

# Information Memorandum

Moelis Australia Finance Pty Ltd ACN 621 554 845

---

## Medium Term Note Programme

**Guarantor**

Moelis Australia Limited ACN 142 008 428

**Arranger**

Moelis Australia Advisory Pty Ltd ACN 142 008 446

13 September 2017

## Table of contents

---

<b>Important notice</b>	<b>1</b>
<b>Summary of the Programme</b>	<b>1</b>
<b>The Issuer and the Guarantor</b>	<b>6</b>
<b>Terms and Conditions of the Notes</b>	<b>13</b>
<b>Form of Guarantee Deed Poll</b>	<b>48</b>
<b>Form of Pricing Supplement</b>	<b>61</b>
<b>Taxation</b>	<b>67</b>
<b>Selling Restrictions</b>	<b>72</b>
<b>Directory</b>	<b>78</b>

# Important notice

## Introduction

This Information Memorandum relates to the medium term note programme (**Programme**) established by Moelis Australia Finance Pty Ltd ACN 621 554 845 (the **Issuer**). Notes (**Notes**) that may be issued from time to time under the Programme, up to the then applicable Programme Amount (as defined in the section entitled 'Summary of the Programme'), will have the benefit of a guarantee from Moelis Australia Limited ACN 142 008 428.

## Responsibility

This Information Memorandum has been prepared by, and issued with, the authority of the Issuer. The Issuer accepts responsibility for the information contained in this Information Memorandum other than information provided by the Arranger, and the Agents (each as defined in the section entitled 'Summary of the Programme') in relation to their respective address details in the section entitled 'Directory'.

## Place of issuance

Subject to applicable laws, regulations and directives, the Issuer may issue Notes under the Programme in any country, including Australia and countries in Europe and Asia, but not in the United States of America unless such Notes are registered under the United States Securities Act of 1933 (as amended) (**Securities Act**) or an exemption from the registration requirements is available.

Notes may be lodged in the settlement system operated by Austraclear Ltd (ABN 94 002 060 773) (**Austraclear System**) and, if so, will be issued in Australia in accordance with the relevant regulations of the Austraclear System. Notes may also be lodged in such other clearing system, as may be specified in the relevant Pricing Supplement (as defined below) for such Notes. The Issuer may also issue notes, bonds or other debt obligations (including dematerialised securities) otherwise than under the Programme.

## Terms and conditions of issue

Notes will be issued in series (each a **Series**). Each Series may comprise one or more tranches (each a **Tranche**) having one or more issue dates and on terms and conditions that are otherwise identical (other than, to the extent relevant, in respect of the issue price and the first payment of interest).

Each issue of Notes will be made pursuant to such documentation as the Issuer may determine. A pricing supplement (each a **Pricing Supplement**) will be issued for each Tranche of Notes. A Pricing Supplement will contain details of the aggregate principal amount, issue price, issue date, maturity date, details of interest (if any) payable with respect to each issue of Notes. The Pricing Supplement must be read in conjunction with the terms and conditions (**Terms and Conditions**) applicable to the Notes which are included in this Information Memorandum and which may be supplemented, amended, modified or replaced by the Pricing Supplement applicable to that Tranche of Notes.

The Issuer may also publish a supplement to this Information Memorandum (or additional Information Memoranda) which describes the issue of Notes (or particular classes of Notes) not otherwise described in this Information Memorandum. A Pricing Supplement may also supplement, amend, modify or replace any statement or information set out in this Information Memorandum.

## Documents incorporated by reference

This Information Memorandum is to be read in conjunction with all documents which are deemed to be incorporated into it by reference as set out below. This Information Memorandum shall, unless otherwise expressly stated, be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. References to Information Memorandum are to this Information Memorandum and any other document incorporated by reference and to any of them individually.

The following documents are incorporated in, and are taken to form part of, this Information Memorandum:

- all amendments and supplements to this Information Memorandum prepared by the Issuer;
- the most recently published reviewed half year consolidated financial statements of the Guarantor; and
- each Pricing Supplement and all documents issued by the Issuer and stated to be incorporated in this Information Memorandum by reference.

Any statement contained in this Information Memorandum shall be modified or superseded in this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement.

Copies of the Note Deed Poll, Guarantee Deed Poll and each Pricing Supplement (each as defined below) and documents incorporated by reference in this Information Memorandum may be obtained by Noteholders on reasonable written notice during normal business hours from the offices of the Issuer or such other person specified in a Pricing Supplement.

## Effective Date

The information in this Information Memorandum has been prepared and is correct as of its Effective Date (as defined below). Neither the delivery at any time after the Effective Date of this Information Memorandum (or any part of it) nor any offer, issue or sale made in connection with this Information Memorandum at any time implies that the information contained in this Information Memorandum (or that part of it) is correct at any time after that Effective Date or that any other information supplied in connection with the Programme is correct at any time after that Effective Date. Neither the delivery of this Information Memorandum (or any part of it) nor any offer, issue or sale of Notes implies or should be relied upon as a representation or warranty that:

- there has been no change since the relevant Effective Date in the affairs or financial condition of the Issuer; or
- the information contained in this Information Memorandum or any part of it remains correct at any time after its respective Effective Date.

In this Information Memorandum, **Effective Date** means:

- in relation to this Information Memorandum, the date indicated on its face or, if this Information Memorandum has been amended or supplemented, the date indicated on the face of that amendment or supplement;
- in relation to any financial statements incorporated in this Information Memorandum, the date up to, or as at, the date on which such financial statements relate; and

- in relation to any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on its face as being its date of release or effectiveness.

### **No offer**

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, any of its affiliates, the Arranger, or any Agent to any person to subscribe for, purchase or otherwise deal in any Notes.

### **Intending purchasers to make independent investment decision and obtain tax advice**

This Information Memorandum has been prepared for distribution to professional investors whose business includes buying and selling debt securities as principal or agent.

This Information Memorandum contains only summary information concerning the Notes and is not intended to be and does not constitute an invitation or recommendation by the Issuer, the Registrar, the Agent, the Calculation Agent or the Arranger (each as defined below under the section entitled 'Summary of the Programme'), nor their respective shareholders, subsidiaries, related bodies corporate, officers, employees, representatives or advisers, for applications or offers to subscribe for or buy any Notes, nor an offer of Notes for subscription or purchase nor is it intended to provide the basis of any credit or other evaluation in respect of the Issuer, the Guarantors or any Notes. Accordingly, each recipient of this Information Memorandum and person contemplating the purchase of Notes should:

- make (and will be deemed to have made) their own independent investigation of the financial condition and affairs and their own appraisal of the creditworthiness of the Issuer, the Guarantors and their affiliates;
- determine for themselves the relevance of the information contained in this Information Memorandum, and must base their investment decision solely upon their independent assessment and such investigations as they consider necessary; and
- consult their own tax advisers concerning the application of any tax laws applicable to their particular situation,

after taking all appropriate advice from qualified professional persons. Any investment decision should be based on that decision, investigation and appraisal referred to above and not on this Information Memorandum.

No advice is given in respect of the taxation treatment of investors in connection with investment in any Notes or rights in respect of them and each investor is advised to consult its own professional adviser.

### **No independent verification**

The only role of the Arranger and the Agents in the preparation of this Information Memorandum has been to confirm to the Issuer that their details in the section entitled 'Directory' are accurate as at the Effective Date of the Information Memorandum.

Apart from the foregoing, none of the Arranger, or the Agents or their respective shareholders, subsidiaries, related bodies corporate, officers, employees, representatives or advisers has independently verified the information contained in this Information Memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is made, and no responsibility is accepted, by them as to the accuracy or

completeness of this Information Memorandum or any further information supplied by the Issuer in connection with the Programme.

The Arranger, and the Agents and their respective shareholders, subsidiaries, related bodies corporate, officers, employees, representatives or advisers expressly do not undertake to review the financial condition or affairs of the Issuer, the Guarantor or any of their affiliates at any time or to advise any holder of a Note (**Noteholder**) of any information coming to their attention with respect to the Issuer or the Guarantor and make no representation as to the ability of the Issuer or the Guarantor to comply with their obligations under the Notes or, in respect of the Guarantor, under the guarantee provided by it under the Guarantee Deed Poll.

### **Selling restrictions and no disclosure**

Neither this Information Memorandum nor any other disclosure document in relation to the Notes has been, or will be, lodged with the Australian Securities and Investments Commission (**ASIC**) or any other government agency. The Information Memorandum is not a prospectus or other disclosure document for the purposes of the Corporations Act 2001 of Australia (**Corporations Act**). The distribution and use of this Information Memorandum, including any Pricing Supplement, and the offer or sale of Notes may be restricted by law in certain jurisdictions and intending purchasers and other investors should inform themselves about them and observe any such restrictions.

For a description of certain restrictions on offers, sales and deliveries of the Notes, and on distribution of this Information Memorandum, any Pricing Supplement or other offering material relating to the Notes, see the section entitled 'Selling Restrictions' below.

None of the Issuer, the Arranger or the Agents represents that this Information Memorandum may be lawfully distributed, or that any Notes may be lawfully offered in compliance with any applicable registration or other requirements in any jurisdiction, or under an exemption available in such jurisdiction, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by any of those parties which would permit a public offering of any Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required.

A person may not (directly or indirectly) offer for subscription or purchase or issue an invitation to subscribe for or buy Notes, nor distribute this Information Memorandum except if the offer or invitation complies with all applicable laws, regulations and directives.

### **Authorisation**

No person has been authorised to give any information or make any representations not contained in or consistent with this Information Memorandum in connection with the Issuer, the Programme or the issue or sale of the Notes and, if given or made, such information or representation must not be relied on as having been authorised by the Issuer, the Guarantor or any of their affiliates, the Arranger or any of the Agents.

### **No registration in the United States**

The Notes have not been, and will not be, registered under the Securities Act, and may not be offered, sold, or delivered, at any time, within the United States of America or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act) unless such Notes are registered under the Securities Act or an exemption from the registration requirements thereof is available.

## **Rating of the Notes**

Neither the Issuer nor the Notes have been, nor is it intended that they will be, rated by any credit ratings agency.

## **Fee disclosure**

The Issuer has agreed to pay the Agents (as defined in section 2 (*Summary of the Programme*)) fees for undertaking its respective roles and to reimburse it for certain of its expenses incurred in connection with the Programme.

The Issuer has also agreed to pay a fee to the Arranger as separately agreed between them for undertaking its role in connection with the Programme.

The Issuer may also pay any other person a fee in respect of the Notes subscribed by it or procured to be subscribed by it.

The Arranger, its subsidiaries, directors and employees may have pecuniary or other interests in the Notes and may also have interests pursuant to other arrangements and may receive fees, brokerage and commissions and may act as a principal in dealing in any Notes.

## **Currencies**

Unless otherwise indicated, all references in this Information Memorandum to 'dollars', 'Dollars', 'AUD', 'A\$' or '\$' are to the currency for the time being of the Commonwealth of Australia.

## **References to internet site addresses**

Any internet site addresses provided in this Information Memorandum are for reference only and the content of any such internet site is not incorporated by reference into, and does not form part of, this Information Memorandum.

# Summary of the Programme

*The following is a brief summary of the Programme and must be read in conjunction with the rest of this Information Memorandum and in relation to any Notes, in conjunction with the Note Deed Poll, the Pricing Supplement for those Notes and the Terms and Conditions.*

*Capitalised terms used below but not otherwise defined have the meaning given to them in the Terms and Conditions.*

*A reference to a 'Pricing Supplement' does not limit the provisions or features of this Programme which may be supplemented, amended, modified or replaced by a Pricing Supplement in relation to a particular Tranche or Series of Notes.*

<b>Issuer</b>	Moelis Australia Finance Pty Ltd ACN 621 554 845
<b>Guarantor</b>	Moelis Australia Limited ACN 142 008 428
<b>Programme</b>	A non-underwritten unsecured medium term note programme under which, subject to applicable laws, regulations and directives, the Issuer may elect to issue Notes to purchasers or investors in any jurisdiction subject to all applicable laws, regulations and directives.
<b>Arranger</b>	Moelis Australia Advisory Pty Ltd ACN 142 008 446 Additional Dealers may be appointed from time to time for any Tranche of Notes or to the Programme generally.
<b>Registrar</b>	Austraclear Services Limited ACN 003 284 419
<b>Issuing and Paying Agent</b>	Austraclear Services Limited ACN 003 284 419
<b>Programme amount</b>	A\$150 million
<b>Currency</b>	Notes may be issued in Australian dollars and any other currency that is determined by the Issuer and specified in the relevant Pricing Supplement.

<b>Denominations</b>	<p>Unless otherwise specified in the Pricing Supplement, Notes will be issued in denominations of A\$10,000.</p> <p><i>In respect of offers or invitations received in Australia, Notes may only be issued if the consideration payable to the Issuer by the relevant purchasers is a minimum of A\$500,000 or its foreign currency equivalent (disregarding amounts, if any, lent by the Issuer or other person offering the Notes or its associates (within the meaning of those expressions in Part 6D.2 or 7.9 of the Corporations Act) unless the issue is such that no disclosure is required to be made under Part 6D.2 or 7.9 of that Act.</i></p>
<b>Maturity</b>	<p>Subject to all applicable laws, regulations and directives, Notes may have any maturity as may be specified in the relevant Pricing Supplement.</p>
<b>Form</b>	<p>Notes will be issued in registered form and constituted by a Note Deed Poll executed by the Issuer and will take the form of entries on the Register maintained by the Registrar.</p> <p>No certificate or other evidence of title will be issued to Noteholders unless the Issuer determines that certificates should be available or it is required to do so under any applicable law or regulation.</p>
<b>Status of Notes</b>	<p>The Notes will constitute direct, unsecured and unsubordinated obligations of the Issuer and rank without preference or priority among themselves and at least equally with all present and future unsubordinated and unsecured obligations of the Issuer (subject to laws and principals of equity generally affecting creditors' rights or as provided by operation of law).</p>
<b>Title</b>	<p>Entry of the name of a person in the Register in respect of a Note constitutes the obtaining or passing of title to the Note and is conclusive evidence that the person whose name is so entered is the owner of the Note.</p>

<b>Transfer procedure</b>	<p>Unless otherwise specified in the Pricing Supplement, the Notes are transferable in integral multiples of their denomination, subject, in respect of transfers to and from Australia, to a minimum amount payable of A\$500,000 or its foreign currency equivalent (disregarding amounts, if any, lent by the Issuer or other person offering the Notes or its associates (within the meaning of those expressions in Part 6D.2 of the Corporations Act) unless the transfer is such that no disclosure is required to be made under Part 6D.2 or 7.9 of that Act.</p> <p>Notes may only be transferred outside Australia in compliance with the laws of the jurisdiction having a relevant connection with the offering or sale, and otherwise in accordance with the Terms and Conditions.</p>
<b>Guarantee Deed Poll</b>	<p>Noteholders have the benefit of the Guarantee Deed Poll granted by the Guarantor. Under the Guarantee Deed Poll, the Guarantor unconditionally and irrevocably guarantees to the Noteholders all payments of principal and interest in respect of the Notes and any additional amounts required to be paid in accordance with the Terms and Conditions of the Notes. The Guarantee Deed Poll is set out in page 50 of this Information Memorandum.</p>
<b>Events of Default</b>	<p>The Events of Default applicable to the Notes will be as set out in Condition 10 (<i>Events of Default</i>) of the Terms and Conditions.</p>
<b>Negative Pledge</b>	<p>See Condition 3.3 (<i>Negative pledge</i>).</p>
<b>Payments</b>	<p>Payments will be made to Noteholders on the relevant Interest Payment Date, Maturity Date or other date on which a payment is due.</p> <p>If Notes are lodged in the Austraclear System, payments will be made in accordance with the rules and regulations of that clearing system.</p> <p>If Notes are not lodged in the Austraclear System (or any other clearing system), payments will be made to the account of the registered holder noted in the Register. If no account is notified, then payments will be made by cheque mailed on the relevant payment date to the registered holder at its address appearing in the Register on the Record Date (or to the first named of joint Noteholders).</p>

<b>Redemption</b>	<p>Unless previously redeemed or purchased and cancelled by the Issuer (in accordance with the applicable Terms and Conditions), each Note will be redeemed on its Maturity Date at the Redemption Amount as may be specified in or calculated or determined in accordance with the provisions of the Terms and Conditions.</p> <p>To the extent that Notes are traded on the Austraclear System or another clearing system, Notes will be redeemed at maturity in a manner consistent with the regulations of that clearing system.</p>
<b>Early Redemption</b>	<p>The Issuer may redeem all or some of the Notes before their Maturity Date by paying the Redemption Amount and the Early Redemption Premium as may be specified in the Terms and Conditions.</p>
<b>Rating</b>	<p>Neither the Issuer nor the Notes have been, nor is it intended that they will be, rated by any credit ratings agency.</p>
<b>Governing Law</b>	<p>The Note Deed Poll is, and the Notes will be, governed by the laws of New South Wales, Australia.</p> <p>The Guarantee Deed Poll is governed by the laws of New South Wales, Australia.</p>
<b>Listing</b>	<p>The Notes are not intended to be listed on any securities exchange.</p> <p>However, application may be made for one or more Tranches of Notes issued under the Programme to be listed on the Australian Securities Exchange at the discretion of the Issuer. Notes which are listed on the Australian Securities Exchange will not be transferred through or registered on the Clearing House Electronic Subregister System (<b>CHES</b>) and will not be 'CHES approved securities'. Such Notes may be transferred in the Austraclear System.</p>
<b>Stamp duty</b>	<p>Any stamp duty incurred at the time of issue of the Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the relevant investors.</p> <p>As at the date of this Information Memorandum, no Australian stamp duty is payable on the issue of the Notes. However, investors are advised to seek independent advice regarding any stamp duty or other taxes imposed by another jurisdiction upon the transfer or redemption of Notes, or interests in Notes, in any jurisdiction.</p>

<b>Tax gross up</b>	All payments are subject in all cases to applicable provisions of fiscal and other laws and regulations ( <b>Relevant Laws</b> ). If the Issuer or anyone making payment on its behalf is obliged by any Relevant Law to deduct or withhold any amount from a payment otherwise due to a Noteholder, it will do so. If the Issuer is obliged to make a deduction or withholding, then, subject to certain exceptions, it will pay the relevant Noteholder(s) an Additional Amount in respect of such deduction or withholding.
<b>Taxes</b>	Investors should obtain their own taxation advice regarding the taxation implications of investing in Notes.
<b>Australian interest withholding tax</b>	The Notes are intended to be issued in a manner which complies with the exemption from Australian interest withholding tax in section 128F of the Tax Act.
<b>FATCA</b>	If any payment to a Noteholder is subject to deduction or withholding, including as a result of any payment being made through an intermediary that is subject to deduction or withholding, by reason of the failure of that Noteholder or intermediary to perfect an exemption from any withholding or deduction required under or in connection with FATCA, the amount so withheld or deducted will be treated as paid under the Notes for all purposes and no Additional Amounts will be payable to that Noteholder with respect to such deduction or withholding.
<b>Clearing System</b>	A Note may be transacted through Austraclear or another clearing system as may be specified in the applicable Pricing Supplement and all transactions relating to that Note will be governed by the regulations relating to that clearing system.
<b>Selling Restrictions</b>	<p>The offering, sale and delivery of the Notes and the distribution of the Information Memorandum and other material in relation to any of the Notes will be subject to such restrictions as may apply in any country in connection with the offering and sale of a particular Tranche of Notes. See the section entitled 'Selling and Transfer Restriction' below.</p> <p>Additional selling restrictions applicable to the Notes may be specified in a Pricing Supplement for any offer, sale or delivery of Notes in any other jurisdiction.</p>

# The Issuer and the Guarantor

The information in this section is a brief summary only of the Issuer and the Guarantor and their respective businesses and does not purport to be, nor is it, complete.

This document contains only summary information concerning the Issuer, the Guarantor and the Notes and should be read in conjunction with the documents which are deemed to be incorporated by reference herein. The information contained in this Information Memorandum is not intended to provide the basis of any credit or other evaluation in respect of the Issuer, the Guarantor or any Notes and should not be considered or relied on as a recommendation or a statement of opinion (or a representation or report of either of those things) by any of the Issuer, the Guarantor, any of their respective affiliates, the Lead Manager and the Agents that any recipient of this Information Memorandum should subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes.

Investing in the Notes entails a number of risks. Certain risks associated with the Issuer's business are outlined in this section. However, this Information Memorandum does not describe all the risks associated with the Issuer's business or the risks associated with an investment in any Notes or the market generally. Prospective investors or purchasers should consult their own professional, financial, legal and tax advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.

## Description of the Issuer

The Issuer is a wholly owned subsidiary of the Guarantor, incorporated in New South Wales on 7 September 2017 for the sole purpose of issuing Notes under the Note Programme. As at the date of this Information Memorandum, the Issuer has paid up capital of \$2 and no other assets or liabilities.

## Description of the Guarantor

Moelis Australia Limited (**Guarantor**) is an Australian Securities Exchange listed financial services group that operates through two business segments: Corporate Advisory & Equities and Asset Management.

Corporate Advisory & Equities contains two business divisions:

- Corporate Advisory provides advisory and equity capital markets services; and
- Equities provides research, sales and trading execution services and works in collaboration with Corporate Advisory to facilitate equity capital markets transactions.

Asset Management provides asset and investment management services to institutional and high net worth investors.

Moelis Australia employs 125 staff in Australia with offices in Sydney and Melbourne.

Moelis Australia aims to create lasting client relationships by providing innovative strategic and financial advice and investment opportunities through a highly collaborative and global approach not limited to specific products or particular regions.

## How does Moelis Australia generate revenue?

Corporate Advisory & Equities generates advisory fees, equity capital markets fees and securities commissions revenue, as follows:

- Corporate Advisory provides strategic and financial advice in relation to transactions such as mergers & acquisitions, equity capital markets (IPOs and capital raisings), restructuring & recapitalisations and other corporate matters. Advisory fee revenue is generated by charging transaction fees and monthly retainers. Transaction fees are generally payable only upon completion of a transaction and are typically based on the value of the transaction.
- Equity capital markets fees are generated by raising equity capital for listed and unlisted companies. Fees are generally charged as a percentage of capital raised. Capital raised can either be underwritten (by Moelis Australia and/or sub-underwriters) or on an offer management basis, in which case Moelis Australia manages the offer but does not underwrite it; and
- Securities commissions are generated both from the value of securities traded by clients through Moelis Australia and cash payments received by Moelis Australia for equities services rendered.

Asset Management generates revenue through charging fees to investors in return for providing asset management and investment services. Fees are generally based on a percentage of value of the assets or equity in the funds and/or the financial performance of the funds. As at the date of this document, the Guarantor had approximately A\$2.6 billion of assets under management.

### Who are Moelis Australia's Clients?

Advisory revenue is generated from domestic and international clients including listed and privately owned companies, government and financial sponsors (i.e. private equity, hedge funds, alternative investors) and high net worth individuals.

Equity capital markets revenue is predominately generated from ASX listed companies and trusts and/or companies seeking to list on ASX.

Securities commissions are predominantly generated from domestic and global institutional investors.

Asset Management revenue is predominantly generated from funds managed by Moelis Australia on behalf of institutional and domestic and foreign high net worth investors.

### What is Moelis Australia's corporate history?

Since its establishment in 2009, Moelis Australia's business has grown substantially from five staff members to a current team of 125, located in its Sydney and Melbourne offices.

Over this period, Moelis Australia has grown its brand presence, expanded its services offering across Corporate Advisory & Equities and Asset Management whilst fostering the development of its executives.

- Since inception, Corporate Advisory has advised on over 150 transactions, totalling over \$75 billion by transaction value.
- Equities division executed trades for over 225 different client accounts in CY2016.
- Corporate Advisory & Equities have worked collaboratively to raise in excess of \$6.1 billion of capital for clients through equity capital markets since inception.
- Asset Management has achieved substantial scale since its establishment in 2013 now with a team of 23 staff and assets under management totalling approximately \$2.6 billion as at 31 August 2017.

### FY17 Earnings Guidance

Moelis Australia's net revenue has grown an average of 32% per annum from \$35.3 million in CY2014 to \$61.8 million in CY2016, and its pro forma EBIT has grown from \$2.3 million to \$18.8 million over the same period.

On 16 August 2017, the Guarantor provided the following guidance relating to its expected performance for the financial year ending 31 December 2017:

<b>Underlying EBITDA:</b>	A\$33 million
<b>Underlying profit after tax:</b>	A\$23 million

### Funding/Liquidity

The Guarantor had cash and liquid assets of A\$30 million and zero interest bearing liabilities at 31 August 2017.

On 13 September 2017, the Guarantor announced that it had undertaken an institutional equity placement of new shares raising A\$110 million comprising of A\$59.7 million via an unconditional placement (**Unconditional Equity Raising**) and a further A\$50.3 million placement subject to shareholder approval (**Conditional Equity Raising**).

Set out below is a pro forma (unaudited) balance sheet for the Guarantor group as at 31 August 2017 showing the impact of the Unconditional Equity Raising, the first tranche of Notes assumed to raise A\$35 million and the Conditional Equity Raising (adjustments are shown before transaction costs associated with the Note issue but after expected costs associated with the equity raising).

Consolidated Balance Sheet (\$m)	31-Aug-17 (Unaudited)	Unconditional Equity Raising (Net proceeds)	Note Issue Tranche 1	31-Aug-17 (ProForma)	Conditional Equity Raising (Net proceeds)	31-Aug-17 (ProForma)
Cash	26.7	59.3	35.0	121.0	49.9	170.9
Receivable, accruals pre-paid expenses	8.0	-	-	8.0	-	8.0
Goodwill and Intangibles	20.7	-	-	20.7	-	20.7
Investment in listed securities	1.6	-	-	1.6	-	1.6
Investment in unlisted securities	48.2	-	-	48.2	-	48.2
Other	6.2	-	-	6.2	-	6.2
<b>Total assets</b>	<b>111.5</b>	<b>59.3</b>	<b>35.0</b>	<b>205.8</b>	<b>49.9</b>	<b>255.7</b>
Debt	-	-	35.0	35.0	-	35.0
Accounts payable	4.1	-	-	4.1	-	4.1
Provisions	17.4	-	-	17.4	-	17.4
Other liabilities	1.3	-	-	1.3	-	1.3
<b>Total liabilities</b>	<b>22.7</b>	<b>-</b>	<b>35.0</b>	<b>57.7</b>	<b>-</b>	<b>57.7</b>
Net Assets	88.7	59.3	-	148.0	49.9	198.0
(-) Goodwill and intangibles	(20.7)	-	-	(20.7)	-	(20.7)
<b>Net Tangible Assets</b>	<b>68.0</b>	<b>59.3</b>	<b>-</b>	<b>127.3</b>	<b>49.9</b>	<b>177.2</b>

## Investment Risks

By investing in the Notes, the holders of the Notes will be lending money to the Issuer and may be exposed to a number of risks which can be broadly classified as risks associated with the Notes, the market generally and Moelis Australia's business. This section describes certain risks associated with Moelis Australia's business which Moelis Australia currently considers may be material to a prospective investor's decision to invest in the Notes. There may be other risks which Moelis Australia is not aware of or does not consider material, and prospective investors may attach more or less importance to a given risk than Moelis Australia. Accordingly, prospective investors or purchasers should undertake their own assessment of, and consult their own financial, legal and tax advisers about the risks associated with Moelis Australia's business, the Notes and the market generally.

## General Risk Factors

An investment in Moelis Australia is also subject to general risks including those related to general economic conditions, availability of funding, refinancing requirements, share price volatility, interest rates, additional debt issuance, attracting and retaining employees, health, safety and environment issues, litigation and disputes, financial forecasts, regulatory issues, changes in law, changes in accounting policy and standards, taxation implications and insurance issues.

## Funding

Notes issue is non-underwritten and being conducted on a best endeavours basis. Accordingly, Moelis Australia may not raise the full amount of funding sought under the Notes offer or the Programme.

Failure to raise the full amount sought under the Note Programme may have an adverse impact on Moelis Australia's ability to source and execute growth opportunities. In these circumstances Moelis Australia would need to find alternative funding arrangements or not proceed with the growth opportunities identified.

## Security price

The market price of Moelis Australia securities will fluctuate due to various factors including general movements in interest rates, the Australian and international general investment markets, economic conditions, global geo-political events and hostilities, investor perceptions and other factors that may affect Moelis Australia's financial performance and position. The ability of Moelis Australia to raise future equity or other capital will be dependent on the prevailing market conditions and depending on the circumstances at the time it may be unable to raise new funds to refinance debt or fund its existing business requirements.

## Liquidity

There is no established market for the Notes and none may develop. Accordingly, it may not be possible to sell the Notes at fair value, or at all.

## **Interest rates**

Adverse fluctuations in interest rates, to the extent that they are not hedged or forecast, may impact Moelis Australia's earnings and asset values due to any impact on markets in which Moelis Australia operates.

Further, as the Notes are fixed interest rate securities their value may be adversely affected by an increase in interest rates generally, or in the interest rates or other returns paid on other comparable securities.

## **Debt**

The Noteholders will receive the benefit of a negative pledge contained in the Terms and Conditions. The negative pledge prevents the Issuer and the Guarantor from granting security to secure any debt in the form of bonds, notes, debentures, loan stock or other securities which are, or are intended to be, or are capable of being quoted or otherwise dealt in on any stock exchange or other securities market. The negative pledge does not restrict the Issuer or the Guarantor from granting security to secure other types of additional financial indebtedness, including bank debt, and such secured debt would rank ahead of the indebtedness of Noteholders in an insolvency scenario of the Issuer or Guarantor.

## **Reliance on key management personnel**

Moelis Australia depends on the talent and experience of its staff and employees. It is essential that appropriately skilled staff be available in sufficient numbers to support Moelis Australia's business. While Moelis Australia has initiatives in place to mitigate the risk of its key staff leaving, the loss of such staff may have a negative impact on Moelis Australia.

## **Litigation and disputes**

Legal and other disputes may arise from time to time in the ordinary course of operations. Any such dispute may impact earnings or affect the value of Moelis Australia's assets.

## **Forward looking statements and financial forecasts**

There can be no guarantee that the assumptions and contingencies contained within forward looking statements, opinions or estimates (including projections, guidance on future earnings and estimates) will ultimately prove to be valid or accurate. The forward-looking statements, opinions and estimates depend on various factors, many of which are outside the control of Moelis Australia.

## **Regulatory issues and changes in law**

Changes in Government policy (including fiscal, monetary and regulatory policies at federal, state and local levels) may affect Moelis Australia's business and operations.

## **Changes in accounting policy**

Moelis Australia is subject to the usual business risk that there may be changes in accounting standards issued by AASB or the Corporations Act (2001) which have an adverse impact on it.

## **Taxation implications**

Future changes in Australian taxation law and changes in the interpretation or application of the law by the courts or taxation authorities in Australia, may affect the taxation treatment of an investment in Moelis Australia. Further, changes in taxation law (including goods and services taxes, income tax and stamp duty), or changes in the way taxation law is expected to be interpreted, in the various jurisdictions in which Moelis Australia operates, may impact the future taxation liabilities of Moelis Australia.

Changes in taxation law or in its interpretation or application may also adversely affect the taxation implications of an investment in the Notes.

## **Insurance**

While insurance policies typically cover against material damage to assets, contract works, business interruption, general and professional liability and worker's compensation, there are certain risks that cannot be mitigated by insurance, either wholly or in part, such as nuclear, chemical or biological incidents or risks where the insurance coverage is reduced or unavailable, such as cyclones or earthquakes. Further, insurance may become more expensive or in some cases, become unavailable.

## **Specific Risk Factors**

### **Inability to retain senior executives**

Moelis Australia's success is dependent on the efforts of its senior executives across each of its business divisions. The Australian market for highly skilled finance executives is competitive and may result in the loss

of senior executives leading to the loss of certain clients or other employees. The loss of senior executives and the fact that they may compete with Moelis Australia in subsequent roles could reduce Moelis Australia's ability to generate revenue, adversely impacting financial performance.

### **Changing market conditions**

As a financial services group, Moelis Australia is affected by conditions in the global financial markets and economic conditions throughout the world. The future market and economic climate may deteriorate because of many factors beyond Moelis Australia's control, including rising interest rates or inflation or political uncertainty. Changing market conditions can adversely affect Moelis Australia by reducing the volume of transactions executed across Corporate Advisory & Equities and by reducing the value of assets under management in Asset Management, both of which would adversely affect Moelis Australia's revenue. Profitability may also be adversely affected if Moelis Australia is unable to sufficiently scale back costs to match any decreases in revenue.

### **Competition**

Moelis Australia faces competition from other financial services firms, many of which have the ability to offer clients a wider range of products and services. Competitors include global and domestic investment banks, independent financial services groups, domestic stockbrokers and global and domestic investment managers.

Moelis Australia competes based on a number of factors, including depth of client relationships, industry knowledge, transaction execution skills, range of products and services, innovation, reputation and price. Increased competition could lead to fewer advisory mandates won, a reduction in securities trading volumes, lower than expected assets under management due to investor redemptions or reduced new fund inflow and pricing pressures that could adversely affect revenue and thus financial performance of Moelis Australia.

### **Timing differences and seasonality in Corporate Advisory revenue**

Timing differences in Corporate Advisory revenue could affect inter-year results. Since transaction based fees are generally paid only once a transaction completes, the timing of receipt and recognition of revenue depends on transaction timing and outcomes, many elements of which are outside Moelis Australia's control and may be difficult to predict. Short timing differences as to whether transactions complete late one financial year or early the following financial year could materially affect financial performance in each year and relativity between years.

### **Significant investor visa program**

Asset Management generates a significant portion of its revenue from clients who participate in the significant investor visa program. The significant investor visa program is an initiative set up by the Australian government to incentivise foreign investment in Australia. Subject to meeting certain minimum criteria, foreign investors are provided an opportunity to secure permanent residency visas in Australia. If the significant investor visa program is terminated by the government, this would eventually result in the end of significant investor visa investor capital inflows and a possible increase in redemptions or withdrawals by existing investors. Significant investor visa capital inflows may also reduce due to adverse changes in foreign regulations that, for example, may prevent investors from transferring their capital overseas for investment. Foreign investors participating in the significant investor visa program are required to keep A\$5 million in a qualifying investment fund for a minimum of four years. Moelis Australia's clients may choose to redeem their investment once they receive their permanent residency visa.

Reduced significant investor visa capital inflows and increased capital redemptions would likely reduce Moelis Australia's assets under management.

With a lower value of assets under management, Moelis Australia would experience a reduction in revenues or expected revenue growth adversely impacting financial performance and expected growth prospects.

### **Compliance with regulation in Australia**

Moelis Australia conducts its business in a highly regulated industry and must comply with the requirements of its Australian Financial Services Licences, the Corporations Act, ASIC, ASX, DFAT and other regulators.

Non-compliance with regulatory requirements may result in financial penalties, additional expense or reputation damage to Moelis Australia. In addition, changes to regulation may result in increased costs to Moelis Australia in order to comply with regulatory requirements, and an increased risk of non-compliance with new and complex regulation.

### **Underwriting**

Moelis Australia makes underwriting commitments in the ordinary course of business by underwriting equity capital raisings. If there is a shortfall in demand for an underwritten offer, Moelis Australia could be required to

purchase the shortfall resulting in a demand for cash to fund the purchase. On subsequent sale of these securities Moelis Australia may be subject to losses which would impact financial performance. In certain offerings, the opportunity to sell a shortfall holding may not arise from time to time due to liquidity considerations and consequently, Moelis Australia may be required to fund the purchase without being able to subsequently sell the securities resulting in a reduction in capital availability and opportunity cost adversely impacting financial performance.

### **Investment Risk**

In the ordinary course of business, Moelis Australia may make investments in securities of public or private companies for the purposes of generating profit.

There is a risk that Moelis Australia's investments will fall in value over the short or long term leading to an adverse impact on the financial performance of Moelis Australia and potentially a reduction in value of Moelis Australia Shares.

### **Acquisitions and expansion**

Moelis Australia may enter into new lines of business which may result in additional risks and uncertainties in the business.

Moelis Australia currently generates substantially all of its revenue from Corporate Advisory & Equities and Asset Management segments. To the extent Moelis Australia enters into new lines of business, it will face numerous risks and uncertainties, which can include risks associated with actual or perceived conflicts of interest, the possibility that it may have insufficient expertise to engage in such activities profitably or without incurring inappropriate amounts of risk, the required investment of capital and other resources and the loss of clients due to the perception that it is no longer focusing on existing or core business.

If a new business generates insufficient revenues or if Moelis Australia is unable to efficiently manage expanded operations, Moelis Australia's financial performance could be adversely affected.

### **Termination of Strategic Alliance with Moelis & Company**

Moelis Australia is party to a Strategic Alliance Agreement with Moelis & Company. Under this strategic alliance, Moelis Australia agrees to continue to conduct its business in Australia and New Zealand as an integrated part of the global advisory business of Moelis & Company Group.

The strategic alliance provides access to a global network of advisory executives, sharing of intellectual capital and access to firm relationships. If the Strategic Alliance Agreement was to terminate, Moelis Australia would lose the right to use the Moelis name and associated trademarks as well as lose access to the benefits of being integrated with Moelis & Company globally. Loss of these benefits could lead to increased difficulty in securing new clients and generating revenue resulting in an adverse impact to financial performance.

### **Client credit risk**

Moelis Australia accepts credit risk when dealing with clients and counterparties especially as it relates to obligations including the payment of advisory fees and the settlement of share trades. Clients or counterparties may not fulfil their financial obligations in a timely manner resulting in an adverse impact on Moelis Australia's financial performance. This risk is magnified in the case of restructuring & recapitalisation assignments where the client may be in financial stress.

### **Satisfactory performance of services**

The success of Moelis Australia is dependent on its reputation. Moelis Australia may face damage to its professional reputation if its services are not regarded as satisfactory.

Corporate Advisory & Equities businesses depend to a large extent on relationships with clients and a reputation for integrity and high-calibre professional services to attract and retain clients. As a result, if a client is not satisfied with Moelis Australia's services, it may cease to do business with Moelis Australia leading to an adverse impact on financial performance.

Asset Management relies on generating sufficient returns for its investors. If it fails to deliver satisfactory performance, the business' reputation may be damaged leading to investor redemptions or challenges for the business in relation to securing new investor funds. Both scenarios could result in a reduction in assets under management and reduced fee schedules leading to an adverse impact on revenues and financial performance.

### **Conflicts of Interest**

Failure to deal appropriately with actual, potential or perceived conflicts of interest could damage Moelis Australia's reputation and materially adversely affect its business.

Potential conflicts include the following:

- o Possibility of an actual, potential or perceived conflict of interest where Moelis Australia represents a client on a transaction in which an existing client is a party. For example, Moelis Australia may be asked by two potential clients to act on their behalf on the same transaction, including two clients as potential buyers in the same acquisition transaction, and Moelis Australia may act for both clients if both clients agree to doing so;
- o Corporate Advisory may advise clients in relation to entities that funds managed by Asset Management holds positions in;
- o Equities may produce research in relation to companies who are also clients of Corporate Advisory; and/or
- o Moelis Australia may from time to time hold proprietary positions in listed equities where clients have a direct or indirect interest for example as competitors, potential acquisition targets, investment opportunities or other contractual arrangements.

Moelis Australia has a conflict of interest policy to try to ensure that any perceived, potential or actual conflicts are managed appropriately. However, it is possible that actual, potential or perceived conflicts could give rise to client dissatisfaction, litigation or regulatory enforcement actions.

If Moelis Australia fails, or appears to fail, to deal appropriately with one or more potential or actual conflicts of interest its reputation could be damaged creating reluctance among potential clients and counterparties to do business with Moelis Australia and leading to an adverse impact on financial performance.

#### **Employee misconduct**

Employee misconduct, which is difficult to detect and deter, could harm Moelis Australia by impairing its ability to attract and retain clients and by subjecting it to legal liability and reputational harm. There is a risk that employees could engage in misconduct that would adversely affect the business.

For example, the business often requires Moelis Australia to deal with confidential matters of great significance to its clients. If employees were to improperly use or disclose confidential information provided by clients, Moelis Australia could be subject to regulatory sanctions and suffer serious harm to its reputation, financial position, current client relationships and ability to attract future clients. It is not always possible to deter employee misconduct, and the precautions taken to detect and prevent misconduct may not be effective in all cases.

#### **Information technology systems and infrastructure**

Moelis Australia relies on third party software products and services for its management of information systems. Any damage or interruptions from system failures, computer viruses, cyber-attacks or other events, to these systems could impair the ability of Moelis Australia to deliver products and services to its clients, which could have an adverse effect on Moelis Australia's financial performance. If Moelis Australia was a victim of a cyber-attack which resulted in confidential information being improperly released or disclosed, Moelis Australia could suffer serious harm to its reputation, client relationships and financial position.

# Terms and Conditions of the Notes

## Conditions of Notes

---

*The following are the terms and conditions (**Conditions**) which, as supplemented, amended, modified or replaced by the Pricing Supplement, will be applicable to Notes issued by the Issuer.*

*The Notes will be unsecured debt obligations of the Note constituted by, and owing under, the Note Deed Poll and will take the form of entries in a Register. The Notes will be issued in Tranches and each Tranche will be the subject of a separate Pricing Supplement which may supplement, modify, amend or replace the application of these Conditions to the Notes comprising that Tranche.*

*The Noteholders will have the benefit of a guarantee from the Guarantor under the Guarantee.*

*Each Noteholder of a Note is deemed to have notice of, and to be bound by, all the provisions contained in the Note Deed Poll (including the Meeting Provisions), the Information Memorandum, the Pricing Supplement and each other Note Document.*

*Copies of the Note Deed Poll (including these Conditions and the Meeting Provisions), the Information Memorandum, the Pricing Supplement and each other Note Document are available for inspection by Noteholders during normal business hours at the Specified Offices of the Issuer or Registrar.*

## 1 Definitions and Interpretation

---

### 1.1 Definitions

In these Conditions:

<b>Term</b>	<b>Meaning</b>
<b>Additional Amount</b>	has the meaning given in Condition 8.7.

---

<b>Term</b>	<b>Meaning</b>
<b>Agent</b>	<p>in relation to a Note, each of the following (if any) in relation to that Note:</p> <ol style="list-style-type: none"> <li>1 the Registrar;</li> <li>2 the Issuing Agent;</li> <li>3 the Paying Agent;</li> <li>4 the Calculation Agent; and</li> <li>5 any additional person which the Issuer designates as an 'Agent' for the purposes of these Conditions as specified in the Pricing Supplement or as otherwise permitted under these Conditions.</li> </ol>
<b>Amortisation Yield</b>	<p>in relation to a Zero Coupon Note, the amortisation yield (if any) specified in the Pricing Supplement.</p>
<b>Amortised Face Amount</b>	<p>in relation to a Zero Coupon Note, an amount equal to the sum of:</p> <ol style="list-style-type: none"> <li>1 the Purchase Price; and</li> <li>2 the product of the Amortisation Yield (compounded annually) being applied to the Purchase Price from (and including) the Issue Date to (but excluding) the date upon which the Note becomes due and repayable or, if that date is not a whole number of years from the Issue Date, the immediately preceding anniversary of the Issue Date; and</li> <li>3 if the date upon which the Note becomes due and repayable is not a whole number of years from the Issue Date, the product of the Amortisation Yield applied to the sum of (1) and (2) above, multiplied by the applicable Day Count Fraction (calculated with reference to the period from the immediately preceding anniversary of the Issue Date to the date upon which the Note becomes due and repayable).</li> </ol>
<b>Associate</b>	<ol style="list-style-type: none"> <li>1 for the purposes of Condition 8.7, an "associate" for the purpose of and as defined in section 128FA of the Tax Act; and</li> <li>2 for all other purposes, an "associate" as determined under sections 10 to 17 of the Corporations Act.</li> </ol>
<b>Austraclear</b>	<p>Austraclear Limited (ABN 94 002 060 773).</p>
<b>Austraclear Regulations</b>	<p>the regulations known as the 'Austraclear Regulations', together with any instructions or directions, established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System and binding on the participants in that system.</p>

<b>Term</b>	<b>Meaning</b>
<b>Austraclear System</b>	the system operated by Austraclear in Australia for holding securities and electronically recording and settling transactions in those securities between participants of that system.
<b>Australian Dollars and A\$</b>	the lawful currency of the Commonwealth of Australia.
<b>Authorisation</b>	<ol style="list-style-type: none"> <li>1 any authorisation, consent, registration, filing, agreement, notarisation, certificate, license, approval, permit, authority or exemption, from or by or with a Government Agency; and</li> <li>2 in relation to any act, matter or thing which will be proscribed or restricted in whole or in part by law if a Government Agency intervenes or acts in any way within a specified period after lodgement, registration or notification of such act, matter or thing, the expiry of such period without such intervention or action.</li> </ol>
<b>Business Day</b>	<ol style="list-style-type: none"> <li>1 for the purposes of Condition 15(a), a day on which banks are open for business in the city where the notice or other communication is received (excluding a Saturday, Sunday or public holiday);</li> <li>2 with respect to any issue or proposed issue of Notes or payment in respect of Notes, a day on which: <ul style="list-style-type: none"> <li>• banks are open for business in Sydney or any other city (if any) specified in the Pricing Supplement for those Notes and, if the Notes are denominated in any currency other than Australian Dollars, the principal financial centre for dealings in that currency; and</li> <li>• if the issue of, or payment in respect of, the Notes is to be settled through a Clearing System, that Clearing System is open for business,</li> </ul> <p>excluding in each case, a Saturday, Sunday or public holiday in any of those places; and</p> </li> <li>3 for all other purposes, a day on which banks are open for business in Sydney and any other city (if any) specified in the Pricing Supplement for those Notes, excluding a Saturday, Sunday or public holiday in any of those places</li> </ol>
<b>Business Day Convention</b>	<p>in relation to a date on or by reference to which a payment on a Note is to be made or calculated, the convention specified in the Pricing Supplement for the adjustment of that date if it would otherwise fall on a date that is not a Business Day, and:</p> <ol style="list-style-type: none"> <li>1 if "Following" is specified or no convention is specified, means that the date is postponed to the next Business Day;</li> <li>2 if "Floating Rate Convention" is specified, means that the date is postponed to the next Business Day unless that day falls within</li> </ol>

Term	Meaning
	<p>the next calendar month, in which event:</p> <ul style="list-style-type: none"> <li>– the date is brought forward to the first preceding day that is a Business Day; and</li> <li>– each subsequent Interest Payment Date is the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the Pricing Supplement after the preceding applicable Interest Payment Date has occurred;</li> </ul> <p>3 if “Modified Following” is specified, means that the date is postponed to the next Business Day unless that day falls in the next calendar month in which case that date is brought forward to the preceding Business Day;</p> <p>4 if “Preceding” is specified, means that the date is brought forward to the preceding Business Day; and</p> <p>5 if “No Adjustment” is specified, means that the date is not adjusted.</p>
<b>Calculation Agent</b>	in respect of a Note, the Registrar or any other person (if any) specified in the Pricing Supplement for that Note as the party responsible for performing the functions of a calculation agent with respect to that Note or any replacement Calculation Agent appointed by the Issuer pursuant to Condition 14.
<b>Clearing System</b>	<ol style="list-style-type: none"> <li>1 the Austraclear System; or</li> <li>2 any other clearing system specified in the Pricing Supplement.</li> </ol>
<b>Conditions</b>	in relation to a Note, these terms and conditions, as supplemented, amended, modified or replaced in relation to that Note by the Pricing Supplement.
<b>Controller</b>	a controller as defined in the Corporations Act.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Day Count Fraction</b>	<p>in respect of the calculation of interest for any period of time (<b>Calculation Period</b>), the day count fraction specified in the Pricing Supplement and:</p> <ol style="list-style-type: none"> <li>1 if ‘<b>Actual/Actual (ICMA)</b>’ is so specified, means: <ul style="list-style-type: none"> <li>• where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the</li> </ul> </li> </ol>

**Term**

**Meaning**

- 
- number of Regular Periods normally ending in any year; and
- where the Calculation Period is longer than one Regular Period, the sum of:
    - the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year;
- 2 if **'Actual/365'** or **'Actual/Actual (ISDA)'** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
- the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
  - the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- 3 if **'Actual/365 (Fixed)'** is so specified, means the actual number of days in the Calculation Period divided by 365;
- 4 if **'Actual/360'** is so specified, means the actual number of days in the Calculation Period divided by 360;
- 5 if **'30/360'**, **'360/360'** or **'Bond Basis'** is so specified, means the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{360 \times (Y_2 - Y_1) + 30 \times (M_2 - M_1) + (D_2 - D_1)}{360}$$

where:

- 'Y<sub>1</sub>' is the year, expressed as a number, in which the first day of the Calculation Period falls;
  - 'Y<sub>2</sub>' is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
  - 'M<sub>1</sub>' is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
  - 'M<sub>2</sub>' is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
  - 'D<sub>1</sub>' is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and
  - 'D<sub>2</sub>' is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period,
-

Term	Meaning
	<p>unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;</p> <p>6 if <b>'30E/360'</b> or <b>'Eurobond basis'</b> is so specified, means the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:</p> $\text{Day Count Fraction} = \frac{360 \times (Y_2 - Y_1) + 30 \times (M_2 - M_1) + (D_2 - D_1)}{360}$ <p>where:</p> <p><b>'Y<sub>1</sub>'</b> is the year, expressed as a number, in which the first day of the Calculation Period falls;</p> <p><b>'Y<sub>2</sub>'</b> is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;</p> <p><b>'M<sub>1</sub>'</b> is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;</p> <p><b>'M<sub>2</sub>'</b> is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;</p> <p><b>'D<sub>1</sub>'</b> is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and</p> <p><b>'D<sub>2</sub>'</b> is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;</p> <p>7 if <b>'RBA Bond Basis'</b> or <b>'Australian Bond Basis'</b> is so specified, means one divided by the number of Interest Payment Dates in a year or, where the Calculation Period does not constitute an Interest Period:</p> <p>(a) subject to paragraph (b), the actual number of days in the Calculation Period divided by 365; or</p> <p>(b) if any portion of the Calculation Period falls in a leap year, the sum of:</p> <ul style="list-style-type: none"> <li>– the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and</li> <li>– the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365.</li> </ul>
<b>Denomination</b>	in respect of a Note, the face value of that Note as specified in the Pricing Supplement.
<b>Early Redemption Amount</b>	<p>in relation to a Note to be redeemed prior to its Maturity Date:</p> <p>1 in the case of a Zero Coupon Note, its Amortised Face Amount plus any applicable Early Redemption Premium; or</p>

<b>Term</b>	<b>Meaning</b>
	<p>2 in any other case, its outstanding principal amount plus any applicable Early Redemption Premium,</p> <p>or such other amount as may be specified in or determined in accordance with the Pricing Supplement.</p>
<b>Early Redemption Premium</b>	<p>1 for each Note to be redeemed prior to its Maturity Date under Condition 6.4; or</p> <p>2 in any other circumstance for which a premium on redemption of that Note is specified in the Pricing Supplement as applying, the amount (if any) specified in or determined in accordance with the Pricing Supplement as being the premium applicable to such a redemption of the Note or, if no amount or means for determining an amount is specified in the Pricing Supplement, zero.</p>
<b>Encumbrance</b>	<p>any security interest under the PPSA or any interest or power by way of (or having the effect of) security for the payment of a debt, any other monetary obligation or the performance of any other obligation, including:</p> <ol style="list-style-type: none"> <li>1 any mortgage, pledge, lien, charge, hypothecation or finance lease;</li> <li>2 any security or preferential interest or arrangement of any kind including, but not limited to, any retention of title, any deposit of money by way of security or which is subject to a "flawed asset" arrangement and any deposit of money provided by way of security and in respect of which a right of set-off exists;</li> <li>3 any interest in any asset reserved in, created or arising in or over any of the above including, but not limited to, a bill of sale, trust or power; and</li> <li>4 any agreement to grant, create or allow to subsist any of the above.</li> </ol>
<b>Entity</b>	<p>any person, firm, company, corporation, government, state, agency, association, trust, managed investment scheme or partnership whether or not having separate legal personality.</p>
<b>Event of Default</b>	<p>any event specified in Condition 10.1.</p>
<b>Extraordinary Resolution</b>	<p>has the meaning given to that term in the Meeting Provisions.</p>
<b>Financial Indebtedness</b>	<p>any debt or other monetary liability in respect of moneys borrowed or raised or any financial accommodation including under or in respect of any:</p>

<b>Term</b>	<b>Meaning</b>
	<ol style="list-style-type: none"> <li>1 bill, bond, debenture, note or similar instrument;</li> <li>2 acceptance, endorsement or discounting arrangement;</li> <li>3 guarantee in respect of any moneys borrowed or raised or any financial accommodation;</li> <li>4 agreement for the payment of capital or premium on the redemption of any preference shares;</li> <li>5 interest or currency swap or hedge arrangement, financial option, futures contract or analogous transaction (the amount of such Financial Indebtedness being the marked to market value of the relevant transaction); or</li> <li>6 counter indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution,</li> </ol> <p>and irrespective of whether the debt or liability:</p> <ol style="list-style-type: none"> <li>7 is present or future;</li> <li>8 is actual, prospective, contingent or otherwise;</li> <li>9 is at any time ascertained or unascertained;</li> <li>10 is owed or incurred alone or severally or jointly or both with any other person; or</li> <li>11 comprises any combination of the above.</li> </ol>
<b>Fixed Rate Note</b>	a Note specified in the applicable Pricing Supplement to be a Fixed Rate Note or a Note to which Condition 5.2 is applicable.
<b>Floating Rate Note</b>	a Note specified in the Pricing Supplement to be a Floating Rate Note or a Note to which Condition 5.3 is applicable.
<b>Government Agency</b>	any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity. It also includes any self-regulatory organisation established under statute or any stock or other securities exchange, listing authority or quotation system.
<b>Group</b>	the Issuer and each of its subsidiaries (within the meaning of the Corporations Act).
<b>GST</b>	the goods and services tax levied under the GST Act.
<b>GST Act</b>	a <i>New Tax System (Goods and Services Tax) Act 1999</i> (Cth).

<b>Term</b>	<b>Meaning</b>
<b>Guarantee</b>	the deed poll entitled 'Deed poll guarantee and indemnity' executed by the Guarantor dated on or about the date of the Note Deed Poll.
<b>Guarantor</b>	Moelis Australia Limited ACN 142 008 428.
<b>Information Memorandum</b>	in relation to any Note, the "Information Memorandum" as defined in the Pricing Supplement, together with any supplement to it issued by the Issuer and any documents or other information incorporated by reference in it.
<b>Interest Commencement Date</b>	<p>in relation to a Note:</p> <ol style="list-style-type: none"> <li>1 the date specified in the Pricing Supplement as its 'Interest Commencement Date' or as the date from which interest accrues or is taken to have accrued on the Note; or</li> <li>2 if no such date is specified, the Issue Date of the Note.</li> </ol>
<b>Interest Payment Date</b>	in relation to a Note, each date specified in or determined in accordance with the Pricing Supplement to be an 'Interest Payment Date' or date for the payment of interest on the Note, subject to adjustment in accordance with the applicable Business Day Convention.
<b>Interest Period</b>	<p>in relation to a Note, each successive period beginning on and including an Interest Payment Date for that Note and ending on but excluding the next succeeding Interest Payment Date for that Note, provided that:</p> <ol style="list-style-type: none"> <li>1 the first Interest Period for a Note commences on and includes the Interest Commencement Date of that Note; and</li> <li>2 the final Interest Period for a Note ends on but excludes the Maturity Date of that Note (or, if earlier, the day on which it is or is required to be redeemed).</li> </ol>
<b>Interest Rate</b>	in relation to a Note, the interest rate used to determine the interest payable in respect of that Note in accordance with Condition 5.
<b>Issuer</b>	Moelis Australia Finance Pty Ltd ACN 621 554 845.
<b>Issue Date</b>	in relation to a Note, the date for the issue of that Note, as specified in the Pricing Supplement.

<b>Term</b>	<b>Meaning</b>
<b>Issuing Agent</b>	<p>in relation to any Notes:</p> <ol style="list-style-type: none"> <li>1 unless paragraph 2 applies, the Registrar in relation to the those Notes; or</li> <li>2 if specified in the Pricing Supplement, such other person appointed by the Issuer to perform the function of an issuing agent with respect to the those Notes,</li> <li>3 or any replacement of Issuing Agent appointed by the Issuer pursuant to Condition 14.</li> </ol>
<b>Margin</b>	in relation to a Floating Rate Note, the margin specified in or determined in accordance with the Pricing Supplement.
<b>Maturity Date</b>	in relation to a Note, the date specified in or determined in accordance with the Pricing Supplement as the 'Maturity Date' of that Note or the date upon which that Note is scheduled to be redeemed in full.
<b>Meeting Provisions</b>	the rules for the calling and holding of meetings of, and passing of resolutions by, Noteholders as set out in Schedule 1 to the Note Deed Poll.
<b>Note</b>	each medium term note or such other form of medium term debt instrument or debt obligation constituted by, and owing under, the Note Deed Poll.
<b>Note Deed Poll</b>	the deed poll entitled 'Note Deed Poll' executed by the Issuer dated 13 September 2017 and such other deed poll executed by the Issuer that supplements, amends, amends and restates, modifies or replaces the deed poll referred to above.
<b>Note Document</b>	<p>in relation to a Note:</p> <ol style="list-style-type: none"> <li>1 the Note Deed Poll;</li> <li>2 the applicable Pricing Supplement; and</li> <li>3 the Guarantee.</li> </ol>
<b>Noteholder</b>	in respect of a Note, a person shown in the Register as the holder of that Note and, where that Note is jointly owned by one or more persons, the persons shown in the Register as the joint holders of that Note.

<b>Term</b>	<b>Meaning</b>
<b>Ordinary Resolution</b>	has the meaning given to that term in the Meeting Provisions.
<b>Paying Agent</b>	<p>in relation to a Note:</p> <ol style="list-style-type: none"> <li>1 unless paragraph 2 applies, the Registrar in relation to those Notes; or</li> <li>2 if specified in the Pricing Supplement, such other person appointed by the Issuer to perform the function of a paying agent with respect to that Note,</li> </ol> <p>or any replacement Paying Agent appointed by the Issuer pursuant to Condition 14.</p>
<b>PPSA</b>	the Personal Property Securities Act 2009 (Cth).
<b>Pricing Supplement</b>	in relation to a Tranche or Note in a Tranche, a document executed by the Issuer and expressed to be the Pricing Supplement for that Tranche.
<b>Purchase Price</b>	in relation to a Zero Coupon Note, the amount specified in the Pricing Supplement for that Note as the 'Purchase Price' for that Note or the purchase price payable to the Issuer in respect of that Note.
<b>Record Date</b>	<ol style="list-style-type: none"> <li>1 in relation to a payment required in respect of a Note under Condition 10.3, the date on which the Note was declared due and payable under that Condition;</li> <li>2 in relation to a determination or exercise of voting rights in respect of a Note for the purposes of passing a Resolution without holding a meeting, the date specified as the 'Record Date' for the purposes of that Resolution in accordance with the Meeting Provisions; and</li> <li>3 in relation to any other payment or determination or exercise of voting rights in respect of a Note, the day that is the eighth calendar day before the relevant date for payment or, as applicable, the relevant date for the meeting.</li> </ol>
<b>Record Date Noteholder</b>	in relation to a payment or determination or exercise of voting rights in respect of a Note, the Noteholder of the Note as at the Record Time on the Record Date for that payment or determination or exercise of voting rights.
<b>Record Time</b>	in respect of a date, 5.00pm on that date in the place where the Register is kept.

<b>Term</b>	<b>Meaning</b>
<b>Redemption Amount</b>	in respect of a Note, the outstanding principal amount of that Note on the Maturity Date or such other amount specified in or calculated in accordance with the Pricing Supplement.
<b>Reference Banks</b>	for the purposes of calculating the Interest Rate applicable to a Floating Rate Note, the Reference Banks specified in the Pricing Supplement or, if none are specified, 4 major banks in the Relevant Financial Centre selected by the Calculation Agent.
<b>Reference Rate</b>	for the purpose of determining the Interest Rate applicable to a Floating Rate Note in any Interest Period, the 'Reference Rate' specified in the Pricing Supplement.
<b>Register</b>	in relation to a Note, the register of Noteholders of Notes of the Series of which it forms part maintained by the Registrar on behalf of the Issuer in accordance with the Note Deed Poll and these Conditions.
<b>Registrar</b>	in relation to a Note, the person specified as the 'Registrar' in the Information Memorandum or (if different) the Pricing Supplement or any replacement Registrar appointed by the Issuer pursuant to Condition 14.
<b>Regular Period</b>	<ol style="list-style-type: none"> <li>1 in the case of Notes where interest is scheduled to be paid only by means of regular payments, each Interest Period;</li> <li>2 in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "<b>Regular Date</b>" means the day and month (but not the year) on which any Interest Payment Date falls; and</li> <li>3 in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "<b>Regular Date</b>" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period.</li> </ol>
<b>Relevant Financial Centre</b>	for the purposes of calculating the Interest Rate applicable to a Floating Rate Note, the place specified as the 'Relevant Financial Centre' in the Pricing Supplement or, if none is specified, the financial centre selected by the Calculation Agent as having the closest connection with the Reference Rate.

<b>Term</b>	<b>Meaning</b>
<b>Relevant Screen Page</b>	<p>for the purpose of determining the Interest Rate applicable to a Floating Rate Note in any Interest Period:</p> <ol style="list-style-type: none"> <li>1 the page, section or other part of a particular information service specified as the 'Relevant Screen Page' in the Pricing Supplement; or</li> <li>2 any other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the rates or prices shown on the previous 'Relevant Screen Page'.</li> </ol>
<b>Relevant Time</b>	for the purpose of determining the Interest Rate applicable to a Floating Rate Note in any Interest Period, the 'Relevant Time' specified in the Pricing Supplement.
<b>Resolution</b>	an Extraordinary Resolution or Ordinary Resolution, as the context requires.
<b>Scheduled Repayment Date</b>	in relation to a Note, a date specified in or determined in accordance with the Pricing Supplement to be a 'Scheduled Repayment Date' for, or a date for the making of any scheduled repayment of principal on, that Note.
<b>Scheduled Repayment Amount</b>	in relation to a Note and a Scheduled Repayment Date for that Note, an amount specified in or determined in accordance with the Pricing Supplement to be the 'Scheduled Repayment Amount' for, or amount of principal scheduled to be repaid on, that Scheduled Repayment Date.
<b>Series</b>	<p>Notes issued in one or more Tranches all of which:</p> <ol style="list-style-type: none"> <li>1 have identical terms, except that the Issue Date, the Interest Commencement Date and the amount of the first payment of interest (in addition to any other terms specified in the Pricing Supplement for this purpose) may be different in respect of different Tranches of a Series; and</li> <li>2 are specified in the Pricing Supplements as having the same series identification number or name.</li> </ol>
<b>Specified Office</b>	in respect of a person, the office specified in the Information Memorandum or any other address notified to Noteholders from time to time.

<b>Term</b>	<b>Meaning</b>
<b>Tax</b>	<p>1 any tax, including the GST, levy, charge, impost, duty, fee, deduction, compulsory loan or withholding; or</p> <p>2 any income, stamp or transaction duty, tax or charge, which is assessed, levied, imposed or collected by any Government Agency (except to the extent imposed on, or calculated having regard to, the net income of a Noteholder) and includes any interest, fine, penalty, charge, fee or other amount imposed on or in respect of any of the above.</p>
<b>Tax Act</b>	the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth).
<b>Tranche</b>	an issue of Notes all of which Notes are issued on the same Issue Date and the terms of which are identical in all respects and which are referred to in the Pricing Supplement as being a Tranche.
<b>Transfer Form</b>	in respect of a transfer of a Note, a transfer and acceptance form in the form available from the Registrar at the relevant time or, if no form is so available, in any usual or common form by which the transferee acknowledges and agrees to be bound by the terms of the Note Deed Poll, the Conditions and each Note Document applicable to the Note.
<b>Zero Coupon Note</b>	a Note specified in the Pricing Supplement to be a 'Zero Coupon Note' or a Note that does not bear interest.

## 1.2 Interpretation

In these Conditions:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this deed;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (e) an expression importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to anything (including any right) includes a part of that thing but nothing in this Condition 1.2(f) implies that performance of part of an obligation constitutes performance of the obligation;
- (g) a reference to a Condition is a reference to a Condition of these Conditions;

- (h) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- (i) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;
- (j) a reference to a party to a document includes that party's successors and permitted assignees;
- (k) a reference to an agreement other than these Conditions includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing;
- (l) a reference to an asset includes all property of any nature, including a business, and all rights, revenues and benefits;
- (m) a reference to a document includes any agreement in writing, or any certificate, notice, instrument or other document of any kind;
- (n) a reference to an "outstanding" Note is, subject to Condition 1.7, a reference to a Note which satisfies both of the following conditions:
  - (1) that Note has not been redeemed or purchased and cancelled; and
  - (2) claims for principal and redemption amounts under that Note have not become void under Condition 9; and
- (o) references to time are to Sydney time.

### **1.3 Inclusive expressions**

Specifying anything in these Conditions after the words "include" or "for example" or similar expressions does not limit what else is included unless there is express wording to the contrary.

### **1.4 Business Day**

Except where Condition 8.4 applies, where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

### **1.5 Application to Notes**

- (a) These Conditions apply and are to be construed separately in relation to each Series of Notes.
- (b) Unless the context otherwise requires:
  - (1) a reference in these Conditions to a Note is a reference to a Note of the Series in relation to which these Conditions are being applied;
  - (2) a reference in these Conditions to the Issuer is a reference to the 'Issuer' as defined in the Note Deed Poll;
  - (3) a reference in these Conditions to a Noteholder is a reference to a Noteholder of a Note referred to in Condition 1.5(b)(1); and
  - (4) a reference in these Conditions to a Pricing Supplement is a reference to the Pricing Supplement applicable to a Note referred to in Condition 1.5(b)(1).

- (c) These Conditions apply in relation to a Note as supplemented, amended, modified or replaced by the Pricing Supplement applicable to that Note. In the event of any inconsistency between these Conditions and that Pricing Supplement, the provisions of that Pricing Supplement are to be preferred to the extent of the inconsistency.

## **1.6 References to principal and interest**

Unless the contrary intention appears:

- (a) any reference to 'principal' is taken to include (without double counting) the Early Redemption Amount (if any) in respect of the Notes payable under these Conditions, any additional amounts in respect of principal which may be payable in respect of the Notes under these Conditions (including under Condition 8.7), any premium payable by the Issuer in respect of a Note and any other amount in the nature of principal payable in respect of the Notes under these Conditions;
- (b) the principal amount of a Note issued at a discount is to be taken as at any time to equal the lesser of:
  - (1) its Denomination; and
  - (2) if specified in the Pricing Supplement, its Amortised Face Amount at that time;
- (c) the principal amount of a Note which is to vary by reference to a schedule or formula (where such determination has been previously made in accordance with these Conditions) is to be taken as at any time to equal its varied amount;
- (d) any reference to 'interest' is taken to include (without double counting) any additional amounts in respect of interest which may be payable under Condition 8.7 and any other amount in the nature of interest payable in respect of the Notes under these Conditions.

## **1.7 Notes held by or on behalf of the Issuer**

Solely for the purposes of:

- (a) the right to attend and vote at any meeting of the holders of the Notes of any Series; and
- (b) the determination of how many and which Notes of any Series are for the time being outstanding for the purposes of any direction or request to be issued by the holder of Notes of that Series,

any Notes of the relevant Series which are, for the time being, held by or on behalf of, or for the benefit of, the Issuer or any member of the Group will be disregarded unless and until either:

- (c) those Notes cease to be so held; or
- (d) there are no Notes of the relevant Series which are not subject to the operation of this clause 1.7.

## 2 Form, denomination and title

---

### 2.1 Registered form

- (a) Notes will be issued by the Issuer in registered form in accordance with the Note Deed Poll.
- (b) Notes are debt obligations of the Issuer constituted by, and owing under, the Note Deed Poll, the details of which are recorded in, and evidenced by entry in, the Register.
- (c) Noteholders of Notes are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Note Deed Poll.
- (d) The Issuer must ensure that there is a Registrar for the Notes at all times and that the Registrar maintains the Register in New South Wales (or in such other jurisdiction as may be agreed between the Issuer and the Registrar) so as to show at all times such details of the Noteholders and the Notes as are required to be shown in the Register by these Conditions or by law or which the Issuer and the Registrar determine should be recorded in the Register.
- (e) No certificate or other evidence of title to a Note will be issued to a Noteholder unless the Issuer determines that a certificate should be made available or it is required by law to do so.

### 2.2 Effect of entry in Register

- (a) Each entry in the Register in respect of a Note constitutes:
  - (1) an irrevocable, separate and individual undertaking by the Issuer to the Noteholder to:
    - (A) pay the principal, any interest and any other amounts the Issuer is obliged to pay in relation to that Note in accordance with these Conditions;; and
    - (B) duly and punctually observe and perform and comply with all covenants, obligations and conditions imposed on it under the Note Deed Poll or these Conditions; and
  - (2) an entitlement to the other benefits given to Noteholders under the Note Deed Poll and these Conditions in respect of the Note.
- (b) The obligations of the Issuer in respect of each Note are:
  - (1) acknowledged by the Issuer in favour of the Noteholder by entry in the Register of that person as the holder of the Note; and
  - (2) enforceable by the Noteholder against the Issuer separately from any other Note and, subject to Condition 4.9, to the exclusion of any predecessor in title of the Noteholder or any other person.

### 2.3 Denomination

The Notes are denominated in Australian Dollars and in an initial principal amount of A\$10,000 or in such other currency or amount as may be specified in the Pricing Supplement.

## 2.4 Title

- (a) Title to a Note is vested absolutely in the person entered in the Register as the holder of the Note, subject to rectification of the Register for fraud or error.
- (b) A Note registered in the name of more than one person is held by those persons as joint tenants.
- (c) The Issuer and the Agents are entitled to deal exclusively with the relevant Noteholder as the absolute beneficial owner of a Note and are not obliged to enter in the Register or otherwise recognise any right to, or interest in, a Note other than the title of that Noteholder.

## 2.5 No recommendation by Agents

An Agent's approval of a Note for any purposes under its agreement with the Issuer to act as Agent in relation to the Note (**Agency Agreement**) does not constitute a recommendation or endorsement by the Agent of the Note but only indicates that it is considered by the Agent to be compatible with the performance by it of its obligations as Agent under the Agency Agreement.

## 2.6 Stamp duty

Any stamp duty imposed by a Government Agency of the Commonwealth of Australia or any political subdivision therein or thereof on the issue of any Notes must be paid by the Issuer.

# 3 Status and negative pledge

---

## 3.1 Status of Notes

Notes are direct, unsecured and unsubordinated obligations of the Issuer ranking pari passu without any preference amongst themselves and at least equally with other unsecured present and future obligations of the Issuer, except liabilities mandatorily preferred by law.

## 3.2 Status of Guarantee

- (a) Notes have the benefit of the Guarantee.
- (b) The Guarantee comprises unsecured and unsubordinated obligations of each Guarantor ranking at least equally with other unsecured present and future obligations of that Guarantor, except liabilities mandatorily preferred by law.

## 3.3 Negative pledge

So long as any Note remains outstanding, neither the Issuer nor the Guarantor will create, or have outstanding, any Encumbrance, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Notes:

- (a) the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity; or

- (b) such other security as shall be approved by an Extraordinary Resolution of the Noteholders.

In this Condition, “**Relevant Indebtedness**” means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market.

## 4 Transfers

---

### 4.1 Transferability

Notes may only be transferred:

- (a) in accordance with this Condition 4;
- (b) in whole but not in part;
- (c) in compliance with all applicable laws, regulations and directives; and
- (d) without limiting Condition 4.1(c), in the case of Notes to be transferred in, or into, Australia, if:
  - (1) the offer or invitation giving rise to the transfer of the Notes is for an aggregate consideration of at least A\$500,000 (or its equivalent in another currency) (disregarding amounts paid or payable out of moneys lent by the transferor or its Associates), or if the transfer is otherwise pursuant to an offer or invitation that does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act; and
  - (2) the transfer is not to a “retail client” for the purposes of section 761G of the Corporations Act.

### 4.2 Title

Title to a Note passes when details of the transfer are entered in the Register.

### 4.3 Transfer procedures

- (a) Interests in Notes held in a Clearing System will be transferable only in accordance with the rules and regulations of that Clearing System. If a Note is lodged in the Austraclear System, neither the Issuer nor the relevant Registrar will recognise any such interest other than the interest of Austraclear as the Noteholder while the Note is lodged in the Austraclear System.
- (b) Application for the transfer of Notes not held in a Clearing System must be made by the lodgement of a Transfer Form with the Registrar at its Specified Office. Transfer Forms must be:
  - (1) duly completed;
  - (2) accompanied by any evidence the Registrar may require to establish that the Transfer Form has been duly executed;
  - (3) signed by the transferor and the transferee; and

- (4) accompanied by any evidence the Registrar may require to establish that any Taxes applicable to the transfer have been paid.

#### **4.4 Restrictions on transfer**

- (a) The Issuer is not required to arrange for the registration of a transfer of a Note during the period from the Record Time on a Record Date for a payment or determination or exercise of voting rights in respect of the Note until the Business Day after the date payment is due or the result of the relevant Resolutions are known, unless:
  - (1) the Record Date relates to a meeting that has been adjourned or a Resolution to be passed without holding a meeting; and
  - (2) the transferee has signed an acknowledgment of the proposed Resolutions and the fact that it is not entitled to vote on the Resolutions and will be bound by the Resolutions in form and substance satisfactory to the Issuer.
- (b) The transfer of a Note to:
  - (1) more than four persons jointly; or
  - (2) an unincorporated association,is not permitted.
- (c) Without limiting Condition 4.3(a), if Austraclear is recorded in the Register as a Noteholder and the Note is lodged in the Austraclear System, no transfer of that Note may be recorded on the Register except:
  - (1) in circumstances permitted by the agreement between the Issuer and the Registrar under which the Registrar is appointed to perform the role of registrar; and
  - (2) if either:
    - (A) Austraclear gives notice to the Registrar stating that the Owner (as defined in the Austraclear Regulations) of the Note has stated to Austraclear that it needs to be registered in relation to the Note in order to pursue any rights against the Issuer following an alleged default by the Issuer; or
    - (B) Austraclear purports to exercise any power it may have under the Austraclear Regulations, these Conditions or otherwise to require the Note to be transferred to the Recorded Owner (as defined in the Austraclear Regulations),

a transfer of the Note from Austraclear to the Owner (as defined in the Austraclear Regulations) may be recorded on the Register. In any of these cases, the Note will be removed from the Austraclear System

#### **4.5 Austraclear as Noteholder**

If Austraclear is recorded in the Register as the Noteholder, each person in whose Security Record (as defined in the Austraclear Regulations) a Note is recorded is taken to acknowledge in favour of the Issuer, the Registrar and Austraclear that:

- (a) the Registrar's decision to act as the Registrar of that Note is not a recommendation or endorsement by the Registrar or Austraclear in relation to

that Note, but only indicates that the Registrar considers that the holding of the Note is compatible with the performance by it of its obligations as Registrar pursuant to its agreement with the Issuer under which it is appointed to act as Registrar; and

- (b) the Noteholder does not rely on any fact, matter or circumstance contrary to Condition 4.5(a).

#### **4.6 Transfer of unidentified Notes**

An application by a Noteholder for the transfer of less than all the Notes of any Series registered in its name may be registered by the Registrar in respect of such of those Notes as the Registrar thinks fit unless the specific Notes to be transferred are identified to the Registrar's satisfaction in the Transfer Form.

#### **4.7 Estates**

A person becoming entitled to a Note as a consequence of the death or bankruptcy, insolvency or winding-up of a Noteholder or of a vesting order, or a person administering the estate of a Noteholder and entitled by law to do so, may apply for the transfer of the Note as if it was the Noteholder of the Note or, if so entitled, become registered as the Noteholder of the Note upon producing such evidence as to that entitlement or status as the Registrar considers sufficient.

#### **4.8 Taxes**

The Noteholder must pay any Taxes imposed in any jurisdiction in connection with any transfer or other dealing with a Note. Transfers will be registered without charge.

#### **4.9 Entitlement to outstanding payments**

- (a) The transferor of a Note remains entitled, to the exclusion of the transferee or any other person, to any payment due on the Note for which it is the Record Date Noteholder.
- (b) If a payment referred to in Condition 4.9(a) is not made when due then the transferor is to be regarded, solely for the purposes of enforcing its right to that payment, as the Noteholder of the Note.

#### **4.10 CHES**

Notes which are listed on the Australia Securities Exchange operated by ASX Limited (ABN 98 008 624 691) will not be transferred through, or registered on, the Clearing House Electronic Subregister System operated by ASX Settlement.

## **5 Interest**

---

### **5.1 General**

Each Note bears interest:

- (a) in accordance with Condition 5.2, 5.4 and 5.5 if it is a Fixed Rate Note;
- (b) in accordance with Condition 5.3, 5.4 and 5.5 if it is a Floating Rate Note;

- (c) in accordance with Condition 5.5 but not otherwise if it is a Zero Coupon Note; and
- (d) in accordance with such other terms as may be specified in the Pricing Supplement.

## 5.2 Fixed Rate Notes

- (a) Fixed Rate Notes bear interest during each Interest Period in the fixed coupon amount, or at the fixed rate, and on the basis specified in or determined in accordance with the Pricing Supplement and this Condition 5.2.
- (b) If the Pricing Supplement specifies a fixed coupon amount of interest to be payable on any Interest Payment Date (including, in the case of the first Interest Payment Date or the Maturity Date, by specifying an “Initial Broken Amount” or “Final Broken Amount” respectively) (the **‘fixed coupon amount’**) then that amount of interest will be due in respect of the Interest Period which ends immediately prior to that date.
- (c) If the Pricing Supplement does not specify a fixed amount of interest to be payable on an Interest Payment Date, the amount of interest payable in respect of the Interest Period which ends immediately prior to that date is the amount obtained by multiplying the outstanding principal amount of the Note as at the first day of that Interest Period (excluding any part of the principal amount that falls due for payment on or before that day) by the fixed rate applicable to that Interest Period specified in or determined in accordance with the Pricing Supplement (the **‘fixed rate’**) and then multiplying the resulting product by the Day Count Fraction for that Interest Period.

## 5.3 Floating Rate Notes

- (a) Floating Rate Notes bear interest during each Interest Period at the rate and on the basis determined in accordance with the Pricing Supplement and this Condition 5.3.
- (b) The amount of interest payable for any Interest Period is the amount obtained by multiplying the outstanding principal amount of the Note on the first day of the Interest Period (excluding any part of the principal amount falling due for payment on or before that date) by the interest rate for that Interest Period determined in accordance with the Pricing Supplement (and, to the extent applicable, this Condition 5.3) and then multiplying the resulting product by the Day Count Fraction for that Interest Period.
- (c) If “Screen Rate Determination” is specified in the Pricing Supplement as applicable to a Floating Rate Note, the Interest Rate during any Interest Period will be the aggregate of the Margin and the Reference Rate for that Interest Period which appears on the Relevant Screen Page for that Interest Period at the Relevant Time for that Interest Period, unless:
  - (1) more than one but less than five Reference Rates are displayed on the Relevant Screen Page at the Relevant Time, in which case the Interest Rate for the Interest Period is the aggregate of the Margin and the average of the Reference Rates so displayed;
  - (2) five or more Reference Rates are displayed on the Relevant Screen Page at the Relevant Time, in which case the Interest Rate for the Interest Period is the aggregate of the Margin and the average of the Reference Rates so displayed, disregarding highest and the lowest (or, in the case of equality, one of the highest and one of the lowest);

- (3) no Reference Rate appears (or, if more than one Reference Rate would customarily be displayed on the Relevant Screen Page, less than 2 Reference Rates appear) on the Relevant Screen Page at the Relevant Time, in which case the Interest Rate for the Interest Period is the aggregate of the Margin and the base rate determined under Condition 5.3(d).
- (d) If Condition 5.3(c)(3) applies, the base rate to be used to calculate the Interest Rate for the Interest Period is:
- (1) the average of the Reference Rates being quoted by the Reference Banks to leading banks in the Relevant Financial Centre at the Relevant Time; or
  - (2) if fewer than two Reference Banks are so quoting, the average of the rates per cent per annum that (A) the Calculation Agent determines to be the nearest equivalent to the Reference Rate and (2) are being quoted to leading banks in the Relevant Financial Centre by two or more leading institutions in the Relevant Financial Centre selected by the Calculation Agent at or about the date and time on which such institutions would customarily quote such rates,
- for a period equivalent to the Interest Period and commencing on the first day of the Interest Period.
- (e) If “ISDA Determination” is specified in the Pricing Supplement as applicable to a Floating Rate Note, the Interest Rate applicable during any Interest Period will be the aggregate of the Margin and the “Floating Rate” that would be applicable to that Interest Period if it was a “Calculation Period” under an interest rate swap transaction incorporating the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.) under which:
- (1) the “Floating Rate Option”, “Designated Maturity” and other relevant terms were as specified in the Pricing Supplement; and
  - (2) subject to Condition 5.3(e)(1), the “Reset Date” was the first day of the Interest Period (or such other date specified in the Pricing Supplement) and the “Floating Rate Day Count Fraction” was the Day Count Fraction for that Interest Period.
- (f) If the Interest Rate for any Interest Period would otherwise be less than any minimum interest rate or greater than any maximum interest rate specified in the Pricing Supplement for the Interest Period, the Interest Rate for the Interest Period is the minimum interest rate or, as applicable, maximum interest rate so specified.
- (g) If the Calculation Agent is unable to determine the Interest Rate for an Interest Period in accordance with the above provisions, the Interest Rate for that Interest Period will be the Interest Rate for the immediately preceding Interest Period, adjusted to the extent necessary to:
- (1) reflect any change in the Margin; and
  - (2) comply with Condition 5.3(f) in respect of any maximum interest rate or minimum interest rate for that Interest Period specified in the Pricing Supplement.

## 5.4 Accrual and payment

Interest due on a Note in respect of each Interest Period accrues on a daily basis and is payable in arrears on the following Interest Payment Date.

## 5.5 Interest on overdue amounts

- (a) The Issuer must pay interest on any amount of principal that is due and payable by it on a Note but unpaid.
- (b) Interest payable under Condition 5.5(a):
  - (1) accrues from day to day from and including the due date for payment up to the actual date of payment at the default rate specified in the Pricing Supplement or, if no such default rate is specified, at the interest rate applicable to the Note on the date the amount fell due (or, in the case of a Zero Coupon Note, at the Amortisation Yield applicable to it); and
  - (2) must be paid by the Issuer when it pays the overdue amount.

## 6 Redemption, purchase and cancellation

---

### 6.1 Redemption on Maturity Date

The Issuer must redeem each Note on its Maturity Date by paying to the Record Date Noteholder the Redemption Amount in respect of that Note.

### 6.2 Scheduled repayments prior to Maturity Date

The Issuer must repay part of the outstanding principal amount of each Note on each Scheduled Repayment Date (if any) for the Note by payment to the Record Date Noteholder of the Scheduled Repayment Amount for that Scheduled Repayment Date on that Scheduled Repayment Date.

### 6.3 Early redemption for taxation reasons

- (a) If the Issuer has or will become obliged to pay any Additional Amount when the next payment is due on the Notes of any Series as a result of:
  - (1) any change in, or amendment to, any applicable laws or regulations; or
  - (2) any change in the application or official interpretation of any applicable laws or regulations,where such change or amendment becomes effective on or after the Issue Date for any Note in that Series, the Issuer may redeem all (but not some only) of the Notes in the relevant Series in accordance with this Condition 6.3.
- (b) If the Issuer wishes to redeem Notes under this Condition 6.3, it must give notice to the Noteholders of the Notes and the Registrar specifying:
  - (1) that the Notes will be redeemed under this Condition 6.3;
  - (2) the date for the redemption of the Notes, which must be a Business Day falling not less than 30 days and not more than 60 days (or such other period as is specified in the Pricing Supplement) after the date the notice is given; and
  - (3) that the Issuer has delivered to the Registrar (to be made available to each Noteholder, on request):

- (A) a certificate signed by two directors of the Issuer; and
- (B) an opinion of legal advisers to the Issuer of recognised standing in the Commonwealth of Australia,

to the effect that there has been, since the Issue Date in respect of any Notes in that Series, a change or amendment of the type referred to in Condition 6.3(a) with the effect that the Issuer would be required to pay an Additional Amount when the next payment is due on the Notes.

- (c) The Issuer must deliver to the Registrar the documents referred to in Condition 6.3(b)(3) prior to giving notice under Condition 6.3(b).
- (d) Notice under Condition 6.3(b) is irrevocable and, on the date for redemption specified in that notice, the Issuer must redeem all of the Notes by paying to the Record Date Noteholders the applicable Early Redemption Amount of the Notes and (unless otherwise specified in the Pricing Supplement) any accrued but unpaid interest on the Notes.

#### **6.4 Early redemption at the option of the Issuer (Call Option)**

- (a) If this Condition 6.4 is specified in the Pricing Supplement as being applicable to any Notes, then the Issuer may redeem all of the Notes of the relevant Series, or such portion of those Notes as is expressly permitted by the Pricing Supplement, in accordance with this Condition 6.4.
- (b) If the Issuer wishes to redeem Notes under this Condition 6.4 it must give notice to the Noteholders of the relevant Series and the Registrar specifying:
  - (1) that the Notes, or the relevant portion of the Notes, are to be redeemed under this Condition 6.4;
  - (2) if only some of the Notes are to be redeemed, that the Notes to be redeemed will be selected and notified to the Noteholders in accordance with Condition 6.4(d) not less than 15 days (or such other period as is specified in the Pricing Supplement) prior to the date fixed for redemption; and
  - (3) the date for redemption of the Notes, which must comply with Condition 6.4(c).
- (c) The date fixed for redemption of any Notes under this Condition 6.4 must:
  - (1) be a Business Day falling within any "Call Period" specified in the Pricing Supplement and not less than 30 days and not more than 60 days (or such other periods as are specified in the Pricing Supplement) after the date the notice is given; and
  - (2) be a "Call Date" specified in the Pricing Supplement (if any such dates are so specified) and in the case of an interest bearing Note, an Interest Payment Date.
- (d) Notice given under Condition 6.4(b) is irrevocable and the Issuer must:
  - (1) if only some of the Notes of the Series are to be redeemed, procure that the Registrar selects the Notes to be redeemed by lot (or by such other method as is specified in the Pricing Supplement) and notifies the Noteholders of the Notes so selected not less than 15 days (or such other period as is specified in the Pricing Supplement) prior to the date fixed for redemption; and

- (2) redeem the Notes, or the Notes so selected, by paying to the relevant Record Date Noteholders the applicable Early Redemption Amount and (unless otherwise specified in the Pricing Supplement) any accrued but unpaid interest on the Notes.

## **6.5 Early redemption at the option of Noteholders (Put Option)**

- (a) If this Condition 6.5 is specified in the Pricing Supplement as being applicable to any Notes, the Noteholder of those Notes may require the Issuer to redeem any or all of those Notes subject to and in accordance with this Condition 6.5 and the terms set out in the Pricing Supplement.
- (b) A Noteholder may require the Issuer to redeem Notes held by the Noteholder by giving notice to the Issuer and the Registrar:
  - (1) in the form (if any) available from the Registrar;
  - (2) specifying that the Noteholder requires the Notes to be redeemed in accordance with this Condition 6.5;
  - (3) specifying the date for redemption, which must comply with Condition 6.5(c); and
  - (4) accompanied with such evidence as the Registrar may require to establish the identity of the person giving the notice and his or her authority to do so.
- (c) The date fixed for redemption of any Note under this Condition 6.5 must:
  - (1) be a Business Day falling within the "Put Period" specified in the Pricing Supplement and not less than 45 days (or such other period as is specified in the Pricing Supplement) after the date the notice is given; and
  - (2) be a "Put Date" specified in the Pricing Supplement (if any such dates are so specified) and in the case of an interest bearing Note, an Interest Payment Date.
- (d) A Noteholder may not give notice requiring the Issuer to redeem any Note held by it after the Issuer has given notice that it will redeem the Note under Condition 6.3 or 6.4; or
- (e) Notice under Condition 6.5(b) is irrevocable and on the date specified for redemption the Issuer must redeem the Notes by paying to the Record Date Noteholder the applicable Early Redemption Amount of the Notes and (unless otherwise specified in the Pricing Supplement) any accrued but unpaid interest on the Notes.

## **6.6 Purchase of Notes**

- (a) The Issuer or any member of the Group may at any time purchase Notes in the open market or otherwise and at any price, but the Issuer must ensure that any tender offer by it or any member of the Group to purchase Notes of a Series from Noteholders is made to all Noteholders of that Series in proportion to the Notes of that Series held by them.
- (b) Subject to Condition 6.6(c), Notes purchased by the Issuer or any member of the Group may be cancelled or re-sold at the option of the Issuer.

- (c) Notes purchased by the Issuer or any member of the Group and specified in the Pricing Supplement to be “Public Offer Test Compliant” must be cancelled or re-sold.

## **6.7 Cancellation**

Each Note is cancelled and of no further force and effect upon:

- (a) the Note being redeemed by the Issuer in accordance with the Conditions or being purchased and cancelled under Condition 6.6; or
- (b) the Noteholder becoming precluded from making any claim for payment in relation to the Note under Condition 9.

## **7 Calculations**

---

### **7.1 Calculation Agent**

The Issuer must ensure that the Calculation Agent makes any determination or calculation required by the Conditions in respect of any Note and notifies the Issuer and the Registrar of such determination or calculation as soon as practicable after it is made.

### **7.2 Rounding**

All calculations in respect of principal, interest and other amounts in respect of the Notes will be rounded to the nearest cent (or, if payment is due in another currency, to the lowest unit of such currency) (with halves being rounded up), and percentages will be rounded to the nearest fourth decimal place (with 0.00005 rounded to 0.0001).

### **7.3 Calculation binding**

The calculation and determinations made by the Calculation Agent are, in the absence of manifest error, final and binding on the Issuer and each Noteholder.

## **8 Payments**

---

### **8.1 Manner of payments**

All payments on a Note must be made:

- (a) in the currency in which the Note is denominated or as otherwise specified in the Pricing Supplement; and
- (b) on or before the due date for payment,

to the account for payment specified by the Record Date Noteholder of the Note and recorded in the Register at the Record Time on the Record Date or, if the Note is at that time held by Austraclear and entered in the Austraclear System, to the account or accounts required to effect payment in accordance with the Austraclear Regulations.

## **8.2 Receipt and cancellation of payments**

- (a) The Issuer is regarded as having made payment on a Note to an account upon the giving of all necessary instructions for the transfer of the relevant funds to the account so long as:
  - (1) the instructions are given effect to in accordance with normal banking procedures; or
  - (2) Condition 8.2(b) applies and the Issuer acts in accordance with that Condition.
- (b) If instructions for the transfer of funds to an account are not given effect to in accordance with normal banking procedures because the account does not exist or is not an account to which the relevant payment may be made or because the details of the account do not match the details recorded in the Register, the Issuer may cancel the transfer and pay the relevant amount (net of any applicable deduction or withholding) in accordance with Condition 8.3(a).

## **8.3 Payments to Paying Agent**

- (a) If a payment on a Note cannot be made in accordance with Condition 8.1 because no account to which payment may be made has been notified by the Record Date Noteholder and recorded in the Register as at the Record Time on the Record Date, or if instructions to transfer the relevant amount are not given effect to for the reasons contemplated in Condition 8.2, the payment must be made by payment to the Paying Agent to hold in accordance with Condition 8.3(b).
- (b) Payments to a Paying Agent of an amount due on a Note under Condition 8.3(a) must be on terms that the Paying Agent will hold the amount paid on behalf of and for the benefit of, and make payment (net of any applicable deduction or withholding) on demand to, the Record Date Noteholder (or, if payment is not claimed by the Record Date Noteholder within the time specified in Condition 9, the Issuer).
- (c) Payment of an amount due in respect of a Note in accordance with Condition 8.3(a) discharges the obligation of the Issuer to pay that amount.
- (d) This Condition 8.3 does not limit the right of the Issuer to arrange for a Paying Agent to make payments on a Note on its behalf.

## **8.4 Adjustment of dates for payment**

- (a) If a payment on a Note is due to be made on a day which is not a Business Day, the due date for that payment will be adjusted according to the applicable Business Day Convention but no adjustment will be made to the amount due.
- (b) If a payment on a Note is due to be made to an account on a Business Day on which banks are not open for general banking business in the city in which the account is located, the Noteholder is not entitled to the payment until the next Business Day on which banks in such city are open for general banking business and is not entitled to any additional interest or other payment in respect of the delay.
- (c) If a payment on a Note held by Austraclear and entered in the Austraclear System cannot be made on a Business Day that is the due date for the payment for the reason that the Austraclear System is not operating, Austraclear is not entitled to the payment until the next Business Day on which the Austraclear

System is operating and is not entitled to any additional interest or other payment in respect of the delay.

## 8.5 Payment subject to fiscal laws

The Issuer's obligations to make payments on the Notes are subject to applicable laws.

## 8.6 Payments in gross

Subject to Condition 8.5, all payments which the Issuer is required to make on the Notes must be without:

- (a) set-off, counterclaim or condition; or
- (b) any deduction or withholding for any Tax or any other reason unless the Issuer is required to make the deduction or withholding by applicable law.

## 8.7 Additional Amounts

If the Issuer is required to make a deduction or withholding in respect of any Tax assessed, levied, imposed or collected by a Government Agency of the Commonwealth of Australia or any political subdivision therein or thereof (**Relevant Tax**), the Issuer must:

- (a) pay the amount deducted or withheld to the appropriate Government Agency as required by law;
- (b) make reasonable endeavours to obtain a payment receipt from the Government Agency (and any other documentation ordinarily provided by the Government Agency in connection with the payment);
- (c) promptly after receipt of the documents referred to in Condition 8.7(b), deliver copies of them to the Registrar for collection by the relevant Noteholder; and
- (d) if the Notes are specified in their Pricing Supplement to be "Public Offer Test Compliant", pay to the Noteholder such additional amount (**Additional Amount**) as may be necessary to ensure that the Noteholder receives when due a net amount (after any deduction or withholding of any Relevant Tax in respect of each Additional Amount) equal to the full amount it would have received if the deduction or withholding had not been made,

except that no Additional Amounts are payable in relation to any deduction or withholding in respect of any Tax from any payments on any Note:

- (e) which is required by reason of the Noteholder having a Tax debt to, or some connection with, the Commonwealth of Australia or any political subdivision therein or thereof other than as contemplated under section 128B(2A) of the Tax Act or through the mere holding of the Note or receipt of the payment;
- (f) which could have been lawfully avoided by the Noteholder complying, or procuring that any third party complied, with any statutory requirements or making, or procuring that any third party made, a declaration of non-residence or similar case for exemption to any Government Agency or other person in the Commonwealth of Australia or the place where payment under the Note is made;
- (g) which is required by reason of the Noteholder failing to supply, or failing to procure a third party to supply, an appropriate tax file number (TFN) or Australian Business Number (ABN) or details of an applicable exemption from the requirement to supply such a number;

- (h) which is required by reason of the Noteholder being an Associate of the Issuer;  
or
- (i) in such other circumstances as are specified in the Pricing Supplement.

## 8.8 Other currencies

The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. If a Noteholder receives payment of an amount in a currency other than that in which it is due, the Noteholder:

- (a) may convert the amount received into the due currency in accordance with any normal market procedures; and
- (b) is only regarded as having received the amount of the due currency obtained from the conversion.

## 9 Time limit for claims

---

A claim against the Issuer for a payment under a Note is void unless made within:

- (a) in the case of principal and redemption amounts, 10 years; or
- (b) in the case of other amounts, 5 years,  
after the due date for payment.

## 10 Events of Default

---

### 10.1 Events of Default

It is an Event of Default, whether or not it is within the control of the Issuer, if:

- (a) **failure to pay:** the Issuer fails to pay or repay any amount due in respect of the Notes when due and payable and does not remedy that failure within 5 Business Days (in the case of principal) or 10 Business Days (in the case of interest or any other amount);
- (b) **other obligations:** the Issuer or the Guarantor breaches, or fails to fully observe or perform, any of its material obligations or undertakings under or in connection with the Notes or any Note Document and if the breach or failure is capable of remedy, the breach or failure is not remedied within 30 days after the date of the breach or failure;
- (c) **Encumbrance:** any Encumbrance is enforced against any asset or assets of the Issuer and the aggregate value of such asset or assets or the amount secured by the Encumbrance is greater than A\$50,000,000 (or its equivalent in any other currency or currencies);
- (d) **execution:** a distress, attachment, execution or other process of a Government Agency is issued against, levied or entered upon any asset or assets of the Issuer in an aggregate amount exceeding A\$50,000,000 (or its equivalent in any other currency or currencies) and is not set aside or satisfied within 30 days;

- (e) **solvency:** the Issuer or the Guarantor:
- (1) is, or is presumed to be, insolvent (within the meaning of the Corporations Act) or bankrupt or unable to pay its debts; or
  - (2) stops, suspends or threatens to stop or suspend payment of all or substantially all of its debts;
- (f) **administrator:** a receiver, receiver and manager, administrative receiver, administrator or similar official is appointed to the Issuer or the Guarantor, unless the appointment is on terms approved by an Extraordinary Resolution;
- (g) **winding up:** any of the following occur:
- (1) an application is made and not stayed or set aside within 60 days or an order is made;
  - (2) proceedings are commenced; or
  - (3) a resolution is passed or proposed by the Issuer or the Guarantor, for the winding up, dissolution, receivership or administration of the Issuer or the Guarantor other than on terms approved by an Extraordinary Resolution;
- (h) **deregistration:** the Issuer or the Guarantor is deregistered, or any steps are taken to deregister the Issuer or the Guarantor, under the Corporations Act other than on terms approved by an Extraordinary Resolution;
- (i) **arrangements:** the Issuer or the Guarantor enters into or resolves to enter into any composition or compromise with, or assignment for the benefit of, any of its creditors or a moratorium is declared or comes into effect in respect of all or a substantial part of the debts or the Issuer or the Guarantor;
- (j) **reorganisation:** the Issuer or the Guarantor merges with any person, or demergers, (including by way of a scheme of arrangement) other than:
- (1) on terms approved by an Extraordinary Resolution; or
  - (2) where entered into on a solvent basis and, in the case of the Issuer or the Guarantor, where the surviving Entity or Entities is or are incorporated in the same jurisdiction as the Issuer or Guarantor, as the case may be and assume all of the obligations of the Issuer or Guarantor, as the case may be under the Note Documents;
- (k) **unenforceability:**
- (1) a material provision of the Conditions or a Note Document is illegal, void, voidable or unenforceable or is claimed to be so by the Issuer or the Guarantor;
  - (2) the Issuer or the Guarantor becomes entitled to or claims to be entitled to, terminate, rescind or avoid any material provision of the Conditions or any Note Document to which it is a party; or
  - (3) the execution, delivery or performance by the Issuer or the Guarantor of the Conditions or a Note Document to which it is a party breaches or results in a contravention of any law; or
- (l) **other laws:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in Conditions 10.1(d), 10.1(e), 10.1(f), 10.1(g) or 10.1(h) above.

## 10.2 Notice of Event of Default

As soon as it becomes aware of the existence of an Event of Default, the Issuer must give notice to the Registrar and each Noteholder specifying the event and any action being taken or proposed by the Issuer to remedy it.

## 10.3 Consequences of an Event of Default

If an Event of Default is subsisting, each Noteholder may, by giving notice to the Issuer and the Registrar, declare in respect of each Note held by it that the Early Redemption Amount (together with all accrued interest) in respect of that Note is due and payable on the third Business Day following receipt of such notice.

## 11 Further issues

---

The Issuer may, without the consent of any Noteholder, issue further Notes on terms and conditions which are identical in all respects to the terms and conditions of existing Notes then outstanding (or in all respects except for the Issue Date, the Interest Commencement Date, the amount of the first payment of interest, if any, on them in addition to any other terms specified in the Pricing Supplement for this purpose) and designate that those further Notes form part of a single Series with the existing Notes.

To avoid doubt, this Condition 11 does not limit the terms on which the Issuer may issue Notes or other medium term notes or other medium term debt instruments.

## 12 Meetings

---

### 12.1 When meetings may be convened

Meetings of Noteholders may be convened in accordance with the Meeting Provisions to consider matters affecting the interests of Noteholders of that Series, including the variation of the Conditions or any Note Document or the granting of any approval, consent or waiver.

### 12.2 Powers of meetings

- (a) The Noteholders may by Extraordinary Resolution:
- (1) approve any amendment to the Conditions or any Note Document, including any amendment to the due amount, currency or date of any payment;
  - (2) approve any compromise of, or arrangement in relation to, the rights of the Noteholders under the Conditions or any Note Document;
  - (3) waive any breach, or authorise any proposed breach, by the Issuer or any other person of the Conditions or any Note Document;
  - (4) approve the exchange of the Notes for other obligations or securities of the Issuer or any other person or the substitution of any other person as Issuer of the Note;

- (5) confer on any other person or persons the authority to do on behalf of the Noteholders anything required to give effect to an Extraordinary Resolution or to exercise on behalf of the Noteholders the powers of the Noteholders exercisable by Extraordinary Resolution; or
  - (6) do any other thing for which an Extraordinary Resolution is required under the Conditions or any Note Document.
- (b) The Noteholders may by either Extraordinary Resolution or Ordinary Resolution give any approval, consent or waiver, make any declaration or other decision or do any other thing for which an Extraordinary Resolution is not required as specified in Condition 12.2(a).

### **12.3 Resolutions binding**

A Resolution of Noteholders, passed or regarded as passed in accordance with the Meeting Provisions, is binding on all the Noteholders, and all the Noteholders are bound to give effect to it, whether or not such Noteholders:

- (a) are present at the meeting;
- (b) approve the Resolution; or
- (c) otherwise participate in the passing or deemed passing of the Resolution.

### **12.4 Application of Meeting Provisions**

The Meeting Provisions apply in relation to the Notes as if set out in full in these Conditions.

## **13 Amendments**

---

### **13.1 Amendment without consent**

The Issuer may amend or vary the Conditions and the provisions of any Note Document applicable to any Note without the consent of any Noteholder by executing a supplemental deed poll, if that amendment or variation:

- (a) is necessary to comply with any law;
- (b) is for the purpose of correcting any manifest error; or
- (c) is of a formal, minor or technical nature, or is made to cure any ambiguity or correct or supplement any defective or inconsistent provision and does not materially prejudice the interest of the Noteholders.

### **13.2 Amendment with consent**

Without limiting Condition 13.1, the Issuer may amend or vary the Conditions or the provisions of any Note Document applicable to the Notes with the approval of an Extraordinary Resolution.

### **13.3 Notice of amendments**

The Issuer must give to the Registrar and each affected Noteholder a copy of any amendment or variation to the Conditions or the Meeting Provisions applicable to any

Notes or to the provisions of the Note Deed Poll as soon as reasonably practicable after that variation is made.

## 14 Agents

---

- (a) Each Agent acts as agent for the Issuer and, except in relation to any amount paid to the Agent to hold on trust for a Noteholder, has no duty or obligation to any Noteholder.
- (b) The Issuer may at any time terminate the appointment of an Agent or appoint replacement or additional Agents, but must notify the Registrar and each relevant Noteholder of such termination or appointment.
- (c) The Issuer must ensure at all times for so long as any Notes are outstanding that an Agent acts in respect of such matters relating to the Notes for which the Note Deed Poll, these Conditions or the Pricing Supplement requires an Agent to act.

## 15 Notices

---

- (a) Any notice or other communication including, any request, demand, consent or approval, to the Issuer, the Registrar or a Noteholder under the Note Deed Poll or these Conditions:
  - (1) must be in legible writing and in English addressed:
    - (A) if to the Issuer or the Registrar, at its Specified Office; or
    - (B) if to a Noteholder, either:
      - to the address or facsimile number of the Noteholder as shown in the Register at the Record Time on the day that is 3 Business Days prior to the dispatch of the relevant notice or communication; or
      - by way of an advertisement published in the Australian Financial Review or any other newspaper circulating in Australia generally;
  - (2) where the sender is a Noteholder that is a company, must be signed on behalf of the sender and accompanied by such evidence of the signatory's authority as may be required by the recipient;
  - (3) is regarded as being given by the sender and received by the addressee:
    - (A) if by delivery in person, when delivered to the addressee;
    - (B) if by prepaid post (and airmail if appropriate), 3 Business Days (or, if sent from outside Australia, 5 Business Days) from and including the date of postage;
    - (C) if by facsimile, at the time shown in the transmission report as the time that the whole fax was sent to the facsimile number of the recipient notified for the purpose of this Condition; or

- (D) if by publication in a newspaper, on the date of publication, but if the delivery or receipt is on a day which is not a Business Day or is after 4.00 pm (addressee's time) it is regarded as received at 9.00 am on the following Business Day; and
- (4) can be relied upon by the addressee and the addressee is not liable to any other person for any consequences of that reliance if the addressee reasonably believes it to be genuine, correct and authorised by the sender.
- (b) In this Condition 15, a reference to an addressee includes a reference to an addressee's officers, agents or employees or any person reasonably believed by the sender to be an officer, agent or employee of the addressee.

## 16 Governing law and jurisdiction

---

- (a) The Notes and these Conditions are governed by the laws of the State of New South Wales.
- (b) The Issuer irrevocably submits to the non-exclusive jurisdiction of the courts of the State of New South Wales.
- (c) The Issuer irrevocably waives any objection to the venue of any legal process in or of the courts of the State of New South Wales on the basis that the process has been brought in an inconvenient forum.
- (d) The Issuer irrevocably waives any immunity in respect of its obligations under the Notes or these Conditions that it may acquire from the jurisdiction of any court or any legal process for any reason including the service of notice, attachment before judgment, attachment in aid of execution or execution.

# Form of Guarantee Deed Poll

## Guarantee and Indemnity Deed Poll

---

Date ►

This deed poll is made by

---

Guarantor	<b>Moelis Australia Limited</b> ACN 142 008 428 of Level 27, Governor Phillip Tower, One Farrer Place Sydney NSW 2000
-----------	--

---

in favour of	each person that, from time to time, is a Noteholder.
--------------	---

---

Recitals	The Guarantor agrees to grant the guarantee and indemnities in this deed poll in favour of each Noteholder.
----------	---

---

This deed poll witnesses as follows:

---

# 1 Definitions, interpretation and deed components

---

## 1.1 Incorporated definitions

Terms defined in the Conditions have the same meaning in this deed poll, unless otherwise defined in clause 1.2 below.

## 1.2 Definitions and interpretation

The meanings of the terms used in this deed poll are set out below.

<b>Term</b>	<b>Meaning</b>
<b>Business Day</b>	<ol style="list-style-type: none"><li>1 for the purposes of clause 7, a day on which the addressee is open for business in the city where the notice or other communication is received, excluding a Saturday, Sunday or public holiday; and</li><li>2 for all other purposes, a day on which banks are open for general banking business in Sydney, excluding a Saturday, Sunday or public holiday in either of those cities.</li></ol>
<b>Conditions</b>	in relation to a Note, the terms and conditions which apply to that Note as set out in the Note Deed Poll, as supplemented, amended, modified or replaced by the applicable Pricing Supplement.
<b>Encumbrance</b>	any security interest under the PPSA or any interest or power by way of (or having the effect of) security for the payment of a debt, any other monetary obligation or the performance of any other obligation, including: <ol style="list-style-type: none"><li>1 any mortgage, pledge, lien, charge, hypothecation or finance lease;</li><li>2 any security or preferential interest or arrangement of any kind including, but not limited to, any retention of title, any deposit of money by way of security or which is subject to a "flawed asset" arrangement and any deposit of money in respect of which a right of set-off exists;</li><li>3 any interest in any asset reserved in, created or arising in or over any of the above including, but not limited to, a bill of sale, trust or power; and</li><li>4 any agreement to grant, create or allow to subsist any of the above.</li></ol>
<b>Government Agency</b>	any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission,

<b>Term</b>	<b>Meaning</b>
	authority, tribunal, agency or entity. It also includes any self-regulatory organisation established under statute or any stock or other securities exchange, listing authority or quotation system.
<b>GST</b>	the goods and services tax levied under the GST Act.
<b>GST Act</b>	the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
<b>Guarantee</b>	<p>any guarantee, suretyship, letter of credit, letter of comfort or any other obligation:</p> <ol style="list-style-type: none"> <li>1 to provide funds (whether by the advance or payment of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, or otherwise) for the payment or discharge of;</li> <li>2 to indemnify any person against the consequences of default in the payment of; or</li> <li>3 to be responsible for,</li> </ol> <p>any debt or monetary liability or obligation (whether or not it involves the payment of money) of another person or the assumption of any responsibility or obligation in respect of the insolvency or the financial condition of any other person but excludes this deed poll.</p>
<b>Guaranteed Moneys</b>	<p>in respect of a Noteholder, all debts and monetary liabilities of the Issuer to that Noteholder under or in relation to any Note or under or in relation to each Note Deed Poll, irrespective of whether the debts or liabilities:</p> <ol style="list-style-type: none"> <li>1 are present or future;</li> <li>2 are actual, prospective, contingent or otherwise;</li> <li>3 are at any time ascertained or unascertained;</li> <li>4 are owed or incurred by or on account of the Issuer alone, or severally or jointly with any other person;</li> <li>5 are owed to or incurred for the account of that Noteholder (as the case may be) alone, or severally or jointly with any other person;</li> <li>6 are owed or incurred as principal, interest, fees, charges, Taxes, damages (whether for breach of contract or tort or incurred on any other ground), losses, costs or expenses, or on any other account; or</li> <li>7 comprise any combination of the above.</li> </ol>
<b>Issuer</b>	Moelis Australia Finance Pty Ltd ACN 621 554 845.

<b>Term</b>	<b>Meaning</b>
<b>Note</b>	each medium term note or such other form of medium term debt instrument or debt obligation constituted by, and owing under, the Note Deed Poll.
<b>Note Deed Poll</b>	the deed poll entitled 'Note Deed Poll' executed by the Issuer dated 13 September 2017 and such other deed poll executed by the Issuer that supplements, amends, amends and restates, modifies or replaces the deed poll referred to above.
<b>Register</b>	in relation to a Note, the register of Noteholders of the Series of which it forms part maintained by the Registrar on behalf of the Issuer in accordance with the Conditions and the Agency Agreement.
<b>PPSA</b>	the <i>Personal Property Securities Act 2009</i> (Cth).
<b>PPSA Security Interest</b>	a security interest as defined in the PPSA.
<b>Tax Invoice</b>	includes any document or record treated by the Commissioner of Taxation as a tax invoice or as a document entitling a recipient to an input tax credit.

### 1.3 Interpretation

In this deed poll, unless the context otherwise requires:

- (a) Headings and bold type are for convenience only and do not affect the interpretation of this deed poll.
- (b) The singular includes the plural and the plural includes the singular.
- (c) Words of any gender include all genders.
- (d) Other parts of speech and grammatical forms of a word or phrase defined in this deed poll have a corresponding meaning.
- (e) An expression importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual.
- (f) A promise on the part of 2 or more persons binds them jointly and severally.
- (g) A reference to anything (including any right) includes a part of that thing but nothing in this clause 1.3(g) implies that performance of part of an obligation constitutes performance of the obligation.
- (h) A reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this deed poll.

- (i) A reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them.
- (j) A reference to a document includes all amendments or supplements to, or replacements or novations of, that document.
- (k) A reference to a party to a document includes that party's successors and permitted assignees.
- (l) A reference to the Issuer includes its successors and its assigns.
- (m) A reference to an agreement other than this deed poll includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing.
- (n) A reference to an asset includes all property of any nature, including a business, and all rights, revenues and benefits.
- (o) A reference to liquidation or insolvency includes appointment of an administrator, compromise, arrangement, merger, amalgamation, reconstruction, winding up, dissolution, deregistration, assignment for the benefit of creditors, scheme, composition or arrangement with creditors, insolvency, bankruptcy, or a similar procedure or, where applicable, changes in the constitution of any partnership or person or death.
- (p) A reference to a document includes any agreement in writing, or any certificate, notice, instrument or other document of any kind.
- (q) No provision of this deed poll will be construed adversely to a party because the party was responsible for the preparation of this deed poll or that provision.
- (r) References to time are to Sydney time.
- (s) Where this deed poll confers any power or authority on a person that power or authority may be exercised by that person acting personally or through an agent or attorney.

## **1.4 Interpretation of inclusive expressions**

Specifying anything in this deed poll after the words 'include' or 'for example' or similar expressions does not limit what else is included unless there is express wording to the contrary.

## **2 Deed poll and benefit**

---

### **2.1 Deed poll**

This deed is executed as a deed poll. Accordingly, each Noteholder has the benefit of, and is entitled to enforce, this deed poll even though it is not a party to, or is not in existence at the time of execution and delivery of, this deed poll.

### **2.2 Noteholders bound**

Each Noteholder and any person claiming through or under a Noteholder is bound by this deed poll. The Notes are issued on the basis that each Noteholder is taken to have notice

of, and be bound by, all the provisions of this deed poll and the terms and conditions of the Notes.

### **2.3 Rights independent**

Each Noteholder may enforce its rights under this deed poll independently from each other Noteholder.

## **3 Deposit and production of deed poll**

---

### **3.1 Registrar to hold deed poll**

- (a) This deed poll must be deposited with and held by the Registrar for so long as any Notes remain outstanding.
- (b) Each Noteholder is taken to have directed the Guarantor to deliver this deed poll in accordance with this clause 3 to be held by the Registrar on their behalf.

### **3.2 Production of deed poll**

The Guarantor acknowledges the right of every Noteholder to the production of this deed poll in accordance with this clause 3.

### **3.3 Request for production**

Within 10 Business Days of receipt by the Registrar of a request from a Noteholder to do so, the Guarantor must procure that the Registrar provides to that Noteholder (at the relevant Noteholder's expense):

- (a) a certified copy of this deed poll if required in connection with any legal proceeding, claim or action brought by such Noteholder in relation to its rights under this deed poll (**Relevant Proceeding**); or
- (b) the original of this deed poll to a court if the Registrar is satisfied that:
  - (1) such document is required in connection with any Relevant Proceeding;
  - (2) the relevant Noteholder has taken reasonable steps to ensure that such document will not be lost, damaged or destroyed; and
  - (3) such document will be returned to the Registrar on request and is capable of being made available in respect of any other legal proceeding, claim or action brought by another Noteholder in relation to such other Noteholder's rights under this deed poll.

### **3.4 Registrar not liable**

The Registrar is not liable for any loss or damage suffered by a Noteholder in relation to the provision by the Registrar of certified copies of, or the original of, this deed poll in accordance with clause 3.3 including, without limitation, any loss or damage suffered by a Noteholder who has requested the original of this deed poll which is at that time produced to a court in connection with a proceeding or action brought by another Noteholder.

## 4 Undertaking to perform

---

The Guarantor undertakes to each Noteholder of a Note to duly and punctually observe, fulfil and perform and comply with all covenants, obligations and conditions imposed on it under the applicable Conditions in relation to that Note.

## 5 Guarantee and indemnity

---

### 5.1 Guarantee

- (a) The Guarantor guarantees to each Noteholder the due and punctual payment of the Guaranteed Moneys in respect of that Noteholder.
- (b) If the Issuer does not pay the Guaranteed Money owing by it in respect of a Noteholder in accordance with the relevant Note or the relevant Note Deed Poll (as the case may be), then the Guarantor agrees to pay those Guaranteed Moneys to the relevant Noteholder immediately on the date on which those Guaranteed Moneys are due and payable.
- (c) The Guarantor irrevocably waives all notices and demands of any kind.

### 5.2 Indemnity

If any of the Guaranteed Moneys in respect of a Noteholder owing by the Issuer are not recovered from the Issuer or are not recovered from the Guarantor on the footing of a guarantee, the Guarantor indemnifies, as a primary obligation, the relevant Noteholder against any claim, action, damage, loss, liability, cost, charge, expense (including, without limitation, legal fees on a full indemnity basis), outgoing or payment suffered, paid or incurred by the relevant Noteholder in relation to the non-payment or non-recovery of those Guaranteed Moneys.

### 5.3 Payments

- (a) All payments by the Guarantor under this deed poll must be made in full, without set-off or counterclaim and, subject to clause 5.3(b), free and clear of any deductions or withholdings in the same manner and currency which the Issuer is (or would have been but for the occurrence of any insolvency event) required to pay under the relevant Note.
- (b) Subject to clause 5.3(c), if at any time the Guarantor is required by law to make any deduction or withholding in respect of any taxes, duties or other charges or withholdings imposed by the Commonwealth of Australia or any state or territory of Australia from any payments due to a Noteholder under this deed poll, the sum due from the Guarantor in respect of such payment will be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the relevant Noteholder receives and retains a net sum equal to the sum which it would have received had no such deduction or withholding been required to be made.
- (c) No additional amounts are payable under clause 5.3(b) in relation to any deduction or withholding from any payments to a Noteholder under this deed poll:

- (1) which is required by reason of the Noteholder having a Tax debt to, or some connection with, the Commonwealth of Australia or any political subdivision therein or thereof, other than as contemplated under section 128B(2A) of the *Income Tax Assessment Act 1936* (Cth) or through the mere holding of the Note or receipt of the payment;
- (2) which could have been lawfully avoided by the relevant Noteholder complying, or procuring that any third party complied, with any statutory requirements or making, or procuring that a third party made, a declaration of non-residence or similar claim for exemption to any Government Agency or other person in the Commonwealth of Australia or the place where payment is made;
- (3) which is required by reason of the relevant Noteholder failing to supply or failing to procure a third party to supply an appropriate tax file number (TFN) or Australian Business Number (ABN) or details of an applicable exemption from the requirement to supply such a number;
- (4) which is required by the Noteholder being an “associate” (for the purposes of, and as defined in, section 128FA of the *Income Tax Assessment Act 1936* (Cth)) of the Issuer; or
- (5) in the case of a Note, in such other circumstances specified in the relevant Pricing Supplement.

#### **5.4 Continuing obligation**

The guarantee and indemnity contained in this deed poll:

- (a) is a continuing obligation of the Guarantor in favour of each Noteholder, despite any settlement of account or the occurrence of any other thing, and remains in full force and effect in respect of each Noteholder until all Guaranteed Moneys in respect of that Noteholder and all other moneys owing to that Noteholder under this deed poll, contingently or otherwise, have been paid in full; and
- (b) is in addition to, and not instead of, any Encumbrance or any other Guarantee existing in favour of any person, whether from the Guarantor or otherwise, and may be enforced without first having recourse to the Issuer, any other person or other Guarantee.

#### **5.5 Independent obligation**

The guarantee and indemnity contained in this deed poll is a separate and independent obligation of the Guarantor and neither limits the generality of the other.

#### **5.6 Non avoidance**

- (a) If any payment, conveyance, transfer or other transaction relating to or affecting the Guaranteed Moneys in respect of a Noteholder is:
  - (1) void, voidable or unenforceable in whole or in part, or
  - (2) claimed to be void, voidable or unenforceable and that claim is upheld, conceded or compromised in whole or in part,the liability of the Guarantor under this deed poll is the same as if:
  - (3) that payment, conveyance, transfer or other transaction (or the void, voidable or unenforceable part of it); and

- (4) any release, settlement or discharge made in reliance on anything referred to in clause 5.6(a)(3),

had not been made and the Guarantor must immediately take all action and sign all documents required by the relevant Noteholder to restore to that Noteholder the benefit of the liability of the Guarantor under this deed poll in place immediately before the payment or transaction.

- (b) Clause 5.6(a) applies whether or not the relevant Noteholder knew, or ought to have known, of anything referred to in clause 5.6(a).
- (c) The Guarantor must, within three Business Days of demand, indemnify each relevant Noteholder, on an after tax basis, against any cost, loss, expense or liability sustained or incurred by it as a result of it being required for any reason (including any bankruptcy, insolvency, winding up, dissolution, or similar law of any jurisdiction) to refund all or part of any amount received or recovered by it in respect of any sum payable by the Issuer under the Notes, the Guarantor under this deed poll or any document relating to that Note and must in any event pay to it on demand the amount as refunded by it.

## **5.7 Unconditional nature of obligations**

- (a) The obligations of the Guarantor under this deed poll are principal obligations and are absolute, binding, unconditional and irrevocable in all circumstances and are not released, discharged or otherwise affected by anything (including, without limitation, any principle of law or equity or any act or omission by or of a Noteholder or any other person) which but for this provision might have that effect.
- (b) Clause 5.7(a) applies irrespective of:
  - (1) the consent or knowledge, or lack of consent or knowledge, of a Noteholder, any Issuer, the Guarantor or any other person;
  - (2) the grant to any person of any time, waiver or other indulgence, or the discharge or release of any person;
  - (3) any transaction or arrangement between a Noteholder and any person; or
  - (4) any rule of law or equity to the contrary.
- (c) The Guarantor will be liable under this deed poll as if it were a sole principal debtor and not merely as a surety.

## **5.8 No competition**

Until the Guaranteed Moneys have been fully paid and this deed poll has been finally discharged, the Guarantor is not entitled, and must not attempt or purport, to:

- (a) be subrogated to any Noteholder;
- (b) claim or receive the benefit of any Encumbrance, Guarantee or other document or agreement (including any Note) of which any Noteholder has the benefit;
- (c) claim or receive the benefit of any moneys held by any Noteholder;
- (d) claim or receive the benefit of any right of claim or any Noteholder;
- (e) either directly or indirectly prove in, claim or receive the benefit of any distribution, dividend or payment arising out of or relating to the liquidation of the Issuer;

- (f) make a claim or exercise or enforce any right, power or remedy (including under an Encumbrance or Guarantee or by way of contribution) against the Issuer or against any asset of the Issuer which it may have by reason of performance by it of its obligations under this deed poll;
- (g) if any Guaranteed Moneys become payable by the Guarantor under this deed poll, accept or receive any money due from the Issuer to the Guarantor; or
- (h) raise any defence, set-off or counterclaim in reduction or discharge of its obligations under this deed poll.

## 6 Acknowledgment

---

The Guarantor acknowledges that it has not entered into this deed poll in reliance on any representation, warranty, promise or statement of any Noteholder or any other person on behalf of any Noteholder.

## 7 Notices

---

- (a) Any notice or other communication, including any request, demand, consent or approval, to the Guarantor:
  - (1) may be given by delivery in person or sent by post or facsimile transmission;
  - (2) must be in legible writing addressed to the Specified Office of the Issuer;
  - (3) must be signed by the sender (if a natural person) or an officer, or otherwise on behalf of, the sender (if a corporation); and
  - (4) is regarded as being given by the sender and received by the addressee:
    - (A) when delivered to the addressee at the address referred to in clause 7(a)(2);
    - (B) if by post, on delivery to the addressee; or
    - (C) if by facsimile transmission, whether or not legibly received, when received by the addressee;but if the delivery or receipt is on a day which is not a Business Day or is after 4.00pm (addressee's time) it is regarded as received at 9.00am on the following Business Day.
- (b) A facsimile transmission is regarded as legible unless the addressee telephones the sender within 2 hours after transmission is received or regarded as received under clause 7(a)(4) and informs the sender that it is not legible.
- (c) In this clause 7, a reference to an addressee includes a reference to an addressee's officers, agents or employees and any person reasonably believed by the sender to be an employee of the addressee.

## 8 Tax, costs and expenses

---

### 8.1 Costs and expenses

The Guarantor must pay, or reimburse a Noteholder within 5 Business Days of demand for, all taxes, duties, fees, costs and expenses in relation to the enforcement or protection, or attempted enforcement or protection, of any rights or powers of that Noteholder under this deed poll, including any legal costs and expenses and any professional consultant's fees in respect of any of the above on a full indemnity basis.

### 8.2 GST

- (a) If GST is or will be imposed on a supply made under or in connection with this deed poll by a Noteholder, that Noteholder may, to the extent that the consideration otherwise provided for that supply is not stated to include an amount in respect of GST on the supply:
  - (1) increase the consideration otherwise provided for that supply under this deed poll by the amount of that GST; or
  - (2) otherwise recover from the recipient of the supply the amount of that GST.
- (b) If GST is or will be imposed on such a supply, the relevant Noteholder must issue a Tax Invoice to the recipient of the supply no later than 5 Business Days after payment to that Noteholder of the GST inclusive consideration for that supply.

## 9 Saving provisions

---

### 9.1 No merger of security

Nothing in this deed poll merges, extinguishes, postpones, lessens or otherwise prejudicially affects any Encumbrance or indemnity in favour of any Noteholder or in respect of which any Noteholder has the benefit of in any way.

### 9.2 Exclusion of moratorium

To the extent not excluded by law, a provision of any legislation that directly or indirectly:

- (a) lessens, varies or affects in favour of the Guarantor any obligations under this deed poll;
- (b) stays, postpones or otherwise prevents or prejudicially affects the exercise by a Noteholder of any right; or
- (c) confers any right on the Guarantor or imposes any obligation on a Noteholder in connection with the exercise of any right,

is negated and excluded from this deed poll and all relief and protection conferred on the Guarantor by or under that legislation is also negated and excluded.

## 10 General

---

### 10.1 Governing law and jurisdiction

- (a) This deed poll is governed by the laws of the State of New South Wales.
- (b) The Guarantor irrevocably submits to the non-exclusive jurisdiction of the courts of the State of New South Wales.
- (c) The Guarantor irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.
- (d) The Guarantor waives any immunity in respect of its obligations under this deed poll that it may acquire from the jurisdiction of any court or any legal process for any reason.

### 10.2 Prohibition and enforceability

- (a) Any provision of, or the application of any provision of, this deed poll which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, this deed poll which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

### 10.3 Waivers

Waiver of any right, power, authority, discretion or remedy arising upon default under this deed poll must be in writing and signed by the party granting the waiver.

### 10.4 Cumulative rights

The rights, powers and remedies provided in this deed poll are cumulative and are not exclusive of any rights, powers or remedies provided by law.

### 10.5 Attorneys

Each attorney executing this deed poll states that the attorney has no notice of revocation of the attorney's power of attorney.

# Signing page

Executed as a deed poll

---

## Guarantor

Signed sealed and delivered by  
**Moelis Australia Ltd**  
by:

*sign here* ► \_\_\_\_\_  
Director

*sign here* ► \_\_\_\_\_  
Director / Company Secretary

*print name* \_\_\_\_\_

*print name* \_\_\_\_\_

# Form of Pricing Supplement

**Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes under the Programme**

Series No.: [\*]

Tranche No.: [\*]

**Moelis Australia Finance Pty Ltd**  
(ACN 621 554 845)

**A\$150,000,000 Medium Term Note Programme**

Issue of

**A\$[\*] fixed rate Notes due [\*]**

This document constitutes the Pricing Supplement (as referred to in the Information Memorandum in relation to the above Programme) relating to the Tranche of Notes referred to above. Terms used in this Pricing Supplement are deemed to be defined as such for the purposes of the Terms and Conditions set out in the Information Memorandum dated 13 September 2017. This Pricing Supplement is supplemental to and must be read in conjunction with such Information Memorandum.

***[Include whichever of the following apply or specify as 'Not Applicable'. Note that the numbering should remain as set out below, even if 'Not Applicable' is indicated for individual paragraphs or sub-paragraphs.]***

The particulars to be specified in relation to the Tranche of Notes referred to above are as follows:

1	Issuer:	Moelis Australia Finance Pty Ltd (ACN 621 554 845)
2	Guarantor:	Moelis Australia Limited (ACN 142 008 428)
3	Lead Manager/Arranger:	Moelis Australia Advisory Pty Ltd (ACN 142 008 446)
4	Dealer(s):	[*]
5	Type of Issue:	[Private Placement]
6	Registrar:	[*]
7	Calculation Agent:	[Not applicable]
8	Issuing Agent:	[*]
9	Issue Date:	[*]
10	Interest Commencement Date:	[*]
11	Maturity Date:	[*]
12	Issue Price:	[*] per cent. of the Aggregate Principal Amount [plus accrued interest from [*] ( <i>in the case of</i>

		<i>fungible issues only, if applicable]</i>
13	Aggregate Principal Amount:	
	(a) Series:	[A\$[*]]
	(b) Tranche:	[A\$[*]]
14	Currency (of Denomination and Payment):	Australian dollars
15	Denomination:	A\$10,000
16	Fixed Rate Note Provisions:	[Condition 5.2 applies/Not Applicable]
	(a) Interest Rate:	[*] per cent. per annum [payable annually/bi-annually in arrears]
	(b) Interest Payment Dates:	[*] in each year, commencing on [*] up to and including the Maturity Date
	(c) Fixed Interest Amounts:	[*] per [A\$1,000] in principal amount
	(d) Broken Amount(s):	[*]
	(e) Business Day Convention:	[*]
	(f) Interest Amounts:	[*]
	(g) Day Count Fraction:	[Specify] (See Condition 5.2)
	(h) Pricing Convention:	[Specify]
	(i) Additional Business Centre(s):	[*]
	(j) Determination Date(s):	[*] in each year  <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)</i>  <i>(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)</i>  <i>(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>
	(k) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[*]
17	Floating Rate Note Provisions:	[Not applicable/Applicable]
	(a) Interest Period(s)/Interest Payment Date(s):	[ ]

- (b) Manner in which the Interest Rate and amount of interest is to be determined: [Specify][ISDA Determination applies /Screen Rate Determination applies]
- (c) Interest Amounts: [Adjusted/Unadjusted]
- (d) Business Day Convention: [Following/Modified Following/Preceding/[specify other]]
- (e) Additional Business Centre(s): [Not applicable/Specify]
- (f) Day Count Fraction: [Specify]  
(See Condition 3.4)
- (g) Party responsible for calculating Interest Rate and Interest Amount: [Calculation Agent / Specify]
- (h) ISDA Determination: [Applicable/Not applicable]  
[If ISDA Determination applies include the following details (see the definition of ISDA Determination in the Terms and Conditions for details)  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)]
- Floating Rate Option: [Specify]
- Designated Maturity: [Specify]
- Reset Date: [Specify]
- (i) Screen Rate Determination: [Applicable/Not applicable]  
[If Screen Rate Determination applies include the following details (see the definition of Screen Rate Determination in the Terms and Conditions for details)  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)]
- Relevant Screen Page: [Specify]
- Relevant Time: [Specify]
- Reference Rate: [Specify]
- Reference Banks: [Specify]
- Relevant Financial Centre: [Specify]
- Interest Determination Date: [Specify]
- (j) Margin: [+/- [\*] per cent. per annum]
- (m) Rate Multiplier: [Not applicable/The Rate Multiplier shall be (n/N)/(n<sub>b</sub>/N<sub>b</sub>)/(other)]

	Benchmark	[USD-LIBOR/GBP-LIBOR/EURIBOR/USD CMS/EUR CMS/JPY-LIBOR/MXN-TIIE/other]
	- Floating Rate Option	
	- Designated Maturity	
	- Upper Limit	
	- Lower Limit	
	- Observation Period Business Days:	
	(n) Other terms relating to the method of calculating interest for Floating Rate Notes:	[Not applicable/specify]
18	Linear Interpolation:	[Not applicable/Applicable]
19	Index Linked Note Provisions:	[Not applicable/Applicable]
	(a) Provisions applicable to interest:	
	(i) Index(ices) (and/or formula) to be used to determine the Interest Rate and/or the Interest Amount:	[Give or annex details]
	(ii) Calculation Agent responsible for calculating the principal and/or interest due:	[Specify]
	(iii) Provisions for determining interest where calculation by reference to index and/or formula is impossible or impracticable:	[Specify/Not applicable]
	(iv) Interest Payment Dates:	[*] in each year, commencing on [*]
	(v) Interest Period:	[Not applicable/Specify]
	(vi) Business Day Convention:	[Following/Modified Following/Preceding/specify other]
	(vii) Additional Business Centre(s):	[Not applicable/Specify]
	(x) Day Count Fraction:	[Specify]
	(xi) Rate Multiplier:	[Not applicable/The Rate Multiplier shall be (n/N)/(n <sub>b</sub> /N <sub>b</sub> )/(other)]
	Benchmark	[USD-LIBOR/GBP-LIBOR/EURIBOR/USD CMS/EUR CMS/JPY-LIBOR/MXN-TIIE/other]
	Floating Rate Option	
	Designated Maturity	

	Upper Limit	
	Lower Limit	
	Observation Period Business Days:	
	(xii) Name(s) of Sponsor(s):	[Specify]
	(xiii) Stock Exchange(s)/Related Exchange(s):	[Specify]
	(xiv) Valuation Date(s):	[Specify]
	(xv) Further details relating to Index Linked Notes:	[Not applicable/Specify]
	(b) Provisions applicable to redemption:	
	(i) Index(ices) (and/or formula) to be used to determine the principal amount due:	[give or annex details]
	(ii) Index Linked Redemption Date:	[Specify]
	(iii) Provisions for determining interest where calculation by reference to index and/or formula is impossible or impracticable:	[Specify]
	(iv) Name(s) of Sponsor(s):	[Specify]
	(v) Stock Exchange(s)/Related Exchange(s):	[Specify]
	(vi) Details of any other additional or other terms or provisions as may be required:	[Not applicable/Specify]
20	Zero Coupon Note Provisions	[Not applicable/Applicable]
	(a) Amortisation Yield:	[Not applicable/Applicable [*] per cent. per annum]
	(b) Purchase Price:	[Specify]
	(c) Any other formula/basis of determining amount payable:	[Not applicable/Specify]
	(d) Day Count Fraction in relation to calculation of Amortised Face Amount:	[Specify]
21	Redemption Amount:	[Outstanding principal amount]
22	Scheduled Repayment Dates:	[Not applicable]
23	Scheduled Repayment Amounts:	[Not applicable]
24	Early Redemption Amount (Tax)	[Outstanding principal amount/Specify]
25	Optional Early Redemption (Call Option):	[Condition 6.4 applies/Not applicable]

	(a)	Conditions to exercise of Call Option:	[Specify]
	(b)	Early Redemption Amount (Call):	[Specify early redemption amount/Outstanding principal amount plus the Early Redemption Premium]
	(c)	Early Redemption Premium	[Specify/Not applicable]
	(d)	Call Period:	[Specify]
	(d)	Call Date:	[Specify]
26		Optional Early Redemption (Put Option):	[Not applicable/Applicable]
	(a)	Conditions to exercise of Put Option:	[Specify]
	(b)	Early Redemption Amount (Put):	[Specify call early redemption amount/Outstanding principal amount]
	(c)	Put Period:	[Specify]
	(d)	Put Date:	[Specify]
27		Additional Selling Restrictions:	Not applicable
28		Public Offer Test Compliant	It is the Issuer's intention that the Notes will be issued in a manner which will seek to satisfy the Public Offer Test.
29		Clearing System:	[Austraclear / Austraclear, Euroclear and Clearstream]
30		Minimum transferable principal amount:	[A\$1,000]
31		Terms and Conditions:	Terms and Conditions set out in the Information Memorandum dated [x September].
32		Other terms or special conditions:	[Not applicable]
33		ISIN:	[Specify]
34		Common Code:	[Specify]

**CONFIRMED**

**Moelis Australia Finance Pty Ltd ACN 621 554 845**

By: \_\_\_\_\_  
 Authorised Officer

Date: \_\_\_\_\_

# Taxation

## Introduction

The following is a summary of certain key Australian tax consequences under the *Income Tax Assessment Act 1936* (Cth) and *Income Tax Assessment Act 1997* (Cth) (**Australian Tax Act**) or the *A New Tax System (Goods And Services Tax) Act 1999* (Cth) in relation to the purchase, ownership and disposition of the Notes issued on the terms set out in the Terms and Conditions in this Information Memorandum as modified by the details of the Pricing Supplement set out in this Information Memorandum, for holders who purchase the Notes on original issuance at the stated offering price and hold the Notes as capital assets for tax purposes.

This summary is based on Australian tax law as at the date of this Information Memorandum, which is subject to change, possibly with retrospective effect, and should be treated with appropriate caution.

The following summary is general in nature and does not, and is not intended to, constitute a complete analysis of all potential tax consequences relating to the ownership or disposal of the Notes and does not deal with the position of all classes of holders.

In particular, this summary only addresses tax consequences for Noteholders who acquire and hold their Notes on capital account for tax purposes and, without limitation, does not consider the tax consequences that may arise for Noteholders who are dealers in securities or who otherwise hold the Notes as trading stock or revenue assets, custodians or other third parties who hold the Notes on behalf of any holders, or holders that have elected into any of the elective taxing regimes under the Taxation of Financial Arrangements (**ToFA**) rules.

None of the Issuer, the Guarantors, the Arranger or the Agents (nor their respective shareholders, subsidiaries, related bodies corporate, officers, employees, representatives or advisers) accepts any responsibility or makes any representation as to the tax consequences of investing in the Notes.

All prospective investors should consult their own professional tax advisers concerning the consequences, in their particular circumstances under Australian tax laws and the laws of any other taxing jurisdiction, of their ownership of, or any dealing in, the Notes.

## Nature of the Notes for Australian tax purposes

It is expected that each Note issued by the Issuer should constitute a debenture, and a "debt interest" for Australian tax purposes. Accordingly, broadly, interest payments under each Note should be classified as interest for Australian tax purposes.

## Resident holders

This part of the summary applies to holders of the Notes that are residents of Australia for tax purposes that do not hold their Notes in carrying on a business at or through a permanent establishment outside of Australia (**Resident Noteholders**).

Under Australian laws as presently in effect, in broad terms:

- (a) Income tax - Resident Noteholders should be assessable for Australian income tax purposes on income either received or accruing in respect of the Notes. Whether income should be recognised on a receipts or accruals basis should depend on the tax status of the particular Resident Noteholder. Investors should obtain their own tax advice in this regard.

- (c) Gain or loss on disposal/redemption of the Notes – Resident Noteholders should be required to recognise any gain or loss on disposal or redemption of the Notes in the calculation of their taxable income. This may include any maturity or redemption premium.

## **Non-resident holders**

This part of the summary applies to non-residents of Australia for tax purposes that do not acquire or hold their Notes in carrying on a business at or through a permanent establishment in Australia (**Non-resident Noteholders**).

### **Payment of Interest**

A Non-resident Noteholder should not be subject to Australian income tax on payments of interest or amounts in the nature of interest by the Issuer to that Non-resident Noteholder where the section 128F exemption from interest withholding tax discussed below applies (other than interest on overdue amounts).

If neither the section 128F exemption nor any other exemption (e.g. under a tax treaty - see below) is applicable, interest withholding tax should be levied at a rate of 10% on the gross amount of interest, or amounts in the nature of interest, paid on each Note.

### **Exemption from Australian Withholding Tax**

Broadly, pursuant to section 128F of the Australian Tax Act, an exemption from Australian interest withholding tax should apply in respect of interest (or amounts in the nature of interest) paid to a Non-resident Noteholder, if the following conditions are met:

- (a) the Issuer is a company and a resident of Australia when it issues the relevant Notes and when interest (as defined in section 128A(1AB)) is paid;
- (b) the relevant Notes are issued in a manner which satisfies the public offer test. There are five principal methods of satisfying the public offer test. These are where the issue resulted from the Notes being offered for issue:
- (1) to 10 or more persons, each of whom is carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets and was not known, or suspected by the Issuer, to be an associate of any of the other offerees;
  - (2) to 100 or more potential investors whom it was reasonable for the Issuer to have regarded as either having acquired debentures or debt interests in the past, or being likely to be interested in acquiring debentures or debt interests;
  - (3) as a result of being accepted for listing on a stock exchange, where the Issuer had previously entered into an agreement with a dealer, manager or underwriter in relation to the placement of debentures or debt interests, requiring the Issuer to seek such listing;
  - (4) as a result of negotiations being initiated publicly in electronic form, or in another form, that was used by financial markets for dealing in debentures or debt interests; or
  - (5) to a dealer, manager or underwriter, who, under an agreement with the Issuer, offered the Notes for sale within 30 days by one of the preceding methods.
- (c) the Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that the Notes or interests in the relevant Notes were being, or would later be, acquired, directly or indirectly, by an Offshore Associate of the Issuer (other than in the capacity of a dealer, manager or underwriter in relation to the

placement of the relevant Notes, or a clearing house, custodian, funds manager or responsible entity of a registered scheme); and

- (d) at the time of the payment of interest, the Issuer does not know, or have reasonable grounds to suspect, that the payee is an Offshore Associate of the Issuer (other than an Offshore Associate who receives the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme).

For these purposes, broadly, an “Offshore Associate” means an associate (as defined in section 128F(9) of the Australian Tax Act) of the Issuer, where the associate is either:

- (1) a non-resident of Australia that does not acquire the Notes or an interest in the Notes or receive a payment in respect of the Notes in carrying on a business in Australia at or through a permanent establishment of the associate in Australia; or
- (2) a resident of Australia that acquires the Notes or an interest in the Notes or receive a payment in respect of the Notes in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country.

Very broadly, under section 128F(9), “associate” is defined to include, amongst other things (i) any entities that “sufficiently influence”, or hold the majority voting interests in, the Issuer (i.e. controlling or parent companies of the Issuer); (ii) entities that are “sufficiently influenced by”, or whose majority voting interests are held by, the Issuer (or any controlling or parent companies of the Issuer); and (iii) any trusts under which the Issuer or any of these aforementioned entities may benefit.

The Issuer proposes to issue the Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act, in which case payments of interest or amounts in the nature of interest paid by the Issuer (other than payments of interest on overdue amounts) should not be subject to Australian interest withholding tax, subject to the qualifications in section 128F noted above.

#### **Tax Treaty exemption for Noteholders in Specified Countries**

Certain double tax conventions (**Tax Treaties**) which Australia has entered into with a small number of countries (for instance, the United States of America and the United Kingdom) also contain full or partial interest withholding tax exemptions that apply to interest paid by an Australian resident borrower in certain circumstances (**Specified Countries**). One of these Tax Treaties may apply to interest derived by a resident of a Specified Country in relation to a Note issued by the Issuer. The interest withholding tax exemptions in these Tax Treaties may be relevant, in particular, if the section 128F exemption did not apply.

Broadly, the Tax Treaties with these Specified Countries effectively prevent Australian interest withholding tax applying (or reduce the applicable withholding rate) for interest paid by an Australian resident borrower and derived by:

- (a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and/or
- (b) certain unrelated banks, and other financial institutions which substantially derive their profits by carrying on a business of raising and providing finance, which are resident in the Specified Country.

Noteholders should seek professional tax advice in relation to how a Tax Treaty may apply in their own particular circumstances.

In particular, the Tax Treaty interest withholding tax exemptions are subject to certain limitations – for instance, generally back-to-back loans and economically equivalent arrangements will not obtain the benefit of the reduction in interest withholding tax under a Tax Treaty and the anti-avoidance provisions in the Australian Tax Act can apply.

#### **Payment of additional amounts**

Despite the fact that the Notes are intended to be issued in a manner which will satisfy the requirements of section 128F and payments of interest in respect of those Notes are not expected to be subject to interest withholding tax, if the Issuer is at any time required to withhold interest withholding tax from payments of interest on any of those Notes, the amount payable by the Issuer will be increased so that, after making the withholding or deduction and further withholdings or deductions applicable to any additional amounts so payable, the relevant holder receives a net amount equal to the amount that it would have received if no withholdings or deductions had been required to be made (subject to the conditions and exceptions contained in Condition 10.3 (“Gross-up exceptions”).

#### **Withholding Tax on Payments under a Guarantee**

The Australian Taxation Office has published a Taxation Determination stating that payments by a guarantor to a lender on behalf of a borrower who defaults are entitled to the benefit of the exemption contained in section 128F of the Australian Tax Act if payments of interest in respect of those debentures by the Issuer are exempt from interest withholding tax under section 128F.

As set out in more detail in the Guarantee Deed Poll, if a Guarantor is at any time prohibited by law from making payments under the Guarantee Deed Poll free of deductions or withholdings, then such additional amounts shall be paid to the holder as may be necessary in order that the actual amount received after all applicable deductions and withholdings shall equal the amount that would have been received if such deductions or withholdings were not made.

#### **Australian Taxation of Profit on Sale**

Non-resident Noteholders should seek professional tax advice on the Australian tax consequences of any sale or redemption of the Notes, which will depend on the particular factual circumstances, whether any gain/profit would be taken to have an Australian source and whether any Australian tax on a gain/profit may be precluded by an applicable Tax Treaty.

### **Other Australian Taxes**

#### **Quotation of Australian Business Numbers or Tax File Numbers**

If a Noteholder of a Note issued by the Issuer is an Australian resident or a non-resident that holds a Note at or through a permanent establishment in Australia, withholding for tax at the highest marginal tax rate (plus the Medicare Levy) must be deducted from, broadly, the cash amount of interest or amounts in the nature of interest on the Notes, unless the Noteholder supplies the Issuer with its Australian Business Number (if applicable) or Tax File Number or proof of an appropriate exemption from quoting such numbers. The rate of withholding is currently 49%, including a Temporary Budget Repair Levy of 2%, which applies until the end of the 2016/2017 income year, after which it is currently scheduled to decrease to 47%.

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

Neither the issue nor the receipt of the Notes should give rise to a liability for GST in Australia on the basis that the supply of the Notes will either be a financial supply that is input taxed or in the case of the Notes being issued to a non-resident offshore subscriber,

GST-free. Furthermore, neither the payment of principal or interest by the Issuer, nor the redemption or disposal of the Notes, should give rise to a liability for GST in Australia.

Where the acquisition or transfer of the Notes results in the holder making an input taxed financial supply, the holder may be restricted in claiming input tax credits for any GST they have incurred on costs related to the acquisition or transfer of the Notes. Noteholders should seek their own advice in this regard.

Neither the grant of a guarantee nor the payment of any amount under the guarantee should give rise to any liability for GST in Australia.

#### **Death duties**

No Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death.

#### **Stamp duty**

No ad valorem stamp duty or similar ad valorem documentary tax or duty should be payable in Australia on the issue of any Notes or redemption of any Notes or the transfer of any Notes.

# Selling Restrictions

Under each subscription letter entered into between each subscriber and the Issuer, and subject to the Terms and Conditions, Notes will be offered by the Issuer through the Arranger. The Issuer will have the sole right to accept any such offers to purchase Notes and may reject any such offer in whole or (subject to the terms of such offer) in part. The Arranger has the right, in its discretion reasonably exercised, to reject any offer to purchase Notes made to it in whole or (subject to the terms of such offer) in part.

By its purchase and acceptance of Notes issued under each subscription letter, each subscriber has agreed (or will agree) that it will observe all applicable laws and regulations in any jurisdiction in which it may subscribe for, offer, sell, transfer or deliver Notes, and it will not directly or indirectly offer, sell, resell, re-offer, transfer or deliver Notes or distribute the Information Memorandum, any Pricing Supplement, circular, advertisement or other offering material relating to the Notes in any country or jurisdiction except under circumstances that will result in compliance with all applicable laws and regulations.

Neither the Issuer, the Guarantor nor any of their affiliates, the Arranger nor the Agents have represented or will represent that any Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Additional restrictions applicable to the sale and/or distribution of the Notes will be set out in the relevant Pricing Supplement.

This document does not constitute an offer of the Notes in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Notes may not be offered or sold, in any country outside Australia except to the extent permitted below.

The following selling restrictions apply to Notes:

## General

---

No action may be taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Information Memorandum or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Persons in whose hands this Information Memorandum comes are required by the Issuer and the Arranger to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material and to obtain any consent, approval or permission required by them for the purchase, offer, sale or delivery by them of any Notes under the law and regulations in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales or deliveries, in all cases at their own expense, and neither the Issuer nor the Arranger shall have responsibility therefor. In accordance with the above, any Notes purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Notes in such jurisdiction.

## Australia

---

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Programme or any Notes has been lodged with, or registered by, the Issuer with ASIC.

Each subscriber has represented and agreed, and each further dealer appointed under the Programme will be required to represent and agree, that unless the relevant Pricing Supplement (or another supplement to any Information Memorandum) otherwise provides, it:

- (a) has not made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any Information Memorandum or other offering material or advertisement relating to any Notes in Australia,

unless:

- (1) the offer or invitation falls within the exemption for offers to sophisticated investors set out in section 708(8) of the Corporations Act or the offer or invitation otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
- (2) such action complies with applicable laws, regulations and directives (including, without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act);
- (3) the offer or invitation is not made to a person who is a 'retail client' within the meaning of section 761G of the Corporations Act; and
- (4) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

## New Zealand

---

No person may offer for sale or transfer or directly or indirectly offer for sale or transfer any Notes in a manner that makes the Notes the subject of a regulated offer for the purposes of the *Financial Markets Conduct Act 2013 of New Zealand (FMCA)* and the minimum subscription requirements below have been or will be complied with in connection with any direct or indirect offer for sale or transfer of the Notes. In particular, the Notes have been and will only be offered or transferred either:

- (c) to persons who are "wholesale investors" as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the FMCA, being a person who is:
  - (1) an "investment business";
  - (2) "large"; or
  - (3) a "government agency",in each case as defined in Schedule 1 to the FMCA; or
- (d) a person that meets and who has certified that they meet the "investment activity criteria" specified in clause 38 of Schedule 1 to the FMCA; or

- (e) a person who has certified that they are an "eligible investor" in accordance with clause 41 of Schedule 1 to the FMCA; or
- (f) a person who invests a minimum amount of NZ\$750,000 in the Notes.

No person must distribute this Information Memorandum, any series notice, terms or any information or other material that may constitute an advertisement (as defined in the FMCA) in relation to any offer of the Notes in New Zealand other than to any such persons as referred to in the applicable paragraphs above.

The following warning statement applies in relation to those New Zealand investors who are "wholesale investors" solely by reason of the minimum amount payable by them on acceptance of the offer being at least NZ\$750,000:

*Warning*

*The law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important to make an informed decision.*

*The usual rules do not apply to this offer because there is an exclusion for offers where the amount invested upfront by the investor (plus any other investments the investor has already made in the financial products) is NZ\$750,000 or more. As a result of this exclusion, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for this investment.*

*Investments of this kind are not suitable for retail investors.*

*Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.*

## United Kingdom

---

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Notes. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the Notes may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Notes has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Issuer.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated

associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together **relevant person**”). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

## European Economic Area

---

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant EEA State**), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant EEA State (the Relevant Implementation Date) no offer of Notes which are the subject of the offering contemplated by this Information Memorandum, as completed by the Pricing Supplement in relation thereto, will be made to the public in that Relevant EEA State, except that, with effect from and including the Relevant Implementation Date, an offer of Notes may be made to the public in that Relevant EEA State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Arranger or dealer nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in paragraphs (a) to (c) above shall require the Issuer or the Arranger to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an ‘offer of Notes to the public’ in relation to any Notes in any Relevant EEA State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Relevant EEA State by any measure implementing the Prospectus Directive in that Relevant EEA State and the expression Prospectus Directive means EU Prospectus Directive 2003/71/EC (and the amendments thereto including by Directive 2010/73/EU) and includes any relevant implementing measure in each Relevant EEA State.

## United States of America

---

This Information Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States of America. This Information Memorandum may not be distributed or released in the United States. The Notes have not been and will not be registered under the Securities Act of 1933, as amended (**Securities Act**) or the securities laws of any state or other jurisdiction of the United States.

The Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. Persons except in accordance with Regulation S or in transactions exempt from the registration requirements of the Securities Act and any other applicable securities laws.

## Hong Kong

---

This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the “SFO”). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Notes have not been and will not be offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO).

No advertisement, invitation or document relating to the Notes has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted the Notes may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority.

## Singapore

---

This Information Memorandum and any other material relating to the Notes has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore, as amended (the Securities and Futures Act).

Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, may not be issued, circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Issuer’s notes, (ii) an “institutional investor” (as defined in the SFA) or (iii) a “relevant person” (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Notes being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire the Notes. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## Variation

---

These selling restrictions may be changed by agreement between the Issuer and the Arranger from time to time.

# Directory

**Issuer**

Moelis Australia Finance Pty Ltd (ACN 621 554 845)

**Guarantor**

Moelis Australia Limited (ACN 142 008 428)

**Arranger**

Moelis Australia Advisory Pty Ltd (ACN 142 008 446)

**Agent and Registrar**

Austraclear Services Limited (ACN 003 284 419)