

# News release



17 December 2015

ASX Announcement

## MG Unit Trust Distribution Reinvestment Plan

MG Responsible Entity Limited (Responsible Entity) has today announced it will introduce a Distribution Reinvestment Plan (DRP) for unitholders in the MG Unit Trust, which will be available with respect to any distributions determined for unitholders, including for financial year 2016 (FY16). At the same time, Murray Goulburn Co-operative Co. Limited (Murray Goulburn) will also introduce a new Dividend Reinvestment Plan for shareholders.

As foreshadowed in the Product Disclosure Statement issued on 29 May 2015, it has been the intention of the Responsible Entity to offer a DRP to unitholders of the MG Unit Trust on a consistent basis with any Dividend Reinvestment Plan offered to Murray Goulburn's shareholders.

MG Chairman, Philip Tracy, said, "In July this year we welcomed more than 6,000 unitholders to the MG Unit Trust and we know that DRPs are a popular way for investors to manage their distributions and at the same time increase their investment in listed entities.

"We are therefore pleased to introduce a DRP for unitholders of the MG Unit Trust in advance of any distribution being determined with respect to FY16, so that unitholders have access to an easy and cost effective way to increase their holdings.

"The DRP is entirely optional and unitholders can elect to participate either on a partial or full basis," Mr Tracy said.

The Responsible Entity expects that units allocated to participants under the DRP will be sourced via an on-market purchase and transfer of units to participating unitholders. The price for units allocated under the DRP will be the average market price during the pricing period, which will be set at the time the distribution is determined.

As is conventional practice, units acquired under the DRP will incur no brokerage, commission or other transaction costs.

To facilitate the introduction of the DRP for FY16, the MG Unit Trust has issued DRP Rules, a copy of which is included with this release.

In January 2016, unitholders will receive instructions on how to apply to participate in the DRP. The Responsible Entity recommends unitholders seek independent financial advice in relation to the DRP and read the DRP Rules in their entirety before deciding whether to participate.

For more information unitholders may contact the MG Unit Trust registry by phone on 1300 477 596 (within Australia) or +61 3 9415 4293 (international).

ENDS

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**About the MG Unit Trust**

The MG Unit Trust is a special purpose funding vehicle which provides its unitholders with an economic exposure to the business of MG. The MG Unit Trust invests in notes and convertible preference shares issued by MG. The Responsible Entity of the MG Unit Trust is MG Responsible Entity Limited ABN 83 601 538 970 (AFSL 472856), a wholly-owned subsidiary of MG. Unitholders are entitled to receive distributions equivalent to any dividends paid to the ordinary shareholders of MG. Dividends paid on ordinary shares will be determined by Murray Goulburn in accordance with the Profit Sharing Mechanism described in Section 6 of the Product Disclosure Statement dated 29 May 2015. Units do not confer a direct interest in MG.

MG is Australia's largest dairy foods company. Through its co-operative structure, MG has more than 2,500 supplier shareholders. MG manufactures and markets a full range of dairy and nutritional products such as cheese, milk powder, butter and fat, drinking milk and liquid milk products, nutritionals and value-added products, such as infant formula. MG supplies the grocery, foodservice and ingredients channels domestically and around the world, particularly in Asia, with its flagship Devondale, Liddells and Murray Goulburn Ingredients brands.

## DRP INFORMATION

MG Responsible Entity Limited (Responsible Entity) invites all eligible unitholders of the MG Unit Trust to participate in the Distribution Reinvestment Plan (DRP), in accordance with the rules.

Features of the DRP include:

- **Increase your holding** - DRP participation is a simple and cost effective way to increase your holding.
- **No additional costs** - Units allocated under the DRP are free of brokerage, commission, or other transaction costs.
- **Optional and flexible participation** - Participation in the DRP, which may be on a full or partial basis, is optional and may be varied or terminated at any time in accordance with the rules.
- **Units issued or transferred** - Each distribution payment payable to a unitholder in respect of participating units will be applied to acquire additional units on your behalf (either through an on-market purchase and transfer of units or the issue of new units) in accordance with the DRP rules.
- **Distribution statement** - For each distribution you will be provided with a statement, which will set out all details relevant to the particular distribution.
- **Residual balances** - The calculation of units to be allocated under the DRP for a particular distribution may result in a residual balance in your DRP account. For each distribution, any residual balance in your DRP account will be aggregated with any further distribution payments credited to your DRP account. If the DRP is suspended or terminated or you cease your participation in the DRP, any positive residual balance in your DRP account will be paid to you provided that the balance is over \$10, otherwise it will be paid to ShareGift Australia.

## DRP Questions and Answers (Q&A)

### Who can participate?

A unitholder is eligible to participate in the DRP if, at the relevant record date:

- they are recorded in the unit register as a registered holder of units, being at least the minimum participating holding (if any); and
- their address, as shown in the unit register, is in Australia or New Zealand or in a jurisdiction in which the Responsible Entity is satisfied that the offer and issue or transfer of units under the DRP is lawful and practicable.

### How do I participate in the DRP?

To participate in the DRP, you must submit an application to the MG Unit Trust registry in accordance with the rules.

### Do I have to participate in the DRP for all of my units?

No, you may participate on a full or partial basis, with your election to be specified in your application. The number of participating units will be subject to any minimum or maximum participating holdings determined by the Responsible Entity from time to time.

Where you elect to participate on a partial basis, distributions in respect of any non-participating units will be paid to you by direct credit (if nominated) or cheque.

### When will my participation begin?

Your participation in the DRP will take effect upon receipt of your application by the Responsible Entity or the MG Unit Trust registry. However, an application received more than one business day after the record date for a particular distribution will not be effective in respect of that distribution, but will be effective in respect of subsequent distributions.

### **Can I stop participating or change my level of participation at any time?**

Yes. You may at any time give notice to increase or decrease the number of units participating in the DRP or terminate your participation in the DRP. The alteration or termination will take effect upon receipt of your notice by the Responsible Entity or the MG Unit Trust registry. However, a notice received more than one business day after the record date for a particular distribution will not be effective in respect of that distribution, but will be effective in respect of subsequent distributions.

### **What happens if I have more than one unitholding?**

Where you have more than one holding of units, each holding will be treated as separate for the purposes of the DRP such that a separate application must be lodged with respect to each separate holding that is to participate and the DRP rules will apply as if each such holding were held by a separate participant.

### **What will be the price of units allocated under the DRP?**

Units will be allocated under the DRP at the allocation price, which is the average market price of units (that is, the average of the daily volume weighted average price for units traded on the ASX during the relevant period excluding trades which are not fairly reflective of natural supply and demand) during the pricing period (being, a period of not less than five trading days, as determined by the Responsible Entity) less any discount. The announcement by the Responsible Entity of the allocation price is binding on all participants in the DRP.

### **Will there be any costs to participate?**

No. There will be no brokerage, commission or other transaction costs payable by participants in respect of any units allocated under the DRP.

### **When will I receive a distribution statement?**

On, or as soon as practicable after, each distribution, a statement will be provided to each participant in the DRP specifying the following information in respect of their participation in that distribution:

- the number of participating units;
- the amount of the relevant distribution payment in respect of their participating units;
- the amount in the DRP account immediately prior to relevant distribution;
- the number of units allocated to the participant under the DRP and date of allocation;
- the balance (if any) retained in the participant's DRP account after the distribution;
- the participant's total holding of units after the allocation;
- the allocation price of each unit allocated;
- the franked amount (if any) of the distribution and the franking credit (if any) attached to the distribution; and
- any other matters required by law to be included in the statement.

### **What about taxation?**

The Responsible Entity recommends that unitholders obtain professional tax advice before deciding whether or not to participate in the DRP.

The Responsible Entity does not take any responsibility or assume any liability for, or as a consequence of, the tax liabilities of any person in connection with the DRP. Further, the Responsible Entity does not represent or warrant that any person will gain any taxation advantage or will not incur a taxation liability or disadvantage as a result of participation in the DRP.

### **Can the DRP be modified, suspended or cancelled?**

The DRP or the rules may be varied, suspended or terminated by the Responsible Entity at any time by notice to the ASX and by notification in the Investor Centre of Murray Goulburn's website.

**What happens to any residual balance after each DRP?**

The calculation of units to be allocated under the DRP for a particular distribution may result in a residual balance in your DRP account. For each distribution, any residual balance in your DRP account will be aggregated with any further distribution payments credited to your DRP account.

If the DRP is suspended or terminated or you cease your participation in the DRP, any positive residual balance in your DRP account will be paid to you provided that the balance is over \$10, otherwise it will be paid to ShareGift Australia. Generally, residual balances will be paid following payment of the final distribution for the relevant financial year.

**Need more information?**

If you have further questions (other than on taxation) about how the DRP operates and how you can participate, please contact the MG Unit Trust registry on 1300 477 596 (within Australia) or +61 3 9415 4293 (international).

# Distribution Reinvestment Plan Rules

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**MG Unit Trust (Trust)**

ARSN 606 103 637

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# 1 Definitions and interpretation

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## 1.1 Definitions

The meanings of the terms used in these Rules are set out below.

<b>Term</b>	<b>Meaning</b>
<b>Allocated Units</b>	the Units allocated to the Participant under the DRP.
<b>Allocated or Allocation</b>	<ol style="list-style-type: none"><li>1 the issue of new Units to; or</li><li>2 the transfer of Units to,</li></ol> a Participant under the DRP, as the case may be.
<b>Allocation Price</b>	in respect of an Allocation, the price at which those Units are Allocated, calculated in accordance with rule 10.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the stock market operated by ASX Limited (as the case may be).
<b>Average Market Price</b>	the arithmetic average of the daily volume weighted average price for Units traded on ASX 'On-market' (as that term is defined in the ASX Operating Rules) during the relevant period, excluding: <ol style="list-style-type: none"><li>1 special crossings, overseas trades, trades pursuant to the exercise of options, overnight trades and any other trades that are excluded from an ASX volume weighted average price calculation; and</li><li>2 any trades that the Responsible Entity determines to exclude on the basis that the trades are not fairly reflective of natural supply and demand.</li></ol>
<b>Board</b>	the board of directors of the Responsible Entity.
<b>Business Day</b>	a day which is a business day within the meaning of the Listing Rules.
<b>Discount</b>	the percentage discount (if any) announced by the Responsible Entity from time to time to be applied in calculating the Allocation Price per Unit under rule 10.

<b>Term</b>	<b>Meaning</b>
<b>Distribution</b>	any distribution per Unit announced by the Responsible Entity and payable by the Trust.
<b>Distribution Payment</b>	for a Unitholder, the relevant Distribution multiplied by the number of Units held by that Unitholder as at the relevant Distribution Record Date, subject to rule 20(d) and less any resident and/or non-resident withholding tax or any other amounts the Trust is entitled or required to deduct from the payment.
<b>Distribution Payment Date</b>	the date on which the Distribution is payable, as announced by the Responsible Entity.
<b>Distribution Record Date</b>	the date and time, as announced by the Responsible Entity, at which a person holds or is taken to hold Units for the purpose of determining the entitlement of Unitholders to Distributions.
<b>DRP</b>	the Trust's distribution reinvestment plan to which these Rules apply, as varied from time to time.
<b>DRP account</b>	the account established and maintained by the Responsible Entity for each Participant under the DRP.
<b>Eligible Unitholder</b>	has the meaning given in rule 3.
<b>Full Participation</b>	has the meaning given in rule 7(b).
<b>Listing Rules</b>	the listing rules of ASX and any other rules of ASX which are applicable while the Trust is admitted to the official list of ASX, except to the extent of any waiver by ASX.
<b>Maximum Participating Holding</b>	the number of Units (if any) announced by the Responsible Entity from time to time under rule 8(b).
<b>Minimum Participating Holding</b>	the number of Units (if any) announced by the Responsible Entity from time to time under rule 8(a).
<b>Murray Goulburn</b>	Murray Goulburn Co-operative Co. Limited ACN 004 277 089

<b>Term</b>	<b>Meaning</b>
<b>Partial Participation</b>	has the meaning given in rule 7(c).
<b>Participating Units</b>	Units which a Unitholder has validly elected for participation in the DRP or which are otherwise taken under these Rules to participate in the DRP.
<b>Participant</b>	a Unitholder some or all of whose Units are Participating Units.
<b>Participation Notice</b>	a form, whether written or electronic, used to apply for, vary or terminate participation in the DRP, as approved by the Responsible Entity from time to time.
<b>Pricing Period</b>	in respect of a Distribution, the period announced by the Responsible Entity, being a period of not less than 5 Trading Days (commencing before or after the relevant Distribution Record Date, as announced by the Responsible Entity).
<b>Responsible Entity</b>	MG Responsible Entity Limited ACN 601 538 970 as responsible entity of the Trust and any successor responsible entity.
<b>Requirements</b>	the <i>Corporations Act 2001</i> (Cth), the Listing Rules and the operating rules of ASX, including the ASX Operating Rules, the ASX Clear Operating Rules and the ASX Settlement Operating Rules.
<b>Rules</b>	these rules of the DRP as varied from time to time.
<b>ShareGift Australia</b>	ShareGift Australia Limited ABN 62 109 549 304

<b>Term</b>	<b>Meaning</b>
<b>Trading Day</b>	a full day on which Units are quoted, and not suspended from quotation or made subject to a trading halt on ASX, provided that it is not a day on which ASX is closed or on which trading on ASX is suspended generally.
<b>Trust</b>	MG Unit Trust ARSN 606 103 637.
<b>Trust Deed</b>	the trust deed of the Trust dated 1 May 2015 as varied from time to time.
<b>Unit</b>	a fully paid ordinary interest in the Trust.
<b>Unitholder</b>	a registered holder of Units at a relevant Distribution Record Date.
<b>Unit Registry</b>	the unit registry which maintains the Trust's unit register.

## 1.2 Interpretation

In these Rules headings are for convenience only and do not affect interpretation and unless the context requires otherwise:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing a gender include any gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined have a corresponding meaning;
- (d) any reference in these Rules to any enactment, part of an enactment, the Listing Rules, the ASX Operating Rules, the ASX Clear Operating Rules or the ASX Settlement Operating Rules includes a reference to that enactment, part of that enactment, those Listing Rules, ASX Operating Rules, ASX Clear Operating Rules or ASX Settlement Operating Rules as from time to time amended, consolidated, re-enacted or replaced and, in the case of an enactment, all regulations and statutory instruments issued under it;
- (e) a reference to a body, whether statutory or not:
  - (1) which ceases to exist; or
  - (2) whose powers or functions are transferred to another body,
is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (f) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;
- (g) a reference to dollars or \$ is to Australian currency;

- (h) unless otherwise determined by the Responsible Entity or specified below, a reference to a price is to the relevant dollar amount rounded to 4 decimal places; and
- (i) all references to time are to Melbourne time.

## 2 Commencement of the DRP

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The DRP and these Rules will commence operation on such date as the Responsible Entity in its sole discretion determines.

## 3 Eligibility to participate

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- (a) The Responsible Entity may from time to time invite Unitholders to participate in the DRP.
- (b) Participation in the DRP is subject to these Rules.
- (c) Participation in the DRP by Eligible Unitholders:
  - (1) is optional and voluntary;
  - (2) is not transferable; and
  - (3) may be varied or terminated at any time in accordance with rule 14.
- (d) Subject to rules 3(e) and (f), an Eligible Unitholder is, in respect of a particular Distribution Record Date, a person who, at that Distribution Record Date, was recorded in the Trust's unit register as a registered holder of at least the Minimum Participating Holding (if any) and whose address in the Trust's unit register at the relevant Distribution Record Date:
  - (1) is in Australia or New Zealand; or
  - (2) is in a jurisdiction in which the Responsible Entity is satisfied that the offer and issue or transfer of Units under the DRP is lawful and practicable,provided that the Board may determine that:
  - (3) a Unitholder, or a class of Unitholders, are not Eligible Unitholders if they are, or hold Units on behalf of other persons who are, resident outside the jurisdictions mentioned in paragraphs (1) and (2) above; and
  - (4) a Unitholder, or a class of Unitholders, are Eligible Unitholders notwithstanding that they are resident outside the jurisdictions mentioned in paragraphs (1) and (2) above.
- (e) The Board is entitled to make a final determination as to whether or not any particular Unitholder is an Eligible Unitholder for the purposes of these Rules, and to change any such determination, as and when it sees fit. In making this determination, the Board may consider, among other things, whether such participation would or may be impracticable, impossible or illegal and any actual or anticipated inconvenience or expense in allowing, or investigating the possibility of allowing, such participation.

- (f) The Board has the discretion to refuse to accept any person's Units for participation in the DRP and to suspend or withdraw any person's Units from participation (including declining to issue or transfer or reducing the issue or transfer of Units under the DRP to a Participant) if the Responsible Entity considers that the participation of those Units might:
- (1) breach any law of Australia including the *Foreign Acquisitions and Takeovers Act 1975* (Cth), the Listing Rules or the Trust Deed; or
  - (2) prejudice the effective operation of the DRP; or
  - (3) be undesirable or impractical.
- (g) It is the responsibility of each Unitholder to obtain any necessary approvals to enable that Unitholder to participate in the DRP.

## 4 Multiple holdings

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- (a) Where an Eligible Unitholder has more than one holding of Units:
- (1) each holding will be treated as separate for the purposes of the DRP, such that a separate Participation Notice must be lodged with respect to each separate holding that is to participate; and
  - (2) these Rules will apply as if each such holding were held by a separate Participant,
- unless the Board determines otherwise.
- (b) If Units are jointly held by two or more Eligible Unitholders, all joint holders of such Units must sign a single Participation Notice for it to be valid. If one or more of the joint holders of the Units is not an Eligible Unitholder, none of the joint holders can apply to participate in the DRP with respect to the Units jointly held.

## 5 Broker, trustee or nominee accounts

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If:

- (a) a unitholding account appearing in the Trust's unit register relates to a:
- (1) broker's clearing account;
  - (2) trustee; or
  - (3) nominee; and
- (b) the broker, trustee or nominee notifies the Responsible Entity:
- (1) that the relevant Units are held for a number of different persons; and
  - (2) specifies the number of Units held for each of such persons as at a particular Distribution Record Date (although the names of such persons need not be specified),

then the Board may determine that each such holding shall, as at that Distribution Record Date, be taken to represent a separate Unitholder for the purpose of the Minimum Participating Holding (if any) and the Maximum

Participating Holding (if any), and these Rules will be read and interpreted accordingly.

## 6 Application to participate

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- (a) Subject to the discretion of the Responsible Entity, an application to participate in the DRP must be made by submitting a Participation Notice in accordance with rule 19. An Eligible Unitholder's participation in the DRP will take effect in accordance with rule 19(b).
- (b) A Participation Notice validly submitted or otherwise accepted by the Responsible Entity remains in effect until:
  - (1) the Participant varies or terminates participation in the DRP under these Rules;
  - (2) the Responsible Entity terminates the DRP under rule 16; or
  - (3) the Participant ceases to be an Eligible Unitholder under rule 3, in which case the Participation Notice will become effective again if and at such time as the Unitholder recommences to be an Eligible Unitholder.

## 7 Extent of participation

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- (a) Participation may be either full or partial. A Participation Notice must specify whether the Unitholder has elected Full Participation or Partial Participation, and if Partial Participation is elected, the Participation Notice must clearly specify the number of Units that are to be Participating Units.
- (b) Full Participation means that all Units registered in the Participant's name from time to time (subject to the Maximum Participating Holding (if any)) are Participating Units. Where a Unitholder has elected Full Participation, all Units subsequently acquired and held by that Participant (whether under the DRP or otherwise) will be Participating Units, subject to:
  - (1) the Requirements;
  - (2) any later Participation Notice submitted by that Participant; and
  - (3) the Maximum Participating Holding (if any).
- (c) Partial Participation means that only the number of Units specified as participating in the Participation Notice by the Unitholder are Participating Units (subject to the Maximum Participating Holding (if any)). However, if at the relevant Distribution Record Date the number of Units held by the Participant is less than the specified number of Units, the DRP applies to the lesser number of Units (and the Participant is deemed to have lodged a Participation Notice to this effect for the relevant Distribution). This means that, where a Unitholder has elected Partial Participation, Units in excess of the number specified as participating that are subsequently acquired by that Unitholder (whether under the DRP or otherwise), will not participate in the DRP unless that Unitholder submits a further Participation Notice in accordance with rule 14.

- (d) If a Participation Notice does not, in the opinion of the Responsible Entity, clearly indicate the level of participation in the DRP, it will be deemed to be an application for Full Participation.
- (e) The Responsible Entity shall not be liable to any Eligible Unitholder for any loss, damage or claim in respect of that Eligible Unitholder's participation as a result of the operation of rules 7(b), (c) or (d).

## 8 Minimum Participating Holding and Maximum Participating Holding

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- (a) The Responsible Entity may announce a minimum permitted number of Participating Units per Participant (whether in respect of a particular Distribution or Distributions generally) from time to time by notification in the Investor Centre of Murray Goulburn's website and by notice to ASX.
- (b) The Responsible Entity may announce a maximum permitted number of Participating Units per Participant (whether in respect of a particular Distribution or Distributions generally) from time to time by notification in the Investor Centre of Murray Goulburn's website and by notice to ASX.
- (c) To the extent that a Participation Notice has specified a number of Participating Units in excess of the prevailing Maximum Participating Holding (including an election of Full Participation where the number of Participating Units would otherwise exceed that limit), for so long as the Maximum Participating Holding applies:
  - (1) the number of Participating Units for that Participant for the purposes of these Rules is deemed to be the Maximum Participating Holding; and
  - (2) any Units specified in the Participation Notice as Participating Units in excess of the Maximum Participating Holding are deemed not to be Participating Units, and any Distribution payable in respect of them will be paid by the Trust in accordance with its usual arrangements for the payment of Distributions.
- (d) To the extent that a Participation Notice has specified a number of Participating Units less than a prevailing Minimum Participating Holding (including an election of Full Participation where the number of Participating Units would otherwise be less than that limit), for so long as the Minimum Participating Holding applies:
  - (1) the number of Participating Units for that Participant for the purposes of these Rules is deemed to be zero; and
  - (2) any Units specified in the Participation Notice as Participating Units are deemed not to be Participating Units, and any Distribution payable in respect of them will be paid by the Trust in accordance with its usual arrangements for the payment of Distributions.

## 9 Reinvestment of Distributions and residual balances

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- (a) Each Distribution Payment payable to a Participant in respect of Participating Units will be applied by the Responsible Entity on the Participant's behalf in acquiring additional Units by issue or transfer in accordance with these Rules.
- (b) A Distribution payable in respect of Participating Units is not available for reinvestment under the DRP to the extent that the Responsible Entity is entitled to and does retain or otherwise deals with the Distribution in accordance with its Trust Deed or any legal requirements (including withholding tax).
- (c) The Responsible Entity will establish and maintain a DRP account for each Participant. In respect of each Distribution payable to a Participant, the Responsible Entity will:
  - (1) announce the Distribution Payment in respect of that Participant's Participating Units;
  - (2) credit the amount in rule 9(c)(1) to the Participant's DRP account, and that payment constitutes payment of the Distribution on the Participant's Participating Units;
  - (3) announce the maximum whole number of additional Units which may be acquired under the DRP at the Allocation Price by dividing the amount in the Participant's DRP account by the Allocation Price and rounding that number down to the nearest whole number;
  - (4) on behalf of and in the name of the Participant, subscribe for or purchase the number of Units determined under rule 9(c)(3) and debit the Participant's DRP account with the total of the price for the Allocated Units; and
  - (5) retain in the Participant's DRP account, without interest and on the terms set out in these Rules, any cash balance remaining (rounded down to the nearest cent) unless and until the cash balance is applied in accordance with these Rules.
- (d) Subject to rule 9(e), any residual balance in a Participant's DRP account will be aggregated with any further Distribution Payment credited to the Participant's DRP account.
- (e) Where:
  - (1) the DRP is suspended or terminated by the Responsible Entity pursuant to these Rules; or
  - (2) the Participant ceases to participate in the DRP for whatever reason, any positive residual balance in the Participant's DRP account at that time will be paid as follows:
    - (3) if the balance is greater than \$10, it will be paid to the Participant; and
    - (4) if the balance is \$10 or less, it will be paid to ShareGift Australia, following payment of the final distribution for the relevant financial year.

## 10 Price of Units

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- (a) Units are Allocated under the DRP at the Allocation Price, which is the Average Market Price of Units during the Pricing Period, less the Discount (if any) announced by the Responsible Entity. The announcement by the Responsible Entity of the Allocation Price is binding on all Participants.
- (b) The Average Market Price must be calculated by the Responsible Entity or another suitable person nominated by the Responsible Entity, by reference to information the Responsible Entity approves for that purpose from time to time.
- (c) A Discount (if any) or Pricing Period may be different from one Distribution to the next, and either may be determined or varied by announcement in the Investor Centre of Murray Goulburn's website and to ASX at any time.

## 11 Allocation of Units

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- (a) The Responsible Entity may, in its discretion, either:
  - (1) issue new Units; or
  - (2) cause existing Units to be acquired for transfer to Participants; or
  - (3) undertake any combination of the options above,to satisfy the Responsible Entity's obligations under these Rules.
- (b) If the Responsible Entity decides to cause the transfer of Units to Participants, those Units may be acquired in such manner as the Responsible Entity considers appropriate.
- (c) All Units newly issued under the DRP will, from the date of Allocation, rank equally in all respects with existing Units unless the Responsible Entity announces that they are not to participate in either or both of:
  - (1) the next Distribution paid; and
  - (2) any offer of Units open when the Units are issued under the DRP.
- (d) Units will be Allocated within the time required by ASX.
- (e) Units Allocated pursuant to the DRP will be registered on the unit register on which the Participant already holds Units or if the Participant holds Units on more than one unit register, on the unit register which the Responsible Entity determines.
- (f) Where the Units Allocated pursuant to the DRP are not quoted on ASX at the time the Allocation is effected, the Responsible Entity will, at its own cost, apply (or procure the application) for quotation of those Units on ASX within the time required by the Listing Rules.

## 12      DRP statements

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On, or as soon as practicable after, each Distribution Payment Date, the Responsible Entity must forward to each Participant a statement in a form determined by the Board detailing:

- (a)      the number of the Participant's Participating Units as at the relevant Distribution Record Date;
- (b)      the amount of the relevant Distribution Payment in respect of the Participant's Participating Units (including any amounts deducted from the Distribution payable);
- (c)      the amount (if any) in the Participant's DRP account immediately prior to the payment of the relevant Distribution;
- (d)      the number of Units Allocated to the Participant under these Rules and the date of Allocation of those Units;
- (e)      the cash balance (if any) retained in the Participant's DRP account after deduction of the amount payable on Allocation of the additional Units;
- (f)      the Participant's total holding of Units after Allocation;
- (g)      the Allocation Price of each Unit Allocated to the Participant;
- (h)      the franked amount (if any) of the Distribution Payment and the franking credit (if any) attached to the Distribution; and
- (i)      any other matters required by law to be included in the statement.

## 13      The effect of applying for participation

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By applying to participate in the DRP, the Unitholder:

- (a)      warrants to the Responsible Entity that it is an Eligible Unitholder;
- (b)      acknowledges that Distributions reinvested under the DRP will be assessable for applicable income tax in the same way as cash Distributions;
- (c)      authorises the Responsible Entity (and its officers or agents) to correct any error in, or omission from, any other notice or application contemplated by rule 19 (including, but not limited to, a Participation Notice);
- (d)      acknowledges that the Responsible Entity may at any time irrevocably determine that the applicant's Participation Notice is valid, in accordance with these Rules, even if the Participation Notice is incomplete, contains errors or is otherwise defective;
- (e)      acknowledges that the Responsible Entity may reject any Participation Notice;
- (f)      consents to the establishment of a DRP account on its behalf;
- (g)      consents to any entitlement to a fraction of a Unit produced by the calculation in rule 9(c) being dealt with in accordance with rule 9;
- (h)      agrees to the appointment of the Responsible Entity, or a nominee (including a broker or the Unit Registry) appointed by the Responsible Entity, as the Participant's agent to acquire Units on ASX where the Responsible Entity decides to Allocate Units to Participants by acquiring existing Units in

accordance with rule 11 (and for the avoidance of doubt, the applicant agrees to the Responsible Entity or its nominee taking all steps necessary to register the Units in the applicant's name, including the execution of any unit transfers required);

- (i) acknowledges that the Responsible Entity may, in its absolute discretion, arrange for the DRP to be fully or partially underwritten in respect of any one or more Distributions with one or more underwriters;
- (j) acknowledges that neither the Responsible Entity nor the Unit Registry has provided the applicant with investment advice, financial product advice or any securities recommendation concerning its decision to apply to participate in the DRP and that neither has any obligation to provide any such advice or recommendation;
- (k) acknowledges that neither the Responsible Entity nor the Unit Registry (nor any officer of the Responsible Entity or the Unit Registry) will be liable or responsible to the applicant for any loss or disadvantage suffered or incurred by the applicant as a result, directly or indirectly, of the establishment or operation of the DRP or participation in the DRP or in relation to any advice given with respect to participation in the DRP; and
- (l) unconditionally agrees to the Rules and agrees not to do any act or thing which would be contrary to the spirit, intention or purpose of the DRP or the Rules,

in each case, at all times until termination of the DRP or the cessation of the Participant's participation in the DRP.

## 14 Variation or termination of participation

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- (a) A Participant may at any time give notice to the Responsible Entity (via the Unit Registry using the Participation Notice) of the Participant's decision to:
  - (1) increase or decrease the number of Units participating in the DRP; or
  - (2) terminate the Participant's participation in the DRP.The alteration or termination takes effect in accordance with rule 19.
- (b) If a Participant increases its level of participation to Full Participation, rule 7(b) applies.
- (c) If a Participant decreases its level of participation or increases its level of participation to a level below Full Participation, rule 7(c) applies.
- (d) If a Participant dies, participation in the DRP terminates upon receipt by the Responsible Entity of written notice of the death. If a Participant is declared bankrupt or is wound-up, participation in the DRP terminates upon receipt by the Responsible Entity of a notification of bankruptcy or winding-up from the Participant or the Participant's trustee in bankruptcy or liquidator, as the case may be. The death, bankruptcy or winding-up of one or more joint holders does not automatically terminate participation provided the remaining holder or all remaining joint holders are Eligible Unitholders.
- (e) Upon termination of participation for whatever reason (including termination of the DRP under rule 16), the Responsible Entity will provide written confirmation of the termination to the Participant.

## 15 Reduction or termination of participation where no notice is given

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- (a) Where all of a Participant's Units are Participating Units and the Participant disposes of some (but not all) of those Units, then subject to rule 14(a), the remaining Units held by the Participant continue to be Participating Units.
- (b) Where only some of a Participant's Units are Participating Units and the Participant disposes of part of the Participant's total holding, then the Units disposed of are deemed not to be Participating Units. If the number of Units disposed of is more than the number of the Participant's Units not participating in the DRP, the disposal is deemed to include all the Participant's holding not participating in the DRP, and the balance (if any) will be attributed to Participating Units.
- (c) Where a Participant disposes of all its Units, the Participant is deemed to have terminated participation in the DRP with respect to the holding on the date the Responsible Entity registered a transfer or instrument of disposal of the Participant's holding.

## 16 Variation, suspension and termination of the DRP or these Rules

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- (a) The DRP or these Rules may be varied, suspended or terminated by the Responsible Entity at any time by notification in the Investor Centre of Murray Goulburn's website and by notice to ASX. For the avoidance of doubt, where the Responsible Entity has announced that the DRP will operate in respect of a Distribution, the Responsible Entity retains the discretion to suspend the DRP in respect of that Distribution at any time prior to the Distribution Payment Date.
- (b) The variation, suspension or termination takes effect upon the date specified by the Responsible Entity and the variation, suspension or termination does not give rise to any liability on the part of, or right of action against, the Responsible Entity or its officers, employees or agents.
- (c) If the DRP or these Rules are varied, a Participant continues to participate under the DRP and these Rules in their varied form unless the Participant varies or terminates its participation in the DRP by submitting a Participation Notice in accordance with these Rules.
- (d) If the DRP is suspended, an election as to participation in the DRP will also be suspended and all Units are deemed to be non-Participating Units for the purpose of any Distribution paid while the DRP is suspended.
- (e) Any suspension under rule 16(d) will continue until such time as the Board resolves to recommence or terminate the DRP.
- (f) The DRP may be reinstated following a suspension in accordance with this rule 16 by notification in the Investor Centre of Murray Goulburn's website and by notice to ASX. Upon reinstatement of the DRP, all prior elections will be reinstated and will continue to apply until a new valid Participation Notice is lodged, unless the Responsible Entity determines otherwise.

## 17 Costs to Participants

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No brokerage, commission, or other transaction costs are payable by Participants in respect of Units Allocated under the DRP and no stamp or other duties are payable, under present law, by Participants in respect of Units Allocated under the DRP. The Responsible Entity may, to the extent permitted by law, apply its funds in the payment of brokerage, commission, or other transaction costs in respect of Units Allocated under the DRP.

## 18 Taxation

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Neither the Responsible Entity nor any of its officers, employees, representatives or agents:

- (a) take any responsibility or assume any liability for, or as a consequence of, the tax liabilities of any person in connection with the DRP; or
- (b) represent or warrant that any person will gain any taxation advantage or will not incur a taxation liability or disadvantage as a result of participation in the DRP.

## 19 Applications and other notices

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- (a) Applications and notices to the Responsible Entity must be in the form prescribed by the Responsible Entity from time to time. The Responsible Entity may determine that applications and notices to the Responsible Entity may be lodged electronically either through the Investor Centre of Murray Goulburn's website or that of an authorised third party (including the Unit Registry). Any application or notice lodged electronically must comply with the applicable terms and conditions of the electronic lodgement facility.
- (b) Subject to rules 19(c) and (d), applications and notices are effective upon receipt by the Responsible Entity or the Unit Registry (as appropriate).
- (c) Unless the Board determines otherwise, applications or notices received more than one Business Day after a Distribution Record Date are not effective in respect of that Distribution but are effective in respect of subsequent Distributions.
- (d) Without limiting rule 13(c), the Responsible Entity has absolute discretion to:
  - (1) accept or reject an application or notice which is not properly completed or signed; and
  - (2) prior to acceptance, clarify with an Eligible Unitholder any instruction with respect to an application/notice in order for the application/notice to be properly completed.
- (e) The accidental omission by the Responsible Entity to give any notice under these Rules to any Unitholder, ASX or any other person will not invalidate any act, matter or thing.
- (f) For the purposes of this rule 19, an application or notice includes, but is not limited to, a Participation Notice.

## 20 General

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- (a) The Responsible Entity will record, with respect to each Participant:
  - (1) the name and address of the Participant (being the name and address in the Responsible Entity's unit register from time to time); and
  - (2) the number of Participating Units held by the Participant from time to time.
- (b) The Responsible Entity's records are conclusive evidence of the matters recorded in them.
- (c) Any power, discretion or function of the Responsible Entity under these Rules may be exercised or undertaken by the Board, and the Board may delegate any such power, discretion or function to any person.
- (d) Any Distribution payable on Participating Units which the Responsible Entity is entitled to retain as a result of a charge or lien in favour of the Responsible Entity in accordance with the Trust Deed, or other requirement of law, is not available for the purpose of participating in the DRP.
- (e) Subject to the Trust Deed, the Responsible Entity may:
  - (1) implement the DRP in the manner the Responsible Entity thinks fit; and
  - (2) settle any difficulty, anomaly or dispute which may arise either generally or in a particular case in connection with, or by reason of, the operation of the DRP or these Rules as the Responsible Entity thinks fit, whether generally or in relation to any Unitholder or DRP account or any Units, and the determination of the Responsible Entity is conclusive and binding on all relevant Unitholders and other persons to whom the determination relates.
- (f) Neither the Responsible Entity nor any officer, employee, agent or adviser of it is liable or responsible to any Unitholder or Participant for any loss or alleged loss or disadvantage suffered or incurred by them as a result, directly or indirectly, of any one or more of:
  - (1) the establishment or operation of the DRP;
  - (2) participation or non-participation in the DRP; or
  - (3) any advice given with respect to participation in the DRP by any person.
- (g) The DRP, its operation and these Rules are governed by the laws of the State of Victoria and each Unitholder submits to the jurisdiction of the Courts of that State and the Courts which may hear appeals from those Courts.
- (h) Despite anything else in these Rules, the Listing Rules prevail to the extent of any inconsistency with these Rules.