

PR 2018/2A3 - Addendum - Income tax: taxation consequences of investing in Macquarie Equity Lever Instalment Receipts

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Addendum

Product Ruling

Income tax: taxation consequences of investing in Macquarie Equity Lever Instalment Receipts

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Product Ruling PR 2018/2 to incorporate the Portfolio Asset Novation Agreement.

PR 2018/2 is amended as follows:

1. Paragraph 15

After subparagraph 15(u), insert new subparagraph 15(v):

- (v) None of the taxation consequences set out in subparagraphs 15(a) to 15(u) of this Product Ruling will change as a consequence of the execution of the terms and conditions of the Portfolio Asset Novation Agreement (the Novation Agreement), nor will the execution of the terms and conditions of the Novation Agreement give rise to any CGT event for the Holder under Division 104.

2. Paragraph 16

Omit all dot points (excluding footnote 2); substitute:

- application for a Product Ruling as constituted by documents and information received on 22 November 2017, 20 May 2019, 23 May 2019, 27 May 2019 and 26 June 2019
- combined Macquarie Equity Lever Product Disclosure Statement and Financial Services Guide dated 29 September 2017² and Supplementary Product Disclosure Statements dated 30 October 2018 and 24 May 2019
- Equity Lever Instalment Receipts Deed dated 20 March 2008 between the Bank and the Security Trustee, as amended by the Supplemental Deeds to the Equity Lever Instalment Receipts Deed dated 1 February 2011, 28 October 2015, 21 September 2017 and 24 May 2019 (the Instalment Receipts Deed), and
- Portfolio Asset Novation Agreement dated 23 May 2019 between the Bank and Bell Potter Capital Limited (BPC).

PR 2018/2

3. Paragraph 17

Omit the last sentence; substitute:

Capitalised terms in this Product Ruling take their meaning as per the PDS, Instalment Receipts Deed and Novation Agreement referred to in paragraph 16 of this Product Ruling.

4. Paragraph 19

After subparagraph 19(n), insert new subparagraphs 19(o) and 19(p):

- (o) On, and subject to, the terms and conditions of the Novation Agreement:
 - (i) the Bank has agreed to novate to BPC (or a Related Body Corporate of BPC) all of the right, title, interest and benefit of a Macquarie Group Member under or in connection with each Facility entered into with a Holder, as at the date on which the completion of the novation occurs (the Equity Lever Completion Date, being 1 July 2019), and
 - (ii) BPC has agreed, as at the Equity Lever Completion Date, to assume all liabilities of each Macquarie Group Member related to each Facility entered into with a Holder, and discharge them as and when they fall due.
- (p) As a consequence of the execution of the Novation Agreement, as and from the Equity Lever Completion Date:
 - (i) BPC shall be substituted for the Bank under each Facility as if BPC had originally been a party to each Facility instead of the Bank on the terms of the PDS, and
 - (ii) BPC Custody Pty Ltd shall be appointed as the new Security Trustee and assume all the rights, powers and obligations of the retiring Security Trustee under the terms of the Instalment Receipts Deed.

5. Paragraph 20

Omit subparagraph 20(l); substitute:

- (l) all transactions between the Holder, the Security Trustee, the Bank and BPC in relation to the Instalment Receipts will be at prevailing market prices and otherwise on arm's length terms.

This Addendum applies before and after date of issue.

ATO references

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