

# Multiplex Diversified Property Fund



Unit Pricing Policy

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Brookfield Multiplex Capital Management Limited  
ACN 094 936 866

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Multiplex Diversified Property Fund  
ARSN 123 879 630

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Unit pricing policy

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## 1. Date

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This Policy was first adopted by Brookfield Multiplex Capital on 1 May 2007.

This version of the Policy is current as at 1 May 2008.

## 2. What this Policy relates to

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This Policy applies to the pricing of Units in the Multiplex Diversified Property Fund ARSN 123 879 630.

## 3. Background

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Section 601GA of the Act requires the constitution of a registered managed investment scheme to—

- (a) make adequate provision for the consideration that is to be paid to acquire an interest in the scheme, and
- (b) where members have a right to withdraw from the scheme, set out adequate procedures for making and dealing with withdrawal requests.

ASIC considers “adequate provision” has been made if it is possible to objectively test the determination of the issue price and withdrawal price from the terms of the scheme’s constitution. ASIC considers if a provision of a scheme’s constitution allows the responsible entity to influence any aspect of the issue price or the withdrawal price, then the constitution may not comply with section 601GA of the Act.

However, ASIC has issued class order relief (class order 05/1236, which amended an existing class order, class order 05/26), allowing a formula or method in the constitution for a scheme to permit the responsible entity to exercise a discretion which influences an aspect of the issue price or withdrawal price. This relief is conditional on, amongst other things, the responsible entity exercising its discretion in accordance with a documented policy.

## 4. Purpose and scope

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- (a) The purpose of this Policy is to set out how Brookfield Multiplex Capital will exercise the relevant discretions given to it under the

Constitution, in a manner which ensures Application Prices and Withdrawal Prices are calculated and applied consistently and equitably.

- (b) Under class order 05/26—
  - (i) a policy for the exercise of a Discretion set out in this document, must not involve the creation of another Discretion, and
  - (ii) a policy for the exercise of a Discretion, set out in this document, must be the only policy applicable to the exercise of the Discretion at any one time.
- (c) This Policy must be reviewed at appropriate periods, but at least annually.

## 5. Interpretation

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Unless otherwise defined in Schedule 1 of this Policy, capitalised terms used in this Policy have the meanings given to them in the Constitution.

## 6. Good practice principles

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In the joint ASIC and APRA guide *Unit pricing—Guide to good practice (November 2005)*, the following good practice principles for unit pricing were identified and have been adopted by Brookfield Multiplex Capital in respect of the Fund:

- (a) In relation to a scheme, the responsible entity's unit pricing policies and practice must be consistent with the scheme's constitution, compliance plan and disclosure document (e.g., product disclosure statement).
- (b) The pricing policies must be implemented consistently and kept up-to-date.
- (c) Adjustments to unit prices and withdrawal prices, if based on sound policy, are not errors.
- (d) Where appropriate, the responsible entity may exercise its own judgement to develop estimates of values, where actual values are not available.

- (e) Information for unitholders must be accessible, timely and useful.

## 7. Pricing method—Application Price

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### 7.1 General

- (a) The Application Price for the issue of a Unit in the Fund is calculated in accordance with the Constitution. Brookfield Multiplex Capital will not issue a Unit, except at a price calculated in accordance with the provisions of the Constitution. The method for calculating the Application Price for the issue of a Unit in the Fund (other than an Income Unit) is described in clause 7.3.
- (b) The only circumstances in which Brookfield Multiplex Capital is permitted to calculate the Application Price other than in accordance with the method described in clause 7.3 are those, subject to the Constitution, which are set out in ASIC class order 05/26. These circumstances include unit pricing—
  - (i) for a rights issue
  - (ii) upon dividend reinvestment, and
  - (iii) for wholesale clients.

### 7.2 Income Units

- (a) The method for calculating the Application Price for Income Units is set-out in clause 3.5 of the Constitution.
- (b) There are no Income Units on issue in the Fund; and Brookfield Multiplex Capital does not expect to issue any Income Units, in the foreseeable future.
- (c) However, if Income Units are issued, then they must be issued at an Application Price which is—
  - (i) if the Income Units are issued on the first day of a Distribution Period, the sum of \$1.00 each, or
  - (ii) if the Income Units are issued on any other date, \$1.00 each, plus the amount per Income Unit of any Accrued Income Entitlement, from the commencement of the relevant Distribution Period to the date of issue of the Income Unit.

## 7.3 Unit pricing formula

- (a) Clause 3.4(b) of the Constitution sets out the following formula for determining the Application Price for a Unit (other than an Income Unit):

$$\frac{\text{"Net Asset Value + Transaction Costs – Income Units Value}}{\text{Total Paid up Proportion}} \times \frac{1}{(1 - CF)}$$

*In this formula, "Total Paid up Proportion" means the aggregate Paid up Proportion of all Units on issue in the Trust (excluding the Paid up Proportion of any Income Units)."*

- (b) In this formula, when Brookfield Multiplex Capital's contribution fee (under clause 13.1 of the Constitution) is paid from the assets of the Fund, as opposed to being deducted from an applicant's application money, "CF" means the percentage Brookfield Multiplex Capital charges as a contribution fee (but expressed as a decimal number), plus any GST the Fund is unable to recover in relation to the fee charged (for example, a five percent contribution fee is expressed as 0.05125, assuming a reduced input tax credit of 75 percent of the GST incurred). When the contribution fee is not paid from the assets of the Fund, then "CF" is nil.

As at the date of this Policy, Brookfield Multiplex Capital's contribution fee (charged to Direct Investors) is incorporated into the Application Price and then paid from the assets of the Fund.

## 8. Pricing method—Withdrawal Price

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### 8.1 General

- (a) As at the date of this Policy, Brookfield Multiplex Capital considers the Fund to be "liquid". Therefore, Investors can request the withdrawal of their Units at any time.
- (b) The Withdrawal Price for a Unit is calculated in accordance with the Constitution. Brookfield Multiplex Capital will not redeem a Unit, except at a price calculated in accordance with the provisions of the Constitution.

## 8.2 Withdrawal Price—Units other than Income Units & Liquidity Units

Under clause 6.1(a) of the Constitution, the Withdrawal Price for an Ordinary Unit (and for any other Unit, excluding Income Units and Liquidity Units) is calculated in accordance with the following formula:

$$\frac{\text{"Net Asset Value – Transaction Costs – Income Units Value"}}{\text{Total Paid up Proportion}} \times \frac{\text{Amount paid up on that Unit}}{\text{Application Price of that Unit}}$$

*Where “Total Paid up Proportion” means the aggregate Paid up Proportion of all Units on issue in the Trust (excluding the Paid up Proportion of any Income Units).”*

## 8.3 Withdrawal Price—Income Units & Liquidity Units

- (a) An Income Unit can only be redeemed at a price of one dollar.
- (b) A Liquidity Unit can only be redeemed at a price equal to its original Application Price.

## 9. Specific Discretions

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### 9.1 Calculation of Application Price

- (a) Calculation of the Application Price for Units involves the exercise of certain Discretions by Brookfield Multiplex Capital, because Brookfield Multiplex Capital can decide matters which affect the values of variables which make up the Application Price formula, under clause 3.4(b) of the Constitution.
- (b) The matters in relation to which Brookfield Multiplex Capital may exercise a Discretion when calculating the current Application Price are as follows:
  - (i) Calculation of the Net Asset Value of the Fund, which in turn involves Brookfield Multiplex Capital exercising Discretions in relation to—
    - A. when Assets of the Fund are to be valued
    - B. when the Net Asset Value is to be determined
    - C. the valuation methods and practices to be applied for different types of Assets, and



- D. the provisions which should be taken into account in determining the liabilities of the Fund.
- (ii) Calculation of the allowance to be applied for Transaction Costs.
- (iii) Calculation of the Accrued Income Entitlement for Income Units (relevant to working out the "Income Units Value").
- (iv) The time at which the Application Price should be determined, in relation to a particular application to invest in the Fund.

### 9.2 Calculation of Withdrawal Price

- (a) Calculation of the Withdrawal Price for Units involves the exercise of certain Discretions by Brookfield Multiplex Capital, because, as with the determination of the Application Price, Brookfield Multiplex Capital can decide matters which affect the values of variables making up the Withdrawal Price formula, under clause 6.1(a) of the Constitution.
- (b) The matters in relation to which Brookfield Multiplex Capital may exercise a Discretion when calculating the current Withdrawal Price are as follows:
  - (i) Calculation of the Net Asset Value of the Fund, which in turn involves Multiplex Capital exercising Discretions in relation to—
    - A. when Assets of the Fund are to be valued
    - B. when the Net Asset Value is to be determined
    - C. the valuation methods and practices to be applied for different types of Assets, and
    - D. the provisions which should be taken into account in determining the liabilities of the Fund.
  - (ii) Calculation of the allowance to be applied for Transaction Costs.
  - (iii) Calculation of the Accrued Income Entitlement for Income Units (relevant to working out the "Income Units Value").

- (iv) The time at which the Withdrawal Price should be determined, in relation to a particular request by an Investor to withdraw part or all of their investment in the Fund.

## 10. Policies for exercise of Discretions

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### 10.1 Determining Net Asset Value

#### (a) General

- (i) In calculating the Application Price or Withdrawal Price for Units, Brookfield Multiplex Capital must determine the “Net Asset Value”. The Net Asset Value is the total gross value of the Assets, less all liabilities of the Fund, including any provisions Brookfield Multiplex Capital decides should be taken into account in determining those liabilities.
- (ii) Under the Constitution, Brookfield Multiplex Capital may—
  - A. decide when to value any Asset<sup>1</sup>
  - B. determine the valuation methods and policies for each category of Asset, from time to time<sup>2</sup>, and
  - C. calculate the Net Asset Value at any time, in its discretion<sup>3</sup>.
- (iii) Therefore, in calculating the Net Asset Value at any point in time, Brookfield Multiplex Capital is entitled to exercise Discretions, in relation to—
  - A. when Assets of the Fund are to be valued
  - B. when the Net Asset Value is to be determined
  - C. the valuation methods and practices to be applied for different types of Assets, and
  - D. the provisions which should be taken into account in determining the liabilities of the Fund.

#### (b) Valuation methods and procedures—current policies

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<sup>1</sup> Clause 10.1.

<sup>2</sup> Clause 10.3.

<sup>3</sup> Clause 10.2.

The RE's current policies on the valuation methods to be adopted for valuation of different categories of Assets are as follows:

## **Listed property trusts**

Under AIFRS, these investments need to be stated at their fair value.

Investments in listed property trusts are valued at their last sale price on the relevant market.

For listed investments in which the Fund has significant holdings, these will be valued at their last sale price, less expected selling costs and discounts, which are assumed to be 2%.

## **Unlisted property trusts**

Under AIFRS, these investments also need to be stated at their fair value.

The initial value of investments in unlisted property trusts is the investments' initial acquisition cost to the Fund. Beyond this, interests in unlisted property trusts are revalued to their net asset backing, upon this information being published by the respective fund managers.

If necessary (where the net asset backing information provided to the Manager is quoted in another currency), the Manager will convert this value to Australian dollars, using the relevant current exchange rate.

## **Direct property**

The value of each Real Property Asset will initially be its purchase price, plus all actual transaction and acquisition costs associated with the acquisition. Upon subsequent valuations of the property being conducted, the value of the Asset will be the amount stated in the most recent valuation available.

A subsequent valuation can either be an independent valuation, which will be undertaken at least every three years, or a directors' valuation, which will be undertaken at least annually or more frequently if required. The timing of individual valuations will be

staggered by Brookfield Multiplex Capital in order to, as much as possible, avoid undue fluctuations in the Application Price.

If an internal (i.e., directors') assessment varies from the carrying book value of a property (i.e. from the last valuation) by more than 5%, then an external independent valuation will be obtained.

Independent valuations of Real Property Assets are performed by suitably qualified and experienced valuers, with no interest in the Fund.

### **Other assets**

Cash and debtors are recorded at their current face value.

Other liquid assets are valued at their realisable or market value. Realisable value is calculated as fair value.

It is considered that the above methods and procedures for valuing Assets are reasonable. Brookfield Multiplex Capital's policy for valuing the Fund's Real Property Assets takes into account that in normal circumstances, the value of real property is relatively stable. All of these policies are consistent with ordinary commercial practice for the valuation of each Asset type.

- (c) Determining the liabilities of the Fund
  - (i) In determining the liabilities of the Fund, Brookfield Multiplex Capital may allow for any provisions it considers should be taken into account<sup>4</sup>.
  - (ii) The provisions Brookfield Multiplex Capital takes into account in determining the liabilities of the Fund are calculated in accordance with AIFRS.

### **10.2 Transaction Costs—Issues of Units**

- (a) In determining the Application Price, Brookfield Multiplex Capital may add an allowance for Transaction Costs, to cover the costs associated with acquiring new Assets for the Fund. Any Transaction Costs allowance is based on an estimate by Brookfield Multiplex Capital of all of the costs that would reasonably be expected to

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<sup>4</sup> See definition of "Liabilities" in the Constitution.

result from the acquisition of the Fund's Assets. The acquisition price used to determine the estimated costs associated with acquiring an Asset is based on the current value of the Asset, at the time of calculation.

(b) Under the Constitution, Brookfield Multiplex Capital may determine that the allowance for Transaction Costs will be an amount less than Brookfield Multiplex Capital's estimate of all of the costs that would reasonably be expected to result from the acquisition of the Fund's Assets, or that it will be nil<sup>5</sup>.

(c) The estimated costs which make up the Transaction Costs allowance applied on the issue of Units, and the methods used by Brookfield Multiplex Capital for calculating these costs, are as follows:

(i) Stamp duty on Real Property acquisitions

A provision is made by Brookfield Multiplex Capital for stamp duty expected to be incurred on the acquisition of Real Property Assets by the Fund, based on current stamp duty rates (in the relevant jurisdiction) and current Asset valuations.

(ii) Legal fees and due diligence costs incurred in acquiring Assets

An estimate for legal fees and due diligence costs is made, based on current market rates and current Asset valuations.

(iii) Acquisition fee

Under the Constitution, Brookfield Multiplex Capital is entitled to an acquisition fee of up to three percent (plus GST) of the aggregate value of each Real Property Asset acquired by the Fund. The amount of the fee is calculated based on the valuation of the relevant property.

(iv) Agents' fees

An estimate for these fees is made, based on current market rates.

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<sup>5</sup> See definition of "Transaction Costs" in the Constitution.

- (v) Brokerage- investments in listed and unlisted trusts

An estimate for these fees is made, based on current market rates.

- (vi) Contribution fees

When the Fund invests into listed or unlisted trusts, it may be required to pay contribution or entry fees, to the managers of those trusts. If such fees are payable, then an estimate will be made, based upon the fee rates obtained by Brookfield Multiplex Capital from the relevant fund manager/s.

However, when the Fund invests into listed or unlisted trusts, it will normally do so on a wholesale basis, which means little or no contribution or entry fees will be payable in relation to these investments (as they will be waived by the relevant fund manager/s). Accordingly, it is expected there will be little or no transaction costs associated with investments in listed or unlisted trusts.

- (vii) Financing costs

An estimate for these costs is made, based on current market rates.

- (d) As at the date of this Policy, the Transaction Costs allowance which is applied by Brookfield Multiplex Capital when calculating the Application Price is one percent of Net Asset Value (per Unit). This is Brookfield Multiplex Capital's best estimate of the average costs involved in acquiring the Fund's Assets.

### 10.3 Transaction Costs—Withdrawals

- (a) In determining the Withdrawal Price, Brookfield Multiplex Capital may subtract an allowance for Transaction Costs, to cover the costs associated with selling Assets of the Fund. Any Transaction Costs allowance is based on an estimate by Brookfield Multiplex Capital of all of the costs that would reasonably be expected to result from the sale of the Fund's Assets. The sale price used to determine the estimated costs associated with selling an Asset is based on the current value of the Asset, at the time of calculation.

- (b) Under the Constitution, Brookfield Multiplex Capital may determine that the allowance for Transaction Costs when calculating the Withdrawal Price will be an amount less than Brookfield Multiplex Capital's estimate of all of the costs that would reasonably be expected to result from the sale of the Fund's Assets, or that it will be nil<sup>6</sup>.
- (c) As at the date of this Policy, Brookfield Multiplex Capital expects that in normal circumstances, withdrawals by Investors will be funded from a combination of available cash, new applications to invest in the Fund and the sale of marketable securities, rather than by the sale of any Real Property Assets.

In such circumstances, Brookfield Multiplex Capital does not expect there will be any transaction costs incurred. Accordingly, as at the date of this Policy, the allowance applied by Brookfield Multiplex Capital when determining the Fund's Withdrawal Price is nil.

- (d) However, if in the future Brookfield Multiplex Capital needs to sell any Real Property Asset in order to meet withdrawal requests, then transaction costs will be incurred on the sale of those Assets, and a Transaction Costs allowance will be applied by Brookfield Multiplex Capital in calculating the Withdrawal Price.

It is expected the estimated costs which will make up the Transaction Costs allowance applied on the redemption of Units, in these circumstances, and the methods used by Brookfield Multiplex Capital for calculating the costs, will be as follows:

- (i) Legal fees in selling Assets

An estimate for legal fees will be made, based on current market rates and current Asset valuations.

- (ii) Asset disposal fees

Under the Constitution<sup>7</sup>, Brookfield Multiplex Capital is entitled to an asset disposal fee of up to one percent (plus GST) of the consideration received for the disposal of each Real Property Asset by the Fund. An allowance for these

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<sup>6</sup> See definition of "Transaction Costs" in the Constitution.

<sup>7</sup> Clause 13.3.

fees is calculated based on either the prices to be received from the sale of the Assets (if known), or current valuations of the Assets (if the sale prices are not known).

(iii) Agents' fees

An estimate for these fees is made, based on current market rates.

### **10.4 Determining the Income Units Value and Accrued Income Entitlement**

- (a) When calculating either the Application Price or Withdrawal Price, Brookfield Multiplex Capital is required to make a deduction for the "Income Units Value".
- (b) The Income Units Value at a particular time is the aggregate of the Application Prices which were paid for any Income Units on issue in the Fund, plus the "Accrued Income Entitlement" of those Income Units at that time<sup>8</sup>. To work out the Accrued Income Entitlement, Brookfield Multiplex Capital must make an estimate of the appropriate share of the Distributable Income of the Fund which is attributable to the Income Units on issue.
- (c) In determining the Distributable Income of the Fund, Brookfield Multiplex Capital will comply with the terms of the Constitution and any relevant requirements of AIFRS.
- (d) The share of the Distributable Income of the Fund which has accrued to or is attributable to the holders of any Income Units on issue will be set by the terms of issue of the relevant Income Units. If any Income Units are issued, then it is likely that under their terms of issue, they will be entitled to a set percentage of the Distributable Income of the Fund. Brookfield Multiplex Capital will therefore apply this percentage, to calculate the Accrued Income Entitlement at any particular time.
- (e) However, as at the date of this Policy, there are no Income Units on issue. Unless and until any Income Units are issued, the Income Units Value will be nil, and there will be no impact upon the pricing of Units.

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<sup>8</sup> See definition of "Income Units Value" in the Constitution.



## 10.5 Timing for pricing of Units

### (a) General

- (i) As noted earlier in this Policy, under the Constitution, Brookfield Multiplex Capital may decide when to determine either the Application Price or Withdrawal Price, in relation to an application to invest in the Fund or request to withdraw from the Fund.
- (ii) Whenever the Application Price or Withdrawal Price is to be calculated, under the Constitution, Brookfield Multiplex Capital determines (and then applies) the current Net Asset Value for the Fund. However, this does not necessarily mean that the Net Asset Value applied will be higher or lower than the Net Asset Value last calculated by Brookfield Multiplex Capital—the value of the Fund's assets (and the liabilities of the Fund) may not have actually changed since the last occasion on which Brookfield Multiplex Capital worked out the Application Price or Withdrawal Price.

### (b) The "Relevant Valuation Time"—applications and withdrawals

- (i) The time at which Brookfield Multiplex Capital must calculate the Application Price is governed by clause 3.10 of the Constitution, which provides as follows:

*"3.10 Time to calculate Application Price*

*The time at which the Responsible Entity must calculate the Application Price is the next Relevant Valuation Time after the later of the following to occur:*

- (a) The time the Responsible Entity receives the relevant application for Units, or*
  - (b) The time the Responsible Entity receives the relevant Application Money in cleared funds or the property against which Units are to be issued."*
- (ii) In relation to a withdrawal from the Fund, clause 6.3 of the Constitution has the effect that Brookfield Multiplex Capital must calculate the Withdrawal Price as at the next "Relevant

Valuation Time" after the withdrawal request is accepted and approved by Brookfield Multiplex Capital.

- (iii) Under the Constitution, the Relevant Valuation Time is just the point in time at which Brookfield Multiplex Capital decides to determine the Net Asset Value, for the purpose of setting the current Application Price or Withdrawal Price.
- (c) When Brookfield Multiplex Capital calculates the Application Price
- (i) The Fund is open-ended, so while there is a PDS available for the Fund, Brookfield Multiplex Capital will keep raising money to make further investments. Brookfield Multiplex Capital accepts applications to invest in the Fund on a daily basis.
  - (ii) Therefore, the Application Price is calculated by Brookfield Multiplex Capital daily, and it fluctuates.
  - (iii) If a correctly completed application to invest and application money (in cleared funds) is accepted by Brookfield Multiplex Capital by 3:00pm (Sydney time) on a Business Day, then the application is processed using the Application Price determined by Brookfield Multiplex Capital at the close of business on that day. Applications accepted after 3:00pm (Sydney time) on any Business Day are processed using the Application Price determined at the end of the following Business Day.
  - (iv) For the purposes of the Constitution, this means that the "next Relevant Valuation Time" when calculating the Application Price to be applied in relation to a particular application to invest is—
    - A. the close of business on the day when the application is accepted by Brookfield Multiplex Capital, if the application is accepted by 3:00pm (Sydney time) on a Business Day, or
    - B. the close of business on the Business Day after the application is accepted by Brookfield Multiplex Capital, if the application is accepted after 3:00pm (Sydney time).

- (d) When Brookfield Multiplex Capital calculates the Withdrawal Price
- (i) As at the date of this Policy, the Fund is liquid and Investors can therefore request the withdrawal of their Units at any time.
  - (ii) Withdrawal requests approved by Brookfield Multiplex Capital by 3:00pm (Sydney time) on a Business Day are processed using the Withdrawal Price determined by Brookfield Multiplex Capital at the close of business on that day. Withdrawal requests approved after 3:00pm (Sydney time) on any Business Day are processed using the Withdrawal Price determined at the end of the following Business Day.
  - (iii) For the purposes of the Constitution, this means that the "next Relevant Valuation Time" when calculating the Withdrawal Price to be applied in relation to a particular withdrawal request is—
    - A. the close of business on the day when the request is approved by Brookfield Multiplex Capital, if the request is approved by 3:00pm (Sydney time) on a Business Day, or
    - B. the close of business on the Business Day after the request is approved by Brookfield Multiplex Capital, if the request is approved after 3:00pm (Sydney time).
- (e) Application Price applied under distribution reinvestment plan

The Application Price for Units issued under the distribution reinvestment plan is calculated at the commencement of business on the first Business Day after the end of the relevant distribution period.

### 10.6 Rounding

Brookfield Multiplex Capital's policy on rounding is as follows:

- (a) If any calculation performed under the Constitution would result in the issue or redemption of a fraction of one Unit, then the number of Units to be issued or redeemed must be rounded down to the nearest whole Unit.

- (b) Any excess application or other money becomes an Asset of the Fund.

## 11. Exercise of Discretions

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- (a) Brookfield Multiplex Capital must act reasonably in exercising any Discretion.
- (b) Without limiting clause 11(a), where a Discretion relates to working out the value of the Assets, the manner in which the Discretion is exercised must as far as practicable be consistent with ordinary commercial practice for valuing property of the relevant kind.
- (c) Brookfield Multiplex Capital has based this Policy on current ordinary commercial practice for unlisted managed investment schemes which invest in direct property, listed and unlisted property trusts and other property securities. Therefore, Brookfield Multiplex Capital considers it is reasonable to exercise the various Discretions documented in this Policy, in the manner set out in this Policy.

## 12. Exercise of Discretions by a nominee

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- (a) As at the date of this Policy, Brookfield Multiplex Capital has appointed JPMorgan Chase Bank, N.A. (Sydney Branch) (JPMorgan) as the Fund's custodian, and MainstreamBPO to provide unit pricing services in relation to the Fund. MainstreamBPO will in that capacity calculate the Application Price and Withdrawal Price, in accordance with the provisions of the Constitution and in accordance with this Policy.
- (b) Accordingly, any Discretion identified in this Policy may be exercised by Fund BPO, on behalf of Brookfield Multiplex Capital.

## 13. Departures from this Policy

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If Brookfield Multiplex Capital exercises a Discretion in either of the following circumstances, then Brookfield Multiplex Capital must complete a notice in the form set out at Schedule 2—Departure report:

- (a) Brookfield Multiplex Capital or its nominee exercises a Discretion which is not covered by this Policy, or in relation to which there is no documented policy that is current at the time of exercise.

- (b) Brookfield Multiplex Capital or its nominee exercises a Discretion in a way that involves a departure from this Policy.

### 14. Record keeping

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- (a) Brookfield Multiplex Capital must ensure that the records which it keeps under section 988A of the Act are kept in such a way as will enable any of the following relating to the issue or redemption of a Unit to be identified:
  - (i) Any documented policy applied in the exercise of a Discretion.
  - (ii) Any exercise of a Discretion covered by clause 12.
- (b) Brookfield Multiplex Capital must do the following:
  - (i) Retain any documents concerning the exercise of a Discretion (including this Policy) for seven years after they cease to be current.
  - (ii) Give a copy of the documents referred to in clause 14(b)(i) to the following persons on request at no charge:
    - A. A Investor in the Fund.
    - B. A person who has been or should have been given, or who has obtained, the product disclosure statement for the offer of Units in the Fund.

### 15. Review

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The fund manager must review this Policy on an ongoing basis and suggest any modifications to this Policy considered necessary. Brookfield Multiplex Capital may amend or supplement this Policy from time to time.

### 16. Contact

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Any questions may be directed to:  
Client Services Coordinator  
**Brookfield Multiplex Capital**  
Level 1  
1 Kent Street  
SYDNEY NSW 2000  
Telephone: 1800 570 000  
Email: [enquires@brookfieldmultiplexcapital.com](mailto:enquires@brookfieldmultiplexcapital.com)

## Schedule 1—Dictionary

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Act	Corporations Act 2001 (Cth) and the Corporations Regulations 2001 (Cth), as amended and in force.
Application Price	The price at which a Unit is issued, calculated in accordance with the Constitution.
AIFRS	Australian equivalents to International Financial Reporting Standards.
APRA	Australian Prudential Regulation Authority.
ASIC	Australian Securities and Investments Commission.
Cash	Includes cheques, bank deposits, bank cheques, bank transfers, bank drafts and bills of exchange.
Compliance Plan	The compliance plan for the Fund lodged with ASIC, as amended and in force.
Constitution	The constitution for the Fund lodged with ASIC, as amended from time to time.
Direct Investor	An Investor who applies for Units pursuant to the PDS directly (rather than indirectly through an investor-directed portfolio service (IDPS) or IDPS-like scheme, such as a master trust or wrap account, or a nominee or custody service).
Discretion	A discretion to do either or both of the following:  (a) Decide a matter that affects the value of a factor included in the Unit pricing formulae set out in clauses 7 and 8 of this Policy.  (b) Decide a matter that is an aspect of the method for calculating an Application Price or Withdrawal Price.
Fund	Multiplex Diversified Property Fund ARSN 123 879 630.
Investor	A person who holds Units in the Fund.

## Brookfield Multiplex Capital

Multiplex Capital	Brookfield Multiplex Capital Management Limited ACN 094 936 866
PDS	The product disclosure statement under which investment in the Fund is offered (as may be supplemented or replaced from time to time).
Policy	This policy, including all of its annexures and schedules.
Real Property	Means land (wherever situated) whether improved or unimproved and whether encumbered or unencumbered, including all kinds of improvements standing on the land and proposed improvements to be constructed on or added to the land.
Unit	A unit in the Fund.
Withdrawal Price	The price at which a Unit is redeemed, calculated in accordance with the Constitution.

