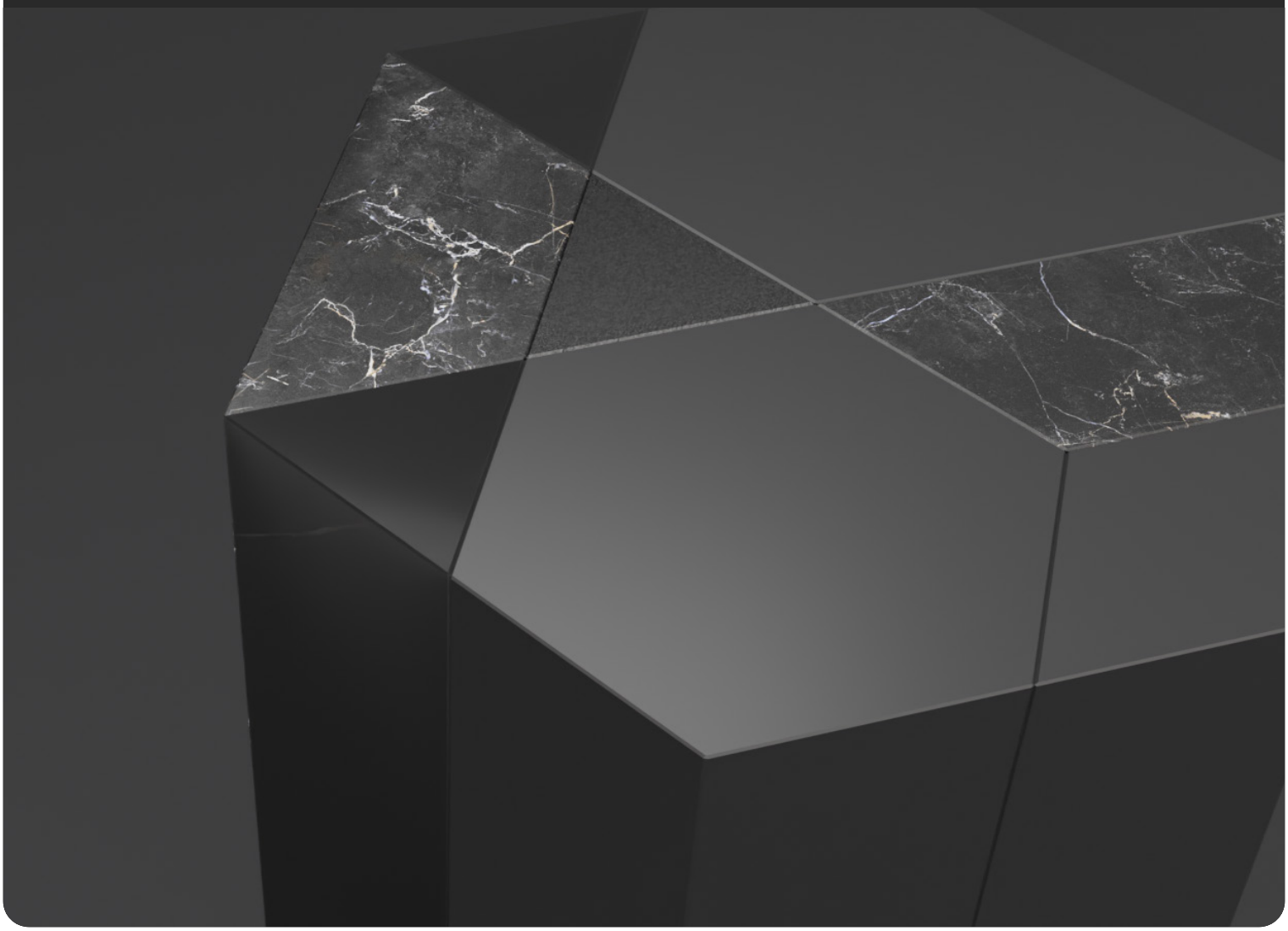
betashares | Private Capital

11 September 2026

Product Disclosure Statement

BPC Cliffwater Private Credit Fund

Betashares Capital Ltd ABN 78 139 566 868 | AFSL 341181



IMPORTANT INFORMATION

About this PDS

This Product Disclosure Statement (**PDS**) is dated 11 September 2026.

Betashares Capital Ltd ABN 78 139 566 868 AFS Licence 341181 is the issuer of this PDS and is responsible for its contents. In this PDS references to the "Responsible Entity", "Betashares", "we", "our" and "us" refer to Betashares Capital Ltd. This PDS is the offer document for BPC Cliffwater Private Credit Fund (**Fund**), a separate class of units in the registered managed investment scheme known as BPC Cliffwater Private Credit Access Fund (ARSN 679 418 378).

A copy of the latest PDS for the Fund is available on the Betashares website at www.betashares.com.au or by contacting Betashares on (02) 9290 6888. A paper copy will be provided free of charge on request.

The offer

This offer is only open to persons receiving this PDS (electronically or otherwise) within Australia and New Zealand and does not constitute an offer or recommendation in any jurisdiction, or to any person, to whom it would be unlawful to make such an offer. The offer under this PDS is available to: (i) wholesale clients (as defined in section 761G of the *Corporations Act 2001 (Cth)* (**Corporations Act**)); (ii) persons applying for units through an investor directed portfolio service, master trust, wrap account or investor directed portfolio-like scheme, including superannuation equivalents (**IDPS**); and (iii) an IDPS operator. Each IDPS must be approved by the Responsible Entity.

This PDS does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer.

No action has been taken to register or qualify the Fund in any jurisdiction outside Australia and New Zealand, although the Responsible Entity reserves the right to do so at any time. The distribution of this PDS outside Australia may be restricted by law and persons who come into possession of this PDS outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law.

Units have not been registered under the United States Securities Act of 1933 (as amended) and except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America or any of its territories or for the benefit of a US Person (as defined in Regulation S of such Act).

PDS updates

Information in this PDS is subject to change from time to time. Information that is not materially adverse to investors may be updated by the Responsible Entity by publishing such information on the Betashares website at www.betashares.com.au. A paper copy of any updated information will be provided free of charge on request. Any new or updated information that is materially adverse to investors will be available to investors via a supplementary or new PDS accessible via the Betashares website (www.betashares.com.au).

Risks

An investment in the Units is subject to risk (refer to section 4), which may include possible delays in repayment and loss of income and capital invested.

None of Betashares or any of its related entities, directors or officers gives any guarantee or assurance as to the performance of, or the repayment of capital or income reinvested in, the Fund. Betashares and its related entities may invest in or provide other services to the Fund.

Reporting

Fund reports and other information will be sent (based on their investment method) directly to investors or to the relevant IDPS operator (who may use this information to provide you with regular reporting).

Not personal advice

This PDS is prepared for general information only and is not financial product advice. It is not intended to be a recommendation by the Responsible Entity, any of the Responsible Entity's associates or any other person to invest in the Fund. In preparing this PDS, the Responsible Entity did not take into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, investors need to consider whether an investment in the Fund is appropriate to their needs, objectives and circumstances.

Investors should consult a professional financial adviser and ensure they understand the risks of the Fund before investing.

No person is authorised by the Responsible Entity to give any information or make any representation in connection with the Fund that is not contained in this PDS. Any information or representation that is not contained in this PDS may not be relied on as having been authorised by the Responsible Entity.

Definitions

Certain capitalised terms used in this PDS are defined in the Glossary in section 8. All references to dollar amounts in this PDS are to Australian dollars unless otherwise stated.

Forward looking statements

Certain information contained in this PDS may constitute "forward-looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "target," "intend," "continue," or "believe," or the negatives thereof or other variations thereon or comparable terminology.

Furthermore, any projections or other estimates in this PDS, including estimates of returns or performance, are "forward-looking statements" and are based upon certain assumptions that may change. Due to various risks and

uncertainties, including those set out under risks affecting the Fund summarised in section 4 of this PDS, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. The forward-looking statements included in this PDS involve subjective judgment and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to the Responsible Entity. Actual future events may vary materially from the forward-looking statements and the assumptions on which those statements are based. Given these uncertainties, investors in the Fund are cautioned to not place undue reliance on such forward-looking statements. Any estimate, forecast, projection, feasibility, cash flow or words of a similar nature or meaning in this PDS are forward-looking statements and subject to this disclaimer.

PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE PERFORMANCE.

PRODUCT DISCLOSURE STATEMENT

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1 KEY FEATURES

1.1 ABOUT THE FUND

This PDS relates to the BPC Cliffwater Private Credit Fund (**Fund**). The Fund is a class of units in a managed investment scheme, registered under the Corporations Act. The Fund invests primarily in Class I Shares of the Cliffwater Corporate Lending Fund (**Underlying Fund**).

The Fund is intended for investors seeking income and capital preservation from an allocation to private credit, with a low degree of volatility. Investors must be comfortable with the risks associated with private credit, including exposure to an asset class that is inherently illiquid and limited ability for investors to withdraw their investment. Investors will only be able to redeem their investment on a quarterly basis (under normal market circumstances). A minimum investment timeframe of 5 years is suggested.

The Fund and the Underlying Fund carry investment risks. For information on the risks applicable to the Fund and the Underlying Fund, see section 4.

TABLE 1.1: SUMMARY OF KEY INFORMATION

TOPIC	SUMMARY	SECTION
Responsible Entity	Betashares Capital Ltd ABN 78 139 566 868 AFSL 341181 (**Betashares** or **Responsible Entity)**	
Fund Name	BPC Cliffwater Private Credit Fund	
Underlying Fund	Cliffwater Corporate Lending Fund, a Delaware statutory trust registered under the Investment Company Act as a closed-end management investment company.	**2.1.4**
Underlying Fund Manager	Cliffwater LLC (**Cliffwater** or **Investment Manager**), is an investment adviser registered with the Securities and Exchange Commission (**SEC**) under the Investment Advisers Act.	**2.1.4**
Fund Investment objective and strategy	The investment objective of the Fund is to generate attractive levels of income by primarily investing in Class I Shares in the Underlying Fund. The Underlying Fund seeks to generate attractive levels of income by holding a diversified portfolio of Loans issued to predominantly US companies. The foreign currency exposure of the Fund will be hedged back to the Australian dollar at the Fund level. The Fund may also invest in Australian and US dollar cash and cash equivalent investments, as well as OTC derivatives (e.g. FX Forwards) for currency hedging purposes. **There is no assurance or guarantee that the Fund will meet the investment objective.**	**2.1.1 and 2.1.2**
Underlying Fund investment objective and strategy	The Underlying Fund's primary investment objective is to seek consistent current income, while the Underlying Fund's secondary objective is capital preservation. The Underlying Fund is focused on Loans issued to US Middle Market Companies. Under normal market conditions, the Underlying Fund seeks to achieve its investment objectives by investing at least 80% of its assets (net assets, plus any borrowings for investment purposes) in Corporate Loans. The Underlying Fund may also invest in other public and private credit investments, which are described further in section 2.1.5. 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. In seeking to achieve its investment objective and to enhance returns, the Underlying Fund uses leverage. Borrowings are limited to 33.33% of the Underlying Fund's gross assets (50% of its net assets). The Underlying Fund may also use derivatives as part of its investment strategy, for example derivatives may be used to hedge interest rate risk. For further details on the Underlying Fund's investment objective and strategy, please refer to section 2.1.5 of this PDS.	**2.1.5**

TOPIC	SUMMARY	SECTION
Underlying Fund's asset exposure	The Underlying Fund's Corporate Loan investments are made through a combination of: • investing in Direct Loans to companies that are originated directly by a non-bank lender (for example, traditional direct lenders include asset management firms (on behalf of their investors), insurance companies, business development companies, and specialty finance companies); • investing in Notes or other Pass-Through Obligations representing the right to receive the principal and interest payments on a Direct Loan (or fractional portions thereof); • purchasing Asset-Backed Securities representing ownership or participation in a pool of Direct Loans; • investing in companies and/or private investment funds that primarily hold Direct Loans; • investing in High Yield Securities, including securities representing ownership or participation in a pool of such securities; • investing in bank Loans, including securities representing ownership or participation in a pool of such Loans; and • investing in special purpose vehicles and/or joint ventures that primarily hold Loans or Credit-Like Securities. Whilst the Underlying Fund may gain its exposure to Corporate Loans investments through a combination of the above, the Underlying Fund will predominantly gain its exposure to such Corporate Loans by investing in Direct Loans. There is no limit on the duration, maturity or credit quality of any investment in the Underlying Fund's portfolio. The Underlying Fund invests in Below-Investment Grade Debt Instruments and Non-Rated Debt Instruments. The Underlying Fund's Corporate Loan investments may include Secured Debt (including First Lien Senior Secured Debt, Unitranche Debt and Second Lien Debt) and Unsecured Debt (including senior Unsecured and Subordinated Debt). In connection with a Corporate Loan, the Underlying Fund may invest in warrants or other equity securities of borrowers and may receive non-cash income features, including Payment-In-Kind interest and Original Issue Discount. The Underlying Fund may make investments at different levels of a borrower's capital structure or otherwise in different classes of a borrower's securities, to the extent permitted by law. Whilst the majority of the Underlying Fund's investments will be in Direct Loans, the Underlying Fund may also invest in other public and private credit investments, including US or global High Yield Securities, bank Loans, Loan participations and assignments, non-performing Loans, private and public business development companies, Collateralised Loan Obligations (**CLOs**), Collateralised Debt Obligations (**CDOs**), Mezzanine Debt (which is typically subordinate to First Lien and Second Lien Debt, and in some cases, may be issued together with an equity security, *e.g.*, with attached warrants), and Distressed Securities. A portion of the Underlying Fund's assets will be invested in cash or cash equivalents. In certain circumstances or market environments, the Underlying Fund may hold a larger position in cash or cash equivalents and reduce its investment in credit investments. The Underlying Fund also may invest in Preferred Securities, Convertible Securities, derivatives (such as options, swaps, futures contracts, forward agreements, reverse repurchase agreements and other similar transactions) for hedging and investment purposes, exchange-traded funds and other investment companies. When the Underlying Fund invests in Debt Instruments, the Underlying Fund may acquire warrants or other equity securities of borrowers as well. The Underlying Fund may also invest in warrants and equity securities directly, including securities of specialty finance companies and companies that employ private Debt strategies for all or part of their investment strategy. The Underlying Fund's equity holdings may be	**2.1.5**

TOPIC	SUMMARY	SECTION
	issued by small-, mid- and large-cap companies. The Underlying Fund may also invest in issuers outside the United States.	
Fund base currency	Australian dollars (**AUD**).	
Underlying Fund base currency	United States dollars (**USD**).	
Hedging	The Fund aims to mitigate its foreign currency exposure by hedging with currency derivatives.	
Key features and benefits	• Simple access to the Underlying Fund, which is a US-regulated Interval Fund, which is an investment not readily available to Australian investors. The Underlying Fund holds a diversified portfolio of Loans to predominantly US Middle Market Companies. The Underlying Fund is managed by a leading private asset manager, Cliffwater LLC. Refer to section 2.1.5 for an explanation of what an 'Interval Fund' is. • Daily applications, subject to minimum investment amounts • Quarterly redemptions, subject to certain conditions • Aims to make at least quarterly distributions (assuming there is distributable income) • Seeks to provide a high yield, with lower volatility compared to traditional fixed income exposures.	
Investing	**Direct applications:** Generally, you can apply to invest in the Fund on each Business Day. You must complete the application form and comply with any minimum investment amount set by the Responsible Entity. Investors should contact the Responsible Entity for information on the eligibility criteria for a direct application, noting that direct investment is only open to wholesale clients (as defined under the Corporations Act). Applications received before the Dealing Deadline (i.e. 2:00pm on a Business Day) and that are accepted by the Responsible Entity are processed at the Issue Price (being the Net Asset Value per Unit) for the Fund applicable to the following Business Day. Applications received on or after the Dealing Deadline will be treated as being received on the next Business Day. The Responsible Entity may accept or reject applications in its absolute discretion. **Applications via an IDPS:** You need to complete the documentation your IDPS operator requires and comply with any minimum investment amount set by your IDPS operator (minimum investment amounts for any initial or additional investment in the Fund via an IDPS are set out in section 5). Your IDPS operator will then apply for units in the Fund on your behalf by lodging an application with the Responsible Entity via an electronic order routing system (or another method) nominated by the Responsible Entity and paying the relevant application monies. The minimum initial application amount is $100,000 for direct investors and $10,000 for IDPS operators, unless otherwise agreed with the Responsible Entity. For direct investors, the Minimum Additional Application Amount is $10,000. For applications via an IDPS, your IDPS operator may set their own minimum additional application amount.	5
Redemptions from the Fund	**Direct investors:** Generally, it is expected that while the Fund is Liquid, the Responsible Entity will process redemption requests from the Fund on a quarterly basis, in line with the quarterly repurchase offer of the Underlying Fund outlined below. Note that an investor's ability to redeem will be subject to various factors including available liquidity and the Fund's ability to withdraw from the Underlying Fund.	5

Notwithstanding the intention that requests for redemption of Units will be processed on a quarterly basis, under the terms of the Constitution, the Responsible Entity may accept or reject redemption requests at its discretion. Under the terms of the Constitution, the Responsible Entity also has the right to suspend the redemption of Units in whole or in part.

Redemption requests must be received by the Responsible Entity by no later than 2.00pm (Sydney time) on the Redemption Request Cut-Off Date. The Redemption Request Cut-Off Date is the date which is 5 Business Days before the Repurchase Request Deadline of the Underlying Fund (i.e. the date by which Shareholders can tender their Shares in response to a repurchase offer, as determined and notified to Shareholders by the Underlying Fund).

The Redemption Request Cut-Off Dates as at the date of this PDS for the redemption periods for 2026 are set out below. This information is subject to change and may be updated from time to time (including to provide the Redemption Request Cut-Off Dates for subsequent redemption periods once notified to the Responsible Entity by the Underlying Fund and if the Repurchase Request Deadline of the Underlying Fund were to change) by the Responsible Entity by publishing such updated information on the Betashares website at www.betashares.com.au and by updating this PDS.

Underlying Fund Repurchase Offer Schedule	Fund Redemption Request Cut-off Date
First Quarter	3 March 2026
Second Quarter	21 May 2026
Third Quarter	24 August 2026
Fourth Quarter	23 November 2026

Redemption requests received on or after 2.00pm (Sydney time) on the Redemption Request Cut-Off Date in respect of a redemption period will be deemed to have been received in the following redemption period and processed on the Redemption Date applicable to that following redemption period.

The date on which a redemption request (or a portion of the redemption request) will be accepted or rejected (**Redemption Date**) will generally be determined by the Responsible Entity by reference to the date of the quarterly repurchase offer of the Underlying Fund. As a result, the Redemption Date can vary from quarter to quarter.

For each quarter, following receipt of any redemption requests from investors, the Responsible Entity will determine the total amount of redemption proceeds available from the Fund by reference to the value of Shares that the Responsible Entity is able to have repurchased during a quarterly repurchase offer of the Underlying Fund, and after meeting any financial commitments in connection with the currency hedging strategy employed (**Available Redemption Amount**). If the Available Redemption Amount is not sufficient to satisfy the aggregate amount of redemption requests received by the Responsible Entity during the relevant quarter, the Responsible Entity will accept (and subsequently process) redemption requests on a pro-rata basis. In this instance, you will receive a pro-rata amount referable to your percentage of the Available Redemption Amount. Any unmet portion of an investor's redemption request will be cancelled and the investor will be required to submit a redemption request in the following quarter if they wish to redeem the unmet portion. The new redemption request in the following quarter will be processed in accordance with the usual redemption processes for that quarter. Investors should note that they may not receive part or all of their requested redemption amount in the relevant redemption period.

You must complete the redemption form and comply with any minimum redemption amount set by the Responsible Entity. Direct (non-IDPS) investors who submit a redemption request will be required to maintain a minimum holding of $2,500. If a redemption request would cause the investor's holding to fall below this minimum holding amount, the investor will be taken to have submitted the redemption request for their entire Unit holding.

Redemptions via an IDPS: You need to complete the documentation your IDPS operator requires and comply with any minimum balance or redemption amount set by your IDPS operator. No minimum balance or amount applies for redemptions from

TOPIC	SUMMARY	SECTION
	the Fund by your IDPS operator, unless the Responsible Entity determines otherwise. Your IDPS operator will then request a redemption of Units from the Fund on your behalf by lodging a Redemption Request with the Responsible Entity via an electronic order routing system (or another method) nominated by the Responsible Entity. The Responsible Entity will pay redemption proceeds to your nominated bank account (for direct investors) or your IDPS operator's nominated bank account (for IDPS investors) within 21 days after the applicable Redemption Date. If the Fund is not liquid, redemptions from the Fund will only be permitted under a regulated redemption offer under the Corporations Act. Where the Fund is not liquid, the Responsible Entity is not required to make a redemption offer.	
Quarterly repurchase offers of the Underlying Fund	Once each quarter, the Underlying Fund will offer to repurchase at per-class NAV per Share no less than 5% of the outstanding Shares, unless such offer is suspended or postponed in accordance with regulatory requirements (**Repurchase Offer**). Each Repurchase Offer will be set at an amount between 5% and 25% of the Shares based on relevant factors, including the liquidity of the Underlying Fund's positions and its shareholders' desire for liquidity. If the value of Shares in the Underlying Fund tendered for repurchase exceeds the value the Underlying Fund intended to repurchase, the Underlying Fund may determine to repurchase less than the full number of Shares tendered. In such event, the Underlying Fund's shareholders will have their Shares repurchased on a pro rata basis, and tendering shareholders (which may include the Fund) will not have all of their tendered Shares repurchased by the Underlying Fund. For example, in some periods, such as certain quarters in 2020 and 2026, the Underlying Fund received redemption requests in excess of the applicable repurchase limit, in which instances the Underlying Fund purchased less than the full number of Shares tendered. The ability for investors in the Fund to redeem will not only depend on the Fund's ability to withdraw from the Underlying Fund, but also various other factors including its available liquidity (including its currency hedging outcomes). There is no guarantee that shareholders of the Underlying Fund (including the Fund) will be able to sell all of the Shares that they desire to sell in any particular repurchase offer. If a repurchase offer is oversubscribed, the Underlying Fund may repurchase only a pro rata portion of the Shares tendered by each shareholder. The potential for proration may cause some investors to tender more Shares for repurchase than they wish to have repurchased or result in investors being unable to liquidate all or a given percentage of their investment during the particular repurchase offer. Additional information about the quarterly repurchase offers of the Underlying Fund is set out in section 5.2 of this PDS.	**5.2**
Distributions	The Responsible Entity generally intends to make distributions on a quarterly basis (assuming there is distributable income available, including from the Underlying Fund), or otherwise as determined by the Responsible Entity. It is expected that the Underlying Fund will make at least quarterly distributions of substantially all of its net investment income. There is no guarantee, however, that the Underlying Fund will make distributions.	**2.2**
Liquidity of the Underlying Fund	The Underlying Fund is structured as a closed-end Interval Fund which means that the shareholders in the Underlying Fund (including the Fund) will not have the right to redeem their Shares on a daily basis. As a result, the Fund will have very limited opportunity to sell its Shares, and by extension, limit the Responsible Entity's ability to satisfy investors' Redemption Requests. The Underlying Fund provides a limited degree of liquidity to the shareholders by conducting Repurchase Offers quarterly.	**5.2**
Risks	There are a number of risks associated with investing in the Fund. The key risks applicable to the **Fund** include the following:	**4**

TOPIC	SUMMARY	SECTION
	• **Investment objective risk** – There is no assurance that the Fund's investment strategy will be successful or that the investment objective will be achieved. • **Currency risk** – There is a risk that the currency hedging strategy may not be successful in mitigating currency movements. • **Counterparty risk** – There is a risk of loss due to a counterparty to the Fund not honouring a financial commitment. Counterparties include service providers such as the Fund's trading counterparties, Unit Registrar, Administrator and Custodian. • **Suspension risk** – In certain circumstances, the Responsible Entity can suspend or scale down applications or redemptions. • **Liquidity risk** – Although a quarterly redemption facility is available in relation to the Underlying Fund, in certain circumstances it is possible that redemptions will not be able to be paid upon request (either in full or partially). Other key risks applicable to the **Underlying Fund** (and therefore the Fund) include the following: • **Liquidity risk** – The Underlying Fund is a closed-end investment company structured as an 'Interval Fund' and will only provide limited liquidity as shareholders will not be able to redeem Shares on a daily basis. In addition, there is no liquid market for the securities held by the Underlying Fund. • **Market risk** – The Underlying Fund's investment returns will be influenced by the performance of the US private credit market as a whole. • **Leverage risk** – The Underlying Fund may use leverage, which increases both risk of loss and profit potential. • **Interest rate risk** – Changes in market interest rates at which the Underlying Fund borrows funds can have a material adverse impact on the Underlying Fund's net investment income. • **Credit risk** – The Underlying Fund will be exposed to a portfolio of Loans. It is possible that an underlying borrower may not meet their payment obligations on a Loan, consequently affecting the valuation of the Underlying Fund. • **Small and middle companies risk** – Investments in private and small or middle-market companies involves a number of risks, including with respect to access to material information, limited financial resources, shorter operating histories, smaller market share and dependence on management talents and efforts of a small group of persons. • **Private investment fund risk** – The Underlying Fund may invest in private investment funds that are not registered as investment companies and will therefore not have the benefit of certain protections afforded under US regulations to investors in registered investment companies. Investments in private investment funds generally will be illiquid and generally may not be transferred without the consent of the fund. • **Investment manager risk** – The success of the Underlying Fund depends on the ability of the Investment Manager to develop and implement investment strategies that achieve the investment objective of the Underlying Fund. • **Sourcing investment risk –** On an ongoing basis, it cannot be certain that the Investment Manager will be able to continue to locate a sufficient number of suitable investment opportunities to allow the Fund to fully implement its investment strategy. • **Debt Instruments –** One of the fundamental risks associated with investing in Debt Instruments is credit risk, which is the risk that an issuer will be unable to	

TOPIC	SUMMARY	SECTION
	make principal and/or interest payments on its outstanding Debt obligations when due. • **Default Risk –** The ability of the Underlying Fund to generate income through its Loan investments is dependent upon payments being made by the borrower underlying such Loan investments. • **Secured Debt** – There is a risk that the collateral securing the Underlying Fund's Loans may decrease in value over time, may be difficult to sell in a timely manner, may be difficult to appraise, and may fluctuate in value based upon the success of the business and market conditions, including as a result of the inability of the borrower to raise additional capital. • **Unsecured Loans** – Where the Underlying Fund invests in Unsecured Loans, such Loans will not benefit from any interest in collateral of the relevant borrowers. The holders of obligations secured by liens on such a borrower's collateral will generally control the liquidation of, and be entitled to receive proceeds from, any realisation of such collateral to repay their obligations in full before the Underlying Fund. • **Equity Investments** – To the extent the Underlying Fund holds equity investments, the Underlying Fund will attempt to dispose of them and realize gains upon the disposition of such equity investments. However, the equity interests the Underlying Fund receives may not appreciate in value and may decline in value. • **Direct lending risk** – To the extent the Underlying Fund is the sole lender in privately offered Debt it may be solely responsible for the expense of servicing that Debt including, if necessary, taking legal actions to foreclose on any security instrument securing the Debt. • **Valuation risk –** Due to the lack of centralised information and trading, the valuation of Loans or fixed-income instruments may result in more risk than that of common stock. Uncertainties in the conditions of the financial market, unreliable reference data, lack of transparency and inconsistency of valuation models and processes may lead to inaccurate asset pricing. This is not a comprehensive summary of all the risks of investing in the Fund. Before investing in the Fund, investors should carefully consider the risks associated with an investment in the Fund and obtain financial advice on whether an investment in the Fund is suitable for their objectives, financial situation and needs. For further details of the risks of investing, see section 4.	
Fees and other costs	Fees and other costs as described in section 3 of this PDS will apply.	**3**
Tax	Tax information of a general nature is set out in section 7. Investors should seek their own professional tax advice which takes into account their particular circumstances.	**7**
Complaints	The Responsible Entity has a process in place to deal with complaints from Unitholders.	**6.2.20**

1.2 DISCLOSURE BENCHMARKS & DISCLOSURE PRINCIPLES

The Australian Securities and Investments Commission (**ASIC**) Regulatory Guide 240, "Hedge Funds: Improving disclosure" (**RG 240**), requires funds, that qualify as "hedge funds," to meet certain benchmarks and disclosure principles to ensure that investors have the necessary information to make an informed decision. The Fund will be considered as a "fund of hedge funds" for the purposes of RG 240 as the Underlying Fund exhibits, or will exhibit, two or more characteristics of a hedge fund as set out in RG 240. Consequently, as the Fund is a "fund of hedge funds," the RG 240 benchmarks and disclosure principles apply to the Fund and the Underlying Fund on a "look-through" basis.

Each disclosure benchmark and disclosure principle set out in the following tables identifies a key area that ASIC considers investors should understand before making a decision to invest in the Fund. Where a responsible entity does not meet a particular disclosure benchmark, ASIC requires that the responsible entity explain why the benchmark is not met and what alternative measures it has in place to mitigate the concern underlying the benchmark.

DISCLOSURE BENCHMARKS

BENCHMARK	DESCRIPTION	DISCLOSURE SUMMARY	SECTION FOR FURTHER INFORMATION
Valuation of assets	This benchmark addresses whether valuations of any non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.	The Fund meets this benchmark. The Responsible Entity has appointed an unrelated, external fund administrator, Citigroup Pty Ltd, to value all of the Fund's assets (which will substantially consist of Shares in the Underlying Fund) and to calculate the total value of the Fund's assets and Net Asset Value per Unit using these valuations. The Fund's assets reflect their market value. The valuation methods applied to value the Fund's assets must be consistent with the range of ordinary commercial practice for valuing them. The Responsible Entity retains responsibility for the valuations and actively monitors the performance of the Administrator to ensure valuations are carried out appropriately. The Underlying Fund does not meet this benchmark as the Investment Manager of the Underlying Fund is responsible for valuing the Underlying Fund's investments or relies on valuations provided by third parties (where the Underlying Fund invests into a third-party fund). Generally, where the Investment Manager is responsible for the valuation, it employs a robust valuation framework and uses current market values when readily available, otherwise the Underlying Fund's investments are valued based on fair value methodologies in accordance with the Underlying Fund's Valuation Procedures, which have been approved by the Board of Trustees of the Underlying Fund (the majority of which are persons who are not 'interested persons', as defined in Section 2(a)(19) of the Investment Company Act). For more complex or illiquid assets, the Investment Manager may utilise or have reference to an independent third-party valuation agent to assist in the valuation process. This agent provides periodic valuations (typically monthly or quarterly) which informs the Underlying Fund's fair value determinations. Potential conflicts of interest in relation to the Investment Manager's responsibility for valuing the Underlying Fund's investments are set out in section 6.8 of this PDS.	2.1.5, 5.4, 6.8
Periodic reporting	This benchmark addresses whether the Responsible Entity will provide periodic disclosure to investors of certain key information.	The Fund and the Underlying Fund meet this benchmark. The following information in relation to the Fund and the Underlying Fund (to the extent relevant) will be made available on the Fund's website (www.betashares.com.au/fund/private-credit-fund) on an annual basis: • asset allocation to each asset type; • liquidity profile of the portfolio assets at the end of the relevant period; • maturity profile of liabilities at the end of the relevant period; • leverage ratio at the end of the relevant period;	6.8

	• details on the class of derivative counterparties engaged; • monthly or annual investment returns; and • any changes to key service providers including any change in their related party status. The following information in relation to the Fund and the Underlying Fund (to the extent relevant) will be made available on the Fund's website (www.betashares.com.au/fund/private-credit-fund) on monthly basis: • current total NAV and the redemption value of a Unit or Share (as applicable); • changes to key service providers, including any change in their related party status; • net return after fees, costs and taxes; • any material changes to the risk profile • any material changes to the investment strategy; and • any changes in the individuals playing a key role in investment decisions.

DISCLOSURE PRINCIPLES

ASIC has established nine disclosure principles for funds categorised as "hedge funds" or "fund of hedge funds" under RG 240. Issuers of such products are expected to include information about these principles in their PDS.

The table below outlines these disclosure principles along with a summary of related information. It is important to review this information alongside the detailed explanations provided in this PDS and the key risks outlined in section 4. Updates to this section regarding RG 240 principles will occur periodically. Non-material updates will be posted on the Fund's website (www.betashares.com.au/fund/private-credit-fund) while material changes will result in an updated PDS.

PRINCIPLE	DISCLOSURE SUMMARY	SECTION FOR FURTHER INFORMATION
Investment strategy	As at the date of this PDS, the Responsible Entity intends to invest substantially all of the assets of the Fund into the Underlying Fund and using forward foreign exchange contracts (or similar instruments), with the objective of substantially offsetting the Fund's exposure to movements in the relevant foreign currencies. The Fund does not intend to use leverage as part of its investment strategy. The Underlying Fund uses leverage, including through borrowings by one or more special purpose vehicles that are wholly-owned Subsidiaries of the Underlying Fund. Borrowings are limited to 33.33% of the Underlying Fund's gross assets (50% of its net assets). The Underlying Fund may borrow cash for a number of reasons, including without limitation, in connection with its investment activities, to make distributions, to satisfy repurchase requests from shareholders, and to otherwise provide the Underlying Fund with temporary liquidity. The Fund will not use derivatives, except for currency hedging purposes. The Underlying Fund is expected to use derivatives for interest rate hedging and currency hedging purposes. All of the Fund's assets will be located in Australia and the US and denominated in Australian and US dollars.	**2.1**

	As the Fund's investment in the Underlying Fund will be denominated in US dollars, the Australian dollar value of the investment will be affected by exchange rate fluctuations. The Responsible Entity intends to hedge such currency exposure with the objective of substantially offsetting the Fund's exposure to movements in the US dollar. The strategy's ability to produce investment returns is largely dependent on the US private credit market and may be influenced by the risks described in section 4. The Fund does not have specific diversification guidelines or limits, however expects to be substantially invested in the Underlying Fund at all times. The Underlying Fund invests in a broad range of private credit and Debt-related instruments, including direct corporate Loans, High Yield Securities, structured credit (such as CLOs), bank Loans, and private investment funds. These investments may include both Secured and Unsecured Debt, and the Underlying Fund may hold equity securities or warrants obtained in connection with Debt investments. The Underlying Fund may also invest in derivatives for hedging and portfolio management. Investments are primarily in US-based issuers and denominated in US dollars. The Underlying Fund uses a 'multi-lender' approach, whereby the Investment Manager partners with a variety of corporate lenders (**Investment Partners**) to source investment opportunities for the Fund. The Underlying Fund may make investments through direct and indirect wholly-owned subsidiaries (**Subsidiaries**). Such Subsidiaries will not be registered under the Investment Company Act; however, the Underlying Fund will wholly own and control any Subsidiaries. There is no limit on the duration, maturity or credit quality of any investment in the Underlying Fund's portfolio. The Underlying Fund invests in below-investment grade Debt Instruments and non-rated Debt Instruments. These investments could constitute a material percentage of the Underlying Fund's holdings at any given point in time. The Underlying Fund invests directly in foreign Debt and equity securities, including those from emerging markets, issued in both US dollars and foreign currencies. It is not anticipated that investments in foreign securities and/or emerging markets will constitute a significant portion of the Underlying Fund's investments. The Underlying Fund invests 99% of its assets in, and generally expects to invest the majority of its assets in, Variable and Floating Rate Securities. The Underlying Fund's allocations among assets will vary over time in response to changing market opportunities. Specific risks associated with the Fund's (as well as the Underlying Fund's) investment strategy are described in section 4 and include foreign exchange risk and liquidity risk. The Responsible Entity may from time to time vary the investment strategy as set out in this PDS.	
Investment manager	The Responsible Entity's Chief Investment Officer, Louis Crous, is head of the portfolio management team, which is responsible for implementing the Fund's investment strategy. Mr Crous is adequately qualified and experienced to perform this role. Mr Crous devotes all of his business time to the Responsible Entity's business, which includes managing and executing the investment strategy of the Fund. As Investment Manager of the Underlying Fund, Cliffwater LLC provides day-to-day investment management services to the Underlying Fund. Its principal place of business is located at 4640 Admiralty Way, 11th Floor, Marina del Rey, CA 90292-6623. The Investment Manager is registered as an investment adviser with the SEC under the Investment Advisers Act. As of 30 June 2026, it had over US$47.5 billion in assets under management and a private markets footprint of around US$136 billion. The Investment Management Agreement between the Investment Manager and the Underlying Fund, following expiry of its initial term, now continues in effect from year to year provided such continuance is specifically approved at least annually by: (i) the vote of a majority of the outstanding voting securities of the Underlying Fund or a majority of the Board, and (ii) the vote of a majority of the Independent Trustees of the	**2.1.4, 2.1.5**

	Underlying Fund, cast in person at a meeting called for the purpose of voting on such approval. The Investment Management Agreement will terminate automatically if assigned (as defined in the Investment Company Act) and can be terminated at any time without penalty upon 60 days' written notice to the Underlying Fund by the Board, by vote of a majority of the outstanding voting securities (as defined in the Investment Company Act) of the Underlying Fund or by the Investment Manager. The key personnel of Cliffwater LLC include: • Stephen L. Nesbitt, Chief Executive Officer and Chief Investment Officer, primarily responsible for the day-to-day management of the Underlying Fund. Mr. Nesbitt manages the Underlying Fund consistent with the broad investment parameters established by the Investment Manager's Investment Policy Committee, which is led by Mr. Nesbitt. • Caitlin Nemeth, Portfolio Manager, leads the credit research and investment team for the Underlying Fund. She is responsible for the Underlying Fund's new program development with Investment Partners, cultivating manager relationships, investment and co-investment selection and structuring. • Frances Beyers, Portfolio Manager, serves as the head of the Investment Manager's capital markets group. In this role, she is responsible for sourcing Middle Market lending opportunities and maintaining manager relationships to support the Investment Manager's rapidly growing multi-manager private Debt asset management business. She also oversees the Underlying Fund's financing and liability management function. • Samir Patel, Portfolio Manager, co-leads the credit research and investment team for the Fund. He is primarily responsible for the sourcing and underwriting of the Underlying Fund's co-investments and cultivating manager relationships.	
Fund structure	The Fund is a class of units in an Australian registered managed investment scheme structured as a unit trust. For a diagram showing the flow of investment money through the structure, see section 2.1.3. For the names of the key service providers involved in the operation of the Fund, and a description of their services, see section 6.3. All key service providers of the Fund are domiciled in Australia. The Custodian provides custody services for the Fund. The Fund may also use entities related to the Custodian for other services in connection with the Fund's operation. The Responsible Entity in its personal capacity, or companies related to the Responsible Entity, may invest in the Fund or provide services to the Fund. See section 6.2.24. The Responsible Entity seeks to ensure compliance of service providers with their service agreement obligations through various monitoring methods that include, where appropriate, daily observation of service provider performance, review of regular compliance and audit reports, regular meetings with service providers and performance assessments. The risks associated with the Fund's structure are described in section 4. As the Responsible Entity outsources key operational functions, namely custody, fund administration (including valuations and unit pricing) and unit registry, to third party service providers, there is the risk that service providers will default in performing their obligations (whether intentionally or unintentionally) and cause loss to the Fund. The Underlying Fund is a Delaware statutory trust registered under the Investment Company Act as a closed-end management investment company. The Underlying Fund operates as an 'Interval Fund' and has adopted a fundamental policy to make quarterly Repurchase Offers of not less than 5% nor more than 25% of the Underlying Fund's outstanding Shares. Cliffwater LLC serves as the investment adviser of the Underlying Fund and provides day-to-day investment management services to the Underlying Fund.	**2.1.3, 2.1.4, 2.1.5**

	The key service providers to the Underlying Fund include: • Foreside Fund Services, LLC (**Underlying Fund Distributor**), the distributor (also known as principal underwriter) of the Shares of the Underlying Fund. The Underlying Fund Distributor is a registered broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. The Distributor acts as the agent of the Underlying Fund in connection with the continuous offering of Shares. • UMB Fund Services, Inc. (**Underlying Fund Administrator**), which provides administrative services, and assists with operational needs. The Underlying Fund Administrator performs certain administration and accounting services for the Underlying Fund, including, among other things: customary fund accounting services, including computing the Underlying Fund's net asset values and maintaining books, records and other documents relating to the Underlying Fund's financial and portfolio transactions, and customary fund administration services, including assisting the Underlying Fund with regulatory filings, tax compliance and other oversight activities. • State Street Bank and Trust Company (**Underlying Fund Custodian**), the primary custodian of the assets of the Underlying Fund. The Underlying Fund Custodian may maintain custody of such assets with US and non-US subcustodians (which may be banks and trust companies), securities depositories and clearing agencies. Assets of the Underlying Fund are not held by the Investment Manager or commingled with the assets of other accounts other than to the extent that securities are held in the name of the Underlying Fund Custodian or US or non-US subcustodians in a securities depository, clearing agency or omnibus customer account of such custodian.	
Valuation, location and custody of assets	The Fund's assets and liabilities will be valued, and the Net Asset Value calculated, on each Business Day by the Administrator. Assets or liabilities denominated in US dollars will generally be converted to Australian dollars using 4pm London time currency exchange rates. The Fund's assets reflect their market value. See section 5.4 for a summary of the Fund's valuation policy. The Fund will invest in the Underlying Fund and may also invest in Australian and US dollar cash and cash equivalent investments, as well as OTC derivatives (e.g. FX Forwards) for currency hedging purposes. All assets of the Fund are expected to be located in Australia and the US. The Fund's cash and cash equivalents, other than cash posted as collateral, will be held by the Fund's Custodian. See section 6.1 for more information. The Underlying Fund calculates its Net Asset Value as of the close of business on each day the NYSE is open for business and at such other times as the Board may determine. The Board, including a majority of Independent Trustees, has approved the Valuation Procedures, which provide that the Investment Manager (as the Valuation Designee) will value the Fund's investments at fair value unless market quotations are "readily available" as defined in the Investment Company Act. The investments of the Underlying Fund will be primarily based in the US. The geographic locations of the underlying portfolio companies are not publicly disclosed by the Underlying Fund due to commercial sensitivity. State Street Bank and Trust Company are appointed as the primary custodian of the assets of the Underlying Fund and may maintain custody of such assets with US and non-US sub-custodians (which may be banks and trust companies), securities depositories and clearing agencies. Investments in the aggregate for non-US portfolio companies are not expected to exceed 10% of the Underlying Fund's gross assets.	**2.1.5, 5.4**
Liquidity	The Responsible Entity intends that the Fund will invest substantially all of its assets in the Underlying Fund. The Underlying Fund holds private credit investments, being an asset class that is inherently illiquid. Therefore, the Responsible Entity can reasonably expect to realise substantially all of the Fund's assets, at the value ascribed to those assets (that is, their market value) when calculating the Fund's Net Asset Value, in excess of 10 days.	**2.1.2, 2.1.5, 5**

	Betashares' Portfolio Management team will monitor and manage the Fund's assets on an ongoing basis with regard to liquidity requirements. Investors should note that, as the Underlying Fund provides limited liquidity to holders of Shares (including the Fund), a redemption request in relation to Units may not be satisfied in part or in full. Shares in the Underlying Fund provide limited liquidity and holders of Shares (including the Fund) will not be able to redeem their shareholdings on a daily basis. With very limited exceptions, the Shares are not transferable and liquidity is provided only through Repurchase Offers made quarterly by the Underlying Fund. Each Repurchase Offer will be for no less than 5% nor more than 25% of the Shares outstanding. If the value of the Shares tendered for repurchase exceeds the value the Underlying Fund intended to repurchase, the Underlying Fund may determine to purchase less than the full number of Shares tendered. In such circumstances, a shareholder in the Underlying Fund (including the Fund) will have their Shares repurchased on a pro rata basis. For example, in some periods, such as certain quarters in 2020 and 2026, the Underlying Fund received redemption requests in excess of the applicable repurchase limit, in which instances the Underlying Fund purchased less than the full number of Shares tendered. The ability for investors in the Fund to redeem will not only depend on the Fund's ability to withdraw from the Underlying Fund, but also various other factors including its available liquidity (including its currency hedging outcomes). Please see section 4 for further information regarding liquidity risk relating to the Fund and Underlying Fund.	
Leverage	Leverage is the use of Debt (such as borrowing) or financial products (such as futures) to magnify the exposure of capital to an investment. The Fund does not intend to use leverage as part of its investment strategy. The Fund may in certain limited circumstances use temporary borrowings to manage certain cash flows. The Underlying Fund uses leverage. Borrowings are limited to 33.33% of the Underlying Fund's gross assets (50% of its net assets). The Underlying Fund may borrow cash for a number of reasons, including (without limitation) in connection with its investment activities, to make distributions, to satisfy repurchase requests and to otherwise provide the Underlying Fund with temporary liquidity. Please see section 2.1.5 for further information regarding the use of leverage by the Underlying Fund. The Underlying Fund, through its wholly owned Subsidiaries, may enter into credit agreements with one or more financial institutions. These facilities are established with lenders including Massachusetts Mutual Life Insurance Company, PNC Bank, and other institutional counterparties. All borrowings are Secured by a first-priority security interest over substantially all of the assets of the Underlying Fund. The borrowing arrangements include standard financial covenants, reporting obligations, and default triggers (e.g. missed payments, insolvency, or change in the Underlying Fund's management). In an event of default, lenders may demand immediate repayment and/or apply penalty interest rates. The risks associated with the Underlying Fund's use of leverage are described in section 4.	**2.1.2, 2.1.5**
Derivatives	The Responsible Entity expects to only use derivatives for currency hedging purposes, specifically FX Forwards. The Responsible Entity's criteria for selecting derivatives counterparties include that they must have, at a minimum, a long-term investment grade credit rating from a major credit ratings agency. The Underlying Fund may use derivatives, such as options, swaps, futures contracts, forward agreements, reverse purchase agreements and other similar transactions as part of its investment strategy, for example in connection with interest rate hedging. The key risks of using derivatives include imperfect correlation with underlying assets, counterparty default, illiquidity, and the potential for losses exceeding gains. The Underlying Fund's use of derivatives is governed by Rule 18f-4 under the Investment Company Act, which allows such transactions if specific risk management and compliance conditions are met. If the Underlying Fund qualifies as a "limited derivatives user," it may have derivatives exposure up to 10% of its net assets	**2.1.2, 2.1.5**

	(excluding certain currency and interest rate hedges) without needing a formal derivatives risk management program. Cliffwater has a dedicated liability management team, which reviews and recommends derivatives counterparties. Counterparties are approved by the portfolio managers. The risks associated with the use of derivatives are described in section 4.	
Short selling	As at the date of this PDS, neither the Responsible Entity nor the Underlying Fund intends to engage in short selling.	**2.1.2**
Withdrawals	Redemption requests will generally only be processed on a quarterly basis on the Redemption Dates, in line with the quarterly repurchase offer of the Underlying Fund outlined below. Once each quarter, the Underlying Fund will offer to repurchase at per-class NAV per Share no less than 5% of the outstanding Shares, unless such offer is suspended or postponed in accordance with regulatory requirements (**Repurchase Offer**). Each Repurchase Offer will be set at an amount between 5% and 25% of the Shares based on relevant factors, including the liquidity of the Underlying Fund's positions and its shareholders' desire for liquidity. As a result, the Fund's redemption requests are generally processed quarterly. Redemption requests must be received by the Responsible Entity by no later than 2.00pm (Sydney time) on the Redemption Request Cut-Off Date. The Redemption Request Cut-Off Date is the date which is 5 Business Days before the Repurchase Request Deadline of the Underlying Fund (i.e. the date by which Shareholders can tender their Shares in response to a repurchase offer, as determined and notified to Shareholders by the Underlying Fund). The Redemption Request Cut-Off Dates as at the date of this PDS for the redemption periods for 2026 are set out below. This information is subject to change and may be updated from time to time (including to provide the Redemption Request Cut-Off Dates for subsequent redemption periods once notified to the Responsible Entity by the Underlying Fund and if the Repurchase Request Deadline of the Underlying Fund were to change) by the Responsible Entity by publishing such updated information on the Betashares website at www.betashares.com.au and by updating this PDS. **Underlying Fund Repurchase Offer Schedule** / **Fund Redemption Request Cut-off Date** First Quarter — 3 March 2026 Second Quarter — 21 May 2026 Third Quarter — 24 August 2026 Fourth Quarter — 23 November 2026 Redemptions requests received on or after 2.00pm (Sydney time) on the Redemption Request Cut-Off Date in respect of a redemption period will be deemed to have been received in the following redemption period and processed on the Redemption Date applicable to that following redemption period. For each quarter, after the Redemption Request Cut-Off Date, the Responsible Entity will determine the total amount of redemption proceeds available from the Fund by reference to the value of Shares that the Responsible Entity is able to have repurchased during a quarterly repurchase offer of the Underlying Fund and after meeting any financial commitments in connection with the currency hedging strategy employed (**Available Redemption Amount**). Redemption requests may be declined or scaled back if the Available Redemption Amount is not sufficient to satisfy the aggregate amount of redemption requests received by the Responsible Entity during the relevant quarter, for example because the total aggregate withdrawals received by the Underlying Fund in the relevant quarter are greater than 5% of the Underlying Fund's NAV. To request a redemption, you need to complete the documentation either the Responsible Entity or your IDPS operator (as applicable) requires and comply with any minimum balance or redemption amount set.	**5**

	No minimum balance or amount applies for redemptions by your IDPS operator, unless the Responsible Entity determines otherwise. The Responsible Entity will pay redemption proceeds to your nominated bank account (for direct investors) or your IDPS operator's nominated bank account (for IDPS investors) within 21 days of the Redemption Date. In certain circumstances specified in the Fund's constitution, such as suspended trading in the market of a Fund asset, the Responsible Entity may freeze redemptions or reject Redemption Requests and therefore you or your IDPS operator may not be able to withdraw funds within the usual period upon request. The Responsible Entity may also reject Redemption Requests if the Fund is illiquid (as defined in the Corporations Act). Any material changes to investors' redemption rights will be notified to you in accordance with applicable law. In certain specified circumstances, Redemption Requests may be delayed, rejected or scaled down. See section 5 for further information.

1.3 ABOUT BETASHARES

Betashares Capital Ltd is the responsible entity of the Fund and is responsible for the ongoing management of the Fund.

The Responsible Entity launched its first funds in 2010. As at the date of this PDS, it manages over $50 billion in assets and acts as responsible entity for more than 90 funds, the majority of which are quoted for trading on the ASX under the AQUA Rules.

Neither Betashares Capital Ltd nor any of its related entities, directors or officers gives any guarantee or assurance as to the performance of, or the repayment of capital invested in, the Fund.

The Responsible Entity has sufficient working capital to enable it to operate the Fund as outlined in this PDS.

2 ABOUT THE FUND

2.1 INVESTMENT POLICY

2.1.1 Investment objective

The investment objective of the Fund is to generate attractive levels of income by primarily investing in Class I Shares in the Underlying Fund. The Underlying Fund seeks to generate income by holding a diversified portfolio of Loans issued to predominantly US companies, with foreign currency exposure hedged back to the Australian dollar at the Fund level.

There is no assurance or guarantee that the returns of the Fund will meet its investment objective.

2.1.2 Investment strategy

As at the date of this PDS, the Responsible Entity intends to invest substantially all of its assets into Class I Shares in the Underlying Fund (the **Cliffwater Corporate Lending Fund**).

The Fund will invest in forward foreign exchange contracts to implement its currency hedging strategy. While this seeks to minimise the impact of currency fluctuations on Fund returns, it does not necessarily eliminate the Fund's exposure to foreign currency movements.

The Fund will not use short selling, leverage or gearing to seek to enhance its returns. The Underlying Fund uses leverage as part of its investment strategy. Borrowings are limited to 33.33% of the Underlying Fund's gross assets (50% of its net assets).

The Fund may also hold cash or cash-like instruments (which may include holdings in ASX-quoted cash trusts, including those managed by the Responsible Entity) from time to time.

The assets of the Fund, whether securities or cash, will be held by the Custodian, other than cash held as collateral for any derivatives positions.

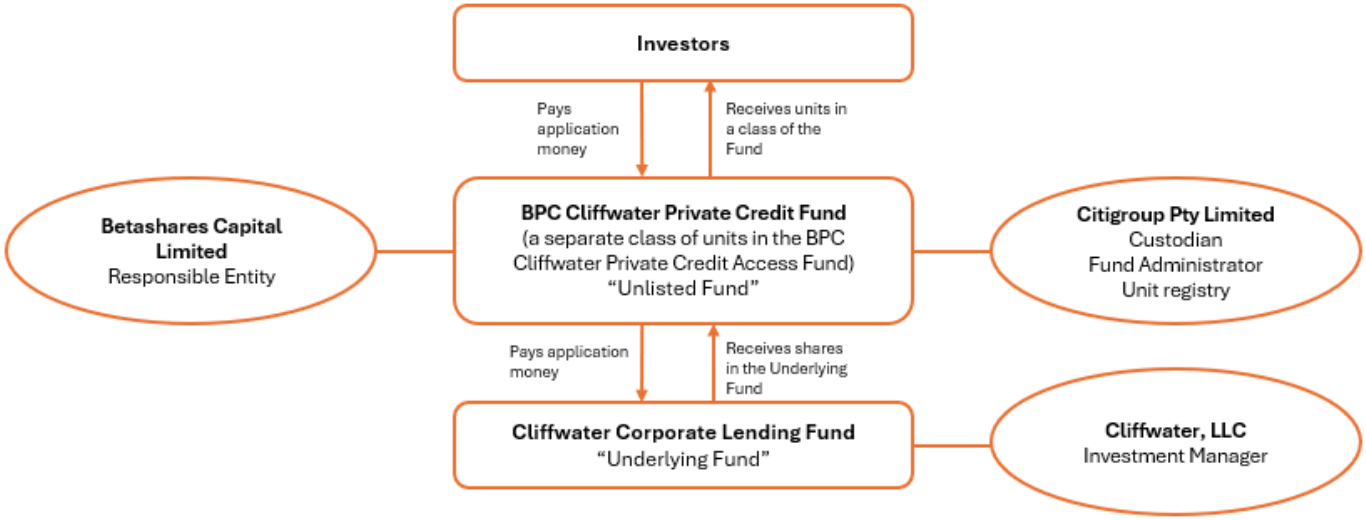
Allocation range of the Fund's investments

The Fund is generally expected to invest over time within the allocation ranges set out below.

Asset Type	Allocation Range
Underlying Fund	90% - 100%
Cash & Cash Equivalents	0% - 10%

The above ranges are indicative only and are subject to change. In particular, inflows from subscriptions and outflows from redemptions may cause the amount of cash held by the Fund to be higher or lower than stated in the above indicative ranges.

2.1.3 Fund structure



2.1.4 About Cliffwater

Cliffwater LLC (**Cliffwater**) is the appointed investment manager of the Underlying Fund.

Cliffwater is an independent alternative investment adviser and fund manager that provides proactive research, advisory, and investment services.

Cliffwater was founded in 2004. Cliffwater has offices in Los Angeles, Chicago, New York, and Newport Beach. As at 30 June 2026, Cliffwater had over US$47.5 billion in assets under management (**AUM**) and a private markets footprint of around US$136 billion.

Cliffwater is an investment adviser registered with the Securities and Exchange Commission (**SEC**).

The Investment Manager has established an Investment Policy Committee which is responsible for defining

the broad investment parameters of the Underlying Fund, including, for example, the types of strategies to be employed and the range of securities acceptable for investment by the Underlying Fund. The Investment Policy Committee meets regularly to review portfolio holdings and Underlying Fund performance.

2.1.5 About the Underlying Fund

The Underlying Fund is regulated in the US as an Interval Fund (see the "What is an Interval Fund?" section below for further information). It was launched in June 2019 and had AUM of more than US$37.5 billion as at 30 June 2026.

The Underlying Fund is a Delaware statutory trust registered under the Investment Company Act, as a closed-end management investment company. The Fund intends to invest into Class I Shares in the Underlying Fund.

Investment objective of the Underlying Fund

The Underlying Fund's primary investment objective is to seek consistent current income, while the Underlying Fund's secondary objective is capital preservation. The 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 proceeds from the continuous offering of the Shares will be invested by the Underlying Fund in accordance with the Underlying Fund's investment objectives and strategies as soon as practicable and not later than six months after receipt, subject to market conditions, the availability of suitable investments, and the extent proceeds are held in cash to pay dividends or expenses, satisfy Repurchase Offers or for temporary defensive purposes. Delays in fully investing the Underlying Fund's assets may occur, for example, because of the time required to complete certain transactions in Corporate Loans and the Investment Manager's ability to find suitable investments may be delayed. While the Underlying Fund's investments are expected to be partially-invested within three months, the aforementioned delays may inhibit the Underlying Fund from being fully-invested at all times.

Investment strategy of the Underlying Fund and authorised investments

The Underlying Fund is focused on Loans issued to US Middle Market companies (refer to the "What are Middle Market companies" section below for further information).

In seeking to achieve its investment objective and to enhance returns, the Underlying Fund may use leverage. The Underlying Fund, through its wholly-owned Subsidiaries, may enter into credit agreements with one or more financial institutions. These facilities are established with lenders including Massachusetts Mutual Life Insurance Company, PNC Bank and other institutional counterparties. All borrowings are Secured by a first-priority security interest over substantially all of the assets of the Underlying Fund. The borrowing arrangements include standard financial covenants, reporting obligations, and default triggers (e.g. missed payments, insolvency, or change in fund management). In an event of default, lenders may demand immediate repayment and/or apply penalty interest rates.

The Underlying Fund may also use derivatives as part of its investment strategy, for example derivatives may be used to hedge interest rate risk. Cliffwater believes its multi-lender platform for originating Direct Loans can provide diversification benefits unattainable through a single-lender platform. Cliffwater believes this is especially important for most credit-oriented, yield-driven asset classes, where risk to the downside is primarily brought about by borrower defaults. Cliffwater believes that building a well-diversified portfolio of borrowers will not eliminate defaults, but by including multiple hundreds of borrowers in the portfolio, defaults and principal losses will be lower and more predictable compared to most single-lender funds. Multi-lender diversification also means portfolio weightings to industries and other market characteristics like borrower size or type (private equity backed) should roughly mirror the direct lending market.

Under normal market conditions, the Underlying Fund seeks to achieve its investment objectives by investing at least 80% of its assets (net assets, plus any borrowings for investment purposes) in Corporate Loans.

The Underlying Fund's Corporate Loan investments are made through a combination of:

- investing in Direct Loans, being Loans to companies that are originated directly by a non-bank lender (for example, traditional direct lenders include asset management firms (on behalf of their investors), insurance companies, business development companies, and specialty finance companies);
- investing in Notes or other Pass-Through Obligations representing the right to receive the principal and interest payments on a Direct Loan (or fractional portions thereof);
- purchasing Asset-Backed Securities representing ownership or participation in a pool of Direct Loans;
- investing in companies and/or private investment funds that primarily hold Direct Loans;
- investing in High Yield Securities, including securities representing ownership or participation in a pool of such securities;
- investing in bank Loans, including securities representing ownership or participation in a pool of such Loans; and
- investing in special purpose vehicles and/or joint ventures that primarily hold Loans or Credit-Like Securities.

Whilst the Underlying Fund may gain its exposure to Corporate Loan investments through a combination of the

above, the Underlying Fund will predominantly gain its exposure to such Corporate Loans by investing in Direct Loans.

The Underlying Fund may focus its investment strategy on, and its portfolio of investments may be focused in, a subset of one or more of these types of investments.

There is no limit on the duration, maturity or credit quality of any investment in the Underlying Fund's portfolio. The Underlying Fund invests in Below Investment-Grade Debt Instruments and Non-Rated Debt Instruments.

The Underlying Fund's Corporate Loan investments may include Secured Debt (including First Lien Senior Secured, Unitranche and Second Lien Debt) and Unsecured Debt (including Senior Unsecured and Subordinated Debt). In connection with a Corporate Loan, the Underlying Fund may invest in warrants or other equity securities of borrowers and may receive non-cash income features, including Payment-In-Kind interest and Original Issue Discounts. The Underlying Fund may make investments at different levels of a borrower's capital structure or otherwise in different classes of a borrower's securities, to the extent permitted by law.

The Underlying Fund also invests in other public and private credit investments, including U.S. or global High Yield Securities, bank Loans, Loan participations and assignments, non-performing Loans, private and public business development companies, CLOs, CDOs, Mezzanine Debt (which is typically subordinate to First Lien and Second Lien Debt, and in some cases, may be issued together with an equity security, *e.g.*, with attached warrants), and Distressed Securities.

A portion of the Underlying Fund's assets will be invested in cash or cash equivalents. In certain circumstances or market environments, the Underlying Fund may hold a larger position in cash or cash equivalents and reduce its investment in credit investments. The Underlying Fund also may invest in Preferred Securities, Convertible Securities, derivatives (such as options, swaps, futures contracts, forward agreements, reverse repurchase agreements and other similar transactions) for hedging and investment purposes, exchange-traded funds and other investment companies.

When the Underlying Fund invests in Debt Instruments, the Underlying Fund may acquire warrants or other equity securities of borrowers as well. The Underlying Fund may also invest in warrants and equity securities directly, including securities of specialty finance companies and companies that employ private Debt strategies for all or part of their investment strategy. The Underlying Fund's equity holdings may be issued by small-, mid- and large-cap companies.

The Underlying Fund may make non-US investments, some of which may be denominated in currencies other than the US dollar. In most cases, the currency fluctuations of investments are intended to be hedged through the use of currency derivatives or other instruments.

The Underlying Fund intends to make quarterly distributions of substantially all of its net investment income. Distributions cannot be assured, and the amount of each distribution is likely to vary. Distributions will be paid at least annually in amounts representing substantially all of the net investment income not previously distributed in a quarterly distribution and net capital gains, if any, earned each year.

The Underlying Fund's target investment portfolio

In seeking to build a portfolio with a wide range of credit investments, the Underlying Fund may invest or pursue opportunities across different classes of investment, including:

- **Direct Lending Investments:** The Underlying Fund invests in direct lending investments by purchasing or investing in Loans or other investments from/with asset managers and financial institutions that specialize in Direct Loan originations.

  The Investment Manager works with a variety of Investment Partners to source Direct Loans. The Underlying Fund's direct lending investments may include Secured Debt (including First Lien Senior Secured, Unitranche and Second Lien Debt), Unsecured Debt (including senior Unsecured and Subordinated Debt) or preferred stock (typically with a stated dividend rate). First Lien Senior Secured Debt has first claim to any underlying collateral of a Loan, Second Lien Debt is Subordinated in payment and/or lower in lien priority to First Lien holders, and Unitranche Loans are Loans that combine both senior and subordinated Debt into one tranche of Debt, generally in a First Lien position. In connection with a Direct Loan, the Underlying Fund may invest in warrants or other equity securities of borrowers and may receive non-cash income features, including Payment-In-Kind interest and an Original Issue Discounts. The Underlying Fund may make investments at different levels of a borrower's capital structure or otherwise in different classes of a borrower's securities, to the extent permitted by law.

  The Investment Manager's due diligence on Direct Loans may examine some or all of the following deal attributes, along with other factors:

  - transaction dynamics such as deal rationale, use of proceeds, co-investment rationale;
  - borrower credit profile including credit metrics, size of the borrower, resiliency of business model, market position, industry fundamentals, and relative value assessment;
  - historical financial performance, future projections, growth assumptions, free cash flow generation, de-leveraging profile and key financial credit metrics;
  - legal considerations including the strength of the credit structure and related documentation;
  - performance track record of the Investment Partner who sourced the opportunity; and
  - private equity sponsor experience and track record.

- **Securitisations:** The Underlying Fund may invest in private and Unrated securitisations including CLOs backed by Middle Market Loans as well as Asset-Backed Securities (ABS) across a variety of sectors within corporate Loans, and in related investment strategies such as Warehouse

Financings, Backstop Facilities, credit default swaps, among others. These are typically private placements and not registered with the SEC.

- **BDCs:** The Underlying Fund may invest in the equity or Debt of both traded and non-traded BDCs that primarily originate and manage Middle Market and specialty finance Debt.

- **Non-Registered Primary Funds and Secondaries**: The Fund may invest in funds that primarily hold Corporate Loans. The Fund may also purchase private investment funds through Secondary Transactions (or "Secondaries"). Investment funds purchased through Secondary Transactions are typically at a later stage in their lifecycle. Secondaries also typically provide the opportunity to buy the private funds at a discount to their NAV.

  The Investment Manager evaluates potential third-party investment managers, primary and secondary private funds, private and public BDCs or investment vehicles in the context of a third-party investment manager's capabilities, and its opinion of the current and forward-looking market opportunity. If a secondary purchase, acquisition price is also considered. Screening criteria can include, but are not limited to, the capabilities and experience of an investment manager's broader platform, investment team depth and perceived quality, proposed investment strategy, risk management approach, historical track record, investment terms, market references, among other factors. The Investment Manager's due diligence process also typically encompasses loan level quantitative analyses using its proprietary database to compare advisors and assess differences across various metrics (e.g., underlying loan performance, attribution, risk, etc.).

  The Investment Manager may also review a range of underlying transactions (case studies) to evaluate an Investment Partner's credit underwriting, deal flow quality, risk tolerance, among other factors.

- **Joint Ventures:** The Investment Manager may form joint ventures. The objective of a joint venture is to generate current income and capital appreciation by investing primarily in the Debt of privately-held Middle Market companies, broadly syndicated Loans and/or structured product investments.

- **Other Investments**: The Underlying Fund's remaining assets will be invested mostly in other public and private credit investments, including U.S. or global High Yield Securities, bank Loans, Loan participations and assignments, non-performing Loans, CDOs, Mezzanine Debt (which is typically subordinate to First Lien and Second Lien Debt, and in some cases, may be issued together with an equity security, e.g., with attached warrants), and Distressed Securities.

  In order to manage the Underlying Fund's liquidity, a portion of the Underlying Fund's assets will be invested in cash or cash equivalents.

The frequency and amount of portfolio purchases and sales (known as the "portfolio turnover rate") may vary from year to year. It is anticipated that the Underlying Fund's annual overall portfolio turnover rate will ordinarily be between 0% and 25%, although this could vary from year to year and may also apply policies with an effect of increasing the annual rate of portfolio turnover of the Underlying Fund.

The Underlying Fund may, from time to time, take temporary defensive positions that are inconsistent with the Underlying Fund's principal investment strategy in attempting to respond to adverse market, economic, political or other conditions. During such times, the Investment Manager may determine that a large portion of the Underlying Fund's assets should be invested in cash or cash equivalents, including money market instruments, prime commercial paper, repurchase agreements, municipal bonds, bank accounts, treasury bills and other short-term obligations of the US Government, its agencies or instrumentalities and other high-quality Debt Instruments maturing in one year or less from the time of investment.

The Underlying Fund may also make investments through direct and indirect Subsidiaries. Such Subsidiaries will not be registered under the Investment Company Act, however, the Underlying Fund will wholly own and control any Subsidiaries. The Investment Manager's board has oversight responsibility for the investment activities of the Underlying Fund, including its investment in any Subsidiary, and the Underlying Fund's role as sole direct or indirect shareholder of any Subsidiary. To the extent applicable to the investment activities of a Subsidiary, the Subsidiary will follow the same compliance policies and procedures as the Underlying Fund. The Underlying Fund would "look through" any such Subsidiary to determine compliance with its investment policies.

Whilst the Underlying Fund may gain exposure to a combination of the above, the Underlying Fund will predominantly invest or pursue opportunities in Debt Instruments.

What are Middle Market companies?

Middle market companies can range from the lower Middle Market (companies with approximately US$10 million to US$25 million in EBITDA) to upper Middle Market (companies with approximately US$75 million to US$150 million in EBITDA). Companies with annual EBITDA larger than US$150 million are generally thought to achieve lower costs of financing by raising capital via the public and quasi-public Debt markets, either through high yield bonds or broadly syndicated leveraged bank Loans; although more recently even these larger borrowers have been choosing to utilise direct lending solutions over the public markets. Various inputs regarding a borrower usually are considered by the lender when deciding whether to make a direct Loan, including the borrower's industry, market position, tangible and intangible assets, earnings, cash flows, management team, capital structure, and sponsor(s) (if the company is externally sponsored).

Historically, middle-market Loans have tended to produce high income with limited downside risk during periods of volatility.

What is an Interval Fund?

An Interval Fund is a US regulated closed end unlisted investment fund that permits investors to redeem their investment at a set interval i.e. quarterly in the case of the Underlying Fund. Whilst a useful feature, notably Interval Funds are required to allow redemptions up to the equivalent

of 5% of the fund's NAV but no higher. If the value of Shares in the Underlying Fund tendered for repurchase exceeds the value the Underlying Fund intended to repurchase, the Underlying Fund may determine to repurchase less than the full number of Shares tendered. In such event, all respective redemptions may be pro-rated or alternatively redemptions may not be paid (either partially or fully depending on the circumstances).

Whilst the Underlying Fund permits quarterly redemptions, the redemption limit applicable to the Underlying Fund means that any Redemption Request may be scaled back or declined for that respective quarter.

No guarantee can be made that an investor will be able to withdraw all of their funds at a particular quarter.

At Cliffwater's discretion they may pay redemptions above the redemption threshold in a particular quarter and likewise may pay redemptions on a priority basis e.g. where a Redemption Request relates to a deceased estate.

Underlying Fund's investment process

The Investment Manager evaluates potential third-party investment managers, primary and secondary private funds, private and public BDCs or investment vehicles in the context of a third-party investment manager's capabilities, and its opinion of the current and forward-looking market opportunity. If a secondary purchase, acquisition price is also considered. Screening criteria can include, but are not limited to, the capabilities and experience of an investment manager's broader platform, investment team depth and perceived quality, proposed investment strategy, risk management approach, historical track record, investment terms, market references, among other factors. The Investment Manager's due diligence process also typically encompasses loan level quantitative analyses using its proprietary database to compare advisors and assess differences across various metrics (e.g., underlying loan performance, attribution, risk, etc.).

The Investment Manager may also review a range of underlying transactions (case studies) to evaluate an Investment Partner's credit underwriting, deal flow quality, risk tolerance, among other factors.

The Investment Manager believes that sourcing investment opportunities through multiple Investment Partners may benefit the Fund in the following ways:

- acquiring direct loans through many well-qualified direct lending managers may multiply the number of individual borrowers to a level where any single borrower represents a small fraction of total assets;
- the Investment Manager believes that the Underlying Fund may benefit from a diversity of styles, something that it believes cannot be found within a single direct lending manager;
- given that the opportunities for a single direct lending manager to originate and dispose of direct loans will vary over time, having access to multiple direct lending managers may enable the Underlying Fund to more easily adjust its level of investment in direct loans by tactically allocating assets; and
- the Underlying Fund will be able to adjust its dealings with Investment Partners to the extent they are not performing as expected or adverse circumstances are affecting them, which may be particularly beneficial given the illiquid nature of the Fund's assets. Furthermore, the Investment Manager has full discretion to increase or reduce the number of Investment Partners based on the market environment or Fund growth trajectory.

Valuation policy of the Underlying Fund

The Underlying Fund calculates its NAV as of the close of business on each business day of the Underlying Fund. The Board, comprising a majority of Independent Trustees, has approved Valuation Procedures for the Underlying Fund. The Valuation Procedures provide that the Underlying Fund will value its investments at fair value unless market quotations are "readily available" as defined in the Investment Company Act.

As a general matter, to value the Underlying Fund's investments, the current market values of assets will be used when readily available, and otherwise value the Fund's investments with fair value methodologies that the Investment Manager believes to be consistent with those used by the Fund for valuing its investments.

There is no single standard for determining fair value of an investment. Likewise, there can be no assurance that the Underlying Fund will be able to purchase or sell an investment at the fair value price used to calculate the Underlying Fund's NAV. Rather, in determining the fair value of an investment for which there are no readily available market quotations, the Valuation Designee may consider several factors, including:

- evaluation of all relevant factors, including but not limited to, pricing history, current market level, supply and demand of the respective investment;
- comparison to the values and current pricing of investments that have comparable characteristics;
- knowledge of historical market information with respect to the investment;
- periodic financial statements (audited and unaudited) or other information provided by the investment's borrower; and
- other factors relevant to the investment which would include, but not be limited to, duration, yield, fundamental analytical data, the Treasury yield curve, and credit quality.

There may be circumstances where it may not be practicable to determine a NAV, including, but not limited to:

- during any period when the principal stock exchanges for securities in which the Underlying Fund has invested its assets are closed other than for weekends and customary holidays (or when trading on such exchanges is restricted or suspended);
- an emergency exists as determined by the SEC, making securities sales or determinations of NAV not practicable;
- the SEC permits a delay for the protection of shareholders.

In such circumstances, the Board of the Underlying Fund (after consultation with the Investment Manager) may suspend the calculation of NAV. The Underlying Fund will not accept subscriptions for Shares if the calculation of NAV is suspended, and the suspension may require the termination of a pending repurchase offer by the Underlying Fund (or the postponement of the valuation date for a repurchase offer). The Administrator will resume calculation of the Underlying Fund's NAV after the Board of the Underlying Fund (in consultation with the Investment Manager) determines that conditions no longer require suspension of the calculation of NAV.

Liquidity

A substantial portion of the Underlying Fund's investments are illiquid. For this reason, the Underlying Fund is structured as a closed-end Interval Fund which means that the shareholders (including the Fund) will not have the right to redeem their Shares in the Underlying Fund on a daily basis. In addition, the Underlying Fund does not expect any trading market to develop for the Shares. As a result, if investors decide to invest in the Underlying Fund, they will have very limited opportunity to sell their Shares.

Because the Fund's investment objective is fulfilled by holding Shares in the Underlying Fund, its liquidity depends on the Underlying Fund's liquidity. The Underlying Fund provides a limited degree of liquidity to the shareholders by conducting Repurchase Offers quarterly. For each Repurchase Offer, the Underlying Fund will set an amount between 5% and 25% of the Shares based on relevant factors, including the liquidity of the Underlying Fund's positions and the shareholders' desire for liquidity.

As a result, the Fund will have very limited opportunity to sell its Shares, and by extension, limit the Responsible Entity's ability to satisfy investors' Redemption Requests.

Key service providers

Investment Manager

Cliffwater is the appointed investment manager of the Underlying Fund and has been appointed pursuant to the Investment Management Agreement, continuing in effect from year to year provided such continuance is specifically approved at least annually by (i) the vote of a majority of the outstanding voting securities of the Underlying Fund or a majority of the Board, and (ii) the vote of a majority of the independent trustees of the Underlying Fund. The Investment Management Agreement will terminate automatically if assigned (as defined in the Investment Company Act), and is terminable at any time without penalty upon sixty (60) days' written notice to the Underlying Fund by either the Board, by vote of a majority of the outstanding voting securities (as defined in the Investment Company Act) of the Underlying Fund or by the Investment Manager.

Underlying Fund Administrator

The Underlying Fund has retained UMB Fund Services, Inc. pursuant to the Administration, Fund Accounting and Recordkeeping Agreement under which the Underlying Fund Administrator performs certain administration and accounting services for the Underlying Fund, including, among other things: customary fund accounting services, including computing the Underlying Fund's net asset values and maintaining books, records and other documents relating to the Underlying Fund's financial and portfolio transactions, and customary fund administration services.

Underlying Fund Custodian

State Street Bank and Trust Company serves as the primary custodian of the assets of the Underlying Fund and may maintain custody of such assets with U.S. and non-U.S. subcustodians (which may be banks and trust companies), securities depositories and clearing agencies in accordance with the requirements of the Investment Company Act and the rules thereunder.

Fundamental policies of the Underlying Fund

The Underlying Fund's fundamental policies, which are listed below, may only be changed by the affirmative vote of a majority of the outstanding voting securities of the Underlying Fund. The vote of a "majority of the outstanding voting securities of the Underlying Fund" means the vote, at an annual or special meeting of the Shareholders of the Underlying Fund, duly called:

- of 67% or more of the Shares represented at such meeting, if the holders of more than 50% of the outstanding Shares are present in person or represented by proxy; or
- of more than 50% of the outstanding Shares,

whichever is less.

The Fundamental policies of the Underlying Fund are set out below.

The Underlying Fund may:

- borrow money and issue senior securities (as defined under the Investment Company Act), except as prohibited under the Investment Company Act;
- underwrite securities issued by other persons, except as prohibited under the Investment Company Act;
- make loans, except as prohibited under the Investment Company Act;
- purchase or sell commodities or real estate, except as prohibited under the Investment Company Act;
- not concentrate investments in a particular industry or group of industries, as concentration is defined under the Investment Company Act, except that the Underlying Fund may invest without limitation in securities issued or guaranteed by the U.S. government, its agencies or instrumentalities and repurchase agreements involving such securities or tax-exempt obligations of state or municipal governments and their political subdivisions;
- except as permitted under the Investment Company Act, will make quarterly repurchase offers for no less than for 5% and not more than 25% of the Shares outstanding at per-class net asset value per Share (measured on the repurchase request deadline) less any repurchase fee, unless suspended or postponed;

- each repurchase request deadline will be determined in accordance with the Investment Company Act, which requires the repurchase request deadline to be no less than 21 and no more than 42 days after the Underlying Fund sends a notification to Shareholders of the repurchase offer; and

- each repurchase pricing date will be determined in accordance with the Investment Company Act, which requires the repurchase pricing date to be no later than the 14th day after a repurchase request deadline, or the next business day if the 14th day is not a business day.

Term, dissolution and liquidation of the Underlying Fund

The Underlying Fund may be dissolved upon approval of a majority of the Board of the Underlying Fund. Upon the liquidation of the Underlying Fund, its assets will be distributed first to satisfy (whether by payment or the making of a reasonable provision for payment) the debts, liabilities and obligations of the Underlying Fund, including actual or anticipated liquidation expenses, other than debts, liabilities or obligations to Shareholders, and then to the Shareholders proportionately in accordance with the amount of Shares that they own. Assets may be distributed in-kind on a proportionate basis if the Board of the Underlying Fund or liquidator determines that the distribution of assets in-kind would be in the interests of the Shareholders in facilitating an orderly liquidation.

2.1.6 Labour standards and environmental, social and ethical considerations

The Responsible Entity does not take into account labour standards or environmental, social or ethical considerations when selecting, retaining or realising investments.

Neither the Fund nor the Underlying Fund pursues a sustainable investment strategy or has a sustainable investment objective, nor will it be marketed as a sustainability related product. The Fund and the Underlying Fund are not designed for investors who wish to screen out particular types of companies or investments or are looking for funds that meet specific environmental, social (which includes labour standards) and governance goals.

2.1.7 Performance

Performance information for the Fund, and the Net Asset Value for the Fund, will be published on the Betashares website at www.betashares.com.au. Information relating to past performance is not a reliable indicator of future performance. At the date of this PDS, the Fund has no material assets or liabilities and no performance information is available because it is a new fund.

2.1.8 Changes to investment objectives and strategy

The Responsible Entity may from time to time vary the investment mandate (i.e. the investment objective and strategy as described in sections 2.1.1 and 2.1.2) for the Fund as set out in this PDS. The Responsible Entity may, for example, subject to applicable law, change the investment strategy, including by:

- no longer investing in the Underlying Fund, or changing the amount invested in the Underlying Fund;

- investing in other assets; or

- investing into additional underlying fund(s) or into different underlying fund(s) to achieve the investment objective of the Fund.

Any significant change to the investment mandate will be notified to investors and potential investors via a supplementary or new PDS accessible through the Betashares website at www.betashares.com.au.

Information in this PDS that is not materially adverse to investors is subject to change from time to time and may be updated by the Responsible Entity by publishing such information on Fund website at www.betashares.com.au (see "PDS updates" on page 1).

2.2 DISTRIBUTIONS

The Fund intends to pay quarterly distributions assuming there is distributable income available, including from the Underlying Fund, or otherwise as determined by the Responsible Entity. Distribution amounts may include dividends, interest income, realised gains or losses from disposal of securities, or other assessable income derived by the Scheme, after allowing for fees and expenses.

It is expected that the Underlying Fund will make quarterly distributions of substantially all of its net investment income. There is no guarantee, however, that the Underlying Fund will make distributions.

2.2.1 Distributions

Unitholders holding Units at the end of a distribution period are entitled to a pro-rata share of the distributable income (if any) for that period based on the number of Units held at the end of the distribution period.

The amount of distributable income at the end of any distribution period will be determined by the Responsible Entity. Under the AMIT tax rules, the Scheme may make cash distributions that differ from taxable income attributed by the Scheme to Unitholders. See section 7 for further information.

The NAV per Unit will normally decrease after the end of each distribution period if a distribution is payable. Consequently, if you invest just before the end of a distribution period, some of your capital may be returned to you as income in the form of a distribution.

Distributions will generally be paid within 20 Business Days of the end of the distribution period to which they relate by deposit to a Unitholder's nominated Australian bank, building society or credit union account.

The amount of the distribution paid by the Fund may vary from period to period, and there may be periods when the Fund will not pay a distribution.

The Responsible Entity may, in its discretion, change the duration of a distribution period for the Fund (provided that distribution periods cannot be longer than one year).

Unitholders may also become entitled to the distributable income of the Fund on the redemption of their Units. See section 7.1.4 for further information.

2.2.2 Tax statements

The Responsible Entity will, as soon as reasonably practicable after the end of each financial year, issue to each Unitholder who received an entitlement to the distributable income and/or who was attributed taxable income of the Scheme during a financial year, a tax statement which outlines the amount and composition of the taxable income to which the Unitholder became entitled and/or was attributed. Where the Scheme is an Attribution Managed Investment Trust (**AMIT**) for the financial year, the tax statement is referred to as an AMIT member annual statement (**AMMA**).

2.2.3 Distribution Reinvestment Plan

The Responsible Entity has established a distribution reinvestment plan (**DRP**) for the Fund, however, please note it may not be available on certain IDPSs.

Participation in the DRP is subject to the terms and conditions of the DRP policy document, which is available at no charge by contacting Betashares on 1300 487 577 (within Australia). The DRP is currently available only to Unitholders who have a registered address in Australia, unless otherwise determined by the Responsible Entity.

Unitholders can choose to:

- if eligible, participate in the DRP, meaning distributions from the Fund will be reinvested in additional Units; or
- have the distributions paid directly to a nominated Australian bank, building society or credit union account.

Only full (not partial) reinvestment is available. If no DRP election is made, the distributions will automatically be paid into the nominated Australian bank, building society or credit union account.

Eligible Unitholders can elect to participate in the DRP by completing an on-line form available on the Registrar's website or by contacting the Registrar.

DRP election changes will only be effective in respect of a distribution if made prior to the relevant cut-off date. Refer to the Fund website for information on the applicable cut-off dates for DRP election changes.

3 FEES AND OTHER COSTS

DID YOU KNOW?

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

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

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

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

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

3.1 FEES AND OTHER COSTS

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

Taxes are set out in another part of this PDS.

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

TABLE 3.1: FEES AND COSTS SUMMARY

BPC Cliffwater Private Credit Fund		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Ongoing annual fees and costs		
Management fees and costs: The fees and costs for managing your investment	1.75% per annum of the Fund's Net Asset Value. As at the date of this PDS, the management fees and costs of the Fund consist of the following components: **Management fee** 1.75% per annum of the Fund's Net Asset Value. **Plus** **Recoverable expenses** Estimated at 0.00% per annum of the Fund's Net Asset Value.[1] **Plus** **Indirect costs** Estimated at 0.00% per annum of the Fund's Net Asset Value.[2]	The management fee is calculated and accrued daily as a percentage of the Fund's Net Asset Value and reflected in the daily Net Asset Value per Unit. The amount is deducted from the Fund's assets monthly on or after the first day of the following month. Any expenses normally incurred in operating the Fund are paid as and when they arise by the Responsible Entity out of its own resources. Any extraordinary expenses are deducted from the Fund's assets as and when they arise. Indirect costs are deducted from the assets of the Fund as and when they are incurred and reflected in the Fund's daily Net Asset Value per Unit.

BPC Cliffwater Private Credit Fund		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
		In addition to the management fees and costs disclosed in this table, the Fund is expected to incur additional fees and costs associated with its investment in the Underlying Fund (particularly the fees and expenses incurred by Underlying Fund itself). These additional costs are accrued and paid in the Underlying Fund and reflected in the value of the Fund's holding in the Underlying Fund (and therefore the Net Asset Value of the Fund). For more information about the fees charged by the Underlying Fund, refer to section 3.3.7 in the "Additional Explanation of Fees and Costs" section below.
Performance fees: Amounts deducted from your investment in relation to the performance of the product	Nil	Not applicable.
Transaction costs: The costs incurred by the scheme when buying or selling assets	Estimated at 0.00% per annum of the Fund's Net Asset Value.[3]	Transaction costs reduce the Fund's Net Asset Value. How and when they are paid varies depending on the type of transaction cost. Certain costs, e.g. brokerage, are added to or deducted from the amounts payable from the Fund's assets or receivable by the Fund at the time of settlement in respect of investments purchased or sold for the Fund. Other costs, e.g. transactional custodian fees, are invoiced to the Fund and paid from the Fund's assets according to a regular monthly or quarterly cycle.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
Establishment fee: The fee to open your investment	Nil.	Not applicable.
Contribution fee: The fee on each amount contributed to your investment	Nil.	Not applicable.
Buy-sell spread: An amount deducted from your investment representing costs incurred in transactions by the scheme	Nil.	Not applicable.
Withdrawal fee: The fee on each amount you take out of your investment	Nil.	Not applicable.
Exit fee: The fee to close your investment	Nil.	Not applicable.
Switching fee: The fee for changing investment options	Nil.	Not applicable.

[1] This figure reflects the estimated recoverable expenses incurred by the Fund for the previous financial year ended 30 June 2026 (adjusted to reflect a 12-month period) and may include the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or the information was not available at the date of the PDS. For more information on recoverable expenses, please see section 3.3.3 in the "Additional Explanation of Fees and Costs" section below.

[2]This figure reflects the estimated indirect costs incurred by the Fund for the previous financial year ended 30 June 2026 (adjusted to reflect a 12-month period) and may include the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or the information was not available at the date of the PDS. For more information on the meaning and calculation of indirect costs, see "Indirect costs" under the heading "Additional Explanation of Fees and Costs". The Fund can be expected to incur fees and costs when it invests in the Underlying Fund, which are accrued and paid in the Underlying Fund and reflected in the value of the Fund's holding in the Underlying Fund. However, any management fee borne by the Fund through its investment in the Underlying Fund will be reimbursed to the Fund by the Responsible Entity from its own resources. For more information about the fees charged by the Underlying Fund, refer to section 3.3.7 in the "Additional Explanation of Fees and Costs" section below.

[3] This figure reflects the estimated transaction costs incurred by the Fund for the previous financial year (adjusted to reflect a 12-month period) and may include the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or the information was not available at the date of the PDS. This estimate is net of estimated transaction costs for which the Responsible Entity reimburses the Fund out of the buy/sell spread (if any) it receives, as described in section 3.3.5. For more information on transaction costs and the application and redemption fees see "Transaction costs" and "Buy-sell spread" under the heading "Additional Explanation of Fees and Costs".

Certain additional costs may apply. See the "Additional Explanation of Fees and Costs" section below for more information.

Each fee set out in this table may in some cases be negotiated with wholesale clients. For more information, refer to the explanation of "Differential fees, rebates and related payments" in the "Additional Explanation of Fees and Costs" section below.

All fees and costs in the table above include Goods and Services Tax (**GST**) net of any reduced input tax credits and any applicable stamp duty and are shown without any other adjustment in relation to any tax deduction available to the Responsible Entity or the extent to which any tax deduction may be passed on to Unitholders.

3.2 EXAMPLE OF ANNUAL FEES AND COSTS

This table gives an example of how the ongoing annual fees and costs in the Fund can affect your investment over a one-year period. You should use this table to compare this product with other products offered by managed investment schemes.

TABLE 3.2: EXAMPLE OF ANNUAL FEES AND COSTS

EXAMPLE – BPC CLIFFWATER PRIVATE CREDIT FUND	AMOUNT	**BALANCE** OF $150,000 WITH A CASH CONTRIBUTION OF $5,000[1] DURING THE YEAR
CONTRIBUTION FEES	Nil	For every additional $5,000 you put in, you will be charged $0
PLUS MANAGEMENT FEES AND COSTS[2]	1.75% p.a. of the Fund's Net Asset Value	**And**, for every $150,000 you have in the Fund you will be charged or have deducted from your investment **$2,625** each year.
PLUS PERFORMANCE FEES[3]	Nil	**And**, you will be charged or have deducted from your investment **$0** in performance fees each year.[3]
PLUS TRANSACTION COSTS[4]	Estimated at 0.00% of the Fund's Net Asset Value	**And**, you will be charged or have deducted from your investment **$0** in transaction costs.
EQUALS COST OF FUND		If you had an investment of $150,000 at the beginning of the year and you put in an additional $5,000[5] during that year, you would be charged fees and costs of $2,625. **What it costs you will depend on the investment option you choose and the fees you negotiate.**

Each fee in this table may in some cases be negotiated with wholesale clients. For more information, refer to "Differential fees, rebates and related payments" in the "Additional Explanation of Fees and Costs" section below.

[1] Please note the minimum application amount is $100,000 for direct investors and $10,000 for IDPS operators, unless otherwise agreed with the Responsible Entity.

[2] Management fees and costs are made up of the management fee, recoverable expenses and indirect costs. The figures used in the example above reflects the estimated amount incurred by the Fund for the previous financial year ended 30 June 2026 (adjusted to reflect a 12-month period) and may include the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or the information was not available at the date of the PDS. For more information, refer to the "Additional Explanation of Fees and Costs" section below. For more information about the fees charged by the Underlying Fund, refer to section 3.3.7 in the "Additional Explanation of Fees and Costs" section below.

[3] The Fund does not charge a performance fee.

[4] This figure reflects the estimated transaction costs incurred by the Fund for the previous financial year ended 30 June 2026 (adjusted to reflect a 12-month period) and may include the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or the information was not available at the date of the PDS. This estimate is net of estimated transaction costs for which the Responsible Entity reimburses the Fund out of the buy/sell spread (if any) it receives.

[5] Assumes the $150,000 is invested for the entire year and the $5,000 investment occurs on the last day of the year, and therefore the fees and costs in this example are calculated using the $50,000 balance only.

3.3 ADDITIONAL EXPLANATION OF FEES AND COSTS

3.3.1 Management fees and costs

The management fees and costs for the Fund incorporate all relevant ongoing fees and other costs involved in managing the Fund and deriving investment returns. The management fees and costs comprise:

- Responsible Entity's management fee;
- recoverable expenses; and
- indirect costs.

Management fees and costs do not include:

- transaction costs, such as brokerage, transactional custodian fees, and other transaction fees associated with buying and selling the Fund's assets; and
- other costs that an investor would ordinarily incur when investing directly in the Fund's underlying assets.

(These costs are therefore not included in the management fees and costs set out in Table 3.1 and Table 3.2 above, but they are paid out of the Fund's assets).

3.3.2 Management fee

The management fee is charged by the Responsible Entity for managing the Fund and making it available to investors. It is calculated and accrued daily as a percentage of the Fund's Net Asset Value and reflected in the daily NAV per Unit. The amount is deducted from the Fund's assets monthly on or after the first day of the following month.

As described in section 3.3.4, the Responsible Entity will reimburse the Fund out of its own resources for the management fee borne by the Fund through its investment in the Underlying Fund.

3.3.3 Recoverable expenses

The recoverable expenses represent the operating expenses incurred in the operation of the Fund. The Constitution allows all properly incurred expenses to be recovered from the Fund and does not place any limit on the amount or types of expenses that can be recovered.

The expenses normally incurred in the day-to-day operation of the Fund include custodian, fund administration, unit registry and audit costs (other than transaction costs described above). These expenses normally incurred and charged to the Fund will be paid by the Responsible Entity out of its own resources while this PDS is current. The Responsible Entity may withdraw or replace this PDS at any time.

The recoverable expenses incurred by the Fund that applied for the previous financial year (adjusted to reflect a 12-month period) were 0.00% p.a. of the Fund's Net Asset Value, as these expenses are paid out of the Responsible Entity's own resources as and when they arise.

Extraordinary expenses are expenses that are not normally incurred in the day-to-day operation of the Fund and are not necessarily incurred in any given year. They may include costs associated with holding Unitholder meetings, changing the Fund's Constitution, or defending or pursuing legal proceedings. Extraordinary expenses will not be paid out of the Responsible Entity's own resources. Any such expenses will be recovered from the Fund and reflected in its Net Asset Value per Unit. The Responsible Entity, as at the date of this PDS, reasonably estimates that the extraordinary expenses of the Fund that applied for the previous financial year ended 30 June 2026 (adjusted to reflect a 12-month period) were nil.

3.3.4 Indirect costs

Indirect costs are any amounts that we know or where required, reasonably estimate, will reduce the Fund's returns that are paid from the Fund's assets (other than the management fee, recoverable expenses, and transaction costs borne by the Fund described elsewhere in this section) or that are paid from the assets of any interposed vehicle (such as an underlying fund) in which the Fund may invest.

The Fund can be expected to incur fees and costs when it invests in the Underlying Fund, which are accrued and paid in the Underlying Fund and reflected in the value of the Fund's holding in the Underlying Fund.

The Responsible Entity reasonably estimates that the indirect costs of the Fund that applied for the previous financial year ended 30 June 2026 (adjusted to reflect a 12-month period) were 0.00% p.a. of the Net Asset Value of the Fund, on the basis that any management fee borne by the Fund through

its investment in the Underlying Fund are reimbursed to the Fund by the Responsible Entity from its own resources.

The fees and costs relating to the Underlying Fund are set out in section 3.3.7. The Underlying Fund's fees and costs have not been included as indirect costs on the basis that the Responsible Entity has determined that the Underlying Fund is not an 'interposed vehicle' as defined in Schedule 10 of the Corporations Regulations having regard to the nature and composition of the Underlying Fund's assets and separately the fact that the Underlying Fund is the end investment for the purposes of RG 97.

3.3.5 Buy-sell spread

When units are acquired, the entry unit price is increased by a buy-spread. The buy-spread reflects the estimated transaction costs of acquiring investments with the inflow of funds. When units are redeemed, the exit unit price is decreased by a sell spread. The sell-spread reflects the estimated transaction costs of disposing of investments to satisfy the redemption. The buy-sell spreads are an additional charge to you and are paid to the Fund (not to the Responsible Entity) to seek to ensure that the estimated transaction costs associated with applications and redemptions are borne by the transacting investors so that other investors are not disadvantaged by this activity.

As at the date of this PDS, the buy-spread for both applications and redemptions is nil.

The Responsible Entity may vary the buy-sell spread from time to time and prior notice of variation will not normally be given.

3.3.6 Transaction costs

The Fund incurs transaction costs, such as brokerage, transactional custodian fees, and other transaction fees associated with buying and selling the Fund's assets. Transaction costs also include costs incurred by an interposed vehicle that would be transaction costs if they had been incurred by the Fund. Transaction costs are an additional cost to investors (to the extent they are not off-set by the buy-sell spread charged by the Responsible Entity and are not included in the management fees and costs shown in Table 3.1.

Transaction costs reduce the Fund's Net Asset Value. How and when they are paid varies depending on the type of transaction cost. Certain costs, e.g. brokerage, are added to or deducted from the amounts payable from the Fund's assets or receivable by the Fund at the time of settlement in respect of investments purchased or sold for the Fund. Other costs, e.g. transactional custodian fees, are invoiced and paid from the Fund's assets according to a regular monthly or quarterly cycle.

The Responsible Entity reasonably estimates that the net transaction costs of the Fund for the previous financial year ended 30 June 2026 (adjusted to reflect a 12 month period) were approximately 0.00% p.a. of the Fund's Net Asset Value or $0 for every $150,000 you have in the Fund. These net transaction costs represent estimated total gross transaction costs of 0.00% p.a. minus the estimated transaction costs for which the Responsible Entity reimburses the Fund out of the buy-sell spread it receives, as described in section 3.3.5. These net transaction costs are borne by the Fund.

The transaction costs estimate shown in the fees and costs summary in Table 3.1 is shown net of any amount for which the Responsible Entity reimburses the Fund out of the buy-sell spread it receives.

The amount of these costs can be expected to vary from year to year depending on the volume and value of transactions undertaken.

3.3.7 Fees and costs relating to the Underlying Fund

The Underlying Fund pays all of its expenses, or reimburses the Investment Manager or its affiliates to the extent they have previously paid such expenses on behalf of the Underlying Fund. The expenses of the Underlying Fund include, but are not limited to, any fees and expenses in connection with the organisation of the Underlying Fund and the offering and issuance of Shares, all fees and expenses reasonably incurred in connection with the operation of the Underlying Fund, all fees and expenses directly related to portfolio transactions and positions for the Underlying Fund's account such as direct and indirect expenses associated with the Underlying Fund's investments, and enforcing the Underlying Fund's rights in respect of such investments, quotation or valuation expenses, the Investment Manager's fee, the Underlying Fund Administrator's fee, servicing and other similar fees and expenses, out-of-pocket costs directly relating to investment transactions that are not consummated and other investment-related expenses and operating expenses of the Underlying Fund.

The below fees and expenses information summarises the expenses of the Underlying Fund, to help investors understand the costs and expenses they will bear, directly or indirectly, by investing in the Underlying Fund, and are based on an estimated average net assets of approximately $30.4 billion (USD), which represents the Underlying Fund's average net assets as of 30 June 2026:

- management fees (payable to the Investment Manager) of 1.00% p.a. payable monthly in arrears, accrued daily based on the Underlying Fund's average daily net assets;
- acquired fund fees and expenses (estimated to be 0.21% p.a. as at 30 June 2026); and
- other expenses (estimated to be 0.31% p.a. as at 30 June 2026).

These fees and expenses are incurred by the Underlying Fund and reduce the value of the Fund's investment in the Underlying Fund. As described in section 3.3.4, any management fee borne by the Fund through its investment in the Underlying Fund will be reimbursed to the Fund by the Responsible Entity from its own resources, i.e. the management fee payable to the Investment Manager in relation to the Underlying Fund will be reimbursed to the Fund out of the management fee charged by the Responsible Entity.

3.3.8 Can fees and costs change and what are the maximums?

Yes, fees and costs can change subject to maximums in the Fund's Constitution.

The Constitution limits the amount of the Responsible Entity's management fee to a maximum of 3% p.a. of the Fund's Net Asset Value (plus GST).

The Constitution of the Fund provides for the following maximum fees:

- a maximum contribution fee of 5% of the aggregate Issue Price of the Units applied for (plus GST);
- a maximum withdrawal fee of 5% of the aggregate Withdrawal Amount of the relevant Units (plus GST).

The Responsible Entity also has the right under the Constitution to recover from the Fund all expenses properly incurred in the performance of its duties.

As at the date of this PDS, the Responsible Entity does not have any intention to change the fees and costs described in this PDS, although it has the right to do so at any time without investor consent. The Responsible Entity will provide at least 30 days prior notice to direct investors and IDPS operators of any proposed increase in fees (except any changes to the buy-sell spread) or introduction of new fees up to the maximums allowed under the Fund's constitution.

As the Fund is newly established, any estimates of fees and costs in this PDS are based on information available as at the date of this PDS. As such, the actual fees and costs may differ and are subject to change from time to time. Information in this PDS that is not materially adverse to investors is subject to change from time to time and may be updated by the Responsible Entity by publishing such information on the Betashares website at www.betashares.com.au. A paper copy of any updated information will be provided free of charge on request.

3.3.9 Differential fees, rebates and related payments

The Responsible Entity may, from time to time, agree with wholesale clients to rebate or reduce some of the management or other fees on a case by case basis. The amount of fee reduction is at the Responsible Entity's discretion. The Responsible Entity will achieve these reductions and meet any rebates in relation to management fees by payments from its own resources. For more information, please contact the Responsible Entity at the address specified in the "Directory" section of the PDS.

Any reduction in management fees offered by the Responsible Entity to an IDPS operator may be passed on to the clients of the operator or retained by the operator.

Subject to applicable law, the Responsible Entity may also pay one-off or annual product access payments to wrap platform or master trust operators for including the Fund in their offering. As of the date of this PDS, no product access payments have been made. The Responsible Entity would make any such payment from its own resources.

3.3.10 Indirect investors

Indirect investors should note that the fees and costs outlined in the PDS are in addition to any other fees and costs imposed by your IDPS operator.

3.3.11 Financial advisers

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out.

3.3.12 Taxation

Information in relation to taxation is set out in section 7 of this PDS.

4 RISKS

Unitholders in the Fund face a number of investment risks. There are risks associated with any investment. Generally, the higher the expected return of an investment, the higher the risk and the greater the variability of returns.

The market price and Net Asset Value per Unit can fluctuate within a wide range. When considering an investment in the Fund, personal tolerance for fluctuating market values should be taken into account.

The most common risks associated with investing in the Fund are described below, but there could be other risks that affect the performance of the Fund. The discussion below is general in nature.

The Responsible Entity does not provide assurances or guarantees on future profitability, returns, distributions or return of capital. An investment in the Fund could lose money over short or long periods.

You should seek your own professional advice on the appropriateness of this investment to your circumstances. You should also consider how an investment in the Fund fits into your overall investment portfolio.

GENERAL RISKS RELATING TO THE FUND AND UNDERLYING FUND

4.1 INVESTMENT OBJECTIVE RISK

There is no assurance that the Fund's investment objective will be achieved or that an investment in the Fund will earn any positive return in the short or long-term.

The Responsible Entity will seek to maintain the Fund's investment in all market conditions. This means that investors should not expect the Fund's investments to be repositioned if market conditions for Debt Instruments are, or if the performance of the investments becomes, unfavourable.

4.2 WITHDRAWAL RISK

Withdrawal risk is the risk that the usual timeframe for Redemption Requests is not met, or the Responsible Entity suspends redemptions from the Fund (fully or partially), including, for example, due to limitations at the Fund level, or because the Fund is unable to withdraw from the Underlying Fund.

Subject to the Fund's Constitution, the Responsible Entity has broad discretion to suspend the redemption of Units in the Fund in certain circumstances and, in addition, may accept and reject Redemption requests in its absolute discretion.

The maximum timeframe in which we, as Responsible Entity, have to meet a withdrawal request is set out in the Constitution. Where the Fund is not liquid (as defined in the Corporations Act), you may only withdraw when we make an offer to withdraw to all investors, as required by the Corporations Act.

PROSPECTIVE AND CURRENT INVESTORS MUST BE AWARE OF THE POTENTIAL LIMITATIONS ON THEIR ABILITY TO WITHDRAW FROM THE FUND. THE RESPONSIBLE ENTITY DOES NOT PROVIDE ANY GUARANTEE CONCERNING THE LIQUIDITY OF THE FUND OR THE ABILITY OF AN INVESTOR TO WITHDRAW THEIR INVESTMENT.

4.3 LIQUIDITY RISK

While the Fund aims to provide a quarterly redemption facility, there is no absolute right to withdraw.

The Underlying Fund as a whole invests in highly illiquid investments which will ultimately limit the ability of the Fund to redeem its holdings in the Underlying Fund (and by extension, limit the Responsible Entity's ability to accept redemptions in the Fund). Given the nature of the Fund's exposure to such illiquid investments and limited ability of the Fund to redeem its holdings in the Underlying Fund, investors should be mindful that they may not have access to their investment funds for an indefinite period of time (depending on circumstances). 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 that).

There is the risk that one or more assets held by the Underlying Fund may suffer from restricted or limited liquidity, which may prevent the Underlying Fund from paying redemptions, consequently impacting the Fund's quarterly redemption facility. As noted in section 2, as an Interval Fund 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, meaning that any Redemption Request made via the Fund may be pro-rated or not paid (either partially or fully depending on the circumstances). Likewise, the Fund will be required to meet its own financial commitments e.g. payments required to be made to derivative counterparties in connection with the currency hedging strategy employed. These payments will take priority over any investor redemptions and therefore may impact any redemption requests made. No guarantee can be made that an investor will be able to withdraw all of their funds at a particular point in time.

4.4 COUNTRY RISK

Country risk is the risk that the assets of the Fund may fluctuate in value due to political and/or financial events, changes in laws or regulation or differences in accounting practices occurring in the country where the respective Loans are issued. It is expected the Fund will have material exposure to the US via the Underlying Fund.

4.5 GENERAL REGULATORY RISK

This is the risk that a government or regulator may introduce regulatory and/or tax changes, or a court makes a decision regarding the interpretation of the law, which affects the value of the Units or the tax treatment of the Fund and its Unitholders, or the Fund's investment in the Underlying Fund.

The Fund may be affected by changes to legislation or government policy in Australia or in overseas countries. These changes are monitored by the Responsible Entity and action is taken, where appropriate, to facilitate the achievement of the investment objective of the Fund. The Responsible Entity may not always be in a position to take such action.

4.6 TAX RISK

The Fund's returns may be affected by the deduction of withholding taxes from income payments received from offshore jurisdictions.

Taxation law is complex and subject to changes by the Australian and overseas authorities, possibly with retrospective effect.

As the circumstances of each investor are different, the Responsible Entity strongly recommends that investors obtain professional independent tax advice relating to the tax implications of investing in and dealing in Units.

4.7 MANAGER RISK

This is the risk that the Responsible Entity's and Cliffwater's underlying investment strategy is not successful, or not successfully implemented, resulting in the Fund failing to meet its objectives. No assurance can be given that the trading systems and strategies utilised by the Responsible Entity or Cliffwater will prove successful under all or any market conditions.

It is possible that key staff involved in the day-to-day management of the Underlying Fund leave the group, impacting its operations.

4.8 FUND RISK

There is a risk that the Fund or the Underlying Fund could terminate, that the Fund's or the Underlying Fund's investment objective or investment strategy or fees and expenses could change or that the Responsible Entity may not be able to continue to act, for example if it loses its Australian financial services licence (in which case it could be replaced as responsible entity of the Fund, or the Fund could be wound up). Any replacement responsible entity might achieve different results for investors, positive or negative, than would otherwise be the case.

4.9 OPERATIONAL RISK

The Fund's or the Underlying Fund's day-to-day operations may be adversely affected by circumstances beyond the reasonable control of the Responsible Entity or Cliffwater (respectively), such as failure of technology or infrastructure, or natural disasters. A breakdown in administrative procedures and risk control measures implemented by the Responsible Entity, the Underlying Fund or their respective service providers may also adversely affect the operation and performance of the Fund.

4.10 EFFECT OF APPLICATIONS AND REDEMPTIONS ON DISTRIBUTIONS

The distribution per Unit amount for a distribution period may be affected by application and redemption activity during the period. The issue of Units during a distribution period will tend to reduce the amount of the distribution per Unit for that period (which will be associated with a smaller decline in the NAV per Unit at the time of the distribution). Conversely, the redemption of Units during a distribution period will tend to increase the amount of the distribution per Unit for that period (which will be associated with a larger decline in the NAV per Unit at the time of the distribution).

4.11 FUND SUSPENSION RISK

There may be occasions where the Responsible Entity may suspend the application and redemption process, for example where factors prevent the accurate calculation of Unit prices, such as the suspension or restriction of trading in securities held by the Underlying Fund.

4.12 FUND VALUATION RISK

There is a risk that the value of the Fund's underlying investments used to calculate the Fund's Net Asset Value, as obtained from independent valuation sources, may not accurately reflect the realisable value of those investments.

4.13 INFLATION RISK

The returns on an investment in the Fund may not keep pace with inflation, which would reduce the real return earned by investors.

4.14 COUNTERPARTY RISK

Counterparties used in connection with the Fund's investment activities may default on their obligations, for instance by failing to make a payment when due. This may be due to insolvency or other events of default. Such counterparties may include service providers and trading and derivatives counterparties, as well as the Fund's Custodian. Default on the part of a counterparty could result in financial loss to the Fund.

4.15 FOREIGN CURRENCY RISK

The Fund intends to invest in shares of the Underlying Fund, which is denominated in USD currency. The Responsible Entity intends to mitigate its foreign currency exposure by hedging with currency derivatives. Although the foreign currency exposure of the Fund's investment in the Underlying Fund may be hedged, such hedge may not provide complete protection from adverse currency movements. Currency markets can be extremely volatile and are subject to a range of unpredictable forces.

4.16 CYBER-SECURITY RISK

With the increased use of technology to conduct business, the Responsible Entity, the Fund and their service providers can be susceptible to information security and related risks including cyber-security attacks or incidents.

Cyber incidents can result from deliberate attacks or unintentional events, and include gaining unauthorised access to digital systems, networks or devices for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing

denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users).

Cyber-security breaches may cause disruptions to the Fund's operations, potentially resulting in financial loss.

4.17 UNDERLYING FUND RISK

The Fund invests substantially all, or all, of its capital into the Underlying Fund. Because of this structure, the Fund's returns, liquidity, and overall performance are closely tied to the Underlying Fund's effectiveness in selecting and managing its investments. If the Underlying Fund underperforms, experiences key staff turnover or operates sub-optimally, the Fund's value will likely be adversely impacted.

RISKS RELATING TO THE UNDERLYING FUND'S INVESTMENT STRATEGY

4.18 MARKET RISK

The investment returns of the Fund will be influenced by the performance of the private credit market as a whole. Changes in prices of the securities held by the Underlying Fund may result in a loss in value of the Fund's Units. Market factors that drive changes in the valuations of the underlying Loans, including changes in interest rates, general economic conditions, the financial performance of specific issuers investor sentiment, industry-specific factors and global events (such as natural disasters, wars and other conflicts, and outbreaks of infectious diseases), can be expected to influence the value of the Units. Markets are volatile and fluctuate from day-to-day. This volatility may cause the value of an investment in the Units to decrease.

4.19 LEVERAGE RISK

The Underlying Fund may use leverage as part of its investment strategy. The use of leverage increases both risk of loss and profit potential.

In connection with the use of leverage, the Underlying Fund might also be required to de-leverage, selling securities at a potentially inopportune time, which could incur tax consequences and impact fund returns.

In addition to the risks created by the Underlying Fund's use of leverage, it is also subject to the risk that it is unable to obtain leveraged borrowing when required, which may impact on the investment strategy and therefore fund returns.

4.20 SOURCING INVESTMENT RISK

On an ongoing basis, it cannot be certain that the Investment Manager will be able to continue to locate a sufficient number of suitable investment opportunities to allow the Fund to fully implement its investment strategy. To the extent the Underlying Fund is unable to deploy its capital, its investment income and, in turn, the results of its operations, will likely be materially adversely affected.

Additionally, the current lending market in which the Underlying Fund participates is competitive and rapidly changing. The Underlying Fund may face increasing competition for access to corporate loans and especially direct loans as the lending industry continues to evolve. If the Underlying Fund is limited in its ability to invest in corporate and/or direct loans, it may be forced to invest in cash, cash equivalents or other assets that may result in lower returns than otherwise may be available through investments in corporate and direct loans.

4.21 MIDDLE MARKET COMPANY RISK

Investment in private and small or middle-market companies involves a number of risks:

- Generally, little public information exists about these companies, and the Underlying Fund will rely on the ability of Cliffwater's investment professionals to obtain adequate information to evaluate the potential returns from extending Loans to these companies. If they are unable to uncover all material information about these companies, they may not make a fully informed investment decision, and the Fund may lose money on its investments.

- Small and middle-market companies may have limited financial resources and may be unable to meet their obligations under their Debt Instruments that the Underlying Fund holds, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of the Underlying Fund meeting its investment objective.

- Small and middle-market companies typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. Additionally, small and middle-market companies are more likely to depend on the management talents and efforts of a small group of persons. Therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the Underlying Fund's investments.

- Small and middle-market companies also may be parties to litigation and may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence.

4.22 SECURITY SPECIFIC RISK

Factors specific to a particular underlying Debt Instrument may cause the return of the Debt Instrument to differ from that of the broader market for Debt Instruments. Such factors may include the issuer's business prospects, market estimations of potential future profitability and creditworthiness, balance sheet leverage, capital management policies, management changes and market sentiment.

4.23 INTEREST RATE RISK

The interest rates payable on the securities held by the Underlying Fund, primarily being floating rate Debt Instruments, will typically vary from period to period based on movements in the relevant reference rate. In a period of falling interest rates, income payments can be expected to fall, reducing the Fund's returns.

Additionally, where the Underlying Fund uses Debt to finance investments, its net investment income may depend, in part, upon the difference between the interest rate at which it borrows funds, and the interest rate of investments made using those funds. As a result, a significant change in market interest rates can have a material adverse effect on the Underlying Fund's net investment income. In periods of rising interest rates when it has Debt outstanding, the Underlying Fund's cost of funds will increase, which could reduce the Underlying Fund's net investment income. The Underlying Fund may use interest rate risk management techniques in an effort to limit its exposure to interest rate fluctuations but there is no guarantee this will be effective.

Adverse developments resulting from changes in interest rates or hedging transactions could have a material adverse effect on the Underlying Fund.

4.24 CREDIT RISK

The Fund is exposed to the creditworthiness of the holdings in the Underlying Fund (as well as issuers of bank deposit accounts held by the Fund). Creditworthiness refers to the ability of an entity to meet its obligations to make regular coupon payments and to repay the principal sum at maturity.

The value of the Fund will be affected by the perceived or actual creditworthiness of the Underlying Fund's securities. A perceived or actual deterioration of the credit quality of one or more securities in the Underlying Fund will adversely impact the value of such securities and, as a result, the value of the Fund.

There is a risk that an issuer of securities may default on its obligations in respect of those securities. In such event, the Underlying Fund's (and the Fund's) returns would be expected to be impacted.

4.25 DERIVATIVES RISK

The Underlying Fund may use derivatives as part of its investment strategy. The primary risks associated with the use of derivatives are:

- the values of the derivative failing to move in line with the underlying asset;
- the potential lack of liquidity of the derivative;
- the potential to incur substantial losses in excess of the initial amount invested;
- the possibility that the derivative position is difficult or costly to manage or reverse;
- the Underlying Fund may not be able to meet payment obligations as they arise, including any requirements to make margin payments;
- the counterparty to the derivative contract may not meet its obligations under the contract (including failing to meet collateral requirements under the arrangement);
- over-the-counter markets are not guaranteed by an exchange or clearing corporation;
- the collateral obligations in respect of margin requirements on derivative contracts can cause liquidity issues if insufficient collateral is available; and
- the electronic platforms on which some derivatives are traded are subject to risks related to system access, varying response times, security and system failure.

Any of the above factors could cause the Underlying Fund, and consequently the Fund, to incur losses, suffer increased costs, fail to realise gains or otherwise fail to achieve its investment objectives.

4.26 LEGAL, TAX AND REGULATORY RISK

Legal, tax and regulatory changes at the federal, state and local levels could occur that may materially adversely affect the Underlying Fund. For example, the regulatory environment for leveraged investors is evolving, and changes in the direct or indirect regulation of leveraged investors may materially adversely affect the ability of the Underlying Fund to pursue its investment objective or strategies.

4.27 PREPAYMENT RISK

When interest rates decline, certain fixed income securities with stated interest rates may have their principal paid earlier than expected. This may result in the Underlying Fund having to reinvest that money at lower prevailing interest rates, which can reduce the returns of the Fund.

4.28 REINVESTMENT RISK

Income from the Underlying Fund's portfolio will decline if and when the Underlying Fund invests the proceeds from matured, traded or called Debt obligations at market interest rates that are below the portfolio's current earnings rate.

4.29 INFLATION / DEFLATION RISK

Inflation risk is the risk that the value of assets or income from the Underlying Fund's investments will be worth less in the future as inflation decreases the purchasing power and value of payments at future dates. As inflation increases, the real value of the Underlying Fund's portfolio could decline. Deflation risk is the risk that prices throughout the economy decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of the Underlying Fund's portfolio.

4.30 DEPENDENCE ON KEY PERSONNEL RISK

The Investment Manager may be dependent upon the experience and expertise of certain key personnel in providing services with respect to the Underlying Fund's investments. If the Investment Manager were to lose the services of these individuals, its ability to service the Underlying Fund could be adversely affected.

4.31 DEBT INSTRUMENTS

Under normal market conditions, the Underlying Fund expects to primarily invest in Debt and Debt-related instruments. One of the fundamental risks associated with such investments is credit risk, which is the risk that an issuer

will be unable to make principal and interest payments on its outstanding Debt obligations when due. Adverse changes in the financial condition of an issuer or in general economic conditions (or both) may impair the ability of such issuer to make such payments and result in defaults on, and declines in, the value of its Debt. The Underlying Fund's return to shareholders (and therefore the Fund's return to investors) would be adversely impacted if an issuer of Debt Instruments in which the Underlying Fund invests becomes unable to make such payments when due.

4.32 DEFAULT RISK

The ability of the Underlying Fund to generate income through its Loan investments is dependent upon payments being made by the borrower underlying such Loan investments. If a borrower is unable to make its payments on a Loan, the Underlying Fund may be greatly limited in its ability to recover any outstanding principal and interest under such Loan.

4.33 SECURED DEBT

Secured Debt holds the most senior position in the capital structure of a borrower. Secured Debt in most circumstances is fully collateralised by assets of the borrower. Thus, it is generally repaid before unsecured bank Loans, corporate bonds, subordinated Debt, trade creditors, and preferred or common stockholders. However, there is a risk that the collateral securing the Underlying Fund's Loans may decrease in value over time, may be difficult to sell in a timely manner, may be difficult to appraise, and may fluctuate in value based upon the success of the business and market conditions, including as a result of the inability of the borrower to raise additional capital.

4.34 SECOND LIEN AND SUBORDINATED LOANS.

The Underlying Fund may invest in secured subordinated Loans, including second and lower Lien Loans. Second Lien Loans are generally second in line in terms of repayment priority. A Second Lien Loan may have a claim on the same collateral pool as the First Lien or it may be secured by a separate set of assets. Second Lien Loans generally give investors priority over general unsecured creditors in the event of an asset sale. The priority of the collateral claims of third or lower lien Loans ranks below holders of Second Lien Loans and so on. Such junior Loans are subject to the same general risks inherent to any Loan investment, including credit risk, market and liquidity risk, and interest rate risk. Due to their lower place in the borrower's capital structure and possible unsecured or partially secured status, such Loans involve a higher degree of overall risk than senior Loans of the same borrower.

4.35 UNSECURED LOANS

The Underlying Fund may make Unsecured Loans to borrowers, meaning that such Loans will not benefit from any interest in collateral of such borrowers. Liens on such a borrower's collateral, if any, will secure the borrower's obligations under its outstanding Secured Debt and may secure certain future Debt that is permitted to be incurred by the borrower under its Secured Loan agreements. The holders of obligations secured by such liens will generally control the liquidation of, and be entitled to receive proceeds from, any realisation of such collateral to repay their obligations in full before the Underlying Fund.

There can be no assurance that the proceeds, if any, from sales of such collateral would be sufficient to satisfy the Underlying Fund's Unsecured Loan obligations after payment in full of all Secured Loan obligations. If such proceeds were not sufficient to repay the outstanding Secured Loan obligations, then the Underlying Fund's unsecured claims generally would rank equally with the unpaid portion of such secured creditors' claims against the borrower's remaining assets, if any.

4.36 EQUITY INVESTMENTS

When the Underlying Fund invests in Debt Instruments, the Underlying Fund may acquire warrants or other equity securities of borrowers as well. The Underlying Fund may also invest in warrants and equity securities directly. To the extent the Underlying Fund holds equity investments, the Underlying Fund will attempt to dispose of them and realise gains upon the disposition of such equity investments. However, the equity interests the Underlying Fund receives may not appreciate in value and may decline in value. As a result, the Underlying Fund may not be able to realise gains from its equity interests, and any gains that the Underlying Fund does realise on the disposition of any equity interests may not be sufficient to offset any other losses the Underlying Fund experiences.

4.37 PIK INTEREST

To the extent that the Underlying Fund invests in loans with a payment in kind (PIK) interest component and the accretion of PIK interest constitutes a portion of the Underlying Fund's income, the Underlying Fund will be exposed to risks associated with the requirement to include such non-cash income in taxable and accounting income prior to receipt of cash, including the following: (i) loans with a PIK interest component may have higher interest rates that reflect the payment deferral and increased credit risk associated with these instruments, and PIK instruments generally represent a significantly higher credit risk than coupon loans; (ii) loans with a PIK interest component may have unreliable valuations because their continuing accruals require continuing judgments about the collectability of the deferred payments and the value of any associated collateral; (iii) the deferral of PIK interest increases the loan-to-value ratio, which is a fundamental measure of loan risk; and (iv) even if the accounting conditions for PIK interest accrual are met, the borrower could still default when the borrower's actual payment is due at the maturity of the loan.

4.38 DIRECT LENDING RISK

To the extent the Underlying Fund is the sole lender in privately offered Debt, it may be solely responsible for the expense of servicing that Debt, including, if necessary, taking legal actions to foreclose on any security instrument securing the Debt (e.g., the mortgage or, in the case of a Mezzanine Loan, the pledge). This may increase the risk and expense to the Underlying Fund compared to syndicated or publicly offered Debt.

4.39 DIRECT ORIGINATION RISK

A significant portion of the Underlying Fund's investments may be originated. The results of the Underlying Fund's operations depend on several factors, including the availability of opportunities for the origination or acquisition of target investments, the level and volatility of interest rates, the availability of adequate short and long-term financing, conditions in the financial markets and economic conditions. Further, the Underlying Fund's inability to raise capital and the risk of portfolio company defaults may materially and adversely affect the Underlying Fund's investment originations, business, liquidity, financial condition, results of operations and its ability to make distributions to its Shareholders. In addition, competition for originations of and investments in the Underlying Fund's target investments may lead to the price of such assets increasing or the decrease of interest income from Loans originated by the Underlying Fund, which may further limit its ability to generate desired returns.

4.40 VALUATION RISK

Unlike publicly traded common stock which trades on national exchanges, there is no central place or exchange for most of the Underlying Fund's investments to trade. Due to the lack of centralised information and trading, the valuation of Debt Instruments may result in more risk than that of common stock. Uncertainties in the conditions of the financial market, unreliable reference data, lack of transparency and inconsistency of valuation models and processes may lead to inaccurate asset pricing. In addition, other market participants may value securities differently than the Underlying Fund. As a result, the Underlying Fund may be subject to the risk that when an instrument is sold in the market, the amount received by the Underlying Fund is less than the value of such Debt Instruments carried on the Underlying Fund's books.

4.41 HIGH YIELD DEBT

The Underlying Fund may invest in high yield Debt (or "junk" bonds). A substantial portion of the high yield Debt in which the Underlying Fund intends to invest are rated Below Investment-Grade by one or more rating agencies or are Unrated but of comparable credit quality to obligations rated Below Investment-Grade, and have greater credit and liquidity risk than more highly rated Debt obligations.

4.42 PREFERRED SECURITIES

The Underlying Fund may invest in Preferred Securities. There are various risks associated with investing in Preferred Securities, including credit risk, interest rate risk, deferral and omission of distributions, subordination to bonds and other Debt Instruments in a company's capital structure, limited liquidity, limited voting rights and special redemption rights.

4.43 CONVERTIBLE SECURITIES

The Underlying Fund may invest in Convertible Securities. Convertible Securities are hybrid securities that have characteristics of both bonds and common stocks and are subject to risks associated with both Debt Instruments and equity securities.

4.44 INTEREST RATE RISK

The Underlying Fund is subject to the risks of changes in interest rates. While it is expected that the majority of the Underlying Fund's investments will be in floating rate loans, which typically re-price every 90 days, some of the Underlying Fund's investments may be in fixed rate loans and similar Debt obligations. The value of such fixed rate loans is susceptible to general changes in interest rates. A decline in interest rates could reduce the amount of current income the Underlying Fund is able to achieve from interest on fixed-income securities and convertible Debt. An increase in interest rates could reduce the value of any fixed income securities and convertible securities owned by the Underlying Fund.

4.45 NON-PERFORMING LOANS

The Underlying Fund may invest in non-performing and sub-performing Loans which often involve workout negotiations, restructuring and the possibility of foreclosure. These processes are often lengthy and expensive. As a result, the Underlying Fund's investments may be subject to additional bankruptcy related risks, and returns on such investments may not be realised for a considerable period of time.

4.46 ASSET-BACKED SECURITIES RISK

Asset-Backed Securities (**ABS**) often involve risks that are different from or more acute than risks associated with other types of Debt Instruments. For instance, ABS may be particularly sensitive to changes in prevailing interest rates. In addition, the underlying assets are subject to prepayments that shorten the securities' weighted average maturity and may lower their return. ABS are also subject to risks associated with their structure and the nature of the assets underlying the security and the servicing of those assets.

4.47 CLO AND CDO RISKS

The Underlying Fund may invest in CLOs and CDOs. Investors in CLOs and CDOs bear the credit risk of the assets/collateral. Tranches are categorised as senior, mezzanine, and subordinated/equity, according to their degree of credit risk. If there are defaults or the CDO's collateral otherwise underperforms, scheduled payments to senior tranches take precedence over those of mezzanine tranches, and scheduled payments to mezzanine tranches take precedence over those to subordinated/equity tranches. Additionally, because the loans held in the pool often may be prepaid without penalty or premium, CLOs and CDOs can be subject to higher prepayment risks than most other types of Debt Instruments.

In addition to the typical risks associated with fixed-income securities and asset-backed securities, CLOs and CDOs carry other risks including, but not limited to, the possibility that distributions from collateral securities will not be adequate to make interest or other payments, the risk that the collateral may default, decline in value or quality, or be downgraded by a rating agency, the Underlying Fund may invest in tranches of CLOs and CDOs that are subordinate to other tranches, diminishing the likelihood of payment, the structure and complexity of the transaction and the legal documents could lead to disputes with the issuer or unexpected investment results, risk of forced "fire sale" liquidation due to technical defaults such as coverage test

failures; and that the manager of the CLO or CDO may perform poorly.

4.48 MEZZANINE DEBT

A portion of the Underlying Fund's Debt investments may be made in certain High Yield Securities known as Mezzanine Investments, which are subordinated Debt Instruments that may be issued together with an equity security (e.g., with attached warrants). Mezzanine Investments share all of the risks of other High Yield Securities and are subject to greater risk of loss of principal and interest than higher-rated securities. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions.

4.49 BORROWING, USE OF LEVERAGE

The Underlying Fund leverages and may continue to leverage its investments, including through borrowings by one or more SPVs that are Subsidiaries of the Underlying Fund. Certain Fund investments may be held by such SPVs. The use of leverage increases both risk of loss and profit potential.

5 HOW TO BUY AND SELL UNITS

Only IDPS operators and individual investors who are wholesale investors (as defined in the Corporations Act) approved by the Responsible Entity may apply for Units directly through this PDS.

Investors should contact the Responsible Entity for information on the eligibility criteria for a direct application, noting that, as at the date of this PDS, direct investment is only open to wholesale clients (as defined in the Corporations Act).

For investments through an IDPS, you will need to complete the documentation your IDPS operator requires and comply with any minimum investment amount set by your IDPS operator (the Fund does not currently impose a minimum investment amount for any additional investment in the Fund via an IDPS).

5.1 MINIMUM APPLICATIONS AND REDEMPTIONS

IDPS operators: The Minimum Initial Application Amount is $10,000, unless otherwise agreed with the Responsible Entity.

Direct investors: The Minimum Application Amount is $100,000, unless otherwise agreed with the Responsible Entity. The Minimum Additional Application Amount is $10,000.

There is no minimum redemption amount prescribed.

5.2 PROCESSING OF APPLICATIONS AND REDEMPTIONS

Applications

Generally, you can apply to invest in the Fund on each Business Day.

Applications received before the Dealing Deadline (i.e. 2:00pm on a Business Day) and that are accepted by the Responsible Entity are processed at the Issue Price (being the Net Asset Value per Unit) for the Fund applicable to the following Business Day.

Applications received on or after the Dealing Deadline will be treated as being received on the next Business Day.

The Responsible Entity may accept or reject an application in its absolute discretion.

Redemptions

It is expected that redemptions will generally only be processed on a quarterly basis, in line with the quarterly repurchase offer of the Underlying Fund outlined below and are subject to the conditions as set out below, including, in particular, the Fund's ability to withdraw from the Underlying Fund.

Notwithstanding this intention and expectation, under the terms of the Constitution, investors do not have a right to redeem their Units in the Fund. The Responsible Entity has discretion to accept or not accept Redemption Requests for any reason.

Redemption requests must be received by the Responsible Entity by no later than 2.00pm (Sydney time) on the Redemption Request Cut-Off Date. The Redemption Request Cut-Off Date is the date which is 5 Business Days before the Repurchase Request Deadline of the Underlying Fund (i.e. the date by which Shareholders can tender their Shares in response to a repurchase offer, as determined and notified to Shareholders by the Underlying Fund).

The Redemption Request Cut-Off Dates as at the date of this PDS for the redemption periods in 2026 are set out below. This information is subject to change and may be updated from time to time (including to provide the Redemption Request Cut-Off Dates for subsequent redemption periods once notified to the Responsible Entity by the Underlying Fund and if the Repurchase Request Deadline of the Underlying Fund were to change) by the Responsible Entity by publishing such updated information on the Betashares website at www.betashares.com.au and by updating this PDS.

Underlying Fund Repurchase Offer Schedule	Fund Redemption Request Cut-off Date
First Quarter	3 March 2026
Second Quarter	21 May 2026
Third Quarter	24 August 2026
Fourth Quarter	23 November 2026

Redemptions requests received on or after 2.00pm (Sydney time) on the Redemption Request Cut-Off Date in respect of a redemption period will be deemed to have been received in the following redemption period and processed on the Redemption Date applicable to that following redemption period.

Under the Constitution, if the Responsible Entity accepts a redemption request, it has a maximum period of 415 days from the day on which it accepts a redemption request to process withdrawals and maximum of 21 days from the date on which the redemption request is processed to pay the redemption proceeds. However, the Responsible Entity intends to process redemption requests quarterly, on a date determined by the Responsible Entity by reference to the date of the quarterly repurchase offer of the Underlying Fund. As a result, the Redemption Date can vary from quarter to quarter.

For each quarter, after the Redemption Request Cut-Off Date, the Responsible Entity will determine the total amount of redemption proceeds available from the Fund by reference to the value of Shares that the Responsible Entity is able to have repurchased during a quarterly repurchase offer of the Underlying Fund, and after meeting any financial commitments in connection with the currency hedging strategy employed (**Available Redemption Amount**). If the Available Redemption Amount is not sufficient to satisfy the aggregate amount of redemption requests received by the Responsible Entity during the relevant quarter, the Responsible Entity will accept (and subsequently process) redemption requests on a pro-rata basis. In this instance, you will receive a pro-rata amount referable to your percentage of the Available Redemption Amount. Any unmet portion of an investor's redemption

request will be cancelled and the investor will be required to submit a Redemption request in the following quarter if they wish to redeem the unmet portion. The new redemption request in the following quarter will be processed in accordance with the usual redemption processes for that quarter. Investors should note that they may not receive part or all of their requested redemption amount in the relevant redemption period.

You must complete the redemption form and comply with any minimum redemption amount set by the Responsible Entity. Direct (non-IDPS) investors who submit a redemption request will be required to maintain a minimum holding of $2,500. If a redemption request would cause the investor's holding to fall below this minimum holding amount, the investor will be taken to have submitted the redemption request for their entire Unit holding.

The Responsible Entity will pay redemption proceeds to your nominated bank account (for direct investors) or your IDPS operator's nominated bank account (for IDPS investors) within 21 days after the applicable Redemption Date.

Investment made via an IDPS: You need to complete the documentation your IDPS operator requires and comply with any minimum balance or redemption amount set by your IDPS operator. No minimum balance or amount applies for redemptions from the Fund by your IDPS operator, unless the Responsible Entity determines otherwise. Your IDPS operator will then request a redemption of units from the Fund on your behalf by lodging a Redemption Request with the Responsible Entity via an electronic order routing system (or another method) nominated by the Responsible Entity.

Underlying Fund Quarterly repurchase offers

The Underlying Fund is structured as a closed-end Interval Fund which means that the shareholders in the Underlying the Fund (including the Fund) will not have the right to redeem their Shares on a daily basis. As a result, the Fund will have very limited opportunity to sell its Shares. The Underlying Fund provides a limited degree of liquidity to the shareholders by conducting Repurchase Offers quarterly.

Once each quarter, the Underlying Fund will offer to repurchase at per-class NAV per Share no less than 5% of the outstanding Shares, unless such offer is suspended or postponed in accordance with regulatory requirements. Each Repurchase Offer will be set at an amount between 5% and 25% of the Shares based on relevant factors, including the liquidity of the Underlying Fund's positions and its shareholders' desire for liquidity.

Shareholders in the Underlying Fund (including the Fund) will be notified of each quarterly Repurchase Offer, generally 30 days prior to the Repurchase Request Deadline for the Underlying Fund (though this may vary from no more than 42 days to no less than 21 days).

Shares in the Underlying Fund will be repurchased at the per-class NAV per Share determined as of the close of business no later than the fourteenth day after the Repurchase Request Deadline, or the next Business Day if the fourteenth day is not a Business Day (each a **Repurchase Pricing Date**).

If the value of Shares in the Underlying Fund tendered for repurchase exceeds the value the Underlying Fund intended to repurchase, the Underlying Fund may determine to repurchase less than the full number of Shares tendered. In such event, the Underlying Fund's shareholders will have their Shares repurchased on a pro rata basis, and tendering shareholders (which may include the Fund) will not have all of their tendered Shares repurchased by the Underlying Fund.

For example, in some periods, such as certain quarters in 2020 and 2026, the Underlying Fund received redemption requests in excess of the applicable repurchase limit, in which instances the Underlying Fund purchased less than the full number of Shares tendered. The ability for investors in the Fund to redeem will not only depend on the Fund's ability to withdraw from the Underlying Fund, but also various other factors including its available liquidity (including its currency hedging outcomes).

The Underlying Fund may suspend or postpone a repurchase offer only:

- if making or effecting the repurchase offer would cause the Underlying Fund to lose its status as a 'regulated investment company' under the *Internal Revenue Code of 1986*;
- for any period during which the New York Stock Exchange or any market on which the securities owned by the Underlying Fund are principally traded is closed, other than customary weekend and holiday closings, or during which trading in such market is restricted;
- for any period during which an emergency exists as a result of which disposal by the Underlying Fund of securities owned by it is not reasonably practicable, or during which it is not reasonably practicable for the Underlying Fund fairly to determine the value of its net assets; or
- for such other periods as the SEC may by order permit for the protection of Shareholders of the Underlying Fund.

5.3 SUSPENSIONS OF APPLICATIONS AND REDEMPTIONS

There may be occasions where the Responsible Entity may suspend the issue of Units or delay or reject Redemption Requests. The Responsible Entity will advise Unitholders of any suspension of applications or delay or rejection of redemptions. The Responsible Entity may also scale down redemptions in certain circumstances.

5.3.1 Suspensions of applications and redemptions

The Constitution of the Fund allows the Responsible Entity to suspend the issue of Units in the Fund by publishing a notice to that effect. Application Forms received during a period of suspension may be rejected or treated as received when the period of suspension ceases. The Responsible Entity may also reject any application in whole or in part at any time without giving reasons.

The Responsible Entity at any time may suspend the redemption of Units for up to 275 days, if:

- it believes that it will be unable to realise sufficient assets to pay the redemption price due to circumstances outside of its control;
- it is impracticable for the Responsible Entity (or its nominee or service provider) to calculate the Net Asset Value;
- the Underlying Fund suspends, delays or restricts the redemption or payment of redemption proceeds;
- the Responsible Entity believes that it is impracticable or not possible to transfer, in the manner acceptable to the Responsible Entity, sufficient assets to satisfy the redemption price;
- the Responsible Entity reasonably estimates that it must sell 10% or more (by value) of all assets to meet current unmet Redemption Requests;
- there have been, or the Responsible Entity anticipates that there will be, Redemption Requests that involve realising a significant amount of the assets and the Responsible Entity considers that if those Redemption Requests are all met immediately, investors who continue to hold Units may bear a disproportionate burden of capital gains tax or other expenses, or the meeting of those Redemption Requests would otherwise be to the existing Unitholders' disadvantage including a material diminution in the value of the Fund's assets;
- a Redemption Request is received in a financial year and the Responsible Entity determines that the date on which the completion of the redemption of the Units would otherwise occur would be in the next financial year;
- the Responsible Entity does not consider that it is in the best interests of Unitholders taken as a whole to transfer or realise sufficient assets to satisfy the entitlement to the redemption;
- the Responsible Entity believes that assets cannot be realised at prices that would be obtained if assets were realised in an orderly fashion over a reasonable period in a stable market; or
- it is otherwise legally permitted.

An investor's Redemption Request lodged before or during any period when the redemption of Units is suspended, but when the Redemption Request has not been processed, may be declined, in which case a new Redemption Request will need to be submitted for the next Redemption Date (on or before the applicable Redemption Request Cut-Off Date).

5.4 VALUATIONS AND PRICING

The amount per Unit payable by an investor upon an application for Units is known as the Issue Price and is equal to the Net Asset Value per Unit.

The amount per Unit to which an investor is entitled on the redemption of Units is known as the Withdrawal Amount, and is equal to the Net Asset Value per Unit at the relevant quarter end.

The Issue Price and the Withdrawal Amount are calculated in the same manner. This value is determined by dividing the Net Asset Value of the Fund by the number of Units on issue in the Fund at the time the Issue Price and/or Withdrawal Amount are determined (the valuation time).

The valuation time for the Fund is generally the close of trading on each Business Day, unless otherwise determined by the Responsible Entity.

The Withdrawal Amount paid to a Unitholder on the redemption of Units may include a distribution of the distributable income of the Fund. Please refer to section 7.1.4 for more information.

The Net Asset Value of the Fund is calculated by deducting from the aggregate value of the assets of the Fund all liabilities such as accrued fees and other costs, and provisions relating to the Fund. Fees and other costs, including the Responsible Entity's fees, are normally accrued daily. The Fund's assets reflect their market value. The valuation methods applied by the Responsible Entity to value the Fund's assets and liabilities must be consistent with the range of ordinary commercial practice for valuing them.

Details of the daily Net Asset Value per Unit (and hence the Issue Price and Withdrawal Amount) will be made available on the Betashares website at www.betashares.com.au.

Many of the Underlying Fund's portfolio investments are expected to be Loans and other securities that are not publicly traded and for which no market-based price quotation is available. The Underlying Fund's Board has approved the delegation of day-to-day responsibility for determining fair values in accordance with the Valuation Procedures to the Investment Manager. The Valuation Procedures provide that the Underlying Fund will value its investments at fair value unless market quotations are "readily available" as defined in the Investment Company Act.

The participation of the investment professionals of the Investment Manager in the Underlying Fund's valuation process could result in a conflict of interest as the Investment Management Fee is based on the value of the Fund's assets. Investments in certain types of securities (such as Payment-In-Kind interest or Original Issue Discount) may provide certain additional benefits to the Investment Manager, including increased management fees resulting from the receipt of such securities' interest received on these investments increasing the size of the Loan balance of underlying Loans.

5.5 WITHDRAWALS WHILE FUND ILLIQUID

Under the Corporations Act, redemptions are not permitted if the Fund becomes non liquid (as defined under the Corporations Act). If the Fund is non liquid, withdrawals from the Fund will only be possible if the Responsible Entity makes a withdrawal offer in accordance with the Corporations Act. The Responsible Entity is not obliged to make such an offer. However, if the Responsible Entity does, you are only able to redeem your investment in accordance

with the terms of a current withdrawal offer. If an insufficient amount of money is available from the assets specified in the withdrawal offer to satisfy Redemption Requests, the requests will be satisfied proportionately amongst those Investors wishing to redeem from the Fund.

6 ADDITIONAL INFORMATION

6.1 THE ROLE OF CERTAIN ENTITIES IN REGARD TO THE FUND

There are a number of parties, in addition to the Responsible Entity, involved in the ongoing operation and administration of the Fund or who otherwise provide services in connection with the Fund:

6.1.1 Custodian and Administrator

The Custodian provides custodial services to the Responsible Entity, including holding the assets of the Fund. The Custodian may, from time to time, appoint sub-custodians. The Custodian may also appoint a company or other entity of which Citigroup, Inc. is directly or indirectly a shareholder or owner, as a sub-custodian, delegate or nominee to hold assets of the Fund outside of Australia. In such circumstances, the Custodian will remain responsible for acts and omissions of the relevant sub-custodian, delegate or nominee.

The Custodian (including any sub-custodian, delegate or nominee appointed by the Custodian) has a limited role and has no obligation to monitor whether the Responsible Entity is complying with its obligations as responsible entity of the Fund.

The administrator provides administration services to the Responsible Entity. These services include fund accounting, maintenance of books and records, calculating distribution amounts, valuing the Fund's assets and liabilities, calculating the Issue Price and Withdrawal Amount, and taxation and other services. The Responsible Entity may change the Custodian and Administrator without prior notice to Unitholders.

As of the date of this PDS, the Custodian and Administrator is:

Citigroup Pty Limited
Level 23
2 Park Street
Sydney NSW 2000

6.1.2 Registrar

The role of the Registrar is to keep a record of the Unitholders in the Fund. This includes details such as the quantity of Units held, tax file numbers (if provided) and details of distribution reinvestment plan participation. The Responsible Entity may change the Registrar without prior notice to Unitholders.

As of the date of this PDS, the Registrar is:

Citigroup Pty Limited
Level 23
2 Park Street
Sydney NSW 2000

6.1.3 Auditor

The Responsible Entity has appointed KPMG as the auditor of the financial statements of the Fund and of the Responsible Entity's compliance plan for the Fund.

6.1.4 Monitoring of service providers

The Responsible Entity has procedures in place to monitor the performance of those service providers to whom functions have been outsourced. Monitoring methods include, where appropriate, daily observation of service provider performance, review of regular compliance and audit reports, regular meetings with service providers and performance assessments.

6.2 OTHER INFORMATION YOU NEED TO KNOW

6.2.1 Betashares as the responsible entity

Betashares, as the responsible entity, is responsible for the management and administration of the Fund. The Responsible Entity holds an Australian Financial Services Licence (AFSL 341181) that authorises it to act as the responsible entity of the Fund. The powers and duties of the Responsible Entity are set out in the Constitution, the Corporations Act and general trust law.

The Responsible Entity has the power to appoint an agent, or otherwise engage a person, to do anything that it is authorised to do in connection with the Fund and, for the purpose of determining whether the Responsible Entity has properly performed its duties as responsible entity, the Responsible Entity is taken to have done (or failed to do) anything that the agent or person has done (or failed to do) because of the appointment or engagement, even if they were acting fraudulently or outside the scope of their authority or engagement.

6.2.2 The Constitution

The Fund is a registered managed investment scheme governed by a Constitution. Under the Constitution, the Responsible Entity has all the powers it is possible to confer on a trustee as though it were the absolute owner of the Fund's assets and acting in its personal capacity. The Constitution sets out the rights of the Unitholders and the obligations of the Responsible Entity, as responsible entity of the Fund. This PDS outlines some of the more important provisions of the Constitution.

A copy of the Constitution may be inspected by Unitholders at the Responsible Entity's office, during business hours. The Responsible Entity will provide Unitholders with a copy of the Constitution upon request.

6.2.3 Amendments to the Constitution

The Responsible Entity may amend the Constitution from time to time, subject to the provisions of the Constitution and the *Corporations Act*. Generally, the Responsible Entity can only amend the Constitution where the Responsible Entity reasonably considers that the change will not adversely affect the rights of Unitholders. Otherwise the

Constitution can only be amended if approved at a meeting of Unitholders by a resolution approved by at least 75% of the votes cast by Unitholders entitled to vote on the resolution.

6.2.4 The compliance plan

The Responsible Entity has prepared and lodged a compliance plan for the Fund with ASIC. The compliance plan sets out the key criteria that the Responsible Entity will follow to ensure that it is complying with the *Corporations Act* and the Constitution. Each year the compliance plan, and the Responsible Entity's compliance with the compliance plan, will be independently audited, as required by the *Corporations Act,* and the auditor's report will be lodged with ASIC.

6.2.5 The compliance committee

The Responsible Entity has established a compliance committee with a majority of members that are external to the Responsible Entity. The compliance committee's functions include:

- monitoring the Responsible Entity's compliance with the compliance plan and reporting its findings to the Responsible Entity;
- reporting breaches of the *Corporations Act* or the Constitution to the Responsible Entity;
- reporting to ASIC if the committee is of the view that the Responsible Entity has not taken or does not propose to take appropriate actions to deal with breaches reported to it by the committee; and
- assessing the adequacy of the compliance plan, recommending any changes and reporting these to the Responsible Entity.

6.2.6 Unit pricing policy

The Responsible Entity has documented its policy on how it exercises discretions when determining Unit prices for the Fund. The policy has been designed to meet ASIC requirements and is available on request to all Unitholders and prospective Unitholders at no charge.

6.2.7 Lock up period

The Responsible Entity may, in its discretion, determine from time to time that an investor will not be permitted to redeem some or all of their Units issued until 365 days after, or such other period as determined by the Responsible Entity, the date the Units are issued to an investor.

6.2.8 Information relating to redemptions

The information in section 5 relating to redemptions assumes the Fund is liquid within the meaning of section 601KA of the *Corporations Act*. The Fund will be liquid if at least 80% of its assets, by value, are liquid assets under the *Corporations Act*. Broadly, liquid assets include money in an account or on deposit with a bank, bank accepted bills, marketable securities and other property which the Responsible Entity reasonably expects can be realised for its market value within the period specified in the Constitution for satisfying Redemption Requests.

At the date of this PDS, the Responsible Entity expects that the Fund will be liquid under the *Corporations Act*. If the Fund is not liquid, a Unitholder will not have a right to redeem Units and can only redeem where the Responsible Entity makes a withdrawal offer to Unitholders in accordance with the *Corporations Act*. The Responsible Entity is not obliged to make such offers.

6.2.9 Rights of a Unitholder

A Unit confers a beneficial interest on a Unitholder in the assets of the Fund but not an entitlement or interest in any particular part of the Fund or any asset.

The terms and conditions of the Fund's Constitution are binding on each Unitholder in the Fund and all persons claiming through them respectively, as if the Unitholder or person were a party to the Constitution.

6.2.10 Reimbursement of expenses

In addition to any other indemnity which the Responsible Entity may have under the Fund's Constitution or at law, the Responsible Entity is indemnified and entitled to be reimbursed out of, or paid from, the assets of the Fund for all liabilities, losses and expenses incurred by it in relation to the proper performance of its duties as responsible entity of the Fund.

6.2.11 Retirement of Betashares

Betashares may retire as responsible entity of the Fund by calling a meeting of Unitholders to enable Unitholders to vote on a resolution to choose a company to be the new responsible entity. The Responsible Entity may be removed from office by an extraordinary resolution (i.e. a resolution passed by at least 50% of the total votes that may be cast by Unitholders entitled to vote on the resolution) passed at a meeting of Unitholders, in accordance with the *Corporations Act.*

6.2.12 Termination

The Responsible Entity may wind up the Fund at any time. Following winding up, the net proceeds will be distributed to Unitholders pro-rata according to the number of Units they hold.

6.2.13 Limitation of liability of Unitholders

The Constitution of the Fund provides that the liability of each Unitholder is limited to the amount subscribed, or agreed to be subscribed, by the Unitholder, subject to:

i. the indemnities each Unitholder gives the Responsible Entity for losses or liabilities incurred by the Responsible Entity:

   a. in relation to the Unitholder's failure to provide requested information;

   b. for tax or user pays fees as a result of a Unitholder's action or inaction, any act or omission

by the Unitholder or any matter arising in connection with the Units held by the Unitholder;

c. in relation to the Unitholder paying or failing to pay the issue price, application or redemption fees in accordance with the Constitution, or otherwise failing to comply with the Constitution; and

ii. execution and settlement procedures prescribed by the Responsible Entity that relate to the issue and redemption of Units.

Subject to the matters described above, a Unitholder is not required to indemnify the Responsible Entity or a creditor of the Responsible Entity against any liability of the Responsible Entity in respect of the Fund. However, no complete assurance can be given in this regard, as the ultimate liability of a Unitholder has not been finally determined by the courts.

6.2.14 Meeting of Unitholders

The Responsible Entity may convene a meeting of Unitholders of the Fund at any time, (e.g. to approve certain amendments to the Fund's Constitution or to wind up the Fund). The *Corporations Act* provides that Unitholders also have limited rights to call meetings and have the right to vote at any Unitholder meetings. Except where the Fund's Constitution provides otherwise, or the *Corporations Act* requires otherwise, a resolution of Unitholders must be passed by Unitholders who hold Units exceeding 50% in value of the total value of all Units held by Unitholders who vote on the resolution.

A resolution passed at a meeting of Unitholders held in accordance with the Fund's Constitution binds all Unitholders of the Fund.

6.2.15 Indemnities and limitation of liability of the Responsible Entity

The Responsible Entity is indemnified out of the assets of the Fund for any liability incurred by it in properly performing or exercising any of its powers or duties in relation to the Fund. To the extent permitted by the *Corporations Act*, the indemnity includes any liability incurred by the Responsible Entity as a result of any act or omission of a delegate or agent appointed by the Responsible Entity.

The Responsible Entity is not liable in contract, tort or otherwise to Unitholders for any loss suffered in any way relating to the Fund except to the extent that the *Corporations Act* imposes such liability.

6.2.16 Defective applications

The Constitution of the Fund allows the Responsible Entity to cancel Units in certain circumstances including where the Responsible Entity determines that the applicant was not entitled to apply for or hold the Units, the Application Form was incorrectly executed or was otherwise defective or where the execution and settlement procedures were not complied with.

6.2.17 Discretionary redemptions

The Constitution of the Fund allows the Responsible Entity to redeem some or all of a Unitholder's Units at any time. The Responsible Entity will give the Unitholder at least 60 days' notice of such redemption unless the Unitholder is not entitled to hold Units under any applicable law.

6.2.18 Information from Unitholders

The Constitution of the Fund provides that the Responsible Entity may request any information from Unitholders where it believes that such information is necessary to (a) comply with any law or regulatory request; or (b) lessen the risk of the Fund or any Unitholder suffering a material detriment. If a Unitholder fails to provide the requested information, the Unitholder must indemnify the Responsible Entity for any loss suffered by the Responsible Entity in relation to such failure.

6.2.19 Borrowings

The Fund's Constitution places no formal limits on borrowing. It is not the Responsible Entity's intention to enter into borrowing for the Fund, except that temporary borrowings may be used occasionally to manage certain cash flows. Any borrowing may be on a secured or unsecured basis and any borrowing costs would be borne by the Fund.

The Underlying Fund uses leverage as part of its investment strategy. Borrowings are limited to 33.33% of the Underlying Fund's gross assets (50% of its net assets). The Underlying Fund may borrow cash for a number of reasons, including (without limitation) in connection with its investment activities, to make distributions, to satisfy repurchase requests and to otherwise provide the Underlying Fund with temporary liquidity. Any borrowing costs will be borne by the Underlying Fund.

6.2.20 If you have a complaint

If a Unitholder has a complaint regarding the Fund or services provided by the Responsible Entity, please contact Client Services on 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia) from 9:00 am to 5:00 pm Sydney time, Monday to Friday, or refer the matter in writing to:

complaints@betashares.com.au; or

Manager Client Services
Betashares Capital Ltd
Level 46, 180 George Street
Sydney NSW 2000

A copy of the complaints handling policy can be obtained at no charge by contacting the Responsible Entity.

To expedite a resolution of the matter, copies of all relevant documentation and other information supporting the complaint should be provided when making the complaint.

The Responsible Entity will try to resolve complaints as soon as possible, but in any event, will inform the Unitholder in writing of its determination regarding the complaint within 30 days of receiving the initial complaint.

In the event that a Unitholder is not satisfied with the outcome of a complaint, the Unitholder has the right to request the Responsible Entity to review its decision or to refer the matter to an external complaints resolution scheme. The Responsible Entity is a member of the Australian Financial Complaints Authority (**AFCA**). AFCA provides independent financial services complaint resolution that is free to consumers. Unitholders can contact AFCA on:

Website: www.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678 (free call)
In writing to: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Certain eligibility requirements apply for AFCA to hear a complaint, as set out in AFCA's complaint resolution scheme rules. AFCA is only available to retail clients.

6.2.21 Protecting your privacy

Privacy laws regulate, among other matters, the way organisations collect, use, disclose, keep secure and give people access to their personal information.

The Responsible Entity is committed to respecting the privacy of a Unitholder's personal information. The Responsible Entity's privacy policy states how the Responsible Entity manages personal information.

The Responsible Entity may collect personal information in the course of managing the Fund. Some information must be collected for the purposes of compliance with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006.*

The Responsible Entity may provide personal information to a Unitholder's adviser if written consent is provided to the Responsible Entity. The Responsible Entity may disclose personal information to authorities investigating criminal or suspicious activity and to the Australian Transaction Reports and Analysis Centre (**AUSTRAC**) in connection with anti-money laundering and counter-terrorism financing.

The Responsible Entity may provide a Unitholder's personal information to its service providers for certain related purposes (as described under the *Privacy Act* 1988) such as account administration and the production and mailing of statements. The Responsible Entity may also use a Unitholder's personal information and disclose it to its service providers to improve customer service (including companies conducting market research) and to keep Unitholders informed of the Responsible Entity's or its partners' products and services, or to their financial adviser or broker to provide financial advice and ongoing service.

The Responsible Entity will assume consent to personal information being used for the purposes of providing information on services offered by the Responsible Entity and being disclosed to market research companies for the purposes of analysing the Responsible Entity's investor base unless otherwise advised.

Unitholders may request access to the personal information held about them at any time and ask the Responsible Entity to correct this information if it is incomplete, incorrect or out of date.

To obtain a copy of the privacy policy at no charge, contact the Responsible Entity on 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia).

6.2.22 Anti-money laundering

The Responsible Entity is bound by laws regarding the prevention of money laundering and the financing of terrorism, including the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (**AML/CTF Laws**). By completing the Application or Redemption Form, the Unitholder agrees that:

- it does not subscribe to the Fund under an assumed name;
- any money used to invest in the Units is not derived from or related to any criminal activities;
- any proceeds of the investment will not be used in relation to any criminal activities;
- if the Responsible Entity requests, the Unitholder will provide to it any additional information that is reasonably required for the purposes of AML/CTF Laws (including information about the investor, any beneficial interest in the Units, or the source of funds used to invest);
- the Responsible Entity may obtain information about the Unitholder or any beneficial owner of a Unit from third parties if it is believed this is necessary to comply with AML/CTF Laws; and
- in order to comply with AML/CTF Laws, the Responsible Entity may be required to take action, including:
    - delaying or refusing the processing of any application or redemption; or
    - disclosing information that the Responsible Entity holds about the Unitholder or any beneficial owner of the Units to the Responsible Entity's related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether in or outside of Australia).

6.2.23 Foreign Account Tax Compliance Act (FATCA) & OECD Common Reporting Standard (CRS)

FATCA was enacted by the US Congress to target non-compliance by US taxpayers using foreign accounts. In order to prevent FATCA withholding tax being applied to any US connected payments made to the Fund in Australia, the Fund is required to collect and report information to the Australian Taxation Office relating to certain US accounts, which may be exchanged with the US Internal Revenue Service.

Similar to FATCA, the CRS is the single global standard for the collection, reporting and exchange of financial account information on foreign tax residents. Australian financial institutions need to collect and report financial account

information regarding non-residents to the Australian Taxation Office.

Accordingly, the Fund may request that you provide certain information about yourself (for individual investors) or your controlling persons (where you are an entity) in order for the Fund to comply with its FATCA or CRS compliance obligations.

6.2.24 Other services

The Responsible Entity in its personal capacity, or companies related to the Responsible Entity, may invest in the Fund or provide services to the Fund. Any such services will be provided on terms that would be reasonable if the parties were dealing at arm's length.

6.3 MATERIAL CONTRACTS

The Responsible Entity (or the Responsible Entity's holding company) has entered into (or will enter into prior to the date Units are first issued in the Fund) a number of contracts in relation to the offer of the Fund, as set out below.

TABLE 6.3: MATERIAL CONTRACTS

CONTRACT AND PARTY	DESCRIPTION
Custody agreement Citigroup Pty Limited	This agreement sets out the services provided by the Custodian on an ongoing basis together with service standards.
Administration services agreement Citigroup Pty Limited	This agreement sets out the services provided by the Administrator/Registrar (accountancy services, tax services, registry services and fund administration services including Unit price calculations), together with service standards.

6.4 WARNING STATEMENT FOR NEW ZEALAND INVESTORS

The following disclosure is made to enable the Fund's units to be offered by the Responsible Entity in New Zealand under the mutual recognition scheme between Australia and New Zealand:

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

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

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

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

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

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

7. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

Currency exchange risk

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

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

Dispute resolution process

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

6.5 DOCUMENTS LODGED WITH ASIC

As a disclosing entity, the Fund is subject to certain regular reporting and disclosure obligations under the Corporations Act. We will comply with our continuous disclosure obligations under the law by publishing material information on our website in accordance with ASIC's good practice guidance for website disclosure.

As an investor in the Fund, a Unitholder may obtain the following documents from the Responsible Entity (as at the date of this PDS, no such documents have been lodged with ASIC as the Fund is newly established):

- the annual report most recently lodged with ASIC in respect of the Fund;
- any half-year financial report lodged with ASIC in respect of the Fund after the lodgement of the abovementioned annual report and before the date of this PDS; and
- any continuous disclosure notices given in respect of the Fund after the lodgement of the abovementioned annual report and before the date of this PDS.

The Responsible Entity will send a requesting Unitholder a printed or electronic copy of any of the above documents free of charge within 5 Business Days of the request.

Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office.

6.6 COOLING OFF

Retail clients may be entitled to a 14-day cooling off period, in which case they would be entitled to a return of their application money, subject to adjustments to reflect market movements and deductions for transaction costs (including any taxes). There is no cooling off period in relation to the application for Units for an IDPS operator as it is a wholesale client. This means that once an Application Form is submitted, an applicant cannot decide to withdraw the application.

Investors are encouraged to consult their IDPS operator about any cooling-off rights they may have.

6.7 INDIRECT INVESTORS

When investing through an IDPS, the operator of the IDPS is investing on the investor's behalf. Consequently, the operator (or the custodian of the IDPS), and not the investor as an indirect investor, holds the Units and therefore has the rights of a Unitholder. For example, if an investor is an indirect investor, they will not have rights to attend and vote at Unitholder meetings, to withdraw Units or receive distributions. Instead, the IDPS operator will exercise those rights in accordance with their arrangements with the investor. For information about their investment, an investor should contact their IDPS operator.

6.8 INFORMATION AVAILABLE FROM BETASHARES

The Responsible Entity is subject to regular reporting and disclosure obligations, in its capacity as responsible entity of the Fund and issuer of the Units. The following information can be obtained from the Responsible Entity by visiting the Fund website at www.betashares.com.au or by contacting Betashares on 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia):

- the daily NAV;
- the daily NAV per Unit;
- the Responsible Entity's Unit Pricing Policy;
- the latest PDS for the Fund;
- information about distributions as soon as possible after they are declared;
- information about Redemption Dates and Redemption Request Cut Off Dates;
- annual and any half-year reports and financial statements for the Fund;
- details of the Distribution Reinvestment Plan; and
- the Target Market Determination prepared by the Responsible Entity pursuant to the "design and distribution" obligations set out in Part 7.8A of the Corporations Act, which sets out the class of consumers that comprise the target market for the Fund.

6.9 CONFLICTS OF INTEREST

The Responsible Entity and third-party service providers of the Fund may, in the course of their business, have potential conflicts of interest. The Responsible Entity has policies and procedures in place that seek to identify and appropriately manage conflicts.

Additionally, certain activities of the Investment Manager and its affiliates, as further described below, may give rise to, and contain embedded, conflicts of interest that are relevant to the Underlying Fund (for example, but without limitation, conflicts of interest relating to inducements, fees and costs, related party transactions, cross-transactions, competing interests, allocations of investment opportunities and subsequent dispositions).

The Investment Manager and its affiliates engage in financial advisory activities that are independent from, and may from time to time conflict with, those of the Underlying Fund. In the future, there might arise instances where the interests of such affiliates conflict with the interests of the Underlying Fund. The Investment Manager and its affiliates may provide services to, invest in, advise, sponsor and/or act as investment manager to investment vehicles and other persons or entities (including prospective investors in the Underlying Fund) which may have structures, investment objectives and/or policies that are similar to (or different than) those of the Underlying Fund, which may compete with the Underlying Fund for investment opportunities, and which may, subject to applicable law, co-invest with the Underlying Fund in certain transactions. In addition, the Investment Manager and its affiliates and respective clients may themselves invest in securities that would be appropriate for the Underlying Fund.

Although the Investment Manager and its affiliates seek to allocate investment opportunities among the Underlying Fund and their other clients in a fair and reasonable manner, there can be no assurance that an investment opportunity which comes to the attention of the Investment Manager or its affiliates will be appropriate for the Underlying Fund or will be referred to the Underlying Fund. The Investment Manager and its affiliates are not obligated to refer any investment opportunity to the Underlying Fund.

The directors, partners, trustees, managers, members, officers and employees of the Investment Manager and its affiliates may buy and sell securities or other investments for their own accounts (including through funds managed by

the Investment Manager or its affiliates). As a result of differing trading and investment strategies or constraints, investments may be made by directors, partners, trustees, managers, members, officers and employees that are the same, different from or made at different times than investments made for the Underlying Fund.

The Underlying Fund may be considered affiliates with respect to certain of its portfolio companies if certain investment funds, accounts or investment vehicles managed by the Investment Manager also hold interests in these portfolio companies, and as such, these interests may be considered a joint enterprise under the Investment Company Act. To the extent that the Underlying Fund's interests in these portfolio companies may need to be restructured in the future or to the extent that the Underlying Fund chooses to exit certain of these transactions, its ability to do so will be limited.

The Investment Manager may from time to time have the opportunity to receive material, non-public information (**Confidential Information**) about the issuers of certain investments, including, without limitation, investments being considered for acquisition by the Underlying Fund or held in the Underlying Fund's portfolio. The Investment Manager may (but is not required to) seek to avoid receipt of Confidential Information from issuers so as to avoid possible restrictions on its ability to purchase and sell investments on behalf of the Underlying Fund and other clients to which such Confidential Information relates. In such circumstances, the Underlying Fund may be disadvantaged in comparison to other investors, including with respect to the price the Underlying Fund pays or receives when it buys or sells an investment.

Many of the Underlying Fund's portfolio investments are expected to be loans and other securities that are not publicly traded and for which no market based price quotation is available. The Board of the Underlying Fund has approved the delegation of day-to-day responsibility for determining fair values in accordance with the Underlying Fund's valuation procedures to the Investment Manager as 'Valuation Designee'. The participation of the investment professionals of the Investment Manager in the Underlying Fund's valuation process could result in a conflict of interest as the Investment Management Fee is based on the value of the Underlying Fund's assets.

The professional staff of the Investment Manager will devote such time and effort in conducting activities on behalf of the Underlying Fund as the Investment Manager reasonably determines to be appropriate for its respective duties to the Underlying Fund. However, each of the Investment Manager's staff is committed to and expects to be committed in the future to providing investment advisory services as well as other services to other clients (including other registered and unregistered pooled investment vehicles) and engaging in other business ventures in which the Underlying Fund has no interest. As a result of these separate business activities, the Investment Manager has actual or potential conflicts of interest in allocating management time, services and functions among the Underlying Fund and other business ventures or clients.

Multiple clients of the Investment Manager may hold or acquire positions directly or indirectly in the securities of the same companies. Such investments and transactions may raise potential conflicts of interest for the Investment Manager's clients (including the Fund), particularly if different clients are invested in different classes or types of securities or investments of the same company.

The Investment Manager may receive more compensation with respect to certain similarly managed accounts or funds than that received with respect to the Underlying Fund or may receive compensation based in part on the performance of those similar accounts or funds. This may create a potential conflict of interest for the Investment Manager or the respective portfolio managers by providing an incentive to favour these similar accounts or funds when, for example, placing securities transactions.

6.10 DISCLAIMERS

Citigroup Pty Limited (**Citigroup**) has been appointed as the Custodian, Administrator and Registrar for the Fund. Citigroup's role as Custodian is limited to holding the assets of the Fund. As Administrator, Citigroup is responsible for the day-to-day administration of the Fund. Citigroup has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to Unitholders for any act done or omission made in accordance with the custody and investment administration agreements.

Citigroup were not involved in preparing, nor take any responsibility for this PDS and Citigroup make no guarantee of the success of the Fund nor the repayment of capital or any particular rate of capital or income return.

Cliffwater, being the Investment Manager of the Underlying Fund, has given and has not withdrawn its consent to the inclusion of statements in relation to Cliffwater and the Underlying Fund in the form and context they have been included. Cliffwater was not involved in preparing, nor takes any responsibility for, this PDS and Cliffwater makes no guarantee of the success of the Fund (or the Underlying Fund) nor the repayment of capital or any particular rate of capital or income return.

7 TAXATION

The taxation information in this PDS is provided for general information only. It is a broad overview of some of the Australian tax consequences associated with investing in the Fund for a potential Australian resident investor.

It does not take into account the specific circumstances of each person who may invest in the Fund. It should not be used as the basis upon which potential investors make a decision to invest.

As the circumstances of each investor are different, the Responsible Entity strongly recommends that investors obtain professional independent tax advice relating to the tax implications of investing in and dealing in Units.

The taxation information in this PDS has been prepared based on tax laws and administrative interpretations of such laws available at the date of this PDS. These laws and interpretations may change.

7.1.1 Taxation of the Scheme

The Responsible Entity intends to manage the Scheme such that the Scheme is not subject to Australian tax. The AMIT regime is an elective taxation regime that is available to certain eligible management investment trusts. It became generally available from 1 July 2016, with the existing tax rules for managed funds applying unless an election is made to enter the regime.

As at the date of this PDS, the Responsible Entity has an option for the AMIT regime to apply to either the Scheme or the Fund and intends that an irrevocable election to enter the AMIT regime for the Scheme will be in effect from the financial year in which the Scheme is launched.

The Responsible Entity does not generally expect the Scheme to be subject to tax on the income of the Scheme, as it is intended that:

- for eligible funds that enter the AMIT regime: all taxable income and other relevant amounts will be "attributed" to the Unitholders in each financial year; and
- for funds that have not entered the AMIT regime or cease to be eligible to be AMITs: Unitholders will be presently entitled to all income of the fund in each financial year, with the existing non-AMIT tax rules for managed funds continuing to apply.

Instead, Unitholders pay tax on their share of the Scheme's income. Under the AMIT regime, the Scheme may make cash distributions that differ from taxable income attributed by the Scheme to Unitholders.

7.1.2 Taxation of Australian resident Unitholders

The taxable income of the Scheme which is attributed to Unitholders, or to which a Unitholder becomes entitled, during a financial year forms part of the Unitholder's assessable income for that year, even if payment of the entitlement does not occur until after the end of the financial year, or the proceeds are reinvested in more Units.

A Unitholder may receive an entitlement to the income of the Scheme for a financial year if the Unitholder holds Units at the end of a distribution period, or if the Unitholder redeems any Unit during the financial year.

7.1.3 Taxable income of the Scheme

The tax impact for a Unitholder of receiving an entitlement to the income of the Scheme depends upon the nature of the Scheme's income.

Types of income

The Scheme can derive various types of income, depending on the types of investments it makes. The Scheme can derive income in the form of dividends, interest, gains on the disposal of investments and other types of income.

Generally, such income derived by the Scheme is taxable, although tax credits may be available to Unitholders to offset some or all of any resulting tax liability. For example, any income received by the Scheme from foreign sources may be subject to tax in the country of source, and Australian tax resident investors may be entitled to claim a foreign income tax offset against their Australian tax liability in respect of their share of the foreign tax paid.

Capital gains and losses

A trust that qualifies as a managed investment trust (MIT) can elect to treat its gains and losses on disposal of certain investments as capital gains and losses. The Scheme intends to make this election, where eligible.

Any assessable capital gains derived by the Scheme to which a Unitholder becomes entitled, or which is attributed to a Unitholder, forms part of the Unitholder's assessable income.

A Unitholder may be eligible for the 50% CGT discount (where the Unitholder is an individual or trust) or a 33 1/3% CGT discount (where the Unitholder is a complying superannuation fund) in respect of the gain that forms part of that Unitholder's assessable income, depending on the Unitholder's circumstances. Unitholders should seek professional advice in relation to the availability of any CGT concession.

Tax deferred / non-assessable amounts

The Scheme may distribute "tax deferred amounts" for non-AMITs, or other non-assessable amounts (other non-attributable amounts) for AMITs, relating to distributions of capital by the Scheme, which are generally non-assessable for tax purposes. Where non-assessable, tax deferred amounts / non-assessable amounts reduce the capital gains tax (**CGT**) cost base of a Unitholder's Units, and may increase the capital gain or reduce the capital loss subsequently realised on disposal of the Units. Where the total tax deferred amounts / non-assessable amounts

received by a Unitholder have exceeded the cost base of their Units, the excess is treated as a capital gain to the Unitholder.

For Unitholders who hold Units as trading stock, distributions from the Scheme including capital gains and tax deferred / non-assessable amounts may be fully taxable as ordinary income, depending on the Unitholder's particular circumstances.

Unitholders will be provided with statements after the end of each financial year detailing the components, for tax purposes, of any distributions or attribution of income received from the Scheme during the financial year, including on the redemption of Units.

Taxation of Financial Arrangements (TOFA)

The TOFA rules may apply to "financial arrangements" (e.g. cash settled futures and Debt Instruments) held by the Scheme. Under the TOFA rules, there are different methods available for the Scheme to recognise gains and losses from financial arrangements in its taxable income calculation. The Scheme may determine an appropriate method to use on the basis of its investment strategy.

7.1.4 Selling or transferring Units

If a Unitholder disposes of Units by redeeming their Units or transferring their Units to another person, the Unitholder may be liable for tax on any gains realised on that disposal of Units.

If a Unitholder is assessed otherwise than under the CGT provisions on a disposal of Units (e.g. if the Unitholder is in the business of dealing in securities like Units), any profits made on the disposal of the Units should be assessable as ordinary income. Such Unitholders may be able to deduct any losses made on the disposal of Units.

If a Unitholder is assessed under the CGT provisions on disposal of Units, the Unitholder may make a capital gain or loss on the disposal of those Units, in the year in which the contract for the disposal is entered into. Some Unitholders may be eligible for the CGT discount upon disposal of Units if the Units have been held for at least 12 months (excluding the acquisition and disposal dates) and the relevant requirements are satisfied. Unitholders should obtain professional independent tax advice about the availability of the CGT discount.

Any capital loss arising on a disposal of Units may be able to be offset against capital gains made in that year or in subsequent years.

For certain redemptions, the Withdrawal Amount may include a share of income that should be assessable. The Responsible Entity will notify persons who have redeemed Units during a financial year of the composition of the Withdrawal Amount, including the composition of any income entitlement they received in connection with the redemption of Units during that year, following the end of the financial year, once that information becomes available.

7.1.5 Goods and Services Tax (GST)

The issue and redemption of Units should not be subject to GST. However, fees and expenses, such as management costs, incurred by the Scheme would likely attract GST (at the rate of 10%).

Given the nature of the activities of the Scheme, it may not be entitled to claim input-tax credits for the full amount of the GST incurred. However, for the majority of the expenses, a Reduced Input-Tax Credit (RITC) may be able to be claimed.

The GST and expected RITC relating to fees and expenses is incorporated in the management cost for the Scheme.

7.1.6 Tax reform

Australian tax reform activity that affects trusts is generally ongoing, and such reforms may impact on the tax position of the Scheme and its investors. Accordingly, Unitholders should monitor the progress of any proposed legislative changes or judicial developments, and seek their own professional advice, specific to their own circumstances, in relation to the taxation implications of investing in the Scheme.

7.1.7 Tax File Number (TFN) or Australian Business Number (ABN)

Unitholders will be requested by the Scheme to provide their TFN or ABN (if applicable) or claim an exemption in relation to their investment in the Scheme. It should be noted that there is no obligation to provide a TFN, however, Unitholders who do not provide their TFN or ABN or claim an exemption may have tax deducted from distributions at the highest marginal rate.

7.1.8 Other comments

In cases where Units are to be redeemed by a Unitholder that is an Australian resident for tax purposes, the Scheme should generally not be required to withhold any amounts from the Withdrawal Amount paid on redemption of Units.

Distributions to non-resident Unitholders (including on redemption) may have tax withheld by the Responsible Entity.

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8 GLOSSARY

These definitions are provided to assist investors in understanding some of the expressions used in this PDS:

Administrator	The administrator appointed by the Responsible Entity to provide administration services in relation to the Fund, being Citigroup Pty Ltd.
AMIT	Attribution Managed Investment Trust.
AMMA	AMIT Member Annual Statement.
AML/CTF Laws	*Anti-Money Laundering and Counter-Terrorism Financing Act 2006.*
Asset-Backed Securities or 'ABS'	Structured financial instruments backed by a pool of underlying assets such as Loans, leases, credit card receivables or other financial assets, that provide the cash flows used to pay interest and principal to investors.
ASIC	Australian Securities and Investments Commission.
ASX	Australian Securities Exchange.
AUD	Australian dollars.
AUM	Assets Under Management.
AUSTRAC	Australian Transactional Reports and Analysis Centre.
Backstop Facilities	Financial arrangements that provide guaranteed capital or liquidity support, typically in structured finance or investment vehicles, if primary funding sources are insufficient or unavailable.
Business Development Companies or 'BDCs'	Closed-end investment companies that typically invest in and lend to small and medium-sized private and certain public US businesses that may lack access to public capital markets, often through private placements, and are required to provide significant managerial assistance to their portfolio companies.
Below Investment-Grade	A rating of Debt Instrument that is lower than investment grade (S&P Equivalent BBB-) by credit rating agencies or are Unrated but considered to carry higher credit risk. Below Investment-Grade securities typically offer higher yields to compensate for their increased risk of default and may be more volatile and less liquid than investment-grade instruments.
Board	The board of trustees of the Underlying Fund, the majority of which are persons who are not 'interested persons', as defined in Section 2(a)(19) of the Investment Company Act, which has overall responsibility for the management and supervision of the business operations of the Underlying Fund on behalf of its shareholders.
Business Day	Both a day (other than Saturday, Sunday or a public holiday in Australia and the US) on which banks are open for general banking business in Sydney and which the New York Stock Exchange is open.
CGT	Capital Gains Tax.
Citigroup	Citigroup Pty Ltd ABN 88 004 325 080.
Cliffwater	Cliffwater LLC, registered as an investment adviser with the SEC under the Investment Advisers Act.
Collateralised Debt Obligations or 'CDOs'	A structured financial product that pools Loans or credit assets into tranches with varying risk levels, allowing investors to receive payments based on the performance of the underlying collateral.

Collateralised Loan Obligations or 'CLOs'	A structured financial product that pools Corporate Loans into tranches with varying risk and return profiles, allowing investors to receive payments based on the performance of the underlying Loan assets.
Constitution	The constitution governing the Fund, as amended or replaced from time to time.
Convertible Securities	An investment that can be converted into another type of instrument, e.g. a bond that may be converted into ordinary shares at a later date.
Corporations Act	*Corporations Act 2001* (Cth) (as amended).
Corporations Regulations	*Corporations Regulations 2001* (Cth) (as amended).
Corporate Loans	Loans made to companies through direct originations or investments in instruments that represent rights to receive payments from such Loans.
Custodian	The custodian appointed by the Responsible Entity to provide custodial services in relation to the Fund, including to hold the assets of the Fund., being Citigroup.
Credit-Like Securities	Financial instruments that offer returns similar to traditional Debt Instruments (such as bonds) but may have different characteristics or come with additional risks, including structured products, asset-backed securities and certain types of hybrid securities that combine features of both Debt and equity.
Dealing Deadline	2:00pm on a Business Day.
Debt or Debt Instrument	An instrument involving an advance of a fixed amount of money in exchange for a contractual obligation to repay principal and interest over a specified timeframe.
Direct Loans	Loans made directly to companies by non-bank lenders without traditional bank intermediation.
Distressed Securities	Securities issued by a company which may be in in transition, out of favour, financially leveraged or troubled, or potentially troubled, and may be or have recently been involved in major strategic actions, restructurings, bankruptcy, reorganisation or liquidation, and which are often traded at a significant discount due to the heightened risk of default.
DRP	Distribution Reinvestment Plan.
EBITDA	Earnings before interest, taxes, depreciation and amortisation.
First Lien Senior Secured Debt	Secured Debt instruments that have a first priority claim on all tangible and intangible assets of the borrower, including the proceeds of any asset sale and rank senior in the capital structure ahead of all other creditors.
Fund	BPC Cliffwater Private Credit Fund, being a separate class of units in the BPC Cliffwater Private Credit Access Fund ARSN 679 418 378.
FX Forwards	Contractual agreements between two parties to exchange a specified amount of one currency for another at a predetermined rate on a future date, used to hedge currency risk.
High Yield Securities	Debt instruments rated Below Investment-Grade or Unrated but of comparable credit quality, generally Unsecured and Subordinate, and subject to greater credit and liquidity risk than more highly rated obligations.
IDPS	Investor directed portfolio service, master trust, wrap account or investor directed portfolio-like scheme, including superannuation equivalents.
Interval Fund	A type of closed-end investment company that offers investors periodic opportunities to redeem their shares at regular intervals (e.g. quarterly, semi-annually or annually).
Investment Advisers Act	Investment Advisers Act of 1940 (as amended) and the rules and regulations thereunder.

Investment Company Act	Investment Company Act of 1940 (as amended) and the rules and regulations thereunder.
Investment Manager	The investment manager of the Underlying Fund, being Cliffwater.
Investment Partners	Corporate lenders with whom the Investment Manager engages to source investment opportunities for the Underlying Fund (known as a 'multi-lender' approach).
Issue Price	The Net Asset Value divided by the number of Units on issue in the Fund.
Investment Management Agreement	The investment management agreement between the Investment Manager and the Underlying Fund.
Lien	A legal right or interest that a lender or creditor has in another's property, typically used as security for the repayment of a Debt.
Loan	An advance of a principal capital amount to a borrower in exchange for future repayment of the principal value in addition to periodic fees and interest payments.
Mezzanine Debt, Mezzanine Investments or Mezzanine Loans	A form of subordinated Debt that typically ranks below First Lien and Second Lien Loans in a company's capital structure and may be issued with equity components such as attached warrants, offering higher returns but increased risk and limited liquidity.
Middle Market	Companies with approximately US$10 million to US$150 million in EBITDA.
Minimum Additional Application Amount	$10,000.
Minimum Holding Amount	$2,500 (applicable to direct (non-IDPS) investors only).
Minimum Initial Application Amount	$100,000 for direct investors and $10,000 for IDPS operators.
Net Asset Value or NAV	The net asset value of the Fund or the Underlying Fund (as relevant).
Non-Rated Debt Instruments	A Debt instrument that has not been evaluated by a ratings agency, and therefore lacks an official credit rating.
Notes	Debt instruments or Pass-Through Obligations that represent the right to receive principal and interest payments, such as from Direct Loans or Securitised Pools.
NYSE	New York Stock Exchange.
Original Issue Discount or OID	The difference between a Debt Instrument's face value and its issue price when the Debt Instrument is sold at a discount.
Pass-Through Obligations	Financial instruments that represent the right to receive principal and interest payments from an underlying Loan or fractional portion thereof, allowing investors to participate in the cash flows of Direct Loans without holding the Loans directly.
PDS	Product Disclosure Statement.
Payment-In-Kind or PIK	A non-cash income feature of a Debt Instrument where interest is accrued and added to the principal rather than paid in cash, increasing the Loan balance over time.
Preferred Securities	Hybrid financial instruments that combine features of both Debt and equity that offer dividends and rank above common stock but below bonds in a company's capital structure.
Prospectus	The prospectus of the Underlying Fund dated 26 July 2024 (as amended).
Redemption Date	Each date on which Redemption Requests are processed, and the relevant Units are redeemed.

Redemption Request Cut Off Date	The date by which a Redemption Request in relation to Units must be received in relation to a redemption period.
Registrar	Citigroup, or any other registry that the Responsible Entity appoints to maintain the register.
Scheme	BPC Cliffwater Private Credit Access Fund ARSN 679 418 378.
Secured Debt or Secured Loan	Loans or credit instruments backed by a borrower's tangible or intangible assets, giving the lender a priority claim on those assets in the event of default, and typically includes First Lien Debt, Unitranche Debt or Second Lien Debt structures that offer reduced credit risk compared to Unsecured Debt.
Second Lien Debt or Second Lien Loans	Secured Debt instruments that rank below first Lien Loans in repayment priority, offering lenders a subordinate claim on collateral in exchange for higher yields and increased credit risk.
Underlying Fund	Cliffwater Corporate Lending Fund, a Delaware statutory trust registered under the Investment Company Act, as a closed end management investment company.
Underlying Fund Administrator	The administrator of the Underlying Fund, being UMB Fund Services, Inc.
Underlying Fund Custodian	The custodian of the Underlying Fund, being State Street Bank and Trust Company.
Underlying Fund Distributor	The distributor (also known as principal underwriter) of the Underlying Fund, being Foreside Fund Services, LLC.
Unit	A unit in the Fund.
Unitholder	A holder of a Unit.
Unitranche Debt or Unitranche Loans	A type of Secured Debt that combines both senior and subordinated Debt into a single tranche, typically structured as a First Lien Loan, offering streamlined documentation and blended pricing for borrowers.
Unrated	Securities which have not yet been rated by a credit rating agency.
Unsecured Debt or Unsecured Loan	Loans or credit instruments that are not backed by collateral, meaning the lender does not have a claim on specific assets of the borrower in the event of default, and such Debt ranks below Secured obligations in repayment priority, exposing investors to higher credit risk and potential loss.
Variable and Floating Securities	Debt instruments whose interest payments adjust periodically based on a reference rate, which are generally less sensitive to interest rate changes but may decline in value if their rates lag behind rising market rates.
Valuation Designee	The party appointed by the Board responsible for determining fair values in accordance with the Valuation Procedures, being the Investment Manager.
Valuation Procedures	The valuation procedures for the Underlying Fund, which are approved by the Board of the Underlying Fund and provide that the Underlying Fund will value its investments at fair value unless marked quotations are "readily available" as defined in the Investment Company Act.
Warehouse Financings	Short-term credit facilities used to accumulate pools of Loans prior to the launch of a CLO or similar securitisation.
Withdrawal Amount	The Net Asset Value divided by the number of Units on issue in the Fund.

DIRECTORY

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