Current Offer
This Term Sheet provides information about the Unit Classes available under the current invitation (Offer) to apply for Units in the Macquarie Flexi 100 Trust ARSN 129 962 189. This Offer forms part of, and must be read in conjunction with, the Product Disclosure Statement and Information Booklet dated 18 September 2013 and the Supplementary Product Disclosure Statement dated 8 September 2014 (together, the PDS) issued by Macquarie Financial Products Management Limited ABN 38 095 135 694, AFSL 237847 (MFPML), which is available here.1

Key dates
<table>
<thead>
<tr>
<th>Event</th>
<th>Date/Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer opens</td>
<td>Wednesday 10 September 2014</td>
</tr>
<tr>
<td>Offer closes</td>
<td>3.00pm (Sydney time) Friday 21 November 2014</td>
</tr>
<tr>
<td>Issue Date</td>
<td>Sunday 30 November 2014</td>
</tr>
</tbody>
</table>

Dates and times are indicative only. MFPML reserves the right to vary the dates and times related to the Offer without prior notice, and to accept late applications, reject applications and/or close the Offer early. Any changes will be made available on the Flexi Website at macquarie.com.au/flexi.

How to apply
Please lodge your application by the Offer Close date.
While the Offer is scheduled to close at 3.00pm (Sydney time) on Friday 21 November 2014, you are encouraged to submit your Application Form so that it is received by MFPML on or before Thursday 20 November 2014.

1 Available on the Flexi Website at macquarie.com.au/flexi. Terms used in this Offer have the same meaning as in the PDS.
### Classes

<table>
<thead>
<tr>
<th>Unit Classes</th>
<th>3.0 Year Term</th>
<th>3.5 Year Term</th>
<th>5.5 Year Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class name</td>
<td>Australian Equity Focus (No Hurdle)</td>
<td>International Low Volatility Basket</td>
<td>European Equity</td>
</tr>
<tr>
<td>Reference Asset</td>
<td>S&amp;P/ASX 200 Index</td>
<td>Australian Equity Focus Basket</td>
<td>EURO STOXX 50® Index</td>
</tr>
<tr>
<td>Term/Share Performance Cap</td>
<td>Indicative(^2)</td>
<td>Uncapped</td>
<td>Uncapped</td>
</tr>
<tr>
<td>Minimum Term</td>
<td>85%</td>
<td>30%</td>
<td>85%</td>
</tr>
<tr>
<td>Share Term</td>
<td>25%</td>
<td></td>
<td>Term</td>
</tr>
<tr>
<td>Threshold Payment Rate</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Hurdle</td>
<td>120.1%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Participation Rate</td>
<td>100%</td>
<td>100%</td>
<td>113.75%</td>
</tr>
<tr>
<td>Gain Currency</td>
<td>AUD</td>
<td>AUD</td>
<td>USD</td>
</tr>
<tr>
<td>Distribution Rate</td>
<td>Nil</td>
<td>Years 1-2: 4.0% Year 3: 2.0%</td>
<td>Years 1-5: 2.5% Maturity: 1.25%</td>
</tr>
<tr>
<td>Swap Start Date</td>
<td>2 December 2014</td>
<td>2 December 2014</td>
<td>2 December 2014</td>
</tr>
<tr>
<td>Swap Valuation Date</td>
<td>24 November 2017</td>
<td>25 May 2018</td>
<td>25 May 2020</td>
</tr>
<tr>
<td>Maturity Date</td>
<td>29 November 2017</td>
<td>31 May 2018</td>
<td>29 May 2020</td>
</tr>
</tbody>
</table>

### Walk-Away Dates

<table>
<thead>
<tr>
<th>Walk-Away Date</th>
<th>Relevant Notification Date(^4)</th>
<th>Unit Valuation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second-last business day in November</td>
<td>15 October</td>
<td>Early November</td>
</tr>
<tr>
<td>Last business day in March</td>
<td>15 February</td>
<td>Early March</td>
</tr>
<tr>
<td>Last business day in June</td>
<td>15 May</td>
<td>Early June</td>
</tr>
<tr>
<td>Last business day in September</td>
<td>15 August</td>
<td>Early September</td>
</tr>
</tbody>
</table>

### Investment Loan and Interest Loan – indicative interest rates

The Loan Provider for the Loans will be Macquarie Specialist Investments Lending Limited ABN 59 125 574 389.

- **Investment Loan**: 6.70% pa\(^5\)
- **Interest Loan**: 9.75% pa\(^5\)

For all Classes in this Offer, the Loan Provider will fix the interest rate for the Investment Loan for the full term until Maturity.

The Loan Provider will not charge a Loan Establishment Fee for this Offer.

### Product Ruling

Product Ruling PR 2013/16 issued by the Australian Taxation Office applies to all Classes in this Offer.\(^6\) We have applied for an addendum to the Product Ruling to cover the new Zero Breakeven payoff feature. It is expected that the addendum will be issued in September 2014. You can obtain a copy of the Product Ruling and addendum once issued by contacting us via the details on page three or by visiting our website at macquarie.com.au/flexi.

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\(^2\) Actual Term and Share Performance Caps will be determined on or before the Swap Start Date and, if the actual caps are different to the indicative caps, published on the Flexi Website.

\(^3\) Any Share Performance Cap applies to the individual performance of each constituent share of the Reference Asset, and not the performance of the Reference Asset itself. See Section 3 of the PDS for more information.

\(^4\) If the Notification Date falls on a day which is not a business day in Sydney, then the preceding business day will apply.

\(^5\) These interest rates are indicative only. The actual interest rates will be determined by the Loan Provider on or around 24 November 2014 and, if the actual rates are different to the indicative rates, published on the Flexi Website.

\(^6\) Product Ruling PR 2013/16 and any addenda to it are only a ruling on the application of taxation laws and in no way expresses or implies a guarantee or endorsement of the commercial viability of the Macquarie Flexi 100 Trust (Flexi 100), of the soundness or otherwise of Flexi 100 as an investment, or of the reasonableness or commerciality of any fees charged in connection with Flexi 100. The Product Ruling will only be binding on the Commissioner of Taxation if the investment in Flexi 100 is implemented in the specific manner provided in the Product Ruling.
Macquarie Flexi 100 Trust

Reference Asset Constituents

**Australian Equity Focus Basket**
All constituents in this basket have a 5% weighting.

<table>
<thead>
<tr>
<th>Reference Asset Constituent</th>
<th>ASX Code</th>
<th>Reference Asset Constituent</th>
<th>ASX Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amcor Limited</td>
<td>AMC</td>
<td>QBE Insurance Group Limited</td>
<td>QBE</td>
</tr>
<tr>
<td>AMP Limited</td>
<td>AMP</td>
<td>Rio Tinto Limited</td>
<td>RIO</td>
</tr>
<tr>
<td>Australia and New Zealand Banking Group Limited</td>
<td>ANZ</td>
<td>Santos Limited</td>
<td>STO</td>
</tr>
<tr>
<td>BHP Billiton Limited</td>
<td>BHP</td>
<td>Suncorp Group Limited</td>
<td>SUN</td>
</tr>
<tr>
<td>Brambles Limited</td>
<td>BXB</td>
<td>Telstra Corporation Limited</td>
<td>TLS</td>
</tr>
<tr>
<td>Commonwealth Bank of Australia</td>
<td>CBA</td>
<td>Westfarmers Limited</td>
<td>WES</td>
</tr>
<tr>
<td>CSL Limited</td>
<td>CSL</td>
<td>Westfield Corporation</td>
<td>WFD</td>
</tr>
<tr>
<td>National Australia Bank Limited</td>
<td>NAB</td>
<td>Westpac Banking Corporation</td>
<td>WBC</td>
</tr>
<tr>
<td>Newcrest Mining Limited</td>
<td>NCM</td>
<td>Woodside Petroleum Limited</td>
<td>WPL</td>
</tr>
<tr>
<td>Origin Energy Limited</td>
<td>ORG</td>
<td>Woolworths Limited</td>
<td>WOW</td>
</tr>
</tbody>
</table>

**International Low Volatility Basket**

<table>
<thead>
<tr>
<th>Reference Asset Constituent</th>
<th>Regional exposure</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barclays US Low Volatility Equity Index</td>
<td>United States of America</td>
<td>40%</td>
</tr>
<tr>
<td>Barclays Eurozone Low Volatility Equity Index</td>
<td>Eurozone</td>
<td>40%</td>
</tr>
<tr>
<td>Tracker Fund of Hong Kong</td>
<td>Hong Kong</td>
<td>5%</td>
</tr>
<tr>
<td>MSCI Singapore Index</td>
<td>Singapore</td>
<td>5%</td>
</tr>
<tr>
<td>KOSPI 200 Index</td>
<td>South Korea</td>
<td>5%</td>
</tr>
<tr>
<td>MSCI Taiwan Index</td>
<td>Taiwan</td>
<td>5%</td>
</tr>
</tbody>
</table>

For more information visit our website at macquarie.com.au/flexi, email us at structuredinvestments@macquarie.com or call us on 1800 080 033.

Important information
This information is dated and is current as at 8 September 2014 and was prepared by Macquarie Financial Products Management Limited ABN 38 095 135 694, AFSL 237847 (MFPML), the issuer of units in and the responsible entity of the Macquarie Flexi 100 Trust. An invitation by MFPML for Investors to apply for Units in the Macquarie Flexi 100 Trust is made in this Offer dated 8 September 2014 and the Product Disclosure Statement (including the Information Booklet) dated 18 September 2013 and the Supplementary Product Disclosure Statement dated 8 September 2014 (together, the Offer Document). The Offer Document is available from MFPML by phoning 1800 080 033.

In deciding whether to acquire or continue to hold an investment in the Macquarie Flexi 100 Trust, investors should obtain a copy of the Offer Document and consider its contents. This information is general advice and does not take account of investors’ objectives, financial situation or needs. Before acting on this general advice, investors should therefore consider the appropriateness of the advice having regard to their objectives, financial situation or needs. We recommend investors obtain financial, legal and taxation advice before making any financial investment decision.

MFPML or its associates, officers or employees may have interests in the financial products referred to in this information by acting in various roles including as investment adviser, broker or lender. MFPML or its associates may receive fees, brokerage or commissions for acting in these capacities. In addition, MFPML or its associates, officers or employees may buy or sell the financial products as principal or agent. Investors may contact MFPML on 1800 080 033.

The loans are offered by Macquarie Specialist Investments Lending Limited ABN 59 125 574 389 (MSIL) and are subject to approval.

Investments in the Macquarie Flexi 100 Trust are not deposits with, or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL), MSIL or of any Macquarie Group company, and are subject to investment risk, including possible delays in repayment and loss of income or capital invested. None of MBL or other member companies of the Macquarie Group of companies guarantees any particular rate of return, the performance of, or the repayment of capital from, the Macquarie Flexi 100 Trust.
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IMPORTANT INFORMATION

Product Disclosure Statement, Term Sheets and Information Booklet

This Product Disclosure Statement (‘PDS’) is dated 18 September 2013 and is issued by Macquarie Financial Products Management Limited (ABN 38 095 135 694) (MFPML or the Issuer). MFPML holds Australian Financial Services Licence No. 237847.

Although this document is called ‘Product Disclosure Statement’, for the purposes of the Corporations Act, the product disclosure statement for each Offer of Classes available for investment from time to time actually consists of two documents. The first is this document which, amongst other things, contains the general terms and conditions that apply to an investment in the Fund. The second document is called a Term Sheet (either set out under the ‘Offer’ tab on the Flexi Website at macquarie.com.au/term or, for some Offers, available by directly contacting MFPML via phone or email), and will set out the commercial terms of offer and more Clauseable for investment from time to time for the Offer (including Offer dates, Reference Asset, Performance Cap, Hurdle and Distributions). There is a third document, called the Information Booklet dated 18 September 2013 which is issued by MFPML and Information Booklet is referenced throughout the Product Disclosure Statement and contains more general information about the Fund such as information about the parties providing the underlying assets of the Fund, a summary of material contracts, and loan and direct debit request service agreements. You can request a paper or electronic copy of this document and any current Term Sheet (and any updates to either document) by contacting us (see the Directory for contact details). The information included in the Information Booklet is taken to be included in the Product Disclosure Statement.

To the extent permitted by law, MFPML accepts no liability whatsoever for any loss or damage arising from investors relying on any other information when investing. No person (including other Macquarie Group companies) has been authorised by MFPML to give any information or make any representations in connection with the Fund which is not in the PDS, the Term Sheet or Information Booklet and if given or made, such information or representation must not be relied upon as having been authorised by MFPML.

You should read the PDS, the Term Sheet and the Information Booklet, and any updated information on the Flexi Website at macquarie.com.au/term carefully and in full before making an investment decision. You can obtain copies of information included on the Flexi Website free of charge by contacting MFPML on 1800 080 033.

MFPML as responsible entity of the Fund has prepared this PDS, the Term Sheet and Information Booklet for provision to investors in connection with Offers for investment in the Macquarie Flexi 100 Trust which may be issued by MFPML from time to time. The PDS, the Term Sheet and Information Booklet describes the investments available from time to time, the commercial terms of the Offer for investment and sets out the general information about the Fund, the Issuer and MFPML.

Use of the term ‘PDS’ in this document

For ease of understanding, any reference in this document to the term ‘PDS’ is a reference to this document dated 18 September 2013 (and any updates to this document as discussed below), and is not a reference to any relevant Term Sheet, which forms part of the product disclosure statement.

Indicative Rates

Any interest rates and amounts used throughout this PDS, the Term Sheet and Information Booklet are indicative only and will be updated for a particular interest or for any Offer or for the contents of this PDS except for statements in relation to the Loans. The contact details for the Issuer and the Loan Provider are set out in the Corporate Directory at the back of this PDS.

Although some or all of your interest expense on an Investment Loan and an Interest Loan may be tax deductible, when assessing this investment opportunity your primary consideration should be whether the terms of the investment itself is appropriate for you. It is possible that you may lose money even after taking into account tax outcomes. The more you borrow to invest, the more money you could lose.

Changes and updates to PDS, Term Sheet and Information Booklet

Information in the PDS, Term Sheet and Information Booklet may change from time to time. The Issuer may provide updated information on the Flexi Website at macquarie.com.au/term. Information available on the website or any other websites referred to in this PDS does not form part of this PDS, unless otherwise stated. A paper copy of the updated information will also be available upon request and free of charge by contacting MFPML.

This PDS, the Term Sheet and Information Booklet are available in paper form and in electronic form on the Flexi Website at macquarie.com.au/term. Investors who wish to invest in the Fund must complete and return an Application Form included in or accompanying the PDS or print, complete and return a copy of the Application Form included in the electronic version of this PDS.

Any Offers are available to recipients of this PDS, whether in paper or electronic form, in Australia. If this PDS is downloaded electronically, it must be downloaded in its entirety. Investors who receive this PDS in electronic form are entitled to obtain a paper copy of this document (and an Application Form and Term Sheet) free of charge by contacting the Issuer on 1800 080 033.

Selling restrictions

This PDS does not constitute an offer or invitation in any place where, or to any person to whom, it would not be lawful to make such an offer or invitation.

Risks in this PDS

All investments involve risk. Please ensure that you consider the risks of investment in the Fund which are set out in section 4 of this PDS. As well as the risks of this particular product, you should also consider how an investment in this product fits into your overall portfolio. You should also consider whether the Investment Amount of any investment in the product is appropriate given the overall size of your investment portfolio. Diversification of your investment portfolio can be used as part of your overall portfolio risk management to limit your exposure to failure or underperformance of any one investment, manager or asset class.

You should only invest in the Fund after considering whether an investment in the Fund is suitable for you.

An investment in the Fund may not be suitable for you:

• if you are not familiar with the risks associated with borrowing to invest
• as an investment in the Fund is not a traditional investment product (such as a direct investment in Australian shares), and may not suit you if you do not have experience, and are unfamiliar with investing in products that provide indirect derivative exposure to indices using financial instruments such as swap agreements and collateral agreements
• if you do not believe that the relevant Reference Asset will increase in value over the term of your investment in the Fund
• if you do not intend to hold your investment until Maturity
• if you are not willing to prepay interest on your Investment Loan or take out an Interest Loan at any time
• if you are not willing to take the risk that the performance of your investment may be insufficient to cover the interest, fees and costs you have paid.

Before making a decision to invest in the Fund, you should read this PDS, the relevant Term Sheet, the Information Booklet and updates on the Flexi Website and consider, in conjunction with your financial adviser, whether an investment in the Fund, borrowing under the Investment Loan and, if applicable, an Interest Loan, is appropriate in light of your particular investment needs, objectives and financial and taxation circumstances. You should invest in the Fund only if it is an appropriate investment for you and if you are comfortable with the risks of this investment. MFPML recommends you obtain appropriate financial and taxation and legal advice (professional advice) before making a decision whether to invest in the Fund. Acting on inappropriate professional advice could lead to a poor result for you regardless of the performance of an investment in the Fund. Your professional adviser (including an adviser which is a member of the Macquarie Group of companies) is not an agent of MFPML or the Loan Provider in respect of this product. Accordingly, neither MFPML nor the Loan Provider is responsible for any advice given or omitted to be given to you by your professional adviser. In particular, you should ensure that you understand the taxation consequences for you if you invest in the Fund and your repayment obligations under the Investment Loan and, if applicable, the Interest Loan. The Loan Provider is not the issuer of this PDS and takes no responsibility for any Offer or for the contents of this PDS except for statements in relation to the Loans. The contact details for the Issuer and the Loan Provider are set out in the Corporate Directory at the back of this PDS.

Enquiries and complaints

For information regarding enquiries and complaints, refer to section 8.6 of this PDS.

Glossary

A glossary of terms used in this PDS appears in section 9 of this PDS.

General

Unless otherwise stated, all dollar amounts referred to in this PDS are Australian Dollars ($)A.

Labour standards, environmental, social or ethical considerations are not taken into account in the selection, retention or realisation of the Fund’s investments.

Superannuation Funds

Trustees of Self Managed Superannuation Funds who propose to invest in the Fund should be aware of their obligation to formulate, review regularly and give effect to an appropriate investment strategy that has regard to the whole of the circumstances of their fund and to act in the best interests of the members of their fund.
Important information
This document is a Supplementary Product Disclosure Statement (SPDS) for the Macquarie Flexi 100 Trust Product Disclosure Statement dated 18 September 2013 (PDS). This document must be read together with the PDS and the relevant Term Sheet, and updated information on the Flexi Website. Terms defined in the PDS have the same meaning as in this SPDS. To obtain a copy of the PDS, you should contact Macquarie Financial Products Management Limited ABN 38 095 135 694 AFSL No. 237847 (MFPML) on 1800 080 033.

Not deposits with Macquarie
Investments in the Macquarie Flexi 100 Trust are not deposits with or other liabilities of Macquarie Bank Limited (MBL) or any other member of the Macquarie Group of companies and are subject to investment risk, including possible delays in repayment and loss of income or capital invested. None of MBL or any other Macquarie Group company guarantees any particular rate of return on, or the performance of, the Macquarie Flexi 100 Trust, nor do any of them guarantee the repayment of capital from the Macquarie Flexi 100 Trust.

Summary of changes to the PDS
The information in the table below is of a summary nature only. It does not contain full details of all the changes to the PDS made by this SPDS; it is only intended to highlight some of the more significant changes to the PDS. More detailed information about the updates to the PDS can be found in Parts 1 to 6 of this SPDS. It is important that you do not rely on this table alone, and you should ensure that you read Parts 1 to 6 of this SPDS before making any investment decision.

<table>
<thead>
<tr>
<th>SPDS Part</th>
<th>Nature of changes</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 1</td>
<td>Addition of new Reference Assets</td>
<td>1</td>
</tr>
<tr>
<td>Part 2</td>
<td>Addition of new Payoff feature</td>
<td>4</td>
</tr>
<tr>
<td>Part 3</td>
<td>Key risks specific to the new Reference Assets and Payoff feature</td>
<td>5</td>
</tr>
<tr>
<td>Part 4</td>
<td>Fees relating to new Reference Asset</td>
<td>6</td>
</tr>
<tr>
<td>Part 5</td>
<td>Changes relating to payments to you</td>
<td>6</td>
</tr>
<tr>
<td>Part 6</td>
<td>Changes to glossary terms</td>
<td>6</td>
</tr>
</tbody>
</table>

Changes to the Product Disclosure Statement dated 18 September 2013

Part 1: Updates relating to new Reference Assets
- At the end of page 10 of the PDS, insert the following after Section 2.6:

2.7. European Equity Classes: the EURO STOXX 50® Index
The Reference Asset for each European Equity Class is the EURO STOXX 50® Index. The index was established in February 1998 with the objective of providing an index of blue chip stocks in the Eurozone. The EURO STOXX 50® Index covers 50 stocks from Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain. Stocks in the EURO STOXX 50® Index are selected and weighted on the basis of their free-float market capitalisation and the composition is reviewed annually each September. No single stock can comprise more than 10% of the index’s total free-float market capitalisation and the index is rebalanced quarterly (if necessary) to ensure this. The EURO STOXX 50® Index is calculated on a price return basis, that is, on the basis that no dividends are reinvested.

There are specific risks associated with the EURO STOXX 50® Index. For more information, see Section 4.6A of this PDS.
2.8. International Low Volatility Classes: the International Low Volatility Basket

The International Low Volatility Basket is a basket of stock market indices and/or index tracking funds with exposure to equities in some or all of the US, the Eurozone, Hong Kong, Taiwan, South Korea and Singapore, as referred to in the table below (together the Reference Asset Constituents). For each International Low Volatility Basket, the Weight of each Reference Asset Constituent will be fixed, however the Weights may vary from one International Low Volatility Basket to another.

The list of Reference Asset Constituents and their respective Weights for an International Low Volatility Basket Class is listed in the relevant Term Sheet for that Class.

The index tracking funds are exchange-traded funds (ETFs), meaning that they are investment funds that are listed and traded on stock exchanges and can be bought and sold in a similar manner to shares in a company that is listed and traded on a stock exchange.

<table>
<thead>
<tr>
<th>Reference Asset Constituent</th>
<th>Regional exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barclays US Low Volatility Equity Index (BULV)</td>
<td>United States of America</td>
</tr>
<tr>
<td>Barclays Eurozone Low Volatility Equity Index (BELV)</td>
<td>Eurozone</td>
</tr>
<tr>
<td>Tracker Fund of Hong Kong (TFHK)</td>
<td>Hong Kong</td>
</tr>
<tr>
<td>MSCI Taiwan Index (TWY)</td>
<td>Taiwan</td>
</tr>
<tr>
<td>KOSPI 200 Index (KOSPI 200)</td>
<td>South Korea</td>
</tr>
<tr>
<td>MSCI Singapore Index (SGY)</td>
<td>Singapore</td>
</tr>
</tbody>
</table>

The composition of the Reference Asset (including the Weights) may change in certain circumstances, such as when an extraordinary or review event occurs. See section 2.1 of the Information Booklet for more information.

Please note that the Reference Asset Constituents that will comprise a particular International Low Volatility Basket will not be selected due to past or any expected future performance. Accordingly, the basket composition for any International Low Volatility Basket Class does not represent an investment recommendation by the Issuer to Investors.

Barclays US Low Volatility Equity Index

The Barclays US Low Volatility Equity Index (BULV) is a systematic, rules-based, equal-weighted index designed to track the equity market performance of US-listed stocks that have shown low realised volatility over the preceding year relative to other stocks. It is denominated in US dollars, is rebalanced monthly and takes into account price return performance of the constituent stocks.

Overview of the Barclays US Low Volatility Equity Index

Overview

BULV invests in US stocks with low volatility relative to other US stocks and aims to provide higher risk-adjusted returns than a broad equity index.

Investment Strategy

The selection of the index’s constituents is based on market capitalisation and liquidity filters and on a subsequent ranking process based on the one-year realised volatility. A sector cap is applied so that each sector can only include a maximum of 10 stocks. The selection of constituents is subject to additional filters. The minimum number of constituents is 20 and the maximum is 50.

Use of derivatives

BULV does not utilise derivatives.

Borrowing

BULV does not borrow funds.

Currency hedging

BULV does not utilise currency hedging.

Barclays Eurozone Low Volatility Equity Index

The BELV is a systematic, rules-based, equal-weighted index designed to track the equity market performance of Eurozone-listed stocks that have shown low realised volatility over the preceding year relative to other stocks. It is denominated in Euros, is rebalanced monthly and takes into account price return performance of the constituent stocks.

Overview of the Barclays Eurozone Low Volatility Equity Index

Overview

BELV invests in Eurozone stocks with low volatility relative to other Eurozone stocks and aims to provide higher risk-adjusted returns than a broad equity index.

Investment Strategy

The selection of the index’s constituents is based on market capitalisation and liquidity filters and on a subsequent ranking process based on the one-year realised volatility. A sector cap is applied so that each sector can only include a maximum of 6 stocks. The selection of constituents is subject to additional filters. The minimum number of constituents is 20 and the maximum is 30.

Use of derivatives

BELV does not utilise derivatives.

Borrowing

BELV does not borrow funds.

Currency hedging

BELV does not utilise currency hedging.

For descriptions of the TFHK, SGY, TWY and KOSPI 200, see Section 2.4 of the PDS.

For worked examples of how the Closing Level of a Reference Asset with multiple Reference Asset Constituents is calculated, see section 3.3 of this PDS.

There are specific risks associated with the International Low Volatility Basket. For more information see section 4.6B of the PDS.
At the end of page 41 of the PDS, insert the following after Section 8.8.5:

8.8.6. Barclays Bank PLC

Neither Barclays Bank PLC (Barclays), its associates, nor any members of the Barclays Group (being Barclays PLC and its subsidiary undertakings): (i) has authorised or caused the issue of; (ii) has made or authorised the making of any statement or representation on the accuracy or completeness of the information in; or (iii) accept any responsibility for, this PDS, nor are they providing any financial services to you or any Unitholders.

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- have any responsibility or liability for or make any decisions about the timing, amount or pricing of the European Equity Classes;
- consider the needs of the European Equity Classes or the Investors in the European Equity Classes in determining, composing or calculating the EUROSTOXX 50® Index or have any obligation to do so.

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  - the results to be obtained by the European Equity Classes, the Investors in the European Equity Classes or any other person in connection with the use of the EUROSTOXX 50® Index and the data included in the EUROSTOXX 50® Index;
  - the accuracy or completeness of the EUROSTOXX 50® Index and its data; and
  - the merchantability and the fitness for a particular purpose or use of the EUROSTOXX 50® Index and its data;
- STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the EUROSTOXX 50® Index or its data; and
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STOXX does not review materials for accuracy or completeness, and neither will have any liability with respect thereto.

Part 2: Updates relating to new Payoff feature

- In the shaded table on page 12 of the PDS, insert the following below the paragraph titled ‘Participation Rate’:

Zero Breakeven

Your Final Investment Level for Classes with a Zero Breakeven feature will be calculated differently to all other Classes, as described in Section 3.4. A Term or Share Performance Cap may also apply to these Classes.

For a worked example of how the Final Investment Level is calculated for Classes with a Zero Breakeven feature see Section 3.4.3.

- At the end of page 13 of the PDS, replace the first paragraph of Section 3.4 with the following:

For all Classes without a Zero Breakeven feature

The Final Investment Level is calculated as follows:

(a) for Classes not subject to a Term Performance Cap, the Closing Level of the Reference Asset at the Swap Valuation Date;
(b) for Classes with a Term Performance Cap, the lesser of:
   (i) the Closing Level of the Reference Asset at the Swap Valuation Date; and
   (ii) Initial Investment Level + (Initial Investment Level x the Term Performance Cap),

where Initial Investment Level is the Closing Level of the Reference Asset at the Swap Start Date.

For Classes with a Zero Breakeven feature

The Final Investment Level is calculated as follows:

If Closing Level of the Reference Asset at the Swap Valuation Date is:       The Final Investment Level is:
(a) less than the Initial Investment Level       the Closing Level of the Reference Asset at the Swap Valuation Date
(b) greater than or equal to the Initial Investment Level       Threshold Payment Level
     and less than or equal to the Threshold Payment Level
(c) greater than the Threshold Payment Level       the lesser of the Closing Level of the Reference Asset at the Swap Valuation Date or the Performance Cap level

- On page 14 of the PDS, replace the heading for 3.4.1 with the following:
  3.4.1 For Classes with a Term Performance Cap but without a Zero Breakeven feature

- On page 14 of the PDS, replace the heading for section 3.4.2 with the following:
  3.4.2 For Classes without a Term Performance Cap and without a Zero Breakeven feature
On page 14 of the PDS, insert the following after section 3.4.2 of the PDS:

3.4.3 For Classes with a Zero Breakeven feature

If you invest $A100,000 into a class with a Zero Breakeven feature and assume the following:
- the Initial Investment Level of the Reference Asset is 5,000
- the Threshold Payment Rate is 120.1%, meaning the Threshold Payment Level is $A6,005
- no Performance Cap,
the Final Investment Level of a class with a Zero Breakeven feature is calculated below.

If the Closing Level of the Reference Asset is:
- below 5,000, the Final Investment Level is the Closing Level of the Reference Asset on the Swap Valuation Date, and you will not make a positive return on your investment.
- greater than or equal to 5,000 and less than or equal to 6,005, the Final Investment Level is 6,005
- greater than 6,005, the Final Investment Level is the Closing Level of the Reference Asset on the Swap Valuation Date.

<table>
<thead>
<tr>
<th>Assume that:</th>
<th>Scenario 1</th>
<th>Scenario 2</th>
<th>Scenario 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closing Level at Swap Start Date</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Closing Level at the Swap Valuation Date</td>
<td>4,900</td>
<td>5,100</td>
<td>6,500</td>
</tr>
<tr>
<td>Final Investment Level of Class with Zero Breakeven Feature</td>
<td>4,900</td>
<td>6,005</td>
<td>6,500</td>
</tr>
</tbody>
</table>

On page 16 of the PDS, insert the following immediately before Section 3.7.1:

The illustrations ignore the effect of any Zero Breakeven feature. You should note that an investment in Classes with a Zero Breakeven feature will have a breakeven profile different to those described in Sections 3.7.1 and 3.7.2.

Part 3: Risks relating to new Reference Assets and Zero Breakeven feature

At the end of page 23 of the PDS, insert the following after Section 4.6:

4.6A. Key risks specific to an investment in European Equity Classes

4.6A.1. Concentration risk

The Reference Asset for European Equity Classes provides Investors with exposure to 50 Eurozone stocks. As a result, the performance of the Reference Asset for each of these Classes will be based on the performance of a relatively small number of shares compared with broad market indices such as the STOXX® Europe 600 Index. This means that the poor performance of one stock will have a greater effect on the Reference Asset’s overall performance than the effect of one poorly performing share in a comparatively broader market index.

4.6B. Key risks specific to an investment in International Low Volatility Classes

4.6B.1. Concentration risk

BULV and BELV each comprise a limited number of securities drawn from broad investment universes. This means security-specific events may have a greater (potentially adverse) impact on the returns or volatility of the BULV and BELV than on broader, more diversified indices or portfolios of securities.

In addition, the constituents of the BULV and BELV may together represent different or fewer industries or sectors than those represented by more diversified indices or portfolios of securities.

Different industries or sectors have different performance characteristics. In addition, the performance of a portfolio concentrated in relatively few industries or sectors may be more affected by industry-specific events, or events which are not industry-specific but affect certain industries more than others.

On the basis of industry/sector concentrations (if any), BULV and BELV may therefore have different performance to more diversified indices, potentially for extended periods of time.

For risks specific to the TFHK, SGY, TWY and KOSPI 200, see Section 4.5 of the PDS.

4.6C Key risks specific to an investment in Classes with the Zero Breakeven feature

4.6C.1. Market sensitivity risk

For Classes with the Zero Breakeven feature, a small change in the Reference Asset’s Closing Level around the Initial Investment Level can have a significant impact on your Reference Asset Gain. For example, if the Reference Asset moved from being slightly above its Initial Investment Level on the day before the Maturity Date to being slightly below its Initial Investment Level on the Maturity Date, your Reference Asset Gain would be zero and you will not receive any positive return on your investment.

4.6C.2 Potential for low or nil annual Distributions

Classes with the Zero Breakeven feature may have low or nil annual Distributions, meaning you will not receive regular income from your investment and the interest obligations on your Investment Loan will need to be funded from your own sources. If the Closing Level of the Reference Asset at the Swap Valuation Date finishes below the Initial Investment Level, you will have paid Investment Loan interest for the entire Term of your investment without receiving any Distributions or any Reference Asset Gain, and you will not make a positive return on your investment. This means you will not recover the interest and any other costs that you may have paid to invest in the Fund.
Part 4: Fees relating to new Reference Asset

- At the end of page 30 of the PDS, insert the following after Section 6.3.10:

6.3.10A. Fees specific to the International Low Volatility Basket

The International Low Volatility Basket Classes include potential exposure to ETFs and their associated management fees and costs. For more information on these fees, see Section 6.3.9.

The International Low Volatility Basket Classes also include potential exposure to the Barclays Eurozone Low Volatility Equity Index, which includes a 0.12% pa transaction costs factor in the calculation of the daily index level.

Although these fees are not charged from the assets of the Fund, they are relevant to determining the amount payable by the Swap Counterparty at the end of the Term or on early termination of the Investment Linked Swap Agreements and, accordingly, are reflected in the value of the International Low Volatility Basket Classes throughout the Term.

Part 5: Payments to you

- At the end of Section 3.1 on page 11 of the PDS, insert the following paragraph:

If Distributions are paid to you, we may pay Distributions into a non-interest bearing trust account in order to facilitate payment of these amounts to your nominated account. If we are unable to credit your account for any reason these amounts may continue to be held in such a non-interest bearing trust account until you provide alternative payment instructions or we are required by law to pay these amounts to any regulatory body or other person or account.

- At the end of the fourth paragraph in Section 5.1.5 of the PDS, insert the following:

This amount may be paid into a non-interest bearing trust account in order to facilitate payment to your nominated account. If we are unable to credit your account for any reason this amount may continue to be held in such a non-interest bearing trust account until you provide alternative payment instructions or we are required by law to pay these amounts to any regulatory body or other person or account.

Part 6: New glossary terms

- Replace or insert (as the context requires) the following terms in Section 9 of the PDS:

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>BELV</td>
<td>Barclays Eurozone Low Volatility Equity Index.</td>
</tr>
<tr>
<td>BULV</td>
<td>Barclays US Low Volatility Equity Index.</td>
</tr>
<tr>
<td>European Equity Classes</td>
<td>The Classes that may be offered to Investors with the EURO STOXX 50® Index as a Reference Asset.</td>
</tr>
<tr>
<td>Final Investment Level</td>
<td>The Final Investment Level as described in Section 3.4 of this PDS, which is used to calculate your Reference Asset Gain.</td>
</tr>
<tr>
<td>International Low Volatility Basket</td>
<td>The basket consisting of some or all of the Barclays US Low Volatility Equity Index, Barclays Eurozone Low Volatility Equity Index, TFHK, SGY, TWY and KOSPI 200 as Reference Asset Constituents.</td>
</tr>
<tr>
<td>International Low Volatility Basket Classes</td>
<td>The Classes that may be offered to Investors with the International Low Volatility Basket (consisting of some or all of the Barclays US Low Volatility Equity Index, Barclays Eurozone Low Volatility Equity Index, TFHK, SGY, TWY and KOSPI 200 as Reference Asset Constituents) as a Reference Asset.</td>
</tr>
<tr>
<td>Threshold Payment Rate</td>
<td>The ‘Threshold Payment Rate’ expressed as a percentage in the relevant Term Sheet as described in Section 3.4 of the PDS.</td>
</tr>
<tr>
<td>Threshold Payment Level</td>
<td>For a Class, the Threshold Payment Rate multiplied by the Initial Investment Level.</td>
</tr>
<tr>
<td>Zero Breakeven</td>
<td>A payoff feature that may be offered for Investors in certain Classes (if listed in the relevant Term Sheet) where the Final Investment Level is determined as per section 3.4 of the PDS.</td>
</tr>
</tbody>
</table>

For more information visit our website at macquarie.com.au/flexi, email us at structuredinvestments@macquarie.com or call us on 1800 080 033.
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**This PDS, the Term Sheet and Information Booklet**

This PDS includes references to additional important information contained in the relevant Term Sheet (which forms part of the PDS) and the Information Booklet, both of which should be read together with this PDS before making a decision to invest in the Fund.

The Term Sheet will set out the commercial terms of one or more Classes available for investment from time to time (for example key dates, Reference Asset, Performance Cap, Hurdle and Distributions).

The Term Sheet for an Offer is available free of charge either by accessing the Flexi Website at macquarie.com.au/flexi and/or by contacting us on 1800 080 033.

The Information Booklet dated 18 September 2013 contains additional information about the Fund. This PDS refers to the Information Booklet in order to provide further information about the specific terms and conditions associated with the Fund.

The Information Booklet contains important information about:
- material contracts
- the Fund’s Constitution
- the Fund’s compliance plan
- the Security Trust Deed
- the direct debit request service agreement, and
- the Loan Agreement.

The Information Booklet is available free of charge on our website at macquarie.com.au/flexi or by contacting us on 1800 080 033.

You should not apply for Units unless you have received, read and understood this PDS, the Term Sheet and the Information Booklet.
1. Investment summary

This section summarises the features and risks of an investment in the Fund. It does not contain all the details of an investment in the Fund. You can find further information about the topics summarised in section 1 in the sections referred to in the ‘Further information’ column below.

You should read this PDS, the current Term Sheet, the Information Booklet, and any updated information in full before deciding whether to invest. The Term Sheet, the Information Booklet and updated information can be found on the Flexi Website at macquarie.com.au/flexi and/or by contacting MFPML free of charge on 1800 080 033.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Summary</th>
<th>Further information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 What is offered under this PDS?</td>
<td>Exposure to various indices, funds, ETFs and/or securities</td>
<td>section 2</td>
</tr>
<tr>
<td>a) Summary of key product features</td>
<td>• By investing in the Fund you can gain indirect derivative exposure to a range of assets (called Reference Assets), including Australian equity investments, international equity investments and managed funds. • Your exposure to the Reference Assets may be capped, meaning that a limit may be placed on the gain you may realise on your investment. Compulsory 100 per cent investment loan</td>
<td>section 5</td>
</tr>
<tr>
<td></td>
<td>In order to invest in the Fund you must apply for a limited recourse Investment Loan to fund 100 per cent of your investment. Distributions</td>
<td>section 3</td>
</tr>
<tr>
<td></td>
<td>All Classes may pay fixed Distributions. This means that you may be entitled to fixed periodic Distributions throughout the Term of your investment. ‘Walk-Away’</td>
<td>section 5</td>
</tr>
<tr>
<td></td>
<td>While an investment in the Fund is designed to be held until Maturity, you may ‘Walk-Away’ from part or all of your investment (including your Investment Loan) without incurring additional costs (provided you have prepaid your annual interest on your loan out of your own funds).</td>
<td></td>
</tr>
<tr>
<td>Walk-Away feature and your Loans</td>
<td>A feature of your investment is the ability to ‘Walk-Away’. This means that on an approximately quarterly basis you may choose to Walk-Away from your Investment Loan without paying any further amounts to the Loan Provider on the Investment Loan. However, in some circumstances there will be further amounts you will be obliged to pay if you choose to Walk-Away. In particular, if you have an Interest Loan, you will have to repay the Interest Loan and pay all outstanding amounts. Where we refer to the Walk-Away feature throughout this PDS, we refer to the ability to Walk-Away subject to these circumstances described above.</td>
<td></td>
</tr>
<tr>
<td>b) Units in the Fund</td>
<td>You are invited to apply for Units, at an issue price of $A1.00 per Unit. You may apply for Units in one or more of the Classes set out in the current Offer.¹</td>
<td>sections 2 and 3</td>
</tr>
<tr>
<td></td>
<td>Each Class will have the characteristics of one of the Reference Assets listed in section 2 combined with the Payoff features described in section 3. For a list of Classes currently on Offer (including their Reference Asset), see the current Term Sheet.¹</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Please note that, for any particular Offer, the Issuer is unlikely to offer Classes representing all Reference Assets.</td>
<td></td>
</tr>
</tbody>
</table>

¹ You can obtain a copy of the current Term Sheet either by accessing the Flexi Website and/or by contacting MFPML free of charge on 1800 080 033.
### 1. Investment summary

<table>
<thead>
<tr>
<th>Topic</th>
<th>Summary</th>
<th>Further information</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Compulsory Investment Loan</td>
<td>In order to apply for Units, you must also apply and be approved for a limited recourse Investment Loan from the Loan Provider to fund 100 per cent of the issue price of your Units (Investment Amount). Interest on the Investment Loan is payable annually-in-advance at the start of each year of the Term. You should only invest in the Fund if: a) you can afford to pay the interest on your Loan(s) for the Term of the investment out of your own resources, and b) you can afford the potential loss of money you could suffer from investing in the Fund.</td>
<td>section 5</td>
</tr>
<tr>
<td>d) Optional Interest Loan</td>
<td>A full recourse Interest Loan will also be available for approved Investors (other than Superannuation Investors) to pay the upfront interest payable on your Investment Loan.</td>
<td>section 5</td>
</tr>
</tbody>
</table>

### 1.2 The Investment

| a) The responsible entity of the Fund | The responsible entity of the Fund is Macquarie Financial Products Management Limited (MFPML or Issuer). MFPML is part of the Macquarie Group of companies. The Fund is an Australian unit trust registered as a managed investment scheme. The Fund comprises several portfolios of assets and liabilities each referable to a particular Class. Each of these portfolios is called a Class Portfolio and provides exposure to a Reference Asset through the Payoff investment return structure. | section 8.1 |
| b) How does the Fund invest the offer proceeds? | Classes will not invest directly in the relevant Reference Asset, but instead will obtain indirect derivative exposure to the relevant Reference Asset through: • a Swap Agreement with the Swap Counterparty, and • a Collateral Agreement with the Collateral Counterparty. Together these agreements are referred to as the Investment Linked Swap Arrangements. The Fund will deposit all of the offer proceeds for each Class with the Collateral Counterparty as collateral for its obligations under the Investment Linked Swap Arrangements. Some or all of the interest earned on the Cash Collateral will be applied to make payments to the Swap Counterparty under the Swap Agreement. | Information Booklet sections 1.1 and 2.1 |
| c) What happens at Maturity? | The Issuer will provide you with details of the options available to you at Maturity closer to the Maturity Date. Options may include redeeming your Units in the Fund or retaining your Units. | section 3.2 |
| d) Minimum Investment Amount | The minimum amount that you may invest in the Fund is $A25,000 in total (the Minimum Investment Amount). The minimum you may invest in any one Class is $A5,000. Your Investment Amount must also be in multiples of $A1,000. The Issuer reserves the right to lower the Minimum Investment Amount. | |
1.3 Risks

Like many other investment opportunities there are a number of risks that may affect the value of your investment and cause you to lose money. Some of the key risks of an investment in the Fund are:

- poor investment performance (see section 4.1.1 of this PDS)
- borrowing to invest (see sections 3.7 and 4.7.2)
- Counterparty risk regarding the Swap and Collateral Counterparties (see section 4.1.2)
- early termination risk (see section 4.1.4 of this PDS and section 2.1 of the Information Booklet)
- foreign exchange risk (see section 4.4)
- Investment Loan interest deductibility (see section 4.7.5).

As well as the risks of this particular product, you should also consider how an investment in this product fits into your overall portfolio. Diversification of your investment portfolio can be used as part of your overall portfolio risk management strategy and may help limit your exposure to failure or underperformance of any one investment, manager or asset class.

Your investment is subject to additional risks. Accordingly, before investing in the Fund and taking out a Loan you should consider carefully the risks outlined in section 4, as these may affect your decision to invest and the financial performance of your investment.

An investment in the Fund is not a traditional investment product (such as a direct investment in Australian shares), and may not suit investors who do not have experience, and are unfamiliar with, investing in structured products that provide indirect derivative exposure to underlying assets using financial instruments such as swap agreements and collateral agreements.

1.4 Fees and other costs

Fees and expenses (including management costs and possibly a Loan Establishment Fee) apply to your investment in the Fund.

Fees and costs may also apply to Reference Assets or Reference Asset Constituents that are managed funds or ETFs. These fees and costs may affect the value of those Reference Assets or Reference Asset Constituents, but will not require you to make additional payments.
### 1.5 Further information

<table>
<thead>
<tr>
<th>Topic</th>
<th>Summary</th>
<th>Further information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>a) Further information</strong></td>
<td>If you have read this PDS and have any questions, either before or after investing, please contact MFPML on 1800 080 033.</td>
<td></td>
</tr>
<tr>
<td><strong>b) Applying to invest</strong></td>
<td>For information about who is eligible to invest in the Fund and how to make an investment, see section 10 of this PDS and the Application Form included in or accompanying this PDS.</td>
<td></td>
</tr>
<tr>
<td><strong>c) Cooling Off Period</strong></td>
<td>If you invest in the Fund you are entitled to return your Units by giving written notice to the Issuer at any time within the Cooling Off Period. The Cooling Off Period is 14 days commencing on the earlier of the date the issue of Units is confirmed to you and the end of the fifth business day after the issue of Units. If you return your Units within the Cooling Off Period, you will be exposed to changes in the market value of the Reference Asset which may result in a fall in the value of your investment. However, you will not be required to pay any additional amounts in respect of your Investment Loan. If you elect to take an Interest Loan, you will be required to pay the unpaid balance of the principal amount on the Interest Loan from your own funds. You will not receive a refund of that portion of the prepaid interest in respect of any Loans which relates to the period ending on the date (during the Cooling Off Period) on which you return your Units.</td>
<td></td>
</tr>
</tbody>
</table>
| **d) Who may apply?** | An Offer is open to:  
  - individuals over the age of 18 years who receive the Offer in Australia  
  - companies that receive the Offer in Australia, and  
  - trustees of trusts that receive the Offer in Australia, including trustees acting in their capacity as trustees of Self Managed Superannuation Funds (other than in respect of the Interest Loan, which is not available to Superannuation Investors). |
| **e) Superannuation Funds** | An investment in the Fund and taking out an Investment Loan are permitted under the SIS Act for trustees of Self Managed Superannuation Funds (Superannuation Investors), provided the Investment Loan complies with the fund’s investment strategy and trust deed.  
Superannuation Investors are not permitted to take out an Interest Loan.  
Trustees of Self Managed Superannuation Funds who propose to invest in the Fund should be aware of their obligation to formulate, review regularly and give effect to an appropriate investment strategy that has regard to the whole of the circumstances of their fund and to act in the best interests of the members of their fund.  
This includes ensuring they are familiar with the risks involved in, and have in place adequate risk management procedures to manage the risks associated with, borrowing to fund an investment in the Fund.  
Relevant to this consideration will be the risks of a leveraged investment as described in this PDS, along with factors such as the diversification of assets of the superannuation fund and the overall level of leverage of the superannuation fund.  
In addition, Superannuation Investors should ensure they have the power to borrow under the superannuation fund’s trust deed, as an investment in the Fund includes taking out an Investment Loan. |                      |
2. Reference Assets

2.1 Australian Equity Classes: The S&P/ASX 200 Index

The Reference Asset for each Australian Equity Class is the S&P/ASX 200 Index. The S&P/ASX 200 Index was first published on 31 March 2000 and is a market-capitalisation weighted and float-adjusted stock market index of Australian stocks listed on the Australian Securities Exchange from Standard & Poor’s.

2.2 Australian Equity Focus Classes: Australian Equity Focus Basket

The Reference Asset for each Australian Equity Focus Class is the Australian Equity Focus Basket. This will be a basket comprising between 10 and 20 ASX-listed shares with a large market capitalisation as at the date of this PDS (each a Reference Asset Constituent). The Reference Asset Constituents may differ from one Australian Equity Focus Class to another. The Reference Asset Constituents for a basket, and their Weights, will not change over the Term except in limited circumstances. See section 2.1.3 of the Information Booklet for more information.

A list of the Reference Asset Constituents and their fixed Weights for any Australian Equity Focus Basket will be listed in the relevant Term Sheet.

Please note that the shares that will comprise the Australian Equity Focus Basket will be selected due to their large market capitalisation and share trading liquidity, and not on their past or any expected future performance. Accordingly, the basket composition for any Australian Equity Focus Class does not represent an investment recommendation by the Issuer to Investors.

There are specific risks associated with the Australian Equity Focus Basket. See section 4.4 of this PDS for more information.

2.3 US Equity Classes: The S&P 500 Index

The Reference Asset for each US Equity Class is the S&P 500 Index. The index has been published since 1957 and is a float weighted index of the prices of 500 publicly held companies with large market capitalisation that are actively traded on either the New York Stock Exchange or NASDAQ. Almost all of the shares included in the index are among the 500 largest US shares by market capitalisation.

2.4 Asian Equity Classes: the Asian Equity Basket

The Reference Asset for each Asian Equity Class is a basket of stock market indices or index tracking funds for some or all of China, Hong Kong, Taiwan, South Korea and Singapore, as referred to in the table below (together the Reference Asset Constituents). For each Asian Equity Basket, the Weight of each Reference Asset Constituent will be fixed, however the Weights may vary from one Asian Equity Basket to another.

The list of Reference Asset Constituents and their respective Weights for an Asian Equity Class is listed in the relevant Term Sheet for that Class.

The index tracking funds are exchange-traded funds (ETFs), meaning that they are investment funds that are listed and traded on stock exchanges and can be bought and sold in a similar manner to shares in a company that is listed and traded on a stock exchange.

Details of the Reference Asset Constituents for Asian Equity Classes

<table>
<thead>
<tr>
<th>Reference Asset Constituent</th>
<th>Regional exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hang Seng H-Share Index ETF</td>
<td>China</td>
</tr>
<tr>
<td>Tracker Fund of Hong Kong</td>
<td>Hong Kong</td>
</tr>
<tr>
<td>MSCI Taiwan Index</td>
<td>Taiwan</td>
</tr>
<tr>
<td>KOSPI 200 Index</td>
<td>South Korea</td>
</tr>
<tr>
<td>MSCI Singapore Index</td>
<td>Singapore</td>
</tr>
</tbody>
</table>

The composition of the Reference Asset (including the Weights) may change in certain circumstances, such as when an extraordinary or review event occurs. See section 2.1 of the Information Booklet for more information.

Please note that the Reference Asset Constituents that will comprise a particular Asian Equity Basket will not be selected due to past or any expected future performance. Accordingly, the basket composition for any Asian Equity Class does not represent an investment recommendation by the Issuer to Investors.

The Hang Seng H-Share Index ETF (HSHSI)

The HSHSI is an ETF established in Hong Kong. The fund’s objective is to provide investment returns that match the performance of the Hang Seng China Enterprises Index (H-Share Index). The fund invests in constituent securities of the H-Share Index.
The Tracker Fund of Hong Kong (TFHK)
The TFHK is an ETF registered in Hong Kong. The fund seeks to provide investment results that closely correspond to the performance of the Hang Seng Index through investing all, or substantially all, of the fund's assets in index shares in substantially the same weightings as they appear in the Hang Seng Index.

The MSCI Taiwan Index (TWY)
The MSCI Taiwan Index is a free float-adjusted market capitalisation weighted index that is designed to track the equity market performance of Taiwanese securities listed on the Taiwan Stock Exchange. The MSCI Taiwan Index is denominated in Taiwan dollars and takes into account price performance of the constituent stocks only. The MSCI Taiwan Index is constructed based on the MSCI Global Investable Market Indices Methodology, targeting a free float-market capitalisation coverage of 85 per cent. As at 25 July 2013, the MSCI Taiwan Index consisted of 107 stocks.

The KOSPI 200 Index (KOSPI 200)
The KOSPI 200 Index is a capitalisation weighted index of 200 Korean securities which make up 93 per cent of the total market value of the Korea Stock Exchange.

The MSCI Singapore Index (SGY)
The MSCI Singapore Index is a free float-adjusted market capitalisation weighted index that is designed to track the equity market performance of Singaporean securities listed on the Singapore Stock Exchange. The MSCI Singapore Index is constructed based on the MSCI Global Investable Market Indices Methodology targeting a free float-market capitalisation coverage of 85 per cent.

For worked examples of how the Closing Level of a Reference Asset with multiple Reference Asset Constituents is calculated, see section 3.3 of this PDS.

There are specific risks associated with the Asian Equity Basket. For more information see section 4.5 of this PDS.

2.5 Best-of Basket Classes: The Best-of Basket
The Reference Asset for each Best-of Basket Class is the Best-of Basket. This will be the best performing of two fixed baskets providing exposure to the S&P/ASX 200 Index, PIMCO GIS Total Return Bond Fund and Winton Global Alpha Fund (each a ‘Reference Asset Constituent’). The fixed weighting of each Reference Asset Constituent in the two baskets is indicated in the tables below. These Reference Asset Constituents and their Weights will not change over the Term except in limited circumstances. See section 2.1.3 of the Information Booklet for more information.

Please note that the Reference Asset Constituents in the table have not been selected as Reference Asset Constituents based on their past performance, nor is any representation made about expected future performance. Accordingly, the basket composition does not represent an investment recommendation by the Issuer to Investors.

Details of the Reference Asset Constituents for the Best-of Baskets

<table>
<thead>
<tr>
<th>Reference Asset Constituent</th>
<th>Asset type</th>
<th>ASX Tilt Basket Weight (%)</th>
<th>Bond Fund Tilt Basket Weight (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P/ASX 200 Index</td>
<td>Equity Index</td>
<td>60</td>
<td>20</td>
</tr>
<tr>
<td>PIMCO GIS Total Return Bond Fund</td>
<td>Unlisted managed fund</td>
<td>20</td>
<td>60</td>
</tr>
<tr>
<td>Winton Global Alpha Fund</td>
<td>Unlisted managed fund</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

The S&P/ASX 200 Index
For information about the S&P/ASX 200 Index, see section 2.1 of this PDS.

PIMCO GIS Total Return Bond Fund
The PIMCO Funds: Global Investors Series plc, Total Return Bond Fund (Administrative Class, Accumulation Shares) (PIMCO GIS Total Return Bond Fund) is a diverse portfolio of intermediate-term, investment grade securities that is actively managed to maximise total return while minimising risk relative to its benchmark, the Barclays Capital US Aggregate Index (Benchmark).

The fund invests primarily in US government, mortgage and corporate bonds, but may have tactical allocations to municipal, high yield and non-US markets.

The fund was launched on 31 January 1998 and is domiciled in Ireland. Its investment adviser is Pacific Investment Management Company LLC. The fund is a sub-fund of the PIMCO Funds: Global Investors Series plc, which is managed by PIMCO Global Advisors (Ireland) Limited (PGAIL).
## Overview of the PIMCO GIS Total Return Bond Fund

<table>
<thead>
<tr>
<th>Overview</th>
<th>The fund aims to maximise total return while minimising risk relative to its benchmark by actively managing a diverse portfolio of intermediate-term, investment grade securities.</th>
</tr>
</thead>
</table>
| **Investment strategy** | The fund's portfolio is actively managed by the underlying fund manager through the use of prudent risk management and seeks enhanced returns in all market conditions.  
The fund takes a long-term view and uses multiple concurrent strategies to provide potential for consistent outperformance of the Benchmark with minimal risk. |
| **Use of derivatives** | The fund may use derivatives such as futures, options and swap agreements, and may also enter into currency forward contracts.  
These derivatives may be used for both hedging and investment purposes. For example, derivatives may be used for:  
• currency hedging  
• as a substitute for taking a position in the underlying asset where it is believed that such exposure represents better value than direct exposure  
• to tailor the fund’s interest rate exposure to the underlying fund manager’s interest rate outlook, and/or  
• to gain exposure to the composition and performance of a particular index. |
| **Borrowing** | The fund may only borrow on a temporary basis and the aggregate amount of borrowing cannot exceed 10 per cent of the net asset value of the fund. |
| **Currency hedging** | Currency exposure may be hedged for the purposes of efficient portfolio management using foreign exchange contracts and currency futures, options and swaps. Non-$US denominated currency exposure is subject to a limit. In addition, hedged shareclasses may buy and sell currencies in addition to using other techniques and instruments, to reduce the risks of adverse changes in exchange rates subject to the limits and conditions set down by the Central Bank of Ireland (or any successor regulatory authority thereto) from time to time. |

The PIMCO GIS Total Return Bond Fund is an unlisted managed fund that does not invest primarily in equities or equity indices.
**Winton Global Alpha Fund**

The Winton Global Alpha Fund is an actively managed, Australian-registered management investment scheme that invests in futures and cash. The fund trades in over 100 futures markets worldwide covering share indices, bonds, interest rates, currencies and commodities. The fund aims to generate long-term total returns from a specialist managed futures strategy without relying on a general growth in asset values.

The responsible entity of the fund is Macquarie Investment Management Limited (MIML), and the investment manager is Winton Capital Management Limited (the Underlying Fund Manager). The Underlying Fund Manager has responsibility for managing the fund's futures exposures. The Underlying Fund Manager is a managed futures adviser specialising in the quantitative management of futures portfolios.

For more information about the Winton Global Alpha Fund, see the fund's product disclosure statement. You may obtain a copy of the current product disclosure document by contacting MIML on 1800 214 616. Alternatively, you may download a copy of the current disclosure document from the Macquarie website at macquarie.com.au.

### Overview of the Winton Global Alpha Fund

<table>
<thead>
<tr>
<th>Overview</th>
<th>The aim of the fund is to generate long-term total returns from a specialist managed futures strategy.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment strategy</td>
<td>The fund invests in futures and cash in accordance with the Underlying Fund Manager's trading system. Futures: The fund can be expected to trade in over 100 individual futures markets worldwide across five broad categories; share indices, bonds, interest rates, currencies and commodities. Cash: The fund may hold cash-like investments such as bank accounts, broker margin accounts and wholesale managed funds investing in cash. MIML is responsible for determining how the cash is invested.</td>
</tr>
<tr>
<td>Trading system</td>
<td>The Underlying Fund Manager's trading system is proprietary and complex, being largely automated and based on mathematical models derived through statistical research. This means that the quality of the statistical research program will ultimately drive performance over the long term. A large part of the system that the Underlying Fund Manager applies to the fund can be described as 'trend following'. That is, it uses statistical research to analyse market trends and establish trading strategies that aim to profit from each trend. Accordingly, the Underlying Fund Manager is likely to perform better in a strongly trending market, and may be less likely to perform well in markets that constantly change direction and do not follow an identifiable trend. The system trades daily, sometimes trading single markets several times per day. Most of the Underlying Fund Manager's trading is carried out automatically by computer algorithms. In some markets, the Underlying Fund Manager's staff carry out trading instructions advised by the system.</td>
</tr>
<tr>
<td>Risk management</td>
<td>The Underlying Fund Manager manages risk by targeting a level of volatility. The system adjusts the futures positions in the portfolio each day to keep the forecast risk at or below a fixed target. If the forecast risk is higher than the target, the system will reduce its position sizes as it trades. The main ways in which the Underlying Fund Manager targets risk are: controlling the futures position sizes in each market; diversifying across futures markets, and; taking a mixture of long and short positions. Part of the fund's strategy is to target a high level of volatility. This means the value of the fund can change quickly.</td>
</tr>
<tr>
<td>Use of derivatives</td>
<td>The fund invests in futures and forwards. It trades futures and options on futures that are traded on an exchange only (that is, it does not trade unlisted or ‘over the counter’ derivatives).</td>
</tr>
<tr>
<td>Borrowing</td>
<td>Under the fund’s constitution, the responsible entity may borrow money. However, it has no current intention to do so. The fund’s use of futures means that the face value of the fund’s combined long and short positions will frequently be greater than 100 per cent of the value of the fund.</td>
</tr>
<tr>
<td>Currency hedging</td>
<td>MIML may from time to time seek to mitigate currency risk by converting foreign currency holdings back to Australian dollars. However, the fund is not hedged to Australian dollars. This means that foreign exchange rate movements may increase or decrease the value of the fund in Australian dollar terms.</td>
</tr>
</tbody>
</table>

There are specific risks associated specifically with the Best-of Basket. See section 4.6 of this PDS for more information.
How is the Closing Level of the Best-of Basket calculated?

A) On the Swap Start Date, the initial Closing Level of both the ASX Tilt Basket and the Bond Fund Tilt Basket (the Initial Investment Level) is set to 100.

B) Determine the Closing Level for the ASX Tilt Basket and the Bond Fund Tilt Basket. The Closing Level of both the ASX Tilt Basket and the Bond Fund Tilt Basket may be determined on any date (on or prior to the Maturity Date), assuming early termination has not occurred, using the following steps:

1. for each Reference Asset Constituent, determine the Constituent Start Level
2. for each Reference Asset Constituent, determine the Constituent Closing Level on the required date
3. for each Reference Asset Constituent, subtract the Constituent Start Level from the Constituent Closing Level. This represents the gross return on each Reference Asset Constituent
4. for each Reference Asset Constituent, divide the result from step (3) by the Constituent Start Level. This represents the percentage change in each Reference Asset Constituent
5. for each Reference Asset Constituent, multiply the result from step (4) by the constituent’s relevant Weight
6. add together the results of step (5) for each Reference Asset Constituent
7. add 1 to the result of step (6), and multiply by 100.

C) The Closing Level of the Best-of Basket will be the higher of the Closing Levels calculated in step (B).

To receive a positive return, the Closing Level of the best performing of the ASX Tilt Basket and the Bond Fund Tilt Basket on the relevant day must be higher than its level on the Swap Start Date, which is 100.

Please note that on the occurrence of a corporate event or adjustment event, the calculation of the Constituent Start Level and Constituent Closing Level for a Reference Asset Constituent may be adjusted by the Swap Counterparty. See section 2.1 of the Information Booklet for more information.

Worked example of the calculation of the Best-of Basket

<table>
<thead>
<tr>
<th>Steps</th>
<th>Reference Asset Constituents</th>
<th>ASX Tilt Basket</th>
<th>Bond Fund Tilt Basket</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assume that:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Closing Level on Swap Start Date</td>
<td>S&amp;P/ASX 200 Index</td>
<td>$US25.00</td>
<td>$A1.20</td>
</tr>
<tr>
<td>2. Closing Level on Swap Valuation Date</td>
<td>PIMCO GIS Total Return Bond Fund</td>
<td>$A1.20</td>
<td></td>
</tr>
<tr>
<td>3. Gross Return (2) - (1)</td>
<td>Winton Global Alpha Fund</td>
<td>$US10.00</td>
<td>$A0.21</td>
</tr>
<tr>
<td>4. Percentage change (3) / (1)</td>
<td>S&amp;P/ASX 200 Index</td>
<td>20.00%</td>
<td>40.00%</td>
</tr>
<tr>
<td>5. Weighting</td>
<td>PIMCO GIS Total Return Bond Fund</td>
<td>60.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>6. Weighted Return (4) x (5)</td>
<td>Winton Global Alpha Fund</td>
<td>12.00%</td>
<td>8.00%</td>
</tr>
<tr>
<td>7. Closing Level</td>
<td></td>
<td>1 + (12.00% + 8.00% - 3.50%)</td>
<td>1 + (4.00% + 24.00% - 3.50%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>= 1.165</td>
<td>= 1.245</td>
</tr>
<tr>
<td></td>
<td></td>
<td>= 1.165 x 100</td>
<td>= 1.245 x 100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>= 116.50</td>
<td>= 124.50</td>
</tr>
</tbody>
</table>

As the Closing Level of the ASX Tilt Basket (116.50) is lower than the Bond Fund Tilt Basket (124.50), the Closing Level of the Best-of Basket on the Swap Valuation Date is 124.50.

2.6 Bond Fund Tilt Basket Classes: Bond Fund Tilt Basket

The Reference Asset for each Bond Fund Tilt Basket Class is the Bond Fund Tilt Basket. This will be a fixed basket providing exposure to the PIMCO GIS Total Return Bond Fund, S&P/ASX 200 Index, and Winton Global Alpha Fund (each a ‘Reference Asset Constituent’). The fixed weighting of each Reference Asset Constituent is indicated in the table below. For a description of each Reference Asset Constituent see section 2.5 of this PDS.

These Reference Asset Constituents and their Weight will not change over the Term except in limited circumstances. See section 2 of the Information Booklet for more information.

Please note that the Reference Asset Constituents in the table have not been selected as Reference Asset Constituents based on their past performance, nor is any representation made about expected future performance. Accordingly, the basket composition does not represent an investment recommendation by the Issuer to Investors.

Details of the Reference Asset Constituents for the Bond Fund Tilt Basket

<table>
<thead>
<tr>
<th>Reference Asset Constituent</th>
<th>Asset type</th>
<th>Weight (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PIMCO GIS Total Return Bond Fund</td>
<td>Unlisted managed fund</td>
<td>60</td>
</tr>
<tr>
<td>S&amp;P/ASX 200 Index</td>
<td>Equity Index</td>
<td>20</td>
</tr>
<tr>
<td>Winton Global Alpha Fund</td>
<td>Unlisted managed fund</td>
<td>20</td>
</tr>
</tbody>
</table>

For worked examples of how the Closing Level of a Reference Asset with multiple Reference Asset Constituents is calculated, see section 3.3 of this PDS.

There are specific risks associated with the Bond Fund Tilt Basket. See section 4.6 of this PDS for more information.
3. Payoff

The Term Sheet and this section

The information in this section will need to be read together with the relevant Term Sheet. You can obtain a copy of information included on the Term Sheet free of charge either by accessing the Flexi Website and/or by contacting MFPML on 1800 080 033.

The Term Sheet will set out the following information about the Payoff for each Class currently on offer to Investors:

- Indicative and minimum Term or Share Performance Caps
- Hurdle
- Participation Rate
- Gain Currency
- Distribution Rate
- Term
- Swap Start Date
- Swap Valuation Date
- Maturity Date
- Distribution Dates, and
- Notification Dates and Walk-Away Dates.

3.1 Distributions

Each Class may pay an annual fixed Distribution throughout the Term. The fixed amount payable may be different in each year. A fixed Distribution may also be paid at Maturity.

The Distribution Rates and Distribution Dates for each Class on Offer to Investors at any point in time are set out in the relevant Term Sheet on the Flexi Website. 2

Distributions will only be payable to Investors who have chosen not to exercise the Walk-Away feature of the Investment Loan on or before the relevant Distribution Date.

Any Distributions that you become entitled to at the end of any year during the Term of your Investment will be automatically applied to pay amounts payable by you to the Loan Provider (such as the interest payable on your Investment Loan for the following Interest Period), with the remainder of the Distribution (if any) distributed to you as a cash payment. If the amount of a Distribution for a year that is applied to make such payments on your Loans is less than the amount payable by you to the Loan Provider, then the balance must be paid by you. See section 5.1.3 for more information. If available under the relevant Term Sheet and if you do not have an Interest Loan, you may have the option to elect in your Application Form not to pay any Distributions automatically in this way. Instead, you may elect to have such Distributions paid directly into your Nominated Account. If you choose this option, you will need to pay the full amount of your Investment Loan interest from your own funds. You will need to pay this on a date that is before the date any Distributions will be paid to you. You should therefore make sure you have sufficient funds to pay your interest as you will not be able to rely on Distributions. MFPML may decide not to offer this option for any Offer.

3.2 Return at Maturity

At Maturity you will receive:

- a final fixed Distribution expressed as a percentage of your Investment Amount (if applicable)
- a potential further distribution of the income of the Fund, which is expected to be an amount equal to your Reference Asset Gain (if any),3 and
- if your Units are redeemed, the proceeds from the redemption of your Units, which should be equal to your Investment Amount, which will be used to repay your Investment Loan.4

The Reference Asset Gain you receive will depend on the performance of the Reference Asset from the Swap Start Date to the Swap Valuation Date, the Participation Rate, Hurdle, and a Share Performance Cap or Term Performance Cap (if applicable).5

Your indirect exposure to the Reference Assets will commence on the applicable Swap Start Date (which will be on or after the Issue Date) and end on the respective Swap Valuation Date (likely to be before the Maturity Date). As a result, if you hold Units to Maturity you will not necessarily be exposed to the relevant Reference Asset for the entire Term.

Where you have an Interest Loan, any final fixed Distribution and your Reference Asset Gain will be applied to repay any amount outstanding in respect of your Interest Loan.

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2 You can obtain a copy of the current Term Sheet either by accessing the Flexi Website and/or by contacting MFPML free of charge on 1800 080 033.
3 For any Reference Asset or the Reference Asset Constituent that is a managed fund or an ETF, the performance will be measured net of fees and expenses charged by their respective fund investment managers. See sections 6.3.9 and 6.3.10 for more details.
4 Proceeds from redemption of Units may be less than this amount if there have been any events of default under the Collateral Agreement or the Issuer has been indemnified by the Fund for liability incurred in properly performing its powers and duties. See sections 2.1 and 2.4 of the Information Booklet for more information.
5 For indicative Participation Rates, Hurdles, Share Performance Caps, Term Performance Caps and Minimum Performance Caps for Classes on Offer at any point in time, check the Flexi Website.
The Term Performance Cap
A cap may be placed on the Final Investment Level of the Reference Asset, and this may limit your Reference Asset Gain at Maturity. The cap is expressed as a percentage of the Initial Investment Level of the Reference Asset (the Term Performance Cap). For a worked example of how a Term Performance Cap is applied to a Class, see section 3.4.1.

The Share Performance Cap
If the Reference Asset is a basket (that is, it consists of multiple Reference Asset Constituents), a cap may be placed on the individual performance of each Reference Asset Constituent, in turn affecting your Reference Asset’s Closing Level and limiting your Reference Asset Gain at Maturity. The cap is expressed as a percentage of the Constituent Start Level. For a worked example of how a Share Performance Cap is applied to a basket Reference Asset, see section 3.3.1.

Indicative Term or Share Performance Caps for Classes on Offer to Investors may be set out in the relevant Term Sheet. You can obtain a copy of the Term Sheet free of charge either by visiting the Flexi Website and/or by contacting MFMPL on 1800 080 033. Please note that a Class will only have either a Term or Share Performance Cap, and not both.

Actual Term and Share Performance Caps will be determined on or before the Swap Start Date and stated on the Flexi Website. These could be lower than the indicative Term and Share Performance Caps depending on market conditions at that time, in particular, the level and volatility of the relevant Reference Asset and the level of interest rates. However, Units in a Class may be withdrawn if the Term or Share Performance Cap for the relevant Class is not at least equal to the Minimum Performance Cap set out in the relevant Term Sheet on the Flexi Website. In such an instance:

- your Units in that Class will be redeemed for $A1.00 per Unit, and
- any Loans will be terminated and prepaid interest and any Loan fees fully refunded.

A Class may not have an indicative Term or Share Performance Cap; that is, it is expected that no cap will be placed on the Final Investment Level of the Reference Asset. As noted above, this will not be confirmed until the applicable Swap Start Date, meaning that a Term or Share Performance Cap may apply for these Classes. However, the cap will not be less than the relevant Minimum Performance Cap for that Class set out in the relevant Term Sheet on the Flexi Website.

The Hurdle
The Reference Asset Gain at Maturity will broadly represent any increase in the value of the Reference Asset over the Hurdle (subject to the relevant Term Performance Cap or Share Performance Cap). Hurdles (if any) for the Classes on Offer to Investors may be set out in the relevant Term Sheet on the Flexi Website. For worked examples of how a Hurdle affects your Reference Asset Gain, see sections 3.5.1 and 3.5.2.

Gain Currency
Where the Gain Currency is not Australian dollars, the relevant exchange rate is used to calculate your Reference Asset Gain, although your Reference Asset Gain will be determined in Australian dollars. For a worked example of how a non-$A Gain Currency affects your Reference Asset Gain, see section 3.5.2.

Participation Rate
Your Reference Asset Gain at Maturity will be affected by the Class’s Participation Rate. The Participation Rate is a percentage by which your gain is multiplied. For worked examples of how a Participation Rate affects your Reference Asset Gain, see sections 3.5.1 and 3.5.2.

3.3 Calculating the Closing Level of basket Reference Assets
For Reference Assets containing multiple Reference Asset Constituents, the Closing Level of the Reference Asset is calculated as below.

On the Swap Start Date, the initial Closing Level of the Reference Asset (the Initial Investment Level) is set to 100.

The Closing Level of the Reference Asset may be determined on any date (on or prior to the Maturity Date), assuming early termination has not occurred, using the following steps:

1. for each Reference Asset Constituent, determine the Constituent Start Level
2. for each Reference Asset Constituent, determine the Constituent Closing Level on the required date
3. for each Reference Asset Constituent, subtract the Constituent Start Level from the Constituent Closing Level. This represents the gross return on each Reference Asset Constituent
4. for each Reference Asset Constituent, divide the result from step (3) by the Constituent Start Level. This represents the percentage change in each Reference Asset Constituent
5. for each Reference Asset Constituent, take the lesser of the result from step (4) and, if applicable, the Share Performance Cap
6. for each Reference Asset Constituent, multiply the result from step (5) by the constituent’s relevant Weight
7. add together the results of step (6) for each Reference Asset Constituent
8. Add 1 to the result of step (7), and multiply by 100.

To receive a positive return, the Closing Level of the Reference Asset on the relevant day must be higher than its level on the Swap Start Date, which is 100.

Please note that on the occurrence of a corporate event or adjustment event, the calculation of the Constituent Start Level and Constituent Closing Level for a Reference Asset Constituent may be adjusted by the Swap Counterparty. See section 2 of the Information Booklet for more information.
3. Payoff

3.3.1 Closing Level of a basket Reference Asset with a Share Performance Cap

For the purposes of this example, it is assumed that:

- the Reference Asset consists of 20 Reference Asset Constituents each with a Weight of 5 per cent, only three of which will have particular values and performance shown below, with the remaining 17 shares all having the same values and performance shown for shares 4-20, and
- there is a Share Performance Cap of 55 per cent.

The Closing Level of the Reference Asset would be calculated as follows:

<table>
<thead>
<tr>
<th>Steps</th>
<th>Reference Asset Constituents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assume that:</td>
<td>Share 1</td>
</tr>
<tr>
<td>1. Closing Level on Swap Start Date</td>
<td>$A5</td>
</tr>
<tr>
<td>2. Closing Level on Swap Valuation Date</td>
<td>$A12</td>
</tr>
<tr>
<td>3. Gross Return (2) - (1)</td>
<td>$A7</td>
</tr>
<tr>
<td>4. Percentage change (3) / (1)</td>
<td>140.00%</td>
</tr>
<tr>
<td>5. Capped Level (lesser of (4) and 55%)</td>
<td>55.00%</td>
</tr>
<tr>
<td>6. Weighting</td>
<td>5.00%</td>
</tr>
<tr>
<td>7. Weighted Return (5) x (6)</td>
<td>2.75%</td>
</tr>
<tr>
<td>8. Closing Level of Reference Asset</td>
<td></td>
</tr>
</tbody>
</table>

Therefore the Closing Level of the Reference Asset on the Swap Valuation Date is 117.46

3.3.2 Closing Level of a basket Reference Asset without a Share Performance Cap

For the purposes of this example, it is assumed that:

- the Reference Asset is a basket of four Reference Asset Constituents of equal Weights
- there is no Share Performance Cap.

The Closing Level of the Reference Asset would be calculated as follows:

<table>
<thead>
<tr>
<th>Steps</th>
<th>Reference Asset Constituents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assume that:</td>
<td>Constituent 1</td>
</tr>
<tr>
<td>1. Closing Level on Swap Start Date</td>
<td>200</td>
</tr>
<tr>
<td>2. Closing Level on Swap Valuation Date</td>
<td>236</td>
</tr>
<tr>
<td>3. Gross Return (2) - (1)</td>
<td>36</td>
</tr>
<tr>
<td>4. Percentage Change (3) / (1)</td>
<td>18.00%</td>
</tr>
<tr>
<td>5. No Share Performance Cap applies</td>
<td>18.00%</td>
</tr>
<tr>
<td>6. Weighting</td>
<td>25%</td>
</tr>
<tr>
<td>7. Weighted Return (5) x (6)</td>
<td>4.50%</td>
</tr>
<tr>
<td>8. Closing Level of the Reference Asset</td>
<td></td>
</tr>
</tbody>
</table>

Therefore, the Closing Level of the Reference Asset on the Swap Valuation Date is 112.70.

3.4 Calculating the Final Investment Level

The Final Investment Level is calculated as follows:

a) for Classes not subject to a Term Performance Cap, the Closing Level of the Reference Asset at the Swap Valuation Date

b) for Classes with a Term Performance Cap, the lesser of:
   i) the Closing Level of the Reference Asset at the Swap Valuation Date, and
   ii) Initial Investment Level + (Initial Investment Level x the Term Performance Cap)

where Initial Investment Level is the Closing Level of the Reference Asset at the Swap Start Date.
3. Payoff

3.4.1 For a Class with a Term Performance Cap

If you invest $A100,000 into an Australian Equity Class and assume that:

- the Initial Investment Level of the Reference Asset is 4,900
- the Closing Level of the Reference Asset on the Swap Valuation Date is 9,900, and
- the Term Performance Cap of your Reference Asset Gain is 100%
- the Final Investment Level would be equal to the lesser of:
  a) 9,900
  and 
  b) 4,900 + (4,900 x 100%) = 9,800

As the Closing Level of the Reference Asset on the Swap Valuation Date of 9,900 is more than the capped Final Investment Level of 9,800, the Final Investment Level will be 9,800.

3.4.2 For a Class without a Term Performance Cap

If you invest $A100,000 into an Asian Equity Class and assume that:

- the Initial Investment Level is 100
- there is no Term Performance Cap, and
- the Closing Level of the Reference Asset on the Swap Valuation Date is 112.70 (refer to the worked example in section 3.3.2)

as there is no Term Performance Cap, the Final Investment Level is 112.70.

3.5 Calculating your Reference Asset Gain

Your Reference Asset Gain represents any increase in the Reference Asset from the Swap Start Date to the Swap Valuation Date, in excess of the Hurdle, subject to the Term or Share Performance Cap (if any) and multiplied by the Participation Rate.

For a Class that is denominated in $A, your Reference Asset Gain is calculated as the greater of:

a) zero, and
b) \( \frac{(\text{Final Investment Level} - \text{Hurdle})}{\text{Initial Investment Level}} \times \text{Investment Amount} \times \text{Participation Rate} \)

For a Class with a Gain Currency other than Australian dollars, your Reference Asset Gain is calculated as the greater of:

a) zero, and
b) \( \frac{(\text{Final Investment Level} - \text{Hurdle})}{\text{Initial Investment Level}} \times \text{Investment Amount} \times \frac{\text{initial Exchange Rate}}{\text{closing Exchange Rate}} \times \text{Participation Rate} \)

3.5.1 Gain Currency in $A

Following on from the example (and assumptions) in section 3.4.1, assume further that:

- the Final Investment Level is 9,800
- the Hurdle is 113.75%, so that the Hurdle equals 4,900 x 113.75% = 5,574
- the Participation Rate is 100%, and
- the Gain Currency is $A.

Your Reference Asset Gain is calculated as the greater of zero and:

\( \frac{(\text{Final Investment Level} - \text{Hurdle})}{\text{Initial Investment Level}} \times \text{Investment Amount} \times \text{Participation Rate} \)

Therefore your Reference Asset Gain would be equal to:

\[ \frac{9,800 - 5,574}{4,900} \times \$A100,000 \times 100\% \]

Reference Asset Gain = $A86,244.90
3.5.2 Gain Currency other than $A

Following on from the example (and assumptions) in section 3.4.2, assume further that:

- the Final Investment Level is 112.70
- the Hurdle is 100.00%, so that the Hurdle equals 100 x 100.00% = 100.00
- the Participation Rate is 125%
- the Gain Currency is $US
- the initial $A:$US Exchange Rate is 0.90, and
- the closing $A:$US Exchange Rate is 0.86.

Your Reference Asset Gain is calculated as the greater of zero and:

\[
\frac{(Final\ Investment\ Level - Hurdle)}{Initial\ Investment\ Level} \times\ Investment\ Amount \times \frac{Initial\ Exchange\ Rate}{Closing\ Exchange\ Rate} \times Participation\ Rate
\]

Therefore your Reference Asset Gain would be equal to:

\[
\frac{112.70 - 100.00}{100} \times A100,000 \times \frac{0.90}{0.86} \times 125\%
\]

Reference Asset Gain = $A16,613.37

All of the examples in sections 3.3 to 3.5 have been provided for illustrative purposes only, and are not intended to be indicative of the performance of any Class within the Fund. The example provides an illustration of how returns will be calculated by applying the relevant calculations to hypothetical examples.

### 3.6 The value of your Units on Walk-Away prior to Maturity

3.6.1 On or before the first anniversary of the relevant Issue Date

If you exercise the Walk-Away feature of the Investment Loan or on or before the first anniversary of the relevant Issue Date the value of your Units will be $A1.00 per Unit in line with the terms of the Investment Linked Swap Arrangements; that is you will not realise any gain on your investment.

3.6.2 After the first anniversary of the relevant Issue Date

The value of your Units will reflect the market value of the Investment Linked Swap Arrangements. It is unlikely that the value of the Investment Linked Swap Arrangements before Maturity will correspond to the value of the Reference Asset at that time. The key factors which will affect the value of the Investment Linked Swap Arrangements on any Unit Valuation Date include:

- the level of the Reference Asset at the time – generally, the higher the level of the Reference Asset relative to its level at the Swap Start Date, the higher the value of your Units. And conversely, the lower the level of the Reference Asset relative to its level at the Swap Start Date, the lower the value of your Units. The value of your Units will be $A1.00 per Unit if the level of the Reference Asset at the relevant Unit Valuation Date is lower than its level at the Swap Start Date, in line with the terms of the Investment Linked Swap Arrangements; that is, you will not realise any gain on your investment
- the volatility level of the Reference Asset at the time – generally, the higher the volatility of the Reference Asset, the higher the value of your Units. And conversely, the lower the volatility of the Reference Asset, the lower the value of your Units
- relevant Gain Currency interest rates at the time – generally, the higher the level of underlying interest rates, the higher the value of your Units. And conversely, the lower the level of underlying interest rates, the lower the value of your Units
- where there is a non-Australian dollar Gain Currency, the relevant foreign exchange rate at the time – generally, the higher the level of the relevant currency exchange rate (ie a strengthening in the Australian dollar compared with the Gain Currency), the lower the value of your Units. And conversely, the lower the level of the relevant currency exchange rate (ie a weakening in Australian dollar compared with the Gain Currency), the higher the value of your Units, and
- the value of the Investment Linked Swap Arrangements (and hence the value of your Units) will be reduced by an amount equal to the initial hedge cost yet to be recovered by the Swap Counterparty, but will not be reduced below $A1.00 per Unit. It should be expected that the Swap Counterparty will recover this cost over the Term. Generally, the longer the Term, the higher the cost of the Swap Counterparty’s initial hedging position.

In addition, other factors may also affect the value of your Units prior to Maturity, including the relevant Performance Cap, Hurdle and Participation Rate, time to Maturity, a need to unwind hedging positions and market conditions. Any factors affecting the value of the Investment Linked Swap Arrangements, and hence the value of your Units, will be reflected in the Units’ price, including the indicative valuations provided in the monthly updates made available on the Flexi Website.

Please note that these factors are unlikely to move in isolation and simultaneous changes in more than one variable may have opposite effects on the value of the Investment Linked Swap Arrangements. Accordingly, Investors should not assume that a change in any one factor will result in a change to the value of the Investment Linked Swap Arrangements. It is likely that these factors will move independently and concurrently and a change that might otherwise be caused by the movement in one factor could be partially or entirely offset by the movement in another. In addition, movements in some factors may have a greater effect on the value of the Investment Linked Swap Arrangements than movements in other factors.

In the event of an early termination, the value of your Units will be calculated in the same way as outlined above; that is, the
value of your Units will be $A1.00 per Unit on or before the first anniversary of the Issue Date, and thereafter reflect the market value of the Investment Linked Swap Arrangements. Note the value of your Units will also be $A1.00 per Unit if the level of the Reference Asset is lower than its level at the Swap Start Date. For more information, see Section 1 of the Information Booklet.

3. Payoff

3.7 Recovery of interest costs and applicable fees

Borrowing to invest in the Fund represents a geared exposure to the Reference Asset. The level of positive performance required before you begin to make a positive return on your investment is therefore greater than that required from an ungeared exposure.

If the value of your investment in the Fund (including Distributions paid during the Term) does not increase by an amount sufficient to recover your interest and other costs then you will have lost money on your investment.

The following figures are illustrations of the effect of the performance of the Reference Asset on your returns to Maturity. All illustrations assume:

- you borrow to invest using the Investment Loan and do not utilise an Interest Loan during the Term
- the Investment Loan interest rate is 6.75% pa (being the indicative Investment Loan interest rate as at the date of this PDS) and is constant over the Term
- Participation Rates of 100 per cent and 150 per cent, and
- a Loan Establishment Fee of 2 per cent.

In addition, the illustrations assume:

- for Example 1, you are exposed to the Reference Asset for a Term of exactly 5.5 years with a Term or Share Performance Cap of 100 per cent, total Distributions amounting to 13.75 per cent of your Investment Amount and a Hurdle equal to 113.75 per cent
- for Example 2, you are exposed to the Reference Asset for a Term of exactly 3.5 years with a Term or Share Performance Cap of 65 per cent, total Distributions amounting to 10 per cent of your Investment Amount and a Hurdle equal to 110 per cent
- for Classes with a Gain Currency that is not Australian dollars, the illustrations assume the exchange rate is constant over the Term.

The illustrations also ignore the effects of tax and the time value of money.

What is the time value of money?

The idea that money is worth more now than the same amount in future, due to its potential earning capacity.

For example, assuming a 5 per cent interest rate and ignoring taxes:

- $A100 invested today will be worth $A105 in one year ($A100 multiplied by 1.05), and
- conversely, $A100 received one year from now is only worth $A95.24 today ($A100 divided by 1.05).

3.7.1 Example 1 – 5.5 Year Term

Figure 1: Breakeven analysis

The total interest paid in respect of the Investment Loan over the Term of 5.5 years is equal to 37 per cent of your Investment Amount (excluding any Interest Loan).

To breakeven (based on the assumptions listed above) the Reference Asset must have a Final Investment Level of at least 140 per cent for Classes with a Participation Rate of 100 per cent, and 131 per cent for Classes with a Participation Rate of 150 per cent. For the Final Investment Level to be at least 140 per cent and 131 per cent of the Initial Investment Level respectively, the required average annual increases in the value of the Reference Asset are shown in the table below. Anything above this level of return will be a positive return to you.

Average annual increases in the Reference Asset over the Term required to break even

<table>
<thead>
<tr>
<th>Participation Rate</th>
<th>Average Annual Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>6.19% pa</td>
</tr>
<tr>
<td>150%</td>
<td>4.98% pa</td>
</tr>
</tbody>
</table>
3. Payoff

3.7.2 Example 2 – 3.5 Year Term

Figure 2: Breakeven analysis

<table>
<thead>
<tr>
<th>Participation Rate</th>
<th>Average Annual Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>6.74% pa</td>
</tr>
<tr>
<td>150%</td>
<td>5.45% pa</td>
</tr>
</tbody>
</table>

The total interest paid in respect of the Investment Loan over the Term of 3.5 years is equal to 24 per cent of your Investment Amount (excluding any Interest Loan).

To breakeven (based on the assumptions listed above) the Reference Asset must have a Final Investment Level of at least 126 per cent of the Initial Investment Level for Classes with a Participation Rate of 100 per cent and 121 per cent for Classes with a Participation Rate of 150 per cent. For the Final Investment Level to be at least 126 per cent and 121 per cent of the Initial Investment Level respectively, the required average annual increases in the value of the Reference Asset are shown in the table below.
4. Risks

An investment in the Fund involves various risks that may adversely affect your return (if any). If you exercise the Walk-Away feature prior to Maturity, these risks may also affect the value of your investment at that time. The Fund may not suit potential investors who are not familiar with the risks associated with borrowing to invest. An investment in the Fund is not a traditional investment product (such as a direct investment in Australian shares), and may not suit investors who do not have experience with, and are unfamiliar with investing in products that provide indirect derivative exposure to Reference Assets using financial instruments such as swap agreements and collateral agreements.

Investors should consider an investment in the Fund (and the drawing down of any Investment Loan or Interest Loan) as involving financial risk and should therefore carefully consider all the following risk factors (together with other matters set out elsewhere in this PDS). These factors are not meant to be an exhaustive list of all potential risks associated with an investment in the Fund. As well as the risks of this particular product, you should also consider how an investment in this product fits into your overall portfolio. You should also consider whether the Investment Amount of any investment in this product is appropriate given the overall size of your investment portfolio. Diversification of your investment portfolio can be used as part of your overall portfolio risk management to limit your exposure to failure or underperformance of any one investment, manager or asset class. In addition to reading the PDS, the Term Sheet and Information Booklet in full, prospective Investors should consult their own legal, tax and financial advisers regarding all of these risks.

4.1 Key risks specific to an investment in the Fund

4.1.1 Poor performance

The value of, and returns (if any) from, your investment in the Fund will depend upon the performance of the Reference Asset relevant to your investment/s. If the Reference Asset performs poorly, you may not make a gain at Maturity.

In times of global economic downturn and high levels of volatility in equity and other markets, there is an increased risk that the relevant Reference Asset will perform poorly. Volatility in some markets may be at very high levels. The value of the Reference Asset may go up or down by a material amount, in some markets may be at very high levels. The value of the Reference Asset relevant to your investment/s. If the Reference Asset performs poorly, you may not make a gain at Maturity.

It is important to be aware that sharp, sudden adverse movements in the Reference Asset’s value can significantly reduce your potential Reference Asset Gain, particularly where the movements occur on or immediately prior to the Swap Valuation Date. Similarly, where such movements occur on or immediately prior to a Unit Valuation Date in relation to which you have given us a Withdrawal Form, such movements could significantly reduce the value of your Units on Walk-Away. This is despite any significant beneficial movement in the Reference Asset’s value beforehand.

4.1.2 Credit risk – Macquarie

Investors in the Fund are exposed to the creditworthiness of certain entities in the Macquarie Group of companies. The Fund will enter into Investment Linked Swap Arrangements with entities that are Macquarie Group companies in the capacity of Swap Counterparty and Collateral Counterparty.

The consequences of the relevant Swap and Collateral Counterparties not being able to meet their obligations are summarised below:

Swap Counterparty

The Swap Counterparty for each Class Portfolio of the Offer will be Macquarie Bank Limited.

If the relevant Swap Counterparty fails to meet its obligations under the Swap Agreement the Fund, and consequently Investors may not get their entitlement to any Reference Asset Gain, or Distributions. The Fund may need to terminate a Swap Agreement if there is an event of default, termination event, extraordinary event, certain review events or certain corporate events relating to the Swap Counterparty, which may lead to termination of the investment, redemption of Units and early repayment of the Investment Loan (and any Interest Loan). See section 2.1 of the Information Booklet for more information.

Collateral Counterparty

The Collateral Counterparty for each Class Portfolio of the Offer will be Macquarie Bank Limited.

If the Collateral Counterparty fails to meet its obligations under the Collateral Agreement and the Loan Provider cannot recover the full amount of the Cash Collateral by enforcing the Collateral Security, the value of an Investor’s Units may be reduced. However, the Loan Provider may only have recourse to your Units and their proceeds and to your interest in the Cash Collateral, although you will be required to repay the principal and interest on your Interest Loan (if applicable) out of your own funds.

Please note that Investors should not assume that the Cash Collateral that the Fund deposits with the Collateral Counterparty will be a bank deposit, nor that it will be covered by a government guarantee scheme. This means that on a winding up of the Collateral Counterparty the Fund could only rank as an unsecured creditor of the Collateral Counterparty with equal priority to other unsecured creditors.

Each Investor should conduct their own evaluation of Macquarie Bank Limited and consult with their financial adviser before investing in this product. There are a number of factors that may be relevant to your evaluation of Macquarie Bank Limited. Further information about the Macquarie Group structure and Macquarie Bank Limited is available on the Macquarie website at macquarie.com.au/au/about_macquarie/company_profile/mgmt_organisation.htm.

The most recent published financial reports for Macquarie Bank Limited are incorporated by reference into this PDS and are available at macquarie.com.au/mfg/financials. A copy of the financial statements of Macquarie Bank Limited is available free of charge to Investors. Please contact the Issuer on 1800 080 033 to obtain a copy.
4.1.3 Indicative Performance Caps
The indicative Performance Caps stated on the Flexi Website may not reflect the actual Performance Caps for each Class as determined on the Swap Start Date. Subject to the Minimum Performance Cap for each Class, there is a risk that your maximum potential return for any Class may be lower than if the indicative Performance Caps (if applicable) applied.

4.1.4 Early termination risk
The Swap Counterparty may terminate the relevant Swap Agreement for any Class early in a number of circumstances (see section 2.1 of the Information Booklet).

If the Swap Agreement is subject to early termination and is not replaced, your investment will terminate, your Units will be redeemed and become part of your own funds. Early repayment of the Investment Loan and any Interest Loan (if applicable) will then need to be made out of your own funds.

In addition, the Issuer acting in the best interests of unitholders may in its absolute discretion terminate the Fund at any time. See section 2.4 of the Information Booklet for more information.

However, by taking out an Investment Loan to acquire your Units, any amount payable by you to the Loan Provider may only be discharged from the amount the Loan Provider can obtain by enforcing its rights under the Mortgage. The Loan Provider may not take any action against you in relation to the Investment Loan to recover any amount beyond enforcing the Mortgage (granted by the Security Trustee in the case of Superannuation Investors and in all other cases granted by you) in respect of your Units. An Investor would still be required to meet the repayment on any Interest Loan from their own funds, including any interest costs that may apply.

There are a number of circumstances in which the Investment Linked Swap Arrangements may terminate or be adjusted, including, for example:

- there is disruption to the ability of the Swap Counterparty to hedge its exposure
- there is an increased cost of such hedging
- there is an event of default in respect of the Fund or Counterparty
- there is a change of law
- there is an event of default, termination event, review event or similar, or
- if the Reference Asset is a managed fund or an ETF (or a basket with a managed fund or ETF as a Reference Asset Constituent) – there is any material change in fee structure (including buy/call spreads), strategy modification, breach, change or violation of strategy or investment guidelines of the managed funds or ETFs, reporting disruption, regulatory action, or resignation or termination of the Underlying Fund Manager.

See section 1.1 of the Information Booklet for more information.

The calculation performed under the Investment Linked Swap Arrangements may also be adjusted, including, for example, where the Reference Asset is modified, cancelled or disrupted. Where such an event has a material effect, the Calculation Agent may adjust any relevant calculations under the Investment Linked Swap Arrangements.

4.1.5 Loan risk
Under the Loan and Put Option Agreement, the Loan Provider has the power to terminate any Loan or declare it to be immediately due and payable in certain circumstances including when there is a change of law that makes it unlawful for the Loan Provider to provide the Loans. If this occurs your Loans will become immediately due and payable (subject to, in the case of the Investment Loan, the limited recourse feature of the Investment Loan, which limits the amount payable to the Loan Provider to the value of your Units and their proceeds). You will have to repay any outstanding interest and principal on any Interest Loan back immediately in these circumstances. We recommend that you read section 3 of the Information Booklet in its entirety and you seek your own independent professional advice prior to making a decision to borrow.

4.1.6 Responsible entity risk
If it is necessary or desirable to replace MFPML as the responsible entity of the Fund, there is no certainty that it could be replaced by a new responsible entity willing to perform the obligations of MFPML.

If a new responsible entity cannot be appointed, it is likely that the Fund will be wound up. In addition, the terms of the Investment Linked Swap Arrangements allow the Swap Counterparty or the Collateral Counterparty to terminate the arrangements if MFPML is no longer the responsible entity of the Fund or, if it breaches certain warranties or undertakings as to its rights and performance as responsible entity. This may result in the Fund losing its exposure to the relevant Reference Assets.

By taking out an Investment Loan to acquire your Units, any amount payable by you to the Loan Provider may only be discharged from the amount the Loan Provider can obtain by enforcing its rights under the Mortgage and the Collateral Security. The Loan Provider may not take any action against you in relation to the Investment Loan to recover any amount beyond enforcing the Mortgage (granted by the Security Trustee in the case of Superannuation Investors and in all other cases granted by you) in respect of your Units and enforcing the Collateral Security granted by the responsible entity in respect of the Cash Collateral. In the event of a shortfall, an Investor would still be required to meet the repayment on any Interest Loan from their own funds, including any interest costs that may apply.

4.2 Key risk specific to Classes with a non-Australian dollar Gain Currency – Foreign exchange risk
For an investment in a Class with a Gain Currency that is not Australian dollars, movements in the relevant foreign exchange rate will affect the Australian-dollar value of the Reference Asset Gain you become entitled to (if any) at Maturity. This currency movement will also affect any payment you are entitled to receive if you exercise the Walk-Away feature prior to Maturity. Generally, a strengthening in the Australian dollar compared with the Gain Currency will lower the Australian-dollar value of the Reference Asset Gain you become entitled to (if any).
4.3 Key risk specific to Classes with a Share Performance Cap – individual share performance capping

As described in section 3.3, the Share Performance Cap applies to the individual performance of each Reference Asset Constituent in a Reference Asset basket, and not to the performance of the entire Reference Asset. This means that the performance of the basket may be lower, and will not be higher, than the performance of the same basket where the Share Performance Cap applied to the whole basket rather than to the Reference Asset Constituents.

4.4 Key risks specific to an investment in Australian Equity Focus Classes

4.4.1 Fixed investment risk

The Reference Asset for Australian Equity Focus Classes is a fixed basket that is not actively managed. This means that the composition of these Reference Assets will not change over the Term, except in limited circumstances such as a corporate event or an adjustment event as outlined in section 2.1.3 of the Information Booklet. Accordingly, a Reference Asset Constituent that performs poorly will not be replaced on the basis of poor performance. In these circumstances, performance of the Reference Asset may be adversely affected. See the worked example in section 3.3 for more information.

4.4.2 Concentration risk

The Reference Asset for Australian Equity Focus Classes provides investors with exposure to between 10 to 20 shares that are listed on the ASX.

As a result, the performance of the Reference Asset for each of these Classes will be based on the performance of a very small number of shares compared with broad market indices such as the S&P/ASX 100 Index. This means that the poor performance of one Reference Asset Constituent will have a greater effect on the Reference Asset’s overall performance than the effect of one poorly performing share in a broad market index.

4.5 Key risks specific to an investment in Asian Equity Classes

4.5.1 Emerging markets

Asian Equity Classes are exposed to equity markets in some or all of China, Hong Kong, Taiwan, South Korea and Singapore.

Many markets within these regions are relatively immature and under-developed. There are significant risks associated with investing in such markets, including (without limitation) liquidity risks, the potential for capital flight, political risks, fraud and corruption, credit risk and increased transaction costs arising from factors such as exchange controls, restrictions on foreign investment and restrictions on the repatriation of capital.

Certain Asian countries have historically experienced high rates of inflation, high interest rates, exchange rate fluctuations, large amounts of external debt, balance of payments and trade difficulties, extreme poverty and unemployment. Countries within these regions may experience one or more of these conditions in the future. Governments within these countries may not be able to meet debt servicing obligations, to which these Classes may be exposed. The legal and regulatory environment within the region is relatively diverse, and in some countries, under-developed, and may not provide adequate investor protection.

The level of corporate governance and accounting and financial reporting requirements may also be deficient. In some countries within these regions, market infrastructure and technology is not as well developed as in Western countries and may increase the transaction costs of the Reference Assets for these Classes, or compound any losses.

There is a possibility in certain Asian countries of nationalisation, expropriation of assets, confiscatory taxation, political changes, governmental regulation, and social instability or diplomatic developments (including war) which could adversely affect the economies of these countries, and the value or returns on your Units.

Certain developing countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations issued or guaranteed by developing governments or their agencies and instrumentalities involves a high degree of risk.

4.5.2 ETF risks

Asian Equity Classes include exposure to ETFs. There are specific risks associated with ETFs, including the two risks set out below. Both of these risks can affect the value of an investment in an Asian Equity Class.

Tracking error

ETFs aim to replicate the performance of market Indices. However, they are subject to tracking error; that is, they are unlikely to perfectly replicate the performance of the Index they seek to match.

Termination risk

Termination risk is the risk that the ETF may cease operation at any point prior to Maturity. There is a risk that the investment managers of any of the ETFs comprising an Asian Equity Class will decide to discontinue the ETF. Termination of ETFs may be triggered by a variety of factors, including:

a) the discontinuation of the index the ETF seeks to track
b) the revocation of the Underlying Fund Manager’s authorisation from the relevant index provider to track the index, and

c) if the Underlying Fund Manager goes into liquidation or a receiver is appointed.

If early termination occurs, the Swap Counterparty may terminate the relevant Swap Agreement early (see section 4.1.4 for more information).
4.6 Key risks specific to an investment in the Bond Fund Tilt Basket Classes and Best-of Basket Classes

4.6.1 Fund liquidity risk
Reference Assets or Reference Asset Constituents that are managed funds may be subject to a suspension in redemptions or limits on the size of redemptions over certain periods of time (known as ‘gating’). Fund redemption suspensions or gating will affect the Swap Counterparty’s ability to meet its obligations under the Investment Linked Swap Arrangements and may either trigger early termination or lead to a review event. It may affect the calculation of the Reference Asset Gain, and delay payment of these amounts. For more information, see section 2.1 of the Information Booklet.

4.6.2 Changes in law
Future changes in law, regulation, practice or policy, in the jurisdiction in which the PIMCO GIS Total Return Bond Fund is domiciled, or in markets where it invests, including changes to taxation, corporate, banking, financial, regulatory, property and money laundering laws, may adversely affect the funds. In particular, as the PIMCO GIS Total Return Bond Fund is domiciled in Ireland, investors are exposed to increased jurisdictional risks specific to Ireland. This may adversely affect returns to Investors.

In addition, differences in laws between countries or jurisdictions may make it difficult for the Underlying Fund Manager to enforce legal agreements entered into on behalf of the funds.

4.6.3 Key risks specific to the Winton Global Alpha Fund
Volatility risk
Generally the higher the potential return for a fund the higher the risk, and the greater the chance of substantial fluctuations in returns (including the possibility of losses) that may occur over time (especially over shorter periods of time). For example, in recent years equity markets experienced sharp declines and heightened volatility, with some markets experiencing volatility at very high levels. Investing in periods where highly volatile conditions exist implies a greater level of risk for investors than an investment made in a more stable market. You should carefully consider this additional volatility risk before making any investment in the fund.

Leverage risk
Arises when the fund takes on positions that are greater in size than its assets. The Underlying Fund Manager may take leveraged positions with the aim of increasing returns; however this can also lead to increased losses. Leverage arises in the fund through the use of short selling and the taking of long positions which are larger in size than the net asset value of the fund. While this process forms a key part of the investment strategy, it may mean that gains and losses may be significantly greater than those in a fund that is not leveraged.

Strategy and model risk
The Underlying Fund Manager’s strategy of generating long-term total returns is implemented through a proprietary trading model. However the trading model may not achieve the Underlying Fund Manager’s investment objectives, resulting in lower than expected distributions or a reduction or loss of investors’ capital.

Manager risk
Refers to the risk that the manager will not achieve its performance objectives or not produce returns that compare favourably against its peers. Many factors can negatively impact the manager’s ability to generate acceptable returns from its stock selection process (eg loss of key staff).

Short positions
The fund may enter into short positions. In taking short positions the fund bears the risk of an increase in the price of the investment over which the short position is taken. Such an increase could lead to a substantial loss.

Currency risk
There is a risk that fluctuations in exchange rates between the Australian Dollar and foreign currencies may cause the value of the fund’s investments to decline significantly.

Concentration risk
Concentration risk is the risk that poor performance in a particular market may significantly affect the fund. Although the fund can invest in over 100 markets at any given time, it may only be invested in a small number of markets. Generally, the fewer markets in which the fund invests, the greater the overall volatility of the fund. This may result in large movements in the unit price of the fund within short periods of time.

Liquidity risk
Exists when particular investments are difficult to purchase or sell, preventing the fund from closing out its position or rebalancing within a timely period and at a fair price. While every effort is made for the fund to be able to satisfy all redemption requests within 30 days, the nature of the securities means that in certain circumstances (eg if trading in a particular security has been restricted or suspended in the market), MIML may not be able to fully meet all redemption requests when they are received. This may lead to satisfaction of the redemption requests and payment of the redemption proceeds to unitholders being deferred until MIML forms the view that it is in the best interests of all unitholders to meet the outstanding redemption requests and pay out the redemption proceeds.

Default risk
A default by a counterparty or issuer could have an adverse effect on the fund. Counterparties may include futures exchanges, banks and issuers of securities invested in by cash funds. Issuers include deposit takers and issuers of debt and hybrid securities. Issuer default risk concerns the failure to pay the interest and/or repay the principal of a security or deposit. This risk is generally greater for issuers with lower credit ratings.

Interest rate risk
Changes in interest rates may adversely affect the value of futures positions and cash funds. An increase in interest rates leads to a reduction in the value of a long position on interest rate and bond futures and vice-versa.

Fund risk
This is the risk that the fund could terminate, the fees and expenses could change, or key investment professionals could change. There is also the risk that investing in the fund may give different results than investing individually because of the income or capital gains accrued in the fund and the consequences of investment and withdrawal by other investors.
4. Risks

Change of law and other statutory and trading restrictions
Changes in laws or their interpretations including taxation and corporate regulatory laws, practice and policy could have a negative impact on the returns of investors.

4.6.4 Key risks specific to the PIMCO GIS Total Return Bond Fund

Interest rate risk
If nominal interest rates rise, the value of fixed income securities held by the fund are likely to decrease. Fixed income securities with longer duration tend to be more volatile than those with shorter duration.

Credit risk
The fund could lose money if the issuer or the guarantor of a fixed income security, or the counterparty to a derivatives contract, repurchase agreement or loan of portfolio securities is unable or unwilling to make principal and/or interest payments when due, or to otherwise honour its obligations. Fixed income securities are subject to varying degrees of credit risk, which are often reflected in credit ratings. Municipal bonds are subject to the risk that litigation, legislation or other political events, local business or economic conditions, or the bankruptcy of the issuer could have a significant effect on an issuer’s ability to make payments of principal and/or interest.

Issuer risk
The value of a fixed income security may decline for a number of reasons relating to the issuer, such as management performance, financial leverage and reduced demand for the issuer’s goods or services.

Liquidity risk
The fund may invest in illiquid securities which are difficult to purchase or sell. This may reduce the returns of the fund because it may be unable to sell the illiquid securities at an advantageous time or price.

Derivatives risk
The fund may be subject to risks associated with derivatives. Derivatives are subject to a number of risks disclosed in this sub-section, including interest rate risk, credit risk, liquidity risk and management risk. There is also the risk of mispricing or improper valuation and the risk that changes in the value of the derivative instrument could lose more than the principal amount invested. Also, suitable derivative transactions may not be available in all circumstances and there can be no assurance that the fund will engage in these transactions to reduce exposure to other risks when that would be beneficial.

Mortgage risk
Rising interest rates tend to extend the duration of mortgage-related securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, the fund’s investment in mortgage-related securities may exhibit additional volatility. This is known as extension risk. In addition, mortgage-related securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the returns of the fund because the fund will have to reinvest that money at the lower prevailing interest rates.

Global investment risk
The fund may engage in the tactical allocation of investments into non-US markets. These could entail investment in securities of certain international jurisdictions that may experience more rapid and extreme changes in value. These assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. The securities markets of many countries are relatively small, with a limited number of companies representing a small number of industries. Additionally, issuers of securities in many countries are usually not subject to a high degree of regulation.

The legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

Also, nationalisation, expropriation or confiscatory taxation, currency blockage, economic uncertainty, political changes or diplomatic developments could adversely affect the fund’s investments, in which case the fund could lose its entire investment in that country.

Adverse conditions in a certain region can adversely affect securities of other countries whose economies appear to be unrelated.

Currency risk
The fund is exposed to currency exchange risk. Changes in exchange rates may cause the value of the fund’s investments to diminish or increase. Currency exchange rates fluctuate significantly over short periods of time. They are generally determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates also can be affected unpredictably by the intervention (or the failure to intervene) by governments or central banks, or by currency controls or political developments.

Exposure risk
Derivative transactions may subject the fund to additional risk exposures. Any transaction which will or may give rise to a future commitment on behalf of the fund will be covered either by the applicable underlying asset or by liquid assets.

Management risk
The fund is subject to management risk because it is an actively managed investment portfolio. The fund’s investment adviser and Underlying Fund Manager will apply investment techniques and risk analyses in making investment decisions for the fund, but there can be no guarantee that these will produce the desired results.

Custodial risk
The fund may invest in markets where custodian and/or settlement systems are not fully developed. The assets of the fund that are traded in such markets and which have been entrusted to sub-custodians where necessary, may be exposed to risk in circumstances whereby the custodian will have no liability.
Valuation risk
There may be difficulties with valuation of investments that are either unlisted, or listed on a market where the market prices are unrepresentative or unavailable. There is also a potential conflict of interest between the investment adviser’s role in valuing the fund’s investments and the fact it receives a fee that increases as the value of the fund increases.

Small-cap and mid-cap company risk
Investments in securities issued by companies with small and mid-capitalisation involve greater risk and volatility than investments in large-capitalisation companies due to narrower markets and more limited managerial and financial resources than large-capitalisation companies.

Short selling
Although the fund is not permitted to enter into short sales, it may use certain derivative techniques designed to produce the same economic effect as a short sale, for example through contracts for difference. As a result, as well as holding assets that may rise or fall with markets, the fund may also hold positions that rise as the market value falls, and fall as the market value rises.

High yield risk
The fund may invest in high yield securities and unrated securities of similar credit quality (commonly known as ‘junk bonds’), and may be subject to greater levels of interest rate, credit and liquidity risk than funds that do not invest in such securities. These securities are considered predominantly speculative with respect to the issuer’s continuing ability to make principal and interest payments. An economic downturn or period of rising interest rates could adversely affect the market for high yield securities and reduce the fund’s ability to sell its high yield securities. If the issuer of a security is in default with respect to interest or principal payments, the fund may lose its entire investment.

Investing in Russian securities
Although investing in Russian securities does not constitute the principal investment focus of the fund (rather constituting an investment discretion of the fund), the fund may invest a portion of its assets in securities of issuers located in Russia. In addition to emerging markets risks, investments in securities of Russian issuers may involve a particularly high degree of risk and special considerations not typically associated with investing in more developed markets, many of which stem from Russia’s continuing political and economic instability and the slow-paced development of its market economy. Investments in Russian securities could be considered highly speculative. Such risks and special considerations include:

a) delays in settling portfolio transactions and the risk of loss arising out of Russia’s system of share registration and custody
b) pervasiveness of corruption, insider trading and crime in the Russian economic system
c) difficulties associated with obtaining accurate market valuations of many Russian securities, based partly on the limited amount of publicly available information
d) the general financial condition of Russian companies, which may involve particularly large amounts of inter-company debt
e) the risk that the Russian tax system will not be reformed to prevent inconsistent, retroactive and/or exorbitant taxation or, in the alternative, the risk that a reformed tax system may result in the inconsistent and unpredictable enforcement of the new tax laws
f) the risk that the government of Russia or other executive or legislative bodies may decide not to continue to support the economic reform programs implemented since the dissolution of the Soviet Union
g) the lack of corporate governance provisions applying in Russia generally, and
h) the lack of any rules or regulations relating to investor protection.

Russian securities are issued in book-entry form, with ownership recorded in a share register held by the issuer’s registrar. Transfers are effected by entries to the books of registrars. Transferees of shares have no proprietary rights in respect of shares until the name appears in the register of shareholders of the issuer. The law and practice relating to registration of shareholdings are not well developed in Russia and registration delays and failures to register shares can occur. In common with other emerging markets, Russia has no central source for the issuance or publication of corporate actions information. The issuer therefore cannot guarantee the completeness or timeliness of the distribution of corporate actions notifications.
4. Risks

4.7 Other risks

4.7.1 Liquidity risk
As Units will not be traded on a stock exchange, you may not be able to dispose of your Units other than on the Walk-Away Dates or at Maturity. Accordingly, you may not be able to minimise your losses by exercising the put option in a timely manner if you believe the relevant Reference Asset will fall. See sections 5.1.5 for more information on withdrawing prior to Maturity.

4.7.2 Leverage risk
Leverage (or gearing) will magnify losses and gains on an investment in the Fund compared to an unleveraged investment directly in the Reference Asset.

4.7.3 Change of law risk
Changes in laws or their interpretation, including taxation and corporate regulatory laws, practice and policy, could have a negative impact on the returns to Investors.

4.7.4 Superannuation and trust law
All trustees (including trustees of Self Managed Superannuation Funds) must comply with their duties under the relevant trust instrument and general law as trustee. In particular, they need to have the express power to enter into transactions. All Investors who are trustees should check that they have the power to make the investment and to borrow as contemplated by this PDS.

In addition, trustees of Self Managed Superannuation Funds should check that they comply with their obligations under the SIS Act, and in particular their obligation to formulate, review regularly and give effect to an appropriate investment strategy. Section 5 of the Information Booklet contains an opinion on some issues concerning the SIS Act, but trustees should obtain their own advice.

Failure to comply with these requirements could give rise to personal liability and penalties for the trustee and adverse tax consequences for the Self Managed Superannuation Fund.

4.7.5 Tax risk
You should refer to section 7 for information on the tax consequences of an investment in the Fund. The information provided in this PDS is not personal advice to any prospective Investor in the Fund.

The Product Ruling (PR 2013/16) issued by the ATO in respect of the Flexi 100 Trust does not address all the tax consequences relevant to an investment in the Fund. Investors should seek their own independent advice on the tax consequences of investing in the Fund, which takes into account their own particular circumstances.

The information pertaining to taxation in this PDS is based on the provisions of the Tax Act, announcements by and on behalf of the Australian Government and the Commissioner of Taxation, and practice applicable, all as at the date of this PDS. Any of these may change in the future without notice and legislation introduced to give effect to announcements may contain provisions that are not contemplated as at the date of this PDS.

Superannuation Investors should note that the taxation treatment outlined in section 7 is based on changes to the tax laws announced on 10 March 2010 and assumes those changes being enacted in the terms announced. Superannuation Investors should note that the taxation treatment of their Loan and investment in Units may be different if that announcement is not legislated.

4.7.6 Units not credit rated
Investors should note that any credit rating that may be assigned to any Counterparty must not be construed to imply any similar credit rating to the Units offered under the terms of this PDS, which are themselves not rated.

4.7.7 Interest rate risk
Changes in interest rates may adversely affect the value of the components of the Investment Linked Swap Arrangements. Assuming all other factors remain unchanged, an increase in interest rates will tend to increase the value of the Investment Linked Swap Arrangements, and a decrease in interest rates will tend to have the opposite effect.

4.7.8 General risks
The following are some of the general risks associated with the various components of the Fund:

- general global and regional economic conditions in the countries to which the Reference Assets have exposure
- the occurrence of an unforeseen event or force majeure that has a significant effect on the operation of financial markets
- inflation, and
- changes in government, and/or monetary policies.

These general risks will affect the value of, and returns from, an investment in the Fund.
5. The Loans

The Term Sheet and this section

The information in this section will need to be read together with the relevant Term Sheet. You can obtain a copy of the Term Sheet free of charge by accessing the Flexi Website at macquarie.com.au/flexi and/or by contacting MFPML on 1800 080 033.

The Term Sheet will set out the following information about each Loan currently on offer to Investors to fund their investment in the Fund:

- Indicative interest rates for the Investment Loan(s)
- Indicative interest rate for the Interest Loan
- Notification Dates, and
- Walk-Away Dates.

5.1 Investment Loan

5.1.1 Compulsory Investment Loan

Investors are required to apply for a limited recourse Investment Loan from the Loan Provider for 100 per cent of their Investment Amount. You will have a separate Investment Loan for each Class in which you invest. By signing and submitting an Application Form you agree to be bound by the relevant Loan Agreement and the Security Trust Deed (if applicable) and you authorise and direct the Issuer to grant the Collateral Security over the Cash Collateral in favour of the Loan Provider (see section 2 of the Information Booklet for further details).

The Loan Provider is expected to be either MSIL or another Macquarie Group company as determined by the Issuer. Provision of a loan confirmation by or on behalf of the Loan Provider (as determined) will be notice to you of the identity of the Loan Provider.

The limited recourse nature of the Investment Loan means that any principal amount payable by you to the Loan Provider in respect of the Investment Loan is limited to your Units and their proceeds (including any amount recovered by the Loan Provider by enforcing the Collateral Security). Repayment of your Investment Loan principal amount is therefore 100% protected.

For Superannuation Investors, your Units will be held by a Security Trustee on your behalf during the Term (or until you exercise the Walk-Away feature). Your obligations will be secured by the Mortgage to be granted by the Security Trustee over the Units it holds on your behalf and your related rights (including their proceeds) and also by the Collateral Security to be granted by the Issuer over the Cash Collateral.

For non-Superannuation Investors, you will hold your Units directly. Your obligations under the Loan will be secured by the Mortgage to be granted by you in respect of the Units you hold and all your related rights as holder of those Units (including their proceeds) and also by the Collateral Security to be granted by the Issuer over your interest in the Cash Collateral.

5.1.2 Minimum Investment Loan

The Minimum Investment Amount that you may borrow is $25,000, with additional amounts in multiples of $1,000. The minimum investment in any particular Class is $25,000. The Loan Provider and the Issuer reserve the right to vary these amounts at their discretion.

5.1.3 Interest on the Investment Loan

Interest on the Investment Loan will be paid annually in advance, at a fixed rate which may be reset at the start of each Interest Period or which may be fixed for the Term. The indicative interest rates for the Investment Loan for an Offer for the first Interest Period are available on the relevant Term Sheet.6

The Loan Provider reserves the right to offer a reduced interest rate to certain Investors from time to time, for instance, if they have a certain minimum loan size. The first interest payment date will be on the Issue Date.

If not fixed for the Term, the interest rate for subsequent Interest Periods will be fixed at no more than the interest rate set for the first Interest Period. The interest rates for subsequent Interest Periods will be provided by the Loan Provider prior to each subsequent anniversary of the relevant Issue Date.

You will not be entitled to a refund of any prepaid interest, including if you exercise the Walk-Away feature prior to Maturity. Any Distributions that you become entitled to at the end of any year during the Term of your Investment will be automatically applied to pay any amounts payable by you to the Loan Provider under your Loan (such as the interest payable on your Investment Loan for the next Interest Period). This will not apply to you if you exercise the Walk-Away feature or (if offered) you elect in your Application Form to have any Distributions paid directly to you.

Example:

If you are invested in a Class and as at the first anniversary of the Issue Date you are entitled to receive the annual fixed Distribution of 2.5 per cent, and the Loan Provider determines the Interest Rate on your Investment Loan for the next Interest Period to be 6.75 per cent (the indicative rate for the Investment Loan as at the date of this PDS), you will have to pay the difference between the Interest Rate and the Distribution Rate, that is 6.75% - 2.5% = 4.25% from your own funds.

However, if you do not have an Interest Loan and have elected in your Application Form to have any Distributions (if applicable) paid directly to you (only if available to you under the relevant Term Sheet), the full amount of your Investment Loan interest obligation will be debited from your Nominated Account on each Interest Payment Date. This debit will be before the date on which any Distributions would be paid to you. In this situation, your Distributions will be paid to your Nominated Account within 60 days of the Relevant Distribution Date.

Example:

If you are invested in a Class, elect to have Distributions paid directly to you and as at the first anniversary of the Issue Date are entitled to receive the annual fixed Distribution of 2.5 per cent, and the Loan Provider determines the Interest Rate on your Investment Loan for the next Interest Period to be 6.75 per cent (the indicative rate for the Investment Loan as at the date of this PDS), the full interest amount of 6.75 per cent will be paid out of your own funds on the Interest Payment Date, with the Distribution of 2.5 per cent paid to your Nominated Account within 60 days of the Distribution Date (ie after your interest amount is due).

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6 The actual interest rates will be determined by the Loan Provider and, if different to those disclosed in the Term Sheet, published on the Flexi Website approximately three business days prior to the relevant Offer Close date.
Unless you have applied, and met the specified conditions for an Interest Loan,7 Investment Loan interest repayments will be deducted from your nominated bank account via direct debit on or around each anniversary of the Issue Date in each year of the Term. If you wish to exercise the Walk-Away feature prior to Maturity and not have any further interest withdrawn from your nominated bank account you must submit a Withdrawal Form on or before the Notification Date for a Walk-Away Date occurring prior to the next anniversary of the Issue Date.

5.1.4. Loan approval
Investors who receive approval for a smaller Investment Loan than they applied for will be taken to have applied for a reduced number of Units in the specific Class.

The Loan Provider may decide to limit the aggregate amount of Investment Loans provided against one, or all of, the Classes. In such a case, the Loan Provider will give priority to applicants based upon the order in which applications are received.

5.1.5 The Walk-Away feature
At the time of granting the Investment Loan, the Loan Provider will also grant to you put options enabling you to exercise the Walk-Away feature by selling your Units to the Loan Provider on any Walk-Away Date.

You can exercise the Walk-Away feature by submitting a Withdrawal Form to the Loan Provider on a Notification Date. If the Loan Provider does not receive a Withdrawal Form by the Notification Date you will continue to hold your Units and be required to make any interest payment obligations under your Loans. If the Notification Date falls on a day which is not a business day in Sydney, then you must submit a Withdrawal Form and the Loan Provider must receive the Withdrawal Form on the last business day before that Notification Date.

If you exercise the Walk-Away feature, the amount payable to you by the Loan Provider for your Units will be the greater of:

a) the amount you owe under your Investment Loan, and

b) the value of your Units on the relevant Unit Valuation Date (as described on the Flexi Website).

You will not be required to pay any further amount to the Loan Provider under the Investment Loan if you exercise the Walk-Away feature.8 If you exercise the Walk-Away feature, the Loan Provider will be entitled to your rights in the Units held by you or, if you are a Superannuation Investor, on your behalf by the Security Trustee. If the value of your Units on the relevant Unit Valuation Date as described on the Flexi Website is greater than the amount you owe under your Investment Loan then the difference will be paid to you or as you direct by the Loan Provider (provided you have no amount outstanding on any Interest Loan).

The amount payable to you by the Loan Provider will be used by the Loan Provider to prepay any amount you owe under the Investment Loan (and any Interest Loan). The Walk-Away feature can only be exercised by you if:

a) the minimum repayment amount is $A10,000, and in $A1,000 increments above that, and

b) following any repayment, the principal under the Investment Loan would be no less than the Minimum Investment Amount.

In addition, if you exercise the Walk-Away feature any prepaid interest on your Investment Loan will not be refunded, and if you have an Interest Loan, all outstanding amounts under the Interest Loan must be repaid in full.

If you do not exercise the Walk-Away feature on a Walk-Away Date, the Walk-Away option for that Walk-Away Date will expire on that Walk-Away Date.

5.2 Interest Loan

5.2.1 Full recourse Interest Loan
For approved Investors, an Interest Loan may also be available at the discretion of the Loan Provider to fund 100 per cent of the net interest payments on your Investment Loan (after taking into account any Distributions applied to pay the interest amounts payable by you). Interest Loans are not available to Superannuation Investors.

Repayment of the Interest Loan is a full recourse obligation and the term of the Interest Loan cannot be extended. This means that you may be required to use your own funds to cover any amount payable by you under the Interest Loan if you exercise the Walk-Away feature before Maturity, or if you default under the Loan Agreement.

The Mortgage will also secure your obligations under the Interest Loan. This means that if you exercise the Walk-Away feature and the value of your Units on the relevant Unit Valuation Date as described on the Flexi Website is greater than the amount you owe under your Investment Loan, the difference will be used to repay any amount owing on any Interest Loan before the excess is paid to you or as you direct.

Interest Loans are repayable monthly in arrears in equal payments (comprising principal and interest) over up to 12 months following draw down of the Interest Loan. If the Interest Loan is drawn down or matures on a day that is not at the end of a month, the first or last (as relevant) principal and interest payments will be a proportionate amount of the full monthly payment amount.

Interest Loan payments will start on the last date of the month after the month in which the Interest Loan is drawn down (or, if the Interest Loan is not drawn down at the end of a month, on the last date of the same month), in accordance with your Loan Confirmation (refer to section 8.3 of the PDS).

The first Interest Loan will commence on the Issue Date. If you apply for an Interest Loan, you will be taken to have applied for a further Interest Loan for each subsequent interest period beginning on the anniversary of the Issue Date, unless:

a) you elect not to draw down in a particular Interest Period and notify the Loan Provider of your intention at least 15 business days prior to the next anniversary of the Issue Date

b) you submit a Withdrawal Form, or

c) the Loan Provider notifies you before the final Interest Period that the Loan Provider will not provide you with an Interest Loan because the final Interest Period is less than a full year.

You will be required to repay the Interest Loan, plus interest costs if you exercise the Walk-Away feature.

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7 See Clause 2.1 in the Loan and Put Option Agreement in section 3 of the Information Booklet.

8 This does not include any outstanding amounts owing on any Interest Loan or other loan that will become payable on exercise of the Walk-Away feature.
5.2.2 Interest payable on the Interest Loan

Interest on all Interest Loans is at a fixed interest rate for the term of the Interest Loan. The indicative interest rate in respect of an Offer is available on the Flexi Website.

The interest rates on the Interest Loans for the Interest Period from the relevant Issue Date to the day prior to the first anniversary of the Issue Date will be determined by the Loan Provider and, if different to those disclosed in the Term Sheet, published on the Flexi Website approximately three business days prior to the relevant Offer Close date. The interest rates on the Interest Loans for subsequent Interest Periods will be determined by the Loan Provider shortly before the start of the relevant Interest Period and will be advised to Investors by way of a Loan Confirmation. The Loan Provider reserves the right to offer different interest rates to different Investors.

5.2.3 Exercise of Walk-Away feature and prepayment of Interest Loan

If you choose to exercise the Walk-Away feature before Maturity, you must prepay your Interest Loan. You will need to pay the unpaid balance of the principal amount of the Interest Loan (if applicable) plus any interest costs applicable to the Interest Loan. Such obligations are full recourse obligations for you.

5.3 Consequences on Event of Default

On an Event of Default, (which are listed in clause 17 of the Loan and Put Option Agreement (in section 3 of the Information Booklet), and include any non payment of interest) the Loan Provider may declare your Investment Loan and any Interest Loan (if applicable) immediately due and payable and you will be required to repay the Loans. As the Investment Loan is limited recourse, any amount payable by you to the Loan Provider may only be discharged from the amount the Loan Provider can obtain by enforcing its rights under the Mortgage (which may include the disposal or redemption of all or some of your Units) and by enforcing its rights under the Collateral Security in respect of your interest in the Cash Collateral. However, any remaining amounts outstanding in respect of your Interest Loan must be paid by you, including any interest costs that may apply.

See section 3 of the Information Booklet for more information.
6. Fees and other costs

Set out below is a general consumer advisory warning that is required to be included in the PDS under the Corporations Act. Specific information about the fees and costs charged in respect of the Fund and Loans are set out below.

**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 per cent of your fund balance rather than 1 per cent could reduce your final return by up to 20 per cent 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.fido.asic.gov.au) has a managed investment fee calculator to help you check out different fee options.

6.1 Fees and other costs

The table below shows fees and other costs that you may be charged. These fees and costs may be deducted from your money or from the returns on your investment or from the Fund assets.

Information on taxes is set out in section 7.

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

**Summary of fees and costs associated with an investment in the Fund**

<table>
<thead>
<tr>
<th>Type of fee or cost</th>
<th>Amount</th>
<th>How and when paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees when your money moves in or out of the fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment fee&lt;sup&gt;9&lt;/sup&gt;</td>
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</tr>
<tr>
<td>The fee to open your investment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution fee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The fee on each amount contributed to your investment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Withdrawal fee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The fee on each amount you take out of your investment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Termination fee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The fee to close your investment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The fees and costs for managing your investment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is a management fee of 0.3135% pa (inclusive of GST net of any reduced input tax credit) of the Investment Amount per Class for the Fund.&lt;sup&gt;10&lt;/sup&gt;</td>
<td></td>
<td>The management fee is payable out of the assets of the Fund on each anniversary of the Issue Date during the Term (or is accrued until paid), and reflected in the Unit price.</td>
</tr>
<tr>
<td>Service fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment switching fee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The fee for changing investment options.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>9</sup> An additional fee may apply to your Investment Loan. Please refer to section 6.3.5 for more information.

<sup>10</sup> These costs are funded by the excess payments received under the Collateral Agreement.
6.2 Example of annual fees and costs

The table below gives an example of how the fees and costs for this Fund can affect your investment over a one year period. You should use this table to compare this Fund with other managed investment products.

Example of annual fees and costs for an investment in the Fund

<table>
<thead>
<tr>
<th>EXAMPLE – Investment in the Fund</th>
<th>BALANCE OF $A50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Costs</td>
<td></td>
</tr>
<tr>
<td>0.3135% pa (inclusive of GST net of any reduced input tax credit) of the Investment Amount for the Fund.11</td>
<td>For every $A50,000 you have in the Fund, you will be charged $A156.75 (inclusive of GST net of any reduced input tax credit) each year.</td>
</tr>
<tr>
<td>EQUALS Cost of fund</td>
<td></td>
</tr>
<tr>
<td></td>
<td>If you had an investment of $A50,000 at the beginning of the year, you would be charged fees of $A156.75 per annum12 (including GST net of any reduced input tax credit). What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.</td>
</tr>
</tbody>
</table>

Additional fees and costs apply:

- **Loan Establishment Fee** – applicable for some Classes; up to $A1,000, being up to 2 per cent of the Investment Amount of $A50,000 (please refer to section 6.3.5 for more information)
- **Interest payments on the Investment Loan and Interest Loan (if applicable)** – please refer to section 5 for more information
- **Management costs and performance fee costs (if applicable)** – payable in respect of any Reference Assets comprising managed funds or ETFs. Please refer to sections 6.3.9 and 6.3.10.

6.3 Additional explanation of fees and costs

6.3.1 Adviser remuneration

Your Adviser may receive additional fees paid by you. Your Adviser must disclose these to you in a Financial Services Guide and/or a Statement of Advice.

We do not pay any commissions to financial advisers. However, you may agree to pay your adviser a fee for any financial advice they provide to you. We can facilitate this payment through an ‘Adviser Payment Arrangement’. For more information see your ‘Adviser Payment Arrangement’ product disclosure statement, available by contacting us.

6.3.2 Management costs – management fee

The Fund will pay the Issuer a management fee equal to 0.3135 per cent (inclusive of GST net of any reduced input tax credit) of the Investment Amount per Class for the Fund each year. These costs are funded out of the excess payments received under the Collateral Agreement.

6.3.3 Interest payments on Loans

Investors must pay interest on the Investment Loan and Interest Loan (if applicable) to the Loan Provider. You should refer to section 5 for more information on interest payments.

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11 An additional fee will apply to your Investment Loan. Please refer to section 6.3.5 for more information.
12 These costs are funded by the excess payments received under the Collateral Agreement.
6.3.4 Certain rebates of commissions, etc to Issuer
Any rebates of commissions or charges received by MFPML in connection with the Fund’s investment in a Reference Asset will not form part of the assets of the Fund and will be owned by MFPML in its own capacity. MFPML may receive money from managers of the Reference Assets and may use this money to pay for expenses associated with marketing the Fund.

6.3.5 Loan Establishment Fee
A Loan Establishment Fee of up to 2 per cent of your Investment Loan may, for some Offers, be charged by the Loan Provider to successful applicants. If a Loan Establishment Fee applies to a Class in which you wish to invest, it will be disclosed in the relevant Term Sheet for that Class.

For example, assuming an Investment Loan of $A50,000, the amount of the Loan Establishment Fee will be up to $A1,000.

For Investors that choose to pay interest annually in advance (that is, do not utilise an Interest Loan), this fee is payable as one upfront amount at the commencement of the Investment Loan. For Investors who choose to utilise, and are approved for, an Interest Loan, the Loan Establishment Fee is payable in 12 equal monthly instalments over the first year of the Investment Loan starting the last date of the calendar month after the month in which the relevant Issue Date occurs (unless otherwise advised in the relevant Term Sheet). If you choose to Walk-Away before the first anniversary of the Issue Date you will be required to repay this amount, in addition to the amount under the Interest Loan. No break costs will apply to the repayment of the Loan Establishment Fee.

In both cases, the Loan Establishment Fee will be direct debited from your Nominated Account at the same time as your required interest payment.

6.3.6 Additional loan fees and costs
There may be additional administrative and other fees, costs, duties and charges on your Loans. For details of these fees please refer to clause 13 of the Loan and Put Option Agreement in section 3 of the Information booklet.

6.3.7 The Issuer’s fee entitlements
The Constitution for the Fund permits the Issuer to:

a) charge an application fee of up to 5.5 per cent (including GST) of the application money in respect of each application for Units in the Fund

b) charge an annual management fee of up to 2.2% pa (including GST) of the aggregate application prices paid for Units issued from the assets of the Fund, and

c) be reimbursed out of the assets of the Fund for certain expenses incurred in connection with it acting as Issuer.

There is no limit on the amount of expense reimbursements the Issuer may make, provided that the expenses are properly incurred.

However, the Issuer has decided not to charge the fees described in (a) and (c) above in relation to any offer of Units that relates to this PDS, with the management fee described in section 6.3.2 of this PDS falling under the fee entitlements described in (b).

6.3.8 Tax costs
Please see section 7 ‘Taxation’ for a detailed explanation of taxes and stamp duty costs (if any) associated with an investment in the Fund.

6.3.9 Fees specific to the Asian Equity Classes
The Asian Equity Classes include potential exposure to ETFs and their associated management fees and costs. Although these fees are not charged from the assets of the Fund, they are relevant to determining the amount payable by the Swap Counterparty on the Maturity Date, or on early termination of the Investment Linked Swap Agreements. Accordingly, they are reflected in the value of Asian Equity Classes throughout the Term.

As at 31 July 2013, management and trustee fees were 0.05% pa and 0.05% pa respectively for TFHK, and 0.55 per cent and 0.05 per cent respectively for HSHSI.

6.3.10 Fees specific to the Bond Fund Tilt Basket and Best-of Basket Classes
For Investors in Bond Fund Tilt Basket and Best-of Basket Classes, there are fees and costs associated with the management of the funds that comprise the Reference Asset, ie the PIMCO GIS Total Return Bond Fund and Winton Global Alpha Fund. Although these fees are not charged from the assets of the Fund, they are relevant to determining the amount payable by the Swap Counterparty at the end of the Term on early termination of the Investment Linked Swap Agreements and, accordingly, are reflected in the value of Bond Fund Tilt Basket and Best-of Basket Classes throughout the Term. The table below outlines these fees and costs.
### Fees associated with the PIMCO GIS Total Return Bond Fund

<table>
<thead>
<tr>
<th>Type of fee or cost</th>
<th>Description</th>
<th>How and when paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>PGAIL provides or procures investment advisory, administration, custody and other services in return for the fund paying a single management fee to PGAIL.</td>
<td>0.50% pa accrued on each dealing day and payable monthly in arrears.</td>
</tr>
</tbody>
</table>
| Trail fee           | The trail fee applies to the Administrative Class Shares and is paid to the fund’s distributor for personal services rendered to shareholders of the fund and the maintenance of shareholder accounts, including compensation to, and expenses of, financial consultants or other employees of participating or introducing brokers, certain banks and other financial intermediaries who:  
  - assist in the processing of purchase or redemption requests or the processing of dividend payments  
  - provide information periodically to shareholders showing their positions in the fund’s shares  
  - forward communication from the fund to shareholders  
  - render ongoing advice concerning the suitability of particular investment opportunities offered by the fund in light of the shareholders’ needs  
  - respond to inquiries from shareholders relating to such services  
  - train personnel in the provision of such services.  
The services are provided directly by the Distributor or indirectly through brokers, dealers, banks, financial intermediaries, or other intermediaries to all shareholders of Administrative Class shares. | 0.50% pa accrued on each dealing day and payable monthly in arrears. |

### Fees associated with the Winton Global Alpha Fund

<table>
<thead>
<tr>
<th>Type of fee or cost</th>
<th>Description</th>
<th>How and when paid</th>
</tr>
</thead>
</table>
| Management fee      | The fees and costs for MIML managing the fund.  
  1.88% pa of the net asset value of the fund, comprised of the management fee and recoverable expenses. | The management fee and recoverable expenses are calculated daily and paid monthly from the assets of the fund. |
| Performance fee      | The fee payable to the Underlying Fund Manager and referable to the performance of the fund.  
  20.5 per cent of the dollar value of net profit (if any) from futures trading, provided that any carried forward losses from futures trading have been made up. Figure of 20.5 per cent is based on performance fee of 20 per cent plus applicable GST, less any reduced input tax credits that may be claimed by the fund. | This fee is calculated daily, payable quarterly in arrears and is deducted from the assets of the fund. |
| Transaction costs and buy/sell spread | The fund uses a buy/sell spread to recover transaction costs associated with buying and selling the fund’s assets. It is an additional cost to the investor paid to the fund (and not its responsible entity).  
The transaction costs reflected in the spread comprise brokerage paid on transactions, government taxes/duties/levies, bank charges and the differential between the bid/offer price of the investments transacted. Estimates of these costs were arrived at by analysing broker quotes, taxes, duties and levies, and the difference between the market bid and offer prices of investments held for a portfolio with the same investment strategy as that of the fund. | Initial buy/sell spread is 0.05 per cent and is incorporated into the issue price of the units and the withdrawal amount. |
7. Taxation

This tax summary outlines the key Australian income tax, stamp duty and goods and services tax (GST) implications arising for Investors who acquire Units in the Fund. This tax summary is based on Australian tax laws in force or proposed and administrative practices generally accepted as at the date of this PDS. Investors should be aware that these laws and practices may change during the Term and that any changes may give rise to a different tax outcome. All references in this tax summary to legislative provisions are to provisions of the Tax Act, unless otherwise stated.

The information contained in this summary is of a general nature only. It does not constitute legal or tax advice and does not seek to address all of the tax issues that may be relevant to a particular Investor. Prospective Investors should seek independent tax advice relevant to their own particular facts and circumstances. Furthermore, the summary is limited in scope to the key tax implications for Investors who are residents of Australia for tax purposes, who hold their Units in the Fund and any put options on capital account and whose dealings are all at arm's length. Please note that if you enter into the investment with the intention to exercise the Walk-Away feature, some of the comments below (in particular, in relation to interest deductibility) may not apply to you and you should seek your own advice on the tax implications of your investment if you are in these circumstances.

7.1 Tax treatment of the Fund

The Fund should be treated as an ordinary trust estate for the purposes of the Tax Act. Provided that the Fund has at least $A1.00 of distributable income each year, MFPML should not be liable to tax on the Fund’s net (taxable) income. Instead, you will be required to include your share of the net (taxable) income of the Fund in your own assessable income.

7.1.1 Net income of the Fund

The Taxation of Financial Arrangements (TOFA) provisions of the Tax Act apply to the Fund. The broad objective of TOFA is to tax certain financial arrangements on revenue account and on an accruals or realisation basis. The Issuer does not intend to apply any of the elective methods of bringing to account any gains or losses on the Fund’s investments.

Any gains derived by the Fund should be on revenue account and thus it is not expected that you would be entitled to any Capital Gains Tax (CGT) discount (see below) in respect of distributions from the Fund.

If the Fund is in a tax loss position for a Financial Year, this loss cannot be distributed to you. However, such a loss may be able to be carried forward to be utilised in subsequent financial years (subject to the carried forward loss rules).

7.2 Investor’s tax treatment

7.2.1 Distributions

When you receive a distribution from the Fund, whether during the Term or at Maturity, your assessable income will include your proportionate share of the Fund’s net (taxable) income.

As the net income of the Fund for tax purposes will be determined on a global basis (ie across all Classes), any assessable income arising in respect of one Class Portfolio may be offset by deductions of other Class Portfolios of the Fund. If this occurs, you may receive a distribution in excess of your entitlement to the net income of the Fund for tax purposes. You will not be required to include the excess in your assessable income.

7.2.2 Gains or losses on disposal or redemption of Units

Calculation of capital gain or loss

You may make a capital gain or loss on redemption or disposal of your Units equal to the capital proceeds received less your cost base in the Units.

Calculation of cost base

The cost base of your Units will include, among other things, the amount paid to acquire the Units and any incidental costs. Where you receive a non-assessable distribution, it will reduce the cost base in your Units (and give rise to a capital gain on the Units to the extent that it exceeds your cost base). If you Walk-Away, your cost base will also include the cost of the put option (discussed below).

Redemption at Maturity

If you redeem your Units at Maturity, you may receive a final fixed Distribution and a potential further distribution of income from the Fund, which is expected to be an amount equal to your Reference Asset Gain. Your assessable income will include your share of the Fund’s net (taxable) income that is referable to these distributions. Any remaining payment for the redemption of your Units should be included in your capital proceeds, which will be relevant in calculating the capital gain or loss on the redemption of your Units. A similar tax treatment should arise in the event Units are redeemed prior to Maturity.

Disposal of Units (including Walk-Away)

If you assign your units or sell them to a third party, this will result in a disposal of the Units for CGT purposes. Where you choose to exercise the Walk-Away feature, you will be disposing of your Units by selling them to the Loan Provider. When you dispose of your Units, the total sale proceeds you receive should be included in your capital proceeds, which will be relevant in determining the capital gain or capital loss on the disposal of your Units.
7.3.2 Capital protected borrowings

Division 247 of the Tax Act operates to limit the deductibility of expenses (for example, interest) incurred under a “capital protected borrowing”. A capital protected borrowing is essentially an arrangement where the borrower is protected from a decrease in the market value of an asset, for example units in the Macquarie Flexi 100 Trust. To the extent that the interest and capital protection costs for an income year exceed the amount that would have been incurred if the benchmark rate (Adjusted Loan Rate) as determined by the Tax Act had been applied, the excess is not deductible.

Investment Loan

Division 247 will apply to the Investment Loan. As the Investment Loan is a limited recourse loan, if the market value of your Units falls below the principal amount of your Investment Loan, Macquarie will only have recourse to your Units to satisfy the repayment of loan principal. In determining the amount of interest that is not deductible in relation to a specific year of income, Investors should use the Adjusted Loan Rate at the time the interest charge is first incurred for the relevant part of the borrowing term.

The Adjusted Loan Rate is the Reserve Bank of Australia’s (RBA) Indicator Lending Rate for Standard Variable Housing Loans plus 100 basis points.

As at the date of this PDS, the most recent Adjusted Loan Rate was for the month of August 2013 and was 6.95% pa.13 Please check the RBA website for updates to this rate.

The Issuer anticipates that an Investor’s total interest expenses for each income year of the investment will exceed the amount that would be incurred if the Adjusted Loan Rate were to be applied. In this case, the Adjusted Loan Rate should apply to set a cap on the level of deductibility of any interest expense. The non-deductible amount will be the cost of acquiring the put options under the Loan Agreement.

Investors should consult their tax adviser on the application of these provisions to their loan arrangements.

Interest Loan

The ATO has confirmed in the Product Ruling that Division 247 will not apply to the Interest Loan. The ATO has also confirmed that, for Investors covered by the Product Ruling, interest incurred on the Interest Loan should be deductible. For other Investors, part of the Interest Loan interest may not be deductible, and may not give rise to a capital loss (or reduce any capital gain on the Units). Investors who are not covered by the Product Ruling should obtain their own advice in this respect.

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13 Based on the RBA indicator rate for standard variable housing loans – Bank Rate for August 2013 plus 100 basis points.
7.3.3 Timing generally/annual-in-advance payment

The following comments in relation to timing of tax deductions assume that you will be entitled to deductions for your interest payments under any Investment Loan and Interest Loan under the general principles described in section 7.3.1.

Individuals and small business entities

If you are:

• an individual who does not carry on a business, or
• a small business entity14 and you do not make a choice to spread your deduction,

the timing of your deduction for the interest payments on your Investment Loan and your Interest Loan should be as shown in the following table.

<table>
<thead>
<tr>
<th>Amount paid</th>
<th>When deductible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest paid monthly in arrears on an Investment Loan</td>
<td>On a daily accruals basis.15</td>
</tr>
</tbody>
</table>
| Annual-in-advance payment of interest on an Investment Loan (prepayment) | At the time of the prepayment provided that either:
  • the 300 unitholder/widely held test is passed, or
  • the tax positive test is passed (refer below). Otherwise the deduction will be spread evenly over the period to which that payment relates, that is, the following 12 months. |

The 300 unitholder and the widely held test will be passed if, at the time of your prepayment, the Fund meets certain tests including that it has at least 300 unitholders and that 75 per cent or more of the Units are not held directly or indirectly by 20 or fewer individuals. The Fund currently meets the requirements of the 300 unitholder and widely held test.

You will pass the tax positive test for a year if your assessable income from Units in the Fund equals or exceeds your allowable deductions (including the interest on your Loans) for that year in respect of the Units.

Investors other than individuals and small business entities

If you are not one of the entities listed above, for example, you are:

• a trust that is not carrying on a business
• a Superannuation Investor, or
• an individual making your investment in the course of carrying on a business,

you will not be able to claim an immediate deduction for any prepayment of interest on your Investment Loan unless that payment is for less than $A1,000. If the prepayment is for $A1,000 or more, the deduction will be spread over the period to which that payment relates, that is, the following 12 months.

7.4 Part IVA

The general anti-avoidance rules contained in Part IVA of the Tax Act are capable of broad application and should be carefully considered in relation to any investment decision. Part IVA is concerned with schemes where a party to the scheme has the sole or dominant purpose of obtaining a tax benefit (as defined in the Tax Act) for themselves or another party. For example, if it could be construed that your commercial objectives of investing in the Fund might, if Units in the Fund had not been offered as investments, have been achieved through a different arrangement having a different tax outcome, or if it could be construed that your use of the Walk-Way feature was predominantly directed towards achieving a tax purpose, then the possible application of Part IVA should be taken into account. You should consider obtaining expert tax advice on the potential application of Part IVA.

7.5 Other taxation issues

7.5.1 Loan Establishment Fee

You will be entitled to claim a deduction for any Loan Establishment Fee you are required to pay. However, in circumstances where the Loan Establishment Fee paid by you in any income year is greater than $A100, this deduction is required to be spread on a straight line basis over the shorter of 5 years or the term of the Investment Loan.

7.5.2 Taxation of financial arrangements

An investment in Units in the Fund should generally not be regarded as a financial arrangement subject to the TOFA rules unless certain elections are made by an Investor. This tax summary does not consider the potential application of TOFA to an investment in Units in the Fund. You should seek independent tax advice in respect of the TOFA implications if you consider that the TOFA rules may apply to you.

7.5.3 Stamp duty and mortgage duty

You should not have to pay stamp duty in any State or Territory upon the transfer, issue or redemption of Units. If you are a Superannuation Investor, the Mortgage that the Security Trustee gives to the Loan Provider over your Units will not be liable for any mortgage duty in New South Wales on the basis that the Mortgage will not secure any New South Wales property at the time that the Mortgage is first given and nor will it secure any New South Wales property in the future which property is in existence at the time that the Mortgage is first given.

If you are not a Superannuation Investor, the Mortgage given by you over the ‘Mortgaged Property’ (as defined in the Loan Agreement) will also not be liable for any mortgage duty in New South Wales on the basis that the Mortgage will not secure any New South Wales property at the time that the Mortgage is first given and nor will it secure any New South Wales property in the future which property is in existence at the time that the Mortgage is first given.

No duty will be payable on the Collateral Security if either the bank account in which the Cash Collateral is deposited is not located in New South Wales (ie with a branch in New South Wales) or, if the bank account is not in existence at the time when the Collateral Security is first executed by the Issuer.

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14 You are a small business entity only if you are carrying on a business and satisfy a less than $A2,000,000 aggregated turnover test. This is a broad summary of the test, and some detail has been omitted. You should seek your own advice on whether you are a small business entity.

15 Except for those taxpayers to which the Simplified Tax System (STS) transitional rules apply.
7. Taxation

7.5.4 Tax file number
If you do not provide a tax file number or claim a valid exemption (or in certain circumstances provide an Australian Business Number), the Issuer will be required to deduct tax from your distributions at the highest marginal tax rate plus Medicare levy. This is currently 46.5 per cent but will increase to 47 per cent from 1 July 2014.

7.5.5 GST
GST will not apply to the issue or redemption of Units or to the Loan Establishment Fee.

Where the Fund incurs GST in respect of fees or expenses, it may be entitled to claim input tax credits or reduced input tax credit (RITCs) on certain acquisitions relating to these fees and expenses. The entitlement to input tax credits or RITCs will affect the net income of the Fund and the distributions made by the Fund.

7.5.6 Product Ruling
The ATO has issued a Product Ruling regarding the amount and timing of deductions in respect of interest payments made under the Investment Loan and Interest Loan. In particular, the Product Ruling confirms how Division 247 applies to apportion interest expenses between deductible and non-deductible amounts. It does not address the tax consequences of the Walk-Away feature. The Product Ruling also only applies where the assumptions set out in the ruling are satisfied.

The Product Ruling is only a ruling on the application of certain taxation laws and is in no way expressly or impliedly a guarantee or endorsement of the commercial viability of the Macquarie Flexi 100 Trust, of the soundness or otherwise of the investment or of the reasonableness or commerciality of any fees charged in connection with the investment.

7.5.7 Superannuation Investors
On 10 March 2010, the Minister for Financial Services, Superannuation and Corporate Law announced that the Government proposes to amend the tax law so that a superannuation trustee who enters into a limited recourse borrowing arrangement to purchase an asset under former sub-section 67(4A) (now section 67A) of the SIS Act will be treated as the owner of the asset for income tax purposes.

The summary of tax implications set out in this section 7, as it applies to Superannuation Investors, assumes the enactment of this change in the terms announced. The terms of the proposed change are set out in the consultation paper headed ‘Income Tax Treatment of Instalment Warrants Proposals Paper’ dated 10 March 2010. In accordance with the announcement, the income tax amendments will apply for assessments for the 2007-2008 and later income years.

Proposed legislation giving effect to these changes has not yet been released. Superannuation Investors should note that, if the announced changes are not legislated, or are not legislated in accordance with the announcement, the summary above may not be applicable and different tax implications may arise from an investment and Loan. Superannuation Investors should seek their own advice as to the application of the announced changes and the tax implications of a proposed investment in their own particular circumstances.

7.5.8 Tax reform
The taxation of managed investment trusts (MITs) (and trusts generally) is currently under review by the Federal Government, with new tax regimes for trusts and MITs expected to commence on or after 1 July 2014. We will monitor the progress of this review and any subsequent changes to the law to determine what impact this will have on the Fund.

7.5.9 Adviser Letter
The tax letter provided by Clayton Utz is on the next page. The superannuation opinion provided by Clayton Utz in relation to the Fund is disclosed in section 5 of the Information Booklet.
Confidential

The Directors
Macquarie Financial Products
Management Limited
1 Martin Place
SYDNEY NSW 2000

Our ref 15005/80146739

Dear Sirs

Macquarie Flexi 100 Trust

In our opinion, subject to the further discussion below, section 7 headed "Taxation" in the Product Disclosure Statement (PDS) dated on or about 18 September 2013 to be issued by Macquarie Financial Products Management Limited (MFPML) as responsible entity for the Macquarie Flexi 100 Trust, provides a correct summary of the main Australian income tax, GST and stamp duty implications for a participating Investor who holds their Units on capital account.

This opinion is based on the information provided to us by MFPML in respect of the Units, Investment Linked Swap Arrangements, Investment Loans and Interest Loans, and on the Australian taxation laws in force and administrative practices generally accepted as at the date of the PDS.

The discussion contained in section 7 of the PDS headed "Taxation" is of a general nature only and does not take into account the specific circumstances of any Investor. In addition, the discussion does not take into account the specific features attaching to any Offer of Units in a Class under the PDS and associated Investment Loans, as these features will be set out in the relevant Term Sheet. Specifically, the Term Sheet will set out any applicable Distribution Rates, Gain Currencies, Hurdles, Participation Rates, indicative Term and Share Performance Caps, the relevant Distribution Dates and the Maturity Date attaching to each of the Classes, together with the indicative interest rates for the Loans.

The opinion is provided for the benefit of MFPML only, and may not be relied upon by any other person or persons. All Investors should seek their own independent advice on the taxation implications of their investment in the Macquarie Flexi 100 Trust.

Yours faithfully

Kirsten Fish, Partner
+61 2 9353 4757
kfish@claytonutz.com
8. Additional information

8.1 Credentials

8.1.1 The Issuer – MFPML

MFPML is the responsible entity of the Fund. MFPML is part of the Macquarie Group of companies and holds an Australian Financial Services Licence No. 237847 – which authorises it to act as the responsible entity of the Fund.

MFPML is responsible for managing the Fund in accordance with the Constitution and the Corporations Act but may appoint third parties to assist it in performing those functions.

8.1.2 The Security Trustee – Bond Street Custodians Limited

Bond Street Custodians Limited is the Security Trustee. Bond Street Custodians Limited is part of the Macquarie Group of companies and holds an Australian Financial Services Licence No. 237489. Bond Street Custodians Limited has carried on a business of providing custody services in respect of Australian assets since 1994.

8.1.3 The Swap Counterparty and the Collateral Counterparty – Macquarie Bank Limited

Macquarie Bank Limited will be the Swap Counterparty and the Collateral Counterparty for each Class Portfolio of the Offer.

Macquarie Bank Limited is a licensed Australian bank regulated by APRA. Macquarie Group Limited (MGL) is a non-operating holding company and the ultimate listed parent for the Macquarie Group of companies. MGL is listed on the ASX (ticker MQG) and is regulated by APRA as a non-operating holding company of an authorised deposit-taking institution. Macquarie Bank Limited and MFPML are both wholly owned subsidiaries of MGL. Further information about the Macquarie Group structure and Macquarie Bank Limited (including its financial information) is available on the website at: macquarie.com.au/au/about_macquarie/index.html.

8.2 Macquarie conflicts of interest

MFPML, Macquarie Bank Limited, and any other Macquarie Group company, or their directors, employees or affiliates may, subject to law, hold shares in any members of the Macquarie Group of companies and units in the Fund. The directors and employees of MFPML and other members of the Macquarie Group of companies may receive remuneration based on the performance of the Fund.

MFPML, Macquarie Bank Limited, and any other Macquarie Group company or their directors, employees or affiliates may buy and sell (whether as principal or agent) securities, commodity contracts or other financial products which consist of the Reference Assets or financial instruments linked thereto.

Members of the Macquarie Group of companies may have business relationships or alliances (including joint ventures) with companies whose stocks consist of the Reference Assets or financial instruments linked thereto. In addition, members of the Macquarie Group of companies may from time to time engage in investment advisory or other activities for, or provide services to, any of these companies in relation to matters unconnected with the Fund and which may or may not affect the value of the Units.

The following are the related party transactions relating to the Fund:

- an entity that is a Macquarie Group company will be the Swap Counterparty for all Class Portfolios
- an entity that is a Macquarie Group company will be the Collateral Counterparty for all Class Portfolios
- an entity that is a Macquarie Group company will be the Security Trustee
- Macquarie and MFPML will be party to the Collateral Security, and
- Macquarie Specialist Investments Lending Limited (unless otherwise determined by MFPML to be another Macquarie Group company, in which case it will be that Macquarie Group company), as the Loan Provider, may reimburse MFPML in relation to certain amounts paid as advice fees by MFPML on the Loan Provider’s behalf.

In the future management of the Fund, MFPML may enter into other agreements with related parties which include entities in the Macquarie Group of companies or its associated companies.

All related party transactions are conducted on arm’s length terms. Any conflict of interest or potential conflict of interest is managed in accordance with Macquarie Group’s Conflict of Interest Policy.

8.3 What information will I receive?

8.3.1 Initial confirmations

If your application is accepted, you will receive an investment confirmation setting out the key terms of your Units and investment in the Fund.

You will also receive a Loan Confirmation setting out the key terms of your Loan(s) and the interest rate to apply for the first Interest Period. You will also receive additional Loan Confirmations from time to time setting out the interest rate and interest payment arrangements applicable to your Loan(s).

8.3.2 Periodic performance reports

Periodic performance reports will be available on an annual basis showing the details of an investment in the Fund at the reporting date. We will also provide details annually of your Investment Loan used to invest in the Fund.

Monthly updates will also be made available on the Flexi Website at macquarie.com.au/flexi.

8.3.3 Annual tax reports

You will receive annual tax reports showing:

- the interest expense on your Investment Loan and Interest Loan (if any), and
- the value of Distributions (if any) and any other distributions received from your investment, and your share of the net (tax) income of the Fund.
8.4 Disclosing entity

The Fund is a disclosing entity for the purposes of the Corporations Act. As such, it will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. In addition, any continuous disclosure notices required under the Corporations Act will be made available on Macquarie's website, macquarie.com/flexi, in accordance with the requirements of ASIC policy.

You may obtain copies of the annual financial reports most recently lodged with ASIC by the Fund by contacting the Issuer on 1800 080 033.

8.5 Business day

Where an event/date referred to in this PDS is stated to occur on a date that is not a business day (in the relevant jurisdiction or jurisdictions in which that event is said to occur), then that event may occur on the business day which occurs either immediately before or immediately after that date. Whether the event will occur on the preceding or subsequent business day will depend on the specific arrangements entered into by the Fund.

8.6 Enquiries and complaints

The Issuer has procedures in place to consider and deal with enquiries and complaints within 45 days of receiving them. If you have any enquiries or complaints you may contact the Issuer on 1800 080 033, or write to:

Macquarie Flexi 100 Trust
Macquarie Financial Products Management Limited
GPO Box 4294
SYDNEY NSW 1164

MFPML is also a member of the Financial Ombudsman Service Ltd ABN 67 131 124 448. If you are not happy with the manner in which your complaint is dealt with by the Issuer, you may also write to:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001

Fax: (03) 9613 6399
Email: info@fos.org.au
Phone: 1300 780 808

8.7 Consents

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

**Bond Street Custodians Limited**
Bond Street Custodians Limited has given and has not, before the issue of the PDS, withdrawn its written consent to be named in this PDS in the form and context in which it is named.

**Clayton Utz**
Clayton Utz has given and has not, before the issue of the PDS, withdrawn its written consent to the inclusion of its tax letter in this PDS, and the inclusion of its superannuation law opinion, in section 5 of the Information Booklet, and to be named in this PDS in the form and context in which it is named.

**Korea Exchange**
Korea Exchange has given and has not, before the issue of the PDS, withdrawn its written consent to be named in this PDS in the form and context in which it is named.

**Macquarie Bank Limited**
Macquarie Bank Limited has given and has not, before the issue of the PDS, withdrawn its written consent to be named in this PDS in the form and context in which it is named.

**Macquarie Investment Management Limited**
Macquarie Investment Management Limited has given and has not, before the issue of this PDS, withdrawn its written consent to the inclusion of the written descriptions of the Winton Global Alpha Fund in this PDS, and to be named in this PDS in the form and context in which it is named.

**Macquarie Specialist Investments Lending Limited**
Macquarie Specialist Investments Lending Limited has given and has not, before the issue of this PDS, withdrawn its written consent to be named in this PDS in the form and context in which it is named.

**MSCI, Inc**
MSCI, Inc has given and has not, before the issue of this PDS, withdrawn its written consent to the inclusion of the written descriptions of the MSCI Taiwan Index and MSCI Singapore Index in section 2.5, and to be named in this PDS in the form and context in which it is named.

**PIMCO Global Advisors (Ireland) Limited**
PIMCO Global Advisors (Ireland) Limited has given and has not, before the issue of this PDS, withdrawn its written consent to the inclusion of the written descriptions of the PIMCO GIS Total Return Bond Fund in this PDS, and to be named in this PDS in the form and context in which it is named.

**Standard and Poor’s Financial Services, LLC**
Standard and Poor’s Financial Services, LLC has given and has not, before the issue of this PDS, withdrawn its written consent to the inclusion of the written descriptions of the S&P/ASX 200 Index and S&P 500 Index, and to be named in this PDS in the form and context in which it is named.
8.8 Index disclaimers

8.8.1 Standard & Poor’s

The S&P/ASX 200 Index is a product of S&P Dow Jones Indices LLC and/or its affiliates (SPDJI) and ASX Operations Pty Ltd. The S&P 500 Index (together with the S&P/ASX 200 Index, the Index) is a product of SPDJI. Both products have been licensed for use by Macquarie Financial Products Management Limited (MFPML). Standard & Poor’s® and S&P® are registered trademarks of Standard & Poor’s Financial Services LLC (S&P); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (Dow Jones); ASX is a registered trademark of ASX Operations Pty Ltd. These trademarks have been licensed for use by SPDJI and certain marks have been sublicensed for specific purposes by MFPML. MFPML’s product(s) are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, any of their respective affiliates (collectively, S&P Dow Jones Indices) or ASX Operations Pty Ltd. Neither S&P Dow Jones Indices nor ASX Operations Pty Ltd make any representation or warranty, express or implied, to the owners of MFPML’s products or any member of the public regarding the advisability of investing in securities generally or in MFPML’s products particularly or the ability of the Index to track general market performance. S&P Dow Jones Indices and ASX Operations Pty Ltd’s only relationship to MFPML with respect to the Index is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The Index is determined, composed and calculated by S&P Dow Jones Indices and/or ASX Operations Pty Ltd without regard to MFPML or MFPML’s products. S&P Dow Jones Indices and ASX Operations Pty Ltd have no obligation to take the needs of MFPML or the owners of MFPML’s products into consideration in determining, composing or calculating the Index. Neither S&P Dow Jones Indices nor ASX Operations Pty Ltd are responsible for and have not participated in the determination of the prices, and amount of MFPML’s products or the timing of the issuance or sale of MFPML’s products or in the determination or calculation of the equation by which MFPML’s products are to be converted into cash, surrendered or redeemed, as the case may be. S&P Dow Jones Indices and ASX Operations Pty Ltd have no obligation or liability in connection with the administration, marketing or trading of MFPML’s products. There is no assurance that investment products based on the Index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor. Inclusion of a security within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice. Neither S&P Dow Jones Indices nor ASX Operations Pty Ltd guarantees the adequacy, accuracy, timeliness and/or the completeness of the Index or any data related thereto or any communication, including but not limited to, oral or written communication (including electronic communications) with respect thereto. S&P Dow Jones Indices and ASX Operations Pty Ltd shall not be subject to any damages or liability for any errors, omissions, or delays therein. S&P Dow Jones Indices and ASX Operations Pty Ltd make no express or implied warranties, and expressly disclaim all warranties, of merchantability or fitness for a particular purpose or use or as to results to be obtained by MFPML, owners of MFPML’s products, or any other person or entity from the use of the Index or with respect to any data related thereto, without limiting any of the foregoing, in no event whatsoever shall S&P Dow Jones Indices or ASX Operations Pty Ltd be liable for any indirect, special, incidental, punitive, or consequential damages including but not limited to, loss of profits, trading losses, lost time or goodwill, even if they have been advised of the possibility of such damages, whether in contract, tort, strict liability, or otherwise. There are no third party beneficiaries of any agreements or arrangements between S&P Dow Jones Indices and MFPML, other than the licensors of S&P Dow Jones Indices.

8.8.2 MSCI

This financial product is not sponsored, endorsed, sold or promoted by MSCI Inc. (MSCI), any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the MSCI PARTIES). The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI Index Names are service mark(s) of MSCI or its affiliates and have been licensed for use by certain purposes by Macquarie Bank Limited. This financial product has not been passed on by any of the MSCI parties as to its legality or suitability with respect to any person or entity and none of the MSCI parties makes any warranties or bears any liability with respect to this financial product. Without limiting the generality of the foregoing, none of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this financial product or any other person or entity regarding the advisability of investing in financial products generally or in this financial product particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without further name(s) or financial product or the issuer or owner of this financial product or any other person or entity. None of the MSCI parties has any obligation to take the needs of the issuers or owners of this financial product or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this financial product to be issued or in the determination or calculation of the equation by or the consideration into which this financial product is redeemable. None of the MSCI parties has any obligation or liability to the issuer or owners of this financial product or any other person or entity in connection with the administration, marketing or offering of this financial product.
ALTHOUGH MSCI SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE MSCI INDEXES FROM SOURCES THAT MSCI CONSIDERS RELIABLE, NONE OF THE MSCI PARTIES WARRANTS OR GUARANTEES THE ORIGINALITY, ACCURACY AND/OR COMPLETENESS OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN OR THE RESULTS TO BE OBTAINED BY THE ISSUER OF THIS FINANCIAL PRODUCT, OWNERS OF THIS FINANCIAL PRODUCT, OR ANY OTHER PERSON OR ENTITY, FROM THE USE OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN AND NONE OF THE MSCI PARTIES SHALL HAVE ANY LIABILITY TO ANY PERSON OR ENTITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS OF OR IN CONNECTION WITH ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. FURTHER, NONE OF THE MSCI PARTIES MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF ANY KIND AND THE MSCI PARTIES HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES (INCLUDING, WITHOUT LIMITATION AND FOR PURPOSES OF EXAMPLE ONLY, ALL WARRANTIES OF TITLE, SEQUENCE, AVAILABILITY, ORIGINALITY, ACCURACY, COMPLETENESS, TIMELINESS, NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL IMPLIED WARRANTIES ARISING FROM TRADE USAGE, COURSE OF DEALING AND COURSE OF PERFORMANCE) WITH RESPECT TO EACH MSCI INDEX AND ALL DATA INCLUDED THEREIN. WITHOUT LIMITING THE GENERALITY OF ANY OF THE FOREGOING, IN NO EVENT SHALL ANY OF THE MSCI PARTIES HAVE ANY LIABILITY TO ANY PERSON OR ENTITY FOR ANY DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, CONSEQUENTIAL (INCLUDING, WITHOUT LIMITATION, LOSS OF USE, LOSS OF PROFITS OR REVENUES OR OTHER ECONOMIC LOSS), AND WHETHER IN TORT (INCLUDING, WITHOUT LIMITATION, STRICT LIABILITY AND NEGLIGENCE) CONTRACT OR OTHERWISE, EVEN IF IT MIGHT HAVE ANTICIPATED, OR WAS ADVISED OF, THE POSSIBILITY OF SUCH DAMAGES.

8.8.3 Korea Exchange

1. KRX DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE KRX INDEXES OR ANY DATA INCLUDED THEREIN AND KRX SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN.

2. KRX DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE KRX INDEXES OR ANY DATA INCLUDED THEREIN TO LICENSEE, PURCHASERS OF THE FINANCIAL PRODUCTS LINKED TO KRX INDEXES, OR ANY OTHER PERSON OR ENTITY THAT USES THE KRX INDEXES OR ANY DATA INCLUDED THEREIN.

3. KRX MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE KRX INDEXES OR ANY DATA INCLUDED THEREIN.

4. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL KRX HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

5. KRX makes no representation or warranty, express or implied, to the owners of the financial products linked to KRX Indexes or any member of the public regarding the advisability of investing in securities generally or in the products particularly or the ability of the KRX Indexes to track general stock market performance (profitability).

6. KFX’s only relationship to the Licensee is the licensing of certain trademarks and trade names of KRX and of the KRX Indexes which is determined, composed and calculated by KRX without regard to the Licensee or the content of the product.

7. KRX has no obligation to take the needs of the Licensee or the owners of the financial products linked to KRX Indexes into consideration in determining, composing or calculating the KRX Indexes. KRX is not responsible for and has not participated in the determination of the timing of the issuance or sale of the derivative products linked to KRX Indexes or in the determination or calculation of the equation by which the derivative products linked to KRX Indexes is to be converted into cash.

8. KRX has no obligation or liability to the owners of the financial products linked to KRX Indexes in connection with the administration, marketing or trading of the Product.

9. The disclaimers of KRX under this section shall continue to be effective even after the termination of the Agreement.
8.8.4 WINTON CAPITAL MANAGEMENT LIMITED AND MACQUARIE INVESTMENT MANAGEMENT LIMITED

Winton Capital Management Limited (Winton) has not reviewed, approved or otherwise endorsed or made any representations regarding any documents, including, but not limited to, any offering and supplemental information memoranda, advertisements, marketing and sales materials or other literature (collectively, the Marketing Materials) that was prepared by Macquarie Financial Products Management Limited relating to the Macquarie Flexi 100 Trust (or any other related investment product). Winton does not take any responsibility for the accuracy or completeness of the contents of the Marketing Materials, any representations made therein, or for the performance of the Trust and any sub-trust. Winton disclaims any liability for any direct, indirect, consequential or other losses or damages, including loss of profits, incurred by the Trust or any sub-trust, any investors in such Trust or by any third party that may arise from any reliance on the Marketing Materials. Winton is neither responsible for or involved in the marketing, distribution or sales of the Trust or any sub-trust nor for compliance with any marketing or promotion laws, rules, or regulations; and no third party is authorised to make any statement about any of Winton’s respective products or services in connection with any such marketing or sales.

MIML in its capacity as responsible entity (RE) of the Winton Global Alpha Fund (WGAF) consents to the inclusion of statements about it and about the WGAF Fund (MIML Statements) in the form and context in which they are included in the PDS. However, MIML in its capacity as RE of the WGAF has not authorised or caused the issue of the PDS or made any statement that is included in the PDS other than the MIML Statements. MIML in its capacity as RE of the WGAF, expressly disclaims and takes no responsibility for the PDS, any omissions or any other statements in the PDS. This applies to the maximum extent permitted by law, but does not apply to the MIML Statements.

8.8.5 PACIFIC INVESTMENT MANAGEMENT COMPANY LLC, PIMCO GLOBAL ADVISORS (IRELAND) LIMITED AND PIMCO FUNDS: GLOBAL INVESTORS SERIES PLC & ANY OF THEIR ASSOCIATES (TOGETHER “PIMCO”)

PIMCO has not reviewed, approved or otherwise endorsed or made any representations regarding any documents, including, but not limited to, any offering and supplemental information memorandum, advertisements, marketing and sales materials or other literature (collectively, the Marketing Materials) that was prepared by Macquarie Financial Products Management Limited relating to the Macquarie Flexi 100 Trust (or any other related investment product). PIMCO does not take any responsibility for the accuracy or completeness of the contents of the Marketing Materials, any representations made therein, or for the performance of the Trust and any sub-trust. PIMCO disclaims any liability for any direct, indirect, consequential or other losses or damages, including loss of profits, incurred by the Trust or any sub-trust, any investors in such Trust or by any third party that may arise from any reliance on the Marketing Materials. PIMCO is neither responsible for or involved in the marketing, distribution or sales of the Trust or any sub-trust nor for compliance with any marketing or promotion laws, rules, or regulations; and no third party is authorised to make any statement about any of PIMCO’s respective products or services in connection with any such marketing or sales.
### 9. Glossary

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Form</td>
<td>The Application Form for an Offer either accompanying or included in this PDS.</td>
</tr>
<tr>
<td>SA</td>
<td>Australian dollars, the official currency of Australia.</td>
</tr>
<tr>
<td>Asian Equity Basket</td>
<td>The basket consisting of some or all of the TFHK, HSHSI, SGY, TWY and KOSPI 200 as Reference Asset Constituents.</td>
</tr>
<tr>
<td>Asian Equity Classes</td>
<td>The Classes that may be offered to Investors with the Asian Equity Basket as a Reference Asset, and Asian Equity Class is to have a corresponding meaning.</td>
</tr>
<tr>
<td>ASIC</td>
<td>Australian Securities and Investments Commission.</td>
</tr>
<tr>
<td>ASX</td>
<td>Australian Securities Exchange.</td>
</tr>
<tr>
<td>ASX Tilt Basket</td>
<td>One of the two baskets used to determine the Best-of Basket, consisting of the S&amp;P/ASX 200 Index (with a Weight of 60 per cent), the PIMCO GIS Total Return Bond Fund (Weight of 20 per cent) and the Winton Global Alpha Fund (Weight of 20 per cent).</td>
</tr>
<tr>
<td>Australian Equity Focus Basket</td>
<td>A fixed Weight basket of between 10 and 20 shares with a large market capitalisation listed on the ASX and listed in the relevant Term Sheet for a Class.</td>
</tr>
<tr>
<td>Australian Equity Focus Classes</td>
<td>The Classes that may be offered to Investors with the Australian Equity Focus Basket as a Reference Asset, and Australian Equity Focus Class is to have a corresponding meaning.</td>
</tr>
<tr>
<td>Australian Equity Classes</td>
<td>The Classes that may be offered to Investors with the S&amp;P/ASX 200 Index as a Reference Asset, and Australian Equity Class is to have a corresponding meaning.</td>
</tr>
<tr>
<td>Best-of Basket</td>
<td>The best performing basket of ASX Tilt and Bond Fund Tilt.</td>
</tr>
<tr>
<td>Best-of Basket Classes</td>
<td>The Classes that may be offered to Investors with the Best-of Basket as a Reference Asset, and Best-of Basket Class is to have a corresponding meaning.</td>
</tr>
<tr>
<td>Bond Fund Tilt Basket</td>
<td>A basket, consisting of the PIMCO GIS Total Return Bond Fund (Weight of 60 per cent), the S&amp;P/ASX 200 Index (Weight of 20 per cent), and the Winton Global Alpha Fund (Weight of 20 per cent), being the Reference Asset for the Bond Fund Tilt Basket Classes and part of the Reference Asset for the Best-of Basket Classes.</td>
</tr>
<tr>
<td>Bond Fund Tilt Basket Classes</td>
<td>The Classes that may be offered to Investors with the Bond Fund Tilt Basket as a Reference Asset, and Bond Fund Tilt Basket Class is to have a corresponding meaning.</td>
</tr>
<tr>
<td>Calculation Agent</td>
<td>The person responsible for calculating the performance of the relevant Reference Asset under the Swap Agreements for the Macquarie Flexi 100 Trust.</td>
</tr>
<tr>
<td>Cash Collateral</td>
<td>The amount of the Offer proceeds, which the Fund deposits with the Collateral Counterparty as collateral for the Fund’s obligations under the Investment Linked Swap Arrangements.</td>
</tr>
<tr>
<td>Classes</td>
<td>The classes of Units on Offer to Investors for investment, each of which will have the combined characteristics of one Reference Asset and the Payoff, and Class is to have a corresponding meaning.</td>
</tr>
<tr>
<td>Class Portfolio/s</td>
<td>Means the assets and liabilities of the Fund which MFPML determines is properly referable to a particular Class from time to time.</td>
</tr>
<tr>
<td>Closing Level</td>
<td>For any Reference Asset without multiple Reference Asset Constituents, the closing price or level of the relevant Reference Asset on a particular date as published on the Relevant Exchange or Index Sponsor or any other exchange or Index Sponsor that Macquarie deems relevant.</td>
</tr>
<tr>
<td></td>
<td>For any Reference Asset with multiple Reference Asset Constituents, is equal to 100 on the Swap Start Date, and on any day during the Term up to and including Maturity, calculated in accordance with the examples in section 3.3.</td>
</tr>
<tr>
<td>Collateral Agreement</td>
<td>An agreement or deed under which the relevant Class Portfolio places the Cash Collateral with the Collateral Counterparty. The Collateral Counterparty pays interest on the Cash Collateral to the Fund.</td>
</tr>
<tr>
<td>Collateral Counterparty</td>
<td>An entity that enters into a Collateral Agreement, namely Macquarie Bank Limited.</td>
</tr>
<tr>
<td>Collateral Default</td>
<td>A situation in which the Collateral Counterparty fails to meet its obligations under the Collateral Agreement.</td>
</tr>
<tr>
<td>Collateral Security</td>
<td>Collateral Security means the deed under which the Issuer grants a first-ranking fixed charge over the Cash Collateral in favour of the Loan Provider, as security for the performance of certain obligations of all Investors who are borrowers under a Loan Agreement.</td>
</tr>
<tr>
<td>Compliance Plan</td>
<td>The compliance plan of the Macquarie Flexi 100 Trust.</td>
</tr>
<tr>
<td>Constituent Closing Level</td>
<td>The closing level of a Reference Asset Constituent as published by the Relevant Exchange or Index Sponsor, or any other exchange or Index Sponsor that Macquarie deems relevant.</td>
</tr>
<tr>
<td>Constituent Start Level</td>
<td>The Constituent Closing Level of the Reference Asset Constituent on the Swap Start Date.</td>
</tr>
<tr>
<td>Constitution</td>
<td>The constitution of the Macquarie Flexi 100 Trust as amended from time to time.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------</td>
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</tr>
<tr>
<td>Cooling Off Period</td>
<td>The Cooling Off Period is 14 days commencing on the earlier of the date the issue of Units is confirmed to you and the end of the fifth business day after the issue of Units.</td>
</tr>
<tr>
<td>Corporations Act</td>
<td>The Corporations Act 2001 (Cth) and the Corporations Regulations 2001 (Cth) as amended from time to time.</td>
</tr>
<tr>
<td>Counterparty</td>
<td>The Swap Counterparty and/or the Collateral Counterparty, as the context requires.</td>
</tr>
<tr>
<td>Distribution/Distribution Amount</td>
<td>The distributions you may be entitled to from the Fund at the end of each year of your investment and at Maturity, as described in section 3.1 and specified in the relevant Term Sheet for each Class.</td>
</tr>
<tr>
<td>Distribution Date</td>
<td>The relevant date for a Class on which you will become entitled to a Distribution as specified in the relevant Term Sheet.</td>
</tr>
<tr>
<td>Distribution Rate</td>
<td>For a Class, the Distribution Rate as stated on the Term Sheet, being the amount you will become entitled to as a Distribution, expressed as a percentage of your Investment Amount.</td>
</tr>
<tr>
<td>ETF</td>
<td>Exchange-traded fund.</td>
</tr>
<tr>
<td>Event of Default</td>
<td>Any event specified as such in clause 17 of the Loan and Put Option Agreement.</td>
</tr>
<tr>
<td>Exchange Rate</td>
<td>For Investors in a Class with a Gain Currency other than Australian dollars, for the purposes of determining the Distribution amount for any Distribution Period, will be the relevant Australian dollar:Gain Currency exchange rate on the relevant Exposure End Date.</td>
</tr>
<tr>
<td>FATCA</td>
<td>Also known as the US Foreign Account Tax Compliance Act, means sections 1471 through 1474 of the US Internal Revenue Code, as of the date of this agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), and any current or future US Treasury Regulations or official interpretations thereof.</td>
</tr>
<tr>
<td>Final Investment Level</td>
<td>If a Term Performance Cap applies, the lesser of: a) the Closing Level of the Reference Asset at the Swap Valuation Date, and b) Initial Investment Level + (Initial Investment Level x the Term Performance Cap). If no Term Performance Cap applies, the Closing Level of the Reference Asset at the Swap Valuation Date. The Final Investment Level will only be relevant and used to calculate your Reference Asset Gain where it exceeds the value of the Initial Investment Level. In the case the Final Investment Level is less than the Initial Investment Level, your Reference Asset Gain will be equal to zero.</td>
</tr>
<tr>
<td>Financial Year</td>
<td>The period from 1 July to the following 30 June.</td>
</tr>
<tr>
<td>Flexi Website</td>
<td>The website accessible at the following address: macquarie.com.au/flexi.</td>
</tr>
<tr>
<td>Fund</td>
<td>The Macquarie Flexi 100 Trust ARSN 129 962 189.</td>
</tr>
<tr>
<td>Gain Currency</td>
<td>The currency in which your Reference Asset Gain for a Class is calculated before being converted to Australian dollars at the time of payment. See section 3 for more information.</td>
</tr>
<tr>
<td>GST</td>
<td>Goods and Services Tax.</td>
</tr>
<tr>
<td>H-Share Index</td>
<td>The Hang Seng China Enterprises Index.</td>
</tr>
<tr>
<td>$HK</td>
<td>Hong Kong Dollar, the official currency of the Hong Kong Special Administrative Region of the People's Republic of China.</td>
</tr>
<tr>
<td>HSHSI</td>
<td>The Hang Seng H-Share Index ETF.</td>
</tr>
<tr>
<td>Hurdle</td>
<td>The Hurdle expressed as a percentage in the relevant Term Sheet multiplied by the Initial Investment Level for the relevant Class.</td>
</tr>
<tr>
<td>Index Sponsor</td>
<td>The corporation or other entity that: a) is responsible for setting and reviewing the rules and procedures and other methods of calculation and adjustments, if any, related to an Index, and/or b) announces (directly or through an agent) the level of the relevant Index on a regular basis during the Term.</td>
</tr>
<tr>
<td>Index</td>
<td>Any index which forms part of a Reference Asset, as the context requires, and Indices is to have a corresponding meaning.</td>
</tr>
<tr>
<td>Information Booklet</td>
<td>The document forming part of, and containing content incorporated by reference into, this PDS.</td>
</tr>
<tr>
<td>Initial Investment Level</td>
<td>The closing price of the Reference Asset on the Swap Start Date.</td>
</tr>
<tr>
<td>Interest Amount</td>
<td>The $A amount of the Interest Loan you draw down to pay your upfront interest costs under the optional Interest Loan.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-----------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Interest Loan</td>
<td>An $A loan from the Loan Provider to an Investor for the payment of the interest paid annually-in-advance on an Investment Loan pursuant to the Loan Agreement.</td>
</tr>
<tr>
<td>Interest Period</td>
<td>In relation to the Investment Loan, a period starting on the Issue Date and each anniversary of the Issue Date, and ending on the earlier of: a) the day preceding the anniversary of the Issue Date in the next calendar year, and b) the relevant Maturity Date.</td>
</tr>
<tr>
<td>Investment Amount</td>
<td>The $A amount of the aggregate issue price of the Units you are issued in a Class of the Macquarie Flexi 100 Trust.</td>
</tr>
<tr>
<td>Investment Linked Swap Arrangement</td>
<td>A contractual arrangement to be entered into in respect of each of the Class Portfolios in the Fund to obtain an exposure to the relevant Reference Asset from the Swap Start Date. Each Investment Linked Swap Arrangement consists of a Swap Agreement and a Collateral Agreement.</td>
</tr>
<tr>
<td>Investment Loan</td>
<td>An $A denominated, limited recourse loan from the Loan Provider to an Investor for investment in the Macquarie Flexi 100 Trust pursuant to the Loan and Put Option Agreement.</td>
</tr>
<tr>
<td>Investor</td>
<td>A person who invests in the Macquarie Flexi 100 Trust.</td>
</tr>
<tr>
<td>IRS</td>
<td>The US Internal Revenue Service.</td>
</tr>
<tr>
<td>Issue Date</td>
<td>For each Class offered to Investors, the date as determined by the Issuer for the issue of those Units in the Macquarie Flexi 100 Trust as stated in the relevant Term Sheet.</td>
</tr>
<tr>
<td>Issuer</td>
<td>Macquarie Financial Products Management Limited ABN 38 095 135 694.</td>
</tr>
<tr>
<td>KOSPI 200</td>
<td>The KOSPI 200 Index.</td>
</tr>
<tr>
<td>Loan</td>
<td>An Investment Loan, Interest Loan or any other loan agreement between the Loan Provider and you.</td>
</tr>
<tr>
<td>Loan Agreement</td>
<td>The Loan and Put Option Agreement.</td>
</tr>
<tr>
<td>Loan Confirmation</td>
<td>A document setting out the key terms of your Loan(s) and the interest rate that will apply.</td>
</tr>
<tr>
<td>Loan and Put Option Agreement</td>
<td>The Loan and Put Option Agreement to be entered into between the Loan Provider and you under which you borrow the Investment Amount pursuant to an Investment Loan and, if applicable, the Interest Amount.</td>
</tr>
<tr>
<td>Loan Establishment Fee</td>
<td>The fee that an Investor may, if applicable in respect of an Offer, be required to pay to the Loan Provider to establish the Investment Loan.</td>
</tr>
<tr>
<td>Loan Provider</td>
<td>MSIL, unless otherwise determined by the Issuer to be another Macquarie Group company, in which case it will be that Macquarie Group company.</td>
</tr>
<tr>
<td>Macquarie Bank Limited or MBL</td>
<td>Macquarie Bank Limited ABN 46 008 583 542.</td>
</tr>
<tr>
<td>Macquarie Group</td>
<td>Macquarie Group Limited ABN 94 122 169 279 and its Related Bodies Corporate (as defined in the Corporations Act).</td>
</tr>
<tr>
<td>Maturity or Maturity Date</td>
<td>For a Class, the date specified as the Maturity Date in the relevant Term Sheet.</td>
</tr>
<tr>
<td>MIML</td>
<td>Macquarie Investment Management Limited.</td>
</tr>
<tr>
<td>Minimum Investment Amount</td>
<td>The minimum amount that you may invest in the Fund being $A25,000 in total. The minimum you may invest in any one Class is $A5,000.</td>
</tr>
<tr>
<td>Minimum Performance Cap</td>
<td>The minimum level of the Term Performance Cap, Share Performance Cap or Annual Performance Cap (as applicable) that will apply to a Class at the Swap Start Date, as in the relevant Term Sheet.</td>
</tr>
<tr>
<td>MFPML</td>
<td>Macquarie Financial Products Management Limited ABN 38 095 135 694.</td>
</tr>
<tr>
<td>Mortgage</td>
<td>For Superannuation Investors, the mortgage the Security Trustee has given to the Loan Provider over your Units and their proceeds and related rights as security for your obligations under the Loans. For borrowers who are not Superannuation Investors, the mortgage you have given to the Loan Provider over your Units and their proceeds and related rights as security for your obligations under the Loans.</td>
</tr>
<tr>
<td>MSIL</td>
<td>Macquarie Specialist Investments Lending Limited ABN 59 125 574 389.</td>
</tr>
<tr>
<td>Notification Date</td>
<td>The date by which you must submit to the Loan Provider your Withdrawal Form if you want to Walk-Away on the next Walk-Away Date, as stated in the relevant Term Sheet.</td>
</tr>
<tr>
<td>Offer</td>
<td>An invitation to apply for Units in the Macquarie Flexi 100 Trust and Loans. MFPML will place offers in a Term Sheet.</td>
</tr>
<tr>
<td>Offer Close</td>
<td>For a Class, the date specified as the Offer Close for an Offer in the relevant Term Sheet.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Participation Rate</td>
<td>The rate used in the calculation of your Reference Asset Gain as stated in the relevant Term Sheet in relation to each Units Class offered to Investors.</td>
</tr>
<tr>
<td>Payoff</td>
<td>The way in which the return on your investment in a Class is calculated with reference to the Reference Asset, Performance Cap, Hurdle, Participation Rate, Distribution Rate and, if applicable, Gain Currency.</td>
</tr>
<tr>
<td>Performance Cap</td>
<td>A Term and/or Share Performance Cap, as the context requires.</td>
</tr>
<tr>
<td>PDS</td>
<td>This document issued by MFPML and dated 18 September 2013.</td>
</tr>
<tr>
<td>PGAIL</td>
<td>PIMCO Global Advisors (Ireland) Limited.</td>
</tr>
<tr>
<td>Reference Asset</td>
<td>The index, fund, ETF or security to which a Class has exposure.</td>
</tr>
<tr>
<td>Reference Asset Constituent</td>
<td>For a Reference Asset with more than one constituent, each one of those constituents.</td>
</tr>
<tr>
<td>Reference Asset Gain</td>
<td>Will broadly represent any increase in the value of an investor's investment over the respective Hurdle and subject to a Term Performance Cap (if applicable).</td>
</tr>
<tr>
<td>Relevant Exchange</td>
<td>Any exchange or quotation system where trading has a material effect (in MBL's reasonable opinion) on the overall market for futures, option contracts or securities relating to the relevant Reference Asset or Reference Asset Constituent. If a Reference Asset Constituent is calculated by reference to an asset (such as a share or commodity) traded on more than one exchange, each such exchange will be a Relevant Exchange for the Reference Asset Constituent.</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>Standard &amp; Poor's Financial Services, LLC.</td>
</tr>
<tr>
<td>Security Trustee</td>
<td>Bond Street Custodians Limited ABN 57 008 607 065.</td>
</tr>
<tr>
<td>Security Trust Deed</td>
<td>The agreement or deed under which the Security Trustee agrees to hold the Units acquired for each Superannuation Investor in a separate trust for each Superannuation Investor and provides security for the Loans in favour of the Loan Provider.</td>
</tr>
<tr>
<td>Self Managed Superannuation Fund</td>
<td>A superannuation fund established for 1-4 individuals and controlled by trustees/directors who are also members.</td>
</tr>
<tr>
<td>SGY</td>
<td>MSCI Singapore Index.</td>
</tr>
<tr>
<td>Share Performance Cap</td>
<td>For Reference Assets with multiple Reference Asset Constituents, the cap that may be applied to the Constituent Closing Level of each Reference Asset Constituent at the Swap Valuation Date. The cap is expressed as a percentage of the Closing Level on the Exposure Start Date. A list of Classes to which the Share Performance Cap applies is specified in the relevant Term Sheet.</td>
</tr>
<tr>
<td>SIS Act</td>
<td>Superannuation Industry (Supervision) Act 1993 (Cth), as amended from time to time.</td>
</tr>
<tr>
<td>Superannuation Investors</td>
<td>Trustees of Self Managed Superannuation Funds.</td>
</tr>
<tr>
<td>Swap Agreement</td>
<td>Part of the Investment Linked Swap Arrangement, as described in sections 1.1 and 2.1 of the Information Booklet.</td>
</tr>
<tr>
<td>Swap Counterparty</td>
<td>An entity that enters into a Swap Agreement, namely Macquarie Bank Limited.</td>
</tr>
<tr>
<td>Swap Start Date</td>
<td>For a Class, on or around the relevant Issue Date specified for an Offer in the relevant Term Sheet, being the date on which the applicable Class Portfolio exposure to the relevant Reference Asset commences.</td>
</tr>
<tr>
<td>Swap Valuation Date</td>
<td>The date specified as the Swap Valuation Date for an Offer in the relevant Term Sheet, being the date on which the applicable Class Portfolio exposure to the Reference Asset ends.</td>
</tr>
<tr>
<td>Tax Act</td>
<td>Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth), as amended from time to time.</td>
</tr>
<tr>
<td>Term</td>
<td>The period from the Issue Date to Maturity.</td>
</tr>
<tr>
<td>Term Sheet</td>
<td>The document detailing the terms of each Class currently on Offer to Investors available on the Flexi Website and/or by contacting MFPML on 1800 080 033.</td>
</tr>
<tr>
<td>Term Performance Cap</td>
<td>The cap that may be placed on the Final Investment Level of the Reference Asset. The cap is expressed as a percentage of the Initial Investment Level of the Reference Asset.</td>
</tr>
<tr>
<td>TFHK</td>
<td>The Tracker Fund of Hong Kong.</td>
</tr>
<tr>
<td>TWY</td>
<td>The MSCI Taiwan Index.</td>
</tr>
<tr>
<td>Underlying Fund Manager</td>
<td>The investment manager of any Reference Asset or Reference Asset Constituent that is a fund, and Underlying Fund Managers is to have a corresponding meaning.</td>
</tr>
<tr>
<td>Unit Valuation Date</td>
<td>The date on which an investor’s Units will be valued if they exercise the Walk-Away feature as stated in the relevant Term Sheet.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Units</td>
<td>Ordinary fully paid units in the Macquarie Flexi 100 Trust offered under this PDS.</td>
</tr>
<tr>
<td>US</td>
<td>The United States of America.</td>
</tr>
<tr>
<td>$US</td>
<td>US dollars, the official currency of the United States of America.</td>
</tr>
<tr>
<td>US Equity Classes</td>
<td>The Classes that may be offered to Investors with the S&amp;P 500 Index as a Reference Asset, and <strong>US Equity Class</strong> is to have a corresponding meaning.</td>
</tr>
<tr>
<td>Walk-Away</td>
<td>The ability for borrowers to exercise a put option under the Loan and Put Option Agreement on a Walk-Away Date.</td>
</tr>
<tr>
<td>Walk-Away Dates</td>
<td>Dates on which you will be able to exercise the Walk-Away feature of the Investment Loan prior to Maturity as stated in the relevant Term Sheet.</td>
</tr>
<tr>
<td>Weight</td>
<td>The weighting factor of a particular Reference Asset Constituent in determining the Closing Levels of the Reference Assets.</td>
</tr>
<tr>
<td>Withdrawal Form</td>
<td>Form to be made available on the Flexi Website to be submitted to the Loan Provider/Issuer giving notice of your intention to exercise the Walk-Away feature.</td>
</tr>
</tbody>
</table>
10. How to apply

10.1 What should I read?
You must read this PDS, the current Term Sheet, the Information Booklet and all updates on the Flexi Website. If you then decide that you want to apply for Units in a Class, please complete and return the Application Form or print, complete and return a copy of the Application Form from the Flexi Website.

Read the current Term Sheet to see the list of any Offer of Classes that are open at the time you wish to invest. You can obtain a copy of the current Term Sheet free of charge either by visiting the Flexi Website and/or by contacting MFPML on 1800 080 033.

The Term Sheet includes the:
1. Classes available for investment including their Reference Asset
2. Offer Close date for receipt of Application Forms
3. Issue Date for Units to be issued to successful applicants
4. Maturity Date
5. Walk-Away Dates
6. Notification Dates
7. Swap Valuation Dates
8. Unit Valuation Dates
9. Distribution Dates
10. Distribution Rates
11. Hurdles
12. Gain Currencies
13. Participation Rates
14. Indicative Term and Share Performance Caps (as applicable)
15. Minimum Performance Caps
16. Indicative Investment Loan and Interest Loan interest rates, and
17. Investment and Interest Loans available.

Applications must be received by MFPML by the Offer Close date for that Class.

The Issuer reserves the right to vary the date and times related to the Offer, without prior notice, and to accept late applications, reject applications and/or close the Offer early. Any changes will be made available on the Flexi Website at macquarie.com.au/flexi.

MFPML makes no representation that it will make any Offers, that Classes with exposure to all or any particular Reference Asset will be offered or that it will make Offers at any particular time.

10.2 How to complete your Application Form
If you wish to apply to invest in the Fund offered under this PDS, you must complete the Application Form included in or accompanying this PDS in accordance with the instructions set out in the Application Form. Depending on your Investor type, the Loan(s) you elect and whether you have invested with Macquarie Group before, you may be required to provide documentation additional to your Application Form. Details of these requirements are specified in the Application Form.

The Issuer may accept or reject any application in part or in full for any reason. Investors will only receive the number of Units equivalent to the amount of their approved Investment Loan.

Investors who provide email contact details will be notified by email that their Application Form has been received. Confirmations of the number of Units issued to each Investor will be sent to them, and any financial adviser whose details are included on the Application Form, as soon as practicable after the relevant Issue Date.

10.3 How to submit your Application Form
Please submit your Application Form and any required accompanying documents (if required, verification of income) to the following address before 3:00pm (Sydney time) on the relevant Offer Close date specified on the Flexi Website.

By mail or delivery:
Client Service Team – Macquarie Flexi 100 Trust
GPO Box 4294
SYDNEY NSW 1164

By email: structuredinvestments@macquarie.com.au
By fax: (02) 8232 6158

MFPML may act on a faxed or emailed Application Form. You should, however also send the original to us in the mail for our records. If you have any questions please contact Client Service on 1800 080 033.

If your Application Form is received on the applicable Offer Close date and the Issuer receives a large number of Application Forms on that date, there is no guarantee that your Application Form will be processed or that Units will be issued to you. Accordingly, you are encouraged to submit your Application Form prior to these dates as applicable.

While each Offer is scheduled to close at 3:00pm (Sydney time) on the relevant Offer Close date specified in the relevant Term Sheet, you are encouraged to submit your Application Form so that it is received by the Issuer on or before the business day prior to the applicable Offer Close date.
10. How to apply

10.4 FATCA

In 2010, the United States enacted a law (the HIRE Act) which included provisions commonly referred to as FATCA. While the final regulations have not yet come into effect, FATCA will require participating non-US based financial institutions to report certain information about financial accounts held directly or indirectly by US persons to the IRS. To comply with these requirements, these participating financial institutions will be required to:

- undertake certain identification and due diligence procedures with respect to its existing and new account holders
- report annually to the IRS on its account holders who are US Persons, and
- withhold and pay 30 per cent of US source income to the IRS, as well as gross proceeds from the sale of property that generates US source interest, or dividends made to US account holders failing to provide certain information.

FATCA will affect us.

Macquarie Group intends to comply with FATCA and any intergovernmental agreement. Accordingly, when you apply to invest you agree to:

a) provide us certain identification and other information in order for us to comply with our obligations under FATCA including obligations under any agreement with the IRS

b) waive any provision of foreign law that would, absent a waiver, prevent us from complying with our obligations under FATCA including obligations under any agreement with the IRS and acknowledge that, if you fail to provide such a waiver, we may withhold any payments to you

c) acknowledge that if you fail to provide information on a timely basis, you may be subject to a 30 per cent US withholding tax

d) acknowledge that if you fail to comply with such obligations and such failure could result in us being unable to enter into or comply with any agreement with the IRS, we can terminate your investment, and

e) acknowledge that you will indemnify us and the other investors for any losses resulting from your failure to meet your obligations under this provision, including any withholding tax imposed by FATCA as a result of such failure.

MFPML reserves the right not to issue Units to US persons or other applicants which would require MFPML or any other Macquarie Group company to comply with FATCA.
The Macquarie Flexi 100 Trust (Flexi 100) is currently open for application until 3.00pm (Sydney time) on Friday 21 November 2014. Please ensure that you submit your original Application Form on or before this date.

To ensure your application is processed without undue delays, we have compiled a checklist of all information required before we can process the Application Form.

The Application Form can be found at the end of the Offer Document, available on the Flexi website.

- **Identification documents**
  Applications must satisfy the documentation requirements listed in the checklist on page two of the Application Form.

  If you have provided Macquarie Specialist Investments with an FSC/FPA Form after 2008, you may not be required to complete another FSC/FPA Form provided you have completed the relevant fields on page 7 of the Application Form.

  FSC/FPA Forms are available at macquarie.com.au/aml. For organisations, please ensure the details provided match the details registered with ASIC.

- **Part 2 – Trustee applicants**
  When completing the trustee details in Part 2D – ‘Trustee Applicant details’, please ensure that names of all trustees are provided in the relevant sections.

- **Part 5 – Credit assessment guidelines**
  You will be credit tested if you apply for an Interest Loan. Please ensure the box in Part 5A is selected and, if the Interest Loan exceeds $10,000, Part 5C is completed.

  Companies and trusts (including SMSFs) cannot apply for Interest Loans.

If filling out Part 5C – ‘Statement of Financial Position’, please note:

- all applicants who have aggregate loans with Macquarie Funds Group (including the Interest Loan but excluding any Flexi 100 Investment Loan(s)) that in total exceed $A150,000 will need to provide verification of their income and assets
- verification documents are listed on page 18 of the Form
- further supporting documentation may be requested by the Loan Provider.

- **Part 6 – Direct debit request and Authority**
  When completing Part 6 – ‘Direct debit request’ and ‘Authority’, please ensure the bank account details provided are in the same name as the applicant.

  This means if the applicant is:
  - an individual investor, the bank account details provided must be in the name of that individual
  - a company, then the company details must be given
  - a SMSF, the name must be in the format ‘[trustee name] ATF [trust name]’
  - nominating a joint bank account, then both/all account holders must sign.

- **Part 10 – Applicant signature**
  Every applicant must sign and date this section.

  Forms that do not have all applicant signatures cannot be processed. If the applicant is an individual, the witness signature and name fields must be completed.
How to submit the Application Form

Please submit the Application Form and any required accompanying documents (including verification of income and assets) before 3.00pm (Sydney time) on Friday 21 November 2014.

You are encouraged to submit your Application Form so it is received on or before Thursday 20 November 2014.

Client Service Team
Macquarie Flexi 100 Trust
GPO Box 4294
Sydney NSW 1164

You can fax or email your Application Form to meet the deadline:
By fax: (02) 8232 6158
By email: structuredinvestments@macquarie.com

More information

For more information about Flexi 100 or the application process, please contact your financial adviser or the Macquarie Client Service Team.

Phone: 1800 080 033
Email: structuredinvestments@macquarie.com
Website: macquarie.com.au/flexi

This Offer closes on 3pm (Sydney time) Friday 21 November 2014.

Important information

The information in this document is confidential and is provided to holders of an Australian financial services licence or their authorised representatives who are financial advisers. It must not be reproduced, distributed or disclosed to any other person, without the prior written consent of MFPML.

This information is dated and is current as at 8 September 2014 and was prepared by Macquarie Financial Products Management Limited ABN 38 099 135 694, AFSL 237847 (MFPML), the issuer of units in and the responsible entity of the Macquarie Flexi 100 Trust ARSN 129 962 189. An invitation by MFPML for Investors to apply for Units in the Macquarie Flexi 100 Trust is made in the Product Disclosure Statement (including the Information Booklet) dated 18 September 2013, Supplementary Product Disclosure Statement dated 8 September 2014 and a Term Sheet dated 8 September 2014 (together, the Offer Document). The Offer Document is available from MFPML at macquarie.com.au/flexi or by phoning 1800 080 033.

In deciding whether to acquire or continue to hold an investment in the Macquarie Flexi 100 Trust, investors should obtain a copy of the Offer Document and consider its contents.

This information is general advice and does not take account of investors’ objectives, financial situation or needs. Before acting on this general advice, investors should therefore consider the appropriateness of the advice having regard to their objectives, financial situation or needs. We recommend investors obtain financial, legal and taxation advice and consider all risks before making any financial investment decision.

MFPML or its associates, officers or employees may have interests in the financial products referred to in this information by acting in various roles including as investment adviser, broker or lender. MFPML or its associates may receive fees, brokerage or commissions for acting in these capacities. In addition, MFPML or its associates, officers or employees may buy or sell the financial products as principal or agent. Investors may contact MFPML on 1800 080 033.

The loans are offered by Macquarie Specialist Investments Lending Limited ABN 59 125 574 389 (MSIL) and are subject to approval.

MFPML does not give, nor does it purport to give, any taxation advice (including any tax (financial) advice service). The taxation discussion in this document is based on laws current at the time of writing. Those laws and the level of taxation may change. The application of taxation laws to each investor depends on that investor’s individual circumstances. Accordingly, investors should seek independent professional advice on taxation implications before making any investment decisions.

MFPML or its associates, officers or employees may have interests in the financial products referred to in this information by acting in various roles including as investment adviser, broker or lender. MFPML or its associates may receive fees, brokerage or commissions for acting in these capacities. In addition, MFPML or its associates, officers or employees may buy or sell the financial products as principal or agent. Investors may contact MFPML on 1800 080 033.

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The loans are offered by Macquarie Specialist Investments Lending Limited ABN 59 125 574 389 (MSIL) and are subject to approval.

MFPML does not give, nor does it purport to give, any taxation advice (including any tax (financial) advice service). The taxation discussion in this document is based on laws current at the time of writing. Those laws and the level of taxation may change. The application of taxation laws to each investor depends on that investor’s individual circumstances. Accordingly, investors should seek independent professional advice on taxation implications before making any investment decisions.

Investments in the Macquarie Flexi 100 Trust are not deposits with, or other liabilities of Macquarie Bank Limited ABN 46 008 563 442 (MBL), MSIL or of any Macquarie Group company, and are subject to investment risk, including possible delays in repayment and loss of income or capital invested. None of MBL or other member companies of the Macquarie Group of companies guarantees any particular rate of return, the performance of, or the repayment of capital from, the Macquarie Flexi 100 Trust.
Macquarie Flexi 100 Trust – November 2014
Application Form

This is the Application Form for Units in the Macquarie Flexi 100 Trust (Flexi 100). This Application Form should accompany the Product Disclosure Statement and Information Booklet issued by Macquarie Financial Products Management Limited ABN 38 095 135 694 AFSL 237847 (MFPML) dated 18 September 2013 and the Term Sheet and Supplementary Product Disclosure Statement issued by MFPML dated 8 September 2014 (collectively the Flexi PDS). The Flexi PDS contains important information about investing in Flexi 100 and borrowing under the Loans. You should read the Flexi PDS in full before making a decision to invest in Flexi 100.

This Application Form is also an application for the Macquarie Adviser Payment Arrangement (APA). The Product Disclosure Statement for the APA (the APA PDS) is available at macquarie.com.au/msiapa. The APA PDS contains important information about the APA. You should read the APA PDS before making a decision to apply for an APA.

Information in the Flexi PDS and the APA PDS may change from time to time. Where information that changes is not materially adverse to investors, we may update this information by updating the Flexi PDS or APA PDS, as the case may be, by publishing an update at macquarie.com.au/flexi or macquarie.com.au/msiapa respectively.

You can access a copy of the latest version of the Flexi PDS and the APA PDS, any updated information and the Application Form free of charge from our website or by contacting us.

The information provided in the Flexi PDS and the APA PDS is general information only and does not take account of your personal financial situation or needs. You should obtain your own financial advice tailored to your personal circumstances.

If you require a full, paper copy of the Flexi PDS, APA PDS or Application Form, call us on 1800 080 033, or download from macquarie.com.au/flexi or macquarie.com.au/msiapa respectively.

Please complete this form using BLACK INK and print well within the boxes with CAPITAL LETTERS. Mark appropriate answer boxes with a cross. Start at the left of each answer space and leave a gap between words. Should you have any questions, please call Client Service on freecall 1800 080 033 between 8.30am and 5.30pm (Sydney time).

Terms defined in the Flexi PDS have the same meaning in this Application Form.

Checklist

Accounts can only be opened by the following types of investors:

- Individuals over 18 years of age
- Trustees of other entities
- Partnerships
- Companies or incorporated bodies
- Associations/cooperatives, or
- Government entities.

MFPML, MBL and the Loan Provider (together, Macquarie) are subject to the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) (AML/CTF Laws). To comply with AML/CTF Laws, we must collect certain information about each investor as set out on the following page. If you are not one of the types of investors listed on the left or do not have the identification documentation referred to, please contact Client Service for other acceptable identification documentation.

Macquarie may disclose your personal information in connection with AML/CTF Laws. In certain circumstances, Macquarie may be obliged to freeze or block an account where it is used in connection with illegal activities or suspected illegal activities. Freezing or blocking can arise as a result of the account monitoring obligations of Macquarie under the AML/CTF Laws. If this occurs, Macquarie is not liable to you for any consequences or losses whatsoever and you agree to indemnify Macquarie if it is found liable to a third party in connection with the freezing or blocking of your account.
### Checklist

#### Type of Investor: Individual/Joint/Sole Trader

<table>
<thead>
<tr>
<th>Who needs to sign the Application Form?</th>
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<tbody>
<tr>
<td>• Individual or joint applications are to be signed by the individual(s) in whose name(s) the account is opened.</td>
<td></td>
</tr>
<tr>
<td>• Joint applicants will be deemed joint tenants and both are to sign the Application Form.</td>
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<tr>
<td>• For Sole Traders, the individual is to sign.</td>
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</table>

<table>
<thead>
<tr>
<th>Documentation required</th>
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<tbody>
<tr>
<td>• Completed Application Form – section 2, 4, 6, 8, 9, 10 and sections 1, 3, 5 and 7 (as relevant).</td>
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<tr>
<td>• For each applicant in whose name(s) the account is opened, one of the following:</td>
<td></td>
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<tr>
<td>• original certified copy of Australian Drivers Licence</td>
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<tr>
<td>• original certified copy of Australian Passport</td>
<td></td>
</tr>
<tr>
<td>• original certified copy of a card issued under a State or Territory law for the purpose of proving a person’s age which contains a photograph of the person in whose name the document is issued</td>
<td></td>
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<tr>
<td>• original certified copy of foreign passport or similar document issued for the purpose of international travel that contains a photograph and the signature of the person in whose name the document is issued, or</td>
<td></td>
</tr>
<tr>
<td>• FSC/FPA Identification form completed by your adviser.</td>
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</tbody>
</table>

#### Type of Investor: Company – Domestic/Foreign

<table>
<thead>
<tr>
<th>Who needs to sign the Application Form?</th>
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<tbody>
<tr>
<td>• Australian and foreign company applications are to be signed by two directors, or a director and the company secretary, on behalf of the company by authority of the Board of directors.</td>
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<tr>
<td>• If the company has a sole director who is also sole company secretary; that sole director.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Documentation required</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>• Completed Application Form – section 2, 4, 6, 8, 9, 10 and sections 1, 3, 5 and 7 (as relevant).</td>
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</tr>
<tr>
<td>• For Australian companies, FSC/FPA Identification form completed by your adviser (where applicable).</td>
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</tr>
<tr>
<td>• Original certified copy of the constitution (unless the company’s constitution specifies otherwise).</td>
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</table>

#### Type of Investor: Trust (including Superannuation funds and Managed Investment Schemes)

<table>
<thead>
<tr>
<th>Who needs to sign the Application Form?</th>
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<tbody>
<tr>
<td>• Two trustees, or otherwise in accordance with the Trust Deed.</td>
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<tr>
<td>• If a corporate trustee, refer to the above section “Type of investor: Company – Domestic/Foreign”.</td>
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</table>

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>• Completed Application Form – section 2, 4, 6, 8, 9, 10 and sections 1, 3, 5 and 7 (as relevant).</td>
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</tr>
<tr>
<td>• FSC/FPA Identification form completed by your adviser (where applicable).</td>
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</table>

In addition, for a trust described in section 2D:

<table>
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<th>To verify the full name of the trust, one of the following:</th>
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<tr>
<td>• original certified copy of the Trust Deed, or if not reasonably available, a certified extract of the Trust Deed</td>
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<tr>
<td>• a notice (such as a notice of assessment) issued by the Australian Taxation Office within the last 12 months, or</td>
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<tr>
<td>• a letter from a solicitor or qualified accountant verifying the name of the trust.</td>
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<tr>
<td>• Full identification details for one of the Trustees (refer to documentation requirements for ‘Individual/Joint/Sole Trader’, ‘Company – Domestic/Foreign’ as applicable).</td>
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</table>

**Where an applicant sends its Trust Deed to us, we will only use that Trust Deed for AML purposes and we will not otherwise review the Trust Deed.**

Once your initial application for a Flexi 100 investment has been accepted by MFPML, you will be provided with confirmation of your Flexi 100 investment. Please refer to the Flexi PDS for further details.
Certification of documents

An ‘original certified copy’ is a document that has been certified as a true copy of the original document by an eligible certifier. The certifier must state their full name and qualification or occupation that makes them eligible to certify the document. The list below details the prescribed persons who are authorised to certify copies of identification documentation.

- An officer with, or authorised representative of, a holder of an Australian financial services licence, having two or more continuous years of service with one or more licensees.
- A finance company officer with two or more continuous years of service with one or more finance companies (for the purposes of the Statutory Declaration Regulations 1993 (Cth)).
- An officer with two or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993 (Cth)).
- A permanent employee of the Australian Postal Corporation with two or more years of continuous service who is employed in an office supplying postal services to the public.
- An agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public.
- A Justice of the Peace.
- A person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described).
- A judge of a court.
- A magistrate.
- A chief executive officer of a Commonwealth court.
- A registrar or deputy registrar of a court.
- An Australian police officer.
- An Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular Fees Act 1955 (Cth)).
- A member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with two or more years of continuous membership.
- A notary public (for the purposes of the Statutory Declaration Regulations 1993 (Cth)).

Documents in a language other than English must be accompanied by an English translation prepared by an accredited translator.

Protecting your privacy

MFPML and the Loan Provider collect certain personal information from you in order to administer your Flexi 100 investments and related Loans, and if you apply for an APA, MBL collects certain personal information from you in order to administer that arrangement.

As required by law, Macquarie has adopted a Privacy Policy that governs the collection, storage, use and disclosure of personal information. A copy of our Privacy Policy is available from our website at www.macquarie.com.au.

How does Macquarie use personal information

By signing the Application Form, you agree to Macquarie collecting, holding, using and disclosing personal information about you in accordance with its Privacy Policy. This includes using your personal information for:

- processing your application
- providing or marketing products and services to you
- administration purposes, including managing, monitoring, auditing and evaluating the products and services
- determining future product and business strategies and to develop services, including the modelling of data and data testing
- ensuring compliance with all applicable regulatory or legal requirements. This includes the requirements of ASIC, Australian Taxation Office, AUSTRAC and other regulatory bodies or relevant exchanges including the requirements of the superannuation law
- communicating with you in relation to your Flexi 100 investment or your APA and all transactions relating to the Flexi 100 investment or your APA and dealing with any complaints or enquiries, and
- providing products and services to you through other entities in the Macquarie Group, our agents, contractors or third parties whether or not located in Australia.

We collect and record personal information through our interactions with you and your nominated adviser(s), including by telephone, email or online. We may also collect personal information from public sources and third parties including information brokers and our service providers.

We aim to ensure that our record of your personal information is accurate, complete and up to date. If your personal information changes, inform us as soon as possible. You may correct or update this information by notifying us in writing.

Where you provide us with personal information about someone else you must first ensure that you have obtained their consent to provide their personal information to us based on this privacy statement.
What happens if you do not give us information

You may choose not to give personal information about you to Macquarie. Depending on the type of personal information, the consequences set out below may apply if you do not do so:

- refer to Part 2F of this Application Form for the consequences if you do not supply your Tax File Number (TFN) or a valid exemption (or in certain cases an Australian Business Number (ABN))
- MFPML may not be able to approve your application for Units in the Macquarie Flexi 100 Trust
- the Loan Provider may not be able to approve your application for a Loan
- MBL may not be able to approve your application for an APA
- Macquarie may not be able to provide you with an appropriate level of service.

We are required or authorised to collect your personal information under various laws including those relating to taxation and the AML/CTF Laws.

Disclosing your information

You agree and consent that Macquarie may disclose information we hold about you in the following circumstances:

- to other companies in the Macquarie Group as well as our agents, contractors or service providers, which provide services in connection with our products and services, for example printing statements or notices which we send to you
- collecting or assisting in the recovery of debts, locating you by using the services of licensed private agents or providing professional advice
- supplying information about your investments to any adviser that is nominated by you, or their dealer group
- to your agents and representatives (for example your broker, adviser, solicitor, accountant or superannuation fund administration) or any administrator, liquidator, trustee in bankruptcy, legal personal representative or executor, whether or not located in Australia
- disclosing your personal information to regulatory authorities (eg tax authorities in Australia and overseas) in connection with their lawful information requests or to meet our legal obligations in any relevant jurisdiction
- using your personal information to contact you on an ongoing basis (by telephone, electronic messages, online and other means) to offer you products or services that may be of interest to you, including offers of banking, financial advisory, investment, insurance and funds management services, unless you tell us not to
- disclosing your personal information to any person proposing to acquire an interest in our business
- if the disclosure is required or authorised by law
- if you consent.

In order to use and disclose your personal information for the purposes stated above, we may be required to transfer your personal information to entities located outside Australia (this includes locations in the Philippines and India and the countries specified in our Privacy Policy). By completing the Application Form, you consent to your personal information being transferred overseas for these purposes.

Direct marketing

We and other companies in the Macquarie Group may use your personal information to contact you on an ongoing basis by telephone, electronic messages (like email), online and other means to offer products or services that may be of interest to you including offers of banking, financial advisory, investment, insurance and funds management services, unless you change your marketing preferences by telephoning us as set out below.

Contacting us

Under the Privacy Act, you may request access to your personal information that we hold. You can contact us to make such a request or for any other reason relating to the privacy of your personal information by telephoning us on 1800 080 003 or email the Privacy Officer at privacy@macquarie.com.

You may also request a copy of our Privacy Policy which contains further details about our handling of personal information, including how you may access or update your personal information and how we deal with your concerns. The Privacy Policy can also be found via www.macquarie.com.au.

Complaints

If you wish to complain about any breach or potential breach of our privacy obligations, you should contact us by any of the methods contained in this Application Form. It is our intention to use our best endeavours to resolve any complaint to your satisfaction, however, if you are unhappy with our response, you are entitled to contact the external dispute resolution scheme set out in the Flexi PDS or APA PDS or the Office of the Australian Information Commissioner who may investigate your complaint further.
How much money do I need to get started?
The amount you will need to get started depends on your choice of Investment Loan. For an Investment Loan of $A50,000 the annual-in-advance Investment Loan interest payment for the first Interest Period would be equal to $A3,350 (using an indicative interest rate of 6.70% pa as at 1 September 2014).

If you do not apply for, or are not approved for, an Interest Loan, the applicable amount will be direct debited from your account on or around the relevant Issue Date.

If you apply and are approved for an Interest Loan, the annual-in-advance Investment Loan interest payment will be funded by your Interest Loan. You will repay the amount of your Interest Loan with monthly repayments of principal and interest each year of your investment. These will be direct debited from your account at the end of each month, with the first payment to occur on 31 December 2014.

In addition, please note:

• If you are applying for an Interest Loan, and have aggregate loans with Macquarie Group that in total exceed $A150,000 that are used in loan principal protected investments offered by any member of Macquarie Group (including the Interest Loan (if any) applied for under this Offer but not the Investment Loan), you will need to provide verification of your income and net assets by providing the documents set out in section 5C of this Application Form

• If you are a Superannuation Investor applying for an Investment Loan in excess of $A200,000 (including investments in prior offers of Flexi 100), you will need to provide certification from an accountant, as specified in section 7 of the Application Form

• If you are a non-Superannuation Investor applying for an Investment Loan in excess of $A200,000 (including investments in prior offers of Flexi 100) and do not have your Application Form stamped by an adviser, you will need to provide certification from an accountant, as specified in section 7 of the Application Form

• If you are a Trustee Applicant and (1) you are not a Superannuation Investor and (2) you are applying for an Investment Loan in excess of $A200,000, you will need a solicitor to confirm that you have the power to borrow to invest in the Macquarie Flexi 100 Trust. This is done by completing and signing the relevant section of the Application Form. Refer to section 2E of the Application Form for more information regarding the certificate of the trustee’s solicitor

• By signing section 9 – ‘Applicant signature’ of the Application Form, you authorise Macquarie Bank Limited ABN 46 008 583 542, as your attorney and by way of electronic signature, to sign the Loan and Put Option Agreement in the form of section 3 of the Information Booklet on your behalf.

How to submit the Application Form

Please submit your Application Form and any required accompanying documents (including, if required, verification of income) to the following address so it is received before 3pm (Sydney time) on 21 November 2014.

By mail or delivery:
Client Service – Macquarie Flexi 100 Trust
GPO Box 4294
Sydney NSW 1164

While the current Offer is scheduled to close at 3pm (Sydney time) on 21 November 2014, you are encouraged to submit your Application Form so that it is received by the Responsible Entity on or before 20 November 2014.

Application Forms can be faxed to MFPML at (02) 8232 6158 or emailed to MFPML at structuredinvestments@macquarie.com. We may act on your instructions received by fax or email. You should also however send your original Application Form to the above address for our records.

If you have any questions please contact Client Service on 1800 080 033.
Adviser details (to be completed by advisers only)

Place stamp here:

Adviser name:

Dealer group:

Adviser company name:

ABN: AFSL:

Adviser postal address

Street name and number (or PO Box):

Suburb:

State: Postcode: Country:

Work phone number:

Fax number: Mobile number:

Adviser email:

Adviser Macquarie Access Code (MAC):

Assistant name:

Work phone number: Mobile number:

For more information regarding this Application Form please contact: □ Adviser □ Adviser’s Assistant

Additional information

Adviser own loan?

□ Yes □ No

New advisers only: Please call Client Service on 1800 080 033.

Special instructions

Adviser declaration

If a Financial Services Council Limited/Financial Planning Association of Australia Identification Form (FSC/FPA Form) has been provided in relation to the Investor(s) referred to in this Application Form, by signing below and submitting the relevant FSC/FPA Form with this Application Form, as the adviser, I represent to Macquarie that I am appropriately licensed under the Corporations Act 2001, and I:

1. have followed the FSC/FPA Industry Guidance Note No. 24 and any other applicable guidelines with respect to the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, rules and other subordinate instruments (AML/CTF Laws)

2. will make available to Macquarie, on request, original verification and identification records obtained by me in respect of the Investor, being those records referred to in the FSC/FPA Form

3. will provide details of the customer identification procedures adopted by me in relation to the Investor

4. have kept a record of the Investor’s identification and verification and will retain these in their file for a period of seven years after my relationship with the Investor has ended

5. will use reasonable efforts to obtain additional information from the Investor if Macquarie asks me to do so

6. will not knowingly do anything to put Macquarie in breach of the AML/CTF Laws, and

7. will notify Macquarie immediately if I become aware of anything that would put Macquarie in breach of AML/CTF Laws.
Adviser details (continued)

If you have previously provided Macquarie Specialist Investments with an FSC/FPA Form for the Applicant(s) of this Application Form, you may not be required to complete another FSC/FPA Form.

For ease of processing, please provide the Facility Number for each Applicant.

A relevant FSC/FPA Form has previously been provided for each of the following Applicant(s):

Name: 
Facility Number: 

Name: 
Facility Number: 

Name: 
Facility Number: 

Name: 
Facility Number: 

If you provide your email address, you agree that we may provide you with information including statements, transaction confirmations, reports and other material by email. From time to time we may still send you correspondence in the post. Contact Client Service if you wish to change your communication preferences.

If the Applicant has completed section 3 of this Application Form in relation to the Adviser Payment Arrangement you acknowledge that the specified advice fees will be credited to the account which we currently have on file for your dealer group or, if you are the holder of an AFSL, for you. If you are a new adviser the advice fees will be credited to the account specified in the ‘New Adviser Details Form’. If you wish to confirm the bank account details please contact Client Service on 1800 080 033.

Please note that you are responsible for ensuring that you are legally entitled to the advice fees nominated by the Applicant to be paid through the APA and your dealer group will be responsible for issuing the APA Applicant with an invoice (including a GST invoice) in respect of those advice fees.

⚠️ All advisers must sign below.

Signature of adviser

Date: 
Name: 
2A. Applicant 1 details (this section is mandatory)

Investor type
- Individual Applicant (if joint Individual Applicants, complete section 2B)
- Director of Corporate Applicant (if more than one director, also complete section 2B. All Corporate Applicants must also complete section 2C)
- Trust (including Superannuation Investor) with Corporate Trustee (if more than one director, also complete section 2B. All Corporate Trustee Applicants must also complete sections 2C and 2D)
- Trust (including Superannuation Investor) with Individual Trustee (also complete section 2D; if more than one Individual Trustee Applicant, also complete section 2B)

Please note that if two individuals are investing as Joint Applicants both section 2A and 2B must be completed.
If the Applicant is a Superannuation Investor, please mark a cross (x) in the box below.
- Applicant is a Superannuation Investor

Applicant details – this section is mandatory
- Title:
- First name:
- Middle name:
- Surname:
- Any other name known by: (leave blank if not applicable)
- Occupation:
- Driver’s licence number:
- Date of birth:

Address details – this section is mandatory
Residential address (this cannot be a PO Box)
- Street name and number:
- Suburb:
- State:
- Postcode:
- Country:
If mailing address is the same as residential address, tick here

Mailing address (please complete if different to residential address)
- Street name and number:
- Suburb:
- State:
- Postcode:
- Country:

Previous residential address (please complete if less than three years at current residential address)
- Street name and number:
- Suburb:
- State:
- Postcode:
- Country:

Contact details (you must provide at least one contact phone number and an email address)
- Work phone number:
- Home phone number:
- Fax number:
- Mobile number:
- Email:
- Present employer:
- Previous employer:
Additional details – this section is mandatory
Are you an Australian resident for tax purposes?
☐ Yes  ☐ No, please specify your country of tax residence:

Macquarie Online Service
You can access details of your investment online. In order to gain access, you will require a Macquarie Access Code (MAC). Once you have your MAC, you can access your investment details at www.macquarie.com.au.

Do you already have a MAC? (You will be automatically issued with a MAC, if you do not specify otherwise.)
☐ Yes, please specify:  ☐ No

Unless you tick the box below, your adviser and/or adviser’s assistant will be able to view your account.
☐ I do not want my adviser (including all employees and agents if my adviser is in a partnership or company) to have viewing access to my account online.

2B. Applicant 2 details (if there is no second Applicant, proceed to section 2C)

Investor type
☐ Individual Applicant
☐ Director of Corporate Applicant (all Corporate Applicants must complete section 2C)
☐ Trust (including Superannuation Investors) with a Corporate Trustee (all Corporate Trustee Applicants must complete sections 2C and 2D)
☐ Trust (including Superannuation Investors) with an Individual Trustee (also complete section 2D)

Applicant details – this section is mandatory
Title:  First name:  Middle name:  Surname:  Any other name known by:  (leave blank if not applicable)
Occupation:  Driver’s licence number:  Date of birth:  

If Applicant 2 residential address is the same as Applicant 1, tick here ☐

Address details – this section is mandatory
Residential address (this cannot be a PO Box)
Street name and number:  Suburb:
State:  Postcode:  Country:  

Previous residential address (please complete if less than three years at current residential address)
Street name and number:  Suburb:
State:  Postcode:  Country:  


Applicant details (continued)

Contact details (you must provide at least one contact phone number and an email address)

<table>
<thead>
<tr>
<th>Work phone number:</th>
<th>Home phone number:</th>
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<th>Fax number:</th>
<th>Mobile number:</th>
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</table>

Email: __________________________

Present employer: __________________________

Previous employer: __________________________

Additional details – this section is mandatory

Are you an Australian resident for tax purposes?

☐ Yes ☐ No, please specify your country of tax residence: __________________________

Macquarie Online Service

You can access details of your investment online. In order to gain access, you will require a Macquarie Access Code (MAC). Once you have your MAC, you can access your investment details at www.macquarie.com.au.

Do you already have a MAC? (you will be automatically issued with a MAC, if you do not specify otherwise).

☐ Yes, please specify: __________________________ ☐ No

2C. Corporate Applicant details (if you are not a Corporate Applicant please proceed to section 2D)

Corporate Applicant type

☐ Corporate Applicant ☐ Trust (including Superannuation Investors) with Corporate Trustee (you must also complete section 2D)

Corporate Applicant details – this section is mandatory

Company name: __________________________

ACN: __________________________

Company’s registered address (this cannot be a PO Box)

Street name and number: __________________________

Suburb: __________________________

State: __________________________

Postcode: __________________________

Country: __________________________

If the company’s principal place of business is the same as above, tick here ☐

Company’s principal place of business address (if different from above)

Street name and number: __________________________

Suburb: __________________________

State: __________________________

Postcode: __________________________

Country: __________________________

Director’s names (list all)

__________________________

__________________________

__________________________
### Applicant details (continued)

**Contact details**

You must provide at least one contact phone number.

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<th>Work phone number</th>
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<th>Fax number</th>
<th>Mobile number</th>
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</table>

**Email:**

**Additional information – this section is mandatory**

**Business activities:**

**Company type:**

- [ ] Public company
- [ ] Proprietary company

If you ticked proprietary company, please list the full name and residential address of each Beneficial Owner below. A Beneficial Owner is a person who owns more than 25% of the company’s issued share capital.

**Full name and residential address of each Beneficial Owner**

<table>
<thead>
<tr>
<th>Name:</th>
<th>Street name and number:</th>
<th>Suburb:</th>
<th>State:</th>
<th>Postcode:</th>
<th>Country:</th>
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**2D. Trustee Applicant details**

**Note:** Trustees that are (1) not Superannuation Investors and (2) borrowing in excess of $A200,000 are additionally required to have their solicitor complete section 2E Certificate from trustee’s solicitor below.

**Name of the Trustee(s):**

**Name of the Trust:**

**Full business name of the Trustee in respect of the Trust (if any):**

**Type of Trust (eg SMSF, family trust, etc):**

**Business activities/purpose of Trust:**

**Country in which Trust was established:**
Applicant details (continued)

Beneficiaries of Trust
If the beneficiaries of the Trust are named in the Trust Deed, please list each beneficiary’s full name below. Alternatively, where beneficiaries are described as members of a class of beneficiaries, please include details of the class.

2E. Certificate from trustee’s solicitor (all trustee Applicants who (1) are not a Superannuation Investor and (2) are borrowing in excess of $A200,000 must have their solicitor complete this section)

I certify that:

a) I am a legal practitioner engaged by the Applicant

b) in my opinion, the trust described in section 2D of this Application Form was properly established and the trustee properly appointed under the trust deed (which has been stamped, if applicable) and the trust is validly subsisting at the date of this Application Form

c) in my opinion, the trustee has the power under the trust deed to enter into the Loan and Put Option Agreement (the Documentation) and to borrow the funds, grant the security and perform all of its other obligations under and associated with the Documentation

d) in my opinion, the trust receives benefits from the trustee entering into and performing its obligations under the Documentation, and

e) in my opinion, the terms of the trust deed do not restrict the right of the trustee to be fully indemnified out of the assets of the trust to satisfy any liability to the Loan Provider properly incurred by the trustee as trustee of the trust arising out of the transactions contemplated by the Documentation.

Title: ___________________________  Full given name(s): ___________________________
Surname: ___________________________
Any other name known by: ___________________________
Name of law firm: ___________________________

Contact details (you must provide at least one contact phone number)

Work phone number: ___________________________  Home phone number: ___________________________
Fax number: ___________________________  Mobile number: ___________________________
Email: ___________________________

Postal address (PO Box address is acceptable)

Street name and number: ___________________________  Suburb: ___________________________
State: ___________________________  Postcode: ___________________________  Country: ___________________________

Signature of solicitor

Name: ___________________________  Date: ___________________________
2F. Tax File Number or Australian Business Number

Please provide a Tax File Number (TFN), Australian Business Number (ABN) or exemption details for each Applicant. If you are completing this Application Form as an Individual Trustee or Corporate Trustee (including as a Superannuation Investor), you are only required to provide a TFN/ABN for the Trust. If you are completing this Application Form as a director of a company (other than a Corporate Trustee), you are only required to provide a TFN/ABN for the company.

**Applicant**

TFN/ABN or exemption details including any expiry date (if applicable):

**Joint Applicant**

TFN/ABN or exemption details including any expiry date (if applicable):

Collection of your TFN is authorised, and its use and disclosure are strictly regulated, by the tax laws and Privacy Act 1988 (Cth).

Quotation is not compulsory. If you do not supply your TFN or a valid exemption (or in certain cases an ABN), tax will be deducted from any income earned on an investment in Flexi 100 at the highest marginal tax rate plus Medicare Levy and forwarded to the Australian Taxation Office.

If you quoted your TFN or ABN above, you also authorise MFPML and the Loan Provider to disclose it to its nominee companies for the purposes relating to the securities in your portfolio.

For more information about the use of TFNs or ABNs contact your tax adviser or please phone your nearest Australian Taxation Office.

2G. Foreign Account Tax Compliance Act (FATCA)

2G.1 Individual

Are you a US citizen or resident for tax purposes?

- Yes, provide your US Taxpayer Identification Number (TIN):

- No, go to section 3

2G.2 Entities

Select one of the following:

- Regulated super fund (self managed superannuation fund, APRA regulated super fund, government super fund or pooled superannuation trust)

- US trust, company or partnership

- US Taxpayer Identification Number (TIN):

- Is the trust, company or partnership exempt for US tax purposes? Yes No. Once complete, go to section 2G.4

- Financial institution or trust with a trustee that is a financial institution

- Global Intermediary Identification Number (GIIN), if applicable.

- If no GIIN is available, provide FATCA status.

- Once complete, go to section 3

- Non-financial public company (public companies that are not Financial Institutions) go to section 3

- Non-financial propriety company go to 2G.3

- Partnership go to 2G.3

- Trust (including Testamentary Trust) go to 2G.3

- Charities go to 2G.3

- Government entities go to section 3

- Registered co-operations go to section 3

- Associations go to section 3
### Applicant details (continued)

**2G.3 Are any of the partners, trust beneficiaries, trustee, beneficial owners of corporate trustees, settlors or beneficial owners US citizens or residents of the US for tax purposes?**

- [ ] Yes, go to 2G.4
- [ ] No, go to section 3

**2G.4 Complete for each partner, beneficiary, trustee, beneficial owner of corporate trustees, settlor or beneficial owner.**

If required, provide additional details on a separate sheet.

#### US Person 1

<table>
<thead>
<tr>
<th>Full given name(s):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Surname:</td>
<td>US TIN:</td>
</tr>
</tbody>
</table>

**Residential address** (PO Box is NOT acceptable): Street name and number:

- Street name and number: 
- Suburb: 
- State: 
- Postcode: 
- Country: 

#### US Person 2

<table>
<thead>
<tr>
<th>Full given name(s):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Surname:</td>
<td>US TIN:</td>
</tr>
</tbody>
</table>

**Residential address** (PO Box is NOT acceptable): Street name and number:

- Street name and number: 
- Suburb: 
- State: 
- Postcode: 
- Country: 

#### US Person 3

<table>
<thead>
<tr>
<th>Full given name(s):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Surname:</td>
<td>US TIN:</td>
</tr>
</tbody>
</table>

**Residential address** (PO Box is NOT acceptable): Street name and number:

- Street name and number: 
- Suburb: 
- State: 
- Postcode: 
- Country: 

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Macquarie Flexi 100 Trust – November 2014 Application Form
Adviser Payment Arrangement (this section is optional)

To be completed by Applicants who wish to pay their adviser fees using the Macquarie Adviser Payment Arrangement

Please note: only complete and sign this part of the Application Form if you wish to pay an initial advice fee and/or ongoing advice fees to your adviser through the Macquarie Adviser Payment Arrangement (APA). You DO NOT need to pay your adviser any advice fees through the APA. The amount and method of payment of any advice fee is to be agreed between you and your adviser. If you complete this part of the Application Form and your application is accepted then Macquarie Bank Limited ABN 46 008 583 542 (MBL) will direct debit the amount of the advice fee(s) from your account nominated in section 6 below (Nominated Account) and pay them to the account of your adviser’s dealer group. Before completing this section please ensure that you have read the APA PDS, which is available at macquarie.com.au/msiap.

If you have already entered into an APA and you apply for a further APA, the new APA will replace the existing APA, so please ensure that the total amount of the advice fees that you wish to pay your adviser are entered below.

Provided your adviser has provided MBL with any required documentation, the advice fee(s) will be debited from your Nominated Account on or about the 25th calendar day of:

- the month following the month in which your investment in Flexi 100 commences (for initial advice fees),
- each calendar month commencing the month following the month in which your investment in Flexi 100 commences (for monthly ongoing advice fees),
- on a quarterly basis commencing the month following the month in which your investment in Flexi 100 commences (for quarterly ongoing advice fees), and
- the month after each anniversary of the date your Flexi Investment commences (for annual ongoing advice fees).

I direct MBL to debit my Nominated Account in order to pay to my adviser advice fees of the following amounts:

Initial advice fee (including GST): $ 
Ongoing advice fee (including GST): $ per month per quarter per year

By signing below I/we:

a) acknowledge that I/we have received and read the APA PDS
b) request MBL to debit my/our Nominated Account in the amount and at the time noted above and pay that amount to the account of my/our adviser’s dealer group described in section 1 of this Application Form
c) acknowledge and agree that the terms and conditions of the Adviser Payment Arrangement Terms (set out in the APA PDS), the Direct Debit Service Agreement (set out in the Information Booklet) and this Application Form apply to this arrangement and that I/we have read those terms
d) acknowledge that the agreements and acknowledgements given in “Protecting your privacy” in this Application Form apply in respect of the Adviser Payment Arrangement Terms
e) acknowledge that I/we can cancel this request by giving 14 days’ notice to MBL
f) agree that MBL can provide information on the amounts detailed and paid through my/our APA to my/our adviser or my/our adviser’s dealer group or any associated Macquarie Group company
g) agree that Macquarie may send me/us other notices or communications regarding my APA via post, facsimile or electronic means to the address, email, facsimile or other telephone number appearing in this Application or otherwise notified by me/us to MBL.

Please sign below.

Signature of Applicant

Name:

Date: Director to sign for company Sole director to sign for company

Signature of Applicant

Name:

Date: Director to sign for company Sole director to sign for company
4. **Your Investment Amount, investment purpose and income source**

(to be completed by all Applicants)

<table>
<thead>
<tr>
<th>Name of the Macquarie Flexi 100 Class</th>
<th>Investment Amount equal to Investment Loan Amount*</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Year</td>
<td></td>
</tr>
<tr>
<td>Class DO – Australian Equity (Zero Breakeven)</td>
<td>$A</td>
</tr>
<tr>
<td>3.5 Year</td>
<td></td>
</tr>
<tr>
<td>Class DP – Australian Equity Focus (No Hurdle)</td>
<td>$A</td>
</tr>
<tr>
<td>5.5 Year</td>
<td></td>
</tr>
<tr>
<td>Class DQ – International Low Volatility</td>
<td>$A</td>
</tr>
<tr>
<td>Class DR – European Equity</td>
<td>$A</td>
</tr>
<tr>
<td>Total Investment Amount**</td>
<td>$A</td>
</tr>
</tbody>
</table>

* A minimum investment of $A5,000 per Class.

** The minimum total Investment Amount is $A25,000 with additional multiples of $A1,000.

**Purpose of investment (this part is mandatory for all Applicants)**

- [ ] Savings
- [ ] Growth
- [ ] Income
- [ ] Retirement
- [ ] Business account

**Source of income (this part is mandatory for individual and joint individual Applicants only)**

- [ ] Savings
- [ ] Salary/Wages
- [ ] Annuity/Pension
- [ ] Business account

5. **Interest Loan details**

5A. Interest Loan (to be completed by Individual/Joint/Sole trader Investors only)

Complete this section only if you wish to fund 100% of your annual-in-advance interest payments using an optional Interest Loan.

Corporations and trusts (including Superannuation Investors) are not eligible for an Interest Loan.

- [ ] Interest Loan (indicative interest rate for year ending 30 November 2015 is 9.75% pa)

The Interest Loan will commence on 30 November 2014 and is to be repaid with interest in monthly payments starting 31 December 2014. Principal and interest will be direct debited from your nominated account.

5B. Direct payment of Distributions (to be completed only if you have not applied for an Interest Loan in 5A and you want direct payment of Distributions)

Direct payment of Distributions is unavailable in this Offer.
## 5C. Statement of Financial Position (to be completed only if you have applied for an Interest Loan)

### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount ($)</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property (residential)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property (investment)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor vehicles</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Superannuation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>Outstanding ($)</th>
<th>Limit ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgages (residential)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage/loan (investment)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leases/other loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit card</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Macquarie loans (not included above)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### First property (address)

### Second property (address)

### TOTAL ASSETS

### NET ASSETS (total assets less total liabilities)

### Annual income (SA)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary (pre tax)</td>
<td></td>
</tr>
<tr>
<td>Rental and dividend income</td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
</tr>
</tbody>
</table>

### TOTAL

### Annual expenditure (SA)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage payments/rent (residential)</td>
<td></td>
</tr>
<tr>
<td>Mortgage/loan payments (non-Macquarie investment)</td>
<td></td>
</tr>
<tr>
<td>Lease and personal loan payments</td>
<td></td>
</tr>
<tr>
<td>Credit card</td>
<td></td>
</tr>
<tr>
<td>Living expenses and school fees</td>
<td></td>
</tr>
<tr>
<td>Other expenses (please specify)</td>
<td></td>
</tr>
<tr>
<td>Mortgage/loan payments (investments with Macquarie)</td>
<td></td>
</tr>
</tbody>
</table>

### TOTAL
Interest Loan details (continued)

All Applicants who have aggregate loans with Macquarie Funds Group (including the Interest Loan (if any) applied for under this PDS but not the Investment Loan), that in total exceed $A150,000, will need to provide:

a) verification of their income by providing:
   - your last three electronic payslips or group certificates (accompanied by contact details of your employer if still employed by the same organisation) showing employer/employee names
   - your previous year’s tax return
   - letter of employment on company letterhead that is less than two months old. It must state the employee’s name, length of employment and income details
   - accountant’s certificate that is less than 12 months old, or
   - most recent PAYG Payment Summary
   and
   - rental income (if applicable) – most recent rental statement from property manager

b) verification of their assets by providing:
   - a recent bank statement (less than 2 months old) confirming savings or cash balances in the client’s account
   - the most recent share holding statements verifying ownership and holdings balance, and
   - the most recent council rates notice for each property owned confirming valuation of property. If this is a new property we will accept Contract of Sale or Valuation Report.

For larger loans we will accept an up to date certification from the client’s accountant declaring their income and net asset position.

If any information provided above is inaccurate or incomplete, there may be delays in processing your application. The Loan Provider reserves the right to request, at its discretion, any further supporting documentation as required for any loan application.

By completing and signing this Application Form I/we confirm that my/our annual income after tax and all mortgage, loan, living and other expenses is sufficient to meet the required payments on the Interest Loan applied for in 5A of this Application Form. I/We understand that the total of these payments will be approximately 7.3% of my/our Investment Amount for the year ending 30 November 2015.
Direct debit request

The nominated bank account must be in the name of the Applicant (or if there are joint applicants, the account may be in the name of one of the applicants, however both applicants must sign below) and will be used to credit any cash distributions and any other amounts from the Macquarie Flexi 100 Trust and to debit any payments under the APA, principal and interest payments on any Loans, any fees and any stamp duty (if applicable) or any other amount that is incurred or payable in connection with your investment in the Macquarie Flexi 100 Trust, any Loans or any APA. A Direct Debit Dishonour Fee of $A50 will apply if insufficient funds are available in your Nominated Account.

Important notices
1. If a joint bank account has been nominated below, all account holders must sign below.
2. If the bank account is a company account, and the company has more than one director, all directors must sign below.

Branch number (BSB): 
Account number: 

Account name: 
(must be in name of Applicant)

Name of financial institution: 
Bank street name and number: 
Suburb: 
State: 
Postcode: 

Authority
I/We (surname or company name): 
Given names or ACN: 

I/We (surname or company name): 
Given names or ACN: 

If the account nominated above is to be used to debit any fees or charges, interest or principal payments on any Loans, any stamp duty (if applicable), any costs (including break costs) or other amount incurred or payable in connection with my/our investment in the Macquarie Flexi 100 Trust, the Loan and Put Option Agreement or, if applicable, the APA, I/We, the Applicant and the account holder named above, authorise and request you, Macquarie Bank Limited ABN 46 008 583 542 (User ID number 161381, 161320, 015925, 204613 and 227103) or Macquarie Specialist Investments Lending Limited ABN 59 125 574 389 (User ID number 391425) (or its nominee, assignee, transferee, participant or sub-participant as required) (Loan Provider) or Macquarie Financial Products Management Limited ABN 38 095 135 694 (User ID number 204567) (MFPML), until further notice in writing, to debit my/our account described above with any amounts which you may properly debit or charge me/us through the direct debit system.

I/We acknowledge and agree that:
- by signing this Application Form, I/we agree to be bound by the terms of the Direct Debit Request Service Agreement in section 4 of the Information Booklet
- my/our bank/financial institution may, in its absolute discretion, determine the order of priority of payment by it of any moneys pursuant to this request or any authority or mandate, and
- my/our bank/financial institution may, in its absolute discretion, at any time by notice in writing to me/us, terminate this Direct Debit Request as to future debits.

The Loan Provider or MFPML may by prior arrangement and advice to me/us, vary the amount or frequency of future debits.

Please sign below. If a joint account has been nominated above, all account holders must sign. If you are joint applicants and the account is in the name of one of the applicants, both must still sign below. If the bank account is a company bank account, and the company has more than one director, two directors or a director and a secretary (if different) must sign below.

Signature of Applicant 1/Director/Sole Director

Date: 
Name: 
Title: 

Signature of Applicant 2/Director/Secretary

Date: 
Name: 
Title:
## Certificate from Accountant

This section must be completed for:
- all applications by Superannuation Investors borrowing in excess of $A200,000 (including investments in prior offers of Flexi 100), and
- all applications by Applicants that do not have an adviser if borrowing in excess of $A200,000 (including investments in prior offers of Flexi 100).

I certify that:
- I am an Accountant and employed independently of the Macquarie Group and engaged by the Applicant described in section 2 of this Application Form, and
- as at the date of this application, the Net Holding Cost cannot exceed:
  - 7.0% of the Applicant’s current net assets for investment terms of 3.5 years
  - 10.0% of the Applicant’s current net assets for investment terms of 3.0 years, or
  - 12.0% of the Applicant’s current net assets for investment terms of 5.5 years.

^ Net Holding Cost represents the total capped interest payable less the Distributions to be received over the Term.
* Where the Applicant is a trustee on behalf of a superannuation fund, this refers to the relevant superannuation fund’s net assets.

<table>
<thead>
<tr>
<th>Title:</th>
<th>Full given name(s):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surname:</td>
<td></td>
</tr>
<tr>
<td>Any other name known by:</td>
<td></td>
</tr>
<tr>
<td>Name of accounting firm:</td>
<td></td>
</tr>
<tr>
<td>Work phone number:</td>
<td>Home phone number:</td>
</tr>
<tr>
<td>Fax number:</td>
<td>Mobile number:</td>
</tr>
<tr>
<td>Email:</td>
<td></td>
</tr>
</tbody>
</table>

**Accountant’s address**

<table>
<thead>
<tr>
<th>Street name and number:</th>
<th>Suburb:</th>
</tr>
</thead>
<tbody>
<tr>
<td>State:</td>
<td>Postcode:</td>
</tr>
<tr>
<td>Country:</td>
<td></td>
</tr>
</tbody>
</table>

**Signature of Accountant**

| | Date: |
| | Name: |
Loan Consents/Acknowledgement (to be read by all Applicants)

This section of the Application Form relates to the Loan(s) in section 5 of this Application Form.

“Loan Provider” means Macquarie Specialist Investments Lending Limited ABN 59 125 574 389.

“You” means the Borrowers and Guarantors (if applicable) for the proposed Loan, both together and separately.

By signing below in section 9 Declarations by Applicants you agree that the Loan Provider can where permitted by law exchange your personal information as set out below and do any of the following at any time (now or in the future, within or outside of Australia).

Authority for Macquarie to obtain certain credit information

To enable the Loan Provider to assess my/our application for personal or commercial credit, manage my/our loan and related funding arrangements, assess an application to be a guarantor in relation to credit, review my/our credit on a periodic basis as though assessing a new application, assess hardship or related claims, collect overdue payments, and create assessments and ratings of my credit worthiness, I/we authorise the Loan Provider to seek, obtain and use credit reporting information about me/us (including from credit reporting bodies (CRBs) or other business that provides information about credit worthiness) before, during or after the provision of credit to me/us. This includes information about my/our personal creditworthiness, commercial activities or my/our commercial creditworthiness, including in respect of historical credit arrangements with any credit provider.

Authority to exchange information

Authority to exchange information with credit reporting bodies: For the purposes described above and to allow the CRB to maintain information about my/our credit worthiness (before, during or after the provision of credit to me/us, I/we authorise the Loan Provider to give a CRB certain personal information about me/us, including:

- permitted identification information
- the fact that I/we have applied for credit and the amount and type of credit, credit limit, loan start/end dates, or that the Loan Provider is a current credit provider to me/us
- ‘default information’ about payments which become more than 60 days overdue in certain circumstances
- that, in the opinion of the Loan Provider, I/we have committed a serious credit infringement in specified circumstances
- advice that payments previously notified as ‘default information’ are no longer overdue
- the fact that credit provided to me/us by the Loan Provider has been paid or otherwise discharged; and
- other credit-related personal information that is described in Macquarie’s Credit Information Policy or can otherwise be disclosed under the Privacy Act (collectively, credit-related information).

Authority to exchange information with other credit providers: I/we authorise the Loan Provider to give to and obtain from any credit providers personal information and credit related information. The information may be exchanged for, but not limited to, any of the following purposes: to assess an application by me/us for credit or to be a guarantor; to determine or confirm the status of my credit including any defaults; to assess my creditworthiness at any time during or after the life of a credit arrangement; to give or obtain an opinion on me; and any other purpose permitted by law.

Authority to exchange information with other parties: I/we authorise the Loan Provider to give to and obtain from other parties, information including personal information and credit-related information. Those parties may include my/our guarantors and potential guarantors (including for the purpose of a potential guarantor considering whether to offer to act as a guarantor), brokers, originators, financial consultants, accountants, lawyers or other advisers and any credit enhancer, funder, ratings agency or other party acting in connection with funding credit by means of an arrangement involving securitisation.

Authority to exchange sensitive information: In some cases, sensitive information may be collected for specific purposes (for example, information regarding my health to enable the assessment of a hardship or other relief application). The references in this loan consents statement to personal information include sensitive information such as my medical and health related details, and I/we agree that the Loan Provider may exchange such information with other parties listed in this loan consents statement for the purpose of assessing or processing such applications and may seek further information from any medical attendant consulted by me/us.

Authority to obtain information about guarantors: (This section addresses additional matters relevant if I am a Guarantor) I authorise and consent to the Loan Provider collecting personal information about me and obtaining both my personal and commercial credit reports from a CRB, to assess my capacity as a guarantor. If I am accepted as a guarantor the Loan Provider may disclose my personal information to external agents, professional advisers and service providers, for the purpose of managing the account and contacting me in relation to the guarantee or indemnity provided. I also authorise the Loan Provider to provide to the person’s in respect of which I am Guarantor, personal information about my credit worthiness, credit standing, credit history or credit capacity for any purposes related to the product or any proposed or actual enforcement of the product, guarantee or indemnity, I acknowledge and agree that if the Loan Provider provides the Loan, this authority remains in force until the credit under the Loan is fully and finally settled and discharged.

Authority to use information for administration processes: I/we authorise the Loan Provider to use any information collected in this Application Form and in subsequent administration processes for future applications I may wish to make for other Macquarie Group products and/or services and related services, and to disclose this information to other members of the Macquarie Group for similar use. Macquarie will only use information collected for this purpose to the extent it is permitted to do so at law.

Further information

I/we agree that I/we have obtained Macquarie’s Credit Reporting Policy via www.macquarie.com.au or by request. I/we understand that the policy contains further information about the types of credit-related information Macquarie collects, how it is collected, where it is sent, the CRBs Macquarie uses and my/our privacy rights (including access, correction and complaint rights) in respect of Macquarie and CRBs.
Power of Attorney (to be read by all Applicants)

By completing and signing this Application Form, I/We, the Applicant specified in section 2 of this Application Form, hereby irrevocably and by way of security appoint Macquarie Bank Limited ABN 46 008 583 542 and each of its officers, employees, agents and solicitors separately (the Attorney) as the true and lawful agent and attorney (with full power of substitution, delegation and revocation in respect thereof as the Attorney may deem expedient) to sign and deliver, on my/our behalf the following:

• the Loan and Put Option Agreement in substantially the form contained in section 3 of the Information Booklet
• any documents under the Personal Property Securities Act 2009 (Cth) that are necessary or desirable to perfect or protect the Loan Provider’s security interest given under the Loan and Put Option Agreement any other document, which, in the reasonable opinion of the Attorney, are necessary or desirable in connection with the Loan and Put Option Agreement, the Security Trust Deed (if applicable) or the Units in the Macquarie Flexi 100 Trust or the protection or perfection of the interest of MFPML or the Loan Provider (including, without limitation, the exercise of the put option under the Loan and Put Option Agreement).

I/We hereby further authorise the Attorney to do the following with respect to any of the documents referred to above:

• complete any blanks
• make any amendments or additions that are in the reasonable opinion of the Loan Provider necessary to comply with any statutory or other requirement of law, or not materially prejudicial to my/our interests
• do, execute and perform any other deed, matter, act or thing which in the reasonable opinion of the Attorney ought to be done, executed or performed to perfect the document and make it effective, and
• attend to the stamping or registration of the documents referred to above, and all related and ancillary documentation

I/We declare that anything done by the Attorney pursuant to the powers given to the Attorney will be binding on me/us as if those acts had been done by me/us.

I/We authorise the Attorney to sign the documents listed above by any means including affixing electronic or facsimile signatures to the documents.

I/We shall compensate the Attorney against any loss or reasonable costs it suffers or incurs in properly and lawfully exercising the powers specified above. The Attorney may exercise the powers granted above even if it involves a conflict of duty or a conflict of interest.

Applicant declarations and acknowledgements

Please note that the Loan Provider:

• was not involved in the preparation of the PDS except to the extent it consented to the inclusion of any statements in the PDS, and
• does not endorse or recommend investment under the PDS.

By lodging this Application Form, I/We acknowledge and declare that:

Flexi 100

a) I/We am/are at least 18 years of age
b) I/We have read the PDS to which this Application Form relates and the terms and conditions of the Loan and Put Option Agreement contained in section 3 of the Information Booklet and the Direct Debit Request Service Agreement contained in section 4 of the Information Booklet
c) I/We agree to be bound by the terms and conditions of the Loan and Put Option Agreement contained in section 3 of the Information Booklet and the Direct Debit Service Agreement contained in section 4 of the Information Booklet (collectively, the Terms and Conditions), without any further act required, including without limitation:
   i) if I enter into a Put Option or a Loan, I/we agree that transaction will be governed by the Terms and Conditions, which I/We have read in full
   ii) the requirement that no encumbrance (such as a mortgage) may be created or arise over any of the Secured Property and that no person may acquire any right before any court that would adversely affect, or make conditional, the Mortgage unless and until the Mortgage has been fully satisfied
   iii) the requirement that any transfer of the Secured Property is to be effected in the manner prescribed in the Terms and Conditions, and acknowledge that in certain circumstances the Secured Property may be disposed of if the Loan Provider exercises its rights in accordance with the Terms and Conditions
d) all the information provided in this Application Form is complete, true and correct
e) I/We agree to be bound by the Constitution (as it may be amended from time to time) and the Security Trust Deed (if applicable)
f) I/We declare that I/am/we are not applying to invest in the Macquarie Flexi 100 Trust and take out an Investment Loan and/or an Interest Loan for the sole or dominant purpose of obtaining a scheme benefit as defined in the Tax Administration Act 1953 (Cth)
g) I/We declare that the credit to be provided to me/us under the Loan(s) by the Loan Provider is to be applied wholly or predominantly for investment purposes other than investment in residential property.

Applicants should only sign this declaration if the Loan(s) are wholly or predominantly for investment purposes other than investment in residential property. By signing this declaration you may lose your protection under the National Credit Code

h) if credit approval is given for smaller Loan(s) than I/we apply for, I/we will be taken to have applied for a reduced number of Units in the Macquarie Flexi 100 Trust corresponding to the Loan amount(s) which are approved
i) I/We direct MFPML to pay any amounts payable in respect of any of my/our Units to the Loan Provider or its nominee to be applied in accordance with the Loan and Put Option Agreement and, if I/we have not made an election in section 5B of this Application Form, direct MFPML to pay any distributions received from the Macquarie Flexi 100 Trust to be applied against any Interest Loan payments due in that year.
Applicant declarations and acknowledgements (continued)

j) I/We acknowledge and agree that distributions and redemption proceeds may be paid into a non interest bearing trust account with Macquarie Bank Limited or another Australian bank pending transfer of those amounts to the account nominated in section 6 of this Application Form. If any attempt to credit the nominated account fails, the amounts may be returned to that trust account until such time as I/We provide further payment directions.

k) I/We confirm and make the declarations set out in the Direct Debit Authority in section 6 of this Application Form.

l) I/We further confirm, as far as I/we am/are aware, that the statement in paragraph b) of section 7 of this Application Form is true and correct.

m) MFPML as Responsible Entity of the Macquarie Flexi 100 Trust will grant the Collateral Security described in section 2.3 of the Information Booklet in favour of the Loan Provider.

n) I/We are signing here to give effect to the Power of Attorney above in section 9.

Privacy and AML

c) I/We agree to the privacy statements in ‘Protecting your privacy’ which describes the handling of my personal information and to the provisions set out in section 8 Loan Consents/Acknowledgements.

- I/We do not consent to the use of my/our information for this purpose.

p) the Loan Provider or MFPML can provide information on the status of my/our investment and Loan facility to my/our adviser or usual stockbroker or any associated Macquarie Group company. The Loan Provider or MFPML have the right, and may be required, to deal with investors directly and not through their adviser.

q) MFPM or the Loan Provider may record telephone conversations between their representatives and me/us.

r) MFPML and the Loan Provider are subject to the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), rules and other subordinate instruments (AML/CTF Laws). In making an application pursuant to this PDS, I/we consent to MFPML or the Loan Provider disclosing to any of my/our personal information (as defined in the Privacy Act 1988 (Cth)), to the extent they are required to do so under the AML/CTF Laws.

s) if requested, I/we undertake to provide additional information and assistance and comply with all reasonable requests to facilitate MFPML’s or the Loan Provider’s compliance with AML/CTF Laws in Australia or an equivalent overseas jurisdiction.

t) I/We undertake that I am/we are not aware and have no reason to suspect that:

- the money used to fund the investment is derived from or related to money laundering, terrorism financing or similar activities (Illegal Activities).

- proceeds of investment made in connection with this product will fund Illegal Activities and I/we undertake to immediately notify MFPML or the Loan Provider if I/we should become so aware or have reason to so suspect.

u) in certain circumstances MFPML or the Loan Provider may be obliged to freeze or block an account where it is used in connection with Illegal Activities or suspected Illegal Activities. Freezing or blocking can arise as a result of the account monitoring that is required by AML/CTF Laws. Pursuant to the AML/CTF Laws, MFPML and the Loan Provider will not be liable to me/us for any consequences or losses suffered as a result of the freezing of blocking of my/our account in accordance with the AML/CTF Laws.

v) MFPML or the Loan Provider retains the right not to provide services or issue products to any applicant that MFPML or the Loan Provider decides, in its sole discretion, that it does not wish to supply.

FATCA

w) I/We represent and warrant unless otherwise disclosed expressly to the contrary in this form to Macquarie, that I/we:

- am/are not a United States person or a resident of the United States for taxation purposes (US Person).

- confirm no person or entity controlling, owning or otherwise holding an interest in me/us is a US Person, and

- will not be receiving any financial product, financial service or loan referred to in, or contemplated by, this Product Disclosure Statement or any payment in connection therewith for the account or benefit of a US Person.

I/We agree:

- that the representations set out in the preceding paragraph are made by me/us on the date on which I/we sign this Application Form and on each day thereafter until the termination of my investment in Flexi 100.

- to promptly notify MFPML of any change in circumstances which would cause the representations and warranties set out above to be incorrect or misleading, and

- to promptly, following a request from MFPML, provide MFPML in writing with any information MFPML considers necessary or desirable for it to receive in order for it to comply with any obligations it may have in connection with Australian law or FATCA (or any laws intended to give effect to the intent and purposes of FATCA).

Contacting you

x) MFPML and the Loan Provider may send me/us notices or communications regarding my/our investment in the Macquarie Flexi 100 Trust via post, facsimile or electronic means to the address, email, facsimile or other telephone number appearing in this Application Form or otherwise notified by me/us to MFPML and the Loan Provider.

y) I/We acknowledge that copies of the Fund’s Annual Financial Reports will be made available on the Flexi Website at macquarie.com.au/ flexi. If you would like to receive a hard copy of the Annual Financial Reports please tick the box below. Please note that your election will apply for all future years, unless you contact us to notify us that you have changed your mind.

☐ Yes, please send me printed versions of the Fund’s Annual Reports.
Applicant declarations and acknowledgements (continued)

Use of facsimile or email
If you submit your Application Form by facsimile or email Macquarie may rely on the faxed Application Form to process and accept your application. Your original Application Form should also be sent to Macquarie for record-keeping purposes. If Macquarie receives instructions by facsimile in relation to my/our investment in Flexi 100 or APA, I/we:

- acknowledge that there is potentially a greater risk that fraudulent facsimile instructions can be given by someone who has access to my/our Flexi 100 Investor ID and/or APA Facility number and a copy of my/our signature(s) and that I/we accept such risks
- acknowledge that Macquarie may assume that the instruction has been sent, and is authorised, by or on behalf of me/us, and
- release Macquarie from and indemnify Macquarie against all losses and liabilities arising from any payment or action taken by Macquarie based on the instruction, even if such instructions are not authorised, bearing a Flexi 100 Investor ID and/or APA Facility number and signature that purports to be mine/ours or that of an authorised signatory on the account (except to the extent that such losses and liabilities directly arise from the negligence or wilful default of Macquarie).

Applicants must sign here
You must read the PDS including the Application Form before signing the Application Form.
I/We acknowledge that investments in the Macquarie Flexi 100 Trust are not deposits with, or other liabilities of, Macquarie Bank Limited ABN 46 008 583 542, the Loan Provider or any Macquarie Group company, and are subject to investment risk, including possible delays in repayment and loss of income and capital invested. I/We acknowledge that none of Macquarie Bank Limited, the Loan Provider or any other member of the Macquarie Group guarantees the performance of the Macquarie Flexi 100 Trust, the repayment of capital from the Macquarie Flexi 100 Trust or any particular rate of return.

All individual and joint individual applicants (including individual and joint individual trustee applicants) must have their applications signed and witnessed or your application cannot be processed. Before signing this Application Form you need to ensure that you have completed all 24 pages of this Application Form. Applicants should ensure all relevant sections have been completed correctly. If this page is not attached to the other 23 pages of this Application Form or has not been completed correctly, please contact MFPML or your adviser.

This Application Form includes important declarations and acknowledgements made by you. If you cannot make each declaration and acknowledgement you must not invest.

Executed as a deed.

Signature of Investor 1/Trustee
Date: 
Name: 
Title: 

Signature of Investor 2/Trustee
Date: 
Name: 
Title: 

Signature of Witness 1
Date: 
Name: 
Title: 

Signature of Witness 2
Date: 
Name: 
Title: 

CORPORATE APPLICANTS (INCLUDING CORPORATE TRUSTEE APPLICANTS) MUST SIGN HERE:
Executed in accordance with section 127(1) of the Corporations Act by authority of its directors in the presence of:

Signature of Director/Sole Director
Date: 
Name: 
Title: 

Signature of Company Director/Secretary
Date: 
Name: 
Title: 
Corporate directory

Issuer
Macquarie Financial Products Management Limited
No. 1 Martin Place
Sydney NSW 2000

Loan Provider
Macquarie Specialist Investments Lending Limited
No. 1 Martin Place
Sydney NSW 2000

Superannuation and Tax Advisers
Clayton Utz
Level 15, 1 Bligh Street
Sydney NSW 2000

Security Trustee
Bond Street Custodians Limited
GPO Box 4294
Sydney NSW 1164
Macquarie Financial Products Management Limited

M  Macquarie Flexi 100 Trust
   Macquarie Financial Products Management Limited
   GPO Box 4294
   Sydney NSW 1164

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