



Target Market Determination

Macquarie Group Capital Notes 6

Issued by Macquarie Group Limited

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This Target Market Determination (“TMD”) describes the type of customer for which Macquarie Group Capital Notes 6 (“MCN6”) has been designed, having regard to the likely objectives, financial situation and needs of customers in the target market. Further information about this product can be found on www.macquarie.com/MCN6.

Target Market

MCN6 have been designed for investors who:	Key attributes of MCN6 that make this product appropriate for the target market:
<ul style="list-style-type: none"> are seeking to acquire an investment product to generate income; 	<p>Investment objectives:</p> <ul style="list-style-type: none"> MCN6 are scheduled to pay quarterly cash distributions at the rate specified in the prospectus for MCN6 (“Prospectus”), subject to conditions. MCN6 are not designed to provide capital growth.
<ul style="list-style-type: none"> are able to bear the risks associated with an investment in MCN6 (in particular, the lack of certainty as to payment of distributions and the potential loss of some or all of the capital invested in MCN6); 	<p>Conditions to payment of distributions and risk of loss of capital invested:</p> <p>MCN6 are subject to risks as summarised in the Prospectus. In particular:</p> <ul style="list-style-type: none"> Payment of scheduled distributions on MCN6 is not guaranteed – it is subject to Macquarie’s absolute discretion and APRA’s required payment conditions.

MCN6 have been designed for investors who:	Key attributes of MCN6 that make this product appropriate for the target market:
	<ul style="list-style-type: none"> Macquarie does not guarantee the return of capital on MCN6 – an investor may lose some or all of the capital invested in MCN6.
<ul style="list-style-type: none"> do not require certainty as to repayment of their capital invested within a specific investment timeframe; and 	<p>Perpetual, exchangeable for ordinary shares and subject to write-off:</p> <ul style="list-style-type: none"> MCN6 do not have any fixed maturity date and could remain on issue indefinitely if they are not exchanged for ordinary shares or redeemed. In certain circumstances as described in the Prospectus, MCN6 will be exchanged for ordinary shares in Macquarie or be written off.
<ul style="list-style-type: none"> seek the ability to dispose of MCN6 by sale on a licensed securities exchange at the price available on the exchange. 	<p>ASX Listing:</p> <ul style="list-style-type: none"> MCN6 will be listed on ASX. However, there may not be a liquid market for MCN6, and investors who wish to dispose of their MCN6 may not be able to do so at an acceptable price, or at all.

Negative Target Market

MCN6 are not designed for investors who:

- are seeking capital growth;
- require certainty that returns will be paid and their capital repaid on set dates; or
- cannot afford not to receive a return or to lose all or some of their investment in MCN6.

Distribution Conditions

MCN6 can only be issued through “**Syndicate Brokers**” (as described in the Prospectus), who have been engaged having regard to their credentials and standing in the market for securities of this kind.

MCN6 can only be issued to an investor who is a retail client if the investor is a “**Qualifying Retail Client**”. A retail client is a “Qualifying Retail Client” if:

- a Syndicate Broker reasonably believes that the investor has received personal advice from a qualified financial adviser in relation to the acquisition of MCN6; and
- the investor applies for MCN6 via a Syndicate Broker during the “**Offer Period**” (as described in the Prospectus).

Macquarie sets these distribution conditions:

- so that MCN6 are only issued to a retail client if the investor applies through channels that Macquarie considers appropriate; and
- because it considers that:
 - using persons who are well-credentialed and in good standing to distribute the MCN6; and
 - requiring those persons to have formed a reasonable belief that retail clients have received personal advice from a qualified financial adviser in relation to the acquisition of MCN6,

will make it likely that MCN6 are issued to investors for whom they are likely to be a suitable investment.

Distributor Reporting Requirements

Distributors of MCN6 (including Syndicate Brokers and other regulated persons) must provide Macquarie with the information in the tables below, in writing:

Complaints

Reporting time	By 7pm (AEST) on the last day of the relevant reporting period.
Reporting periods	<ul style="list-style-type: none"> • Reporting period 1: the period commencing on the date of the lodgement of the initial prospectus with ASIC and concluding at 5pm (AEST) on the business day prior to the Initial Review Date (defined below); and • Reporting period 2: the period commencing immediately after the conclusion of Reporting Period 1 and concluding at 5pm on the last day of the Offer Period.
Required detail	<ul style="list-style-type: none"> • Details of any complaints received during the reporting period to the extent the information is not subject to legal professional privilege or confidentiality obligations and is permitted to be disclosed under the Privacy Act 1988 (Cth) and other applicable laws. • If any complaints have been received during the reporting period, this detail will include the substance of the complaint, including the circumstances giving rise to, and the nature of, the complaint and the outcome of the complaint.
Reporting method	Via MCN6Offer@linkmarketservices.com.au

Significant Dealings

Reporting time	See reporting time and reporting period for complaints.
Required detail	<ul style="list-style-type: none"> • The date on which or the date range over which the dealing occurred; • A description of the dealing; • An explanation of why the dealing is considered significant; • An explanation of why the dealing is considered to be inconsistent with the TMD (e.g., where an allocation of MCN6 to a retail client that is not a Qualifying Retail Client may occur); • How the dealing was identified (e.g., through monitoring, complaints etc); and

Significant Dealings

- Detail of any steps that have been or will be taken in relation to the significant dealing.

Reporting method

Via MCN6Offer@linkmarketservices.com.au

Review of this Target Market Determination

This TMD will be reviewed as follows:

Initial review	The last day of the period of 4 calendar days commencing on the first day of the Offer Period (“Initial Review Date”)
Subsequent review	The date falling 2 business days prior to the Issue Date.
Review triggers	<p>This TMD will be reviewed should any of the following events occur:</p> <ul style="list-style-type: none">• A material, unexpected increase in complaints received about the product;• A material change to the product or its distribution;• A change in law or other regulatory requirement (including a change in relevant industry code, an AFCA determination or a court decision, or ASIC, APRA or other regulatory guidance) materially affecting the product;• The issue of a regulatory order or direction (including the use by ASIC of its Product Intervention Powers) that expressly states or directly implies that this TMD is no longer appropriate; or• Any other event occurs or information is received (for example, a significant dealing in the product) that reasonably suggests the TMD is no longer appropriate.

Important information

This target market determination is not a recommendation, opinion or advice that any person acquire the product or is within the target market for the product. It does not summarise the terms or risks of the product and is not an offer of, or invitation to apply for, the product to any person in Australia or elsewhere. It does not set out all obligations of regulated persons in relation to the product or this target market determination. Go to <https://www.macquarie.com.au/important-information/design-and-distribution-obligations.html> for more information about target market determinations. This target market determination relates to retail clients and it does not regulate dealings with wholesale clients. Go to www.macquarie.com/MCN6 for information about the product and access to the Prospectus.

Investors who wish to apply for MCN6 should read the Prospectus in its entirety and retail clients must seek professional guidance which takes into account their particular investment objectives, financial situation and needs from a professional advisor who is licensed by ASIC to give such advice. MCN6 are complex, involve increased risks compared to other less risky and less complex bank investments such as deposits and may not be suitable for all investors.