six months of financial year 2020) of the Trust adjusted for their management fees and costs. <i>Past performance is not a reliable indicator of future performance.</i> Chart 1: MCP Master Income Trust quarterly historical net returns (net of fees) Source: Metrics. Notes: as at 31 December 2019. Chart 2: MCP Master Income Trust annualised historical net returns (net of fees) Source: Metrics. Notes: as at 31 December 2019.	

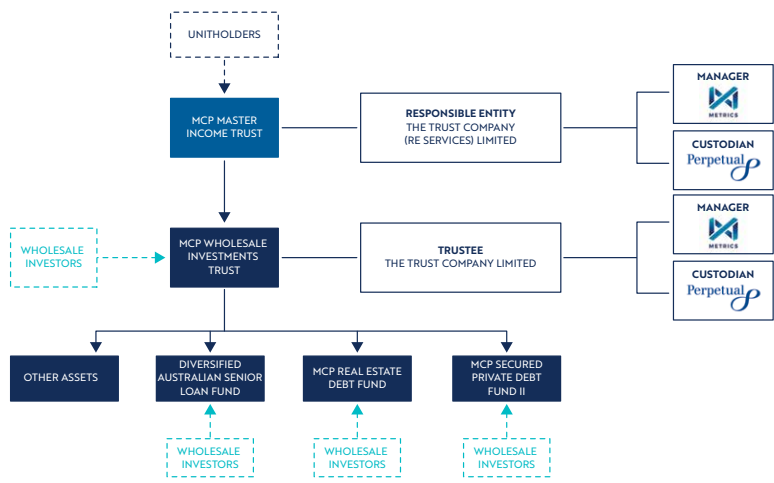
TOPIC	SUMMARY	FOR MORE INFORMATION
When are distributions paid?	The Responsible Entity intends to pay distributions to Unitholders monthly. Distributions will be paid at the discretion of the Responsible Entity and may depend on a number of factors, including future earnings, capital requirements, financial conditions, future prospects and other factors that the Responsible Entity deems relevant. The Trust has established a Distribution Reinvestment Plan (DRP). Please refer to the DRP available on the Manager's website and lodged with the ASX on 13 February 2018. Unitholders who have not provided the Unit Registry with bank account details for the payment of cash distributions will be deemed to have elected to reinvest all of their cash distributions in additional units in the Trust in accordance with the DRP.	Section 5.7
What are the key highlights of the Trust?	The Trust provides investors with: An experienced and active management team > Australian debt-specialist fund manager. > Investment Team members have significant direct lending market experience. > Experience originating, structuring, negotiating, executing, managing portfolio risk and distributing corporate loans. > The Investment Team currently manages in excess of \$5 billion in assets. Monthly cash income with low risk of capital loss > Target Return of RBA Cash Rate plus 3.25% per annum net of fees through economic cycles with distributions paid monthly. <i>The Target Return is a target only and may not be achieved. The Trust may not be successful in reaching its objective.</i> > Corporate loans generally have floating interest rates with lender protections, such as security, resulting in an expected stable capital value and low loss rates. > Australia's legal and regulatory systems are considered stable and positive for lenders. Attractive risk-adjusted returns from a diversified portfolio > Australia's corporate loan market offers attractive risk-adjusted returns but has historically been inaccessible to non-institutional investors. > The Trust offers diversified exposure to this market. > The Trust's exposure to corporate loans is diversified by industry and credit quality, reflective of activity in the Australian corporate loan market. > Investments in floating rate securities which offer benefits in a rising interest rate environment.	

TOPIC	SUMMARY	FOR MORE INFORMATION
What are the key highlights of the Trust? continued	Portfolio diversification from an investment in Australian corporate fixed income > Fixed income is an important component of a balanced investment portfolio, offering stable yields and low risk of capital loss. > An investment in the Trust provides asset class diversification for investors gaining exposure to direct lending to Australian companies. Low fee structure > Base management fees equivalent to fees paid by wholesale investors in the Wholesale Funds. The Trust may from time to time be unsuccessful in providing all these benefits.	
What are the key risks associated with the business model, Investment Strategy, the Units and the Offer?	All investments are subject to risk, which means the value of your investment may rise or fall. Before making an investment decision, it is important to understand the risks that can affect the value of your investment. Some of the key risks in relation to an investment in the Trust are summarised below. Please refer to section 8 for a more comprehensive summary of potential risks. Credit and default risk Credit risk is the risk that one or more of the assets in the Sub-Trust or the Wholesale Funds may decline in price or fail to pay interest or principal when due because a borrower experiences a deterioration in its financial status. Default risk is the risk that a borrower defaults on their obligations, for instance by failing to make a payment when due or to return the principal. The taking of security or the provision of third party guarantees may not fully mitigate the risk of credit loss. The Manager could default on the Manager Loan (which is unsecured) resulting in a loss to the Trust. Responsible Entity retirement risk The Manager may, in certain circumstances, request that the Responsible Entity retire as responsible entity of the Trust. The retirement of the Responsible Entity and its replacement will be governed by the provisions of the Corporations Act. Unitholders will be entitled to vote on the appointment of a new responsible entity in those circumstances. Please refer to Section 8 and Section 13.1 for more information.	Section 8

TOPIC	SUMMARY	FOR MORE INFORMATION
What are the key risks associated with the business model, Investment Strategy, the Units and the Offer? continued	Investment strategy risk There is no guarantee that the Investment Strategy of the Trust will be managed successfully or will meet its objectives. Failure to do so could negatively impact the performance of the Trust. The Responsible Entity has delegated day-to day investment management to the Manager. The Manager may not manage the affairs of the Trust in a manner that consistently meets the Trust's Investment Objective over time. In addition, the Manager may cease to manage the Trust, requiring the Trust to find an alternative replacement manager, which may affect the Trust. IEE If the Manager is terminated, any unpaid IEE will be payable to the Manager. This could be a disincentive to removing the Manager or people investing in the Trust. Interest rate risk The Trust will invest (through the Sub-Trust and Wholesale Funds) primarily in floating rate loans meaning that as the underlying base rate rises and falls, the relative attractiveness to other instruments may change. There is a strong correlation between the RBA Cash Rate and the base rates upon which Australian loans are priced. Absolute returns on such loans therefore rise and fall largely in correlation with the RBA Cash Rate. Liquidity risk The investments of the Wholesale Funds (and therefore the Sub-Trust and the Trust) are not liquid securities. The ability of the Wholesale Funds to dispose of an investment will depend on market liquidity, the terms agreed with the relevant borrower and the maturity date of the loans (typically corporate loans may have a term of between 3 and 10 years). The liquidity of investments in the Wholesale Funds (and therefore the Sub-Trust and the Trust) will also be dependent on a borrower's ability to repay a loan. The investments of the Sub-Trust in the Wholesale Fund may not be able to be withdrawn when they are underperforming.	Section 8

TOPIC	SUMMARY	FOR MORE INFORMATION
What are the key risks associated with the business model, Investment Strategy, the Units and the Offer? continued	Leverage risk To the extent that the Sub-Trust or any of the Wholesale Funds use leverage to fund investments and the counterparty to a loan asset was to fail to pay interest or principal when due (a payment default), that Sub-Trust or underlying Wholesale Fund is still obliged to service its interest and principal payment obligations. The inability to do so may give rise to the Sub-Trust's or Wholesale Fund's debt provider taking action under the relevant facility terms to recover amounts owed. The debt provider would be senior to investors from a repayment perspective, and have a first claim over the loans (and associated assets) and cash flows of the Sub-Trust or the Wholesale Fund (as applicable). Utilisation risk The Trust will invest (through the Sub-Trust and Wholesale Funds) in both drawn and undrawn loans that may be drawn up and down by the borrower over time. Returns will vary depending on the level of utilisation by borrowers of such revolving loans. Investment and market risk An investment in the Trust is subject to investment and market risk, including the possible loss of the entire amount invested. Industry specific shocks relevant to underlying loan assets and general market disruption can adversely impact the value of Trust assets. Changes in legal, tax and economic conditions, political events, investor sentiment and market variables such as interest rates and exchange rates can all directly or indirectly create an environment that may influence (negatively or positively) the value of the Trust's investments. Potential conflicts of interest The Responsible Entity and its related entities are trustees of each of the funds that the Trust is exposed to. Metrics is also the manager of each of those funds. Situations may arise where Metrics, the Responsible Entity and the Responsible Entity's related entities have interests that conflict with those of the Unitholders. For example, the trustee of the Sub-Trust may take action that is inconsistent with the interests of the Trust and the Responsible Entity has a conflict of interest between pursuing the interests of the Unitholders versus the interests of the Responsible Entity and the trustee of the Sub-Trust. The Trust will only be exposed to investments managed by Metrics and as such Metrics benefits from such investments as set out in Section 7. Other parties and investors (including investors in the Sub-Trust or Wholesale Funds) may have interests that diverge from that of Metrics, the Trust and Unitholders, which may have an adverse effect on Unitholders. Where the Manager is not meeting the Target Return, the Responsible Entity may not be able to remove the Manager from the Sub-Trust and Wholesale Funds.	Section 8

TOPIC	SUMMARY	FOR MORE INFORMATION
What are the key risks associated with the business model, Investment Strategy, the Units and the Offer? continued	Responsible Entity risk The Responsible Entity may not adequately supervise and monitor the Manager. This could result in the interests of the Unitholders not being protected. General You should bear the above risks, together with the risks described in section 8, in mind when considering whether to participate in the Offer. You are strongly advised to consider any investment in the Trust as a medium term proposition (one year or more) and to be aware that, as with any investment, fluctuations in the value of your investment may occur over that period and beyond. The above risk factors ought not be taken as an exhaustive list of the risks faced by the Trust or by investors in the Trust's Units (including the New Units being offered pursuant to this PDS). The above factors, and others not specifically referred to in section 8 of this PDS, may in the future materially affect the financial condition or prospects of the Trust and, therefore, the value of the New Units offered under this PDS. As such, the New Units to be issued under this PDS carry no guarantee with respect to their value or price.	Section 8
What are the key risks associated with Units being listed on the ASX	The key risks associated with the Units being listed on the ASX are outlined in Section 8. They include the following: > Unit trading price risk – Units may not trade at or near the stated underlying NAV per Unit; > Volatility of Units risk – Units when listed on the ASX may be thinly or heavily traded, and could be volatile, irrespective of the value of the investments held by the Trust; > ASX liquidity risk – New Units in the Trust are intended to be quoted on the ASX. Although liquidity is generally expected to exist in this secondary market, there are no guarantees that an active trading market with sufficient liquidity will develop; and > ASX counterparty risk – ASX counterparty risk is the risk that when a Unitholder sells their Units on market they are relying on CHES, the central system for clearing and settling trades on the ASX. There is also a risk that arises from Unitholders relying on the creditworthiness of their broker. The NAV per Unit of the Trust is published daily on the website of the Manager and lodged with the ASX.	

TOPIC	SUMMARY	FOR MORE INFORMATION
How are the Trust's investments structured?	To achieve the Investment Strategy and target Portfolio Construction, the Trust invests as a wholesale investor in the Sub-Trust. The Sub-Trust invests in the Wholesale Funds managed by Metrics and may invest directly in investment assets itself to best achieve the Investment Objective. All Wholesale Funds are trusts that make direct loans to predominantly Australian corporate borrowers. Amounts raised by the Trust under the Offer are intended to be invested via the Sub-Trust in the Wholesale Funds so as to maintain the following investment allocation ranges: > 60-70% of capital to be invested in the Metrics Credit Partners Diversified Australian Senior Loan Fund (DASLF); > 20-30% of capital to be invested in the MCP Secured Private Debt Fund II (SPDF II); and > 10-20% of capital to be invested in the MCP Real Estate Debt Fund (REDF). The asset allocations may change from time to time.  The Sub-Trust, DASLF, SPDF II and REDF are each unlisted, open-ended trusts offering wholesale investors access to direct lending strategies managed by Metrics. Unitholders in the Trust receive the benefit of income and capital generated by the Trust's investments through any distributions paid to Unitholders.	Sections 5.10 and 5.11

TOPIC	SUMMARY	FOR MORE INFORMATION								
Does the Trust have any debt?	The Trust does not currently have any debt, nor is it anticipated that it will incur debt in the future. Sub-Trust and the Wholesale Funds may incur debt from time to time. As at the date of this PDS, the Sub-Trust, SPDF II and REDF currently have no debt. DASLF has an \$850 million facility, which may be used to enable DASLF to undertake investment activities. Subject to the Manager’s assessment of portfolio diversity, credit quality, performance and the availability of debt finance on terms acceptable to the Manager, the maximum level of permitted leverage of SPDF II and REDF is restricted to no greater than 50% of gross asset value and for DASLF no greater than 30% of gross asset value.	Section 5.16								
Will capital raised by the Offer impact the target Portfolio Construction or Target Return?	The Responsible Entity expects to invest proceeds raised by the Offer in a manner consistent with the Investment Objective and target Portfolio Construction.	Sections 2.2 and 5.4								
What fees will the Manager and Responsible Entity receive?	The Trust Company (RE Services) Limited, in its capacity as the responsible entity of the Trust, will be paid fees by the Trust. Metrics and entities owned by Perpetual will be paid fees by the Wholesale Funds. The Manager may charge fees to other wholesale investors who invest directly into the Sub-Trust. These fees will not be borne by the Trust. The following table sets out the total management fees (and excludes the IEE) paid to the Manager from the Wholesale Funds and Responsible Entity that are incurred and paid on a total look through basis following completion of the Offer⁴: <table><tr><th>AMOUNT RAISED BY THE OFFER</th><th>PRE-OFFER (CURRENT)</th><th>\$300 MILLION*</th><th>\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)</th></tr><tr><td>Management fees</td><td>0.21%</td><td>0.20%</td><td>0.20%</td></tr></table> The DASLF offers investors a declining fee rate as their individual investment holding increases. Unitholders also enjoy this benefit of scale resulting in a declining management fee rate as a result of the Offer and as the amount raised under the Offer increases.	AMOUNT RAISED BY THE OFFER	PRE-OFFER (CURRENT)	\$300 MILLION*	\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)	Management fees	0.21%	0.20%	0.20%	Section 7
AMOUNT RAISED BY THE OFFER	PRE-OFFER (CURRENT)	\$300 MILLION*	\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)							
Management fees	0.21%	0.20%	0.20%							

⁴ Management fees assume an allocation of Trust capital of 60% DASLF, 20% SPDF II and 20% REDF. Refer to section 7.2 for a detailed break-down of management costs and assumptions. These management fees represent the total amounts paid to Metrics and to Perpetual related entities from the Trust, the Sub-Trust and Wholesale Funds.

* It is expected that at least \$300 million will be raised under the Offer and these figures have been calculated on that assumption, however the Offer may proceed on a lower amount. These calculations have been prepared on the assumption that at least \$300 million will be raised under the Offer.

TOPIC	SUMMARY	FOR MORE INFORMATION								
What fees will the Manager and Responsible Entity receive? continued	The Wholesale Funds may also incur performance fees. For as long as Metrics is the manager of the Trust, any performance fees that may be earned in respect of the Sub-Trust’s investment in the Wholesale Funds will be rebated by the Manager to the extent the Target Return of the Trust has not been achieved. Performance related fees for the previous financial year were approximately 9 basis points. Future performance fees will depend on the future performance of the Trust and the Wholesale Funds. Past performance is not a reliable indicator of future performance. See section 7.4 for further detail on performance fees. Investor Equalisation Expense (IEE) In consideration for the Manager providing capital advisory and investor relations services to the Trust it is paid a fee which is called the Investor Equalisation Expense (IEE). The IEE will be charged to the Trust as a monthly expense and has been extended so it is payable for a period of 10 years (unless otherwise extended by agreement of the Responsible Entity and Manager) from the date of this PDS. If the Manager’s appointment is terminated it is entitled to be paid the unpaid IEE for the remainder of the term of appointment (had the Manager not been terminated) calculated from the date of termination and based on the NAV of the Trust at termination, and costs incurred as outlined in section 13.1 of this PDS. If the Manager retires, the unpaid IEE is not payable. The IEE is expected to be as follows following the Offer: <table><tr><th>AMOUNT RAISED BY THE OFFER</th><th>PRE-OFFER (CURRENT)</th><th>\$300 MILLION*</th><th>\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)</th></tr><tr><td>IEE</td><td>0.29%</td><td>0.28%</td><td>0.28%</td></tr></table> The figures set out above include GST net of RITCs and have been rounded to 2 decimal places.	AMOUNT RAISED BY THE OFFER	PRE-OFFER (CURRENT)	\$300 MILLION*	\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)	IEE	0.29%	0.28%	0.28%	Section 7
AMOUNT RAISED BY THE OFFER	PRE-OFFER (CURRENT)	\$300 MILLION*	\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)							
IEE	0.29%	0.28%	0.28%							

* It is expected that at least \$300 million will be raised under the Offer and these figures have been calculated on that assumption, however the Offer may proceed on a lower amount. These calculations have been prepared on the assumption that at least \$300 million will be raised under the Offer.

TOPIC	SUMMARY	FOR MORE INFORMATION								
What additional costs or fees will be borne by Unitholders?	Other Ongoing Expenses The Responsible Entity will incur other ongoing expenses to maintain the Trust and its listing on the ASX including Custodian, fund administration and Unit Registry fees. A number of these expenses are fixed, resulting in fee rates that decline as the capital invested by the Trust increases.⁵ The following table outlines the expenses (excluding IEE) for the current financial year that are expected to be incurred by the Trust and the expenses incurred by the Sub-Trust and the Wholesale Funds that are attributable to the Trust’s capital invested, on a total look through basis, in the Sub-Trust and Wholesale Funds. <table><tr><th>AMOUNT RAISED BY THE OFFER</th><th>PRE-OFFER (CURRENT)</th><th>\$300 MILLION*</th><th>\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)</th></tr><tr><td>Other ongoing expenses</td><td>0.11%</td><td>0.11%</td><td>0.10%</td></tr></table>	AMOUNT RAISED BY THE OFFER	PRE-OFFER (CURRENT)	\$300 MILLION*	\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)	Other ongoing expenses	0.11%	0.11%	0.10%	Section 7
AMOUNT RAISED BY THE OFFER	PRE-OFFER (CURRENT)	\$300 MILLION*	\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)							
Other ongoing expenses	0.11%	0.11%	0.10%							
What are the expected total fees and costs to be borne by Unitholders?	The management fees, IEE and other ongoing expenses results in the following expected total annual fees and costs (other than transactional and operational costs listed in section 7.4) being borne by Unitholders: <table><tr><th>AMOUNT RAISED BY THE OFFER</th><th>PRE-OFFER (CURRENT)</th><th>\$300 MILLION*</th><th>\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)</th></tr><tr><td>Total cost to Unitholders*</td><td>0.61%</td><td>0.59%</td><td>0.58%</td></tr></table> The figures set out above equal the management costs disclosed in section 7.2 (excluding performance related fees) and include Goods and Services Tax (GST) net of Reduced Input Tax Credits (RITCs). The fees and costs amounts disclosed above are based on a percentage of the Trust’s NAV. <i>Performance related fees for the previous financial year were approximately 9 basis points.</i> Future performance fees will depend on the future performance of the Trust and the Wholesale Funds. Past performance is not a reliable indicator of future performance. See section 7.4 for further detail on performance fees.	AMOUNT RAISED BY THE OFFER	PRE-OFFER (CURRENT)	\$300 MILLION*	\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)	Total cost to Unitholders*	0.61%	0.59%	0.58%	Section 7
AMOUNT RAISED BY THE OFFER	PRE-OFFER (CURRENT)	\$300 MILLION*	\$638 MILLION (APPROXIMATE MAXIMUM CAPITAL RAISE)							
Total cost to Unitholders*	0.61%	0.59%	0.58%							

⁵ Assumes full Investment Management Agreement term and NAV at Offer Close is \$2.00 per Unit. Ongoing expenses of the Trust fees assume an allocation of Offer proceeds of 60% DASLF, 20% SPDF II and 20% REDF and capital from investors other than MXT remains constant for the next 12 months.

* It is expected that at least \$300 million will be raised under the Offer and these figures have been calculated on that assumption, however the Offer may proceed on a lower amount. These calculations have been prepared on the assumption that at least \$300 million will be raised under the Offer.

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the expected NAV per Unit post completion of the Offer?	The Offer is not expected to have an impact on the NAV per Unit (assuming NAV per unit is \$2.00 on the Issue Date). The NAV of Units are generally published each trading day on the ASX.	Section 5.9
Who is the Custodian and what is its role?	Perpetual Corporate Trust Limited has been appointed as the Custodian. The Custodian holds the assets of the Trust in accordance with the terms of the Custodian Agreement. The Custodian has no supervisory role in relation to the operations of the Trust and is not responsible for protecting the Trust's interests.	Section 5.12
Will any related party have an interest in the Trust or the Offer?	The Manager or entities associated with the Manager (including entities controlled by the Investment Team) and other managed investment schemes managed by the Manager may hold Units and interests in the Sub-Trust and Wholesale Funds. The Administrator is a related party of the Manager and will earn a fee in respect of the administration services it will provide to the Trust under the proposed Fund Administration Agreement. These fees are included in the total expected costs set out above. The Administrator will also provide fund administration services in respect of the Wholesale Funds. The Trust Company (RE Services) Limited has been appointed as the responsible entity of the Trust and related entities of the Responsible Entity have been appointed as trustees of each of the Wholesale Funds and the Sub-Trust. The Custodian is also a related party of the Responsible Entity. Other funds issued by the Responsible Entity or entities related to the Responsible Entity may also hold units in the Trust. The Responsible Entity will therefore be dealing with related parties in relation to the Trust's investments.	
What is the financial position of the Trust	Prior financial year accounts for the year ending 30 June 2019 have been audited by KPMG. The financial accounts of the Trust as at 31 December 2019 are currently being reviewed (but not audited) by KPMG as auditor of the Trust. Details of the financial accounts as at 31 December 2019 are expected to be released to the ASX on or around 20 February 2020. Unaudited pro forma financial statements to incorporate the impact of the Offer as at 31 December 2019 are set out in section 10.1.	Section 10
What are the Trust's material contracts?	The Responsible Entity, on behalf of the Trust, has entered into the Offer Management Agreement with the Lead Arranger and each Joint Lead Manager. For more information on the Offer Management Agreement please refer to section 13.2. The Responsible Entity has also entered into the Investment Management Agreement and the Manager Loan with the Manager and a Custodian Agreement with the Custodian. The Responsible Entity, on behalf of the Trust, will enter into a Fund Administration Agreement with the Administrator.	Section 13

TOPIC	SUMMARY	FOR MORE INFORMATION
Manager Loan	The Trust has provided a working capital loan facility to the Manager (Manager Loan) which has been extended to a date 10 years from the date of this PDS. The Manager Loan is unsecured and not guaranteed. The current loan is \$28.3 million. The Responsible Entity and the Manager have agreed to increase this loan up to \$44.5 million. The Manager Loan may be increased if agreed between the Manager and the Responsible Entity as the size of the Trust grows, but will not at any point exceed 3% of the Trust's Net Tangible Asset Backing. The Manager may make further draw-downs under the Manager Loan from time to time over the term of the Manager Loan. The Manager must pay interest of 4% per annum on any Outstanding Amounts. Where the Manager defaults on its payments under the Manager Loan, the Responsible Entity will seek to enforce the terms of the loan and will have recourse against the Manager for such amounts.	Section 13.3

1.2 ABOUT THE OFFER⁶

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the Entitlement Offer?	A pro rata non-renounceable entitlement offer under which Eligible Unitholders are invited to apply for 1 New Unit for every 2 existing Units held on the Record Date at \$2.00 per New Unit to raise up to approximately \$638 million ⁶ . Eligible Unitholders who take up their Entitlement in full may also apply for Additional New Units in excess of their Entitlements at the Offer Price. Any Units not taken up by Eligible Unitholders under the Entitlement Offer (including by way of the Oversubscription Facility) may be offered to new investors under the Shortfall Offer.	Section 2
What is my Entitlement?	Your Entitlement is the invitation to you under the Entitlement Offer to apply for 1 New Unit at the Offer Price for every 2 Units you hold as at the Record Date. Your Entitlement will be noted on your personalised Entitlement and Acceptance Form.	Section 2.4.4

⁶ See below regarding Shortfall Offer.

TOPIC	SUMMARY	FOR MORE INFORMATION
What can I do with my Entitlement?	As an Eligible Unitholder, you may do any one of the following: > take up all or part of your Entitlement; > take up all of your Entitlement and also apply for Additional New Units in excess of your Entitlement; or > do nothing in which case your Entitlement will lapse and you will not be issued New Units. You should note that if you do not take up all or part of your Entitlement, then your percentage voting interest in the Trust will be reduced as a result of your non-participation in the Entitlement Offer.	Section 2.4.7
Can I apply for New Units in excess of my Entitlement?	If you are an Eligible Unitholder and you take up your Entitlement in full, you may apply for Additional New Units in excess of your Entitlement. Additional New Units have the same terms as New Units. Additional New Units will only be allocated to Eligible Unitholders if available. Allocations of Additional New Units will be determined by agreement between the Responsible Entity and the Lead Arranger and Joint Lead Managers (each acting reasonably). Any Excess Amount paid by an Eligible Unitholder may be treated as an application to apply for as many Additional New Units as your Excess Amount will pay for in full. No Additional New Units will be issued to an Eligible Unitholder which will result in them increasing their voting power in the Trust above 20%.	Section 2.4.6
Can I trade my Entitlement?	Your Entitlement to participate in the Entitlement Offer is non-renounceable and cannot be traded on the ASX or any other exchange, nor can it be privately transferred. If you do not take up your Entitlement in full you will not receive any payment or value for that part of your Entitlement that you do not take up.	Section 2.4.7
What is the Shortfall Offer?	Any New Units or Additional New Units not taken up by Eligible Unitholders under the Entitlement Offer (including by way of the Oversubscription Facility) (Shortfall) will be offered to certain new investors under the Shortfall Offer. Details of eligibility to participate in, and apply for New Units under, the Shortfall Offer is set out in section 2.5.2.	Section 2.5
How much will I pay per New Unit or Additional New Unit?	\$2.00 per New Unit (or Additional New Unit, as applicable) (i.e. the Offer Price). The Responsible Entity, on behalf of the Trust, will retain any interest earned on Application Monies.	Section 2.1

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the impact of the Offer on the Trust?	The effect of the Offer on the financial position of the Trust is detailed in section 10. The Offer is not expected to have any material effect on control of the Trust.	Section 10
When will I receive Distributions on New Units?	New Units will be eligible for all distributions paid by the Trust following the Issue Date. The first distribution which will be paid on New Units is expected to be declared in late March 2020 and paid in early April 2020.	Section 2.1
Is brokerage, commission or stamp duty payable?	No brokerage, commission or stamp duty will be payable on the issue or taking up of Entitlements, or the issue of New Units (or Additional New Units, if applicable) under the Offer.	Section 7.4
What are the terms of the New Units and Additional New Units (if any)?	New Units and Additional New Units (if any) will rank equally with existing Units, including in respect of entitlement to distributions.	Section 2.1
Who is the Lead Arranger to the Offer?	The Responsible Entity, on behalf of the Trust, has appointed Taylor Collison as Lead Arranger.	Section 13.2
Who are the Joint Lead Managers to the Offer?	The Responsible Entity, on behalf of the Trust, has appointed the following firms as Joint Lead Managers: > Morgans; > Ord Minnett; > Taylor Collison; and > Wilsons.	Section 13.2
Who is the Co-Manager to the Offer?	The Responsible Entity, on behalf of the Trust, has appointed Bell Potter and Escala as Co-Managers.	
What is the purpose of the Offer?	The proceeds raised under the Offer will be invested via the Sub-Trust in the Wholesale Funds, all of which are managed by Metrics, in accordance with how the Trust's investments are structured. Metrics will allocate this capital seeking to deliver upon the Investment Objective of the Trust. The Offer seeks to increase the size and scale of the Trust which will enhance Metrics' ability to manage a diversified investment portfolio and deliver lower overall costs for Unitholders.	Section 2.2

TOPIC	SUMMARY	FOR MORE INFORMATION
What are the fees and costs of the Offer?	The Manager will pay the Distribution Partner a fee of 0.15% (plus GST) of the total amount raised under the Offer. The Manager will also pay the Lead Arranger an arranging fee of 0.05% (plus GST) on the total amount raised under the Offer. The Manager will pay each Joint Lead Manager a management fee of up to 0.75% (plus GST) of the total amount raised under the Offer in the manner set out in section 13.2. The Joint Lead Managers and Co-Manager will also be entitled to be paid a broker fee of 1.25% (plus GST) on the total amount raised by that Joint Lead Manager or Co-Manager (as applicable). The costs of the Offer that will be paid by the Manager, net of GST recoverable, include legal, accounting, marketing and other costs associated with the preparation of the PDS and the issue of Units. These costs are estimated to be approximately \$16.5 million assuming the maximum number of Units which may be issued under the Offer are issued.	Section 13.2
How can I obtain further information?	If you would like more information or have any questions relating to the Offer, you can contact Pinnacle Investment Management Ltd, the Distribution Partner to the Offer on 1300 010 311 between 9:00am and 5:00pm (Sydney time) Monday to Friday during the Offer Period, email invest@metrics.com.au or visit the website www.metrics.com.au/mxt/. If you are uncertain as to whether an investment in the Trust is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.	Important Notices

SECTION 2: DETAILS OF THE OFFER AND HOW TO APPLY FOR NEW UNITS UNDER THE OFFER

2.1 WHAT IS THE OFFER?

The Offer is an invitation to subscribe for up to approximately \$638 million of New Units comprising:

- > a pro rata non-renounceable entitlement offer under which Eligible Unitholders are invited to apply for 1 New Unit for every 2 existing Units held on the Record Date at \$2.00 per New Unit; and
- > an offer of New Units to institutional and retail investors pursuant to the Shortfall Offer at \$2.00 per New Unit,

each of which is described in greater detail in this section 2.

All New Units issued under the Offer will rank equally with existing Units including full entitlement to all distributions paid after the Issue Date.

The Issue Date under the Entitlement Offer is 13 March 2020 and Issue Date under the Shortfall Offer is 18 March 2020 and as such the first distribution that will be paid on New Units will be declared in late March 2020 and paid in early April 2020.

2.2 WHAT IS THE INTENDED USE OF FUNDS RAISED UNDER THE OFFER?

The Trust is seeking to raise new capital to expand its portfolio of corporate loan investments, consistent with the Trust's Investment Objectives as set out in section 5.3.

The deployment of funds raised from the Offer will be consistent with the Trust's Investment Strategy and is not expected to impact the return that the Trust targets for its investments (**Target Return**) or the ability to pay monthly distributions to Unitholders which is consistent with the Trust's Investment Objective. ***This is only a target and may not be achieved.***

The Offer will increase the size and scale of the Trust which is expected to assist the Manager to deliver greater diversification of the investment portfolio and lower the overall costs for Unitholders.

2.3 IS THE OFFER UNDERWRITTEN?

Neither the Entitlement Offer nor the Shortfall Offer is underwritten.

2.4 THE ENTITLEMENT OFFER

2.4.1 Overview

The Responsible Entity is conducting a 1 for 2 pro-rata non-renounceable entitlement offer to investors with a registered address in Australia or New Zealand as at the Record Date to raise up to approximately \$638 million.

2.4.2 Who is eligible to participate in the Entitlement Offer?

Not all Unitholders will be eligible to participate in the Entitlement Offer. To qualify to participate in the Entitlement Offer, a Unitholder must:

- > be registered as a holder of Units as at the Record Date;
- > have a registered address on the Trust's unit register in Australia or New Zealand;
- > not be in the United States and must not be acting for the account or benefit of a person in the United States (to the extent such a person holds Units in the Trust for the account or benefit of such persons in the United States); and
- > other than Unitholders who have a registered address in Australia or New Zealand on the Trust's unit register, be eligible under all applicable laws to receive an offer under the Entitlement Offer without a prospectus, disclosure document, product disclosure statement or any lodgement, filing, registration or qualification,

(**Eligible Unitholder**).

Unitholders who do not satisfy all of the above criteria are **Ineligible Unitholders**.

Such Ineligible Unitholders will be sent a letter on or about 12 February 2020. The Responsible Entity may (in its absolute discretion) extend the Entitlement Offer to any Unitholder in other foreign jurisdictions (subject to compliance with applicable laws).

The Responsible Entity, in its absolute discretion, reserves the right to determine whether a Unitholder is an Eligible Unitholder and is therefore able to participate in the Entitlement Offer, or an Ineligible Unitholder and is therefore unable to participate in the Entitlement Offer. The Responsible Entity disclaims all liability to the maximum extent permitted by law in respect of any determination as to whether a Unitholder is an Eligible Unitholder or an Ineligible Unitholder.

By returning a completed Entitlement and Acceptance Form or making a BPAY® payment⁷, you will be taken to have irrevocably represented and warranted that you satisfy each of the criteria listed above.

Persons acting as nominees, trustees or custodians for other persons must not take up any Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States.

2.4.3 Ineligible Unitholders

The Responsible Entity has decided that it is unreasonable to make offers under the Entitlement Offer to holders of Units:

- > who are in the United States; or
- > who have a registered address outside Australia or New Zealand,

having regard to the number of Unitholders in those places, the number and value of the New Units that they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places.

Ineligible Unitholders are not eligible to participate in the Entitlement Offer due to securities law restrictions on the offer of New Units in certain jurisdictions.

2.4.4 Your Entitlement to New Units

The number of New Units to which an Eligible Unitholder is entitled will be shown on their personalised Entitlement and Acceptance Form that accompanies this PDS and has been calculated as 1 New Unit for every 2 existing Units held by the Eligible Unitholder as at the Record Date. Where an Eligible Unitholder has more than one registered holding of Units, they will be sent more than one personalised Entitlement and Acceptance Form and will have separate Entitlements for each separate holding.

New Units issued under the Entitlement Offer will be fully paid and rank equally with existing Units on issue, including in respect of entitlement to distributions.

If you decide to take up all or part of your Entitlement, or apply for Additional New Units, please refer to the personalised Entitlement and Acceptance Form and apply for New Units (and Additional New Units, if applicable to you) pursuant to the instructions set out on the personalised Entitlement and Acceptance Form.

If you take no action or your application is not supported by any cleared funds, your Entitlement will lapse and you will not be issued with New Units. You should note that if you do not take up all or part of your Entitlement, then your percentage voting interest in the Trust will be reduced as a result of your non-participation in the Entitlement Offer. If you do not take up your Entitlement in full you will not receive any payment or value for that part of your Entitlement that you do not take up.

Note: The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Units on behalf of a person in the United States.

2.4.5 Nominees, trustees and custodians

The Entitlement Offer is only being made to Eligible Unitholders. The Responsible Entity is not required to determine whether any registered holder is acting as a nominee, trustee or custodian or the identity or residence of any beneficial owners of Units (e.g. for the purposes of determining whether any such person is an Eligible Unitholder). Eligible Unitholders who are nominees, trustees or custodians must ensure that the beneficial owners on whose behalf they hold Units as nominee, trustee or custodian are Eligible Unitholders, and are advised to seek independent professional advice as to how to proceed in respect of their Entitlement. Where any holder is acting as a nominee, trustee or custodian for a foreign person, that nominee, trustee or custodian, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer complies with applicable foreign laws. Any person that is in the United States with a holding through a nominee, trustee or custodian may not participate in the Entitlement Offer and the nominee, trustee or custodian must not take up any Entitlement or send any materials into the United States or to any person it knows to be in the United States. The Responsible Entity has no obligation to advise you on any foreign laws.

⁷ Note that BPAY® payments can only be made in AUD.

2.4.6 Oversubscription Facility

Eligible Unitholders who take up their Entitlement in full may also apply for Additional New Units in excess of their Entitlement at the Offer Price. Additional New Units will only be allocated to Eligible Unitholders if available. Allocations of Additional New Units will be determined by agreement between the Responsible Entity and the Lead Arranger and Joint Lead Managers (each acting reasonably).

Any Excess Amount paid by you may be treated as an application to apply for as many Additional New Units as your Excess Amount will pay for in full.

No Additional New Units will be issued to an Eligible Unitholder which will result in them increasing their voting power in the Trust above 20% or otherwise cause a breach of section 606 of the Corporations Act.

2.4.7 Options available to you in respect of the Entitlement Offer

If you are an Eligible Unitholder, you may do any one of the following:

- > take up all or part of your Entitlement (see section 2.4.8 below);
- > take up all of your Entitlement and also apply for Additional New Units in excess of your Entitlement (see section 2.4.8 below); or
- > do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements (see section 2.4.8 below).

Entitlements cannot be traded on the ASX or another financial market, or privately transferred.

The Entitlements of Eligible Unitholders who do not take up some or all of their Entitlements (and, in the case of Ineligible Unitholders, the entitlements which would otherwise have been available to them), that are not taken up in the Oversubscription Facility will be offered for subscription to certain retail investors and Institutional Investors pursuant to the Shortfall Offer (see section 2.5).

2.4.8 How to apply under the Entitlement Offer

If you decide to take up all or part of your Entitlement or take up all of your Entitlement and apply for Additional New Units

If you decide to take up all or part of your Entitlement, or take up all of your Entitlement and also apply for Additional New Units in excess of your Entitlement, please:

- > pay your Application Monies via BPAY^{®8}; or
- > complete and return the personalised Entitlement and Acceptance Form attached to this PDS with the requisite Application Monies, by following the instructions set out on the personalised Entitlement and Acceptance Form.

The Responsible Entity will treat you as applying for as many New Units as your Application Monies will pay for in full up to your full Entitlement. Amounts received by the Responsible Entity in excess of your full Entitlement (**Excess Amount**) may be treated as an application for as many Additional New Units as your Excess Amount will pay for in full, subject to any scale-back which may be implemented in respect of Additional New Units.

If you take up and pay for all or part of your Entitlement, before the close of the Entitlement Offer, you will be issued your New Units on 13 March 2020. If you apply for Additional New Units in excess of your Entitlement, then subject to:

- > Additional New Units being available from Eligible Unitholders who do not take up their full Entitlement (or, in the case of Ineligible Unitholders, the Entitlements which would otherwise have been available to them); and
- > any scale-back to your allocation of Additional New Units (as determined by the Responsible Entity, in consultation with the Lead Arranger and Joint Lead Managers, and having regard to all relevant circumstances, including your underlying unitholding at the Record Date),

you will be issued Additional New Units on 13 March 2020. The Responsible Entity's decision on the number of Additional New Units to be allocated to you will be final.

Any Excess Amount not applied towards the application of Additional New Units will be refunded after the close of the Entitlement Offer on or around 13 March 2020 (except for where the amount is less than \$2.00, in which case it will be donated to a charity chosen by the Responsible Entity). Refunds will be made by sending a cheque in the post to

⁸ Note that BPAY[®] payments can only be made in AUD.

the address the Trust records on its unit register for you, on or around 13 March 2020. No interest will be paid to Eligible Unitholders on any Application Monies received or returned (wholly or partially).

The Responsible Entity also reserves the right (in its absolute discretion) to reduce the number of New Units allocated to Eligible Unitholders or persons claiming to be Eligible Unitholders if their claims prove to be incorrect or overstated or if they fail to provide information to substantiate their claims.

To participate in the Entitlement Offer:

- > If paying by BPAY[®], your Application Monies must be received no later than the close of the Entitlement Offer, being 5.00pm (Sydney time) on 6 March 2020.
- > If paying via cheque, bank draft or money order, your completed personalised Entitlement and Acceptance Form and Application Monies must be received by no later than 5:00pm (Sydney time) on 6 March 2020.

If you do nothing

If you take no action, you will not be issued New Units and your Entitlement will lapse. Your Entitlement to participate in the Entitlement Offer is non-renounceable and cannot be traded on the ASX or any other exchange, nor can it be privately transferred. Eligible Unitholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements that they do not take up.

2.4.9 Payment methods for the Entitlement Offer

Payment by BPAY[®]⁹

For payment by BPAY[®], please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique Customer Reference Number (**CRN**)). You can only make a payment via BPAY[®] in AUD, and if you are the holder of an account with an Australian financial institution that supports BPAY[®] transactions. Please note that should you choose to pay by BPAY[®]:

- > you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form;

- > if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Units as is covered in full by your Application Monies; and
- > if you pay more than your full Entitlement, you are deemed to have taken up your full Entitlement and also to have applied for as many Additional New Units as your Excess Amount will pay for in full, subject to any scaleback which may be implemented by the Responsible Entity in respect of Additional New Units.

When completing your BPAY[®] payment, please make sure to use the specific biller code and unique CRN provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form (i.e. where you have multiple holdings), please only use the CRN specific to the Entitlement on that form. If you inadvertently use the same CRN for more than one of your Entitlements when paying by BPAY[®], you will be deemed to have applied only for New Units on the Entitlement to which that CRN applies and your applications in respect of your other CRNs will be deemed to have not been supported by cleared funds.

Should you choose to pay by BPAY[®] it is your responsibility to ensure that your BPAY[®] payment is received by the Unit Registry by no later than 5.00pm (Sydney time) on 6 March 2020. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. The Responsible Entity takes no responsibility for any failure to receive Application Monies or payment by BPAY[®] before the Entitlement Offer closes arising as a result of, among other things, delays in postage or processing of payments by financial institutions.

Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to 'MXT Entitlement Offer' and crossed 'Not Negotiable'.

⁹ Note that BPAY[®] payments can only be made in AUD.

¹⁰ Note that BPAY[®] payments can only be made in AUD.

Your cheque, bank draft or money order must be:

- > for \$2.00 multiplied by the number of New Units and Additional New Units (if any) that you are applying for; and
- > drawn on an Australian financial institution or an Australian branch of a financial institution.

You should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies on the day of receipt. If the amount of your cheque, bank draft or money order for Application Monies is insufficient to pay for the number of New Units and Additional New Units (if any) you have applied for in your Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Units and Additional New Units (if any) as your cleared Application Monies will pay for and to have specified that number of New Units and Additional New Units (if any) on your personalised Entitlement and Acceptance Form.

Should you choose to pay by cheque, bank draft or money order it is your responsibility to ensure that your payment is received by the Unit Registry by no later than 5.00pm (Sydney time) on 6 March 2020. Cash payments will not be accepted. Receipts for payment will not be issued.

Delivery of Entitlement and Acceptance Form

To participate in the Entitlement Offer:

- > If you make your payment via BPAY®, your payment must be received no later than the close of the Entitlement Offer, being 5.00pm (Sydney time) on 6 March 2020; or
- > If you make payment via cheque, bank draft or money order, you should mail your completed personalised Entitlement and Acceptance Form together with Application Monies to:

Mailing Address

MXT Entitlement Offer
Automic Pty Ltd
GPO Box 5193 Sydney NSW 2000
AUSTRALIA

If you pay by cheque, bank draft or money order, it is your responsibility to ensure that your payment is received by the Unit Registry by no later than 5.00pm (Sydney time) on 6 March 2020.

Entitlement and Acceptance Forms and Application Monies will not be accepted at the Responsible Entity's or the Manager's registered or corporate offices, or other offices of the Unit Registry.

2.5 THE SHORTFALL OFFER

Any New Units or Additional New Units not taken up by Eligible Unitholders under the Entitlement Offer (including by way of the Oversubscription Facility) (**Shortfall**) will be offered under this PDS to Australian and New Zealand resident retail investors and Institutional Investors under the Shortfall Offer as described below.

The Responsible Entity has the right to scale back any applications received.

2.5.1 Structure of the Shortfall Offer

The Shortfall Offer is open to Australian and New Zealand resident investors and who have received an invitation from their Broker to participate as described below.

No general public offer of New Units will be made under the Shortfall Offer. Members of the public wishing to apply for New Units under the Shortfall Offer must do so through a Broker with a firm allocation of New Units.

New Units issued pursuant to the Shortfall Offer will rank equally with the existing Units with effect from their date of issue.

2.5.2 Shortfall Offer

Who can apply?

If you have received an invitation to participate in the Shortfall Offer from your Broker, you will be treated as a Broker Firm Applicant. You should contact your Broker to determine whether you can receive an invitation from them under the Shortfall Offer. The Shortfall Offer is not open to persons in the United States.

How to apply

If you have received an invitation to participate from your Broker and wish to apply for New Units under the Shortfall Offer, you should contact your Broker for information about how to complete and lodge your Shortfall Offer Application Form and for payment instructions.

Applicants under the Shortfall Offer should contact their Broker or the Distribution Partner on 1300 010 311 between

9.00am and 5.00pm (Sydney time) during the Offer Period to request a PDS and Shortfall Offer Application Form, or download a copy at www.metrics.com.au/mxt/. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Shortfall Offer Application Form and Application Monies are received before 5.00pm (Sydney time) on the closing date for the Shortfall Offer, being 5.00pm (Sydney time) on 6 March 2020 (**Shortfall Offer Closing Date**), or any earlier closing date as determined by your Broker.

If you are an investor applying under the Shortfall Offer, you should complete and lodge your Shortfall Offer Application Form with the Broker from whom you received your invitation to participate in the Shortfall Offer. Shortfall Offer Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Shortfall Offer Application Form. Applicants under the Shortfall Offer must not send their Shortfall Offer Application Forms or payment to the Unit Registry.

By making an application for New Units under the Shortfall Offer, you declare that you were given access to this PDS (or any replacement PDS), together with a Shortfall Offer Application Form. The Corporations Act requires that the Shortfall Offer Application Form be included in, or accompanied by, a hard copy of this PDS or the complete and unaltered electronic version of this PDS.

The minimum application under the Shortfall Offer is \$1,000 worth of New Units. There is no maximum value of New Units that may be applied for under the Shortfall Offer. However, the Responsible Entity and the Lead Arranger and Joint Lead Managers reserve the right to aggregate any Applications under the Shortfall Offer which they believe may be multiple Applications from the same person or reject or scale-back any Applications in the Shortfall Offer. The Responsible Entity may determine a person to be eligible to participate in the Shortfall Offer, and may amend or waive the application procedures or requirements in its discretion, in compliance with applicable laws.

The Responsible Entity, the Lead Arranger and Joint Lead Managers and the Unit Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application for New Units under the Shortfall Offer.

The Shortfall Offer opens at 9.00am (Sydney time) on 13 February 2020 and is expected to close at 5.00pm (Sydney time) on 6 March 2020. The Responsible Entity and the Lead Arranger and Joint Lead Managers may elect to

close the Shortfall Offer or any part of it early, extend the Shortfall Offer or any part of it, or accept late Applications under the Shortfall Offer either generally or in particular cases. The Shortfall Offer, or any part of it, may be closed at any earlier date and time, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications under the Shortfall Offer as early as possible. Please contact your Broker for instructions.

How to pay

Applicants under the Shortfall Offer must pay their Application Monies in accordance with the instructions received from their Broker.

Application Monies

The Responsible Entity reserves the right to decline any Application under the Shortfall Offer in whole or in part, without giving any reason. Application Monies received under the Shortfall Offer will be held in a special purpose account until New Units are issued or transferred to successful Applicants.

Applicants under the Shortfall Offer whose Applications are not accepted, or who are allocated a lesser number of New Units than the amount applied for, will receive a refund of all or part of their Application Monies, as applicable. No refunds pursuant solely to rounding will be provided. Interest will not be paid on any monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by the Responsible Entity.

Applicants whose Applications are accepted in full will receive the whole number of New Units calculated by dividing the Application Monies provided by the Offer Price. Where the Offer Price does not divide evenly into the Application Monies, the number of New Units to be allocated will be determined by the Applicant's Broker.

Acceptance of Applications

An Application in the Shortfall Offer is an offer by an Applicant to the Responsible Entity to apply for New Units specified on the Shortfall Offer Application Form at the Offer Price on the terms and conditions set out in this PDS (including any replacement PDS) and the Shortfall Offer Application Form (including the acknowledgements in section 14.4). To the extent permitted by law, an Application for New Units in the Shortfall Offer by an Applicant is irrevocable.

An Application may be accepted in respect of the full amount, or any amount lower than that specified in the Shortfall Offer Application Form, without further notice to the Applicant. Acceptance of a Shortfall Offer Application will give rise to a binding contract on allocation of New Units to successful Applicants.

The Lead Arranger and Joint Lead Managers, in agreement with the Responsible Entity, reserves the right to reject any Application under the Shortfall Offer which is not correctly completed or which is submitted by a person who they believe is ineligible to participate in the Shortfall Offer, or to waive or correct any errors made by the Applicant in completing their Application for New Units in the Shortfall Offer.

Shortfall Offer allocation policy

The allocation of New Units to Brokers in the Shortfall Offer will be determined by agreement between the Responsible Entity and the Lead Arranger and Joint Lead Managers. New Units which have been allocated to Brokers for allocation to their Australian and New Zealand resident clients will be issued to the Applicants who have received a valid allocation of New Units from those Brokers (subject to the right of the Responsible Entity and the Lead Arranger and Joint Lead Managers to reject or scale-back Applications under the Shortfall Offer). It will be a matter for each Broker as to how they allocate firm New Units among their clients, and they (and not the Responsible Entity or the Lead Arranger and Joint Lead Managers) will be responsible for ensuring that clients, who have received a firm allocation from them, receive the relevant New Units.

2.6 NO WITHDRAWALS OF APPLICATIONS MADE UNDER THE OFFER

You cannot withdraw your Application once it has been accepted.

Cooling-off rights do not apply to an investment in New Units (or Additional New Units (as applicable)) under the Offer.

The Responsible Entity reserves the right to withdraw the Offer at any time before the issue of New Units (or Additional New Units (as applicable)) under the Offer, in which case the Responsible Entity will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to applicants. The Responsible Entity takes no responsibility for any Application Monies lodged with the Lead Arranger, Joint Lead Managers,

the Co-Manager or Brokers until these are received by the Responsible Entity.

The Responsible Entity also reserves the right to close the Offer early, to accept late Applications or extend the Offer without notifying any recipient of this PDS or any Applicant.

Any changes to the Offer timetable including closing the Offer early will be made via the website: www.metrics.com.au/mxt/ and ASX announcement.

2.7 CONFIRMATION OF YOUR APPLICATION AND MANAGING YOUR HOLDING

You may access information on your holding, including your Record Date balance and the issue of New Units (or Additional New Units (if applicable)) under this Offer, and manage the standing instructions the Unit Registry records on your holding at <https://investor.automic.com.au/#/home>.

2.8 ISSUE OF NEW UNITS AND ADDITIONAL NEW UNITS

New Units and Additional New Units issued under the Entitlement Offer are expected to be issued on or around 13 March 2020 and New Units issued under the Shortfall Offer are expected to be issued on or around 18 March 2020 (subject to variation at the discretion of the Responsible Entity, with the consent of the Lead Arranger and Joint Lead Managers). Fractional entitlements to New Units or Additional New Units (as the case may be) will be rounded up to the nearest whole number of New Units or Additional New Units (as the case may be).

2.9 ASX QUOTATION

The Responsible Entity has applied to the ASX for the grant of official quotation of the Units to be issued under the Offer. It is expected that normal trading on the ASX will commence in relation to the Units to be issued under the Entitlement Offer on 9 March 2020 and Shortfall Offer on 17 March 2020. The Responsible Entity will have no responsibility and disclaims all liability (to the maximum extent permitted by law, including for negligence) to persons who trade Units to be issued under the Offer before they are quoted on the ASX or before they receive their confirmation of issue, whether on the basis of confirmation of the allocation provided by the Responsible Entity, the Unit Registry, the Lead Arranger, the Joint Lead Managers or otherwise.

2.10 OVERSEAS DISTRIBUTION

Offer only made where lawful to do so

This PDS does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to qualify the Units or the Offer, or to otherwise permit a public offering of the Units in any jurisdiction outside Australia or New Zealand. The distribution of this PDS (including in electronic form) in a jurisdiction other than Australia or New Zealand may be restricted by law, and persons who come into possession of this PDS should seek advice on, and observe, any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. It is the responsibility of all overseas Applicants to ensure compliance with the laws of any country relevant to their Application. Residents of jurisdictions other than Australia or New Zealand should consider using Australian or New Zealand domiciled entities, including nominee companies affiliated with Australian broking firms, if they wish to subscribe for Units.

Overseas ownership and resale representation

No action has been taken to register or qualify the Offer of Units under this PDS, or to otherwise permit a public offering of Units, in any jurisdiction outside Australia and New Zealand.

It is your personal responsibility to ensure compliance with all laws of any country relevant to your Application under this Offer. The return of a duly completed Application Form will be taken by the Responsible Entity to constitute a representation and warranty made by you to the Responsible Entity that there has been no breach of such laws and that all necessary consents and approvals have been obtained.

If you fail to comply with any applicable restrictions, the failure may constitute a violation of applicable securities laws of any country relevant to your Application.

2.11 TAXATION IMPLICATIONS

Unitholders should be aware that there may be taxation implications of participating in the Offer and subscribing for New Units or Additional New Units (as the case may be). The taxation consequences of participating in the Offer and/or acquiring New Units or Additional New Units (as the case may be) may vary depending on the individual circumstances of each Unitholder.

Please refer to section 11 for a general discussion of the Australian tax consequences of the Offer for Australian resident individuals who hold (or will hold) their Units on capital account. This section also includes general discussion of the New Zealand tax consequences of the Offer for New Zealand resident unitholders.

Unitholders should consult their own professional taxation advisers to obtain advice in relation to the taxation laws and regulations applicable to their personal circumstances.

2.12 RISKS

There are a number of risks associated with an investment in the Trust which may affect its financial performance, financial position, cash flows, distributions, growth prospects and Unit price. The key risk factors are set out in section 8 of this PDS.

SECTION 3: PURPOSE AND EFFECT OF THE OFFER

3.1 SOURCES AND USES OF FUNDS OF THE OFFER

The Responsible Entity is seeking to raise up to approximately \$638 million under the Entitlement Offer. The net proceeds raised from the Offer will be invested via the Sub-Trust in the Wholesale Funds in accordance with how the Trust's investments are currently structured. Metrics will allocate these funds seeking to deliver on the Trust's Investment Objective.

3.2 CAPITAL STRUCTURE

The Trust currently has 637,931,532 Units on issue. The Responsible Entity expects that up to 319,100,766 New Units will be issued under the Entitlement Offer, assuming it is fully subscribed.

The table below shows the current capital structure of the Trust and the capital structure of the Trust on completion of the Entitlement Offer, assuming maximum subscription under the Offer.

	NUMBER OF UNITS	PERCENTAGE OF POST-ENTITLEMENT OFFER UNITS
Units on issue as at the date of this PDS	637,931,532	66.6%
Maximum number of Units to be issued pursuant to the Entitlement Offer	319,100,766	33.3%
Maximum total Units on issue immediately following completion of the Offer ¹¹	957,302,298	100.00%

3.3 POTENTIAL IMPACT OF OFFER ON CONTROL OF THE TRUST

The maximum number of New Units which may be issued pursuant to the Entitlement Offer is approximately 319,100,766. This equates to approximately 33.3% of all the issued Units in the Trust immediately following completion of the Offer.

Eligible Unitholders should note that if they do not take up all or part of their Entitlement, then their percentage voting interest in the Trust will be reduced as a result of their non-participation in the Entitlement Offer.

The Offer is not expected to have any significant impact on the control of the Trust.

¹¹ Note the Responsible Entity intends on issuing further Units pursuant to the Trust's DRP on or around 10 February 2020. As at the date of this PDS, the number of Units to be issued under the DRP is not known and these calculations provide for an estimate of the number of Units to be issued under the DRP based on the percentage uptake in prior months. Additionally, the figure includes a contemplated issue of Units by the Responsible Entity by way of placement to wholesale investors prior to the Record Date. The total number of Units on issue immediately following completion of the Offer is calculated assuming the maximum number of Units issued under the contemplated placement and the DRP however the total number of Units issued under each may be less which may result in a lower number of Units issued under the Offer.

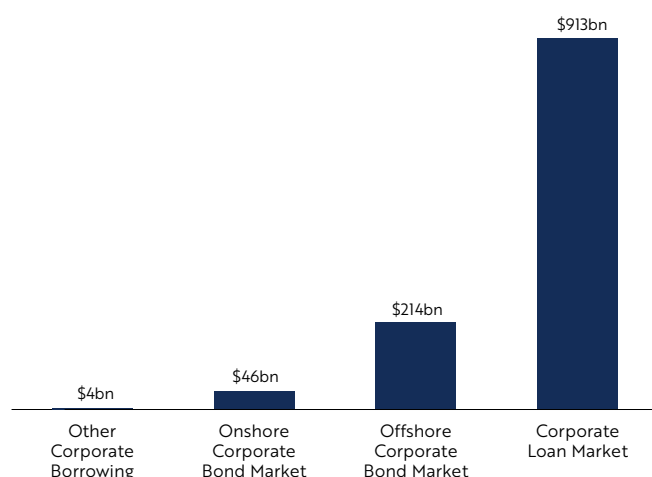
SECTION 4: OVERVIEW OF AUSTRALIA'S CORPORATE LOAN MARKET

4.1 AUSTRALIAN CORPORATE LOAN MARKET

The Australian corporate fixed income market totals approximately \$1.2 trillion. Australian companies are highly reliant on bank debt funding in the form of corporate loans. As at September 2019, 78% (approximately \$913 billion) of the Australian corporate fixed income market was provided by way of corporate loans (see chart 3). While some larger companies may be able to access local and international Bond markets to diversify sources of funding, such issuances typically supplement bank funding rather than replace it. Other developed markets such as the United States and Europe have more established publicly-traded Bond markets which expand the debt funding alternatives available to corporate borrowers in these markets. In Australia, however, companies remain heavily reliant on banks to provide most of their debt capital.

Approximately 80%¹² of Australian corporate loans are provided by over 90 registered¹³ domestic and foreign regulated banks. Lending to companies is highly concentrated amongst the four major Australian banks, which together provide approximately 70% of all Australian corporate loans (see chart 4).

Chart 3: Corporate fixed income market



Source: ABS.

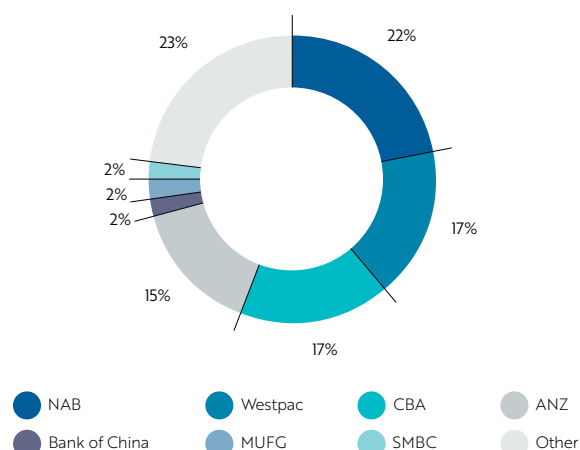
Notes: Corporate fixed income market from ABS as at September 2019.

¹² Percentage estimated using on-shore debt only.

¹³ According to APRA Monthly Banking Statistics, September 2019, there are 96 registered banks in Australia with outstanding loans to non-financial corporations. This figure does not include foreign banks that are unlicensed in Australia but participate in the Australian market.

¹⁴ The floating rate benchmark for corporate loans is typically BBSY; however, this is quoted as a fixed margin of 0.05% above BBSW and is therefore not considered a separate benchmark.

Chart 4: Corporate loan market bank providers



Source: APRA Monthly Banking Statistics, September 2019.

Notes: Loans and advances to non-financial corporations.

Market risk and return

At its simplest, a loan is an advance of money to a borrower with obligations to make predetermined repayments and pay interest and fees. Borrowers have a contractual obligation to repay capital advanced at a pre-agreed future date.

Financial returns for lenders in the corporate loan market are generated from several sources:

- > Interest income is the principal income stream and is typically a margin over a floating rate benchmark, usually the Bank Bill Swap Rate (BBSW)¹⁴ which closely tracks the RBA Cash Rate. Interest charged in the corporate loan market has averaged 1.90% over BBSW and 2.12% over the RBA Cash Rate (or 4.79% all-in) post the Global Financial Crisis (GFC) (post-December 2008 quarter) across a variety of borrowers, credit qualities, loan types, tenors and business cycles (see chart 5).
- > Other fee income may be generated, including various other work or time-based fees, which are typically paid by the borrower. Fee income may enhance the overall return available from investing in loans.

Corporate loans typically pay lenders floating-rate interest, ensuring an investor in corporate loans will receive a higher return if benchmark interest rates increase. This contrasts to other debt products such as Bonds, which usually offer fixed interest rates and a greater risk of decline in capital value if benchmark interest rates increase.

Corporate loans generally provide lenders with a high degree of capital stability. Lenders have a range of protections to preserve their capital in the form of security and covenants to protect themselves against the risk of loss. The Australian corporate loan market has historically recorded low loss rates, even in times of market disruption such as the GFC from 2008-2010. Chart 6 demonstrates the net write-offs of capital for corporate loans recorded by Australia's major banks since March 2009. Loan loss rates during this time have averaged approximately 0.30% per annum, peaking at approximately 0.67% in 2010¹⁵. Net write-offs have since reduced to 0.08% per annum for the year ended September 2019.

Chart 5: Interest rates, RBA Cash Rate and BBSW

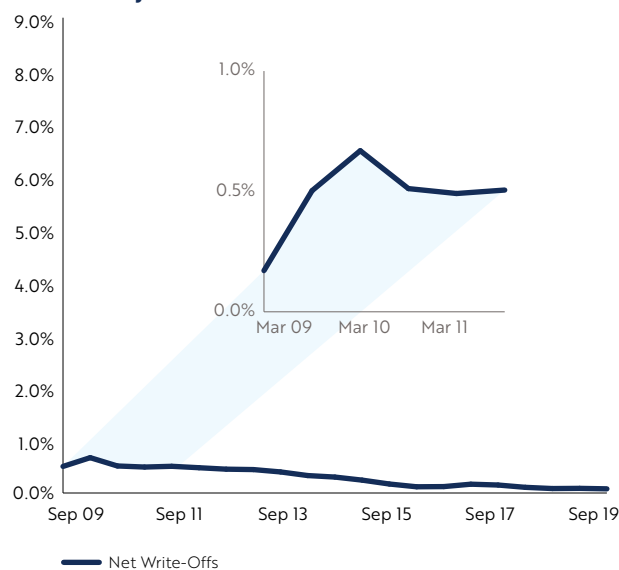


Source: RBA; Bloomberg; Capital IQ.

Notes: As at September 2019. Corporate Loan Interest Rate is the weighted

average variable interest rate on bank credit provided to businesses with outstanding amounts over \$2 million.

Chart 6: Major banks' historical net write-offs



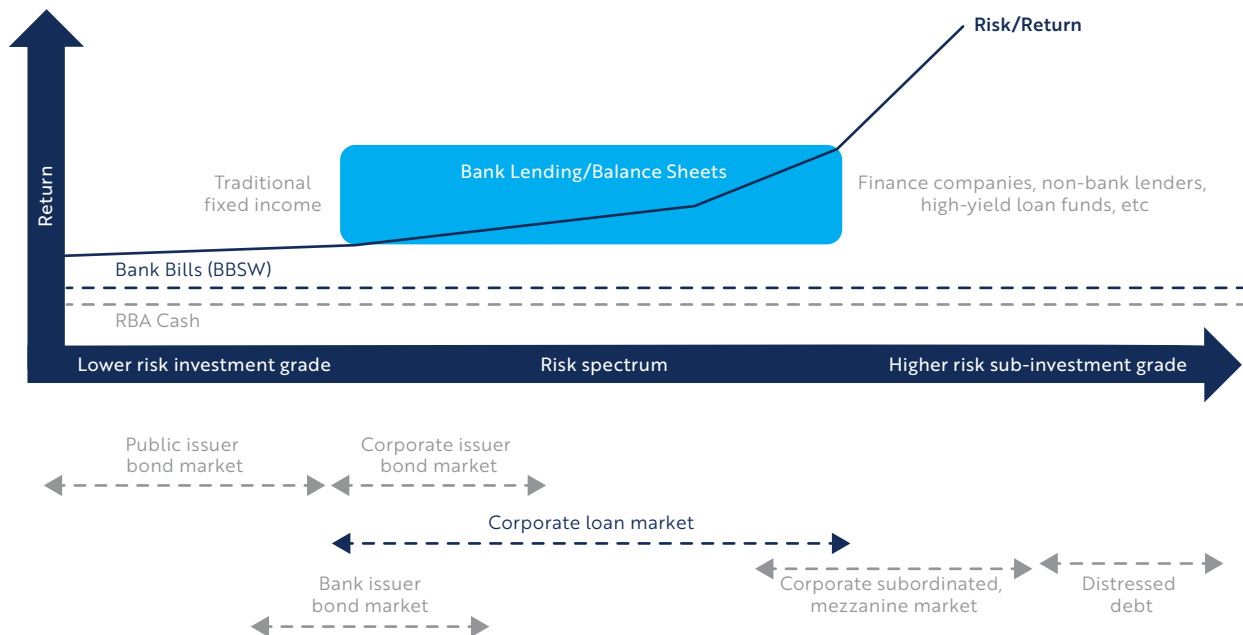
Source: Metrics analysis.

Notes: As at September 2019, Metrics analysis of the market is based on major banks' APRA APS 330 reports and other publicly available information.

The corporate loan market offers attractive risk-adjusted return characteristics compared to many other fixed income investment alternatives. In Australia, corporate loans are typically provided to performing companies with credit ratings between 'A' and 'BB' and banks hold these loan assets on balance sheet.

¹⁵ Note: there is typically a time-lag between financial distress, loan default and then eventual credit loss.

Chart 7: Fixed income markets by credit quality



Notes: Indicative only.

The vast majority of the borrowers in the corporate loan market do not have global credit ratings. Instead, in order to assess the creditworthiness of borrowers, lenders use their own proprietary credit rating models that employ a similar approach to that used by the global credit rating agencies and which are approved by prudential regulators.

In assessing the credit worthiness of a borrower, Metrics applies a rating to reflect the risk of payment default and recovery. Metrics' methodology is similar to that applied by the global credit rating agencies and regulated banks, including the use of the following categories shown in table 1.

Table 1: Metrics' credit ratings overview

	CATEGORY	DEFINITION
Investment Grade	AAA	The highest rating possible, typically associated with sovereign borrowers. Obligations are the highest quality, with the lowest level of credit risk.
	AA	Only a slight difference to a 'AAA' rating. Obligations have very low credit risk with very strong capacity to meet financial commitments.
	A	High credit quality and capacity for payment of financial commitments is still strong.
	BBB	Moderate credit quality and capacity to pay financial commitments is satisfactory.
Sub-Investment Grade	BB	Higher vulnerability to credit risks and may face exposure to adverse business, financial or economic conditions.
	B	Considered speculative and subject to material credit risks.
	CC	Substantial credit risk and obligor is vulnerable to non-payment of financial commitments.
	CC	Very high levels of credit risk and obligor is highly vulnerable to non-payment of financial commitments.
	C	Exceptionally high levels of credit risk. Default is considered a near certainty.
	D	Obligation is in default or breach.

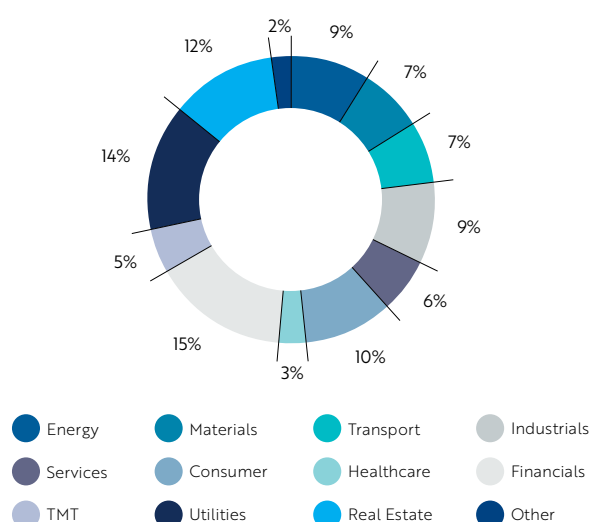
Source: Metrics, LoanConnector.

Market diversity

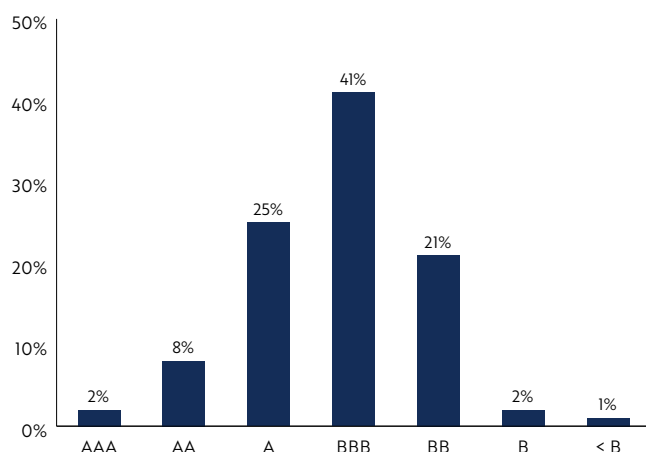
The profile of the corporate loan market reflects both the underlying Australian corporate borrower mix, as well as the portfolio risk parameters of the Australian major banks. The corporate loan market has significant diversity in terms of borrowers, industry representation, credit quality and loan tenors:

- > the corporate loan market is utilised by a variety of industry sectors (see chart 8);
- > based on Metrics' analysis of data published by Australia's four major banks and other publicly available information, the majority of corporate loans are investment grade quality and are diversified across the credit spectrum (see chart 9); and
- > banks typically lend for 1, 3 or 5 years, and borrowers may have a combination of revolving (a flexible loan structure that allows a borrower to draw down and to repay the loan on an ongoing basis) and term loans with varying loan terms to maturity.

Chart 8: Market by industry sector



Source: Metrics analysis, LoanConnector.
Notes: as at November 2019

Chart 9: Market by credit quality

Source: Metrics analysis.
Notes: As at November 2019, Metrics analysis of the market is based on major banks' APRA APS 330 reports and other publicly available information.

Barriers to entry

The corporate loan market has substantial barriers to entry which make it difficult for non-bank investors or lenders to participate:

- > significant levels of capital are necessary to:
 - build a diversified portfolio that mitigates individual borrower and industry risk; and
 - meet minimum commitment amounts for participation in a loan syndicate (typically in excess of \$10 million);
- > a new entrant must initially be able to sustain a high fixed cost base prior to a portfolio achieving a profitable scale;
- > Australia's major banks have extensive borrower relationships and offer borrowers comprehensive financial services;
- > loans usually contain transfer restrictions including a high minimum lender credit rating and requirements for borrower consent;
- > corporate loans are not exchange traded or public securities; and
- > loans are privately negotiated transactions and not available to public market investors.

These characteristics have resulted in investors having limited direct fixed income exposure to the majority of Australia's top companies and projects, and the attractive risk-adjusted returns on offer.

4.2 CORPORATE LOAN FEATURES

Overview of corporate loans

Corporate loans are privately negotiated agreements between a lender and a borrower and can incorporate a range of features including:

- > number of lenders (single, few or many);
- > revolving facilities (a flexible loan structure that allows a borrower to draw down and to repay the loan on an ongoing basis);
- > tenor (contracted loan term for repayment) (typically 3-5 years);
- > single or multi-currency;
- > use of proceeds (e.g. working capital, acquisition, capital expenditure, term funding requirements); and
- > lender protections (security, covenants, performance reporting obligations).

Fees and interest charged on corporate loans will also differ for each agreement and will reflect, amongst other things:

- > the lender's assessment of the borrower's credit quality (willingness and capacity to repay the loan);
- > market conditions; and
- > structure and term of the loan.

The majority of corporate loans in the Australian market are structured as fixed term-to-maturity loans, with tailored terms and conditions for specialised finance transactions.

Types of corporate lending

Corporate loans are negotiated and the terms and conditions will vary subject to the borrower's circumstances and lender credit risk policies.

Many of Australia's largest companies and projects utilise corporate loans. The following are examples of the types of corporate loans and are intended to be reflective of the types of loan facilities that the Trust, the Sub-Trust or the Wholesale Funds invest in.

Table 2: Corporate lending

LOAN TYPE
Corporate loans Corporate loans are issued to public and private companies as a core part of financing their capital requirements and for general working capital purposes. Corporate loans may be secured or unsecured.
Project finance loans Project finance loans are specialised debt facilities provided for the construction and operation of a specific project. Facility drawdowns are controlled and risks are carefully allocated amongst project participants including project delivery. The project sponsor will contribute the equity component before the debt is drawn and either the project sponsor or construction contractor will guarantee any cost overruns.
Real estate loans Real estate loans can be for both project development or for single or multiple existing properties. Construction facilities are structured similarly to specialised project finance (described above). Equity investors first contribute a proportion of capital, which suffers losses (first, before lenders) if there is a fall in the price of the underlying asset or the property fails to generate sufficient cashflow to repay the loan.
Acquisition finance loans Acquisition facilities are provided to an acquirer to purchase a target company. These facilities are a form of specialised finance.
Other types of corporate loan structures Loans can rank as either senior or subordinated ranking claims in the capital structure of the corporate. Loans can be secured over all of the assets of the borrower or the borrower may grant security to a lender over specific assets. These loans are known as specialised finance loans and may include subordinated or mezzanine loans.
Specialised asset-backed loans Asset backed loans are usually ringfenced against a specific asset of a borrower against which a lender can pursue recovery in the event of non-payment. Often such assets can be taken off balance sheet through a 'sale and leaseback' transaction whereby the company leases the asset rather than owning it.
Subordinated loans Subordinated or mezzanine loans are where senior ranking debt claims rank in priority from a cashflow and repayment perspective. Subordinated or mezzanine loans generally carry higher interest rates as they carry a higher risk of not being paid where the borrower is insolvent and there is senior debt in place.

SECTION 5: ABOUT THE TRUST

5.1 OVERVIEW

The Trust is a registered managed investment scheme under Chapter 5C of the Corporations Act and is listed on the ASX (ticker: ASX:MXT).

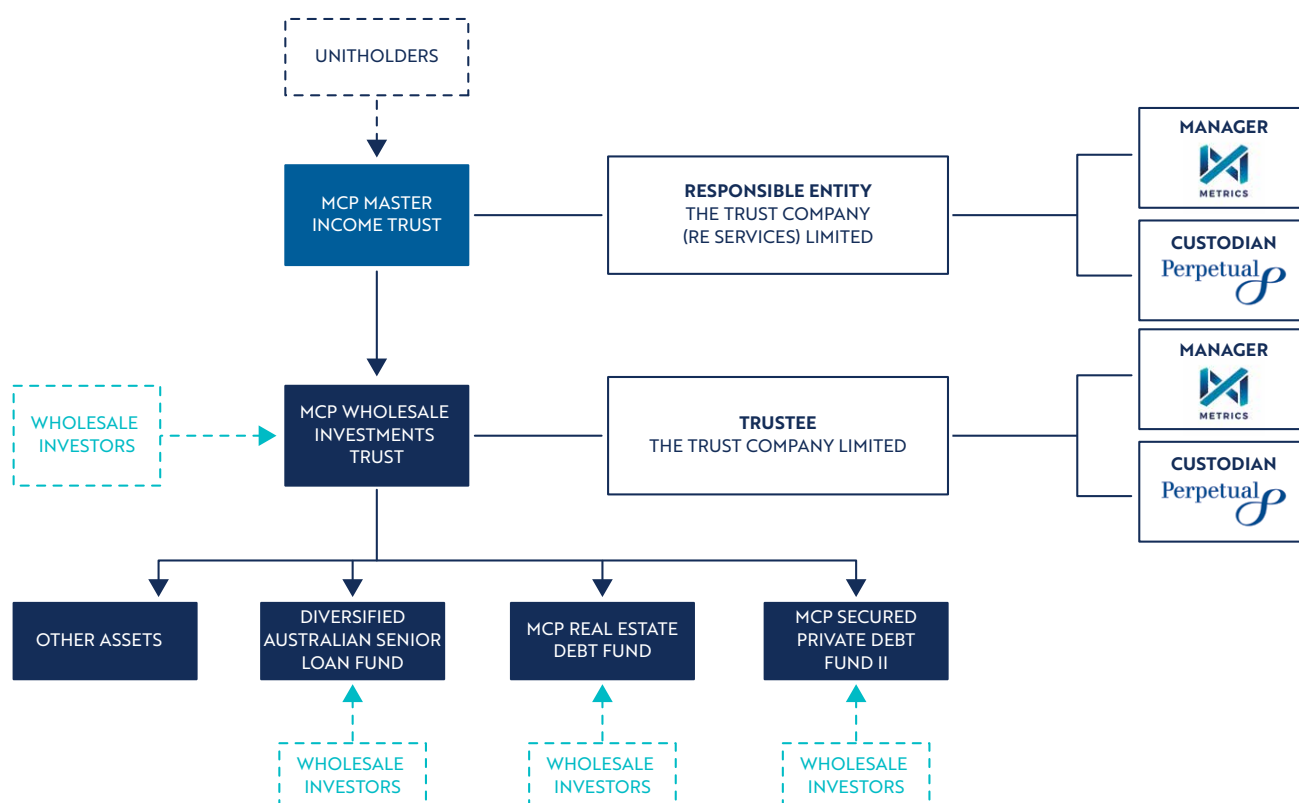
The Trust Company (RE Services) Limited is the responsible entity of the Trust. The Responsible Entity has appointed Metrics Credit Partners Pty Ltd as manager of the Trust.

The Trust invests in the Sub-Trust and other trusts from time to time established for the Trust's investments. The Sub-Trust is an unregistered Australian unit trust. The Trust Company Limited, the Sub-Trustee, is the trustee of the Sub-Trust and

is a 100% owned subsidiary of Perpetual. The Sub-Trustee has appointed Metrics to be the manager of the Sub-Trust.

The Sub-Trust may make direct investments or invest in Wholesale Funds which are managed by the Manager. The Wholesale Funds invest directly in portfolios of corporate fixed income via direct lending to predominantly Australian companies. Metrics is the manager of various underlying Wholesale Funds which themselves have different terms and investment management agreements.

External wholesale investors may invest in the Sub-Trust and Wholesale Funds from time to time. This may help the Trust to generate liquidity and assist it in participating in the market in a scalable manner.



5.2 ABOUT THE RESPONSIBLE ENTITY

The Responsible Entity is a wholly owned subsidiary of Perpetual. Perpetual has been in operation for over 130 years and is an Australian public company that has been listed on the ASX for over 50 years.

The Responsible Entity holds an AFSL issued by ASIC, which authorises it to operate the Trust.

The Responsible Entity is bound by the Constitution, the Corporations Act and the Listing Rules. The Responsible Entity has lodged a compliance plan with ASIC which sets out the key measures which the Responsible Entity will apply to comply with the Constitution, the Corporations Act and the Listing Rules. This plan is overseen by a compliance committee and the Responsible Entity's compliance with it is audited annually.

The Responsible Entity has the power to delegate certain aspects of its duties.

The Responsible Entity has duties under the Corporations Act, as the responsible entity of the Trust. These duties require the Responsible Entity to act in the best interest of the members of the Trust, and where there is conflict between the members' interests and its own, to give priority to the members. The Responsible Entity must follow these duties when making decisions about, and managing any potential conflicts of, the Trust.

The Responsible Entity has appointed the Manager as investment manager of the Trust. The Manager has been delegated full day-to-day decision making with respect to investments. All investment decisions are made by the Manager's Investment Committee. The Investment Management Agreement, under which the Manager is appointed as investment manager of the Trust, has been entered into at arm's length. There is also a segregation in the decision making process with the Responsible Entity and the Manager each having their own boards of directors and executive team. Under the Investment Management Agreement, the Manager is to provide the Responsible Entity with regular reports on the Trust's investments and the performance of the Trust. These reporting requirements also include the Manager providing quarterly compliance certificates confirming that for the applicable reporting period it had adequate compliance measures in place, including conflicts of interest policies and risk management

systems. This information will enable the Responsible Entity to determine whether the Manager has followed all appropriate processes and controls in assessing and reviewing the investments of the Trust and whether any conflicts of interest or related party aspects of these investments have been adequately identified and assessed in accordance with Perpetual's conflicts policies and other applicable procedures and processes. For more details about the functions of the Manager under the Investment Management Agreement, please refer to section 13.1.

The Manager may request the Responsible Entity to retire for cause or on three months' notice after the fourth year of the initial term. If the Responsible Entity receives this request it will facilitate its retirement and replacement, each in accordance with the relevant provisions of the Corporations Act. Unitholders will be entitled to vote on the appointment of the new responsible entity in those circumstances.

The Responsible Entity's board sets objectives and goals for the operation of the Responsible Entity and the Trust, to oversee the Responsible Entity's management, to regularly review performance and to monitor the Responsible Entity's affairs acting in the best interests of the Trust as a whole. The Responsible Entity's board is ultimately accountable to the members of the Trust, not the Manager.

The Responsible Entity has conducted due diligence on the Manager to ensure that it has the appropriate processes and capability to carry out the Investment Strategy for the Trust. The Responsible Entity also has an ongoing review framework in place to review the investment process that the Manager has in place for the Trust.

The Responsible Entity has appointed Perpetual Corporate Trust Limited as custodian of the Trust and Automic Pty Ltd as Unit Registry of the Trust. The Responsible Entity will appoint MCH Fund Administration Services Pty Ltd as Administrator of the Trust

The material agreements of the Trust are set out in section 13.

Board of the Responsible Entity

The Board has a broad range of experience in financial services combined with financial and commercial expertise. The Board currently comprises four Directors and one alternate Director.

Details of the current Board are set out below:

RICHARD MCCARTHY

**Group Executive, Perpetual Corporate Trust
Executive Director — appointed in October 2018.**

Richard joined Perpetual in 2007 as Director, Sales and Relationship Management, and became General Manager, Sales & Relationship Management, Strategy & Product and Marketing in 2011. Richard is now the Group Executive of Perpetual Corporate Trust.

Richard has more than 23 years' experience in banking and financial services, with deep sector knowledge in debt capital markets and managed funds.

Prior to joining Perpetual, Richard spent 10 years at JP Morgan Chase in London and Sydney in a number of senior leadership roles.

Richard is a Director of the Australian Digital Commerce Association.

GLENN FOSTER

**General Manager, Group Finance
Executive Director — appointed in July 2015.**

Glenn is responsible for the Perpetual Group Finance function including external, regulatory and statutory reporting, financial operations, corporate tax compliance, treasury and capital management. He is also responsible for Business Support Services, including Facilities Management. He is a director of a number of Perpetual's controlled entities (including those licensed with ASIC).

Glenn joined Perpetual Corporate Trust in April 2003 and as General Manager, Operations & Fund Services, Glenn's role included responsibility for all financial operations of the Trust Services business and the provision of all Fund Compliance and Fund Administration Services, including Custody, Unit Registry and Accounting.

Glenn moved from Corporate Trust into Group Finance and the Deputy CFO role in February 2008.

Glenn is a Chartered Accountant and commenced his career with Coopers and Lybrand (now part of PricewaterhouseCoopers) before entering the financial services industry in 1994. Prior to joining Perpetual in 2003, Glenn worked in a number of senior finance roles with AIDC Ltd, Babcock & Brown Limited, State Street Bank and Trust Company Limited and RAMS.

Glenn has a Bachelor of Commerce degree from the University of New South Wales, has been a member of the Institute of Chartered Accountants in Australia since 1989 and is a graduate of the Australian Institute of Company Directors.

VICKI RIGGIO

**General Manager, Managed Fund Services,
Perpetual Corporate Trust
Executive Director — appointed in May 2018.**

Vicki is General Manager, Managed Fund Services, Perpetual Corporate Trust, and has responsibility for Custody, Wholesale Trustee, Responsible Entity Services, Investment Management for MITs and Perpetual's Singapore business.

Vicki was previously the General Manager, Management Services, where she held responsibility for Trust Management, Accounting and Investment Management services offered to debt capital markets and managed fund clients in Australia and offshore.

Prior to this, Vicki was the Head of Wholesale Trustee responsible for the delivery of trustee services to a portfolio of funds in excess of \$40 billion, primarily supporting offshore investment into Australian real assets through managed investment trust structures. She has also previously been responsible for Perpetual's debt markets trustee operations and ongoing trustee compliance arrangements. Having worked in the financial services industry for more than 20 years, Vicki has extensive experience across a variety of asset classes and trust structures with knowledge across tax, law and accounting.

Vicki is a Director across a variety of Perpetual's subsidiary companies, a responsible manager for Australian Financial Services Licences held by Perpetual group companies and has a Bachelor of Land Economics from the University of Technology, Sydney.

SIMONE (SAM) MOSSE

Chief Risk Officer

Executor Director – appointed in September 2019

Sam joined Perpetual as Chief Risk Officer in February 2019.

Sam is an accomplished risk professional with more than 23 years of local and global experience within the financial services sector. She has a proven track record in risk management and delivering strategic business outcomes.

Throughout her career Sam has led risk and compliance, operations and internal audit teams. Most recently, Sam was interim Global Head of Enterprise Risk and Head of Risk and Compliance, Pan Asia at Janus Henderson Investors where she spent more than five years.

Sam also held senior roles at Macquarie Group across 17 years including Head of Deal Management and Head of Compliance and Operational Risk within Macquarie Funds Group.

Sam holds a Bachelor of Commerce degree (Accounting) from University of NSW and a Graduate Diploma in Applied Finance from FINSIA.

PHILLIP BLACKMORE

Head of Onboarding and Oversight, Perpetual Corporate Trust

Alternate Director for Vicki Riggio – appointed in July 2018

Phillip is the Head of Onboarding and Oversight for Perpetual Corporate Trust's Managed Funds Services business.

Phillip has over 20 years of experience in financial services having worked in both Sydney and London. Prior to working for Perpetual, Phillip held front, middle and back office roles with Westpac Banking Corporation, Morgan Stanley, Credit Suisse and IAG Asset Management, focusing primarily on operational risk and investment compliance. In March 2007, Phillip joined Perpetual's Group Risk & Compliance team having responsibility for the design and implementation of Perpetual's enterprise risk management framework and the placement of Perpetual's insurance program. Phillip also acted as risk advisor to the Group Executive of Perpetual Investments, Corporate Trust, Digital & Marketing and People & Culture. Phillip's immediately prior role was as Head of Perpetual Corporate Trust's Wholesale Trustee business where he had responsibility for servicing wholesale clients investing in real assets.

Phillip holds a Graduate Diploma in Compliance, a Master of Arts (Risk Management) and is currently completing a Master of Business Administration at the Australian Graduate School of Management.

5.3 INVESTMENT OBJECTIVE AND TARGET RETURN

5.3.1 Investment Objective and Target Return

The Trust's Investment Objective is to provide monthly cash income, low risk of capital loss and portfolio diversification by actively managing diversified loan portfolios and participating in Australia's bank-dominated corporate loan market. ***The Trust may not be successful in reaching its objective.***

The Trust's Target Return is the RBA Cash Rate plus 3.25% per annum net of fees, through the economic cycle. Based on the RBA Cash Rate as at the date of this PDS of 0.75%, the current Target Return is 4.00% per annum. The Trust's total return will rise or fall based on movements in the RBA Cash Rate.

The Trust is focused on investor capital preservation. The Manager implements pro-active risk management strategies within a robust risk management framework and culture. The Manager seeks to implement active strategies designed to balance investor requirements to deliver the Target Return while actively managing risk and seeking to preserve investor capital.

The Trust's Target Return is only a target and the actual return of the Trust may be lower than the Trust's Target Return. Refer to section 8 for further details on risks factors.

5.3.2 Target return assumptions

In calculating the Target Return, the Manager has relied on a number of assumptions in respect of the portfolio of the Sub-Trust, the Portfolio Construction and the Wholesale Funds. These include (but are not limited to):

- > the Trust and the Wholesale Funds will operate in markets that are absent of market or economic shocks that could have a material impact on Australian or international financial markets; and
- > the Sub-Trust will invest in each of the Wholesale Funds according to how the Manager believes the Investment Objective can be best achieved.

Any or all of the above assumptions may be incorrect or subject to change. In these circumstances the Manager may not be successful in achieving the Target Return.

5.4 INVESTMENT STRATEGY

The Trust's Investment Strategy is to create a diversified exposure to Australian corporate loans generally reflecting activity in the corporate loan market and with the resultant diversity by borrower, industry and credit quality. Through active portfolio risk management, the Manager will seek to preserve investor capital. This will be accomplished by investing in and alongside the Sub-Trust and the Wholesale Funds.

Amounts raised by the Trust will be invested in the Sub-Trust. The Sub-Trust will then invest directly in the Wholesale Funds or directly in the investment assets so as to achieve the following target Portfolio Construction:

Diversified by Borrowers

- > Lending to public and private companies and projects (currently over 140 individual investments).
- > Other than in respect of the Notes, no more than 5% of the Trust's assets are to be invested in a single borrower.¹⁶

Diversified by Industries

- > Lending across industry sectors.
- > It is not intended that the Trust will invest in the banking sector (i.e. regulated banks that otherwise issue public debt securities and hybrids).

Diversified by Credit Quality

- > Lending across the credit spectrum reflective of the corporate loan market.

Borrowers will be Australian domiciled (>80%) with investments in debt products typical in the Australian corporate loan market, including being secured or unsecured, senior or subordinated, investment grade or sub-investment grade, with such investments undertaken by the Manager to best achieve the Investment Objective.

This provides only an indication of the intended investments of the Trust.

Labour standards or environmental, social or ethical considerations

Metrics has a formal Environmental, Social and Governance (ESG) Policy in place. Metrics' investment process may take ESG issues into account for the purpose of selecting or realising an investment when, in its view, these issues could have a material impact on either investment risk or return. Metrics is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and accordingly has undertaken to take ESG and labour standards into account in its investment process. Metrics' decision making process in respect of maintaining, realising or making an investment takes ESG and labour standards into account to the extent those matters may impact the credit risk of a particular borrower.

A copy of the ESG Policy can be obtained on request from the Manager.

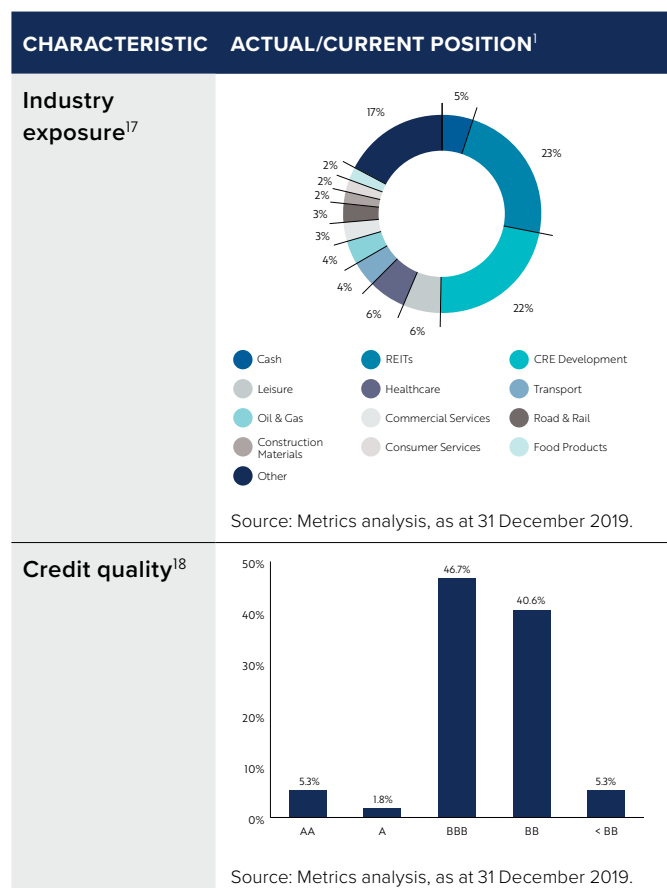
5.5 TARGET PORTFOLIO ALLOCATION

The Trust, via the Sub-Trust, is currently exposed to a portfolio of corporate loans which broadly reflects activity in Australia's corporate loan market, diversified by borrower, industry and credit quality.

The following provides an overview of the current investments of the Trust.

CHARACTERISTIC	ACTUAL/CURRENT POSITION ¹
Trust size	\$1.3 billion (NAV)
Net return (after fees and costs)	5.45% per annum (annualised distributions for period from IPO to end 31 December 2019). <i>Past performance is not a reliable indicator of future performance.</i>
Individual investments	>140

¹⁶ Measured at investment. This limit may be exceeded in some situations such as revaluations, redemptions from the Sub-Trust or Wholesale Funds or workouts.



5.6 PERFORMANCE

Trading Performance

The Trust listed on the ASX on 9 October 2017 and launched and closed an Entitlement Offer on 5 March 2018, 29 March 2018 and 27 May 2019 respectively. The Trust also completed placements of units to wholesale investors on 4 June 2019 and 20 June 2019. The Trust currently has over 17,500 Unitholders.

Table 3: Key trading statistics*

IPO price (\$)	2.00
Highest traded closing price since IPO	2.14
Lowest traded closing price since IPO	2.00
31 December 2019 closing price	2.06
Volume weighted average price since IPO	2.07
Average daily volume traded over last twelve months	\$2m

Source: Bloomberg.
As at 31 December 2019.

**Past performance is not a reliable indicator of future performance.*

Chart 10: Trading performance since IPO*



Source: Bloomberg, as at 31 December 2019.

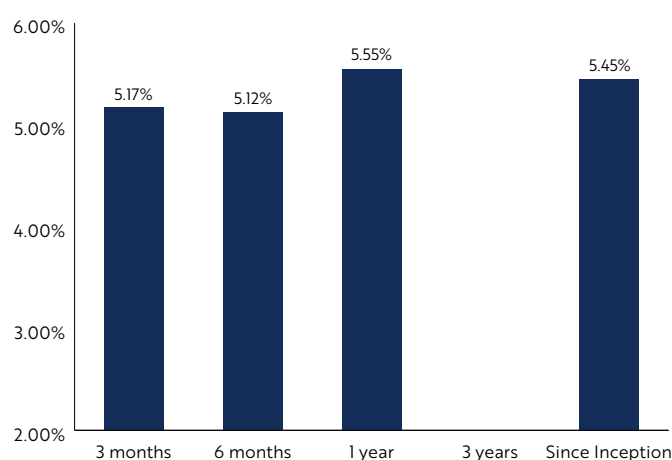
**Past performance is not a reliable indicator of future performance.*

¹⁷ Based on committed investments and investor capital as at 31 December 2019.

¹⁸ Metrics uses a proprietary ratings model to assign risk measures to its loan exposures.

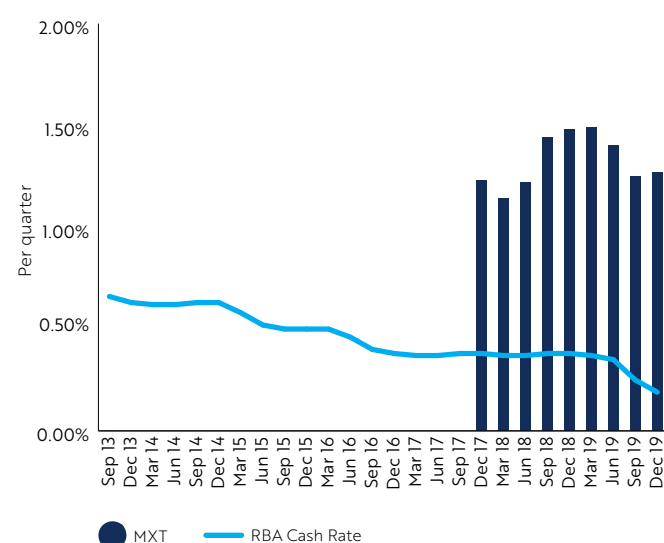
The returns below reflect the net returns (based on unaudited management accounts for each financial year) of the Trust net of management fees and costs (including accrued but unpaid performance fees). **Past performance is not a reliable indicator of future performance.**

Chart 11: MCP Master Income Trust annualised historical net returns (net of fees)



Source: Metrics.
Notes: as at 31 December 2019.

Chart 12: MCP Master Income Trust quarterly historical net returns (net of fees)



Source: Metrics.
Notes: as at 31 December 2019.

5.7 DISTRIBUTIONS

Since listing on the ASX to the end of December 2019, the Trust has paid existing Unitholders total distributions at an annualised rate of 5.39%. **Past performance is not a reliable indicator of future performance.** The distributions paid and declared are in line with the ongoing Target Return and the Investment Objective.

The Responsible Entity intends to continue to pay distributions to Unitholders monthly. Distributions are expected to match the income (net of fees and expenses) achieved by the Trust but will be paid at the discretion of the Responsible Entity and may depend on a number of factors, including future earnings, capital requirements, financial conditions, future prospects and other factors that the Responsible Entity deems relevant.

The Responsible Entity has established a DRP which provides Unitholders with the option to re-invest distributions as additional Units in the Trust. Please refer to the DRP lodged with the ASX on 13 February 2018 and available on the Manager's website. Unitholders who have not provided bank account details for the payment of cash distributions will be deemed to have elected to reinvest all of their cash distributions in additional Units in the Trust in accordance with the DRP.

5.8 INVESTMENT PIPELINE

The Manager is constantly assessing investment opportunities for the Trust and the Wholesale Funds. The Manager expects to be able to deploy capital raised from the Offer in investments which are consistent with the Investment Strategy and Target Return of the Trust. **The Target Return is a target only and may not be achieved.**

The Manager does not expect any changes to the Target Return or the frequency of distributions as a result of this Offer.

5.9 VALUATION OF ASSETS

The valuation of corporate loans reflects that they are not generally available for sale. Credit risk rather than market risk is the key risk reflected in the asset valuation. Credit risk is assessed in terms of probability that a borrower may default, estimated level of utilisation of a loan at default and the anticipated loss given a default has occurred.

The NAV of the Trust is expected to be calculated daily by deducting from the total value of the assets of the Trust all liabilities, which includes declared but unpaid distributions, calculated in accordance with Australian Accounting Standards (AAS).

The Net Tangible Asset Backing is the value of the Trust's total assets reduced by the Trust's intangible assets and the Trust's total liabilities, which includes declared but unpaid distributions and unpaid management fees earned, as calculated in accordance with the Listing Rules.

The valuation methods applied by the Responsible Entity to value the Trust's assets and liabilities must be consistent with the range of ordinary commercial practice for valuing them and represent its assessment of current market value.

The Responsible Entity engages an international accounting and professional services firm to provide an independent assessment of the net asset value of the Trust on an ongoing basis.

The NAV per Unit of the Trust is generally published daily on the website of the Manager and lodged with the ASX.

5.10 MCP WHOLESALE INVESTMENTS TRUST

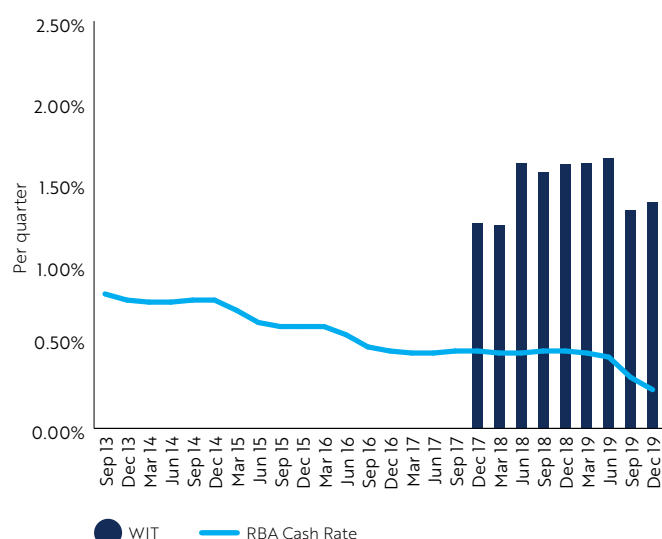
The MCP Wholesale Investments Trust is an open-ended, unregistered unit trust which accepts applications from wholesale investors. The Trust holds fully paid units in the Sub-Trust; however, the Sub-Trustee may issue partly paid units or other investments in the future to other investors who will have the same voting rights as the Trust.

The investment strategy of the Sub-Trust is to create a diversified exposure to Australian corporate loans generally reflecting market activity diversified by borrower, industry and credit quality. Through active portfolio risk management, the Manager seeks to preserve investor capital. The Sub-Trust invests in and may invest alongside the Wholesale Funds which are managed by Metrics. A high-level summary of the Sub-Trust is set out below:

TERM	DETAIL
Structure	Open ended unit trust.
Asset duration	The fund may invest in loans (directly or indirectly through the Wholesale Funds) with a tenor to maturity of 6 months to 10 years.
Portfolio Construction	> A portfolio of corporate loans reflecting activity across the Australian corporate loan market. > Investment grade and sub-investment grade loans. > Diversified across borrowers, industries, the credit spectrum and loan products.
Distributions	> Net income distributed to investors on a monthly basis. > Distributions may be reinvested into new units.

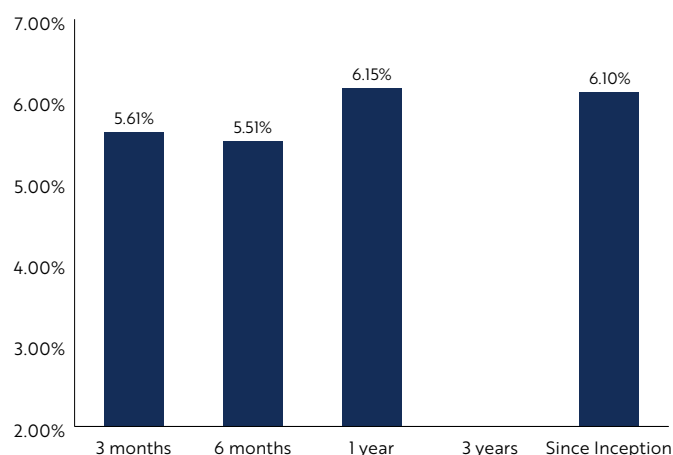
The following charts summarise the historical performance of the Sub-Trust. The net return incorporates the costs and fees of the Sub-Trust but does not include additional costs or fees that may be incurred by the Trust. **Past performance is not a reliable indicator of future returns.**

Chart 13: WIT quarterly historical returns (net of fees)



Source: Metrics.
Notes: as at 31 December 2019.

Chart 14: WIT annualised historical returns (net of fees)



Source: Metrics.
Notes: as at 31 December 2019.

Investments

Metrics is responsible for managing the investments of the Sub-Trust.

The Sub-Trust invests in the Wholesale Funds. For further information on how the Sub-Trust invests in the Wholesale Funds please see section 13.4. The Sub-Trust Manager anticipates that the Sub-Trust's direct investments and investments in the Wholesale Funds will typically involve long term commitments of 5 to 10 years given the nature of the investments of the Wholesale Funds which can have terms of up to 15 years. The ability of the Sub-Trust to withdraw its investment in the Wholesale Funds will be dependent on a number of factors, which include:

- > the terms of the Wholesale Funds which are discussed further below;
- > the ability of the Wholesale Funds to liquidate their investments to pay any withdrawal of the Sub-Trust and whether liquidating those investments is in the best interests of investors as a whole in those funds; and
- > the volume of other withdrawing investors in the Wholesale Funds.

The Sub-Trust may borrow and may invest directly in loans with other investors to the extent that the Sub-Trust Manager and the Sub-Trustee deem appropriate.

Subject to the Corporations Act and the Listing Rules, the Sub-Trust may also make investments in the Trust by acquiring units in the Trust where the Manager believes it is financially beneficial (such as where Units are trading below their underlying value).

Arrangements with investors in the Sub-Trust

The Sub-Trustee and the trustees of the Wholesale Funds and the Manager may enter into arrangements with wholesale investors in the Sub-Trust or Wholesale Funds in certain circumstances to satisfy these wholesale investor requirements (e.g. to satisfy regulatory requirements specific to the investor or in respect of redemptions, not having exposure to certain investments and the retirement of the Sub-Trustee or Sub-Trust Manager where they have acted wrongfully). These arrangements may differ from the terms the Trust is exposed to.

Redemption from the Sub-Trust

The Sub-Trustee is not obliged to redeem the Trust's units in the Sub-Trust but may accept a redemption request at its absolute discretion. None of the Sub-Trust or the Wholesale Funds are readily liquid and that is why redemptions are limited.

If the Manager's appointment as manager of the Trust is terminated by ordinary resolution of Unitholders in the Trust, the Sub-Trustee may at its discretion compulsorily redeem the Trust's units in the Sub-Trust within three months of the resolution. The timing and funding of such redemptions will be dependent on a number of factors which are discussed above under 'Investments' in 5.10 and in section 8. Where investments are required to be realised to fund redemptions the redemption price may be derived from the actual sale proceeds from those assets rather than the net asset value of the trust at the time of the redemption. If such redemption does not occur in the three months then the Sub-Trustee must remove Metrics as manager of the Sub-Trust.

Voting

Each unitholder of the Sub-Trust is entitled to one vote on a show of hands and one vote, per dollar of the issue price of a unit, held on a poll.

Retirement of the Sub-Trustee

The Sub-Trustee may retire as trustee by giving 20 Business Days' notice (unless a shorter notice is agreed by unitholders) to unitholders in the Sub-Trust.

The Sub-Trustee must also retire if directed to retire by Metrics on three months' notice after the fourth year of the initial term or by special resolution of unitholders (which requires a resolution passed at a meeting of all Sub-Trust unitholders by at least 85% of votes cast by unitholders).

Indemnity of Sub-Trustee

The Sub-Trustee is indemnified out of the property of the Sub-Trust for any liability incurred by it, in its own capacity or through an agent, manager, adviser or delegate, in relation to the proper performance of any of its duties in respect of the Sub-Trust.

Refer to section 13.4 for further details on the above terms, agreements and investments of the Trust and Sub-Trust.

5.11 WHOLESALE FUNDS

Generally, the Wholesale Funds invest directly in a diversified portfolio of corporate fixed income investments via direct lending to Australian companies. The Wholesale Funds may also have investment mandates that enable them to invest in other funds managed by Metrics. The Wholesale Funds may also invest in equity or other financial instruments and may enter into restructuring and recapitalisation agreements with certain borrowers in the event a corporate restructuring or recapitalisation of a corporate borrower is required.

The Sub-Trust currently invests in the Wholesale Funds that are all managed by Metrics:

- > the Metrics Credit Partners Diversified Australian Senior Loan Fund (DASLF);
- > the MCP Secured Private Debt Fund II (SPDF II); and
- > the MCP Real Estate Debt Fund (REDF).

Metrics Credit Partners Diversified Australian Senior Loan Fund (DASLF)

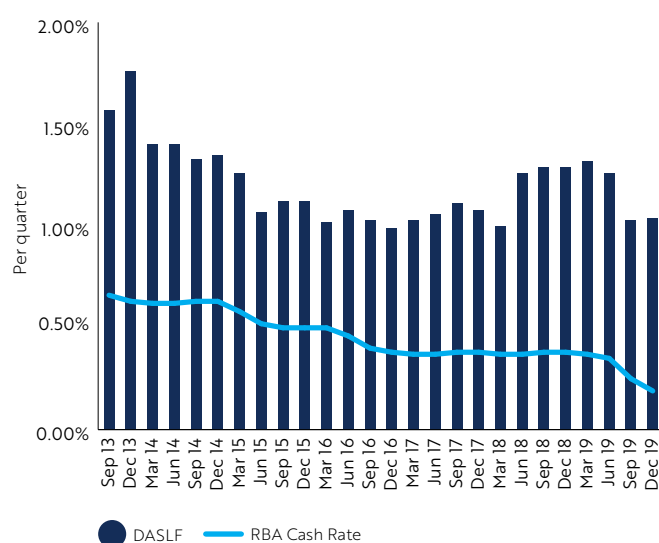
Launched in June 2013, DASLF is a registered managed investment scheme ARSN 163 161 591 which invests primarily in the Australian domestic loan market, participating in corporate and institutional loan facilities alongside banks and other lenders. Investments include loans provided to: listed companies, large and medium sized private companies, project finance borrowers including public private partnerships, property finance including development funding and real estate investment trusts, and acquisition finance facilities. DASLF can invest in corporate facilities that are both term drawn and revolving, multi-currency, secured and unsecured, senior and subordinated.

DASLF is open-ended, offers liquidity and provides institutional investors with a diversified exposure to Australian corporate debt across borrowers, industries and the credit spectrum.

TERM	DETAIL
Structure	Open ended unit trust, registered managed investment scheme.
Benchmark	90-day BBSW (Bloomberg: BBSW3M).
Target Returns	Benchmark plus additional return from applicable credit margin and lending fees. <i>The Target Return is a target only and may not be achieved.</i>
MCP Master Income Trust investor performance fee	There are no performance fees payable to the Manager by the DASLF. Refer to section 7 for more details.
Asset duration	Target weighted average tenor of assets of the fund is 3 years.
Portfolio Construction	> Investments reflecting Australia's corporate loan market, diversified by borrower, industry, credit quality and debt product. > >90% senior ranking and >80% Australian domiciled borrowers.
Leverage	> Up to 30% of gross asset value (GAV).
Distributions	Net income distributed to investors on a monthly basis. Distributions may be reinvested into fund units.

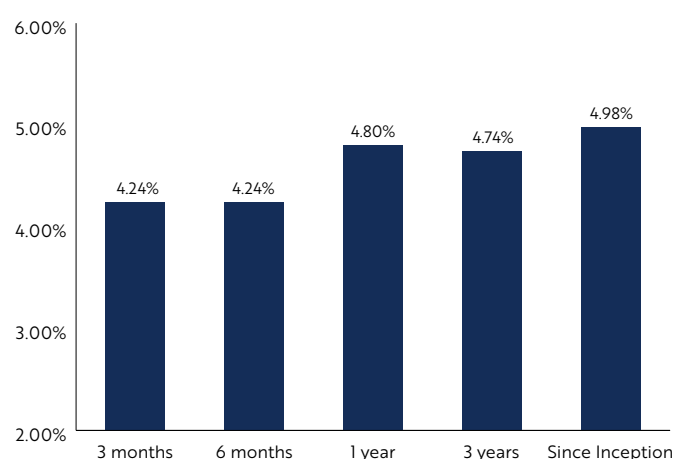
The following charts summarise the historical performance of DASLF. The net return incorporates the costs and fees of DASLF based on a commensurate investment in DASLF as the Sub-Trust has at the date of this PDS, but does not include additional costs or fees that may be incurred by the Trust or the Sub-Trust. ***Past performance is not a reliable indicator of future returns.***

Chart 15: DASLF quarterly historical returns (net of fees)



Source: Metrics.
Notes: as at 31 December 2019.

Chart 16: DASLF annualised historical returns (net of fees)



Source: Metrics.
Notes: as at 31 December 2019.

MCP Secured Private Debt Fund II (SPDF II)

Launched in October 2017, SPDF II provides direct exposure to Australian corporate debt across mid-market corporate borrowers. SPDF II invests primarily in direct loans to sub-investment grade mid-market Australian companies.

TERM	DETAIL
Structure	Unregistered open ended unit trust.
Benchmark	90-day BBSW (Bloomberg: BBSW3M).
Hurdle return	Benchmark plus 4.00% per annum post fees and expenses.
MCP Master Income Trust investor performance fee	The Manager will not be entitled to a performance fee paid by the SPDF II unless the Target Return of RBA Cash Rate plus 3.25% per annum net of fees is achieved for the Trust investor. Refer to section 7 for more details.
Asset duration	The fund invests in loans with a tenor to maturity of 6 months to 10 years.
Portfolio Construction	> A portfolio of Australian corporate loans reflecting activity in Australia's mid-market corporate loan market. > Sub-investment grade loans (refer to table 1 in section 4.2). > Diversified across borrowers, industries and the capital structure of borrowers.
Distributions	> Net income distributed to investors on a monthly basis. > Distributions may be reinvested into new units.

The following charts summarise the historical performance of SPDF II. The net return incorporates the costs and fees of SPDF II (including accrued but unpaid performance fees) but does not include additional costs or fees that may be incurred by the Trust or the Sub-Trust. **Past performance is not a reliable indicator of future returns.**

Chart 17: SPDF II quarterly historical returns (net of fees)

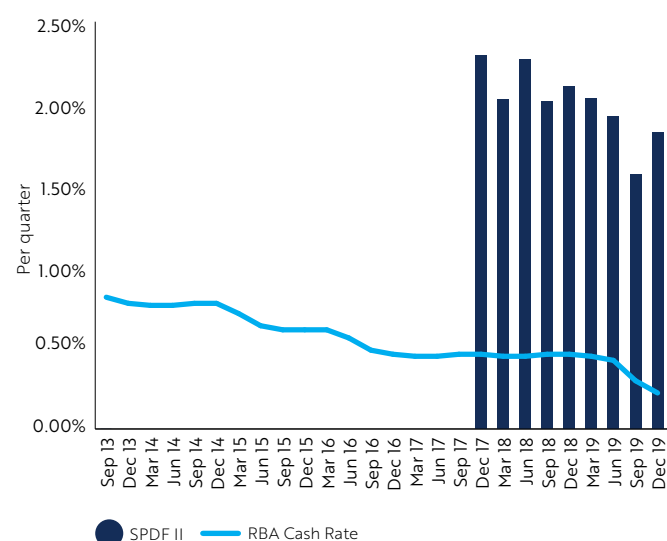
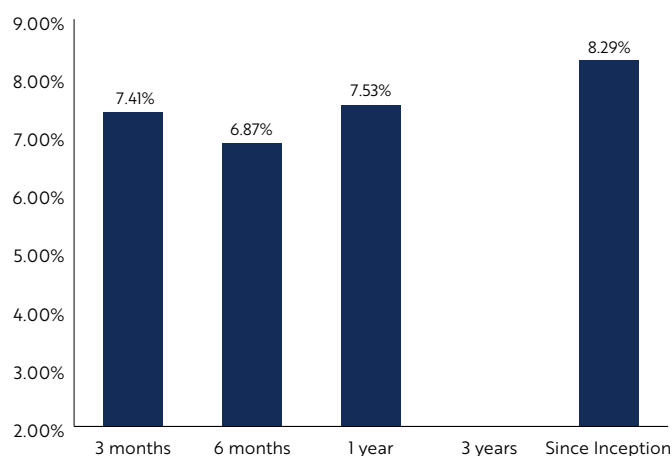


Chart 18: SPDF II annualised historical returns (net of fees)



Source: Metrics.
Notes: as at 31 December 2019.

Source: Metrics.
Notes: as at 31 December 2019.

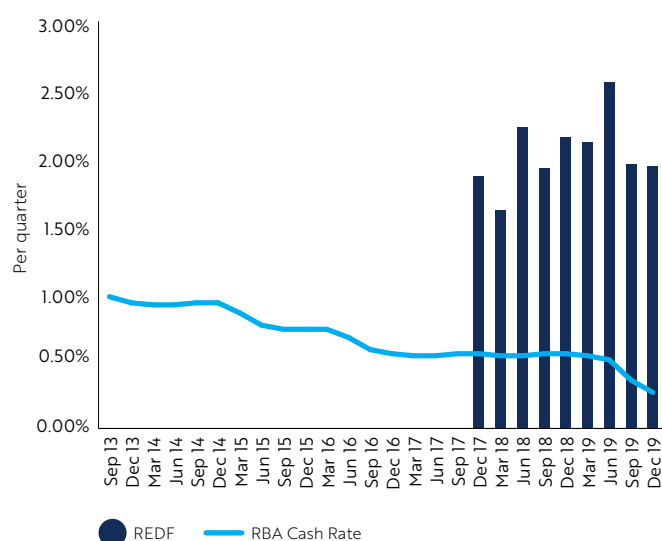
MCP Real Estate Debt Fund (REDF)

Launched in October 2017, REDF provides direct exposure to a portfolio of Australian commercial real estate debt, providing investors with attractive risk-adjusted returns.

TERM	DETAIL
Structure	Unregistered open ended unit trust.
Benchmark	90-day BBSW (Bloomberg: BBSW3M).
Hurdle return	Benchmark plus 5.00% per annum post fees and expenses.
MCP Master Income Trust investor performance fee	The Manager will not be entitled to a performance fee paid by the REDF unless the Target Return of RBA Cash Rate plus 3.25% per annum net of fees is achieved for the Trust investor. Refer to section 7 for more details.
Asset duration	The fund invests in loans with a tenor to maturity of 6 months to 10 years.
Portfolio Construction	Build and maintain a diversified portfolio of Australian commercial real estate debt assets, diversified by: > projects and borrowers; > sectors (industrial, retail, residential development and commercial); > geography (across states in both metro and regional); > stage of development (new development and brownfield); and > position in the capital structure.
Distributions	> Net income distributed to investors on a monthly basis. > Distributions may be reinvested into new units.

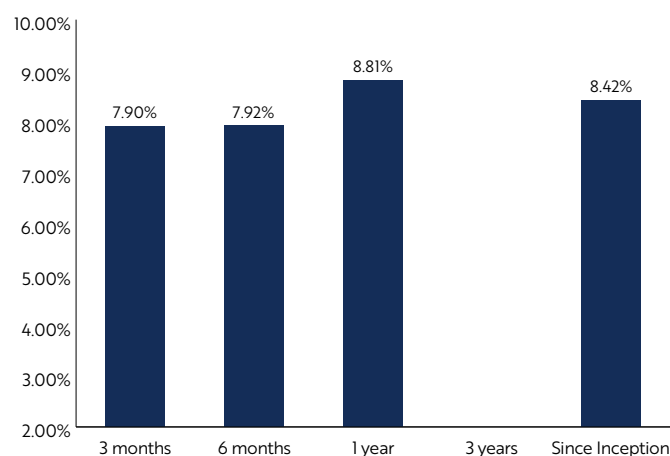
The following charts summarise the historical performance of REDF. The net return incorporates the costs and fees of REDF (including accrued but unpaid performance fees) but does not include additional costs or fees that may be incurred by the Trust or the Sub-Trust. **Past performance is not a reliable indicator of future returns.**

Chart 19: REDF quarterly historical returns (net of fees)



Source: Metrics.
Notes: as at 31 December 2019.

Chart 20: REDF annualised historical returns (net of fees)



Source: Metrics.
Notes: as at 31 December 2019.

5.12 CUSTODIAL MATTERS

The Responsible Entity has appointed Perpetual Corporate Trust Limited (a related party of the Responsible Entity) to hold the assets of the Trust. The assets of the Trust are held by the Custodian in accordance with the usual market practice, any cost incurred for this service is borne by the Trust. Cash may also be held on deposit with one or more Australian authorised deposit-taking institutions. The Custodian has no supervisory role in relation to the operations of the Trust and is not responsible for protecting its interests. The Custodian has no liability or responsibility for any act done or omission made in accordance with the terms of the appointment. To the extent that this PDS includes statements by the Custodian or includes statements based on any statement of, or information provided by, the Custodian, the Custodian consents to each such statement being included in the PDS in the form and context in which it is included and has not withdrawn that consent at any time prior to the lodgement of this PDS. The assets held by the Custodian are not investments of the Custodian or any other member of the Custodian's group of companies (**Custodian's Group**). Neither the Custodian nor any other member of the Custodian's Group guarantees the performance of the investment or the underlying assets of the Trust, or provide a guarantee or assurance in respect of the obligations of the Trust.

Please refer to section 8 for further information on potential conflicts of interest between the Responsible Entity and the Custodian.

5.13 ADMINISTRATION

The Responsible Entity will outsource its investment valuation, accounting and unit registry to the Administrator. The Administrator will incur external costs on behalf of the Trust and will be entitled to recover those costs from the Trust.

MCH Services has been appointed as the Administrator to provide certain administrative services to the Trust. MCH Services values the Trust's assets at the end of each day and will, as soon as it is practical, provide these calculations to the Trust.

5.14 UNIT REGISTRY

The Responsible Entity outsources unit registry services to the Unit Registry.

Automatic will be appointed to provide Unit Registry services to the Trust.

5.15 CHANGES TO INVESTMENT STRATEGY

The Manager has implemented the Trust's Investment Strategy as detailed in this PDS.

It is not expected that the Manager will seek to change the Trust's Investment Objective, Investment Strategy, guidelines, and permitted investments. However, any such changes would require Responsible Entity approval, after consultation with the Manager, before they may be implemented. Unitholders will receive advice of any material changes via the Manager's website and the ASX.

Subject to compliance with this PDS, the Listing Rules and the Corporations Act the Manager has absolute discretion to invest as it sees fit to achieve the Trust's Investment Objective.

If the Trust ceases to comply with the approved Investment Objective, Investment Strategy, guidelines and permitted investments or any directions or instructions from the Responsible Entity due to market movements, contributions to or withdrawals from the Trust, a change in the nature of an investment or any other event outside the reasonable control of the Manager, the Manager must use its reasonable endeavours to remedy the non-compliance within a reasonable period of time of the Manager becoming aware of the non-compliance, or longer period as permitted by the Responsible Entity.

5.16 LEVERAGE

The Trust does not currently have any debt, nor is it anticipated that it will incur debt in the future. The Sub-Trust and the Wholesale Funds may borrow for purposes including:

- > to enable the Sub-Trust or relevant Wholesale Fund to undertake its investment activities; and
- > working capital requirements of the Sub-Trust or relevant Wholesale Fund.

Additionally, the Wholesale Funds may utilise core leverage, depending on the underlying strategy and investment objectives of the individual Wholesale Fund. As at the date of this PDS, the Sub-Trust, SPDF II and REDF currently have no core debt. DASLF has a \$850 million facility, which may be used to enable DASLF to undertake investment activities. Subject to portfolio diversity, credit quality, performance and the availability of debt finance on terms acceptable to the Manager, the maximum level of permitted leverage of SPDF II and REDF is restricted to not greater than 50% of gross asset value and for DASLF no greater than 30% of gross asset value.

5.17 LIQUIDITY

Units are not able to be redeemed except under a withdrawal offer under the Corporations Act or a buy-back of units under the Corporations Act and Listing Rules while the Trust is listed.

As the Trust is admitted on the official list of the ASX and Units are quoted on the ASX, Unitholders are able to sell their Units on the ASX, subject to there being sufficient buyers of Units at a price that is satisfactory to the selling Unitholder, the ASX being open for trading and the Units not being suspended from trading. Units may be sold on the ASX by Unitholders instructing their stockbroker.

As at the date of this PDS, the Responsible Entity does not offer any liquidity to Unitholders, however, the Responsible Entity may offer liquidity alternatives to Unitholders in the future.

5.18 REPORTS TO UNITHOLDERS

The Trust is a disclosing entity for the purposes of the Corporations Act and as such, is subject to regular reporting and disclosure obligations. Broadly, these obligations require the Responsible Entity to:

- a) prepare and lodge with ASIC both annual and half-yearly financial statements accompanied by a directors' statement and report, and an audit or review report;
- b) make available to investors upon request a copy of those annual and half-yearly reports and any continuous disclosure notices given by the Responsible Entity after lodgement of the annual financial report and before the date of this PDS; and
- c) immediately notify the ASX of any information concerning the Trust of which it is, or becomes, aware and which a reasonable person would expect to have a material effect on the price or value of securities in the Trust, subject to certain limited exceptions related mainly to confidential information.

The Trust releases to the ASX a statement of the Net Tangible Asset Backing of its Units at the end of each month. The calculation of the Net Tangible Asset Backing of Units is made in accordance with the Listing Rules.

The Responsible Entity intends that the Administrator and Manager will prepare reports on both a semi-annual and annual basis to keep Unitholders informed about the current activities of the Trust, the performance of the Trust's investments and the investment outlook. The Condensed Interim Financial Report of the Trust will be reviewed (but not audited) by the Auditor. The annual accounts for the Trust will be audited. These reports, continuous disclosure notices and other information about the Trust are accessible on the Manager's website www.metrics.com.au/mxt/. The Responsible Entity will also provide a copy of any of the above free of charge on request. Please call the Unit Registry on 1300 133 451 (within Australia) or +61 2 8259 8888 (from outside Australia). Copies of documents set out above that are lodged by the Trust with ASIC or the ASX may also be obtained from ASIC or the ASX (respectively).

Note, investments in corporate loans are private and confidential transactions and as such individual investments will not be disclosed.

This PDS is issued in reliance on section 1013FA of the Corporations Act. This enables listed disclosing entities to issue a product disclosure statement with more limited disclosure than would be required of a full-form product disclosure statement where the Trust has been an ASX listed disclosing entity for a period of at least 12 months. The Responsible Entity will provide a copy of the financial statements for the Trust for the half-year ended 31 December 2019, the year ended 30 June 2019 and continuous disclosure notices (including daily fund updates) given by the Responsible Entity after the lodgement of the annual financial report and before the date of this PDS free of charge to any person who requests a copy.

SECTION 6: ABOUT THE MANAGER

6.1 METRICS CREDIT PARTNERS PTY LTD

The Responsible Entity has appointed Metrics to be the manager of the Trust under an Investment Management Agreement. Metrics' role under the Investment Management Agreement includes but is not limited to managing the Trust's investments and administrative affairs. Please refer to Section 13.3 for a summary of the Manager Loan between the Trust and the Manager. The Administrator will be authorised to manage the administrative affairs of the Trust.

Metrics is an Australian based alternative asset management firm specialising in direct lending to Australian companies and is an active participant in the Australian private credit market. Metrics launched its first wholesale fund in 2013 and is the appointed manager of a number of wholesale investment trusts in addition to the Trust and the MCP Income Opportunities Trust (ASX code MOT), which listed on the ASX in April 2019. Metrics currently manages in excess of A\$5 billion in assets.

Metrics has established a range of unique and innovative investment products that are designed to provide investors with access to portfolios of private credit investments that have regular income potential and which would not normally be available to retail investors. Metrics' investment activities cover a broad range of private credit investments from lower yielding and lower risk private credit to higher yielding and higher risk private credit. Lending activities cover a range of industries and borrowers as well as structures including (but not limited to) loans, notes, bonds, warrants, options, preference shares and equity.

Metrics' Investment Team is experienced in the direct origination and management of corporate debt investments and seeks to manage risk through detailed initial and ongoing due diligence and portfolio risk management strategies explained further in this section.

Metrics Credit Holdings Pty Ltd (MCH)

MCH was incorporated in May 2011 as the holding entity for Metrics. MCH is owned 65% by the Investment Team (being Justin Hynes, Andrew Lockhart, Graham McNamara and Andrew Tremain through their respective controlled entities, each holding equal shares) and 35% by Pinnacle Investment Management Limited (**Pinnacle**), a wholly-owned subsidiary of ASX-listed Pinnacle Investment Management Group Limited (ASX:PNI).

Pinnacle has entered into a shareholders agreement with the Investment Team which governs the ongoing investment in and the management of MCH and Metrics.

Metrics Board of Directors

The Metrics Board is responsible for ensuring that Metrics' management implements its corporate business plan and develops strategies to grow its business. The Metrics Board is also responsible for ensuring that Metrics complies with its obligations under its AFSL and various investment management agreements.

The Metrics Board consists of Justin Hynes, Andrew Lockhart, Graham McNamara, Andrew Tremain (see biographies in Section 6.2), Allan Griffiths, Ian Macoun and Andrew Chambers (see biographies below).

ALLAN GRIFFITHS

Chairman – Metrics Credit Partners

Allan is the Chairman of Metrics Credit Partners, Westpac Life Insurance Services Pty Limited (ACN 003 149 157), Westpac General Insurance Limited (ACN 003 719 319), Westpac Lenders Mortgage Insurance Limited (ACN 074 042 934), and Australian Wealth Management Limited (ACN 111 116 511) as well as Chairman of IOOF Holdings Limited (ACN 100 103 722).

Allan has previously held a number of executive positions within the financial services industry, most notably at Aviva, one of the largest global insurance, investment and superannuation providers, as CEO of Australia and later Managing Director South Asia based in Singapore.

IAN MACOUN

Managing Director – Pinnacle Investment Management Group Limited

Ian is the founding Managing Director of Pinnacle Investment Management Group Limited, Chairman of Plato Investment Management Limited (ACN 120 730 136) and a director of Resolution Capital Limited (ACN 108 584 167), Hyperion Asset Management Limited (ACN 080 135 897), Palisade Investment Partners Limited (ACN 124 326 361), Antipodes Partners Limited (ACN 602 042 035) and Solaris Investment Management Limited (ACN 128 512 621).

Ian's career to date has included the establishment of Australia's first "multi-boutique" funds management firm (Perennial Investment Partners; founding Managing Director, from 1998), building a major new investment corporation (Queensland Investment Corporation; inaugural Chief Executive – from 1988), and the reconstruction of a major Australian bank's investment operation (Westpac Investment Management; Managing Director from 1993).

Ian's qualifications include Bachelor of Commerce and Master of Financial Management degrees; CFA Charterholder; Diploma in Financial Services (Financial Planning); Fellow, Australian Society of CPAs; and Fellow, Australian Institute of Company Directors.

ANDREW CHAMBERS

Executive Director – Pinnacle Investment Management Group Limited

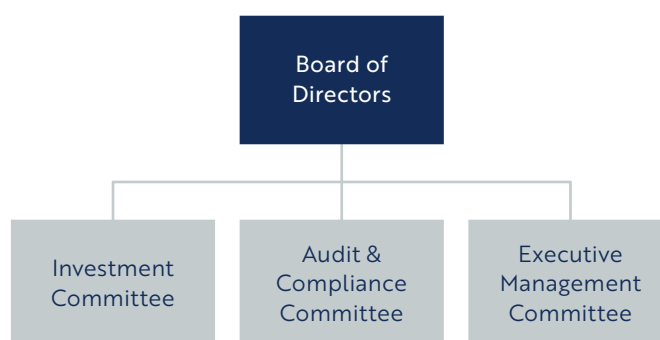
Andrew is as an Executive Director of Pinnacle Investment Management Group Limited and a director of Pinnacle affiliates Two Trees Investment Management Pty Limited (ACN 616 424 170) and Omega Global Investors Pty Limited (ACN 126 331 244).

Andrew has extensive multi-channel (institutional, wholesale and retail) and multi-jurisdictional distribution experience and is currently responsible for leading the firm's institutional and international distribution strategy and execution. Prior to joining Pinnacle, Andrew was Vice President at Legg Mason, one of the world's largest pure play, multi-affiliate investment management firms.

Andrew has a Bachelor of Arts (Honours) from the University of Melbourne, a Master of Science in International Relations from the London School of Economics and Political Science and a Graduate Diploma of Applied Finance and Investment from Kaplan Professional.

Metrics Board Committees

The Metrics Board has established the following sub-committees to ensure Metrics has appropriate governance around critical functions.



Metrics Investment Committee

The Metrics Investment Committee has been established by the Metrics Board and is responsible for all investment decisions concerning assets of funds which Metrics manages.

The Metrics Investment Committee is comprised of the Investment Team and is responsible for the development and maintenance of the investment policies, investment decisions, control and management of assets.

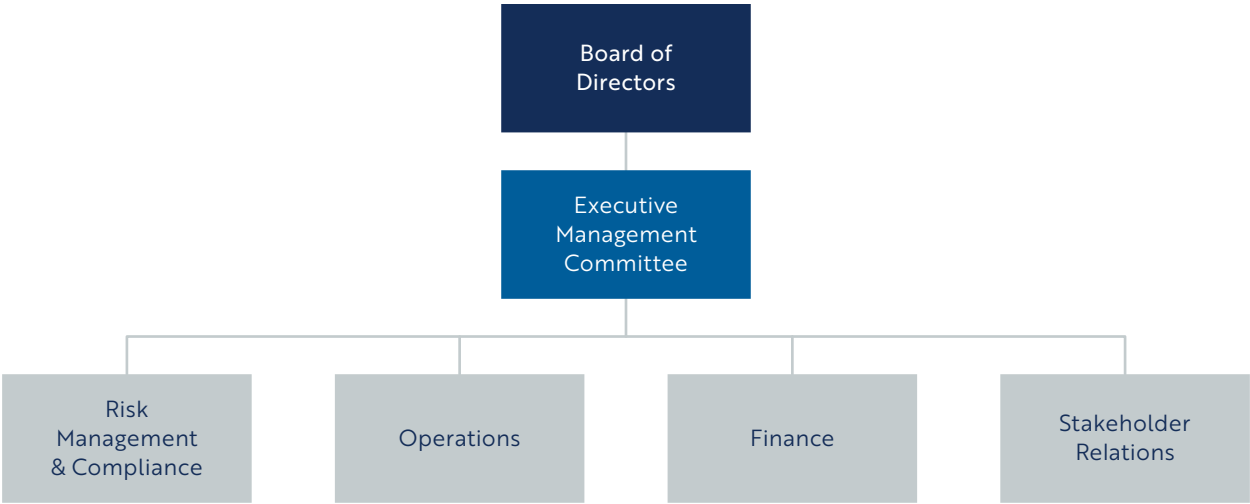
The Metrics Investment Committee provides detailed asset level reporting to the trustees of the Wholesale Funds on a daily, monthly, quarterly and annual basis to report ongoing compliance with the investment strategies disclosed in the Wholesale Funds' offer documents.

Audit and Compliance Committee

The Audit and Compliance Committee has been established by the Metrics Board to ensure effective risk management practices, that a risk management framework for Metrics is maintained, and to ensure the proper performance of Metrics' regulatory and compliance obligations.

Executive Management Committee

The Executive Management Committee has been established by the Metrics Board to implement Metrics’ corporate business plan and has been delegated the necessary authority to attend to the management of Metrics. To facilitate efficient and timely management of business activities, Metrics is structured along key functional business lines.



The Executive Management Committee is comprised of the Investment Team.

6.2 THE INVESTMENT TEAM OF THE MANAGER

Metrics has an Investment Team comprised of senior and experienced market professionals with extensive skills and backgrounds in the origination and management of corporate debt assets (loans, Bonds and associated products). The Investment Team principals have significant experience in funds management, commercial and investment banking including debt origination, structuring and portfolio risk management including corporate restructuring. Amongst the Investment Team principals, there are specialist skills in leveraged and acquisition finance, corporate finance, corporate and institutional lending, loan syndication and portfolio credit risk management.

The Investment Team principals of the Manager are as follows:

Andrew Lockhart	> Andrew has considerable loan origination, structuring and portfolio risk management experience and has been responsible for the origination and management of large, diversified and complex loan portfolios including considerable corporate restructuring experience. > Andrew has approximately 33 years' banking, funds management and financial markets experience and previously specialised in leverage and acquisition finance as well as corporate and institutional lending. > Andrew holds a Bachelor of Business and Masters of Business Administration from the Queensland University of Technology.
Justin Hynes	> Justin has considerable loan origination, structuring and portfolio management experience, including workout and restructuring experience. > Justin has extensive acquisition and corporate finance experience in both an advisory and principal capacity in Australia and South East Asia. > Justin has approximately 23 years' financial markets experience, and previously specialised in leveraged and acquisition finance as well as corporate finance. > Justin holds a Bachelor of Commerce and Bachelor of Japanese Studies from the Australian National University.
Graham McNamara	> Graham has considerable commercial banking experience covering portfolio risk management, debt origination and distribution, agency management and corporate banking. > Graham has approximately 40 years' experience in banking, funds management and financial markets and has established the loan syndications and agency businesses at major Australian banks. > Graham served as a director of the Asia Pacific Loan Market Association and was the founding chairman of the Association's Australian Branch. Graham is a Member of the Australian Institute of Company Directors.
Andrew Tremain	> Andrew has considerable Australian, European and Asian banking experience covering corporate, structured, leverage and acquisition finance, portfolio management and relationship management. > Andrew has approximately 33 years' experience and previously specialised in leveraged and acquisition finance as well as loan syndications. > Andrew holds a Bachelor of Commerce from Macquarie University.

A team of investment professionals with skills and experience covering credit and financial analysis, portfolio risk management, legal documentation and administration supports the Investment Team.

SECTION 7: FEES AND OTHER COSTS

7.1 CONSUMER ADVISORY WARNING

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example reduce it from \$100 000 to \$80 000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

7.2 FEES AND OTHER COSTS

This section shows the fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Tax information is set out in section 11 of this PDS.

You should read all of the information about fees and costs because it is important to understand their impact on your investment.

Table 4

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the managed investment product		
Establishment fee The fee to open your investment.	Nil	Not Applicable
Contribution fee The fee on each amount contributed to your investment.	Nil	Not Applicable
Withdrawal fee The fee on each amount you take out of your investment.	Nil	Not Applicable
Exit fee The fee to close your investment.	Nil	Not Applicable

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Management costs¹		
The fees and costs for managing your investment.	0.58% – 0.61% per annum of the Trust's NAV, depending on how much is raised under the Offer plus Performance Related Fees of 0.09% per annum of the Trust's NAV ⁴	Management costs are comprised of: > Responsible Entity fee – approximately 0.02% per annum of the Trust's NAV calculated and accrued daily and paid monthly in arrears from the Trust's assets. > Expenses and Manager IEE² – 0.33% – 0.35% per annum of the Trust's NAV paid out of the Trust's assets once the cost is incurred. If the Manager's appointment is terminated, it is entitled to be paid the unpaid IEE for the remainder of the term of appointment (had the Manager not been terminated) calculated from the date of termination and based on the NAV of the Trust at termination, and any costs incurred, as outlined in section 13.1 of this PDS. If the Manager retires, the unpaid IEE is not payable. > Indirect costs³ – 0.23% – 0.24% per annum paid by the Wholesale Funds once the cost is incurred, excluding Performance Fees. > Performance Related Fees⁴ – 0.09% per annum paid by the Wholesale Funds once the cost is incurred.
Service fees		
Switching fee The fee for changing investment options.	Nil	Not applicable

¹ This amount comprises the Responsible Entity fee, recoverable expenses and indirect costs. Estimates are based on an allocation of 60% DASLF, 20% SPDF II and 20% REDF and assumes capital from investors other than MXT remains constant for the next 12 months. The management costs and the components of the management costs set out in the table above are inclusive of GST net of RITCs. For more information about management costs, please refer to 'Management costs' under section 7.4. Certain additional costs apply, such as transactional and operational costs. See 'Additional Explanation of Fees and Costs' section below for more information. The fees in this table can be negotiated with wholesale clients. For more information, refer to 'Can fees be different for different investors?' in section 7.4 below.

² This figure reflects the Responsible Entity's reasonable estimate at the date of this PDS of those costs that will apply for the current financial year. A range has been included assuming a minimum raise of nil to a maximum raise of approximately \$638 million. This figure includes the IEE. For further information please see section 7.4 below.

³ This figure reflects the Responsible Entity's reasonable estimate at the date of this PDS of those indirect costs that will apply for the current financial year. A range has been included assuming a minimum raise of nil to a maximum raise of approximately \$638 million. This figure includes any indirect costs borne by the Trust through its investment in the Sub-Trust or Wholesale Funds, including management fees but excluding performance related fees.

⁴ Performance related fees have been calculated based on the actual performance related fees that applied for the financial year ended 30 June 2019. Future performance related fees may vary from year to year and will depend on the future performance of the Trust and Wholesale Funds. Past performance is not a reliable indicator of future performance.

7.3 EXAMPLE OF ANNUAL FEES AND COSTS FOR THE TRUST

Table 5 gives an example of how the fees and costs in the Trust can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

Table 5: Example of annual fees and costs

EXAMPLE – MCP MASTER INCOME TRUST	AMOUNT	BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR ¹
Contribution fees	Nil	For every additional \$5,000 you put in you will be charged \$0.
PLUS Management costs	0.70% per annum of the Trust's NAV	And , for every \$50,000 you have in the Trust, you will be charged \$350 each year.
EQUALS Cost of Trust		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of: \$350 What it costs you will depend on the fees you negotiate.

¹ This example assumes the \$5,000 contribution occurs at the end of the year, therefore management costs are calculated using the \$50,000 balance only. The figure used for the management costs in the example above is based on the current Trust size (assuming a nil raise) and is the Responsible Entity's reasonable estimate (inclusive of GST less RITCs) of the typical ongoing amounts for the current financial year. Performance related fees have been calculated based on the actual performance related fees that applied for the financial year ended 30 June 2019. Future performance related fees may vary from year to year and will depend on the future performance of the Trust and Wholesale Funds. Past performance is not a reliable indicator of future performance. Certain additional costs may apply, such as transactional and operational costs. For more information, refer to section 7.4 below.

7.4 ADDITIONAL EXPLANATION OF FEES AND COSTS

Management costs

Management costs are expressed as a percentage of the Trust's NAV. Management costs are comprised of a Responsible Entity fee, recoverable expenses and indirect costs. Management costs do not include transactional and operational costs. For more information please see the 'Transactional and operational costs' below.

Responsible Entity fee

This fee is charged by the Responsible Entity for managing the Trust and making it available to investors. It is calculated and accrued daily and paid monthly in arrears from the Trust's assets.

Recoverable expenses

Other recoverable expenses

These are the ordinary and everyday expenses incurred in operating the Trust and are deducted from the assets of the Trust as and when they are incurred.

The expenses normally incurred in the day-to-day operation of the Trust include custodian, fund administration, unit registry, ASX and audit costs (other than transactional costs described above).

At the date of this PDS the recoverable expenses of the Trust that will apply for the current financial year are estimated to be as set out in table 4 above.

IEE

In consideration for the Manager providing capital advisory and investor relations services to the Trust it is paid a fee called the Investor Equalisation Expense (IEE). These services include raising capital for the Trust, engaging investment banks, investor relations activities and attending investor fundraising roadshows.

The IEE will be charged to the Trust as a monthly expense and is payable for a period of 10 years (unless otherwise extended by agreement of the Responsible Entity and Manager) from the date of this PDS. The IEE currently charged to the Trust (as at the date of this PDS) is 0.28% per annum of the Net Asset Value of the Trust. If the Manager is terminated any unpaid IEE and costs incurred by the Manager will be payable as outlined in section 13.1 of the PDS.

Indirect costs

Indirect costs are any amounts that the Responsible Entity knows or where required, reasonably estimates, will reduce the Trust's returns that are paid from the Trust's assets (other than the Responsible Entity fee, recoverable expenses and transactional and operational costs described elsewhere in this Section 7) or that are paid from the assets of any interposed vehicle (such as the Sub-Trust or Wholesale Funds) which the Trust may be exposed to.

Management fees in respect of the Sub-Trust and Wholesale Funds

As Metrics is the manager of the Sub-Trust and Wholesale Funds it is entitled to receive management fees pursuant to the terms of the trust deeds and management agreements in respect of those funds. These fees are generally payable out of the assets of the Sub-Trust and Wholesale Funds (as applicable).

However, Metrics has agreed that no management fees will be charged by Metrics as the manager of the Sub-Trust (except to the extent that the Sub-Trust invests directly in the assets itself). Management fees charged by Metrics as manager of the Wholesale Funds are generally calculated daily and payable monthly to Metrics.

At the date of this PDS the management fees of the Sub-Trust and Wholesale Funds that will apply for the current financial year are estimated to be 0.20% to 0.21% per annum of the Trust's NAV¹⁹. A range has been included assuming a raise of \$nil to a maximum raise of approximately \$638 million and excludes performance related fees. This estimate of management fees in the Sub-Trust and Wholesale Funds has been included in the management costs disclosed in table 4.

Performance related fees

Metrics as manager of the MCP Real Estate Debt Fund and MCP Secured Private Debt Fund II will be entitled to a performance related fee pursuant to the terms of the trust deeds and management agreements in respect of those funds.

Metrics is entitled to a performance related fee of an amount equal to 15% of the difference between the return on each unit in the relevant fund and the hurdle applicable to that fund (**Hurdle**) (where this difference is determined by subtracting the Hurdle from the return on each unit).

For the MCP Real Estate Debt Fund, the Hurdle is an amount equal to BBSW + 500bps net of fees multiplied by the net unit value (or in the first performance related fee calculation period, the issue price of the unit).

For the MCP Secured Private Debt Fund II the Hurdle is an amount equal to BBSW + 400bps net of fees multiplied by the net unit value (or in the first performance related fee calculation period, the issue price of the unit).

BBSW refers to the average mid-rate for bills of exchange having a tenor of three months displayed on the 'BBSW' page of the Reuters Monitor System on the first day of the period for which the rate is to be determined.

The performance related fee is calculated and accrued daily and payable in arrears as at the end of the last Business Day of the financial year, when a unit is redeemed or the date of termination of Metrics as the manager of the relevant fund. Generally, the greater the investment performance of the relevant Wholesale Fund, the greater the performance related fee and therefore the greater the overall management costs for the relevant Wholesale Fund and the Trust.

While performance related fees are payable annually in arrears, if there is a period of underperformance, Metrics will not be entitled to any performance related fees until investors in the MCP Real Estate Debt Fund or MCP Secured Private Debt Fund II (as applicable) recover any underperformance. For as long as Metrics is the manager of the Trust, any performance related fees that may be earned in respect of the Sub-Trust's investment in the Wholesale Funds will be waived or refunded by the Manager in periods where the Target Return of the Trust has not first been achieved.

Total fees (including management and performance fees) for both funds are subject to an overall fee cap of 0.75% of net asset value.

The performance related fees as set out in table 4 above have been calculated based on the actual performance related fees that applied for the financial year ended 30 June 2019. At the date of this PDS, the Responsible Entity reasonably estimates performance related fees attributable to the investments of the Trust that will apply on a going forward basis to be in the range of nil to 0.09% per annum. This performance related fee estimate is based upon the Trust and Wholesale Fund's past performance for the financial year ended 30 June 2019. Future performance

¹⁹ The difference between fees disclosed in section 1.1 and section 7.2 and the fees disclosed here reflects fees paid to entities owned and controlled by Perpetual and not the Manager.

related fees may vary from year to year and will depend on the future performance of the Trust and Wholesale Funds. Past performance is not a reliable indicator of future performance.

Adviser remuneration

No commissions will be paid by the Responsible Entity to financial advisers. You may incur a fee for the advice provided to you by your adviser, but this does not represent a fee that the Responsible Entity has charged you for investing in the Trust and is not an amount paid out of the assets of the Trust. The Responsible Entity recommends that you check with your adviser if you will be charged a fee for the provision of their advice.

Can fees be different for different investors?

The Manager and the Responsible Entity may from time to time negotiate a different fee arrangement (by way of a rebate of fees or reduced fees) with certain 'wholesale' investors or otherwise in accordance with ASIC requirements. Any fee rebates will be paid out of the assets of the Manager or the Responsible Entity (as applicable) and will not be paid from the assets of the Trust. The size of the investment and other relevant factors may be taken into account. The terms of these arrangements are at the discretion of the Manager and the Responsible Entity (as applicable).

Transactional and operational costs

Transactional and operational costs are costs related typically to transactions of the Trust and include transactional brokerage, clearing costs and stamp duty. These costs will differ according to the type of assets in the Trust and will be paid out of the Trust's assets. Transactional and operational costs are an additional cost that is not included in management costs.

The Responsible Entity estimates the Trust's transactional and operational costs to be approximately nil or 0% of the Trust's NAV for the current financial year. This is because such costs are borne by borrowers. This estimate includes an estimate of any transactional and operational costs that may be incurred indirectly in the Sub-Trust or any Wholesale Fund in which the Trust may invest.

Borrower fees

Metrics may receive additional fees from the borrowers of the relevant loans of the Sub-Trust and Wholesale Funds. These fees will not be paid from the assets of the Trust but will be paid by the borrower to Metrics. These fees will not be a cost to the Trust and do not affect the returns of the Trust.

Borrowing costs

The Trust, Sub-Trust and Wholesale Funds may from time to time borrow funds as explained further in section 5.15. The costs and interest for borrowing these amounts will vary. Interest costs will typically be based on the RBA Cash Rate plus a margin of 200bps up to 500bps. Costs of the debt facilities can include legal costs, fees (such as for making the facility available) and other amounts which vary in amount from 0 bps to 50 bps of the debt facility value.

Can the fees change?

All fees in this PDS can change. Reasons might include changing economic conditions and changes in regulation. Fees may also change due to an increase in GST payable or a change to RITCs entitled to be claimed by the Trust. Any estimates of fees and costs in this PDS are based on information available as at the date of this PDS. As such, the actual fees and costs may differ and are subject to change from time to time. The Constitution sets the maximum amount the Responsible Entity can charge for all fees. If the Responsible Entity wishes to raise fees above the amounts allowed for in the Constitution, the Responsible Entity would need to amend the Constitution in accordance with the Corporations Act and the relevant provisions in the Constitution. The Responsible Entity will give Unitholders at least 30 days' advanced notice of any proposed change to these fees where practicable.

Maximum fees

The maximum fees that can be charged under the Trust's Constitution (exclusive of GST) are:

- > **Responsible Entity fee** – 2% per annum of the value of the assets.
- > **Responsible Entity remuneration fee** – \$1000 per hour adjusted to reflect any increase in the 'All groups CPI weighted average of eight capital cities' published by the Australian Bureau of Statistics, in respect of each quarter.

Government charges and taxation

Government taxes such as GST will be applied to your account as appropriate. In addition to the fees and costs described in this section 7, standard government fees, duties and bank charges may also apply such as stamp duties. Some of these charges may include additional GST and will apply to your investments and withdrawals as appropriate. The fees outlined in this section 7 take into account any RITCs which may be available.

SECTION 8: RISK FACTORS

8.1 RISK FACTORS

An investment in the Trust carries risk, including those specific to the Trust, those broader risks which affect the Trust and those more general risks associated with investing in the fixed income market. Many of these risks are outside the control of the Responsible Entity, Manager, and their directors and officers. Consequently, the Units offered under this PDS carry no guarantee in respect of profitability, distributions or return of capital. Neither the Responsible Entity, Manager nor their directors nor any party associated with the preparation of this PDS warrants that any specific objective of the Trust will be achieved.

In addition, to the extent that statements in this PDS constitute forward looking statements, these statements involve known and unknown risks, uncertainties and other factors that may cause the Manager's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Although the Manager believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievements, or that historic results will be repeated.

Investors should consider whether the Units offered by this PDS are a suitable investment, having regard to their own individual investment objectives, financial circumstances and the risk factors set out below. This list is not exhaustive, and investors should consult their professional advisers before deciding whether to apply for Units pursuant to this PDS.

The list below highlights the more significant and material risks; however, the list may not be exhaustive. Other less significant or less probable factors may also impact the financial performance, the financial position or the cash flow of the Trust. Should any or all of these risk factors materialise, the value of the Units of the Trust may be adversely affected.

Consequently, investors should read this PDS in its entirety and consider the following risk factors and, if necessary, consult their accountant, financial adviser, stockbroker, lawyer or other professional adviser prior to making an investment in the Trust.

Credit and default risk

Credit risk is the risk that one or more assets in which the Trust's monies have been invested may decline in price or fail to pay interest or principal when due because the credit counterparty or borrower experiences a decline in its financial status. Losses may occur because the value of the asset is affected by the creditworthiness of the borrower or by general economic and specific industry conditions.

While all debt assets are subject to credit risk, to the extent the Trust, either directly or through the Sub-Trust and the Wholesale Funds, invests in sub-investment grade and un-rated debt (refer to table 1 of section 4), it will be exposed to a greater amount of credit risk than a fund that invests in investment grade rated credit assets. The prices of lower grade debt instruments are more sensitive to negative developments, such as a decline in the borrower's cash earnings or a general economic downturn, than are the prices of higher-grade debt instruments. Debt instruments of sub-investment grade quality are higher risk with respect to the counterparty's capacity to pay interest and repay principal when due and therefore involve a greater risk of default.

Default risk is the risk that a borrower defaults on their obligations, for instance by failing to make a payment due or to return the principal. The taking of security or the provision of third-party guarantees may not fully mitigate the risk of credit loss. These credit and default risks may result in losses for an investor in the Trust. The Manager could default on the Manager Loan (which is unsecured) resulting in a loss to the Trust.

Investment strategy risk

The Trust will invest in the Sub-Trust and the Sub-Trust will invest in the Wholesale Funds. As such, the Trust may be exposed to the risks that are specific to the Sub-Trust and the Wholesale Funds. This may include operational risks, distribution risks, valuation risks, liquidity risks and tax risks that are specific to the Sub-Trust and the Wholesale Funds.

The historic performance of the various Wholesale Funds managed by the Manager cannot be relied on as a guide to future performance of those Wholesale Funds, subsequent Wholesale Funds, the Sub-Trust or the Trust. The investment strategy to be used by the Manager on behalf of the Trust includes inherent risks. These include, but are not limited to the following:

- > the Trust's success and profitability is reliant upon the ability of the Manager to devise and maintain a portfolio that achieves the Trust's Investment Objective, Investment Strategy and guidelines within the parameters of the investments in which it is permitted to invest and set out in this PDS and the law;
- > the ability of the Manager to continue to manage the Trust's portfolio in accordance with this PDS, its mandate and the law which may be compromised by such events as the loss of its licence or registrations; and
- > the Trust's portfolio may not be as diversified as other listed investment entities.

There is no guarantee that the investment strategy of the Trust will be managed successfully or will meet its objectives. Failure to do so could negatively impact the performance of the Trust.

The Manager may not manage the Trust in a manner that consistently meets the Trust's Investment Objective over time. In addition, either the Manager, or a key employee of the Manager, may cease to manage the Trust, requiring the Responsible Entity to find an alternative replacement manager, which may affect the Trust's success and profitability.

If the Manager ceases to manage the Trust and the Investment Management Agreement is terminated, the Responsible Entity will need to identify and engage a suitably qualified and experienced manager to manage the Trust and continue to meet the Trust's investment strategy.

Liquidity risk

The investments of the Wholesale Funds (and therefore the Sub-Trust and the Trust) are generally less liquid investments than other exchange traded instruments as the investments that the Trust is exposed to are long dated (up to 10 year terms). The ability of the Wholesale Funds to dispose of an investment will depend on market liquidity, the terms agreed with the relevant borrower and the maturity date of the loans. The liquidity of the investments in the Wholesale Funds (and therefore the Sub-Trust and the Trust) will also be dependent on a borrower's ability to repay a loan. The investments of the Sub-Trust in the Wholesale Funds may not be able to be withdrawn when they are underperforming.

Portfolio construction

Metrics as manager of the Sub-Trust and the Wholesale Funds may cause those funds to invest in a variety of assets in differing proportions so as best to implement the investment strategy applicable to those funds. Subject to any requirement to obtain Unitholder approval under the Listing Rules, Metrics may allocate capital from the Sub-Trust to the Wholesale Funds and direct assets in proportions as it may determine having regard to a number of factors (please see the risk relating to the proposed changes to the Listing Rules in Section 7 as to when Unitholder approval may be required). These may include (but are not limited to) availability of capital, origination of opportunities, matters specific to the Wholesale Funds and prevailing market conditions. The Manager may not be able to achieve its preferred allocation in seeking to achieve the Trust's Investment Objective.

Interest rate risk

The Trust will invest, through the Sub-Trust and the Wholesale Funds, primarily in floating rate instruments meaning that as the underlying base rate of these investments rises and falls, the relative attractiveness to other instruments may change.

There is a strong correlation between the RBA Cash Rate and the base rates upon which loans are priced. Absolute returns on loans therefore rise and fall largely in correlation with the RBA Cash Rate. These fluctuations may impact the Trust's returns.

Credit cycle risk

Metrics operates in an industry which is influenced by both domestic and global credit cycles. Credit cycles expand and contract naturally over time in line with macroeconomic variables and are influenced by governments' fiscal and monetary policies.

During the contraction phase, serviceability and liquidity of debt can deteriorate meaning the value of debt assets could decline considerably.

Leverage risk

To the extent that the Sub-Trust or the Wholesale Funds use leverage to fund investments, and the counterparty to an investment was to fail to pay interest or principal when due (a payment default), the Sub-Trust or the Wholesale Funds are still obliged to service their interest and principal

payment obligations. The inability to do so may give rise to the Sub-Trust's or underlying Wholesale Fund's loan provider taking action under the relevant facility terms to recover amounts owed. The provider would be senior to investors from a repayment perspective, and have a first claim over the loans (and associated assets) and cash flows of the Sub-Trust or the Wholesale Funds.

Utilisation risk

The Trust will invest (through the Sub-Trust and the Wholesale Funds) in both drawn and undrawn loans that may be drawn up and down by the borrower over time. Borrowers will typically pay a margin over a floating benchmark on drawn amounts, and a percentage of that margin on the undrawn amount. Alternatively, a borrower might pay a flat fee based on total availability in advance, and then a margin over a floating benchmark on drawn amounts. Returns will vary depending on the utilisation of such revolving loan facilities.

Valuation risk

The Trust will be exposed to illiquid assets which will require independent valuation. Independent valuations are inherently subjective and in determining value, a valuer will be required to make certain assumptions and such assumptions may prove to be inaccurate. This is particularly so in periods of volatility or where there is limited relevant data against which the valuation of a private credit instrument can be benchmarked.

ASX related market risks

Investors should be aware that there are a number of specific risks associated with Units being listed on the ASX. These risks include:

- > **Unit trading price:** The trading price of any listed security may change, related to performance and matters inherent to the investment performance of the securities, but also due to external factors such as market sentiment, or a range of other factors including the presence of larger buying or selling interest in the Units. Therefore, Unitholders should expect that for periods of time, sometimes extended periods, the Units may trade below the stated underlying NAV per Unit.
- > **Volatility of units:** Given that the Units in the Trust are quoted on the ASX, Units may be thinly or heavily traded, and could be very volatile, irrespective of any changes in

the underlying value of the investments held by the Trust. Units may also trade at a discount or premium to the NAV per Unit. There can be no guarantee that the total number of buyers multiplied by the number of Units that each buyer wants to buy at any point in time in the market will match or exceed the total number of sellers multiplied by the number of Units each seller wants to sell, or that Unitholders will be able to buy or sell Units for a price which they or the Responsible Entity believe fairly reflects the value of their Units. In addition, the NAV will fluctuate with changes in the value of the underlying investments held by the Trust.

- > **ASX liquidity risk:** Units in the Trust are quoted on the ASX. Although liquidity is generally expected to exist in this secondary market, there are no guarantees that an active trading market with sufficient liquidity will develop, or should it develop, that such a secondary market will sustain a price representative of the NAV per Unit. As a listed investment trust, there is no regular redemption facility for Units. That is, if a Unitholder no longer wishes to be invested in the Trust with respect to some or all of their Units, they will not have the ability to simply redeem their Units. They will be required to sell their Units on the ASX. Whilst a listed investment trust can make a withdrawal offer from time to time, it is not the current intention of the Responsible Entity to do so.
- > **ASX counterparty risk:** ASX counterparty risk is the risk that when a Unitholder sells their Units on market they are relying on CHES, the central system for clearing and settling trades on the ASX, to ensure they receive their settlement proceeds as well as the risk that arises as a result of Unitholders relying on the creditworthiness of their Broker when making trades on the ASX.
- > **Changes to ASX listing rules regarding related parties:** Recent changes to the Listing Rules significantly broaden the circumstances in which a listed investment trust is required to obtain the approval of its unitholders for disposals and acquisitions of substantial assets by the trust from or to related parties. A waiver has been obtained from the ASX in relation to its application to the Trust, which is subject to conditions set by the ASX, including that funds are invested in accordance with the investment strategy defined in the Product Disclosure Statement of the Trust issued in respect of the capital raising in April 2019.

Investment risk

The value of an investment in the Trust and/or the Trust's investments may fall over the short or long term for a number of reasons, including the risks set out in this section 8, which means that you may receive less than your original investment when you sell your Units in the Trust. The price of individual financial instruments may fluctuate or underperform other asset classes over time. An investor is exposed to these risks through the life of their holding of Units in the Trust and through the Trust's Investment Strategies and policies.

Market and economic risk

Certain events may have a negative effect on the price of all types of investments within a particular market in which the Sub-Trust or the Wholesale Funds hold investments. These events may include (but are not limited to) changes in legal, tax, economic, social, technological or political conditions, laws as well as general market sentiment. Industry specific shocks relevant to underlying loan assets and general market disruption can adversely impact the value of Trust assets.

There can be no guarantee given in respect of the future earnings of the Trust or the earnings or any capital appreciation of the Trust's investments.

International investment and foreign currency risk

The Trust may invest (through the Sub-Trust and the Wholesale Funds) an amount of capital in foreign currency denominated assets, although any such foreign currency investments are expected to be funded by foreign currency funding facilities, limiting any foreign currency exposure.

Investing in international financial instruments poses additional risks. The performance of international financial instruments can be adversely affected by the different political, regulatory and economic environments in countries where the investments are made, and fluctuations in foreign currency exchange rates may also adversely affect the value of foreign securities. Potentially adverse political, economic, legal and tax, or social conditions in international markets may affect the value of the Trust's investments. In addition, the laws of foreign jurisdictions may offer less legal rights and protections to holders of financial instruments in foreign entities in such foreign jurisdictions compared to the laws in Australia.

Manager and Responsible Entity replacement

Given the illiquid nature of investment to which the Trust is exposed, the votes required to remove the Manager and the Responsible Entity as set out in sections 13 and 14, and that the Manager is entitled to 12 months of management fee on termination, the Trust may be unattractive to new investors in the Trust. The Manager may, in certain circumstances, request that the Responsible Entity retire as responsible entity of the Trust. The retirement of the Responsible Entity and its replacement will be governed by the provisions of the Corporations Act. Unitholders will be entitled to vote on the appointment of a new responsible entity in those circumstances. Please refer to section 8 and section 13.1 for more information.

If the Manager is terminated without cause, then it is entitled to 12 months of management fee (excluding the IEE) on termination or if there is no management fee, the aggregate management fees that the Manager is entitled to receive in respect of the exposure to Wholesale Funds calculated over a 12-month period payable within 20 Business Days after effective termination.

If the Manager's appointment is terminated, it is entitled to be paid the unpaid IEE for the remainder of the term of appointment (had the Manager not been terminated) calculated from the date of termination and based on the NAV of the Trust at termination in addition to any costs incurred, as outlined in section 13.1. If the Manager retires, the unpaid IEE is not payable. This could be a disincentive to removing the Manager or persons investing in the Trust.

Certain loan investments and agreements may have change of control rights granted to third parties such as borrowers. These rights can be triggered if there are significant changes in the ultimate owner of the Manager.

Please refer to section 13.1 for a summary of the Investment Management Agreement.

Derivative risk

It is not anticipated that the Sub-Trust or the Wholesale Funds will use derivative instruments, however, the Wholesale Funds do have the ability to use credit default swaps if the Manager determines that they are required.

Legal and regulatory risk

Legal and regulatory risk is the risk that a change in government policies, laws and regulations (including taxation and accounting) may adversely affect the value of an investment in the Trust or its underlying assets.

Service provider risk

The performance of the Trust's portfolio relies on the successful performance of the Responsible Entity's contracts with service providers, such as the Investment Management Agreement with the Manager. Refer to section 13 of this PDS for details on the material agreements. The Trust could be exposed to the risk of loss if a counterparty does not meet its obligations, including due to insolvency, financial distress or a dispute over the terms of the contract or the termination of any of the material agreements and there can be no assurance that the Responsible Entity would be successful in enforcing its contractual rights. In the case of a counterparty default, the Trust may also be exposed to adverse market movements while the Responsible Entity sources replacement service providers.

Entities within the Perpetual Group may act in various capacities (such as responsible entity, trustee and custodians) for other funds or accounts. Other roles may conflict with the roles they play in operating and managing the Trust.

Perpetual Group have implemented policies and procedures to identify and, where possible, mitigate or avoid conflicts associated with the service providers of the Trust, including where Perpetual may act in various capacities in a transaction. All agreements with related party service providers have been entered into on terms that are similar to those the Responsible Entity would have negotiated with an unrelated party and the Responsible Entity must still ensure that the appointment of the related party is in the best interests of the members of the Trust. Each business carries out the services on behalf of separate legal entities. All documents and agreements are separately reviewed and signed off by each business unit and different members of the Perpetual Group legal department. Perpetual also has separate supervision protocols applicable to relevant persons or entities whose principal function involves carrying out activities on behalf of, or providing services to parties with potentially conflicting interests.

The Responsible Entity also receives regular reporting from all service providers and conducts ongoing monitoring of all its service providers on a regular basis.

The Perpetual Group, including the Responsible Entity, have in place governance frameworks, group policies and divisional procedures to ensure conflicts are identified and managed appropriately. These conflict policies are aimed at ensuring that conflicts involving individuals or related entities in the Perpetual Group are identified, reported, assessed and managed in a timely and appropriate manner in order to uphold the best interests of clients, members and shareholders. This ensures that Perpetual and its related entities are adopting and promoting a culture of awareness and effective management of conflicts of interests when carrying out its operations. As part of the management of conflicts, Perpetual maintains a register of generic corporate conflicts, including related party conflicts, acting in multiple capacities on the same transaction and service provider to multiple entities, and how these conflicts are to be managed. When such a conflict is identified, the register provides for certain controls to be utilised in order to manage this conflict. Examples of controls include engaging on 'arm's length' or third party terms, use of information barriers and compliance plans. Please refer to section 13.6 for more information.

Additionally, the Responsible Entity has a duty under the Corporations Act to act in the best interest of the members of the Trust, and where there is conflict between the members' interests and its own to give priority to the members. The Responsible Entity must follow this duty when making decisions about and managing any potential conflicts of the Trust.

Responsible Entity risk

The Responsible Entity is required to supervise and monitor the Manager and other service providers to the Trust. The Responsible Entity has put in place policies and procedures to achieve this. These measures may not however be successful or adequate, resulting in such service providers not being adequately supervised and monitored. This could result in the Responsible Entity not being in a position to protect the interests of Unitholders.

Distribution risk

The Trust's ability to pay a distribution is contingent on the income it receives from the Sub-Trust and the Wholesale Funds. No guarantee can be given concerning the future earnings of the Trust, the earnings or capital appreciation of the Trust's portfolio or the return of your investment. The Manager may make poor investment decisions which may result in the Trust's return being inadequate to pay distributions to Unitholders. The distribution policy of the Trust will depend on the distribution policy set by the Sub-Trust and the Wholesale Funds. Any delay in distributions being made by the Sub-Trust or the Wholesale Funds may cause delays in distributions made by the Trust to investors.

Potential conflicts of interest

The Responsible Entity and its related entities are trustees of each of the funds that the Trust is exposed to. Metrics is also the manager of each of those funds. Situations may arise where Metrics, the Responsible Entity and the Responsible Entity's related entities have interests that conflict with those of the Unitholders. For example, the trustee of the Sub-Trust may take action that is inconsistent with the interests of the Trust and the Responsible Entity has a conflict of interest between pursuing the interests of Unitholders versus the interests of the Responsible Entity and the trustee of the Sub-Trust.

The Manager is also the manager to other funds and accounts not described in this PDS. While the Manager has implemented policies and procedures to identify and mitigate conflicts of interest, it is possible therefore that the Manager may, in the course of its business, have potential conflicts of interest which may not be managed effectively and may be detrimental to the Trust and its Unitholders.

These conflicts could include the Manager having to decide which clients and funds it allocates investment opportunities to. In order to manage this conflict, the Manager has a policy of allocating opportunities between those funds and clients for which the opportunity is considered appropriate and among such clients and funds proportional to their available capital for that opportunity. Please refer to section 14.7 of this PDS for more details.

The Trust will only be exposed to investments managed by Metrics and as such Metrics benefits from such investments as set out in section 7. Other parties and investors (including investors in the Sub-Trust or Wholesale Funds) may have interests that diverge from that of Metrics, the Trust and Unitholders, which may have an adverse effect on Unitholders. The votes of those investors could outweigh the votes referable to the Trust's investment in those funds. Where the Manager is not meeting the Target Return, the Responsible Entity may not be able to remove the Manager from the Sub-Trust and Wholesale Funds.

Multiple exposures risk

The Trust and other clients or funds of Metrics may be exposed to different types of debt investments in respect of the same borrower. This can create a conflict of interest where there is a default by the borrower and there is insufficient money to repay all of the debt. In these situations, the lower ranking debt and the equity may incur a complete loss. The Manager takes a mechanical approach to dealing with these types of situations by engaging a third-party valuer to value the investments and then seeks to recover at least those valuations. To manage any conflict such investment is considered separately and is managed according to its terms so that, for example, the most senior debt is always paid in priority to lower ranking debt.

Metrics funds investment Risk

The Sub-Trust and other funds managed by Metrics may, subject to the Corporations Act and the Listing Rules, acquire units in the Trust. In the event that a vote of Unitholders in the Trust takes place in respect of the renewal of the Manager's term or the termination of the Manager under the Investment Management Agreement or the replacement of the Responsible Entity, there is a risk that the Sub-Trustee or the trustee of other funds managed by Metrics, subject to their duties under the Corporations Act and relevant law, may be guided by the Manager to vote to facilitate the continued engagement of the Manager as the manager of the Trust or the Responsible Entity as responsible entity of the Trust. Accordingly, this entails a risk that the Manager could cause such fund to acquire units in the Trust in order to protect its position as manager of the Trust or the Responsible Entity's position as responsible entity of the Trust.

Influence risk

The Trust is exposed to investments in the Sub-Trust and Wholesale Funds which are managed by the Manager. The Responsible Entity does not have the legal right to influence the operations of the Sub-Trust and Wholesale Funds. The Trust is effectively a passive investor in those funds alongside other investors and due to the long term nature of the Notes may not be able to effect a redemption of the Trust's exposure to the Wholesale Funds. This means the Responsible Entity may not be able to protect the interests of Unitholders at the Wholesale Funds level.

Regulatory approvals

All regulatory approvals for the continued operation of the Trust, including licenses or exemptions from licensing for the Manager have been obtained and the Responsible Entity and Manager are not aware of any circumstances which might give rise to the cancellation or suspension of any of those approvals. If any of the approvals are cancelled or suspended, the Trust may be adversely affected.

Litigation risks

From time to time, the Responsible Entity, Sub-Trust or Wholesale Funds may be involved in litigation. This litigation may include, but is not limited to, contractual claims. If a claim is pursued against the Responsible Entity, Sub-Trust or Wholesale Funds, the litigation may adversely impact on the profits and financial performance of the Trust. Any claim, whether successful or not, may adversely impact on the Trust's Unit price and/or the return on your investment.

Cyber risk

There is a risk of fraud, data loss, business disruption or damage to the information of the Trust or to investors' personal information as a result of a threat or failure to protect this information or data.

Reduction of Voting Interest Risk

On completion of the Entitlement Offer, the Responsible Entity will issue New Units to Unitholders who take up their Entitlement under the Entitlement Offer, together with any Additional New Units under the Oversubscription Facility and New Units under the Shortfall Offer, to the extent there is a shortfall under the Entitlement Offer. As a result, the total number of units on issue will increase. If Unitholders do not take up their Entitlement Offer, their percentage voting interest in the Trust will decrease. This is because the Offer will increase the total number of Units on issue while the holdings of non-participating Unitholders will remain the same.

General risks

The performance and profitability of the Trust may be affected by many factors including the fact that the value of the portfolio in which the Trust invests may vary over time. This may result in either an increase or decrease in the value of Units and ultimately the value of your investment, which may result in the loss of income and the principal you initially invested.

Other factors which may impact on the value of the Units include asset risk, concentration risk, credit risk, counter-party risk, Manager risk, risks pertaining to the engagement of the Manager, the ability of the Manager to invest in well-managed companies which have the ability to service and repay their loans and retention of key personnel of the Manager risk.

The Responsible Entity, the Manager, the Lead Arranger, the Joint Lead Managers, Co-Manager and Distribution Partner do not guarantee the return of capital, any rate of return in terms of income or capital or the investment performance of the Trust.

8.2 TIMEFRAME FOR INVESTMENT

Investors are strongly advised to regard any investment in the Trust as a medium-term proposition (one year or more) and to be aware that, as with any investment, substantial fluctuations in the value of their investment may occur over that period and beyond.

SECTION 9: CORPORATE GOVERNANCE

9.1 CORPORATE GOVERNANCE

Responsibility for the Trust's proper corporate governance rests with the Responsible Entity. The Responsible Entity's guiding principle in meeting this responsibility is to act honestly, in good faith and in the best interests of the Trust as a whole.

The Responsible Entity has entered into an Investment Management Agreement with the Manager pursuant to which the Manager will provide certain investment management services to the Trust.

The Responsible Entity, with reliance upon the Manager, will monitor the operational and financial position and performance of the Trust. The Directors of the Responsible Entity are committed to implementing high standards of corporate governance in operating the Trust.

Accordingly, the Responsible Entity has created a framework for managing the Trust, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Trust's business and which are designed to promote the responsible management and conduct of the Trust. Under the Investment Management Agreement, the Manager agrees to assist the Responsible Entity to comply with all relevant laws, including the Listing Rules and the Corporations Act.

The Responsible Entity is a wholly-owned subsidiary of Perpetual.

The Responsible Entity is reliant on Perpetual for access to adequate resources, including directors, management, staff, functional support (such as company secretarial, responsible managers, legal, compliance and risk, finance) and financial resources. Perpetual has made such resources available to the Responsible Entity.

9.2 CORPORATE GOVERNANCE POLICIES

The Responsible Entity has adopted the following policies and charters, which have been prepared having regard to the ASX Corporate Governance Principles and Recommendations.

- > **Code of Conduct** – This policy sets out the standards of ethical behaviour and integrity that the Responsible Entity expects from its Directors, officers and any employees.
- > **Continuous Disclosure Policy** – The Trust must comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act to ensure the Trust discloses to the ASX any information concerning the Trust which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Units. This policy sets out the Trust's procedures and measures which are designed to ensure that the Trust complies with its continuous disclosure obligations.
- > **Risk Framework** – This framework is designed to assist the Trust to identify, evaluate, monitor and manage risks affecting the Trust's business.
- > **Securities Trading Policy** – This policy is designed to maintain investor confidence in the integrity of the Responsible Entity's internal controls and procedures and in particular to provide guidance to Directors, executives and any employees on avoiding any conflicts of interest or breaches of insider trading laws.
- > **Communications Policy** – This policy sets out the practices which the Trust will implement to ensure effective and efficient communication with its Unitholders.
- > **Diversity Policy** – This policy sets out the Trust's objectives for achieving diversity amongst its Directors, executives and any employees.
- > **Compliance Plan** – Sets out the procedures for the Responsible Entity to comply with the Corporations Act and the Constitution. This plan is overseen by a Compliance Committee and the Responsible Entity's compliance with it is audited annually.
- > **Compliance Committee** – The Responsible Entity has established the Compliance Committee with a majority of external members. A Compliance Committee charter governs the key aspects of the Compliance Committee.

Compliance Committee Members

VIRGINIA MALLEY

Virginia has 31 years' experience in the investment and banking sectors, including 16 years' experience as a company director. Her areas of expertise are regulatory compliance, financial and environmental markets and governance, and risk management.

Virginia is a non-executive director of Perpetual Superannuation Limited; a member of several Perpetual compliance committees and the Sydney Airport Trust compliance committee; and member of the clean energy regulator. She is a director of Perpetual Equity Investment Company Limited.

Virginia was previously the Chief Risk Officer and member of the Clean Technology, Asia/Pacific, Private Equity and Global/Advisory Investment Committees at Macquarie Funds Management Group. She oversaw the risk management of portfolios investing in clean technologies, listed equities, derivatives, currencies and private equity.

Virginia is a Fellow of the Australian Institute of Company Directors. She holds a Bachelor of Arts and a Master of Applied Finance from Macquarie University, a Master of Laws from the University of Sydney, a Juris Doctor from the University of Technology, Sydney and a Graduate Diploma of Environmental Law from the University of Sydney.

SIMON (SAM) MOSSE

Please refer to Sam's biography in section 5.2.

JOANNA TURNER

Johanna has over 25 years' experience in the financial services sector, spanning domestic and international banks (institutional/retail markets), exchanges and regulation. Johanna has deep sector experience in compliance, regulation, risk management and governance frameworks, having served on board finance, audit and risk sub-committees and independent compliance committees. Ms Turner is currently an independent member of the compliance committee for Blackrock Investment Management (Australia) Ltd, Schroders Investment Management Australia Limited and is Chairman of the Perpetual Investment Management Limited compliance committee. Johanna currently serves as a non-executive director of the Australian Financial Complaints Authority and is a member of the NSW Council for Women's Economic Opportunity. Johanna currently serves as the Chair of the Australian Financial Markets Association (AFMA) Professionalism Committee.

Johanna has previously served as Chief Risk Officer and Risk Management Country Officer with Citigroup Pty Ltd and Citibank N.A. and as Head of Compliance at Macquarie Group.

9.3 ASX CORPORATE GOVERNANCE PRINCIPLES

The Responsible Entity has evaluated the Trust's current corporate governance policies and practices in light of the ASX Corporate Governance Principles and Recommendations.

A brief summary of the approach currently adopted by the Trust is set out in the latest annual financial report for the Trust lodged with ASIC and ASX and is accessible on the Manager's website www.metrics.com.au/mxt/. The Responsible Entity will also provide a copy of the annual report free of charge on request.

SECTION 10: FINANCIAL INFORMATION

INTRODUCTION

The Trust was established on 14 July 2017 and listed on the ASX on 9 October 2017. Below is a brief outline of the key developments since the trust listed on the ASX:

KEY MILESTONE		
Funds Raised in IPO	\$2.00 / unit	\$516,180,370
Units Allotted on 5 October 2017		258,090,185
Funds Raised in March 2018 Offer	\$2.00 / unit	\$210,473,946
Units Allotted on 9 April 2018		105,236,973
Funds Raised in April 2019 Offer	\$2.00 / unit	\$400,000,000
Units Allotted on 3 June 2019		68,773,524
Units Allotted on 7 June 2019		131,226,476
Funds raised in June 2019 placement	\$2.00 / unit	\$130,000,000
Units Allotted on 13 June 2019		65,000,000
Funds raised in 20 June 2019 placement	\$2.00 / unit	\$15,305,000
Units Allotted on 20 June 2019		7,652,500
Cumulative Distributions from IPO to 31 December 2019**	\$0.236 / unit	\$96,852,195
31 December 2019 NTA*		\$2.0027 / unit

* As per unaudited management accounts. The December distribution payable in January has been included as a payable in the Historical Statement of Financial Position (see section 10.1).

** Distributions paid by the Trust includes cash payments and distributions reinvested into the Trust.

Refer to section 5.7 for further information.

This Section contains a summary of the Historical and Pro Forma Historical Financial Information of the Trust, which includes:

- > Historical and Pro Forma Historical Statement of Financial Position as at 31 December 2019 (see section 10.1);
- > Historical Statement of Comprehensive Income for the period ended 31 December 2019 (see section 10.2);
- > The material assumptions used in the preparation of the Pro Forma Historical Financial Information (see section 10.3);
- > Historical and Pro Forma Historical capital structure of the Trust on completion of the Offer (see section 10.4);

- > Historical and Pro Forma Historical cash balance of the Trust on completion of the Offer (see section 10.5);
- > Historical and Pro Forma Historical Manager Loan balance on completion of the Offer (see section 10.6); and
- > Significant accounting policies of the Trust (see section 10.7).

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of MCP Master Income Trust, after adjusting for the effects of the Entitlement Offer ("pro forma adjustments"). The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in the AAS and the Trust's adopted accounting policies.

Prior financial year accounts for the year ending 30 June 2019 have been audited by KPMG. The financial accounts of the Trust as at 31 December 2019 are currently being reviewed (but not audited) by KPMG as auditor of the Trust. Details of the financial accounts as at 31 December 2019 are expected to be released to the ASX on or around 20 February 2020.

All amounts disclosed in this Section are presented in Australian dollars.

The Historical and Pro Forma Historical Financial Information has been reviewed by Pitcher Partners, which has provided an Investigating Accountant's Report on the Historical and Pro Forma Historical Financial Information in section 12.

The information in this Section should also be read in conjunction with the Risk Factors set out in section 8 and other information contained in this PDS.

10.1 HISTORICAL AND PRO FORMA HISTORICAL STATEMENT OF FINANCIAL POSITION

The Historical and Pro Forma Historical Statement of Financial Position set out below has been prepared to illustrate the financial position of the Trust following completion of the Offer. The pro forma balances have been derived from the Historical Financial Information and adjusted for the pro forma adjustments with respect to the Offer as if such events had occurred as at 31 December 2019.

The Historical and Pro Forma Historical Statement of Financial Position is intended to be illustrative only and will not reflect the actual position and balances as at the date of this PDS or at the completion of the Offer. The Historical and Pro Forma Historical Statement of Financial Position has been prepared in accordance with the principles and significant accounting policies set out in section 10.7.

		HISTORICAL STATEMENT OF FINANCIAL POSITION	PRO FORMA HISTORICAL STATEMENT OF FINANCIAL POSITION	
	NOTES	AS AT 31 DECEMBER 2019 (\$'000)	SUBSCRIPTION (\$300 MILLION) (\$'000)	MAXIMUM SUBSCRIPTION (\$638 MILLION) (\$'000)
Assets				
Cash and cash equivalents	10.5	3,800	295,600	625,441
Receivables		5,478	5,478	5,478
Financial Assets	10.6	1,273,357	1,281,557	1,289,918
Total Assets		1,282,635	1,582,635	1,920,837
Liabilities				
Distribution Payable		5,039	5,039	5,039
Other Payables		229	229	229
Total liabilities		5,268	5,268	5,268
Net assets attributable to Unitholders – equity		1,277,367	1,577,367	1,915,569

10.2 HISTORICAL STATEMENT OF COMPREHENSIVE INCOME

The Historical Statement of Comprehensive Income set out below has been included to illustrate the financial performance of the Trust for the period from 1 July 2019 to 31 December 2019. There are no pro forma adjustments affecting the balances as at 31 December 2019.

	FOR THE PERIOD 1 JULY 2019 TO 31 DECEMBER 2019 (\$'000)
Investment income	
Interest income	659
Distribution Income	32,482
Unrealised gain on revaluation	1,489
Total investment income	34,630
Expenses	
Responsible Entity fees	145
IEE	1,826
Administrative expenses	369
Total Expenses	2,340
Profit	32,290
Other comprehensive income	–
Total comprehensive income for the period	32,290
Earnings per Unit for profit attributable to Unitholders of the Trust	
Basic and diluted gain per unit (cents)	5.07

10.3 MATERIAL ASSUMPTIONS IN PREPARATION OF THE PRO FORMA HISTORICAL FINANCIAL INFORMATION

The Pro Forma Historical Financial Information has been prepared on the basis of the following assumptions by the Directors of the Trust:

- a) application of the significant accounting policies set out in section 10.7;
- b) the column headed “Subscription \$300 million”, has been prepared on the basis of subscriptions for 150,000,000 Units by participants in the offer under this PDS at an issue price of \$2.00 per Unit;
- c) the column headed “Maximum Subscription \$638 million”, has been prepared on the basis of subscriptions of 319,100,766 Units by participants in the offer under this PDS at an issue price of \$2.00 per Unit. The maximum number of Units is based on 637,931,532 Units on issue as at the date of this PDS plus additional Units that may be issued before the Record Date, including a contemplated placement and Units to be issued under the DRP on or around 10 February 2020;
- d) Expenses of the Offer are to be paid by the Manager (refer to section 10.6).
- e) For the purpose of the Manager Loan receivable by Metrics in the Pro Forma Historical Statements of Financial Position, the Manager has estimated its intended drawdown.
- f) No adjustment has been made to the pro forma statement of financial position for income earned, and expenses accrued since 31 December 2019.

10.4 HISTORICAL AND PRO FORMA HISTORICAL CAPITAL STRUCTURE

Set out below is the anticipated pro forma capital structure of the Trust on completion of the Offer under the different indicated subscription amounts.

	HISTORICAL	PRO FORMA HISTORICAL	
	31 DECEMBER 2019 ACCOUNTS (UNITS '000)	SUBSCRIPTION (\$300 MILLION) (UNITS '000)	MAXIMUM SUBSCRIPTION (\$638 MILLION) (UNITS '000)
As at 31 December 2019	637,932	637,932	637,932
Pro Forma Adjustment – Allowance for Contemplated Placement & DRP Units	–	270	270
Pro Forma Adjustment – Capital Raising	–	150,000	319,101
Pro Forma Balance	637,932	788,202	957,302
NTA per Unit ²⁰	\$2.00	\$2.00	\$2.00

10.5 HISTORICAL AND PRO FORMA HISTORICAL CASH

Set out below is a reconciliation of the pro forma cash balance under the different indicated subscription amounts.

	31 DECEMBER 2019 ACCOUNTS (\$'000)	SUBSCRIPTION (\$300 MILLION) (\$'000)	MAXIMUM SUBSCRIPTION (\$638 MILLION) (\$'000)
As at 31 December 2019	3,800	3,800	3,800
Pro Forma Adjustment – Estimated Unit allotment from Offer	–	300,000	638,202
Pro Forma Adjustment – Loan drawdown	–	(8,200)	(16,561)
Pro Forma Balance	3,800	295,600	625,441

10.6 HISTORICAL AND PRO FORMA FINANCIAL ASSETS

The Manager will drawdown out of the Trust property an amount estimated below under the different indicated subscription amounts.

	31 DECEMBER 2019 ACCOUNTS (\$'000)	SUBSCRIPTION (\$300 MILLION) (\$'000)	MAXIMUM SUBSCRIPTION (\$638 MILLION) (\$'000)
As at 31 December 2019			
Investment Manager Loan	28,314	36,514	44,875
MCP Wholesale Investments Trust	1,245,043	1,245,043	1,245,043
Pro Forma Balance	1,273,357	1,281,557	1,289,918

²⁰ NTA is calculated as the Trust's net assets position attributable to Unitholders in the Pro Forma Historical Financial Information in Section 10.1 divided by the corresponding indicated subscription amounts.

10.7 SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies that have been adopted in the preparation of the Historical and Pro Forma Historical Financial Information set out in section 10.1, and which has been adopted in preparation of the financial statements of the Trust for the financial year ending 30 June each year, is provided in the financial report for the year ended 30 June 2019.

The Historical and Pro Forma Historical Financial Information has been prepared in accordance with the AAS and interpretations and other authoritative pronouncements of the AASB, and the Corporations Act.

The AAS set out an accounting framework that the AASB have concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AAS ensures that the unaudited Historical and Pro Forma Historical Statements of Financial Information and notes also comply with the recognition and measurement requirements of the 'International Financial Reporting Standards'.

The financial information presented in this PDS is presented in an abbreviated form and does not contain all of the presentation and disclosures that are usually provided in an annual report prepared in accordance with Australian Accounting Standards. The Historical and Pro Forma Historical Financial Information have been prepared on the basis of assumptions outlined in this section 10.7.

All amounts disclosed in this section are presented in Australian dollars.

Basis of preparation

The Historical and Pro Forma Historical Financial Information has been prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The Historical and Pro Forma Historical Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within 12 months, except for investments in financial assets and net assets attributable to Unitholders and loans. The amount to be recovered or settled in relation to these balances remain subject to the performance of the Trust and its operations in accordance with the Constitution. Unitholders have no rights to redeem and can only sell Units on the ASX. The Trust is operated by the Manager to ensure the investment in the Sub-Trust is held at fair value.

Functional and Presentation Currency

The Historical and Pro Forma Historical Financial Information is presented in Australian dollars, which is the Trust's functional currency.

Changes to Accounting Policies

The accounting policies applied to the pro-forma financial information are the same as those applied to the Trust's financial statements for the year ended 30 June 2019.

SECTION 11: TAXATION INFORMATION

AUSTRALIAN TAXATION IMPLICATIONS

The comments in this section are based on the *Income Tax Assessment Act 1936*, the *Income Tax Assessment Act 1997*, *A New Tax System (Goods and Services Tax) Act 1999* and the relevant Australian stamp duties legislation as at the date of the PDS.

The following information summarises some of the Australian taxation issues you may wish to consider before making an investment in the Trust and assumes that you hold your investment in the Trust on capital account and are not considered to be carrying on a business of investing, trading in investments, or investing for the purpose of profit making by sale. The information should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ.

This summary is based on the taxation laws as at the date of the PDS. Investing in a registered managed investment scheme is likely to have tax consequences. However, it is noted that taxation laws can change at any time, which may have adverse taxation consequences for Unitholders concerned. It is recommended that Unitholders seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Trust.

AUSTRALIAN TAXATION TREATMENT OF THE TRUST

General

The income tax treatment of the Trust and its Unitholders will depend on whether the Trust is eligible, and the Responsible Entity elects to apply the Attribution Managed Investment Trust (AMIT) provisions.

The AMIT provisions are an elective income tax regime for qualifying managed investment trusts (MIT) that provide for flow-through taxation to Unitholders. While the AMIT provisions are not expected to materially change the way in which Unitholders would be taxed (as compared to the general trust taxation rules), the AMIT provisions are intended to provide greater certainty on tax treatments for beneficiaries of such trusts and simplicity of administration to trustees when compared to the taxation rules that generally apply to trusts.

The Trust qualifies as a MIT for income tax purposes, the Responsible Entity has made and will continue to make an election to treat the disposal of covered assets (including units) on capital account and will continue to apply the AMIT rules.

The Responsible Entity of the Trust has made the irrevocable election to enter into the AMIT regime. It is expected that the Trust will continue to meet the eligibility requirements to qualify as an AMIT.

If the Trust ceases to qualify as an AMIT, the general taxation rules will commence to apply to the Trust. Consequently, the Trust will be treated as a flow-through vehicle provided that the Trust will conduct solely eligible investment business and will not control any trading business as defined in the income tax legislation.

It is intended that Unitholders will be presently entitled to all of the income of the Trust for each financial year such that no taxation liability will accrue to the Responsible Entity.

AMIT Provisions

As the Responsible Entity has made the irrevocable election to apply the new AMIT provisions, the following will apply:

Fair and reasonable attribution

Each year, the Responsible Entity of the Trust will determine trust components of assessable income, exempt income, non-assessable non-exempt income, and tax offsets (i.e. credits). This will be attributed to Unitholders on a 'fair and reasonable' basis, having regard to their income and capital entitlements in accordance with constituent documents.

Unders or Overs adjustments

Where the Trust's determined trust components for a year are revised in a subsequent year (e.g. due to actual amounts differing to the estimates of income, gains/losses or expenses), then unders and overs may arise. Unders and overs will generally be carried forward and adjusted in the year of discovery.

Cost base adjustments

Where the distribution made is less than (or more than) certain components attributed to Unitholders, then the cost base of a Unitholder's units may be increased (or decreased) as appropriate. Details of net annual tax cost base adjustments will be included on an Unitholder's annual tax statement, referred to as an AMIT Member Annual Statement (AMMA).

Large redemptions

In certain circumstances, gains may be attributed to a specific Unitholder, for example, gains on disposal of assets to fund a large redemption being attributed to the redeeming Unitholder.

Multi-class AMITs

A choice is available to elect to treat separate classes of units as separate AMITs, where applicable. The purpose of this election is to quarantine the income tax calculation on a class-by-class basis. This can allow income, deductions and tax losses referable to a class of Units to be quarantined in that class, so that they are not spread to Unitholders holding other classes of Units. In the absence of the Trust being an AMIT and having made the multi-class election, the tax treatment of each Unitholder may differ significantly (see below).

AMMA statement

Unitholders are subject to tax on trust components attributed to them under the AMIT regime.

The AMMA statement will show the trust components attributed to the Unitholders in the year the AMMA statement relates to, even if distributions are received or reinvested after the end of the income year.

Penalties

In certain circumstances, such as the failure to comply with certain AMIT rules, specific penalties may be imposed.

The AMIT regime is intended to reduce complexity, increase certainty, and reduce compliance costs for MITs and their unitholders.

Non-AMIT Provisions

On the basis that Unitholders are presently entitled to all of the Trust's distributable income (which is the Responsible Entity's intention) and the Trust is not a public trading trust, the Trust should be treated as a flow-through trust for income tax purposes. This means that Unitholders should be taxed on their share of the Trust's net taxable income, and the Trust should not be subject to Australian income tax.

Multi-class non-AMITs

In the absence of an AMIT multi-class election being made, the Trust is treated as a single taxpayer. As the classes are not treated as separate taxpayers, it is possible under the current non-AMIT trust taxation regime that the income tax character of distributions made to a particular class may be impacted by transactions associated with another class.

Other Taxation considerations

Public trading trust rules

A unit trust is subject to income tax at the corporate tax rate if it is classified as a "public trading trust". A public trading trust cannot be an AMIT and is not a flow-through vehicle for income tax purposes and is instead taxed like a company at the current corporate tax rate.

The Trust does not intend to derive income other than from an 'eligible investment business'. Accordingly, it should not be subject to income tax as a public trading trust. Further, the Responsible Entity will seek to ensure it does not control entities that carry on trading activities.

Losses

In the case where the Trust makes a tax loss for Australian income tax purposes, the Trust cannot distribute these tax losses to Unitholders. However, the tax losses may be carried forward by the Trust for offset against taxable income of the Trust in subsequent years, subject to the operation of the trust loss rules.

Taxation of Financial Arrangements (TOFA)

The TOFA rules may apply to financial arrangements held by the Trust when calculating its assessable income. Broadly, the TOFA rules may impact the timing of the recognition of gains and losses in the Trust for income tax purposes and will also treat relevant gains and losses as being on revenue account.

AUSTRALIAN TAXATION OF AUSTRALIAN RESIDENT UNITHOLDERS

Distributions – AMIT

The AMIT provisions require the taxable income of the Trust to be attributed to Unitholders on a fair and reasonable basis, having regard to their income and capital entitlements in accordance with the constituent documents. The Responsible Entity will seek to allocate taxable income having regard to the Units held by Unitholders, entitlements to income and capital, as well as cash distributions made to such Unitholders during the relevant period. Under the AMIT provisions, a Unitholder may be taxable on their share of the Trust's taxable income prior to receiving distributions from the Trust.

Distributions – Non-AMIT

Provided that the Trust is treated as a flow-through vehicle, Unitholders will be assessed on the taxable income derived by the Trust, based on their proportionate share of the annual income of the Trust that is distributed to them in that income year. The Trust's Unitholders will be required to include their share of taxable income in their tax return.

Foreign Income

The Trust may derive foreign sourced income that might be subject to foreign tax. Australian resident Unitholders should include their share of both the foreign income and the amount of any foreign tax withheld in their assessable income. In such circumstances, Unitholders may be entitled to a Foreign Income Tax Offset (**FITO**) for the foreign tax paid, against the Australian tax payable on the foreign sourced income. FITOs that are not utilised cannot be carried forward to a future income year.

Capital Gains

If a Unitholder's share of the taxable income of the Trust includes an amount that consists of discount capital gains derived by the Trust, the Unitholder needs to first 'gross up' the discount capital gain (by multiplying it by 2). However, (after grossing up any discount capital gains) Unitholders may be able to reduce the capital gains distributed by the Trust by any capital losses which are available to them. Furthermore, after applying any loss, individual, trust, and complying superannuation fund Unitholders, in determining the net capital gain that is to be included in their assessable income, to discount that capital gain by 50% for individuals and trusts, and 33 $\frac{1}{3}$ % for complying superannuation funds.

Non-assessable distribution payments – AMIT

Under the AMIT provisions, a Unitholder's cost base in their Units held is increased where taxable income is allocated to them (inclusive of any tax-free component of a discount capital gain). The cost base is decreased where cash distribution entitlements are made to the Unitholders in respect of their Units, irrespective of whether the amounts distributed are classified as income or capital. Additional reductions are made for certain tax offsets (such as the franking credit tax offset and foreign income tax offset).

The net annual tax cost base adjustment amount will be detailed in an AMMA tax statement, which will be sent annually to Unitholders after year-end.

Non-assessable distribution payments – Non-AMIT

Tax-deferred distributions may occur where the Trust distributes an amount of cash that exceeds the taxable income allocated to a Unitholder. Certain tax-deferred distributions that are not assessable to a Unitholder result in a reduction in the cost base of the Units held by the Unitholder. A capital gain will arise where those tax-deferred distributions exceed the cost base of the Units.

Disposal of Units by Australian Resident Unitholders

If an Australian resident Unitholder transfers or redeems their units in the Trust, this will constitute a disposal for income tax purposes.

Where a Unitholder holds their units in the Trust on capital account, a capital gain or loss on the disposal may arise and each Unitholder should calculate their capital gain or loss according to their own particular facts and circumstances.

Unitholders would derive a taxable capital gain where the capital proceeds received as a result of the disposal of their units exceed the cost base of the unit at the time of disposal. Likewise, unitholders would incur a capital loss where the reduced cost base of the units disposed of exceeds the capital proceeds.

Generally, the capital proceeds received by Unitholders from the disposal of their units will be equal to the consideration received on disposal. The cost base of units will generally be equal to the amount paid to acquire the units plus brokerage (if any) and any other incidental costs. The cost base of units will also need to include relevant cost base adjustments since acquisition (such as tax deferred components as outlined above).

As noted above, proceeds on disposal may include a component of distributable income. In calculating the taxable amount of a capital gain, a discount of 50% for individuals and trusts or 33 $\frac{1}{3}$ % for complying Australian superannuation funds may be allowed where the units in the Trust have been held for 12 months or more. No Capital Gains Tax (**CGT**) discount is available to corporate Unitholders.

Any capital losses arising from the disposal of the investment may be used to offset other capital gains the Unitholder may have derived. Net capital losses may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income. For corporate Unitholders, net capital losses carried forward and sought to be utilised in future income years will be subject to the tax loss recoupment rules under the Australian income tax law.

Goods and Services Tax (GST)

The Trust is registered for GST. The acquisition and disposal of units in the Trust by Unitholders should not be subject to GST. Similarly, the distributions paid by the Trust should not be subject to GST. GST is payable on some ongoing expenses, however the trust may be able to claim a reduced input tax credit, depending on the precise nature of the expenses incurred. All fees and expenses are quoted inclusive of GST.

Duty

The issue or redemption of Units should not attract any duty. Duty may be payable on the transfer of units. Unitholders should confirm the duty consequences of transferring units with their taxation adviser.

Tax File Number (TFN) and Australian Business Number (ABN)

As the Trust is an investment body for income tax purposes, the Trust will be required to obtain a TFN or ABN in certain cases from its Unitholders.

It is not compulsory for a Unitholder to quote their TFN or ABN. If a Unitholder is making this investment in the course of a business or enterprise, the Unitholder may quote an ABN instead of a TFN. Failure by a Unitholder to quote an ABN or TFN or claim an exemption may cause the Responsible Entity to withhold tax at the top marginal rate, plus levies, on gross payments including distributions of income to the Unitholder. The Unitholder may be able to claim a credit in their tax return for any TFN or ABN tax withheld. Collection of TFNs is permitted under taxation and privacy legislation.

Foreign Account Tax Compliance Act (FATCA)

In compliance with the U.S. income tax laws commonly referred to as FATCA and the Intergovernmental Agreement signed with the Australian Government in relation to FATCA, the Trust will be required to provide information to the ATO in relation to: (a) Unitholders that are US citizens or residents; (b) entities controlled by US persons; and (c) financial institutions that do not comply with FATCA.

The Trust is intending to conduct its appropriate due diligence (as required). Where the Trust's Unitholder do not provide appropriate information to the Trust, the Trust will also be required to report those accounts to the ATO.

Common Reporting Standard (CRS)

The CRS is the single global standard for the collection, reporting and exchange of financial account information of non-residents, which applies to calendar years ending after 1 July 2017. The CRS is similar to FATCA, whereby the Responsible Entity will need to collect and report similar financial account information of all non-residents to the ATO. The ATO may exchange this information with the participating foreign tax authorities of those non-residents.

Annual Investment Income Report (AIIR)

The Responsible Entity is required to lodge annually an AIIR to the ATO containing Unitholder identity details, details of unit disposals and investment income paid or attributed to Unitholder for the relevant income year.

TAXATION IMPLICATIONS FOR NEW ZEALAND RESIDENT UNITHOLDERS

As the Trust is a unit trust, it is considered to be a company for New Zealand income tax purposes. It follows that any units held in the Trust are treated as a direct income interest in a foreign company, and therefore an attributing interest in a foreign investment fund (**FIF**) for New Zealand income tax purposes.

Therefore New Zealand tax resident Unitholders (each a **New Zealand Unitholder**) will need to apply the FIF rules to establish the New Zealand income tax treatment that will apply to the Units they hold.

If a New Zealand Unitholder's Units are an 'attributing interest' under the FIF rules, depending on the method available or used, the Unitholder will be required to pay New Zealand income tax on the unrealised gains and distributions capped at a deemed amount of 5% per annum. Any realised amounts they actually receive in relation to their Units (including cash distributions and proceeds from the sale of their Units) will not be separately taxed.

For many New Zealand Unitholders their Units are likely to be an attributing interest for the purposes of the FIF rules. There are, however, various legislative exclusions where FIF interests are expressly excluded from being attributing interests under the FIF rules. In particular, a de minimis exclusion can be applied for individuals or trustees of certain family trusts where the total cost of all attributing FIF interests is not more than NZ\$50,000. New Zealand Unitholder will need to consider these exclusions carefully. Different income tax rules will apply if a New Zealand Unitholder's Units are not an attributing interest.

If a New Zealand Unitholder's Units are not an attributing interest under the FIF rules, the Unitholder will be taxed on a realisation basis. Any ongoing distributions they receive in relation to their Units will generally be taxable as dividends when they are received. However, as New Zealand does not have a formal capital gains tax, any amounts a New Zealand Unitholder receives from disposing of their Units will generally not be subject to New Zealand income tax unless the Unitholder holds their Units on 'revenue account'.

A New Zealand Unitholder will hold their Units on revenue account if they hold their Units as part of a business of dealing in securities, if the Units were acquired for the purpose of disposal, or the Units are being disposed of as part of a profit-making undertaking or scheme.

New Zealand resident Unitholders will not be subject to Australian CGT on a capital gain (or loss) on the disposal of Units in the Trust unless:

- > The New Zealand resident holds more than 10% of the Units in the Trust or has held more than 10% for at least 12 months in the prior two years; and
- > Broadly, more than 50% of the Trust's assets (by market value) are represented by 'taxable Australian real property'.

Income distributions (i.e. Australian dividends, interest, or royalty income) received by New Zealand resident Unitholders from the Trust would be subject to Australian withholding tax.

New Zealand Unitholders should seek their own professional advice regarding the taxation implications of investing in the Trust.

SECTION 12: INVESTIGATING ACCOUNTANT'S REPORT



24 January 2020

The Directors
The Trust Company (RE Services) Limited
as responsible entity for the MCP Master Income Trust
Angel Place
Level 18, 123 Pitt Street
SYDNEY NSW 2000

Pitcher Partners Sydney Corporate Finance Pty Ltd

Level 16, Tower 2 Darling Park
201 Sussex Street
Sydney NSW 2000

Postal Address
GPO Box 1615
Sydney NSW 2001

p. +61 2 9221 2099
e. sydneypartners@pitcher.com.au

Dear Directors

PART 1: INDEPENDENT LIMITED ASSURANCE REPORT ON THE MCP MASTER INCOME TRUST'S HISTORICAL AND PRO FORMA HISTORICAL FINANCIAL INFORMATION

12.1 INTRODUCTION

The directors of The Trust Company (RE Services) Limited (**Issuer**) (in its capacity as responsible entity of the MCP Master Income Trust (**Trust**)), on behalf of the Trust have engaged Pitcher Partners to report on the historical and pro-forma historical financial information of the Trust as at 31 December 2019.

We have prepared this Independent Limited Assurance Report (**Report**) to be included in the PDS dated on or about 24 January 2020 and relating to the Offer.

Unless stated otherwise, expressions defined in the PDS have the same meaning in this Report and section references are to sections of the PDS.

The nature of this Report is such that it can only be issued by an entity which holds an AFSL under the Corporations Act. Pitcher Partners holds the appropriate AFSL authority under the Corporations Act. Refer to our Financial Services Guide included as Part 2 of this Report.

12.2 BACKGROUND

The Trust was established on 14 July 2017 and has been listed on the ASX since 9 October 2017. As at the date of this Report, the Trust has 637,931,532 Units on issue. As at 31 December 2019, the net assets of the Trust were \$1,277,366,595.

12.3 SCOPE

Historical Financial Information

This Report deals with the review of the following historical financial information of the Trust which is included in the PDS:

- Historic Statement of Financial Position as at 31 December 2019;
- Historic Statement of Comprehensive Income for the period ended 31 December 2019;
- Significant accounting policies as set out in section 10 of the PDS, (together, the **Historical Financial Information**).

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Trust's adopted accounting policies. The Historical Financial Information has been extracted from the unaudited management accounts of the Trust for the interim period ended 31 December 2019. The Historical Financial Information is presented in the PDS in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

Adelaide Brisbane Melbourne Newcastle Perth Sydney

Pitcher Partners Sydney Corporate Finance Pty Ltd, ABN 77 122 561 184, AFSL 516413.
Liability limited by a scheme approved under Professional Standards Legislation.

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Pro Forma Historical Financial Information

This Report further deals with the review of the pro forma historical statement of financial position as at 31 December 2019 (**Pro Forma Historical Financial Information**).

The Pro Forma Historical Financial Information has been derived from the historical financial information of the Trust, after adjusting for the effects of pro forma adjustments described in section 10 of the PDS. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event to which the pro forma adjustments relate, as described in section 10 of the PDS, as if that event had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Trust's actual or prospective statement of financial position.

The Pro Forma Historical Financial Information is presented in the PDS in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

Pitcher Partners disclaims any responsibility for any reliance on this Report or the financial information to which it relates for any purpose other than that for which it was prepared. This Report should be read in conjunction with the full PDS and has been prepared for inclusion in the PDS.

12.4 DIRECTOR'S RESPONSIBILITIES

The directors of the Issuer are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information including the selection and determination of pro forma assumptions, accounting policies and the notes Section 10. This includes responsibility for such internal controls as the directors of the Issuer determine are necessary to enable the preparation of the Historical Financial Information and Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

12.5 OUR RESPONSIBILITIES

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and the Pro Forma Historical Financial Information included in section 10 of the PDS based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the Historical Financial Information and Pro Forma Historical Financial Information of the Trust.

Our engagement did not involve updating or re issuing any previously issued audit or review report on any financial information used as a source of the financial information.



12.6 CONCLUSION

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that the Historical Financial Information, as described in section 10 of the PDS, and comprising:

- Historic Statement of Financial Position as at 31 December 2019;
- Historic Statement of Comprehensive Income for the period ended 31 December 2019; and
- Significant accounting policies as set out in section 10 of the PDS

are not presented fairly, in all material respects, on the basis of the assumptions described in section 10 of the PDS and in accordance with the recognition and measurement principles described under Australian Accounting Standards, other mandatory professional reporting requirements in Australia and the accounting policies adopted by the Trust as described in section 10 of the PDS.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information being the Statement of Financial Position as at 31 December 2019 is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in section 10 of the PDS.

12.7 RESTRICTION ON USE

Without modifying our conclusions, we draw attention to section 10 of the PDS, which describes the purpose of the financial information, being for inclusion in the PDS. As a result, the financial information may not be suitable for use for another purpose.

Investors should consider the risks set out in section 8 of the PDS.

12.8 LEGAL PROCEEDINGS

The Trust is not and has not been, since its establishment to the date of this PDS, involved in any legal or arbitration proceedings that have had a significant effect on the financial position of the Trust.

As far as the Directors of the Responsible Entity for the Trust are aware, no such proceedings are threatened against the Trust.

12.9 SUBSEQUENT EVENTS

Apart from the matters dealt with in this Report, and having regard to the scope of our Report, to the best of our knowledge and belief no other material transactions or events outside of the ordinary business of the Trust have come to our attention, that would require comment on, or adjustment to the information referred to in our Report, or that would cause such information to be misleading or deceptive.

12.10 SOURCES OF INFORMATION

Pitcher Partners has made enquiries of the directors of the Issuer, selected management of the Issuer, members of the Metrics Credit Partners Pty Ltd (in its capacity as investment manager of the Trust) and other parties as considered necessary during the course of our analysis of the Historical Financial Information and Pro Forma Historical Financial Information of the Trust. We have also referred to the PDS and material documents which relate to the proposed operations of the Trust.

We have no reason to believe the information supplied is not reliable.



12.11 INDEPENDENCE OR DISCLOSURE OF INTEREST

Pitcher Partners has no financial or other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion on the matters that are subject of this Report for which normal professional fees will be received.

Neither Pitcher Partners Sydney Corporate Finance Pty Ltd, any director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of the Offer, other than a fee payable to Pitcher Partners in connection with the preparation of our Report for which normal professional fees will be received.

12.12 LIABILITY

The liability of Pitcher Partners is limited to the inclusion of this Report in the PDS. Pitcher Partners has not authorised the issue of the PDS. Accordingly, Pitcher Partners makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from, the PDS.

12.13 FINANCIAL SERVICES GUIDE

We have included our Financial Services Guide as Part 2 of this Report. The Financial Services Guide is designed to assist retail investors in their use of any general financial product advice in our Report.

12.14 CONSENT TO USE

We consent to the inclusion of this Report in the PDS in the form and context in which it is included. As at the date of this Report, this consent has not been withdrawn.

Yours faithfully
Pitcher Partners Sydney Corporate Finance Pty Ltd

A handwritten signature in black ink, appearing to read 'S Whiddett'.

Scott Whiddett
Director



PART 2 - FINANCIAL SERVICES GUIDE

1. Pitcher Partners Sydney Corporate Finance Pty Ltd

Pitcher Partners Sydney Corporate Finance Pty Ltd ("**Pitcher Partners**") is licensed as an Australian Financial Services Licensee, Licence No. 516413.

Pitcher Partners may provide the following financial services to wholesale and retail clients as an authorised Licence Holder:

- Financial product advice in relation to securities, interests in managed investment schemes, government debentures, stocks or bonds, deposit and payment products, life products, retirement savings accounts and superannuation (collectively "**Authorised Financial Products**"); and
- Applying for, varying or disposing of a financial product on behalf of another person in respect of Authorised Financial Products.

2. Financial Services Guide

The Corporations Act 2001 requires Pitcher Partners to provide this Financial Services Guide ("**FSG**") in connection with its provision of an Investigating Accountant's Report ("**Report**") which is included in the PDS provided by The Trust Company (RE Services) Limited as responsible entity for the MCP Master Income Trust (the "**Entity**").

3. General Financial Product Advice

The financial product advice provided in our Report is known as "general advice" because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in our Report is appropriate for you, having regard to your own personal objectives, financial situation or needs. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence ("**AFSL**") to assist you in this assessment.

4. Remuneration

Pitcher Partners' client is the Entity to which it provides the Report. Pitcher Partners receives its remuneration from the Entity. Our fee for the Report is based on a time cost or fixed fee basis. This fee has been agreed in writing with the party who engaged us. Neither Pitcher Partners nor its Directors and employees, nor any related bodies corporate (including the Licence Holder) receive any commissions or other benefits in connection with the preparation of this Report, except for the fees referred to above.

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of

Pitcher Partners or related entities but any bonuses are not directly connected with any assignment and in particular not directly related to the engagement for which our Report was provided.

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connections with the reports that we are licensed to provide.

5. Independence

Pitcher Partners is required to be independent of the Entity.

Neither Pitcher Partners, any Director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee in connection with the preparation of our Report for which professional fees in the order of \$38,500 (excluding GST) will be received. No pecuniary or other benefit, direct or indirect, has been received by Pitcher Partners, their Directors or employees, or related bodies corporate for or in connection with the preparation of this Report.

6. Complaints Resolution

Pitcher Partners is only responsible for its Report and this FSG. Complaints or questions about the PDS should not be directed to Pitcher Partners which is not responsible for that document.

Both Pitcher Partners and the Licence Holder may be contacted as follows:

- By phone: (02) 9221 2099
- By fax: (02) 9223 1762
- By mail: GPO Box 1615
SYDNEY NSW 2001

If you have a complaint about Pitcher Partners' Report or this FSG you should take the following steps:

1. Contact the Enquiries and Complaints Officer of the Licence Holder on (02) 9221 2099 or send a written complaint to the Licence Holder at Level 16, Tower 2 Darling Park, 201 Sussex Street, Sydney NSW 2000. We will try and resolve your complaint quickly and fairly.
2. If you still do not get a satisfactory outcome, you have the right to complain to the Financial Industry Complaints Service at PO Box 579 Collins St West, Melbourne, Victoria 8007 or call on 1300 78 08 08. We are a member of this scheme.
3. The Australian Securities & Investments Commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

SECTION 13: MATERIAL CONTRACTS

The Responsible Entity considers that certain agreements are material to the Trust or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for Units (**Material Agreements**).

The provisions of the Material Agreements are summarised below. As this section 13 only contains a summary, the provisions of each agreement are not fully described. To understand fully all rights and obligations pertaining to the Material Agreements, it would be necessary to read them in full.

13.1 INVESTMENT MANAGEMENT AGREEMENT

The Responsible Entity has appointed the Manager on an exclusive basis to be the manager of the Trust and has entered into the Investment Management Agreement.

A summary of the material terms of the Investment Management Agreement are set out below.

ASX Listing Rule 15.16 sets a maximum term of 5 years for an Investment Management Agreement. The Responsible Entity obtained a waiver of ASX Listing Rule 15.16 to allow for an initial term of 10 years under the Investment Management Agreement, which may be extended as set out below under 'Manager Term'.

Services

Pursuant to the Investment Management Agreement, the Manager agrees to invest and manage the Trust's portfolio in accordance with the terms of the Investment Management Agreement.

The other services provided by the Manager under the Investment Management Agreement include, but are not limited to:

- a) keeping proper books of account in relation to the Trust and recording transactions by the Manager;
- b) complying with any reasonable requests for information or assistance from any auditor appointed by the Responsible Entity or the Manager in relation to the Trust;
- c) assisting the Responsible Entity in determining the amount of, or declaring, any distribution (including a payment of a capital nature) to be paid by the Responsible Entity in respect of the Trust;
- d) assisting the Responsible Entity to comply with its continuous disclosure obligations under the Corporations Act and Listing Rules;
- e) assisting the Responsible Entity with preparing financial statements and other filings, including the annual report of the Trust;
- f) assisting in the resolution of any complaints by, or disputes with, Unitholders;
- g) making written recommendations (together with reasonable supporting information and analysis) to the Responsible Entity in respect of any matter which requires the approval of the Responsible Entity; and
- h) capital advisory and management services.

Powers and discretions

For the purpose of carrying out its functions and duties under the Investment Management Agreement and subject to certain restrictions set out in the Investment Management Agreement, the Manager has the powers of a natural person to deal with the Trust including those powers that the Responsible Entity may delegate to the Manager pursuant to the Constitution and to do all things and execute all documents necessary for the purpose of managing the Trust.

Delegation

The Manager may not delegate its duties, responsibilities, functions and powers under the Investment Management Agreement to an agent without the prior written consent of the Responsible Entity. The Manager must also exercise reasonable care and diligence in appointing any broker to act in relation to the Trust.

Exclusivity

Pursuant to the Investment Management Agreement, the Responsible Entity has agreed to appoint the Manager on an exclusive basis whereby the Responsible Entity will not appoint another manager to the Trust during the term of the Investment Management Agreement. The Manager may from time to time perform similar investment, management and administration services for itself and other persons to the services performed in respect of the Trust.

Fees

Investment management fees are charged by the Wholesale Funds only and the Trust and the Sub-Trust will not charge Unitholders any additional investment management fees (except to the extent that the Sub-Trust invests directly in the assets itself). As a wholesale investor in the Wholesale Funds, the Sub-Trust will incur investment management fees in line with those available to other wholesale investors, which will be paid by the Sub-Trust to Metrics in its capacity as manager of the Wholesale Funds.

Wholesale Funds' fees may also include performance fees that will be payable by the Sub-Trust as an investor in the Wholesale Funds. For so long as the Manager is Metrics, where performance fees have been earned in the Wholesale Fund but the Target Return for Unitholders has not been achieved by the Trust, Metrics will refund the Trust's proportion of the performance fees to the Trust towards ensuring the Target Return is achieved.

The Responsible Entity and the Manager may, from time to time, agree that additional fees are payable to the Manager from the Trust. The only such fees currently agreed is the IEE.

Refer to section 7 for details.

Manager Term

The Manager has an initial term of 10 years subject to an automatic extension of the initial term for a further one year, every year from the fifth year of the initial term provided that Unitholders do not vote against the extension.

The Manager may also request that the Responsible Entity call and arrange a meeting of Unitholders to pass an ordinary resolution to extend the initial term for a period of up to ten years.

Termination Rights

During the initial term, the Responsible Entity may terminate the Investment Management Agreement at any time by written notice to the Manager but can only be terminated by the Responsible Entity where there is cause to do so, including if:

- a) a receiver, receiver and manager, administrator or similar person is appointed to the Manager;
- b) the Manager goes into liquidation other than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Responsible Entity;

- c) the Manager ceases to carry on business in relation to its activities as an investment manager;
- d) the Manager breaches the Investment Management Agreement and fails to correct such breach within 20 Business Days of receiving notice in writing from the Responsible Entity;
- e) required by the Listing Rules; or
- f) relevant law requires the Investment Management Agreement to be terminated.

Following the initial term, the Responsible Entity may also terminate the Investment Management Agreement, on giving three months' notice if an ordinary resolution (50% of votes cast) terminating the appointment of the Manager is passed by Unitholders. The Responsible Entity must also provide notice of the termination of the Manager to the trustee of the Sub-Trust on the date the resolution is passed.

The Manager may also terminate the Investment Management Agreement in certain circumstances by giving written notice to the Responsible Entity.

The Manager may request the Responsible Entity to retire for cause or on three months' notice after the fourth year of the initial term. If the Responsible Entity receives this request it will facilitate its retirement and replacement, each in accordance with the relevant provisions of the Corporations Act. Unitholders will be entitled to vote on the appointment of the new responsible entity in those circumstances.

Termination Payment

If the Manager's appointment is terminated without cause, then it is entitled to either any management fee (excluding the IEE) charged by the Manager to the Trust calculated over a 12-month period or if there is no management fee the aggregate management fees that the Manager is entitled to receive in respect of the Wholesale Funds calculated over a 12-month period payable within 20 Business Days after effective termination.

If the Manager's appointment is terminated, it is entitled to be paid the unpaid IEE for the remainder of the term of appointment (had the Manager not been terminated) calculated from the date of termination and based on the NAV of the Trust at termination in addition to any costs incurred, as outlined above in this section 13.1. If the Manager retires, the unpaid IEE is not payable.

Manager indemnity

The Responsible Entity must indemnify the Manager against any direct losses or liabilities reasonably incurred by the Manager arising out of, or in connection with, and any costs, charges and expenses incurred in connection with the Manager or any of its officers or agents acting under the Investment Management Agreement except to the extent of the Manager's or any of its officers' or agents' negligence, fraud or dishonesty, or its officers, employees or agents or the Manager's breach of the Investment Management Agreement, or any act or omission of the Manager or any of its officers, employees or agents that causes the Responsible Entity to be liable to Unitholders for which the Responsible Entity has no right of indemnity from the Trust.

Responsible Entity indemnity

The Manager must indemnify the Responsible Entity against any direct loss or liability reasonably incurred by the Responsible Entity in connection with any negligent, fraudulent or dishonest act or omission of the Manager, its officers, employees or agents, the Manager's breach of the Investment Management Agreement, any negligent, fraudulent or dishonest act or omission of the Manager, its officers, employees or agents and any act or omission of the Manager or any of its officers, employees or agents that causes the Responsible Entity to be liable to Unitholders for which the Responsible Entity has no right of indemnity from the Trust.

Expenses

The Responsible Entity must reimburse the Manager from the assets of the Trust all taxes, costs, charges (including negative interest rate charges provided those charges are reasonably incurred) and expenses properly incurred by the Manager in connection with the services provided under the Investment Management Agreement. Any deferral of expense reimbursement by the Manager will not affect its rights to such amounts.

Amendment

The Investment Management Agreement may be amended by the written agreement of the Responsible Entity and the Manager.

13.2 OFFER MANAGEMENT AGREEMENT

The Responsible Entity and the Manager have entered into an Offer Management Agreement with the Lead Arranger and Joint Lead Managers with respect to management of the Offer. Under the Offer Management Agreement, the Lead Arranger and Joint Lead Managers have agreed to, among other things, use their reasonable endeavours to procure Applications under the Offer. A summary of the key terms of the Offer Management Agreement are set out below.

Fees and Expenses

The Lead Arranger and Joint Lead Managers will be entitled to the following fees set out in the Offer Management Agreement:

- a) a lead arranger fee to Taylor Collison of 0.05% of the total amount raised under the Offer (plus GST); and
- b) a management fee to:
 - a. the Joint Lead Managers of 0.50% (plus GST) of the Offer Proceeds to be shared equally among each Joint Lead Manager; and
 - b. each Qualifying Lead Manager of 0.25% (plus GST) of the Offer Proceeds to be shared equally among each Qualifying Lead Manager, provided that the total amount raised under the Offer exceeds \$250 million.

Qualifying Lead Manager being a Joint Lead Manager who obtains or procures bids or introduces or otherwise procures applications for Units under the Offer in aggregate of \$50 million or more.

The Joint Lead Managers will be reimbursed by the Manager for all reasonable expenses (including any applicable GST) incurred by the Joint Lead Managers in connection with the Offer Management Agreement, this PDS and the Offer including:

- a) all reasonable legal fees of the Joint Lead Managers;
- b) all reasonable marketing, travel, postage, printing and accommodation expenses and other costs, fees, commissions, disbursements, charges, taxes or duties;
- c) any documentary, stamp duty, transfer taxes, withholding taxes or similar taxes (but excluding the income tax of the Joint Lead Managers) payable in respect of the Offer Management Agreement, the Offer and any other costs in respect of the Offer and the allocation and issue of the New Units (including any delivery versus payment or other settlement arrangements); and

- d) all reasonable costs and expenses payable in relation to completion of the Offer (on a delivery versus payment basis) including any fees or charges payable by the Joint Lead Managers to the ASX or ASX Settlement,

as soon as reasonably practicable, and in any case within five days after a request for payment or reimbursement by the Manager is made by the Joint Lead Managers or on termination of the Offer Management Agreement.

The Manager will also be responsible for:

- a) the payment to any broker to the Offer of 1.25% of the amount equal to the total number of Units in respect of which any broker under the Entitlement Offer procures valid applications multiplied by the Offer Price (excluding GST);
- b) to the Joint Lead Managers and Co-Managers, a selling fee of 1.25% (excluding GST) of the total amount raised under the Offer by the relevant Joint Lead Manager or Co-Manager.

Warranties and representations

Customary and usual representations and warranties are given by the parties in relation to matters such as the power to enter into the Offer Management Agreement, corporate authority and approvals and the Responsible Entity's and Manager's compliance with the Corporations Act and Listing Rules in relation to making the Offer. The Responsible Entity and Manager give a number of further representations and warranties, including that the PDS will not contain any untrue, inaccurate, misleading or deceptive statements and will not omit information necessary in order to make the statements therein not misleading.

Except as disclosed in the PDS, the Manager and Responsible Entity must not:

- a) without the prior written consent of the Joint Lead Managers (such consent not to be unreasonably withheld or delayed) at any time after the date of the Offer Management Agreement and before the expiration of 90 days after the Settlement Date (as defined in the Offer Management Agreement) issue or agree to issue any units (including Units), options to acquire units, or other interests or securities in the Trust (**New Issue** as defined in the Offer Management Agreement), other than pursuant to the Offer, the Offer Management Agreement, the dividend reinvestment plan which the Trust announced on 13 February 2018, or the exercise of

options currently on issue or as disclosed in the PDS; or where the New Issue is in respect of Units not taken up under the Shortfall (and such issue is made within two months of the Entitlement Offer first being made); or

- b) in any way reduce, reorganise, or otherwise alter the Trust's capital structure or agree or announce an intention to do any of those things, without the prior written consent of the Joint Lead Managers (such consent not to be unreasonably withheld or delayed) at any time after the date of the Offer Management Agreement and before the expiration of 90 days after the Units are issued pursuant to the Offer, provided that this prohibition will not apply if the alteration of the Trust's capital structure arises from a takeover bid or merger proposal which has been approved by the Responsible Entity acting in accordance with its duties to unitholders,

provided that these restrictions will not apply in respect of:

- > any Units offered or acquired by MDIT; or
- > any person who is receiving Units in the Trust in satisfaction of redemption proceeds in respect of a fund managed by the Manager (**Redemption Units**), other than to the extent that the aggregate proceeds of such Redemption Units exceed \$5 million, in which case these restrictions will apply only in respect of that excess.

Indemnity by the Responsible Entity and Manager

Subject to certain exclusions relating to, among other things, fraud, wilful misconduct or gross negligence, the Responsible Entity and Manager indemnify the Joint Lead Managers and certain affiliated parties against certain liabilities and losses incurred or sustained directly or indirectly as a result of the appointment of the Joint Lead Managers pursuant to the Offer Management Agreement.

Termination events

Termination events not subject to materiality

A Joint Lead Manager may terminate its appointment under the Offer Management Agreement without cost or liability to that Joint Lead Manager at any time before the issue of Units under the Offer by written notice to the other parties if any of the following occurs:

- a) (**adverse change**) in the reasonable opinion of a Joint Lead Manager, any matter described in paragraph (a)(i) of the definition of 'Material Adverse Effect' in the Offer Management Agreement occurs (eg. a matter which has

- a material adverse effect on the general affairs, business, operations, assets, liabilities, financial position or performance, profits, losses, product disclosure statement, earnings position, unitholder's equity, or results of operations of the Trust, the Manager, the Sub-Trust or any of the Wholesale Funds);
- b) **(withdrawal)** the Responsible Entity or the Manager withdraws the PDS, any supplementary PDS, the Offer or any part of the Offer, or indicates that it intends to do any of those things;
 - c) **(confirmation certificate)** the Responsible Entity or the Manager does not provide the confirmation certificate in accordance with the requirements of the Offer Management Agreement;
 - d) **(quotation)** ASX indicates to the Responsible Entity, the Manager or a Joint Lead Manager that it will not approve the granting of official quotation to the Units offered under the Offer or that it will impose conditions which are not acceptable to the Joint Lead Manager, acting reasonably, by 5pm on the Business Day immediately preceding the settlement date for the Offer;
 - e) **(listing)** the Trust ceases to be admitted to the official list of ASX or the Units are non-voluntarily suspended from trading on, or cease to be quoted on, ASX;
 - f) **(PDS/disclosure documents)** any of the following occur:
 - a. there is a material omission from the PDS or any other document issued or published by the Responsible Entity, or on behalf of the Company with its written consent, in respect of the Offer, and any marketing presentation used by the Company to conduct the marketing of the Offer (**Disclosure Document**), of information required by the Corporations Act or any other applicable law or requirement;
 - b. the PDS or any other Disclosure Document contains a misleading or deceptive statement or a statement which is not substantiated;
 - c. a statement in the PDS or any other Disclosure Document becomes misleading or deceptive in any material respect;
 - d. a matter referred to in section 1014E of the Corporations Act occurs in respect of the PDS; or
 - e. a Disclosure Document does not comply with, in any material respect, an applicable law.
 - g) **(ASIC investigation)** ASIC issues or threatens to issue proceedings in relation to the Offer or commences, or threatens to commence any inquiry or investigation in relation to the Offer or any subscription of Units in the Trust;
 - h) **(Corporations Act)** any of the following occur:
 - a. ASIC applies for an order under section 1324B of the Corporations Act in relation to the PDS and the application is not dismissed or withdrawn before the Closing Date;
 - b. ASIC gives notice of intention to hold a hearing in relation to the PDS or the Offer, or makes an interim order or any other order under section 1020E of the Corporations Act in relation to the PDS or any supplementary PDS or the Offer;
 - c. an application is made by ASIC for an order under Part 9.5 in relation to the PDS or any supplementary PDS or the Offer or ASIC commences any investigation or hearing under Part 3 of the *Australian Securities and Investments Commission Act 2001* (Cth) in relation to the PDS or any supplementary PDS or the Offer; or
 - d. any person gives a notice under sections 1021J(3) or 1021L(2) of the Corporations Act;
 - i) **(insolvency)** an 'Insolvency Event' (as defined in the Offer Management Agreement) occurs with respect to the Responsible Entity, the Manager or the Trust;
 - j) **(repayment of application monies)** any circumstance arising after the lodgement of the PDS with ASIC that results in the Responsible Entity or Manager being required by ASIC or under any applicable law to repay funds raised under the Offer or to offer an opportunity to applicants to withdraw their applications and receive a refund of their application money;
 - k) **(consent)** any person (other than a Joint Lead Manager) whose consent to the issue of the PDS is required by the Corporations Act who has previously consented to the issue of the PDS withdraws such consent or any person otherwise named in the PDS with their consent (other than a Joint Lead Manager) withdraws such consent;
 - l) **(supplementary PDS)** a supplementary PDS must, in the reasonable opinion of a Joint Lead Manager, be lodged with ASIC under the Corporations Act or the Responsible Entity lodges a supplementary PDS (other than in accordance with the Offer Management Agreement);

- m) **(Director)** a director of the Responsible Entity:
 - a. is charged with an indictable offence or any regulatory body commences any public action against the director in his or her capacity as a director of the Responsible Entity or announces that it intends to take any such action; or
 - b. is disqualified from managing a corporation under sections 206B, 206C, 206D, 206E, 206F or 206G of the Corporations Act;
- n) **(market fall)** the S&P ASX All Ordinaries Index closes on any business day before the settlement date (as defined in the Offer Management Agreement) at a level that is 15% or more below the level of that index at the close of normal trading on ASX on the business day immediately preceding the date of the Offer Management Agreement and closes at or below that level:
 - a. for at least two consecutive business days; or
 - b. on the business day before the settlement date;
- o) **(credit index rise)** the average mid-rate for the iTraxx Australia Index of a term 5 years is 45% or more above its level as at the close of business on the business day immediately before the date of the Offer Management Agreement and remains at or above that level for two consecutive business days;
- p) **(ratings downgrade)** the credit rating assigned to the DASLF on or about the lodgement of the PDS by Standard & Poor's is downgraded or withdrawn or the MCP Diversified Australian Senior Loan Fund is placed on negative watch;
- q) **(no issue)** the Responsible Entity is or becomes unable, for any reason, to issue or allot the Units within the time required by the timetable set out in the Offer Management Agreement and in accordance with all applicable laws;
- r) **(key executives)** Andrew Lockhart, Justin Hynes, Graham McNamara or Andrew Tremain is removed from office or replaced;
- s) **(Manager)** there is a change in ownership of the Manager;
- t) **(illegality)** there is an event or occurrence, including any statute, order, rule or regulation, official directive or request (including on compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any government agency which makes it illegal for a Joint Lead Manager to satisfy an obligation under the Offer Management Agreement, or to market, promote or settle the Offer in accordance with the Offer Management Agreement;
- u) **(misleading or deceptive conduct)** any civil or criminal proceedings are brought against the Responsible Entity or the Manager or any officer of the Responsible Entity or the Manager in relation to any fraudulent, misleading or deceptive conduct relating to the Responsible Entity or the Manager whether or not in connection with the Offer except for any claim where at the time the claim is made, it is immediately apparent, in the reasonable opinion of a Joint Lead Manager, that, on the face of the claim, it has no prospect of success, is vexatious or without merit;
- v) **(timetable)** the Offer is not conducted in accordance with the timetable in the Offer Management Agreement or any event specified in the timetable is delayed for more than two Business Days without the prior written consent of the Joint Lead Managers; or
- w) **(Material Contract)** Any of the following occurs:
 - a. a material contract disclosed in the PDS **(Material Contract)** is terminated;
 - b. an event occurs which entitles a party to terminate a Material Contract;
 - c. there is a material breach of a Material Contract including a failure to satisfy a condition precedent to performance of a Material Contract;
 - d. a condition precedent to performance a Material Contract becomes incapable of being satisfied; or
 - e. a Material Contract is amended without the Joint Lead Managers' prior written consent (such consent not to be unreasonably withheld).

Termination events subject to materiality

In addition a Joint Lead Manager may terminate its appointment under the Offer Management Agreement without cost or liability to that Joint Lead Manager at any time before the issue of Units under the Offer by written notice to the other parties if in the reasonable opinion of that Joint Lead Manager, any of the following has, or is likely to have, a Material Adverse Effect (as defined in the Offer Management Agreement):

- a) **(breach)** there is a breach by a party of the Offer Management Agreement;
- b) **(change in law)** there is introduced, or there is a public announcement of a proposal to introduce into any legislature of Australia, a law or regulation, or a new government policy is adopted by a government in any of those jurisdictions or there is a public announcement of a proposal to adopt a new government policy by such a government (other than a law or government policy announced before the date of the Offer Management Agreement) any of which does or is likely to prohibit the Offer, capital issues or the taxation treatment of the Units or regulate or affect the Offer, capital issues or taxation treatment of the Units;
- c) **(political or economic conditions)** any adverse change or disruption occurs in the existing financial markets, political or economic conditions currency exchange rates or controls or financial markets in Australia, New Zealand, the United States, the United Kingdom, Hong Kong or any Member State of the European Union or in foreign exchange rates or any development involving a prospective adverse change in political, financial or economic conditions in any of those countries;
- d) **(moratorium)** a general moratorium on commercial banking activities in Australia, New Zealand, the United States, the United Kingdom, Hong Kong or any Member State of the European Union is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;
- e) **(market disruption)** trading in all securities quoted or listed on ASX, the New Zealand Stock Exchange, New York Stock Exchange, London Stock Exchange or the Hong Kong Stock Exchange, is suspended or limited in a material respect;
- f) **(breach of significant contracts)** a material contract or an agreement referred to in the PDS is:
 - a. breached by the Responsible Entity, Manager, the Joint Lead Managers or any of their related bodies corporates; or
 - b. terminated (whether by breach or otherwise);
- g) **(default)** a party is in default of any of the material terms or conditions of the Offer Management Agreement or breaches any warranty, undertaking or covenant given or made by it under the Offer Management Agreement and that default or breach is either incapable of remedy or is not remedied within five business days after it occurs;
- h) **(charge)** the Responsible Entity or the Manager charges or agrees to charge, the whole, or a substantial part of the assets of the Trust;
- i) **(prosecution)** any of the following occur:
 - a. a director or member of a party is charged with an indictable offence;
 - b. any governmental agency commences any public action against a party or any of its directors or senior managers in their capacity as a director or senior manager of the party;
 - c. any director or senior manager of a party is disqualified from managing a corporation under any law of any jurisdiction; or
 - d. a party or a director or senior manager of the party engages in any fraudulent conduct or activity; or
- j) **(representations and warranties)** any representation or warranty contained in the Offer Management Agreement on the part of a party is breached or becomes false, misleading or incorrect;
- k) **(prescribed occurrence)** a Prescribed Occurrence (as defined in the Offer Management Agreement) occurs in respect of the Responsible Entity or Trust;

- l) **(hostilities)** there is an outbreak of hostilities (whether or not war or a national emergency has been declared) not presently existing, or a major escalation in existing hostilities occurs, or a major act of terrorism occurs in or involving any one or more of Australia, New Zealand, the United Kingdom, the United States of America, Hong Kong, China, India, South Korea, Russia or Japan or involving any diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world; or
- m) **(disclosures in due diligence report)** the due diligence report or verification material or any other information supplied by or on behalf of the Responsible Entity or the Manager to a Joint Lead Manager in relation to the Responsible Entity, the Trust, the Manager or the Offer is or becomes false or misleading or deceptive or likely to mislead or deceive, including by way of omission.

13.3 MANAGER LOAN

The Responsible Entity and the Manager have entered into a loan agreement under which the Responsible Entity has agreed to provide a working capital loan facility to the Manager which has been extended to a date 10 years from the date of this PDS (**Manager Loan**). The Manager Loan is unsecured and not guaranteed. The current loan is \$28.3 million. The Responsible Entity and the Manager have agreed to increase the Manager Loan up to \$44.5 million. The Manager Loan may be increased by agreement of the Responsible Entity and the Manager as the size of the Trust grows, but will not at any point exceed 3% of the Trust's Net Tangible Asset Backing. The Manager may make further draw-downs under the facility for amounts agreed between the Manager and the Responsible Entity from time to time. The Manager Loan provides that the Manager must pay interest at a rate of 4% per annum on any Outstanding Amounts. Borrowed amounts will be repaid over a 10-year period unless repaid earlier by the Manager. The interest payable under the Manager Loan is capitalised. Due loan amounts may be offset against amounts payable to the Manager.

The Manager Loan does not restrict the operation of the Manager's business. The Manager will be in breach of the loan agreement if it does not pay the amounts owing by the end of the term of the Manager Loan.

Where the Manager defaults on its payments under the Manager Loan, the Responsible Entity may have recourse against the Manager for any moneys owing. The Manager Loan will mature 10 years from the date of this PDS. The loan becomes repayable at termination. The Manager may assign or transfer any of its rights or obligations under the Manager Loan to an entity under the control or common control of the Manager.

13.4 INVESTMENTS OF THE SUB-TRUST

The Sub-Trust may, as set out in section 5.10 of this PDS, invest in the Wholesale Funds from time to time and this may be through a variety of different financial instruments in order to obtain an investment exposure.

This may include investing in the Wholesale Funds by way of units, convertible notes (**Notes**), debt facilities and other financial instruments from time to time. The following summary sets out the key terms of the investments of the Sub-Trust in the Wholesale Funds.

Where practicable the Sub-Trust will invest via Notes to give greater security to the tenure of returns for the Trust. To date the Manager has been successful in deploying capital from the Trust into Notes.

Summary of Units

The following summary of units in the Wholesale Funds are provided given the Sub-Trust will invest in units in the Wholesale Funds.

Redemptions

For the DASLF the trustee may allow redemptions on the first Business Day of each quarter and or such other days as the trustee may determine, with redemption proceeds payable generally within five Business Days after the relevant redemption date. The trustee may refuse any redemption request. Redemption requests must be received at least 90 days prior to a redemption date otherwise the request will be held over for consideration for the following redemption date. The trustee has discretion to apply an amount of transaction costs to redemption proceeds to ensure that investors are not actually or potentially adversely impacted by the actions of other investors.

For the SPDF II and REDF redemptions are allowed at any time which may be accepted by the trustee in its absolute discretion. The redemptions will be paid from the redeeming unitholder's share of the proceeds received by the trustee from the realisation or repayment of investments (less fees and costs) in the relevant fund as at the redemption date (run-off investments). The redeeming unitholder will still be entitled to their pro rata share of distributable income in respect of their remaining interest in the fund as it runs-off.

Retirement of the trustee of a Wholesale Fund

The DASLF is a registered managed investment scheme under the Corporations Act. As such retirement of the trustee of the DASLF must be in accordance with the Corporations Act. Pursuant to the Corporations Act unitholders may remove the trustee if an extraordinary resolution (50% of votes that may be cast by unitholders) is passed at a meeting of unitholders.

In respect of the REDF and SPDF II the trustee may retire on 90 days' notice. The trustee may be forced to retire if directed to retire by ordinary resolution of unitholders in certain circumstances (e.g. insolvency, if required by law or due to wilful misconduct, fraud or negligence or an unremedied breach of an investment document).

Retirement of the Manager of the Wholesale Funds

Metrics acts as the manager of the Wholesale Funds.

In respect of the DASLF the trustee has various rights under the investment management agreement of DASLF to terminate Metrics' appointment as manager to the fund including:

- > if an insolvency event occurs to Metrics;
- > if a change in control occurs in respect of Metrics; or
- > where Metrics breaches the investment management agreement of DASLF in a way that materially adversely affects the interests of members (and fails to rectify the breach within a reasonable time). The investment management agreement of the DASLF includes a process for an expert to resolve any disputes between the trustee and Metrics including in relation to whether a breach is material or has been adequately rectified.

In respect of the REDF and SPDF II, Metrics as manager may retire upon 90 days' notice if unitholders approve the retirement by special resolution. Metrics as manager may be forced to retire if directed to retire as manager of REDF and SPDF II by ordinary resolution of unitholders in certain circumstances (e.g. insolvency, if required by law or due to wilful misconduct, fraud or negligence, an unremedied breach of an investment document or if a key person has acted with fraud, dishonesty or wilful misconduct in connection with the relevant Wholesale Fund).

Wholesale Fund Termination

The DASLF may be terminated by an extraordinary resolution of unitholders (50% of votes that may be cast by unitholders), as determined by the trustee (with not less than 60 days prior written notice to investors) or in accordance with the Corporations Act (e.g. if ordered by a court).

The REDF and SPDF II may be terminated by the trustee with approval of unitholders by special resolution.

Voting

As the DASLF is a registered managed investment scheme under the Corporations Act each unitholder, on a show of hands has 1 vote and on a poll, has 1 vote for each dollar of the value of the total interests they have in the scheme.

Each unitholder in the REDF and SPDF II has one vote for each dollar of its committed capital on a resolution.

Trustee indemnity

In respect of the DASLF the trustee is entitled to be indemnified in full out of the assets of the fund for any liability incurred by it in the proper performance of its duties or powers in relation to the fund.

In respect of the REDF and SPDF II the trustee is entitled to be indemnified out of the property of the relevant fund for any loss incurred by it, excluding overheads, in performing any of its duties or exercising any of its powers in relation to the relevant fund or attempting to do so.

Summary of convertible notes

The following summary of convertible notes (**Notes**) in the Wholesale Funds are provided given the Sub-Trust has invested in Notes in the Wholesale Funds.

Notes are unsecured with a term of up to 10 years, and the Sub-Trust is entitled to a return referable to the returns on the underlying investments of the Wholesale Funds.

The Notes rank behind third party creditors and will rank equally alongside other noteholders and unitholders in the respective Wholesale Funds.

Any losses in the underlying portfolios of the Wholesale Funds will reduce the value of the Notes.

Distributions on the Notes are paid monthly or such other times as the relevant trustee of the Wholesale Fund determines.

The trustee of the relevant Wholesale Fund may choose to terminate the Notes by not less than 90 days' notice to the trustee of the relevant Wholesale Fund. The redemptions will be paid from the redeeming noteholder's pro rata share of the proceeds received by the trustee of the Wholesale Fund from the realisation or repayment of run-off investments (less fees and costs in the relevant fund). The redeeming noteholder will still be entitled to their pro rata share of distributable income whilst Notes remain outstanding. There are no covenants or other similar obligations owed by the trustee of the relevant Wholesale Fund in respect of the Notes.

If the trustee of the Sub-Trust does not choose to terminate the Notes as set out above for the initial term of the Notes, the Notes will automatically roll over for their term.

The Notes do not carry the right to vote unless required by law such as for DASLF. The trustee of the relevant Wholesale Fund may repay the Notes early.

An event of default includes if the trustee of the Wholesale Fund is insolvent or the Wholesale Fund is terminated.

The trustee of a relevant Wholesale Fund may choose to convert the Notes into units in the relevant Wholesale Fund during the term of the Notes provided that it does not dilute the Sub-Trust's economic interest in the Wholesale Fund.

13.5 OTHER MATERIAL CONTRACTS

Administrator

The Responsible Entity will appoint MCH Services as administrator of the Trust. Under this arrangement, MCH Services will be responsible for general administration of the Trust, including providing valuation, investment administration and accounting services.

Custodian

The Responsible Entity has appointed Perpetual Corporate Trust Limited as custodian for the Trust. Under this arrangement, the role of Perpetual Corporate Trust Limited as custodian is limited to holding and maintaining assets of the Trust on behalf, and as agent of the Responsible Entity.

Auditor

The Responsible Entity has appointed KPMG as the independent auditor of the Trust's financial statements (**Auditor**).

The Responsible Entity is also required to appoint an auditor of the compliance plan. The auditor is required to conduct an audit of the compliance plan within 3 months of the end of the financial year of the registered scheme and provide a report to the Responsible Entity. PricewaterhouseCoopers (ABN 52 780 433 757) has been appointed by the Responsible Entity to conduct this audit on the Trust's compliance plan on an annual basis.

Registry

The Responsible Entity has appointed Automic Pty Ltd as Unit Registry for the Trust. Under this arrangement, Automic is responsible for reviewing and updating the Trust's register of Unitholders and providing ancillary services.

SECTION 14: ADDITIONAL INFORMATION

14.1 REPORTING AND DISCLOSURE OBLIGATIONS

The Trust is a disclosing entity for the purposes of the Corporations Act and is therefore subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules. These obligations require the ASX to be notified periodically and on a continuous basis of information about specific events and matters as they arise for the purpose of the ASX making the information available to the financial market operated by it. In particular, the Trust has an obligation under the Listing Rules (subject to certain limited exceptions) to notify the ASX immediately of any information concerning the Trust, of which it becomes aware, which a reasonable person would expect to have a material effect on the price or value of the Trust's securities. The Trust is also required to prepare and lodge with ASIC and the ASX both yearly and half-yearly financial statements accompanied by a Directors' declaration and report, and an audit or review report.

14.2 SUMMARY OF THE CONSTITUTION

The Trust is governed by the Constitution and applicable laws. A summary of the key rights and obligations attaching to the Units and a description of the material provisions of the Constitution are set out below. This summary is not exhaustive nor does it constitute a definitive statement of the terms of the Constitution. The rights and obligations attaching to ownership of Units are also governed by the Corporations Act, the Listing Rules and general law which are not discussed in full.

If you invest in the Trust, you agree to be bound by the terms of this PDS and Constitution. Copies of the Constitution are available, free of charge on request from the Responsible Entity. Please consider the Constitution before investing in the Trust.

Units

The Trust is divided into Units. A Unit confers on the Unitholder an undivided beneficial interest in the Trust as a whole, subject to trust liabilities and not in parts or single assets. A Unitholder holds a Unit subject to the rights and obligations attaching to that Unit. Units may be issued at a price determined by the Responsible Entity that may be above or below the trading value of Units.

No redemption of Units

While the Trust is listed on the ASX, Units are not able to be redeemed, except under a withdrawal offer or buy-back of Units which is at the absolute discretion of the Responsible Entity to offer and which satisfies the Corporations Act and Listing Rules.

Buy-backs

While the Trust is listed on the ASX the Responsible Entity may, but is under no obligation to, buy-back units and cause units purchased to be cancelled.

Amendments to Constitution

While the Trust is listed on the ASX and is a registered scheme, the Constitution may be amended by the Responsible Entity, provided that the Responsible Entity reasonably considers that the amendment will not adversely affect the rights of Unitholders, or by special resolution of Unitholders. Any amendment to the Constitution will not be effected until the modification is lodged with ASIC.

Liability of Unitholders

As is typically the case with Australian managed funds, the liability of each Unitholder is limited to the amount subscribed, or agreed to be subscribed by the Unitholder, for Units plus any losses related to their default under the Constitution and taxes related to their Units, although this has not been definitively tested by the courts.

Responsible Entity's powers and duties

The Responsible Entity has within and outside Australia all the powers in relation to the Trust that it is legally possible for a natural person, corporation, trustee or responsible entity to have, including to invest in real or personal property of any nature, to borrow or raise money and to secure by mortgage or otherwise, give guarantees and incur liabilities and obligations of any kind and to fetter its own discretion, as if it were the absolute and beneficial owner of all Trust assets.

The Responsible Entity may appoint delegates or agents to perform any act and to exercise any of its powers, as well as advisers to assist with its duties and functions.

In discharging its duties, the Responsible Entity is required to comply with the Constitution, the Corporations Act, the Listing Rules and the general law in Australia.

Responsible Entity's indemnity and expense reimbursement

The Responsible Entity is indemnified out of the Trust assets and can be reimbursed for any liability incurred by it, in its own capacity or through an agent, manager, adviser or delegate, in relation to the proper performance of any of its duties in respect of the Trust. The Responsible Entity will incur expenses to maintain the Trust and its listing on the ASX such as the maintenance of the Custodian, fund administration and Unit Registry fee.

Fees

Fees are covered in section 7 of this PDS.

Responsible Entity's liability

Under the Constitution the Responsible Entity will not be liable to Unitholders except in the case of its fraud, negligence or breach of trust or any other amounts required under applicable law.

The Responsible Entity's liability is generally limited to the extent to which it is entitled and does recover through its right of indemnity from the Trust property.

Related parties

The Responsible Entity, the Manager and any related company or Associate of the Responsible Entity or Manager, may, subject always to acting in good faith to Unitholders:

- a) hold Units;
- b) represent or act for, or contract with, individual Unitholders;
- c) deal in any capacity with the Responsible Entity, the Manager or with any related body corporate or Associate of the Responsible Entity, the Manager or with any trust;
- d) invest in and deal in any capacity with the same investments as those of the Trust, on similar or different terms;
- e) recommend that investments be purchased or sold, on behalf of the Trust, regardless of whether at the same time it may buy, sell or recommend, in the same or in a contrary manner, the purchase or sale of identical investments in relation to itself or other clients;
- f) deal in any investment regardless of whether that dealing is inconsistent with the dealing of the Trust;

- g) act in any capacity in relation to any other trusts, including subscribing for units in other trusts on behalf of Unitholders;
- h) act in various capacities in relation to, or be otherwise involved in (such as by way of investment), other business activities that may be in competition with the interests of Unitholders;
- i) acquire or dispose of Trust property to associates of the Responsible Entity or the Manager at the price and in the manner contemplated by this PDS or in the Constitution; or
- j) receive and retain profits or benefits of any nature, in connection with the Trust or otherwise, including buying or selling Trust property from or to itself in another capacity,

without being liable to account to the Trust, to the Responsible Entity, to the Manager or to a Unitholder.

Removal and retirement of the Responsible Entity

Unitholders do not have a right to remove the Responsible Entity other than the right granted by the Corporations Act which requires members with at least 5% of the votes that may be cast on the resolution or at least 100 members who are entitled to vote on the resolution to call a meeting to consider a vote on an ordinary resolution to remove the Responsible Entity. The Responsible Entity may retire in accordance with the Corporations Act. The Responsible Entity and its associates may vote on a resolution to remove it.

Small holdings

In certain circumstances, the Responsible Entity may sell any Units held by a Unitholder which comprise less than the minimum balance as provided in the Constitution and Listing Rules.

Meetings

Unitholders with at least 5% of the votes that may be cast on the resolution or at least 100 members who are entitled to vote on the resolution may generally call a meeting to consider a resolution. Resolutions must only be matters that Unitholders are permitted to vote on under the law or Constitution. Resolutions may be determined by postal ballot if permitted under the law and Listing Rules or at a meeting of Unitholders.

Termination of the Trust

The Unitholders may at any time terminate the Trust by calling a Unitholders' meeting in accordance with the Corporations Act to consider and vote on an extraordinary resolution directing the Responsible Entity to wind up the Trust. Otherwise, whilst the Trust is listed, the Trust is not able to be terminated under its Constitution.

Listing Rules

The Trust is subject to the Listing Rules and, despite anything in the Constitution, if the Listing Rules prohibit an act being done, that act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules requires to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision or not to contain a provision, the Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If any provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

14.3 AVAILABILITY OF OTHER DOCUMENTS

The ASX maintains records of announcements for all entities listed on the ASX. The Trust's announcements may be viewed on the ASX website (www.asx.com.au). ASIC also maintains records in respect of documents lodged with it by the Trust, and these may be obtained from or inspected at any office of ASIC.

14.4 WARRANTIES MADE ON ACCEPTANCE OF OFFER

By completing and returning your personalised Entitlement and Acceptance Form, by making a payment by BPAY® or by completing and returning your Shortfall Offer Application Form, you will be deemed to have irrevocably acknowledged, represented and warranted that you, and each person on whose account you are acting:

- > acknowledge that you have fully read and understood both this PDS and your Entitlement and Acceptance Form or Shortfall Offer Application Form (as the case may be) in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this PDS and the Entitlement and Acceptance

Form or Shortfall Offer Application Form (as the case may be);

- > agree to be bound by the terms of the Offer, the provisions of this PDS and the Constitution;
- > authorise the Responsible Entity to register you as the holder(s) of New Units (and any Additional New Units) issued to you;
- > declare that all details and statements in your Entitlement and Acceptance Form or Shortfall Offer Application Form (as the case may be) are complete and accurate;
- > declare that you are over 18 years of age (if you are an individual) and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form or Shortfall Offer Application Form (as the case may be);
- > acknowledge that once the Responsible Entity receives your Entitlement and Acceptance Form or Shortfall Offer Application Form or any payment of Application Monies via BPAY® (as the case may be) you may not withdraw your Application or Application Monies provided except as allowed by law;
- > agree to apply for and be issued up to the number of New Units specified in the Entitlement and Acceptance Form or Shortfall Offer Application Form (as the case may be), or for which you have submitted payment of any Application Monies via BPAY at the Offer Price per New Unit;
- > agreed to being allocated and issued the number of New Units applied for (or a lower number allocated in a way described in this PDS), or no New Units at all;
- > authorise the Responsible Entity, Lead Arranger, Joint Lead Managers, the Unit Registry and their respective officers or agents to do anything on your behalf necessary for New Units (and any Additional New Units (if applicable)) to be issued to you, including to act on instructions of the Unit Registry;
- > in respect of Eligible Unitholders only, declare that you were the registered holder(s) at the Record Date of the Units indicated on your personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- > acknowledge that the information contained in this PDS and your personalised Entitlement and Acceptance Form or Shortfall Offer Application Form (as the case may be) is not investment advice or financial product advice nor have

they been prepared taking into account your investment objectives, financial circumstances or particular needs or circumstances. You acknowledge that this PDS and your personalised Entitlement and Acceptance Form and Shortfall Offer Application Form (as the case may be) is not a recommendation that New Units (including Additional New Units) are suitable for you given your investment objectives, financial situation or particular needs;

- > acknowledge the statement of risks in section 8 and that investments in the Trust are subject to risk;
- > in respect of applicants in the Shortfall Offer, declare that you are a resident of Australia or New Zealand;
- > acknowledge and agree that the Offer may be withdrawn by the Responsible Entity or may otherwise not proceed in the circumstances described in this PDS;
- > acknowledge that none of the Responsible Entity, the Lead Arranger, Joint Lead Managers or their respective related bodies corporate, affiliates or respective directors, officers, partners, employees, representatives, agents, consultants or advisers guarantee the performance of the Trust, nor do they guarantee the repayment of capital;
- > in respect of Eligible Unitholders, agree to provide (and, if applicable, direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Units on the Record Date;
- > authorise the Responsible Entity to correct any errors in your personalised Entitlement and Acceptance Form or Shortfall Offer Application Form (as applicable) or other form provided by you;
- > represent and warrant that the law of any place does not prohibit you from being given this PDS and the personalised Entitlement and Acceptance Form or the Shortfall Offer Application Form, nor does it prohibit you from making an application for New Units (or Additional New Units (if applicable)); and
- > represent and warrant that your acceptance of the Offer does not breach any laws in the jurisdiction in which you reside.

By completing and returning your personalised Entitlement and Acceptance Form or Shortfall Offer Application Form (as applicable) or making a payment by BPAY®, you will also be deemed to have irrevocably acknowledged, represented

and warranted on your own behalf and on behalf of each person on whose account you are acting:

- > in respect of participants in the Entitlement Offer, that you are an Eligible Unitholder or otherwise eligible to participate in the Entitlement Offer and you and each person on whose account you are acting are not in the United State and are not otherwise a person to whom it would be illegal to make an offer of or issue of Entitlement, New Units or Additional New Units under the Entitlement Offer and under any applicable laws and regulations;
- > the Entitlements, New Units and Additional New Units have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia and, accordingly, the Entitlements may not be taken up, the New Units or Additional New Units may not be offered, sold or otherwise transferred, except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws;
- > you and each person on whose account you are acting have not and will not send any materials relating to the Offer to any person in the United States;
- > if in the future you decide to sell or otherwise transfer the New Units (or Additional New Units (if applicable)), you will only do so in the regular way transactions take place on the ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- > if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form or Shortfall Offer Application Form (as applicable) is not in the United States, and you have not sent this PDS, the Entitlement and Acceptance Form, the Shortfall Offer Application Form or any information relating to the Offer to any such person.

14.5 COMPLAINTS RESOLUTION

The Responsible Entity has established procedures for dealing with complaints. If an investor has a complaint, they can contact the Responsible Entity or the Manager during business hours.

The Responsible Entity will use reasonable endeavours to deal with and resolve the complaint within a reasonable time but in any case no later than 45 days after receipt of the complaint.

If an investor is not satisfied with the outcome, the complaint can be referred to the Australian Financial Complaints Authority (**AFCA**), an external complaints resolution scheme of which the Responsible Entity is a member. AFCA's postal address is GPO Box 3, Melbourne, Victoria 3001 and the toll-free number is 1800 931 678. AFCA's role and terms of reference are specified in AFCA's Rules available from their website www.afca.org.au.

14.6 INTERESTS OF RESPONSIBLE ENTITY DIRECTORS

This section 14.6 sets out the nature and extent of the interests and fees of certain persons involved in the Offer other than as set out below or elsewhere in this PDS:

- a) no Director or proposed Director holds at the date of this PDS, or held at any time during the last two years before the date of lodgement of this PDS with ASIC, any interest in:
 - the formation or promotion of the Trust; or
 - any property acquired or proposed to be acquired by the Trust in connection with its formation or in connection with the Offer; or
 - the Offer; and
- b) no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:
 - to a Director or proposed Director to induce him to become, or to qualify as, a Director; or
 - for services provided by a Director or proposed Director in connection with the formation or promotion of the Trust or in connection with the Offer.

14.7 CONFLICTS OF INTEREST

The Manager is also the manager of other funds and clients not described in this PDS. While the Manager has implemented policies and procedures to identify and mitigate conflicts of interest, it is possible that the Manager may, in the course of its business, have potential conflicts of interest which may not be managed effectively and may be detrimental to the

Trust and its Unitholders. These conflicts could include the Manager having to decide which clients and funds it allocates investment opportunities to. In order to manage this conflict, the Manager has a policy of allocating opportunities between those funds and clients for which the opportunity is considered appropriate and among such clients and funds proportional to their available capital for that opportunity.

14.8 RELATED PARTY INTERESTS

Other than as set out in this PDS, there are no existing agreements or arrangements and there are no currently proposed transactions in which the Responsible Entity was, or is to be, a participant, and in which any related party had or will have a direct or indirect material interest.

The Investment Management Agreement and other material contracts have been entered into on arm's length terms between the Trust and the Manager. The Responsible Entity and the Manager may be subject to conflicts of interest when performing their duties in relation to the Trust. Both the Responsible Entity and the Manager have policies and procedures in place to appropriately manage these conflicts of interest.

The Trust will only be exposed to investments managed by Metrics and as such Metrics benefits from such investments as set out in section 7. Other parties and investors (including investors in the Sub-Trust and Wholesale Funds) may have interests that diverge from that of Metrics and the Trust, which may have an adverse effect on Unitholders.

The Trust Company (RE Services) Limited (ACN 003 278 831; AFSL 235 150) (**Responsible Entity**) has been appointed as the responsible entity of the Trust and related entities of the Responsible Entity have been appointed as trustees of each of the Wholesale Funds and the Sub-Trust. The Custodian is also a related party of the Responsible Entity. Other funds issued by the Responsible Entity or entities related to the Responsible Entity may also hold units in the Trust. The Responsible Entity will therefore be dealing with related parties in relation to the Trust's investments. The Responsible Entity is required under law to prefer the interests of the Unitholders over its own or that of Metrics. The Responsible Entity and its related parties have entered into arm's length agreements with Metrics which give the Responsible Entity and its related parties the right to terminate Metrics for misconduct or breaches of its agreements. Please refer to section 13 for further details of those agreements.

The Perpetual Group maintains a conflicts of interest policy that applies to all employees across the Perpetual Group. This policy defines a 'corporate conflict' as a conflict between 2 Perpetual entities. Under this policy all employees must identify and consider the impact of conflicts of interest in the course of carrying out their day to day duties. If an employee becomes aware of a corporate conflict the employee is required to notify their manager and the Perpetual Group compliance team. As part of the management of conflicts, Perpetual maintains a register of generic corporate conflicts, including related party conflicts, acting in multiple capacities on the same transaction and service provider to multiple entities, and how these conflicts are to be managed. When such a conflict is identified, the register provides for certain controls to be utilised in order to manage this conflict. Examples of controls include engaging on 'arm's length' or third party terms, use of information barriers and compliance plans. Where an employee notifies the Perpetual Group compliance team of a conflict, an assessment of the conflict will be referred to a quorum of 2 conflict officers. The conflict officers will apply a standardised assessment tool to determine the materiality of the conflict and, if material, the controls which may be required to manage the conflict, if it cannot be avoided. Depending on the conflict, there may be a requirement for the development of specific separation protocols for the relevant business unit, in order to appropriately manage the conflict. If the conflict officers determine that a conflict is material, it will be added to the relevant conflicts register of the entity and the conflicts register will be tabled at the next board meeting of that Perpetual entity. The conflicts register includes the controls used to manage the conflict. The board of directors of each Perpetual entity has ultimate responsibility for the management of conflicts, but day to day responsibility has been delegated to the conflicts officers.

Pinnacle Investment Management Limited (ACN 109 659 109) (**Pinnacle**) owns 35% of Metrics Credit Holdings Pty Ltd (which is the parent company of Metrics) and will receive fees as outlined in section 14.9. Clients of Pinnacle will also be participants in the Offer.

MCH Fund Administration Services is a wholly owned subsidiary of Metrics Credit Holdings Pty Ltd and will receive fees as outlined in section 7.

14.9 INTERESTS OF EXPERTS AND ADVISERS

Except as disclosed in this PDS, no amounts of any kind (whether in cash or otherwise) have been paid or agreed to be paid to any expert, stockbroker, promoter or any other person named in this PDS as performing a function in a professional capacity in connection with the preparation or distribution of this PDS, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated, for services rendered by that person in connection with the formation or promotion of the Trust or the Offer under this PDS.

- > Pinnacle Investment Management Limited
ABN 66 109 659 109 (**Pinnacle**) has been appointed as a Distribution Partner in relation to the Offer. In consideration of these services, Pinnacle will be paid a fee of 0.15% (plus GST) of the proceeds of the Offer
- > Taylor Collison is the Lead Arranger to the Offer. In accordance with the Offer Management Agreement, the Manager will pay the Lead Arranger and arranging fee of 0.05% (plus GST) of the total proceeds of the Offer.
- > Morgans, Ords, Taylor Collison and Wilsons have agreed to act as Joint Lead Managers to the Offer. In consideration of these services, Morgans, Ords, Taylor Collison and Wilsons will be paid a management fee of up to 0.75% (plus GST) of the Offer Proceeds. In addition to the management fee, the Joint Lead Managers and Co-Manager will also be entitled to be paid a selling fee of 1.25% (plus GST) on the total amount raised under the Offer by the relevant Joint Lead Manager or Co-Manager. Bell Potter and Escala have agreed to act as Co-Managers to the Offer, and any fee payable to the Co-Managers will be paid from the fees to the Joint Lead Managers.
- > Pitcher Partners has acted as the Australian Investigating Accountant to the Offer and has prepared the Investigating Accountant's Report on the Historical and Pro-Forma Historical Financial Information in section 12. In respect of these services, the Manager will pay approximately \$35,000 (plus GST and disbursements) to Pitcher Partners.
- > PPNSW Services Pty Ltd (ACN 608 418 828), a related entity to Pitcher Partners, has acted as the Tax Adviser to the Offer and has reviewed the Taxation Information in section 11. In respect of these services, the Manager will pay approximately \$12,000 (plus GST and disbursements) to PPNSW Services.

- > MinterEllison has acted as the Trust's legal advisers and in that capacity has been involved in undertaking due diligence enquiries for the preparation of this PDS and providing legal advice to the Trust in relation to the Offer. In respect of this work, the Manager will pay approximately \$250,000 (plus GST and disbursements) for services in relation to this PDS. Further amounts may be paid to MinterEllison for other services in accordance with its normal time-based charges.

14.10 OFFER EXPENSES

If the Offer proceeds, the total estimated cash expenses in connection with the Offer (including advisory, legal, accounting, tax, listing and administrative fees) are estimated to be \$16.5 million (net of claimable GST) assuming the Maximum Capital Raise is achieved.

The Responsible Entity may engage in future capital raisings in relation to the Trust and accordingly the Manager Loan and IEE may be extended if agreed by the Manager.

14.11 CONSENTS

Each of the parties referred to below:

- > does not make the Offer;
- > other than as specified in this PDS, does not make, or purport to make, any statement that is included in this PDS, or a statement on which a statement made in this PDS is based, other than as specified in this section 14;
- > to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this PDS other than a reference to its name and a statement included in this PDS with the consent of that party as specified below;
- > each of the parties listed below has given and has not, before lodgement of this PDS with ASIC, withdrawn its written consent to the inclusion of the statements in this PDS that are specified below in the form and content in which the statements appear:
 - a) Taylor Collison has given and has not withdrawn prior to the lodgement of this PDS with ASIC, its written consent to being named as Lead Arranger to the Trust in this PDS, and any electronic version of this PDS, in the form and context in which it is named.

- b) each of: Taylor Collison, Ords, Morgans and Wilsons has given and has not withdrawn prior to the lodgement of this PDS with ASIC, its written consent to being named as Joint Lead Managers to the Trust in this PDS, and any electronic version of this PDS, in the form and context in which it is named.
- c) each of Bell Potter and Escala has given and not withdrawn prior to the lodgement of this PDS with ASIC, its written consent to being named as Co-Manager to the Trust in this PDS, and any electronic version of this PDS, in the form and context in which it is named.
- d) Pitcher Partners has given, and has not withdrawn prior to the lodgement of this PDS with ASIC, its written consent to be named in this PDS as Investigating Accountant to the Trust in relation to the unaudited Pro-Forma Financial Information in the form and context in which it is named and has given and not withdrawn its consent to the inclusion in this PDS of its Investigating Accountant's Report in the form and context in which it is included.
- e) PPNSW Services has given, and not withdrawn prior to the lodgement of this PDS with ASIC, its written consent to be named in the PDS in relation to the tax information in the form and context in which it is named and to the inclusion in this PDS of its tax summary in Section 11 and the statements specifically attributed to it in the text of, or by a footnote in, this PDS, in the form and context in which they appear in this PDS.
- f) Metrics has given and not withdrawn its consent prior to the lodgement of this PDS with ASIC, its written consent to being named as the Manager to the Trust in this PDS, and any electronic version of this PDS, in the form and context in which it is named.
- g) MCH Services has given and not withdrawn its consent prior to the lodgement of this PDS with ASIC, its written consent to being named as the administrator to the Trust in this PDS, and any electronic version of this PDS, in the form and context in which it is named.

- h) Perpetual Corporate Trust Limited ACN 000 341 533 has consented to being named in this PDS, but it does not make any statement in this PDS, nor is any statement in this PDS based on any statement by it.
- i) MinterEllison has given and not withdrawn its consent prior to lodgement of this PDS with ASIC, its written consent to being named as Australian legal adviser to the Offer in this PDS, and any electronic version of this PDS, in the form and context in which it is named.
- j) Automic has given, and has not before the date of this PDS withdrawn, its consent to be named as the Unit Registry to the Trust in this PDS and any electronic version of this PDS in the form and context in which it is named. Automic was not involved in the preparation of this PDS, did not authorise or cause the issue of this PDS and takes no responsibility for any material in or omission from this PDS.
- k) Perpetual Limited and The Trust Company Limited have given and not withdrawn their consent prior to the lodgement of this PDS with ASIC, their written consent to being named in this PDS, and any electronic version of this PDS, in the form and context in which they are named.
- l) Pinnacle has given and not withdrawn its consent prior to the lodgement of this PDS with ASIC, its written consent to being named in this PDS, and any electronic version of this PDS, in the form and context in which it is named.
- m) KPMG has given and not withdrawn its consent prior to the lodgement of this PDS with ASIC, its written consent to being named in this PDS, and any electronic version of this PDS, in the form and context in which it is named.
- n) PricewaterhouseCoopers has given and not withdrawn its consent prior to the lodgement of this PDS with ASIC, its written consent to being named in this PDS, and any electronic version of this PDS, in the form and context in which it is named.
- o) Metrics Credit Holdings Pty Ltd has given and not withdrawn its consent prior to the lodgement of this PDS with ASIC, its written consent to being named in this PDS, and any electronic version of this PDS, in the form and context in which it is named.

14.12 LEGAL PROCEEDINGS

The Trust is not engaged in any litigation at the date of this PDS, and as far as the Responsible Entity is aware, no litigation involving the Trust is pending or threatened.

14.13 ANTI-MONEY LAUNDERING AND COUNTER TERRORISM FINANCING

The Anti-Money Laundering Act and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to the Responsible Entity (**AML Requirements**), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The Anti-Money Laundering Act is enforced by the Australian Transaction Reports and Analysis Centre (**AUSTRAC**). In order to comply with the AML Requirements, the Responsible Entity is required to, amongst other things:

- > Verify an investor's identity and the source of their application monies before providing services to them, and to re-identify them if they consider it necessary to do so; and
- > Where an investor supplies documentation relating to the verification of their identity, keep a record of this documentation for 7 years.

The Responsible Entity and Unit Registry as its agent (collectively, the **Entities**) reserve the right to request such information as is necessary to verify the identity of an investor and the source of the payment. In the event of delay or failure by the investor to produce this information, the Entities may refuse to accept an application and the application monies relating to such application or may suspend the payment of withdrawal proceeds if necessary to comply with AML Requirements applicable to them. Neither the Entities nor their delegates shall be liable to the investor for any loss suffered by the investor as a result of the rejection or delay of any subscription or payment of withdrawal proceeds.

The Entities have implemented a number of measures and controls to ensure they comply with their obligations under the AML Requirements, including carefully identifying and monitoring investors. As a result of the implementation of these measures and controls:

- > transactions may be delayed, blocked, frozen or refused where an Entity has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements;

- > where transactions are delayed, blocked, frozen or refused, the Entities are not liable for any loss investors suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or as a result of their compliance with the AML Requirements as they apply to the Trust; and
- > the Responsible Entity or Unit Registry may from time to time require additional information from investors to assist it in this process.

The Entities have certain reporting obligations under the AML Requirements and are prevented from informing you that any such reporting has taken place. Where required by law, an entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. The Entities are not liable for any loss an investor may suffer as a result of their compliance with the AML Requirements.

14.14 PRIVACY

The Responsible Entity may collect personal information from you when you contact it and from any other relevant forms to be able to administer your investment and comply with any relevant laws, including the *Privacy Act 1988* (Cth) and provide information to relevant government agencies in accordance with those laws. If you do not provide us with your relevant personal information, the Responsible Entity may not be able to properly administer your investment.

Privacy laws apply to the handling of personal information and the Responsible Entity will collect, use and disclose your personal information in accordance with its privacy policy, which includes details about the following matters:

- > the kinds of personal information the Responsible Entity collects and holds;
- > how the Responsible Entity collects and holds personal information;
- > the purposes for which the Responsible Entity collects, holds, uses and discloses personal information;
- > how you may access personal information that the Responsible Entity holds about you and seek correction of such information (note that exceptions apply in some circumstances);
- > how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds the Responsible Entity, and how the Responsible Entity will deal with such a complaint; and

- > whether the Responsible Entity is likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for the Responsible Entity to specify those countries.

The privacy policy of the Responsible Entity is publicly available at its website at www.perpetual.com.au or you can obtain a copy free of charge by contacting the Responsible Entity.

The Manager may also collect, use and disclose your personal information, including personal information provided to the Manager by the Responsible Entity, for investor relations purposes in accordance with its privacy policy. A copy of the Manager's privacy policy will be publicly available at www.metrics.com.au/privacy/.

14.15 INVESTOR CONSIDERATIONS

Before deciding to participate in this Offer, you should consider whether the Units to be issued are a suitable investment for you. There are general risks associated with any investment in the financial markets. The value of securities listed on the ASX may rise or fall depending on a range of factors beyond the control of the Trust.

If you are in doubt as to the course you should follow, you should seek advice on the matters contained in this PDS from a stockbroker, solicitor, accountant or other professional adviser.

The potential tax effects relating to the Offer will vary between investors.

14.16 GOVERNING LAW

This PDS and the contracts that arise from the acceptance of Applications under the Offer are governed by the laws applicable in New South Wales, Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

14.17 STATEMENT OF DIRECTORS

The Directors of the Responsible Entity believe that, on completion of the Offer, the Trust will have sufficient working capital to carry out its objectives as stated in this PDS.

APPENDIX A: GLOSSARY

TERM	MEANING
\$, AUD	Dollars of the currency of Australia, and all amounts in this PDS are in Australian dollars unless otherwise stated.
AAS	Australian Accounting Standards.
AASB	Australian Accounting Standards Board.
ABN	Australian Business Number.
Additional New Units	New Units applied for by an Eligible Unitholder in excess of their Entitlement under the Oversubscription Facility.
Administrator	MCH Services.
AFCA	Australian Financial Complaints Authority.
AFSL	Australian Financial Services Licence.
AIIR	Annual Investment Income Report.
AMIT	Attribution Managed Investment Trust.
AML Requirements	The Anti-Money Laundering Act and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to the Responsible Entity.
AMMA	AMIT Member Annual Statement.
Anti-Money Laundering Act	The <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth).
APP	Australian Privacy Principles.
Applicant	A person who submits a valid Application Form and required Application Monies pursuant to this PDS.
Application	An application for New Units and Additional New Units (if any) under this PDS.
Application Form	The Entitlement and Acceptance Form and/or the Shortfall Offer Application Form.
Application Monies	Money submitted by Applicants under the Offer.
APRA	Australian Prudential Regulation Authority.
ASIC	Australian Securities and Investments Commission.
Associate	Has the meaning given to that term in the Corporations Act.
ASX	ASX Limited ABN 98 008 624 691 or the market it operates (Australian Securities Exchange), as the context requires.
ASX Corporate Governance Principles and Recommendations	Corporate Governance Principles and Recommendations 3rd Edition issued by the ASX Corporate Governance Council.
ATO	Australian Taxation Office.
Auditor	KPMG ABN 51 194 660 183.
AUSTRAC	The Australian Transaction Reports and Analysis Centre.

TERM	MEANING
Automic	Automic Pty Ltd ACN 152 260 814.
BBSW	The bank bill reference rate as published by the Australian Securities Exchange, unless otherwise defined in this PDS.
Bell Potter	Bell Potter Securities Limited ABN 25 006 390 772.
Board	The board of Directors.
Bond	A type of debt product issued by borrowers such as governments and companies.
BPAY®	Payments system operated by BPAY Pty Limited ABN 69 079 137 518.
Broker	Any ASX participating organisation selected by the Lead Arranger and Joint Lead Managers in consultation with the Trust to participate in the Shortfall Offer.
Broker Firm Applicant	An Applicant through a Broker under the Shortfall Offer.
Business Day	A day, other than a Saturday, Sunday or public holiday on which Australian banks are open for business in Sydney, Australia.
CGT	Capital Gains Tax.
Closing Date	5:00pm (Sydney time) on 6 March 2020.
Co-Managers	Bell Potter and Escala.
Constitution	The constitution of the Trust.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
CRN	Customer Reference Number.
CRS	Common Reporting Standard.
Custodian	Perpetual Corporate Trust Limited ACN 000 341 533, AFSL 392 673.
Custodian Agreement	The agreement relating to the custody of the Trust's assets between the Trust and the Custodian.
Custodian's Group	The Custodian and its other group companies.
DASLF	Metrics Credit Partners Diversified Australian Senior Loan Fund, a registered managed investment scheme ARSN 163 161 591.
Directors	The directors (including any alternate directors) of the Responsible Entity as at the date of this PDS.
Distribution Partner	Pinnacle.
DRP	The Trust's Distribution Reinvestment Plan, being a plan that provides Unitholders the option to re-invest the Trust's distributions.
Eligible Unitholder	Has the meaning given to that term in section 2.4.
Entities	The Responsible Entity and Unit Registry as its agent.
Entitlement	The number of New Units each Eligible Unitholder is invited to apply for under the Entitlement Offer as designated on their Entitlement and Acceptance Form.

TERM	MEANING
Entitlement and Acceptance Form	The personalised form for participation in the Entitlement Offer attached to, or accompanying, this PDS.
Entitlement Offer	The pro rata non-renounceable entitlement offer under which Eligible Unitholders are invited to apply for 1 New Unit for every 2 existing Units held on the Record Date at \$2.00 per New Unit to raise up to approximately \$638 million.
Escala	Escala Partners Pty Ltd ABN 74 155 884 236.
ESG	Environmental, social and governance.
Excess Amount	Any monies that an Eligible Unitholder pays above the full amount of Application Monies for its whole Entitlement.
Exposure Period	The seven-day period after the date of lodgement of the PDS with ASIC (as extended by ASIC (if applicable)).
FATCA	U.S. income tax laws commonly referred to as the Foreign Account Tax Compliance Act.
FIF	Foreign Investment Fund.
Financial Services Guide	A guide in accordance with Part 7.7 of the Corporations Act.
FITO	Foreign Income Tax Offset.
Fund Administration Agreement	The agreement relating to the administration of the Trust between the Administrator and the Responsible Entity.
GAV	Gross asset value.
GFC	Global Financial Crisis.
GST	Goods and Services Tax.
IEE or Investor Equalisation Expense	The fee paid to the Manager under the Investment Management Agreement in connection with the services it provides under the Investment Management Agreement.
Institutional Investor	An investor who is: > a person in Australia who is wholesale investor for the purposes of section 761G of the Corporations Act; and > an institutional investor in certain other jurisdictions, as agreed between the Responsible Entity and the Lead Arranger and Joint Lead Managers, to whom offers of Units may lawfully be made without the need for a lodged or registered prospectus or other form of disclosure document or filing, registration or qualification with, or approval by, any governmental agency (except one with which the Responsible Entity is willing, in its absolute discretion, to comply).
Investigating Accountant	Pitcher Partners.
Investigating Accountant's Report	The report by the Investigating Accountant in section 12, also referred to as the Independent Limited Assurance Report or the Report.
Investment Management Agreement	The agreement between the Responsible Entity and the Manager.

TERM	MEANING
Investment Objective	The objectives that the Trust seeks to achieve through its investments.
Investment Strategy	The investment strategy of the Trust, as set out in section 5.4.
Investment Team	The team that comprises the Metrics Investment Committee and is responsible for all investment decisions of the Trust, Sub-Trust and the Wholesale Funds and consists of Justin Hynes, Andrew Lockhart, Graham McNamara and Andrew Tremain.
IPO	Initial Public Offer.
Issue Date	The date on which the Units are issued under the Entitlement Offer, being 13 March 2020, and the Shortfall Offer, being 18 March 2020.
Joint Lead Managers	Morgans, Ords, Taylor Collison and Wilsons.
Lead Arranger	Taylor Collison.
Listing Rules	The official Listing Rules of the ASX as amended or waived from time to time.
Manager or Metrics	Metrics Credit Partners Pty Ltd ACN 150 646 996; AFSL 416 146.
Manager Loan	A loan provided by the Trust to the Manager to be used by the Manager for working capital and other corporate purposes.
Material Agreements	The agreements set out in section 13.
Maximum Capital Raise	Approximately \$638 million.
MCH	Metrics Credit Holdings Pty Ltd ACN 150 647 091.
MCH Services	MCH Fund Administration Services Pty Ltd ACN 636 286 970.
Metrics Board	The board of directors of Metrics.
Metrics Investment Committee	Committee responsible for all investment decisions concerning assets of funds managed by Metrics.
MCP Wholesale Investments Trust	The trust known as 'MCP Wholesale Investments Trust' established by deed dated 26 July 2017.
MDIT	Metrics Direct Income Trust ARSN 637 459 968.
MIT	Managed Investment Trust.
Morgans	Morgans Financial Limited ABN 49 010 699 726, AFSL 235 410.
MXT	The ASX ticker code for the MCP Master Income Trust.
Net Asset Value or NAV	The net asset value for the Trust calculated in accordance with section 5.9.
Net Tangible Asset Backing	The value of the Trust's total assets reduced by the Trust's intangible assets and the Trust's total liabilities, which includes declared but unpaid distributions and unpaid management fees earned, as calculated in accordance with the Listing Rules.
New Units	A Unit offered and issued under the Offer.
New Zealand Unitholder	New Zealand tax resident Unitholders.

TERM	MEANING
Notes	A type of debt security with rights to payments of interest and principal.
NTA	The Trust's net assets position attributable to Unitholders in the Pro Forma Historical Financial Information divided by the corresponding indicated subscription amounts.
Offer	The Entitlement Offer and the Shortfall Offer.
Offer Period	The period between the Opening Date and the Closing Date.
Offer Price	The price payable for a New Unit (or Additional New Unit, if applicable) under the Offer, being \$2.00 per New Unit.
Offer Proceeds	The total amount raised under the Offer excluding any amounts invested by MDIT.
Opening Date	9:00am (Sydney time) on 13 February 2020.
Ords	Ord Minnett Limited ABN 86 002 733 048; AFSL 237 121.
Outstanding Amounts	Any principal borrowed and unpaid accrued interest amounts under the Manager Loan which has not been repaid.
Oversubscription Facility	The facility by which Eligible Unitholders who take up their Entitlement in full may also apply for Additional New Units in excess of their Entitlements at the Offer Price.
PDS	This product disclosure statement, dated 24 January 2020 for the issue of Units to raise up to approximately \$638 million.
Perpetual	Perpetual Limited ABN 86 000 431 827, ASX:PPT.
Perpetual Group	Perpetual and its subsidiaries, including the Responsible Entity and the Custodian.
Pinnacle	Pinnacle Investment Management Limited ABN 66 109 659 109.
Pitcher Partners	Pitcher Partners Sydney Corporate Finance Pty Ltd ACN 122 561 184.
PPNSW Services	PPNSW Services Pty Limited ACN 608 418 828.
Portfolio Construction	The allocation of assets by the Sub-Trust to achieve the Investment Objective.
Pro Forma Historical Financial Information	The 'Pro forma Historical Financial Information' of the Trust as set out in Section 10.1.
RBA Cash Rate	The interest rate which banks pay to borrow funds from other banks in the money market on an overnight basis as published by the Reserve Bank of Australia.
Record Date	7.00pm (Sydney time) on 17 February 2020.
REDF	MCP Real Estate Debt Fund.
Registry Agreement	The agreement relating to the registry services of the Trust between the Unit Registry and the Responsible Entity.
Responsible Entity	The Trust Company (RE Services) Limited ACN 003 278 831; AFSL 235 150.
RITC	Reduced Input Tax Credit.
Shortfall	Any New Units or Additional New Units not taken up by Eligible Unitholders under the Entitlement Offer, including by way of the Oversubscription Facility.

TERM	MEANING
Shortfall Offer	The shortfall offer described in section 2.5.
Shortfall Offer Application	An application for Units under the Shortfall Offer.
Shortfall Offer Application Form	The application form for participation in the Shortfall Offer attached to, or accompanying, this PDS.
Shortfall Offer Closing Date	5:00pm (Sydney time) on 6 March 2020.
SPDF II	MCP Secured Private Debt Fund II.
Sub-Trust	MCP Wholesale Investments Trust.
Sub-Trustee	The Trust Company Limited ACN 004 027 749.
Sub-Trust Manager	Metrics Credit Partners Pty Ltd ACN 150 646 996; AFSL 416 146.
Sydney time	Australian Eastern Time.
Target Return	The return that the Trust targets for its investments, being the RBA Cash Rate plus 3.25% per annum net of fees.
Taylor Collison	Taylor Collison Limited ABN 53 008 172 450; AFSL 247 083.
TFN	Tax File Number.
TOFA	Taxation of Financial Arrangements.
Trust	MCP Master Income Trust ARSN 620 465 090.
Unit	An ordinary unit in the Trust.
Unit Registry	Automic Pty Ltd ACN 152 260 814.
Unitholder	A registered holder of a Unit.
US	United States of America.
US Person	Citizens and residents of the United States of America.
Wilsons	Wilsons Corporate Finance Limited ABN 65 057 547 323; AFSL 238 383.
Wholesale Funds	Funds managed by Metrics that are available only to wholesale investors and open for investment, including (but not limited to) Metrics Credit Partners Diversified Australian Senior Loan Fund, MCP Secured Private Debt Fund II and MCP Real Estate Debt Fund.

APPENDIX B: CORPORATE DIRECTORY

RESPONSIBLE ENTITY

The Trust Company (RE Services) Limited

Level 18, Angel Place
123 Pitt Street
Sydney NSW 2001

MANAGER

Metrics Credit Partners Pty Ltd

2 Ridge Street
North Sydney NSW 2060

SOLICITORS TO THE OFFER

MinterEllison

Level 40, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

DISTRIBUTION PARTNER

Pinnacle Investment Management Group Limited

Level 35, 60 Margaret Street
Sydney NSW 2000

JOINT LEAD MANAGERS

Morgans Financial Limited

Level 29, 123 Eagle Street
Brisbane QLD 4000

Ord Minnett Limited

Level 8, NAB House
255 George Street
Sydney NSW 2000

Wilsons Corporate Finance Limited

Level 30, Waterfront Place
1 Eagle Street
Brisbane QLD 4000

SUB-TRUSTEE

The Trust Company Limited

Level 18, Angel Place
123 Pitt Street
Sydney NSW 2001

CUSTODIAN

Perpetual Corporate Trust Limited

Level 18, Angel Place
123 Pitt Street
Sydney NSW 2001

UNIT REGISTRY

Automic Pty Ltd

Level 5, 126 Phillip Street
Sydney NSW 2000

ADMINISTRATOR

MCH Fund Administration Services Pty Ltd

2 Ridge Street
North Sydney NSW 2060

INVESTIGATING ACCOUNTANT

Pitcher Partners Sydney Corporate Finance Pty Ltd

Level 16, Tower 2, Darling Park
201 Sussex Street
Sydney NSW 2000

LEAD ARRANGER AND JOINT LEAD MANAGER

Taylor Collison Limited

Level 16, 211 Victoria Square
Adelaide SA 5000

CO-MANAGERS

Bell Potter Securities Limited

Level 29, 101 Collins Street
Melbourne VIC 3000

Escala Partners Pty Ltd

Level 19, 90 Collins Street
Melbourne VIC 3000

PROVIDE YOUR CONTACT DETAILS

INSTRUCTIONS FOR COMPLETION OF THIS FORM

The Offer to which this Entitlement and Acceptance Form relates is being made to Eligible Unitholders on the Record Date with a registered address in Australia or New Zealand.

ACCEPTANCE OF OFFER

By returning the Entitlement and Acceptance Form with payment to the Unit Registry:

- you represent and warrant that you have read and understood the Product Disclosure Statement (**PDS**) and that you acknowledge the matters, and make the warranties and representations contained in Section 14.4 of the PDS and in this Entitlement and Acceptance Form; and
- you provide authorisation to be registered as the holder of New Units acquired by you and agree to be bound by the constitution of the Trust.

HOW TO APPLY FOR NEW UNITS

1 Acceptance of New Units

Enter into section 1 the number of New Units you wish to apply for. The number of New Units must be equal to or less than your Entitlement, which is set out overleaf.

2 Payment amount

Enter into section 2 the total amount payable for the number of New Units for which you are applying. If the dollar amount divided by the issue price is a fraction of a Unit, the Units allotted will be rounded up.

3 Application for Additional New Units under the Oversubscription Facility

You can only apply for Additional New Units if you have applied for your full Entitlement in section 1. Additional New Units will only be allocated to Eligible Unitholders if available. Allocations of Additional New Units will be determined by agreement between the Responsible Entity and the Lead Arranger and Joint Lead Managers (each acting reasonably).

Any Excess Amount paid by an Eligible Unitholder may be treated as an application to apply for as many Additional New Units as your Excess Amount will pay for in full.

4 Payment amount

Enter into section 4 the total amount payable for the number of Additional New Units for which you are applying. If the dollar amount divided by the issue price is a fraction of a Unit, the New Units allotted will be rounded up.

5 Payment options

Payment by BPAY: You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number quoted on the front of this form. Multiple acceptances must be paid separately. Applicants should be aware of their financial institution's cut-off time (the payment must be made to be processed overnight).

It is the Applicant's responsibility to ensure funds are submitted correctly by the Offer Closing Date and time.

You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number will process your payment electronically and you will be deemed to have applied for such New Units (and Additional New Units (if any)) for which you have paid.

Payment by Cheque: Cheques must be drawn on an Australian branch of a financial institution in Australian currency, made payable to 'MXT Entitlement Offer' and crossed 'Not Negotiable'. Please ensure sufficient funds are held in your account. If you provide a cheque for an incorrect amount the Responsible Entity may treat you as applying for as many New Units as your cheque will pay for.

The Application Forms do not need to be signed to be binding. If an Application Form is not completed correctly it may still be treated as valid. The Responsible Entity's decision as to whether to treat the Application Form as valid and how to construe, amend or complete the Application Form is final.

The Responsible Entity does not accept responsibility if you lodge this Entitlement and Acceptance Form at any other address or by any other means.

Your Application Form and Application Monies must be posted so that they are received by the Unit Registry by 5:00pm (Sydney, Australia time) on the Offer Closing Date, being 6 March 2020.

BY MAIL MXT Entitlement Offer C/- Automic Pty Ltd GPO Box 5193 Sydney NSW 2001	BY HAND DELIVERY (between Sydney office hours 9:00am – 5:00pm Sydney, Australia time) MXT Entitlement Offer C/- Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2000
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6 Contact Details

Please enter a contact number we may reach you on between the hours of 9:00am and 5:00pm (Sydney, Australia Time). We may use this email or number to contact you regarding your acceptance of the New Units, if necessary.

If you would like more information or have any questions relating to the Offer, you can contact Pinnacle Investment Management Ltd, the Distribution Partner to the Offer on 1300 010 311 between 9:00am and 5:00pm (Sydney, Australia time) Monday to Friday during the Offer Period (being the period between the Offer Opening Date of 13 February 2020 and the Offer Closing Date of 6 March 2020), email invest@metrics.com.au or visit the website www.metrics.com.au/mxt/.

Privacy Clause: Automic Pty Ltd (ACN 152 260 814) trading as Automic Registry Services (Automic) advises that Chapter 2C of the *Corporation Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Primarily, your personal information is used in order to provide a service to you. We may also disclose the information that is related to the primary purpose and it is reasonable for you to expect the information to be disclosed. You have a right to access your personal information, subject to certain exceptions allowed by law and we ask that you provide your request for access in writing (for security reasons). Our privacy policy is available on our website – www.automic.com.au

MCP Master Income Trust

MCP Master Income Trust | ARSN 620 465 090

Responsible Entity: The Trust Company (RE Services) Limited ACN 003 278 831 AFSL 235 150

Investment Manager: Metrics Credit Partners Pty Ltd (ACN 150 646 996; AFSL 416 146)

Stamp:

Applicants who received this Offer from their broker must return their Application Form and Application Monies back to their broker

SHORTFALL OFFER APPLICATION FORM

OFFER CLOSES 5:00PM (SYDNEY, AUSTRALIA TIME) ON 6 MARCH 2020 (UNLESS IT IS LAWFULLY EXTENDED)

Option A: Apply Online and Pay Electronically (Recommended)

Apply online at: <https://investor.automic.com.au/#/w/mxtshortfalloffer>

- ✓ **Pay electronically:** Applying online allows you to pay electronically, for Australian residents through BPAY®.
- ✓ **Get in first, it's fast and simple:** Applying online is very easy to do, it eliminates any postal delays and removes the risk of it being potentially lost in transit.
- ✓ **It's secure and confirmed:** Applying online provides you with greater privacy over your instructions and is the only method which provides you with confirmation that your application has been successfully processed.

Option B: Standard Application and Pay by Cheque

Enter your details below, attach your cheque and forward your application in accordance with the instructions on the reverse.

Please follow the instructions to complete this application form (see reverse) and print clearly in capital letters using black or blue pen. Capitalised terms used but not defined have the same meaning as defined in the Product Disclosure Statement (PDS).

1. Number of New Units applied for , , A\$, , .

Application payment (multiply box 1 by the issue price of A\$2.00 per New Unit) (If the dollar amount below divided by the issue price is a fraction of a Unit, the Units allotted will be rounded up)

The minimum application under the Shortfall Offer is \$1,000 worth of New Units.

2. Applicant name(s) and postal address - refer to naming standards for correct form of registrable title(s) (See overleaf)

Name of Applicant 1

Name of Applicant 2 or <Account Designation>

Name of Applicant 3 or <Account Designation>

<Account Designation>

Postal address

Unit / Street Number / Street name or PO Box

Suburb/Town

State

Postcode

Country and ZIP Code (if outside Australia)

3. Contact details

Telephone Number

Contact Name (PLEASE PRINT)

Email Address

By providing your email address, you elect to receive all communications despatched by the Trust electronically (where legally permissible).

4. CHESS Holders Only – Holder Identification Number (HIN)

Note: if the name and address details in sections 2 do not match exactly with your registration details held at CHESS, any New Units issued as a result of your Application will be held on the Issuer Sponsored sub-register.

5. TFN/ABN/Exemption Code

Applicant 1

Applicant 2

Applicant 3

If NOT an individual TFN/ABN, please note the type in the box C = Company; P = Partnership; T = Trust; S = Super Fund

CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities can hold Units. The application must be in the name of a natural person(s), companies or other legal entities acceptable by the Responsible Entity. At least one full given name and surname is required for each natural person.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Trusts	Mr John Richard Sample <Sample Family A/C>	John Sample Family Trust
Superannuation Funds	Mr John Sample & Mrs Anne Sample <Sample Family Super A/C>	John & Anne Superannuation Fund
Partnerships	Mr John Sample & Mr Richard Sample <Sample & Son A/C>	John Sample & Son
Clubs/Unincorporated Bodies	Mr John Sample < Food Help Club A/C>	Food Help Club
Deceased Estates	Mr John Sample <Estate Late Anne Sample A/C>	Anne Sample (Deceased)

INSTRUCTIONS FOR COMPLETING THE FORM

This is an Application Form for New Units in the MCP Master Income Trust (ASX: MXT) (**Trust**), made under the terms set out in the Product Disclosure Statement (**PDS**) dated 24 January 2020. The PDS contains information about investing in the New Units and you should carefully read the PDS before applying for New Units. If you do not understand it or you are in doubt as to how you should deal with it, you should seek professional advice.

By returning the Shortfall Offer Application Form with payment to the Unit Registry:

- you represent and warrant that you have read and understood the PDS and that you acknowledge the matters, and make the warranties and representations contained in Section 14.4 of the PDS and in this Shortfall Offer Application Form; and
- you provide authorisation to be registered as the holder of New Units acquired by you and agree to be bound by the constitution of the Trust.

- 1 Units applied for** - Enter the number of New Units you wish to apply.
The minimum application under the Shortfall Offer is \$1,000 worth of New Units. There is no maximum value of New Units that may be applied for under the Shortfall Offer. However, the Responsible Entity and the Lead Arranger and Joint Lead Managers reserve the right to aggregate any Applications under the Shortfall Offer which they believe may be multiple Applications from the same person or reject or scale-back any Applications in the Shortfall Offer.
- 2 Applicant name(s) and postal address** - Note that ONLY legal entities can hold Units. The Application must be in the name of a natural person(s), companies or other legal entities acceptable by the Responsible Entity. At least one full given name and surname is required for each natural person. You should refer to the table for the correct forms of registrable title(s). Applicants using the wrong form of names may be rejected. Enter your postal address for all correspondence. Only one address can be recorded against a holding. With the exception of annual reports, all communications to you from the Responsible Entity will be mailed to the person(s) and address shown. Annual reports will be made available online when they are released.
- 3 Contact Details** - Enter a contact telephone number and email address. By providing your email address, you elect to receive all communications despatched by the Responsible Entity electronically (where legally permissible).
- 4 CHESSE Holders** - If you are sponsored by a stockbroker or other participant and you wish to hold New Units allotted to you under this Application on the CHESSE sub-register, enter your CHESSE HIN. Otherwise leave the section blank and on allotment you will be sponsored by the Responsible Entity and a "Securityholder Reference Number" (**SRN**) will be allocated to you.
- 5 TFN/ABN/Exemption** - If you wish to have your Tax File Number (**TFN**), ABN or Exemption registered against your holding, please enter the details. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application Form.

LODGEMENT & PAYMENT INSTRUCTIONS

You should complete and lodge your Shortfall Offer Application Form with the Unit Registry. Shortfall Offer Application Forms must be completed in accordance with the instructions set out on the Shortfall Offer Application Form.

Applicants under the Shortfall Offer must not send their Shortfall Offer Application Form or payment to their Broker.

The Responsible Entity, the Lead Arranger and Joint Lead Managers and the Unit Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application for New Units under the Shortfall Offer.

Privacy Clause: Automic Pty Ltd (ACN 152 260 814) trading as Automic Registry Services (Automic) advises that Chapter 2C of the *Corporation Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Primarily, your personal information is used in order to provide a service to you. We may also disclose the information that is related to the primary purpose and it is reasonable for you to expect the information to be disclosed. You have a right to access your personal information, subject to certain exceptions allowed by law and we ask that you provide your request for access in writing (for security reasons). Our privacy policy is available on our website – www.automic.com.au

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