

Notice of proposal to amend the Daintree Capital Management Pty Ltd Trust's constitution to permit adoption of the Attribution Managed Investment Trust regime

This notice is published to inform investors of the Daintree Core Income Trust ARSN 617 947 590 (**Fund**) that Perennial Investment Management Limited ABN 13 108 747 637 (**PIML**), as the current responsible entity of the Fund (**Responsible Entity**), proposes to modify the Fund constitution (**Constitution**) so that it may choose to take advantage of a new taxation regime for managed investment schemes, known as the Attribution Managed Investment Trust (**AMIT**) regime.

The AMIT regime has recently come into effect and has the potential to provide responsible entities and investors with improved flexibility and greater clarity around tax treatment for managed investment trusts.

ASIC has granted relief under *ASIC Corporations (Attribution Managed Investment Trusts) Instrument 2016/489* (**Relief Instrument**) to allow the responsible entity of a registered scheme to amend the scheme's constitution to enable the responsible entity to elect into and take advantage of the new regime without holding a members' meeting, provided certain conditions are met. These conditions include that a notice is published explaining the changes to investors. This notice is accordingly issued in connection with the Relief Instrument.

What are the reasons for and effect of the changes?

Set out below is a summary of the reasons for, and the effect of, the proposed modification of the Constitution.

The proposed amendment to the Constitution of the Fund will provide:

1. the Responsible Entity with the power to elect into the AMIT regime for the Fund (**AMIT Election**);
2. the Responsible Entity with the power to elect to treat a class of units in the Fund as a separate AMIT if the AMIT Election is made;
3. that the AMIT regime applies to the Fund if the Responsible Entity makes the AMIT Election; and
4. the Responsible Entity with the powers necessary for the practical application of the AMIT regime to the Fund if the Responsible Entity makes the AMIT Election.

In addition, the proposed amendments to the Constitution will allow the Responsible Entity to elect for the Fund to be operated as an AMIT, if it is eligible to do so. If the Responsible Entity elects the Fund into the AMIT regime, there may be the following potential benefits:

1. the Fund will be treated as a fixed trust for income tax purposes which provides certainty in relation to certain aspects of the tax treatment of the Fund;
2. for income tax purposes, the Fund will be able to attribute amounts of income and tax offsets to members on a fair and reasonable basis and will generally retain their tax character;

3. the ability for adjustments to be made to the cost base of Member's interests in the Funds upwards and downwards, reducing double taxation that might otherwise arise;
4. a new statutory regime to deal with "unders" and "overs" which facilitates and simplifies the distribution calculation process; and
5. the ability to treat each class in a multi-class trust as a separate AMIT.

Can I request a meeting to consider the changes?

The Responsible Entity will modify the Fund Constitution as proposed, unless it receives requests to call and arrange to hold a meeting of the Fund's members to consider and vote on a special resolution to modify the Constitution as proposed:

- (a) from members with at least 5% of the votes that may be cast on the resolution; and
- (b) by a specified date that is the last day of the relevant period, being not less than 7 days after this notice is published on Perennial Investment Management Limited's website.

A request referred to above must be made in writing and may be sent to invest@daintreecapital.com.au

Issued by the Responsible Entity: Perennial Investment Management Limited ABN 13 108 747 637, AFSL: 275101. This statement is provided for information purposes only. Accordingly, reliance should not be placed on this statement as the basis for making an investment, financial or other decision. This statement does not take into account your investment objectives, particular needs or financial situation. Investments in the Trusts must be accompanied by an application form. The current relevant product disclosure statements, additional information booklet and application forms can be found on Daintree's website www.daintreecapital.com.au.