



MA Financial Group

MA Priority Income Fund

Distribution Reinvestment Plan Booklet

June 2022



The Distribution Re-investment Plan (the **DRP**) provides Unitholders with the option of automatically reinvesting part or all of their distributions as additional Units in the MA Priority Income Fund (ARSN 648 809 849) (the **Fund**). MAAM RE Limited (ACN 135 855 186) (AFSL 335783) is the responsible entity (Responsible Entity) of the Fund.

The price of the Units allotted from the **DRP** will be the applicable unit price of the Fund for the last day of the relevant distribution period, adjusted to exclude the income to be distributed for the distribution period and as determined by the Responsible Entity.

While the **DRP** is open, you can elect to participate in the **DRP** at any time. The **DRP** election must be received by the Unit Registry no later than 5.00 pm Australian Eastern Time on the last Business Day of the month in order to participate in the **DRP** for that particular month's distribution.

The Responsible Entity may, in its absolute discretion, accept or refuse a **DRP** election without giving reasons for its decision. The Responsible Entity may also determine that a Unitholder's **DRP** election is valid even if the **DRP** election is incomplete, contains errors or is otherwise defective. By submitting a **DRP** election, each Unitholder is taken to have authorised the Responsible Entity (and its delegates or agents) to correct any error in, or omission from, the Unitholder's **DRP** election.

Joint Unitholders must submit a single **DRP** Form signed by all the joint Unitholders. If one, or more, of the joint Unitholders is not eligible to participate in the **DRP**, none of the joint Unitholders can apply to participate in the **DRP** with respect to any of the jointly held Units.

No cooling off period applies in relation to the acquisition of Units under the **DRP**.

Set out below are frequently asked questions in relation to how the **DRP** operates. These questions and answers constitute the terms and conditions of the Fund's **DRP**. Unitholders are at all times bound by these terms and conditions.

Who is eligible to participate in the **DRP**?

Unitholders who have a holding of Units in the Fund on the last Business Day of the distribution period are eligible to participate in the **DRP**.

How do I participate in the **DRP**?

Participation in the **DRP** is entirely voluntary. You can choose to participate by either:

- Applying online; or
- Completing a **DRP** Form.

Apply Online

Participation in the **DRP** is entirely voluntary. You can choose to participate by either:

- Applying online; or
- Completing a **DRP** Form.

If you are a registered user of Boardroom's InvestorServe Portal, you can elect to participate in the **DRP** by logging in at www.investorserve.com.au.

If you have not previously used the InvestorServe Portal or if you require assistance please contact the Boardroom Client Services team on 1300 135 167 (within Australia) or +61 2 8023 5415 (outside Australia).

OR

Complete the Distribution Reinvestment Plan (**DRP**) Application / Notice Of Variation Form (**DRP** Form)

The **DRP** Form is available [here](#). Alternatively, to request a copy of the form please contact the Unit Registry on 1300 135 167 (within Australia) or +61 2 8023 5415 (outside Australia).

The completed **DRP** form must be sent to the Unit Registry:

- by email at: maclientservices@boardroomlimited.com.au
- or by post to: Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

A separate **DRP** Form is required for each registered holding.

When can I participate?

While the **DRP** is open, you can elect to participate in the **DRP** at any time. The **DRP** Form must be received by the Unit Registry no later than 5.00 pm Australian Eastern Time on the last Business Day of the calendar month in order to participate in the **DRP** for that particular month's distribution (if applicable).

How long does participation in the **DRP** last?

Participation in the **DRP** will automatically continue until:

- you notify the Unit Registry that you no longer wish to participate by submitting a **DRP** election;
- the **DRP** is suspended or withdrawn by the Responsible Entity; or
- you submit a full redemption request to the Unit Registry.

The DRP will be automatically suspended upon the Responsible Entity determining to suspend the DRP. If the DRP is suspended, an election as to your participation in the DRP will also be suspended and all Units are taken not to be participating in the DRP for the purpose of any distribution paid while the DRP is suspended. Upon reinstatement of the DRP, all of your prior elections are reinstated unless a DRP election is validly submitted by you by 5.00 pm Australian Eastern Time on the last Business Day of the calendar month for the next distribution which follows the reinstatement of the DRP.

If you submit a partial redemption, the DRP remains on for Units you still hold unless you change your DRP election.

Your right to participate in the DRP is not transferable.

Can I reinvest only part of my distributions in the DRP?

You can reinvest all or part of your distributions. If you choose to reinvest all of your distributions, the DRP will apply to all amounts paid by the Fund as a distribution on all of the Units registered to that holding, including any further Units issued to you under the DRP. If you choose to reinvest only part of your distribution, you can specify either the number of Units, or the percentage of your total Units, you wish to be subject to the DRP on the DRP Instruction Form.

If you specify the number of Units, your level of participation is fixed and all Units in excess of this number, including any new Units you may acquire in the future will not participate in the DRP. If you sell some of your Units in the future, such that your total holding becomes less than the number of Units you have specified to participate in the DRP, your participation level will automatically be reduced down to the total number of Units you hold as at the last Business Day of the relevant calendar quarter. However, if you later acquire more Units in the Fund, these will participate in the DRP to the extent indicated in your last DRP Instruction Form.

If you nominate a percentage, your level of participation will automatically change if you acquire or redeem Units in the future.

What are the costs involved in participating in the DRP?

There is no cost associated with participating in the DRP. Units issued under the DRP will not include buy-spreads and Unitholders participating in the DRP do not have to pay any other transaction costs on the Units issued to them under the DRP.

How many units will I receive?

The number of Units you will receive will be calculated as the amount of the distribution you are entitled to receive in respect of the number or proportion of your Units participating in the DRP (which may be all of your Units), of Units you hold, divided by the DRP Issue Price. The number of Units to be issued will be rounded down to the nearest whole number.

In relation to each distribution, the residual amount of your distribution representing the fraction of a Unit (subject to proper withholding of any tax or other amounts) will, at the Responsible Entity's election, either be:

- recorded as a residual positive balance against your unitholding and will be carried forward to the next distribution, in which case no interest will accrue in respect of any residual positive balance; or
- paid to you as a cash distribution; or
- retained by the Fund in the case the residual amount would be paid in the financial year following a full redemption.

The price of the DRP units will be the applicable unit price of the Fund for the last day of the relevant distribution period, adjusted to exclude the income to be distributed for the distribution period and as determined by the Responsible Entity.

How do I find out how many units I have received under the DRP?

All participants in the DRP will be sent a distribution statement after each allocation of DRP units. The statement will be either emailed or posted to Unitholders and will include:

- the number of Units held on the distribution Record Date;
- the distribution payment calculation (including, withholding tax deductions, if applicable);
- the amount of cash residual brought forward from previous distribution payments;
- the DRP Issue Price;
- the number of DRP units issued to you; and
- the amount of any residual balance after the issue of DRP units that will be carried forward (if applicable).

The number of Units allocated and your new Unitholding balance will be shown on the statement you will receive following each re-investment.

How do I vary the level of participation or withdraw from the DRP?

Participating Unitholders may vary the level of participation or withdraw from the DRP at any time by submitting a new DRP Form.

Any variation to participation will take effect from the next distribution, provided that notification is received by no later than 5.00 pm Australian Eastern Time on the last Business Day of the applicable calendar month.

Notices received after this time will take effect from the following Distribution Period.

If you choose to withdraw from the DRP, your distributions will be paid by direct credit to your nominated Bank account recorded under your investment, prior to your participation in the DRP.

What happens if I do not wish to participate in the DRP?

Participation in the DRP is entirely voluntary. If you choose not to participate in the DRP, your distributions will be paid by direct credit to your nominated bank account recorded under your investment.

Can the terms and conditions of the DRP change?

The Responsible Entity may, at its sole and absolute discretion, modify, suspend or terminate the DRP at any time. The modification, suspension or termination shall take effect from the date specified by the Responsible Entity. Sufficient written notice shall be given to all Unitholders prior to the changes occurring to allow Unitholders to withdraw from the DRP before the changes come into effect (except in the event the Responsible Entity considers in its absolute discretion that the change is not adverse to Unitholders, in which case such notification only needs to be given within the three month period after the change is made).

The Responsible Entity may, in its sole and absolute discretion, arrange for the DRP to be underwritten in respect of a particular distribution on any terms it considers appropriate.

The Responsible Entity may delegate any of its powers, discretions, authorities or functions under these rules to any person or persons.

Taxation implications

The following information regarding taxation implications is general in nature and intended as a guide only. Participating Unitholders should seek professional tax advice on the taxation implications of participating in the DRP, taking into account their specific circumstances.

Reinvested distributions are assessable for income tax purposes as if received in cash. Participating Unitholders who have not supplied their Tax File Number (TFN) or exemption details may have TFN withholding tax deducted from income distributions before being reinvested under the DRP. Participating Unitholders with an address or place of payment outside Australia may have withholding tax deducted from income distributions before being reinvested under the DRP. For capital gains tax purposes, Units issued under the DRP should be treated as a new investment with a cost base that should be equal to the amount reinvested.

What other important information should I consider before deciding whether to participate in the DRP?

You should be aware that, by electing to participate in the DRP in accordance with these rules, you:

- unconditionally agree to these rules of the DRP and the Constitution and agree not to do any act that would be contrary to the spirit, intention or purpose of the DRP;
- acknowledge that the Responsible Entity may arrange for the DRP to be fully or partially underwritten in respect of any one or more distributions;
- acknowledge that the Responsible Entity may at any time, by giving notice to eligible Unitholders, limit participation in the DRP. This may include a determination that there will be a maximum or minimum number of Units permitted per Unitholder, whether this is in respect of a particular distribution or distributions generally;
- acknowledge that the Responsible Entity, its officers, employees, representatives or agents are not responsible for any loss or alleged loss or disadvantage suffered or incurred directly or indirectly by you as a result of the establishment, or operation, of the DRP, participation in the DRP or any advice given in relation to participation in the DRP;
- acknowledge that any variation, suspension, recommencement or termination of the DRP will not give rise to any liability on the part of, or right of action against, the Responsible Entity nor its officers, employees, representatives or agents;
- unless otherwise defined in this document, capitalised terms have the meaning given to them in the Fund's PDS;

- acknowledge that none of the Responsible Entity, its officers, employees, representatives or agents, or the Unit Registry, have provided you with any recommendation or investment, financial, taxation or other advice and that none of the above persons have any obligation to provide any advice concerning your decision to apply to participate in the DRP;
- if you are investing indirectly into the Fund, the terms and availability of the DRP are subject to the IDPS provider through which you are invested into the Fund;
- acknowledge that no cooling-off period or rights apply in respect of Units issued pursuant to the DRP.

Notices given by the Responsible Entity

Where the Responsible Entity may or is required to give a notice under the terms of the DRP, it may do so by making an announcement on the Fund's Website. Any announcement on the Fund's Website in relation to the DRP shall be treated as a notice given for the purposes of the DRP including to all participants in the DRP and all current or future Unitholders.

Governing law

The DRP, its operation and these rules are governed by the laws of the State of New South Wales and you submit to the jurisdiction of the Courts of that State and the Courts which may hear appeals from those Courts.

Target market determination

The target market determination for Units in the Fund is available at the Fund Website located [here](#), available free of charge.

Definitions

Australian Eastern Time: is a reference to Australian Eastern Standard Time or Australian Eastern Daylight Time, whichever is appropriate.

Bank: means a corporation authorised by law to carry on the general business of banking in Australia.

Business Day: means a day on which Banks are open for general banking business in Sydney, New South Wales, excluding Saturdays, Sundays and public holidays. If the day on or by which any act, matter or thing is to be done is a day other than a Business Day, the act, matter or thing will be done on the next Business Day and any money falls due for payment on a date other than a Business Day, that money will be paid on the next Business Day (without interest or any other amount being payable in respect of the intervening period).

Constitution: means the constitution for the Fund dated 12 November 2018 as amended from time to time, a copy of which is available free of charge by contacting the Responsible Entity.

DRP: means the Fund's distribution reinvestment plan constituted by these rules, as varied from time to time.

DRP Form: means the instruction form to be completed by eligible Unitholders to give notice of their election to participate in, or to amend their level of participation in, the DRP.

DRP Issue Price: means the applicable unit price of the Fund for the last day of the relevant distribution period, adjusted to exclude the income to be distributed for the distribution period and as determined by the Responsible Entity.

Fund: means the MA Priority Income Fund (ARSN 648 809 849).

Fund Website: means <https://mafinancial.com/asset-management/retail-funds/ma-priority-income-fund/>.

PDS: means the product disclosure statement issued by the Responsible Entity for an issue of units in the Fund as updated and amended by the Responsible Entity from time to time.

Unit: means a fully paid ordinary unit in the Fund.

Unit Registry: means Boardroom Pty Limited ACN 003 209 836.

Unitholders: means a holder of one or more Units.

Responsible Entity: means MAAM RE Ltd (ACN 135 855 186) (AFSL 335783).

Record Date: the date established by the Responsible Entity used to determine a Unitholder's eligibility to receive a distribution in accordance with the Fund Constitution.



MA Financial Group