FSC Standard No. 30

Private Markets Best Practice Principles

19 August 2026

FSC FINANCIAL SERVICES COUNCIL

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FSC Membership this Standard is most relevant to:	This Standard applies to full FSC Members that manage, operate or exercise primary investment management, governance or risk management responsibilities within private markets. For the purpose of this Standard they are defined as Private Market Managers (being a responsible entity, trustee, investment manager or equivalent decision-making or controlling entity).
Date of this version (and commencement):	This Standard is mandatory for FSC Full Members from 1 July 2027. Earlier compliance is encouraged. There are no previous versions of this Standard.
Main Purposes of this Standard:	The purpose of this Standard is to establish mandatory governance, valuation, liquidity, leverage, conflicts management, credit risk, disclosure and transparency principles for FSC fund management and superannuation members.
To be read in conjunction with:	Guidance Note 57: Private Markets Best Practice Guidance
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1. Introduction

1.1 Citation

1.1.1 This Standard may be cited as FSC Standard No. 30: Private Markets Best Practice Principles.

1.2 Purpose

1.2.1 The purpose of this Standard is to establish mandatory governance, valuation, liquidity, leverage, conflicts management, credit risk, disclosure and transparency principles for FSC Members operating private markets strategies.

1.2.2 This Standard is intended to:

(a) promote robust governance and risk management practices in private markets;

(b) support fair and transparent investor outcomes;

(c) strengthen confidence in Australia's private capital markets;

(d) support greater consistency, comparability and alignment across private markets; and

(e) provide a clear and enforceable industry framework for private markets best practice.

1.3 Application

1.3.1 This Standard has been prepared for FSC Full Members that manage, operate, or exercise primary investment management, governance or risk management responsibility in respect of private markets strategies.

1.3.2 For the purposes of this Standard, such Members are referred to as Private Markets Managers, as defined in *Section 2 – Definitions*.

1.3.3 Where a Private Markets Manager manages a Private Markets Fund that primarily invests in private credit assets, that Member will also meet the definition of a Private Credit Manager, and the additional provisions applicable to Private Credit Managers will apply.

1.3.4 Further scope provisions are set out in *Section 3 – Scope and Commencement*.

1.4 Relationship with Guidance Note

1.4.1 *FSC Guidance Note No. 57: Private Markets Best Practice Guidance* (Guidance Note 57) has been developed to assist Private Markets Managers in applying this Standard.

1.4.2 Guidance Note 57 provides explanatory material, practical guidance and examples of approaches that may support the objectives of this Standard.

1.4.3 Guidance Note 57 does not form part of the requirements of this Standard and is not subject to annual attestation.

1.4.4 A Private Markets Manager is not required to adopt the approaches described in the Guidance Note and may adopt alternative approaches, provided those approaches are reasonably designed to achieve the objectives of this Standard.

1.5 Interaction with Law

1.5.1 This Standard does not replace legal obligations.

1.5.2 Members must comply with all applicable legislation, regulatory instruments and regulatory guidance.

1.5.3 To the extent of any inconsistency between this Standard and applicable law, regulatory instruments or regulatory guidance, the law, instruments or guidance (as applicable) prevail.

2. Definitions

For the purposes of this Standard:

Board

Means the Board of Directors of the trustee, responsible entity, Private Markets Manager or other relevant governing body, as applicable.

FSC Full Member

Means a registered full member of the Financial Services Council

Fund

Means a managed investment scheme, trust, partnership, company or other collective investment structure.

Governance Committee

Means the Board, or a committee, forum or other governance body to which the Board has delegated authority or responsibility, and that has primary responsibility for oversight, governance, review and/or decision-making in relation to a Private Markets Manager's activities, or its Private Market Fund(s) or the obligations under this Standard.

In multi-entity arrangements, including structures involving a responsible entity, trustee, investment manager or affiliated entity, the relevant Governance Committee is the Board, or the Board-delegated body, with primary responsibility for the matter under the applicable governance arrangements.

For the avoidance of doubt, a Governance Committee does not need to be a separately constituted committee established solely for the purposes of this Standard.

Independent

Means, in relation to a function, person or governance arrangement, able to exercise objective judgement and effective challenge, free from material undue influence or conflicts of interest that are not capable of being properly managed.

Independence may be achieved through a combination of structural, procedural or analytical mechanisms, including separation of responsibilities, governance oversight, independent inputs, third-party review or other controls, and does not require a specific organisational structure.

Indirect Investment Structure

Means a structure through which a Private Markets Manager obtains exposure to Private Market Assets through a feeder fund, Fund-of-Funds, secondaries, multi-manager, delegated investment mandate-based or similar arrangement, where the Private Markets Manager otherwise does not exercise direct control over the underlying assets.

Material

Means an exposure, event or matter that could reasonably be expected to influence investor decision-making.

Private Credit

Means lending activities conducted through private market structures where debt instruments, loans, credit exposures or similar financing arrangements are not publicly traded.

For the avoidance of doubt, Private Credit may include privately negotiated lending, credit or financing exposures, including warehouse facilities and exposures to securitisation vehicles, where those exposures are not publicly traded or widely issued publicly.

Private Credit does not include ordinary lending activities conducted by an authorised deposit-taking institution in its capacity as a balance-sheet lender outside a Private Markets Fund.

Private Credit Fund

Means a Private Markets Fund that primarily invests in Private Credit.

Private Credit Manager

Means a Private Markets Manager whose Private Markets Fund is a Private Credit Fund.

Where this Standard contains provisions expressed to apply specifically to a Private Credit Manager, those provisions apply only to FSC Full Members meeting this definition.

Private Market Assets

Means investments in unlisted or privately negotiated assets and strategies, including private credit, private equity, infrastructure, real assets, private asset-backed or securitised exposures, and similar investments, that are not traded on a public market or are otherwise subject to limited public price discovery.

Private Markets Fund

Means a Fund domiciled in Australia that primarily invests in Private Market Assets.

For the avoidance of doubt, this definition includes closed-end, open-end and evergreen structures, co-investment structures, special purpose vehicles established in connection with a broader private markets strategy, funds-of-one, bespoke or single-investor vehicles, and mandate-based or segregated account arrangements where the Private Markets Manager exercises primary investment management, governance or risk management responsibility in respect of Private Market Assets.

Private Markets Manager

Means an FSC Full Member acting in the capacity of:

- Responsible entity;
- Trustee;
- Investment manager; or
- Any equivalent decision-making or controlling entity,

where that entity has primary responsibility for investment decisions, risk management or governance oversight of the Private Markets Fund.

Note: A Private Markets Manager may be a responsible entity, trustee, investment manager or other equivalent entity. References to a Private Markets Manager should be read by reference to the capacity in which the FSC Full Member acts in relation to the relevant Private Markets Fund.

Redemption Rights

Means the contractual ability of an investor to redeem, withdraw or otherwise realise their interest in a Fund prior to termination of the Fund.

Related Party

Means a person or entity that is related to the Private Markets Manager or a Private Markets Fund within the meaning of applicable law or accounting standards, or otherwise capable of a controlling influence over investment, governance or commercial arrangements.

3. Scope and Commencement

3.1 Scope of Standard

3.1.1 This Standard applies to FSC Full Members that meet the definition of a Private Markets Manager under *Section 2 - Definitions*.

3.1.2 A Private Markets Manager must apply this Standard in respect of each Private Markets Fund for which it has primary investment management, governance or risk management responsibility, where the Private Markets Fund is domiciled in Australia.

3.1.3 Where a Fund does not primarily invest in Private Market Assets but has a meaningful allocation to Private Market Assets, this Standard applies only to the Private Markets Manager's applicable governance, valuation, liquidity, leverage, conflicts, credit risk, distribution and disclosure practices in respect of those Private Market Assets, to the extent relevant.

3.1.4 This Standard does not apply to an FSC Full Member solely in its capacity as an investor, platform operator, IDPS operator, investment menu provider, access provider, financial adviser, investment consultant, research provider, asset consultant or other advisory or access provider, where it does not exercise primary investment management, governance or risk management responsibility for the relevant Private Markets Fund or Private Market Assets.

Note: Platform trustees and operators may be subject to separate governance expectations under *FSC Standard No. 31 Wrap Superannuation Platform Trustee Investment and Adviser Governance Principles: Standard and Better Practice Guidance* where relevant. This Standard does not impose manager-level obligations on an FSC Full Member solely because it distributes, provides access to, or makes available a Private Markets Fund, where it does not exercise primary investment management, governance or risk management responsibility for the relevant Private Markets Fund or Private Market Assets.

3.1.5 Nothing in this Standard prevents an FSC Full Member from adopting governance or risk management practices that exceed the principles set out in this Standard.

3.2 Date of Issue

3.2.1 This Standard was approved on 19 August 2026 and first issued on 26 August 2026.

3.3 Effective Date

3.3.1 This Standard should be applied on or after 1 July 2027. Earlier application of the Standard is permitted and highly encouraged.

3.4 Application - General Principles

3.4.1 This Standard applies as relevant to the specific circumstances, including but not limited to the size, scale, complexity, level of control over underlying assets, investor base, information rights and structural characteristics of the Private Markets Manager's private markets activities and Private Markets Funds.

3.4.2 This Standard is not intended to require uniform product design, investment strategy or liquidity terms across different Private Markets Funds. It is intended to support governance, risk management and disclosure practices that reflect the structure, investor base and risk profile of each Private Markets Fund.

3.4.3 In applying this Standard, a Private Markets Manager must have regard to its role in relation to the relevant Private Markets Fund, including whether it exercises direct control over underlying assets or operates through oversight of external managers, service providers or underlying vehicles.

3.4.4 Where responsibilities in relation to a Private Markets Fund are allocated between a trustee, responsible entity, investment manager, investment adviser or other service provider, a Private Markets Manager is required to apply this Standard having regard to the functions it performs or controls, and its role, level of control and information rights.

3.4.5 Where relevant functions are performed by another person, including an investment manager that is not an FSC Full Member, the Private Markets Manager may satisfy the relevant principles through appropriate appointment, due diligence, contractual arrangements, oversight, reporting and escalation arrangements.

3.4.6 Where an investment held by a Private Markets Fund ceases to be publicly traded or otherwise becomes a Private Market Asset, the Private Markets Manager must apply this Standard to that asset to the extent relevant and reasonably practicable, having regard to the nature, materiality and circumstances of the holding.

3.4.7 Where disclosure, reporting, due diligence, governance or oversight arrangements or investor communications are addressed in commercially negotiated investor arrangements involving professional investors within the meaning of section 9 of the *Corporations Act 2001* (Cth), the Private Markets Manager may determine the form, frequency, content or delivery of those materials in a manner that reflects those arrangements, the investor's agreed information rights and the investor's capacity to assess the relevant risks. Any such approach should be limited to the matters addressed by those arrangements, remain consistent with the relevant objectives of this Standard, and be documented where material to the Private Markets Manager's application of this Standard.

3.4.8 Unless this Standard specifies a particular threshold or requirement, a Private Markets Manager may apply materiality thresholds, escalation triggers and risk tolerances through its documented policies, frameworks or governance arrangements, having regard to the nature, scale, complexity, structure, investor base, information rights and risk profile of the relevant Private Markets Fund. These thresholds, triggers and tolerances should be subject to appropriate governance oversight and periodic review and should not be used to exclude a Private Markets Fund from scope, avoid the relevant objectives of this Standard, or prevent disclosure or escalation of matters that are Material.

3.5 Application to Indirect Investment Structures

3.5.1 Where a Private Markets Fund is an Indirect Investment Structure, the obligations of the Private Markets Manager under this Standard apply having regard to its role, level of control and information rights in respect of the underlying fund or vehicle. Unless otherwise specified, where a provision of this Standard requires a Private Markets Manager to maintain arrangements, produce information or take action in respect of a Private Markets Fund that is an Indirect Investment Structure, that obligation may be satisfied through due diligence, monitoring, oversight, review of reporting and escalation arrangements directed at the underlying fund manager. The Private Markets Manager can have regard to the extent that direct compliance is not reasonably practicable given the Private Markets Manager's role, level of control and information rights.

3.5.2 Where specific information required by this Standard is not reasonably available to the Private Markets Manager due to the structure of, or the Private Market Manager's role, level of control and information rights with respect to, the Indirect Investment Structure, the relevant obligation may be satisfied using underlying manager reporting, aggregated data, estimates or other available information, provided the underlying objective of the obligation is achieved. The Private Markets Manager should disclose to investors, where material, any limitations in the information available to it arising from the structure of the Indirect Investment Structure. Where an existing Indirect Investment Structure was established prior to the commencement of this Standard and does not provide the information rights necessary to support full compliance with a particular obligation, the Private Markets Manager should apply this Standard to the extent reasonably practicable having regard to those existing arrangements, and should document the limitation and its approach to managing compliance.

3.6 Offshore Investments and Equivalent Frameworks

3.6.1 This Standard applies to Private Markets Funds domiciled in Australia where the Private Markets Manager is a Full FSC Member.

3.6.2 This Standard does not require offshore funds or vehicles that are not managed, operated or controlled by an FSC Full Member to attest to its provisions.

3.6.3 Where a Private Markets Manager, with respect to the underlying vehicle or relevant investment management, governance, risk management or disclosure function, reasonably determines that an offshore regulatory, governance or disclosure framework imposes requirements that are substantively equivalent to, or more rigorous than, the relevant objectives of this Standard, the Private Markets Manager may attest to compliance with this Standard by confirming compliance with that offshore framework.

3.6.4 In giving consideration to offshore funds, offshore underlying vehicles, or indirect investment structures, a Private Markets Manager may take into account the equivalence of the regulatory, governance and disclosure frameworks applicable to those vehicles in their jurisdiction of domicile, including when determining the appropriate level of oversight required.

3.6.5 The Private Markets Manager must maintain oversight arrangements reasonably designed to assess whether the objectives of this Standard are being met, having regard to its role, level of control and/or information rights.

3.7 Attestation of Compliance

3.7.1 As per *FSC Standard No. 1: Code of Ethics and Code of Conduct*, FSC Full Members must submit to the FSC a statement as to their compliance with relevant Standards each year.

3.7.2 A Private Markets Manager's attestation must reflect its compliance with this Standard having regard to the scope and application principles set out in this Section.

3.7.3 Attestation may be undertaken on a targeted and material basis and does not require a separate assessment across every Private Markets Fund, strategy or mandate where a common framework or approach is used.

3.7.4 The FSC may, from time to time, conduct reasonable enquiries to understand how this Standard is being applied in practice. Any such review will maintain strict confidentiality and reporting will be conducted on an anonymous basis. The FSC expects that FSC Members will co-operate with any such enquiry.

3.8 Periodic Independent Review

3.8.1 A Private Markets Manager should consider whether periodic independent review or assurance of its governance, valuation, liquidity, leverage, conflicts, credit risk, distribution and disclosure arrangements is appropriate, having regard to the size, scale, complexity, investor base, conflicts profile and risk characteristics of its Private Markets Funds and activities. Where a Private Markets Fund is an Indirect Investment Structure, the Private Markets Manager may rely on the underlying fund manager's determination as to whether a periodic independent review is to be undertaken at the underlying fund level. To the extent that the Private Markets Manager is entitled to receive the reporting or conclusions of any such review as part of its information rights, the Private Markets Manager may consider that reporting or those conclusions as satisfying the requirements of this clause to the extent relevant.

3.8.2 A Private Markets Manager should retain records of the rationale for its approach to periodic independent review or assurance.

4. Governance and Accountability

4.1 Governance Framework

4.1.1 A Private Markets Manager should maintain documented governance arrangements reasonably designed and implemented to support effective oversight of its Private Markets Funds and the application of this Standard. For Private Markets Funds that are Indirect Investment Structures, governance arrangements should contemplate ongoing oversight and monitoring of the underlying fund manager, rather than direct governance of underlying assets.

4.1.2 Governance arrangements should reflect the nature, scale, complexity, structure, investor base and risk profile of the Private Markets Manager's private markets activities.

4.1.3 A Private Markets Manager should apply its governance framework and related risk management arrangements in a manner that supports fair investor outcomes, gives appropriate priority to investor interests, and promotes outcomes consistent with the Fund's stated objectives and material characteristics.

4.2 Oversight and Effective Challenge

4.2.1 A Private Markets Manager should maintain arrangements that support effective oversight and challenge of material decisions affecting Private Markets Funds. For Private Markets Funds that are Indirect Investment Structures, effective oversight and challenge may be achieved through monitoring of the underlying fund manager's governance arrangements, review of underlying manager reporting, due diligence and escalation processes.

4.2.2 Oversight and challenge arrangements should have regard to potential conflicts between investment origination, asset management, valuation, liquidity management, leverage, credit risk management and investor disclosure.

4.3 Documentation and Escalation

4.3.1 A Private Markets Manager should maintain records sufficient to demonstrate the operation of its governance arrangements, including material decisions, approvals, escalation and challenge. For Private Markets Funds that are Indirect Investment Structures, documentation may consist of governance and oversight materials, including due diligence files, committee papers and records of escalation, rather than asset-level governance records.

4.3.2 Material risk events should be escalated through documented governance channels in a timely manner. For Private Markets Funds that are Indirect Investment Structures, material risk events identified through underlying manager reporting, investor communications or other available information should be escalated through the Private Markets Manager's own governance channels, having regard to its role and information rights.

5. Fees, Distribution and Investor Transparency

5.1 Disclosure Principles

5.1.1 A Private Markets Manager should provide investors with clear, accurate, timely and meaningful disclosure sufficient to support informed investment decisions.

5.1.2 Disclosure should enable investors to understand the material structure, exposures, risks, fees, costs and economic features of the Private Markets Fund, including where the Fund obtains exposure through SPVs, warehouse structures, interposed vehicles, offshore vehicles, related-party arrangements or other layered structures.

5.1.3 Where specific information cannot reasonably be disclosed, a Private Markets Manager may provide disclosure on an aggregated, anonymised, estimated, ranged or qualitative basis, provided the disclosure remains clear, meaningful and not misleading.

5.1.4 Disclosure should address, where material and relevant:

(a) the Private Markets Manager’s role, experience and investment strategy;

(b) the Fund structure, including the material use of SPVs, warehouse structures, interposed vehicles, offshore vehicles, feeder funds or other layered structures;

(c) the key risks of the Fund and relevant private markets strategy;

(d) governance and oversight arrangements;

(e) valuation practices and material valuation uncertainty;

(f) liquidity structure, Redemption Rights and liquidity management tools;

(g) leverage and refinancing risk;

(h) credit risk, including how investors will be updated in respect of the health of the loan book for Private Credit Funds;

(i) conflicts of interest and Related Party arrangements;

(j) the source, sustainability and characterisation of distributions; and

(k) material limitations in the availability, reliability or comparability of information.

5.1.5 Disclosure and investor reporting should use clear and consistent terminology for key terms, metrics and classifications that are material to investor understanding. Where a Private Markets Manager uses a term, metric or classification in investor disclosure, investor reporting or marketing materials, the basis on which it is used should be clear to investors and applied consistently in the relevant context.

5.1.6 A Private Markets Manager may use fund-specific definitions, underlying manager definitions, offshore framework definitions, or definitions agreed through negotiated commercial arrangements with institutional or sophisticated investors, where appropriate having regard to the Fund, underlying asset documentation, investor base, information rights or agreed investor arrangements. Where those definitions are materially different from common market usage or the model definitions in *Guidance Note 57*, the Private Markets Manager should explain the definition to investors where reasonably necessary to support investor understanding, including any material limitations on comparability.

5.2 Transparency of Fees, Costs and Economic Benefits

5.2.1 A Private Markets Manager should provide clear and meaningful disclosure of all material fees, costs and economic benefits associated with a Private Markets Fund.

5.2.2 Disclosure should enable investors to understand the nature of material fees, costs and economic benefits, who receives them, and how they may affect investor returns.

5.2.3 Fund structures, SPVs, warehouse structures, interposed vehicles, Related Party arrangements or restructures should not be used in a manner that is intended to obscure material fees, costs, risks, conflicts or economic benefits from investors.

5.2.4 Disclosure under this section is only required to the extent the relevant information is reasonably available to, or within the knowledge or control of, the Private Markets Manager, having regard to its role, level of control, information rights and the structure of the Private Markets Fund.

5.2.5 For Private Credit Funds, disclosure should address material borrower-paid fees, credit-related income, net interest margin arrangements and other economic benefits retained by the Private Credit Manager or its related entities.

5.2.6 Where fund structures, SPVs, interposed entities or related-party arrangements materially affect fee or economic benefit flows, disclosure should enable investors to understand the nature and effect of those arrangements.

5.2.7 Fee and cost disclosure may be provided through quantified, estimated, ranged, aggregated or descriptive disclosure, having regard to the Private Markets Fund, investor base, available information, materiality, confidentiality and commercial sensitivity.

5.3 Distribution and Marketing

5.3.1 A Private Markets Manager should ensure that distribution and marketing practices for Private Markets Funds are consistent with applicable law, the Fund's disclosed investment strategy, risk profile and, where applicable, target market.

5.3.2 A Private Markets Manager should not engage in marketing or distribution practices that are inconsistent with applicable law, the Fund's target market determination where applicable, or the Fund's disclosed investment strategy and risk profile.

5.3.3 Where substantial defaults, material impairments, suspended redemptions, material liquidity stress or other material risk events arise, the Private Markets Manager should consider whether distribution, marketing, investor disclosures and communications remain appropriate, and whether any further action is required.

5.3.4 For Private Markets Funds that are Indirect Investment Structures, the Private Markets Manager should apply its monitoring and escalation arrangements to identify material risk events (as that concept is defined by the Private Markets Manager) at the underlying fund or manager level, having regard to its role, level of control and information rights. This may include reviewing underlying manager reporting, notices and investor communications, and escalating material matters through the Private Markets Manager's own governance channels. Where a material risk event comes to the Private Markets Manager's attention, it should consider whether its own distribution, marketing, investor disclosures and communications in respect of the Private Markets Fund remain appropriate.

5.4 Investor Reporting

5.4.1 A Private Markets Manager should provide investor reporting that supports investor understanding of a Private Markets Fund's performance, risks and material changes over time.

5.4.2 Investor reporting should use clear and consistent terminology and, where relevant, appropriate classifications or identifiers to support investor understanding and comparability, including sector, industry, geographic, asset type, collateral type, borrower type, instrument type or other relevant classifications.

5.4.3 For Private Credit Funds, investor reporting should support the credit transparency principles in *Section 8 - Private Credit - Credit Risk Management*, including investor understanding of material credit risk and default experience.

5.4.4 For Private Markets Funds that are Indirect Investment Structures, investor reporting may be based on underlying manager reporting, including underlying manager data, classifications and reporting formats. The Private Markets Manager should contextualise that reporting for its own investors, having regard to the Fund's structure, investor base, role, level of control and information rights. For Private Credit Funds, this may include reporting on material credit risk and loan book health at an aggregated underlying fund, manager or portfolio level, without loan-level reporting where that information is not reasonably available to the Private Credit Manager.

5.4.5 Where material look-through information is not reasonably available, investor reporting should identify the relevant limitation and, where reasonably necessary to support investor understanding, provide information on an aggregated, estimated, ranged or qualitative basis.

6. Valuation Governance

6.1 Valuation Framework

6.1.1 A Private Markets Manager should maintain documented valuation arrangements for Private Market Assets that are reasonably designed to support fair, consistent and transparent valuation outcomes.

6.1.2 Valuation arrangements should reflect the nature, scale, complexity, structure and investor base of the Private Markets Fund, and should have regard to the characteristics of the relevant Private Market Assets and the information reasonably available to the Private Markets Manager.

6.1.3 Valuation arrangements should:

(a) identify the valuation methodologies, recognised valuation or accounting standards, basis of value, valuation date and key assumptions applied, having regard to the asset class, Fund structure and purpose of the valuation;

(b) support and identify appropriate valuation frequency having regard to the Fund structure, asset characteristics, investor base and any subscription or redemption arrangements;

(c) identify circumstances that may require valuation reassessment outside normal valuation cycles;

(d) address material limitations in valuation inputs, including stale data, incomplete data, limited observable market inputs or significant assumptions; and

(e) support appropriate documentation of material valuation judgements.

6.2 Independence and Challenge

6.2.1 Valuation processes should be subject to appropriate independence, oversight and effective challenge, having regard to the structure, scale and complexity of the Private Markets Manager and its Private Markets Funds.

6.2.2 Independence may be supported through a range of structural, functional, procedural or analytical controls, including governance oversight, independent inputs, separation of responsibilities, review or challenge processes.

6.2.3 A Private Markets Manager should consider whether external valuation, independent valuation review or other independent input is required where valuation uncertainty is elevated, conflicts of interest are present, or the valuation is material to investor outcomes.

6.2.4 Personnel responsible for originating, acquiring, disposing of or managing Private Market Assets should not have sole authority to approve valuations for those assets.

6.2.5 A Private Markets Manager should apply valuation methodologies and key assumptions consistently across Private Markets Funds holding comparable exposures.

6.2.6 For Indirect Investment Structures, valuation should be determined by reference to net asset values, valuation statements or other valuation information provided by the underlying manager or vehicle, supported by appropriate initial due diligence of the underlying manager and their valuation processes and ongoing monitoring of valuations, having regard to the Private Markets Manager's level of control and information rights.

6.2.7 For Indirect Investment Structures, valuation oversight should be supported by due diligence, review of underlying manager or vehicle valuation information, and ongoing monitoring, having regard to the Private Markets Manager's role, level of control and information rights. The Private Markets Manager is not required to re-perform underlying asset-level valuations where it does not control the underlying assets or have the necessary information rights.

6.3 Valuation and Investor Fairness

6.3.1 Where a Private Markets Fund offers Redemption Rights, valuation arrangements should be designed and operated in a manner that supports fair and equitable outcomes between transacting and remaining investors.

6.3.2 Where redemption frequency differs from the valuation cycle, a Private Markets Manager should maintain appropriate controls, pricing methodologies or governance arrangements to support fair redemption pricing.

6.3.3 For Private Credit Funds, valuation refers to the value of the credit exposure, loan or similar instrument held by the Fund. The value of underlying collateral or security may be a relevant input into that assessment but is not, of itself, the valuation of the Fund's credit exposure.

7. Liquidity Risk Management

7.1 Liquidity Risk Management Framework

7.1.1 Where a Private Markets Fund offers Redemption Rights, a Private Markets Manager should maintain documented liquidity risk management arrangements that are reasonably designed to support fair and orderly operation of those Redemption Rights.

7.1.2 Liquidity arrangements should reflect the nature, scale, complexity, structure, investor base, asset cashflows and liquidity profile of the Private Markets Fund.

7.1.3 Liquidity arrangements should:

(a) have regard to the liquidity characteristics of underlying assets and the Fund as a whole;

(b) support alignment between Redemption Rights and the Fund's liquidity profile;

(c) identify the liquidity management tools available under the Fund's governing documents;

(d) support monitoring and escalation of material liquidity stress; and

(e) be consistent with investor disclosures (where relevant).

7.2 Redemption Rights and Investor Position

7.2.1 A Private Markets Manager should ensure that investors are provided with clear and meaningful information about their Redemption Rights and their practical liquidity position within the Private Markets Fund.

7.2.2 Any limitations, discretion or differences in liquidity rights, priority or treatment should be clearly disclosed and applied consistently with the Private Markets Fund's governing documents.

7.3 Liquidity Monitoring and Stress

7.3.1 A Private Markets Manager should maintain liquidity monitoring arrangements appropriate to the Private Markets Fund's Redemption Rights, liquidity profile, asset cashflows and available information.

7.3.2 Where a Private Markets Fund offers Redemption Rights and liquidity risk is material, the Private Markets Manager should maintain liquidity stress-testing arrangements appropriate to the Fund's structure, Redemption Rights, asset liquidity, cashflows, available information and the Private Markets Manager's role, level of control and information rights.

7.3.3 Where asset-level information is not reasonably available, liquidity monitoring and stress testing may be based on underlying manager reporting, reasonable assumptions, available information and appropriate proxies, having regard to the Private Markets Fund's structure and the Private Markets Manager's level of control and information rights.

7.4 Distributions

7.4.1 A Private Markets Manager should ensure that distribution practices are consistent with the Private Markets Fund's governing documents, disclosed investment strategy and investor communications.

7.4.2 Distributions should not be presented as income or yield where they are funded from investor capital, borrowings or new investor subscriptions.

7.4.3 Where material defaults, impairments, liquidity stress or other material risk events may affect the sustainability of distributions, the Private Markets Manager should assess whether distributions remain supportable, and whether investor communications remain accurate and appropriate.

8. Fund Leverage and Refinancing Risk

8.1 Leverage Framework

8.1.1 A Private Markets Manager should maintain arrangements to identify, monitor and govern leverage and structural borrowing arrangements that materially affect, or may reasonably be expected to affect, Fund-level risk, liquidity, valuation, refinancing risk, distributions, redemptions or investor outcomes.

8.1.2 Leverage arrangements should be considered having regard to the structure of the Fund, the purpose of the borrowing, the source of repayment, the maturity profile and the potential impact on investors.

8.1.3 This Section is not intended to capture ordinary-course asset-level financing or inter-entity structuring arrangements unless those arrangements may materially affect Fund-level risk or investor outcomes.

8.2 Monitoring and Reporting of Leverage

8.2.1 A Private Markets Manager should ensure that material leverage and refinancing risks are subject to appropriate governance oversight.

8.2.2 Where leverage materially increases liquidity risk, valuation sensitivity, refinancing risk or the risk profile of the Fund, the Private Markets Manager should assess whether the use of leverage remains consistent with the Fund's investment strategy, governing documents and investor disclosures, and is subject to appropriate governance oversight.

8.3 Investor Transparency

8.3.1 Investor disclosures (where applicable) should include sufficient information to enable investors to understand the nature, purpose and material risks of leverage within the Fund, including where relevant its potential impact on returns, liquidity, valuation, refinancing risk and investor outcomes.

8.3.2 For Private Credit Funds, disclosure (where applicable) should include, where relevant, the types of credit activity or lending purpose to which fund-level leverage is materially exposed, such as construction, development, land banking, leasing, asset-backed lending or other categories relevant to the Fund's strategy.

8.3.3 Leverage should not be used in a manner that materially alters the stated risk profile of the Fund unless that use is consistent with the Fund's investment strategy and is subject to appropriate governance oversight and investor disclosure (where applicable).

9. Private Credit - Credit Risk Management

9.1 Credit Risk Framework

9.1.1 A Private Credit Manager should maintain documented credit risk management arrangements that are appropriate to the nature, scale, complexity and risk profile of its Private Credit Funds.

9.1.2 Credit risk management arrangements should support robust and consistent credit assessment, approval, risk classification, monitoring and management of credit exposures across the investment lifecycle.

9.1.3 Credit risk management arrangements should provide for appropriate governance oversight, effective challenge and timely escalation and documentation of material credit risks.

9.2 Credit Monitoring and Transparency

9.2.1 A Private Credit Manager should monitor the credit quality and performance of its Private Credit Funds in a manner that enables timely identification and escalation of material deterioration.

9.2.2 A Private Credit Manager should use clear and consistent terminology for material credit metrics, including where relevant arrears, default, impairment, watchlist status, restructures, waivers, concentration risks and LVR, having regard to the model definitions marked with an asterisk (*) in *Guidance Note 57* where relevant. Where a different definition, classification or calculation basis is adopted, including because of underlying loan documentation, underlying manager reporting, offshore frameworks or commercially negotiated investor arrangements, the approach should be applied consistently in the relevant context and explained to investors where reasonably necessary to support investor understanding, including any material limitations on comparability.

9.2.3 Where LVR or other credit metrics are used, the basis on which those metrics are calculated should be clear, consistently applied and capable of being understood by investors, including, where relevant, the valuation basis, valuation date, treatment of development or completion assumptions, and any material limitations in the underlying collateral or security valuation.

9.2.4 Investors should be provided with clear and meaningful information about the health of the loan book and material credit risks, having regard to the Private Credit Fund's strategy, structure, investor base and available information.

9.2.5 Where credit exposures are held in Indirect Investment Structures, credit monitoring and reporting may rely on underlying manager reporting, including underlying manager data, definitions, classifications and reporting formats. A Private Credit Manager should understand and oversee the basis of that reporting, having regard to its role, level of control and information rights, including any material limitations, differences in definitions, differences in reporting formats or gaps in available information. Where reasonably necessary to support investor understanding, material differences or limitations should be contextualised in investor reporting.

9.3 Default, Impairment and Recovery

9.3.1 A Private Credit Manager should maintain documented processes for identifying, escalating and managing defaulted, impaired or materially deteriorating credit exposures. For Indirect Investment Structures, this may be supported through due diligence, monitoring and oversight of underlying manager processes, reporting and escalation arrangements, having regard to the Private Credit Manager's role, level of control and information rights.

9.3.2 A Private Credit Manager should disclose its approach to default classification in a clear and understandable manner.

9.3.3 Material credit deterioration, including impairment or negative revaluation where relevant, should be recognised on a timely basis and should not be inappropriately delayed.

9.3.4 Default management, restructures, waivers, enforcement and recovery actions should be subject to appropriate governance oversight, effective challenge and conflict management, which may be applied through oversight of underlying manager processes for Indirect Investment Structures.

10. Conflicts of Interest

10.1 Conflicts Management Framework

10.1.1 A Private Markets Manager should maintain documented conflicts management arrangements that are consistent with applicable law and regulatory guidance, and appropriate to the nature, scale, complexity and structure of its private markets activities.

10.1.2 The conflicts management arrangements should be reasonably designed to identify, assess, manage, monitor and disclose actual, potential and perceived conflicts of interest arising in connection with the management of Private Markets Funds.

10.1.3 Material conflicts should be documented, escalated through appropriate governance channels, and subject to effective oversight, management and challenge.

10.1.4 Avoiding a conflict may be appropriate where it cannot be adequately and effectively managed with a combination of control mechanisms and disclosures.

10.2 Identification of Conflicts

10.2.1 In applying its conflicts management arrangements, a Private Markets Manager should have particular regard to conflicts that may arise in connection with:

(a) related-party arrangements;

(b) cross-fund transactions or allocations;

(c) co-investment structures;

(d) fee, remuneration or economic benefit arrangements involving affiliates or Related parties;

(e) valuation processes;

(f) asset transfers;

(g) financing or secured borrowing arrangements;

(h) subscription, redemption, liquidity management or investor reporting arrangements;

(i) multiple exposures to the same borrower, asset or counterparty across Funds;

(j) investment in vehicles sponsored, managed or originated by related entities; and

(k) personal interests of staff that may give rise to an actual, potential or perceived conflict.

10.2.2 Private Credit Managers should give particular consideration to conflicts that may arise in credit decision-making, including loan structuring, refinancing, covenant waivers, restructures, enforcement and recovery decisions.

10.3 Disclosure and Fair Treatment

10.3.1 A Private Markets Manager should ensure that material conflicts are addressed in investor disclosures in a clear, meaningful and timely manner, having regard to confidentiality, commercial sensitivity, applicable law and investor understanding.

10.3.2 Disclosure should be sufficient to enable investors to understand the nature and potential impact of material conflicts and should not rely solely on generic statements that conflicts may arise.

10.3.3 A Private Markets Manager should maintain arrangements to support fair treatment of investors where multiple Private Markets Funds pursue similar strategies, co-investment opportunities are offered, or investors receive differential treatment.

10.3.4 Where a material related-party transaction, in-specie transfer, cross-fund trade or asset transfer involves Private Market Assets, the Private Markets Manager should consider whether independent valuation, independent review or benchmarking is required to support fair treatment of investors.

APPENDIX A: Reference Materials Informing and Supporting FSC Standard 30 and FSC Guidance Note 57

The materials listed in this Appendix are reference materials that, in addition to *FSC Guidance Note 57*, may assist Private Markets Managers in applying this Standard. They do not displace applicable law, accounting standards or professional obligations, and are not incorporated as standalone requirements of this Standard unless expressly stated.

ASIC Regulatory Guidance and Reports

- Report 814 – Private Credit in Australia (**Link**)
- Report 820 – Private Credit Surveillance: Retail and Wholesale Funds (**Link**)
- Report 821 – Private capital market reporting: Global practices and lessons (**Link**)
- Report 823 – Advancing Australia's evolving capital markets: Discussion paper response report (**Link**)
- Regulatory Guide 45 – Mortgage schemes: Improving disclosure for retail investors (**Link**)
- Regulatory Guide 46 – Unlisted property schemes: Improving disclosure for retail investors (**Link**)
- Regulatory Guide 181 – AFS licensing: Managing conflicts of interest (**Link**)

APRA Prudential Standards and Guidance

- Prudential Standard SPS 530 – Investment Governance (**Link**)
  - Prudential Practice Guide SPG 530 – Investment Governance (**Link**)

Valuation, Accounting and Industry Standards and Guidance

- IOSCO, Recommendations on Valuing Collective Investment Schemes, June 2026 (**Link**)
- IOSCO, Revised Recommendations for Liquidity Risk Management for Collective Investment Schemes, May 2025 (**Link**)
- In developing and applying valuation practices, Private Markets Managers may have regard to valuation, accounting, professional and industry standards and guidance relevant to the asset class, Fund structure and jurisdiction, including where applicable:
  - Australian Property Institute, *Rules of Professional Conduct* (**Link**)
  - Australian Property Institute, *Guidance Papers* (**Link**)
  - International Valuation Standards Council standards (**Link**)
  - International Private Equity and Venture Capital Valuation Guidelines (**Link**)
  - AASB 13 *Fair Value Measurement* (**Link**); and
  - AASB 9 *Financial Instruments* (**Link**).

FSC Resources

- FSC Guidance Note 57 – Private Markets Best Practice Guidance (**Link**)
- FSC Standard 1 – Code of Ethics & Code of Conduct (**Link**)
- FSC Standard 31 – Wrap Superannuation Platform Trustee Investment and Adviser Governance Principles: Standard and Better Practice Guidance (**Link**)
- FSC Guidance Note 47 – Presentation of Past Performance Information and Visual Promotion (**Link**)
- FSC Target Market Determination Templates (**Link**)