
NB Global Corporate Income Trust

LIT's IMA - Required information for ASX Listing

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1 Background

- 1.1 The ASX has considered and accepted the application to admit the NB Global Corporate Income Trust (the **LIT**) to the official list of ASX and to quote its securities, subject to the satisfaction of certain conditions precedent.
- 1.2 The LIT provides this document which summarises information relating to the LIT's Investment Management Agreement (**LIT IMA**).
- 1.3 The LIT IMA is an investment management agreement between Equity Trustees Limited as responsible entity of the LIT (**Responsible Entity**) and Neuberger Berman Australia Pty Ltd (**Manager**).
- 1.4 The following table sets out the requisite information to be provided to the ASX, in accordance with Guidance Note 26.

2 Key information

Item	Statement	Comments
1.	Summary of services to be provided by the Manager	<p>The Manager must provide:</p> <ul style="list-style-type: none"> (i) investment management services to the LIT in accordance with the investment instructions, having regard to the investment objectives as set out in the Product Disclosure Statement (PDS). In pursuit of this objective, the Manager will arrange for the LIT to invest in high yield bonds issued by large, liquid companies, located globally; and (ii) administrative support services reasonably required by the Responsible Entity to perform its role (e.g. maintain tax and statutory records or assisting with arranging any meetings of unitholders). <p>The Manager intends to have regard to the ICE BofAML Global High Yield Constrained Index (AUD Hedged Total Return) when managing the LIT (Benchmark). This Benchmark tracks the performance of U.S. Dollar, Canadian Dollar, British Pounds and Euro denominated below investment grade corporate debt publicly issued in the major domestic or Eurobond markets and limits exposure to each issuer included in the index to a maximum of 2% of the index. The Manager does not intend to track this index, but will have regard to it in managing the Portfolio.</p>
2.	The duration of the agreement and whether security holder approval is required before the responsible entity renews or extends the agreement	<p>The IMA has an initial term of 5 years, or, if approved by ASX, 10 years from the date of allotment of units in the LIT under the initial public offer made in the PDS (Initial Term).</p> <p><i>Termination by Responsible Entity</i></p> <p>The Responsible Entity may terminate the LIT IMA at any time by written notice to the Manager if:</p> <ul style="list-style-type: none"> (a) a receiver, receiver and manager, administrator or similar person is appointed to the Manager; (b) the Manager: <ul style="list-style-type: none"> (iii) goes into liquidation (other than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Responsible Entity) (iv) ceases to carry on business in relation to its activities as an Manager; or (v) breaches any provision of the LIT IMA, or fails to observe or perform any representation, warranty or undertaking given by the Manager under the LIT IMA and the Manager fails to correct such

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		<p>breach or failure within 10 business days of receiving notice in writing from the Responsible Entity specifying such breach or failure; or</p> <p>(vi) ceases to be a member of the Neuberger Berman group; or</p> <p>(c) the Manager sells the main business other than to a related body corporate unless the restructure has been approved in writing by the Responsible Entity; or</p> <p>(d) the ASX Listing Rules or other relevant law requires the LIT IMA be terminated.</p> <p><i>Termination by the Manager</i></p> <p>The Manager may terminate the IMA in the circumstances at Item 5 below.</p> <p><i>Termination 'without cause' following the Initial Term</i></p> <p>Following the Initial Term, the IMA can be terminated 3 months after an ordinary resolution of unitholders to terminate the agreement.</p>
3.	Exclusivity	<p>The Responsible Entity has appointed the Manager on an exclusive basis to be the manager of the LIT.</p> <p>The Manager may from time-to-time perform similar investment and management services for other persons.</p>
4.	A summary of the provisions that allow consideration to be paid or provided by the LIT to the Manager under the IMA and any provision that allows the consideration to be reviewed or varied over the term of the agreement	<p>The Manager is entitled to be paid a management fee of 0.70% per annum (Management Fee) of the Portfolio Value (accruing daily and payable monthly in arrears), which is calculated by multiplying the net tangible asset backing of each unit of the LIT by the total number of units on issue. This is in addition to the Manager's right to be reimbursed from the LIT for expenses incurred in acting as manager of the LIT.</p> <p>The Manager is also entitled to be paid an administration fee of 0.125% per annum (Administration Fee) of the Portfolio Value (prior to calculating and accruing for the Administration Fee). This Administration Fee is accrued daily and is payable to the Manager monthly in arrears.</p> <p>A termination fee is also payable within 20 business days to the Manager if the Manager has been removed without cause, after the Initial Term. The termination fee is calculated as:</p> <p>(a) in the case of termination by the Manager in the circumstances summarised in paragraphs 5(a) or 5(b) below, the aggregate Management Fee for a 12-month period calculated by the Portfolio Value as at the date of termination (Relevant Portfolio Value); and</p> <p>(b) in the case of termination by unitholders, the Management Fee calculated based on the Relevant Portfolio Value, multiplied by the greater of one year and the number of calendar years (or part thereof)</p>

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		remaining in a period known, for calculation purposes, as a 'Rolled Period' which refers to each rolling five year period commencing on the expiry on the Initial Term.
5.	The circumstances in which the Manager has the right to terminate the LIT IMA	<p>The Manager may terminate the LIT IMA in the following circumstances:</p> <ul style="list-style-type: none"> (a) the Responsible Entity breaches and fails to remedy any provision of the LIT IMA, or fails to observe or perform any representation, warranty or undertaking under the LIT IMA within 10 business days of receiving notice in writing from the Manager specifying such breach or failure; (b) if a person (alone or together with the person's associates) other than the Manager or an Associate of the Manager acquires a relevant interest in the Units of the LIT where, because of the acquisition, that person's or some else's voting power in the LIT exceeds 50%; or (c) following the Initial Term, giving the Responsible Entity not less than 3 months' written notice of termination. <p>Other termination rights are discussed at Item 2 above.</p>
6.	How the LIT proposes to manage its assets or business if the LIT IMA is terminated before its scheduled expiry	<p>If the LIT IMA is terminated prior to the end of the term of the LIT IMA, the Responsible Entity will allow the Manager to deal with the portfolio of the LIT for up to 30 business days from the effective date of termination in order to vest control of the portfolio in the Responsible Entity (or as the Responsible Entity may otherwise direction writing) and during that time the Manager:</p> <ul style="list-style-type: none"> (a) subject to the consent of the Responsible Entity, may enter transactions to settle or otherwise extinguish or offset obligations incurred by or on behalf of the Responsible Entity or the Manager in relation to the portfolio before that date; (b) must, with respect to obligations not capable of settlement before transfer of the portfolio, create provision for such contingent liability as will arise, notify the Responsible Entity of that provision, and the Responsible Entity must use reasonable endeavours to procure that the custodian holds sufficient assets of the portfolio to satisfy that liability; (c) may instruct the custodian (directly or if an administrator has been appointed, indirectly through the administrator) to deduct from the portfolio costs, charges and expenses due to the date on which the transfer of the portfolio is effected if, after giving 10 business days' notice to the Responsible Entity of its intention to so direct the custodian, the Responsible Entity has not objected, and all charges and expenses incurred in the actions

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		<p>envisaged by this clause;</p> <p>(d) must deliver to the Responsible Entity (or as the Responsible Entity reasonably directs) all records which may reasonably be required by the Responsible Entity in respect of the portfolio; and</p> <p>(e) may deal with the portfolio in accordance with instructions from a new manager appointed by the Responsible Entity.</p> <p>The Responsible Entity must take all necessary steps to facilitate the transfer of the portfolio from the Manager.</p>
7.	Whether security holder approval is required, or will be sought, for any amendment to the LIT IMA	The LIT IMA provides that it may be amended in writing by the parties to the LIT IMA unless an amendment to the LIT IMA is material, in which case the amendment must be approved by a resolution passed by unitholders of the LIT at a general meeting of the LIT or the amendment must be conditional on such approval.
8.	The powers and discretions retained by the LIT under the LIT IMA (including, in particular, whether the board of the entity is required to approve any acquisition or disposal of assets proposed by the Manager)	<p>(a) The Manager requires the consent of the Responsible Entity to:</p> <p>(i) delegate any of its discretionary management powers under the LIT IMA to entities other than Neuberger Berman Investment Advisers, LLC, a Delaware limited liability company, and Neuberger Berman Europe Limited, a UK private limited company – both of which are affiliates of the Manager;</p> <p>(ii) charge or encumber in any way (other than as arises by lien in the ordinary course of business, by statutory charge or in connection with borrowing for short-term liquidity purposes as described in the PDS) any asset in the portfolio;</p> <p>(iii) enter into derivatives (other than derivatives held for hedging purposes in relation to non-Australian dollar foreign currency and interest rates hedging purposes) in relation to the LIT;</p> <p>(iv) perform any broking function in relation to the portfolio or appoint any broker to act on behalf of the Responsible Entity in relation to the portfolio, other than a broker or counterparty appearing on an approved list previously agreed between the Manager and the Responsible Entity;</p> <p>(v) enter into any derivative contract or any transaction involving leverage on behalf of the Responsible Entity or the LIT unless the liability</p>

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		<p>of the Responsible Entity is limited by what the Responsible Entity actually receives under its right of indemnity against the LIT; or</p> <p>(vi) engage, or engage a third party to engage, in securities lending in relation to the portfolio (in which case the Manager must provide a copy of the proposed policy and any set limits to the Responsible Entity for its approval). The Manager does not intend to engage in securities lending.</p> <p>(b) The Responsible Entity consents to the Manager acting in the acquisition and disposal of assets on behalf of other persons and authorises the Manager to deal with all or part of the portfolio and any other funds managed by the Manager as an undivided whole subject to the Manager maintaining (or causing the custodian to maintain) systems and records that distinguish the portfolio from the property of any other person.</p>
9.	If the Manager is empowered to engage a related party to provide ancillary services (for example to provide brokerage or advisory services in relation to any acquisition or disposal of assets), what processes will be in place to ensure that this power is properly exercised and that any fees charged to the entity for the provision of those ancillary services are appropriate and reasonable	<p>(a) The Responsible Entity consents to the Manager investing in, dealing with or engaging the services of the Manager's related bodies corporate, provided that this is done in the ordinary course of business and on arm's length terms.</p> <p>(b) The Manager must comply with the Manager's policy regarding the receipt by the Manager or by an associate or a related body corporate of the Manager, of benefits in the nature of soft dollar receipts, in relation to the investment or management of the LIT. The Manager must provide a copy of the above policy to the Responsible Entity upon request.</p> <p>(c) A related party to the Manager may only charge fees, brokerage and commissions if and only if they are in the ordinary course of business and either on arm's length terms or on terms that are more favourable to the Responsible Entity than arm's length terms. Where fees are paid or payable from the LIT to the Manager's related body corporate, the fee otherwise payable to the Manager under the IMA will be reduced by such amount, except where the Manager bears the fee itself.</p> <p>(d) Under the LIT IMA, the Manager is also required to account to the Responsible Entity on request for any monetary benefits, fees or commissions received by the Manager or any related body corporate of the Manager in relation to the investment of the assets of the LIT.</p>
10.	What processes will be in place to manage	<p>(a) Under the LIT IMA, the Manager may invest in or deal with the Manager's related bodies corporate or other divisions</p>

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	the potential conflicts if the Manager proposes to the LIT that it acquire assets from, or dispose of assets to, the Manager or an associate of the Manager	<p>of the Manager engaged in separate business activities. The Manager has policies and procedures in place to manage any potential conflicts of interest. Any fees, brokerage and commissions may only be charged by the Manager's related bodies corporate if they are engaged in the ordinary course of business and either on arm's length terms or on terms that are more favourable to the Responsible Entity than arm's length terms.</p> <p>(b) The Manager has entered into an Investment Advisory Agreement with each of the Investment Advisers, Neuberger Berman Europe Limited and Neuberger Berman Investment Advisers LLC (together, "Investment Advisers"). The Investment Advisers have been delegated certain investment management duties in relation to the LIT (including foreign currency hedging).</p> <p>(c) To protect the confidentiality of information relating to the LIT, the LIT IMA prohibits the Manager from using the LIT's information for any purpose other than to perform its role as the LIT's Manager. The Investment Advisers have also provided various confidentiality undertakings in the Investment Advisory Agreements which:</p> <ul style="list-style-type: none"> (i) effectively prohibits the Investment Advisers from using the LIT's information for any purpose other than in their roles in relation to the LIT; and (ii) requires the Investment Advisers to take all reasonable, proper and effective precautions to maintain the confidential nature of the LIT's information. <p>(d) The Manager and the Investment Advisers are related parties of each other due to being indirectly controlled by Neuberger Berman Group LLC. Each of NB Europe and NB Investment Advisers is permitted under its Investment Advisory Agreement to sub-contract the performance of its services to affiliates. Refer to section 14.5 ('<i>Related Party Transactions and Conflicts of Interest</i>') of the PDS for more information.</p>