



Fund Summary

Fund Name	Causeway Corporate Credit Fund
Fund Manager	Causeway Asset Management Limited
Asset Class	Private Debt
Sub-Asset Class	Corporate Credit (AU)
Strategy Description	To provide consistent income returns from a diversified portfolio of Private Debt loans with a focus on capital preservation. The Fund will provide loans to the small-to-medium sized enterprise (SME) and middle market corporate sector in Australia.
Net Return Objective*	9% - 10% p.a.
Distribution Frequency	Quarterly with a target of 8% p.a. distributions and a final distribution of any excess
Fund Structure	Australian Unregistered Managed Investment Scheme
Terms of the Investment	<ul style="list-style-type: none"> • Evergreen, open-ended with monthly applications • Initial 18-month lock up • Quarterly redemptions; provided a written redemption is accepted by the first business day of each quarter for redemption the following quarter (i.e. with 90 days' notice)
Fees (exclusive of GST)	<ul style="list-style-type: none"> • Management Fee – 1.25% p.a. of Net Asset Value • Performance Fee – Nil • Trustee Fee – estimated to be 0.50% p.a. (capped) • Fund expenses and transaction Fee – estimated to be 0.50% p.a. (capped)
Drawdown Profile	Fully drawn on day one into an existing portfolio
Minimum Investment	\$100,000
Key Dates	Refer to: https://www.partnersprivate.com.au/investments/causeway-corporate-credit-fund/
Offer Documents	Information Memorandum

*Net Return Objectives are not guaranteed, and total returns may be above or below target range.

This summary has been provided for illustrative purposes only. All terms and conditions contained herein are subject to and will be superseded by the final documentation. Please refer to the Fund's Information Memorandum for further details. This summary is not an offer or solicitation to purchase interests in the Fund. Such interests are only offered pursuant to the terms of the Information Memorandum, which should be reviewed carefully prior to investing. Past performance and/or forward-looking statements are not a reliable indicator of future performance.



Causeway Corporate Credit Fund



The Opportunity

Lending Focus

The Fund will provide loans to the small-to-medium sized enterprise (SME) and middle market corporate lending sector in Australia.

Target loan sizes for the Fund range between \$2.5m to \$25m and the loans will generally be for between one year and five years but may be for a longer or shorter periods.

The purposes of the loans will generally be used for equipment finance, inventory finance, vendor finance, working capital, real estate loans or other varieties of finance. The interest rates charged on Loans may be fixed rate, variable rate, or may also include a rate determined by reference to improvement in the business valuation of the borrower. The manager will seek to achieve a blended LVR across the portfolio of senior secured loans of between 65 and 75%.

Potential Benefits

The Corporate Credit Fund is designed to provide investors with access to a diversified portfolio of corporate loans actively selected and managed by a highly experienced team. The investment will provide a fixed quarterly income of 2% and a relatively low risk of capital loss. The strategy will have a low correlation to public markets and lower volatility than that experienced across listed shares.

The Fund Manager

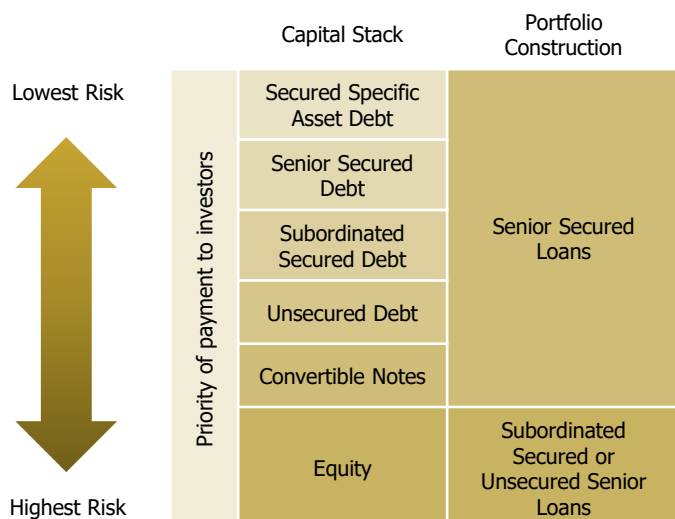
Since its foundation in 2003, Causeway Financial has built a strong track record in alternative asset management and private debt.

Over twenty years ago, the two Principals, Mike Davis & Tim Martin, left their senior roles working in debt markets and asset management at Merrill Lynch. They began a joint venture with a Canadian bank, Maple Financial, which invested in private debt. In 2004, Maple made its first senior secured private debt loans to qualifying SMEs in Australia. It also built an origination, credit and operations team and writes more than \$105m of debt across 20 loans.

Risk Management & Credit Framework Development

During the period since 2004, including during the Global Financial Crisis, the management team developed its credit focus on capital stability in lending strategies. This drives their focus on the benefits of legally effective security structures, strong covenants and proactive recovery actions, where necessary. The team will also seek to be the sole or primary/lead lender to the underlying borrowers so that it can control loan structuring, monitoring and any remedial actions, if needed.

The credit team apply an active credit analysis process developed through in excess of 25 years of credit and loan operations experience. The credit due diligence process combines extensive internal credit research with the use of external specialist advisors to inform underlying collateral valuation and analysis.





The Strategy

The Fund seeks to obtain exposure primarily to a diversified portfolio of senior secured loans to growing companies with collateral pools and revenues ranging from \$5m upwards to \$300m.

As sole or lead lender, the Fund will seek to obtain exposure primarily to a diversified portfolio of senior secured loans to growing companies with diversified collateral pools and cash flow support, typically from two to five-year maturity, and subordinated or unsecured loans up to 15% of the total portfolio.

Originations

Loan origination is conducted by the manager through an established network of advisors. These advisors include accounting firms, boutique corporate advisors, private equity groups, debt advisory groups and other financial services entities including investment banks, and stockbrokers. The initial credit review focuses on whether the potential transaction meets the credit, security and pricing criteria required by the Fund.

Approval Process

Subject to meeting these criteria, the Fund's credit personnel will prepare a preliminary review document for the Credit and Investment Committee (CIC) for approval to provide a non-binding loan offer letter to the potential borrower pursuant to the terms proposed to the CIC.

Ongoing Risk Management & Monitoring

As part of their investment process, Causeway developed a comprehensive and ongoing risk management and monitoring process. As part of that, credit and collateral risk management is performed on an ongoing basis by credit management to monitor portfolio performance.

This process occurs at an overall portfolio level and individual position level and may also be supported by use of external review consultants and auditors to ensure that any deterioration in the underlying loan facilities is identified, addressed and rectified when necessary. In the event of a breach of loan covenant or other default event, the team will determine appropriate rectification and recovery action strategies.

Where appropriate, external advisors may be appointed to commence business remediation or asset recovery actions as considered appropriate to preserve investor capital.

Partners Private View

Private credit is a bilateral lending arrangement by a credit provider directly to borrowers (as distinct from public bond markets or bank lending) with tailored terms and covenants negotiated between a non-bank financier and a borrower.

Private credit offers investors the potential to preserve capital and generate regular income. It provides an opportunity to lend against assets with some equity-like return upside and has low correlation to other asset classes. Australian SME and middle market corporate loan sector is an attractive segment of the market to originate, structure and invest in.

The segment comprises a variety of industry and diversity of their underlying collateral pools. These characteristics allow to build a diversified portfolio that mitigates individual borrower and industry risks. The middle market segment also tends to have lower competition from traditional lenders, like Banks, often providing enhanced return profile to investors.

Partners Private view the Fund as an attractive income-generating opportunity and like Causeway's deep experience in private credit and loan structuring, as well as their risk management and capital preservation focus.