Target Market Determination – BPC Cliffwater Private Credit Fund

Legal disclaimer

This Target Market Determination (TMD) is required under section 994B of the *Corporations Act 2001* (Cth) (**the Act**).

This TMD describes the class of consumers that comprises the target market for the financial product and matters relevant to the product's distribution and review (specifically, distribution conditions, review triggers and periods, and reporting requirements). Distributors must take reasonable steps that will, or are reasonably likely to, result in distribution of the product being consistent with the most recent TMD (unless the distribution is excluded conduct).

This document is **not** a product disclosure statement (**PDS**) and is **not** a complete summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the PDS for the product before making a decision whether to buy this product.

Important terms used in this TMD are defined in the TMD Definitions which supplement this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained at www.betashares.com.au or by calling 1300 487 577.

Target Market Summary

This product is intended for use as a satellite or minor allocation to US private credit for a consumer who is seeking income and capital preservation and has a medium risk and return profile for that portion of their investment portfolio. It is likely to be consistent with the financial situation and needs of a consumer with a minimum investment timeframe of 5 years or more, and who does not expect to require their capital on less than one calendar quarter's notice.

Fund and Issuer identifiers

Issuer	Betashares Capital Limited
Issuer ABN	78 139 566 868
Issuer AFSL	341181

Fund manager	Betashares Capital Limited
Fund name	BPC Cliffwater Private Credit Fund
ARSN	679 418 378
APIR Code	BSC7690AU
ISIN Code	AU60BSC76904
Market Identifier Code	N/A
Product Exchange code	N/A
TMD contact details	DDO.Reporting@betashares.com.au
TMD issue date	28 October 2026
TMD Version	3
Distribution status of fund	Available

Description of Target Market

TMD indicator key

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red and green rating methodology with appropriate colour coding:

In target market	Not in target market

Instructions

In the tables below, Column 1, Consumer Attributes, indicates a description of the likely objectives, financial situation and needs of the class of consumers that are considering this product. Column 2, TMD indicator, indicates whether a consumer meeting the attribute in Column 1 is likely to be in the target market for this product.

Appropriateness

The Issuer has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market, as the features of this product in Column 3 of the table below are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

Investment products and diversification

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (for example, with an intended product use of *minor allocation*). In such circumstances, the product should be assessed against the consumer's attributes for the relevant portion of the portfolio, rather than the consumer's portfolio as a whole. For example, a consumer may seek to construct a balanced or moderate diversified portfolio with a minor allocation to growth assets. In this case, a product with a *High* risk/return profile may be consistent with the consumer's objectives for that minor allocation notwithstanding that the risk/return profile of the consumer as a whole is *Medium*. In making this assessment, distributors should consider all features of a product (including its key attributes).

The FSC has provided more detailed guidance on how to take this portfolio view for diversification, available on the FSC website.

Consumer Attributes	TMD Indicator	Product description including key attributes
Consumer's investment objective		
Capital Growth	Not in target market	The investment objective of the Fund is to provide exposure to a diversified portfolio of loans issued to predominantly US companies, with foreign currency exposure hedged back to the Australian dollar. The Fund obtains its exposure by investing primarily in the Cliffwater Corporate Lending Fund, a US regulated interval fund (Underlying Fund). The Underlying Fund's primary investment objective is to seek consistent current income. The Underlying Fund uses a "multi-lender" approach, whereby Cliffwater (as the appointed investment manager) partners with a variety of corporate lenders to source investment opportunities for the Underlying Fund. The Underlying Fund is focused on loans issued primarily to US middle market companies, which generate income returns. The Fund intends to pay income distributions on a quarterly basis and is likely to be suitable for investors who are seeking regular income. Due to the nature of its investment portfolio, the Underlying Fund has historically exhibited a low level of capital variability. The Fund could there be considered for capital preservation, as part of a broader portfolio. Capital preservation is a stated objective of the Underlying Fund and is also supported by its investment strategy. The Underlying Fund seeks to manage credit risk in two ways: i. Security – The Underlying Fund invests principally in senior secured direct loans. If a borrower defaults, senior secured lenders rank ahead of junior and unsecured creditors and have a claim over the borrower's assets.
Capital Preservation	In target market	
Income Distribution	In target market	

Consumer Attributes	TMD Indicator	Product description including key attributes
		ii. Diversification and manager quality – The Underlying Fund sources loans only through investment partners that Cliffwater has rated A, its highest rating. Cliffwater's ratings take into account, among other factors, a lender's team, origination and underwriting capability, historical credit losses and governance standards. These features are intended to limit credit losses. They do not eliminate the risk of loss, and the return of capital is not guaranteed.
Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (up to 100%)	Not in target market	The Fund can be used as a satellite or minor allocation to private credit as part of a broader portfolio. Whilst the Fund provides exposure to a large portfolio of loans, it is considered to have low portfolio diversification on the basis it provides exposure to one specific asset class, being private credit.
Major allocation (up to 75%)	Not in target market	
Core component (up to 50%)	Not in target market	
Minor allocation (up to 25%)	In target market	
Satellite allocation (up to 10%)	In target market	
Consumer's investment timeframe		
Minimum investment timeframe	5 years or more	A minimum investment timeframe of 5 years or more is suggested.
Consumer's Risk (ability to bear loss) and Return profile		
Low	Not in target market	The Fund is expected to have low volatility; however, there are other important risk factors that should be taken into consideration. Investors must be comfortable investing in a product that has certain complex and novel features, including: • There is no liquid market for private credit instruments, and therefore the Fund provides exposure to an asset class that is inherently illiquid; • Investors will only be able to redeem their investment on a quarterly basis (under normal market circumstances), and there may be situations where quarterly redemptions are not available at all or redemption requests are scaled back;
Medium	In target market	
High	Not in target market	
Very high	Not in target market	

Consumer Attributes	TMD Indicator	Product description including key attributes
Extremely high	Not in target market	• The Underlying Fund may use leverage, which increases both risk of loss and profit potential; and • Due to the lack of centralised information and trading, the valuation of private credit instruments in the Underlying Fund may result in greater risk of inaccurate asset pricing. An investment in the Fund is therefore considered medium risk on an overall basis. Investors and their advisers should refer to the PDS for further information on risk factors.
Consumer's need to access capital		
Within one week of request	Not in target market	It is generally expected that investors will be able to redeem their investment on a quarterly basis. Investors should however note that in certain circumstances specified in the Fund's constitution, the Responsible Entity may reject or scale back redemptions and therefore an investor or their IDPS operator may not be able to withdraw within the usual period upon request. In particular, whilst the Underlying Fund is required to offer the repurchase of at least 5% of its NAV on a quarterly basis, it is possible this 5% limit is reached, or the facility is unavailable, in a particular quarter. This would mean that any redemption request made via the Fund may be pro-rated or not paid (either partially or fully depending on the circumstances). Investors are also reminded that the Fund faces liquidity risk, in particular, given the underlying private credit exposure, and it is therefore possible investors may not have access to their funds for an indefinite period of time (depending on circumstances) (refer to section 4 of the PDS for more information on the Fund's risks). Consequently, an investment may not be suitable for investors that have a foreseeable need to access the funds invested. Additionally, investors should be mindful that it may be difficult to reduce investment exposure on a timely basis during a market downturn (noting the quarterly redemption facility and conditions attached to it). Investors should refer to the redemption calendar published on the Fund website for further information on cut-off dates for redemption requests.
Within one month of request	Not in target market	
Within three months of request	In target market	
Within one year of request	In target market	
Within 5 years of request	In target market	
Within 10 years of request	In target market	
10 years or more	In target market	

Distribution conditions/restrictions

Distribution conditions	Distribution condition rationale	Distributors this condition applies to
The Fund is available for distribution to: • retail investors who invest via an IDPS and have received personal advice to invest in the Fund from a financial adviser. *IDPS refers to an investor directed portfolio service, master trust, wrap account or IDPS-like scheme, including superannuation equivalents, approved by the Responsible Entity.* • wholesale investors ("wholesale clients" as defined under the Corporations Act 2001).	Due to certain complex, novel features of the product, distribution to (i) retail investors via an IDPS in circumstances where they receive professional financial advice and (ii) wholesale investors, is considered appropriate. The issuer of each IDPS has its own obligations as a distributor to take reasonable steps that will or are reasonably likely to result in retail product distribution conduct being consistent with this Target Market Determination.	All distributors

Review triggers

Material change to key attributes, fund investment objective and/or fees.
Material deviation from benchmark / objective over sustained period.
Key attributes have not performed as disclosed by a material degree and for a material period.
Determination by the issuer of an ASIC reportable Significant Dealing.
Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) about the product or distribution of the product.
The use of Product Intervention Powers, regulator orders or directions that affects the product.

Mandatory TMD review periods

Review period	Maximum period for review
Initial review	1 years and 3 months
Subsequent review	3 years and 3 months

Distributor reporting requirements

Reporting requirement	Reporting period	Which distributors this requirement applies to
Complaints (as defined in section 994A(1) of the Act) relating to the product. The distributor should provide all the content of the complaint, having regard to privacy.	As soon as practicable but no later than 10 business days following end of calendar quarter.	All distributors
Significant dealing outside of target market, under section 994F(6) of the Act. See Definitions for further detail.	As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing.	All distributors

If practicable, distributors should adopt the FSC data standards for reports to the issuer. Distributors must report to Betashares by sending reports by email to DDO.Reporting@betashares.com.au or as otherwise agreed.

Definitions

In some instances, examples have been provided below. These examples are indicative only and not exhaustive.

Term	Definition
Consumer's investment objective	
Capital Growth	The consumer seeks to invest in a product designed or expected to generate capital return over the investment timeframe. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	The consumer seeks to invest in a product designed or expected to have low volatility and minimise capital loss. The consumer prefers exposure to defensive assets that are generally lower in risk and less volatile than growth investments (this may include cash or fixed income securities).
Income Distribution	The consumer seeks to invest in a product designed or expected to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (this may include high dividend-yielding equities, fixed income securities and money market instruments).
Consumer's intended product use (% of Investable Assets)	
Solution/Standalone (up to 100%)	The consumer may hold the investment as up to 100% of their total *investable assets*. The consumer is likely to seek a product with at least *very high* portfolio diversification.
Major allocation (up to 75%)	The consumer may hold the investment as up to 75% of their total *investable assets*. The consumer is likely to seek a product with at least *high* portfolio diversification.
Core component (up to 50%)	The consumer may hold the investment as up to 50% of their total *investable assets*. The consumer is likely to seek a product with at least *medium* portfolio diversification.
Minor allocation (up to 25%)	The consumer may hold the investment as up to 25% of their total *investable assets*. The consumer is likely to seek a product with at least *low* portfolio diversification.
Satellite (up to 10%)	The consumer may hold the investment as up to 10% of the total *investable assets*. The consumer may seek a product with *very low* portfolio diversification. Products classified as *extremely high* risk are likely to meet this category only.
Investable Assets	Those assets that the investor has available for investment, excluding the residential home.

Term	Definition
Portfolio diversification (for completing the key product attribute section of consumer's intended product use) Note: exposures to cash and cash-like instruments may sit outside the diversification framework below.	
Very low	The product provides exposure to a single asset (for example, a commercial property) or a niche asset class (for example, minor commodities, crypto-assets or collectibles).
Low	The product provides exposure to a small number of holdings (for example, fewer than 25 securities) or a narrow asset class, sector or geographic market (for example, a single major commodity (e.g. gold) or equities from a single emerging market economy).
Medium	The product provides exposure to a moderate number of holdings (for example, up to 50 securities) in at least one broad asset class, sector or geographic market (for example, Australian fixed income securities or global natural resources).
High	The product provides exposure to a large number of holdings (for example, over 50 securities) in multiple broad asset classes, sectors or geographic markets (for example, global equities).
Very high	The product provides exposure to a large number of holdings across a broad range of asset classes, sectors and geographic markets with limited correlation to each other.
Consumer's intended investment timeframe	
Minimum	The minimum suggested timeframe for holding the product. Typically, this is the rolling period over which the investment objective of the product is likely to be achieved.
Consumer's Risk (ability to bear loss) and Return profile	
This TMD uses the Standard Risk Measure (***SRM***) to estimate the likely number of negative annual returns for this product over a 20 year period, using the guidance and methodology outlined in the ***Standard Risk Measure Guidance Paper For Trustees*** (note the bands in the SRM guidance differ from the bands used in this TMD). However, SRM is not a complete assessment of risk and potential loss. For example, it does not detail important issues such as the potential size of a negative return (including under conditions of market stress) or that a positive return could still be less than a consumer requires to meet their investment objectives/needs. The SRM methodology may be supplemented by other risk factors. For example, some products may use leverage, derivatives or short selling; may have liquidity or withdrawal limitations; may have underlying investments with valuation risks or risks of capital loss; or otherwise may have a complex structure or increased investment risks, which should be documented together with the SRM to substantiate the product risk rating. A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.	
Low	For the relevant part of the consumer's portfolio, the consumer: • has a conservative or low risk appetite,

Term	Definition
	• seeks to minimise volatility potential losses (e.g. has the ability to bear up to 1 negative return over a 20 year period (SRM 1 to 2)), and • is comfortable with a low target return profile. The consumer typically prefers stable, defensive assets (such as cash).
Medium	For the relevant part of the consumer's portfolio, the consumer: • has a moderate or medium risk appetite, • seeks low volatility and potential losses (e.g. has the ability to bear up to 4 negative returns over a 20 year period (SRM 3 to 5)), and • is comfortable with a moderate target return profile. The consumer typically prefers defensive assets (for example, fixed income).
High	For the relevant part of the consumer's portfolio, the consumer: • has a high risk appetite, • can accept high volatility and potential losses (e.g. has the ability to bear up to 6 negative returns over a 20 year period (SRM 5 or 6)), and • seeks high returns (typically over a medium or long timeframe). The consumer typically prefers growth assets (for example, shares and property).
Very high	For the relevant part of the consumer's portfolio, the consumer: • has a very high risk appetite, • can accept very high volatility and potential losses (e.g. has the ability to bear 6 to 7 negative returns over a 20 year period (SRM 6 or 7)), • seeks to maximise returns (typically over a medium or long timeframe). The consumer typically prefers high growth assets (such as high conviction portfolios, hedge funds and alternative investments).
Extremely high	For the relevant part of the consumer's portfolio, the consumer: • has an extremely high risk appetite, • can accept significant volatility and losses, and • seeks to obtain accelerated returns (potentially in a short timeframe). The consumer seeks extremely high risk, speculative or complex products which may have features such as significant use of derivatives, leverage or short positions or may be in emerging or niche asset classes (for example, crypto-assets or collectibles).

Term	Definition
Consumer's need to access capital	
This consumer attribute addresses the likely period of time between the making of a request for redemption/withdrawal (or access to investment proceeds more generally) and the receipt of proceeds from this request under ordinary circumstances. Issuers should consider both the frequency for accepting the request and the length of time to accept, process and distribute the proceeds of such a request. To the extent that the liquidity of the underlying investments or possible liquidity constraints (e.g. ability to stagger or delay redemptions) could impact this, this is to be taken into consideration in aligning the product to the consumer's need to access capital. Where a product is held on investment platforms, distributors also need to factor in the length of time platforms take to process requests for redemption for underlying investments. Where access to investment proceeds from the product is likely to occur through a secondary market, the liquidity of the market for the product should be considered.	
Distributor Reporting	
Significant dealings	Section 994F(6) of the Act requires distributors to notify the issuer if they become aware of a significant dealing in the product that is not consistent with the TMD. Neither the Act nor ASIC defines when a dealing is 'significant' and distributors have discretion to apply its ordinary meaning. The issuer will rely on notifications of significant dealings to monitor and review the product, this TMD, and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC. Dealings outside this TMD may be significant because: • they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the product, or • they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the consumer (or class of consumer). In each case, the distributor should have regard to: • the nature and risk profile of the product (which may be indicated by the product's risk rating or withdrawal timeframes), • the actual or potential harm to a consumer (which may be indicated by the value of the consumer's investment, their intended product use or their ability to bear loss), and • the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by the number of red ratings attributed to the consumer). Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if: • it constitutes more than half of the distributor's total retail product distribution conduct in relation to the product over the reporting quarter, • the consumer's intended product use is *solution / standalone*,

Term	Definition
	• the consumer's intended product use is *core component* or higher and the consumer's risk and return profile is *low, or* • the relevant product has a green rating for consumers seeking *extremely high* risk/return.

Important Notice

The information contained in this document is general information only and does not constitute personal financial advice. It does not take into account any person's financial objectives, situation or needs. The information is not a recommendation to make any investment or adopt any investment strategy. Investments in any Betashares Fund are subject to investment risk and investors may not get back the full amount originally invested. Any person wishing to invest in a Betashares Fund should obtain a copy of the relevant PDS from www.betashares.com.au and obtain financial advice in light of their individual circumstances. To the extent permitted by law Betashares accepts no liability for any loss from reliance on this information.