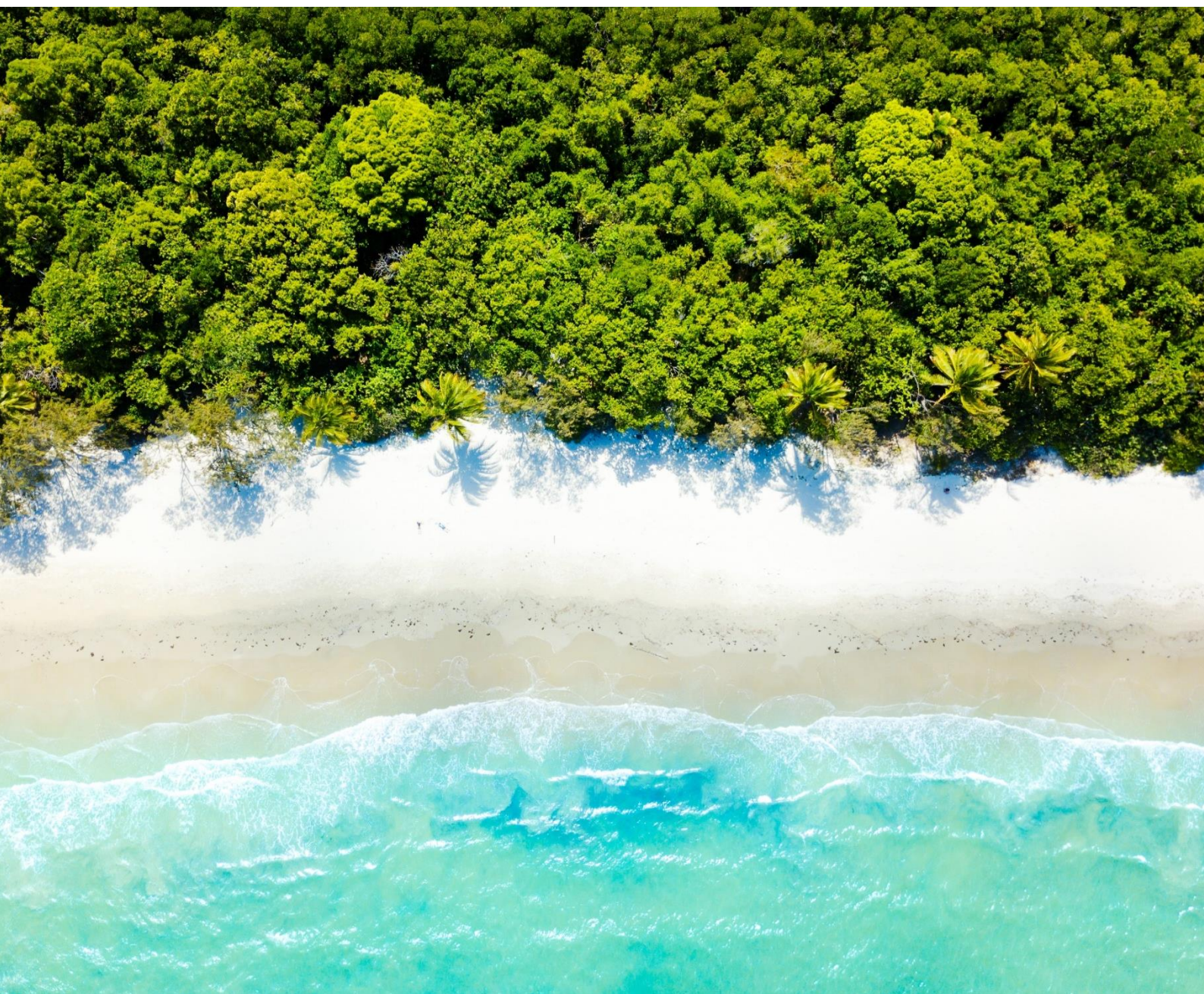


# DAINTREE HYBRID OPPORTUNITIES FUND (MANAGED FUND)

**ARSN: 651 905 314, ASX Code: DHOF**

**Product Disclosure Statement (PDS)**

Dated: 28 October 2023



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# IMPORTANT INFORMATION

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## Responsible Entity

Perennial Investment Management Limited  
ABN 13 108 747 637 | AFSL 275101  
Level 27, 88 Phillip Street  
Sydney, NSW, 2000

Phone: 1300 011 088 (Australia)  
+612 8022 7487 (NZ)

## Client Services

Monday to Friday  
9.00am to 5.00pm (Melbourne time)

Phone 1300 011 088 (Australia)  
+612 8022 7487 (NZ)

Email [daintree@unitregistry.com.au](mailto:daintree@unitregistry.com.au)

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## Investment Manager

Daintree Capital Management Pty Ltd  
ABN 45 610 989 912 | CAR 001304218

## Postal address

Daintree Trusts  
Registry Services  
GPO Box 804  
Melbourne VIC 3001

## About Perennial Investment Management Limited

Perennial Investment Management Limited (PIML, **Responsible Entity, we, our, us**) (ABN 13 108 747 637, AFSL 275101) as the Responsible Entity for the Daintree Hybrid Opportunities Fund (Managed Fund) (ARSN 651 905 314) (the **Fund**), is responsible for overseeing the operations of the Fund. PIML is the issuer of this Product Disclosure Statement (PDS) and is responsible for its contents.

PIML has appointed Daintree Capital Management Pty Limited (ABN 45 610 989 912) (**Daintree**), a Corporate Authorised Representative (CAR 001304218) of Perennial Value Management Limited (ABN 22 090 879 904, AFSL 247293) (**Perennial Value**), to provide investment services for the Fund. Daintree and Perennial Value are related body corporates of PIML and are part of Perennial Partners Limited (ABN 90 612 829 160) (**Perennial Partners**), a house of specialist investment boutiques. Perennial Partners has also been appointed as a Corporate Authorised Representative of Perennial Value (CAR 1293138).

The ASX (**Securities Exchange** or **ASX**) has approved the Fund's admission to trading status on the Securities Exchange under the AQUA Rules, ASX Code: **DHOF**. No representation is made concerning the Fund's continued admission to trading status on the Securities Exchange under the AQUA Rules.

An investment in the Fund does not represent an investment in, deposit or other liability of PIML, Daintree, Perennial Value or Perennial Partners. Neither PIML, Daintree, Perennial Value or Perennial Partners, nor their respective employees, agents and officers guarantee the success, repayment of capital, rate of return on income or capital, or investment performance of the Fund. It is your obligation to seek any advice and observe any legal restrictions on investment in the Fund which may apply to you.

## About this PDS

This PDS is dated 28 October 2023, and sets out the important information and features of the Fund. A copy of this PDS has been lodged with both the Australian Securities & Investments Commission (**ASIC**) and with the Securities Exchange Operator ASX Limited (ABN [98 008 624 691](#)) (**ASX**). No responsibility as to the contents of this PDS is taken by ASIC, the Securities Exchange or their respective officers.

The Fund is an Australian registered managed investment scheme. Units in the Fund are offered on the terms and conditions described in this PDS. This PDS can only be used by Investors receiving it (electronically or otherwise) in Australia and New Zealand. The Fund is otherwise not available to Investors in any other country. New Zealand Investors should refer to Section 12 Important Statement for New Zealand Investors.

This PDS does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer.

By becoming an Investor in the Fund, you agree to be bound by the terms and conditions described in this PDS. PIML reserves the right to decline Unit creation requests in full or in part and reserves the right to change the terms and conditions.

You should not base your decision to invest in the Fund solely on the information contained in this PDS. The information in this PDS is general information only and does not take into account your objectives, personal financial situation or needs. We strongly recommend that you consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances and needs before making an investment decision.

If any part of this PDS is established to be invalid or unenforceable under the law, it is excluded so that it does not in any way affect the validity or enforceability of the remaining parts.

Information in this PDS is subject to change from time to time. A copy of the latest PDS for the Fund is available on the Daintree website ([www.daintreecapital.com.au](http://www.daintreecapital.com.au)). A paper copy can be provided free of charge on request.

Unless identified to the contrary, all references to monetary amounts are to Australian dollars. Capitalised terms have the meanings given to them in the Glossary (refer to Section 13).

### **Target Market Determination**

PIML has issued a Target Market Determination (TMD) which, amongst other things, describes the class of consumers for whom the Fund is likely to be consistent with their likely objectives, financial situation and needs.

The TMD for the Fund should be read in conjunction with this PDS and can be obtained by contacting Client Services or from the Daintree website at [www.daintreecapital.com.au](http://www.daintreecapital.com.au).

### **PDS updates**

Information contained in this PDS is current as at the date of this PDS. Certain information in this PDS, as well as the features of the Fund, are subject to change from time to time. We will notify you of any material changes or other significant events that affect the information in this PDS (and may issue a supplementary or replacement PDS accessible via the ASX Market Announcements Platform and the Daintree website), in accordance with our obligations under the Corporations Act 2001 (Cth) (Corporations Act).

Updated information that is not materially adverse to Investors can be obtained from Daintree's website ([www.daintreecapital.com.au](http://www.daintreecapital.com.au)).

# 1. KEY FEATURES

Daintree Hybrid Opportunities Fund (Managed Fund)			For more information
ARSN	651 905 314		
ASX Code	DHOF		
Responsible Entity	Perennial Investment Management Limited ABN 13 108 747 637, AFSL 275101		Section 1
Investment Manager	Daintree Capital Management Pty Limited ABN 45 610 989 912, CAR 001304218		Section 2
About the Fund	<p>Daintree applies a pragmatic and risk averse approach to managing a portfolio of Australian and global hybrid securities. The Fund targets an absolute return over time by investing in a diversified portfolio of hybrid securities which meets Daintree's investment standards.</p> <p>The Fund invests in Australian and non-Australian denominated securities which may be fully or partially hedged back to the Australian Dollar.</p> <p>The Fund is an Australian registered managed investment scheme. We have applied for the Fund to be admitted to trading status on the ASX and quoted under the AQUA Rules framework.</p>		Section 3 & 8
Investment return objective	The aim of the Fund is to provide a steady stream of income over the medium term, by investing in a diversified portfolio of Australian and global hybrid securities and cash, and to provide a total return (after fees), that exceeds the Benchmark measured throughout a market cycle.		Section 8
Asset classes and asset allocation ranges	Australian Hybrid securities      0-100% Global Hybrid securities            0-50% Cash and cash equivalents          0-30% Listed Equities                         0-5%		Section 8
Benchmark	RBA Cash Rate		Section 8
Suitable Investor	The Fund may be suitable for Investors with an investment horizon of three (3) to five (5) years.		Section 8
Net Asset Value	<p>The net asset value (NAV) of the Fund is calculated by deducting the liabilities (including any accrued fees), of the Fund from the aggregate value of assets. The NAV per Unit is calculated by dividing the NAV of the Fund by the number of Units on issue.</p> <p>The NAV for a particular Business Day reflects the value of the Fund based on the value of the Fund's assets at the close of trading in Australia on that day. An indicative NAV per Unit (iNAV) will be published throughout the Trading Day. The iNAV will be updated in respect of portfolio securities or equivalent securities that have live market prices during the Trading Day. The iNAV will be based on the latest closing price of each security, and will take into account proxies (including futures) where a live price is unavailable (for example, if the relevant market is closed).</p>		Section 3

Daintree Hybrid Opportunities Fund (Managed Fund)	For more information
<b>Investing in and exiting from the Fund</b>	<p>Investors can invest in the Fund either by applying for Units directly with the Responsible Entity using an Application Form, or by buying units on the Securities Exchange through a stockbroker or share trading account.</p> <p>Investors can exit the Fund either by directly making a redemption request to the Responsible Entity using a Redemption Request Form, or by selling units on the Securities Exchange through a stockbroker or share trading account. You need to hold your Units on the issuer sponsored sub-register to make a redemption request directly to the Responsible Entity. Your stockbroker can assist you with this process if you hold your Units on a holder identification number (HIN).</p> <p>The method by which you invest in the Fund does not affect the method by which you can exit the Fund. If you invest in the Fund by buying Units on the Securities Exchange, you can exit the Fund by selling Units on the Securities Exchange or by redeeming directly with the Responsible Entity. If you invested in the Fund by applying for Units directly with the Responsible Entity, you can exit the Fund by selling Units on the Securities Exchange, or by redeeming directly with the Responsible Entity.</p> <p>There are important differences between investing and exiting the Fund via the Securities Exchange or by applying for and redeeming Units directly with the Responsible Entity. These differences include, but are not limited to, the entry and exit price you will receive, and whether minimum investment amounts apply to your investment (the minimum investment amount does not apply to purchases of Units on the Securities Exchange).</p> <p>An Investor that applies for Units directly with the Responsible Entity may pay a different price for Units in the Fund to an Investor who buys Units on the Securities Exchange at the exact same time. Similarly, an Investor who redeems Units directly with the Responsible Entity is likely to receive a different price for Units in the Fund to an Investor who sells Units on the Securities Exchange at the exact same time. These differences in prices received by Investors may result in a different return from an investment in the Fund.</p>
<b>Fund Liquidity</b>	<p>Investors can apply for or redeem units directly with the Responsible Entity or can buy Units from and sell Units on the Securities Exchange in the same way as any listed security.</p> <p>The Responsible Entity has appointed a market participant to transact and facilitate settlement on its behalf. There may be other circumstances where:</p> <ul style="list-style-type: none"> <li>• redemptions have been suspended in accordance with the Constitution or the Fund is not liquid (as defined under the Corporations Act). In such circumstances, Units in the Fund may continue to trade on the Securities Exchange provided that the Fund continues to comply with the Securities Exchange Rules. If the Fund ceases to comply with the Securities Exchange Rules, the Responsible Entity may seek a trading halt or the Securities Exchange Operator may suspend trading of Units in the Fund on the Securities Exchange; or</li> <li>• the Securities Exchange Operator suspends trading of Units in the Fund on the Securities Exchange. In such circumstances, Investors may continue to redeem directly with the Responsible Entity unless redemptions have also been suspended in accordance with the Constitution.</li> </ul>
<b>Distributions</b>	<p>The distribution period in relation to the Fund is set out in Section 3 of the PDS. The Responsible Entity intends to make distributions quarterly (assuming there is distributable income).</p>

Daintree Hybrid Opportunities Fund (Managed Fund)		For more information
<b>Derivatives</b>	<p>The Fund may use derivatives in limited circumstances for investment and risk management purposes. The Fund may use exchange traded derivatives on a temporary basis to gain exposure to the underlying reference assets of those derivatives.</p> <p>The Fund does not intend to engage in short selling or enter securities lending arrangements.</p> <p>Please see Section 8 for more details.</p>	Section 8
<b>Fees and other costs</b>	<p>The Responsible Entity charges Management Fees and Costs totalling up to 0.75% pa, inclusive of GST and RITC.</p> <p>Please see Section 9 of the PDS for additional information on the applicable Fees and Costs.</p>	Section 9
<b>Risks</b>	<p>Medium risk of short-term capital loss compared to other investment types in return for potentially delivering lower investment returns over the minimum suggested time frame. For further details of the risks of investing, please see Section 7 of the PDS.</p>	Section 7
<b>Cooling-off and complaints</b>	<p>Cooling-off rights do not apply to Units in the Fund (regardless of whether they were bought on the Securities Exchange or applied for directly with the Responsible Entity). A complaints handling process is in place and is set out in Section 12.</p>	Section 12
<b>General information and updates</b>	<p>Further information, including any updates issued by the Responsible Entity and other reporting, can be found at: <a href="http://www.daintreecapital.com.au">www.daintreecapital.com.au</a>.</p>	Section 12
<b>Transaction confirmations</b>	<p>Investors buying or selling Units on the Securities Exchange will receive transaction confirmations from their stockbroker. Investors who apply for Units or withdraw their investment directly with the Responsible Entity, will receive transaction confirmations from the Unit Registry.</p>	Section 3
<b>Tax</b>	<p>Annual tax statements will be made available to Investors for the Fund. Tax information of a general nature is set out in Section 11. Investors should seek their own professional taxation advice which takes into account their particular circumstances.</p>	Section 11

## 2. WHO IS MANAGING THE FUND

### 2.1 ABOUT THE INVESTMENT MANAGER

Daintree is a boutique investment management firm, specialising in building global hybrid and fixed income portfolios.

Daintree's core investment philosophy is based on a conservative culture, a pragmatic investment process and a focus on the core reason why fixed income is a key part of an investment portfolio; namely the preservation of capital.

Daintree believes that its clients should achieve good results from their fixed income portfolio in most market environments. It builds its portfolios with this as the cornerstone of its investment philosophy.

Risk management is an integral part of Daintree's investment management process and an essential element to achieving the key objectives of income generation, capital protection and strong risk adjusted returns.



### 3. HOW THE DAINTREE HYBRID OPPORTUNITIES FUND (MANAGED FUND) WORKS

The Fund is a registered managed investment scheme. When you invest in the Fund, your money will be pooled with that of other Investors. The Investment Manager uses this pool to buy investments and manage them on behalf of all Investors in the Fund, in accordance with the Fund's investment strategy. By investing in the Fund, Investors have access to the investment expertise and insights of the investment team.

Investors can enter the Fund through buying Units on the Securities Exchange, through an IDPS provider or directly with the Responsible Entity. Investors can sell their Units in the Fund on the Securities Exchange, through the IDPS provider or directly with the Responsible Entity. All Units are fungible and the method you buy your Units does not determine the method you might choose to sell your units in the Fund. Although for those Investors who invest via an IDPS provider, you may not be able to exercise the fungibility of your Units unless your IDPS provider provides prior consent.

The Fund has applied for quotation on the Securities Exchange and Units are able to be traded in a similar way to listed securities, subject to liquidity.

#### Units and NAV per Unit

So that you know what your share of the managed investment scheme is worth, the NAV of the Fund is divided into 'Units'. Each Unit that a unitholder holds in the Fund gives a unitholder a beneficial interest in the Fund as a whole, but not in any particular asset of the Fund. Holding Units in the Fund does not give a unitholder the right to participate in the management or operation of the Fund.

All assets within the Fund are usually calculated on a daily basis using security prices as at the close of trading in each relevant market (or any such time determined by the Responsible Entity). More frequent valuations are permitted under the Constitution and we may revalue the Fund's assets more frequently if it is considered appropriate. We may also revalue the Fund less frequently in certain circumstances. The gross asset value of the Fund equals the market value of the assets. The NAV of the Fund is obtained by deducting any liabilities of the Fund from the gross asset value of the Fund.

The NAV per Unit is simply the NAV divided by the amount of Units on issue. The NAV per Unit will be published daily on the Fund's website at [www.daintreecapital.com.au](http://www.daintreecapital.com.au). The NAV per Unit may fluctuate each day as the market value of the Fund's assets rises or falls. The Responsible Entity's Unit Pricing Policy provides further information about how the NAV per Unit is calculated. Investors can request a copy of the policy free of charge by calling the Responsible Entity on 1300 011 088.

The Responsible Entity has appointed an agent to calculate and make available an estimated iNAV for the Fund no less

frequently than every fifteen (15) seconds during an ASX Business Day. Such information will be calculated based upon information available to the Responsible Entity or its designate during the ASX Business Day. The Responsible Entity expects that the iNAV for the Fund will be accessible from broker websites and other financial information services and at [www.daintreecapital.com.au](http://www.daintreecapital.com.au).

The iNAV calculations are estimates of the NAV per unit calculated using market data. The iNAV price is a calculation of the value of a portfolio of assets that is indicative of the Fund's portfolio as at the open of trading on the relevant day based on quotes and last sale prices, less any liabilities of the Fund. The iNAV reflects the real time movements in stock markets and currencies during the ASX Trading Day and, for securities not trading during the ASX Trading Day, listed proxy instruments selected on the basis of correlations with the underlying investments. The proxies and their correlations with underlying instruments are reviewed regularly and updated as required. The iNAV represents the best estimate by the Responsible Entity or its appointed agents of the value per Unit of the Fund throughout the Trading Day. Any iNAV is not, and should not be taken to be or relied on as being, the value of a Unit or the price at which Units may be applied for or redeemed, or bought or sold on any stock exchange, and may not reflect the true value of a Unit. Investors interested in applying for or redeeming Units, or buying or selling Units on a stock exchange, should not rely on any iNAV which is made available, in making investment decisions but should consider other market information and relevant economic factors. Neither the Responsible Entity nor any designate or other service provider to the Responsible Entity shall be liable to any person who relies on the iNAV. No assurance can be given that any iNAV will be published continuously, will be up to date or free from error. The publication of an iNAV is dependent on the availability of a suitable data provider and other factors.

#### How to Invest in the Fund

Investors can invest in the Fund either by:

- applying for Units directly with the Responsible Entity using an Application Form. The minimum initial investment amount is \$25,000; or
- by purchasing Units on the Securities Exchange through a stockbroker or share trading account. There is no minimum number of Units Investors can buy on the Securities Exchange. The purchase of Units on-market is settled through the Clearing House Electronic Sub-Register System (CHES) settlement service, and Investors do not need to complete an Application Form.

The cost of investing in the Fund on-market will be the price at which you purchase Units on the Securities Exchange, plus any brokerage fees you incur where the purchase price

will be the prevailing market price for the purchase of Units at the time of the transaction. Investors can purchase additional Units on the Securities Exchange at any time, through a stockbroker or share trading account.

Investors do not have a right to a cooling off period regardless of whether they applied directly with the Responsible Entity or purchased Units on the Securities Exchange.

## How to exit from the Fund

Investors can exit the Fund either by:

- directly making a redemption request to the Responsible Entity using a Redemption Form. Your Units need to be held on the issuer sponsored sub-register to make a redemption request directly to the Responsible Entity. Your stockbroker can assist you with this process if you hold your Units on a HIN; or
- selling Units on the Securities Exchange through a stockbroker or share trading account without completing any forms. Proceeds from any sale of Units will be delivered through the Securities Exchange settlement service. An Investor's exit price will be the price at which the Units were sold on the Securities Exchange, less any brokerage fee that is incurred. There is no minimum number of units Investors can sell on the Securities Exchange. The Responsible Entity has

appointed a Market Maker to provide liquidity to Investors on the Securities Exchange by acting as a buyer and seller of Units. At the end of each Business Day, the Market Maker will create or cancel Units by applying for or redeeming its net position in Units bought or sold. The liquidity provided by the Market Maker will ultimately be constrained by day-to-day events including but not limited to, the continuing ability of the Market Maker to create and redeem Units. See Section 7 of this PDS for more information on the risks associated with market making. The method by which you invested in the Fund does not affect the method by which you can exit the Fund. If you invested in the Fund by buying Units on the Securities Exchange, you can exit the Fund by selling Units on the Securities Exchange or by redeeming directly with the Responsible Entity. If you invested in the Fund by applying for Units directly with the Responsible Entity, you can exit the Fund by selling Units on the Securities Exchange or by redeeming directly with the Responsible Entity.

The key differences between the ways you can invest in and exit the Fund are summarised in the table below. You should read the PDS and TMD in full before making any decision to invest in the Fund. For more information on buying and selling Units on the Securities Exchange, see Section 4. For more information on applying to and redeeming directly from the Fund, see Section 5.

	Buying units on the Securities Exchange	Applying for Units directly with the Responsible Entity
<b>How to make an investment in the Fund?</b>	You can invest in the Fund by purchasing Units on the Securities Exchange through a stockbroker or share trading account. You do not need to complete an Application Form. Your purchase of Units will be settled via CHESS, generally two (2) Business Days following your purchase.	<p>You can invest in the Fund by sending a correctly completed Application Form together with the required supporting identification documentation to our Unit Registry.</p> <p>If we receive your correctly completed Application Form by 2.00pm (Melbourne Time) on a Business Day and your cleared funds by close of business on the same Business Day, you will receive the entry price applicable to that Business Day. We will generally issue Units to you the following Business Day.</p> <p>If you do not meet the cut off times, we will issue Units to you using the entry price applicable to the Business Day on which we receive your completed documentation and cleared monies (subject to cut off times for that Business Day.)</p>
<b>What is the entry price for an investment in the Fund?</b>	The entry price of investing in the Fund on-market will be the price at which you purchased Units on the Securities Exchange, plus any brokerage fees you incur.	Your entry price will be the entry Unit price applicable for the Business Day on which we receive your completed documentation and cleared monies by the applicable cut off times. The entry price reflects the NAV per Unit plus an allowance for Transaction Costs incurred by the Fund. The NAV per Unit estimates the value of the

Buying units on the Securities Exchange		Applying for Units directly with the Responsible Entity
		Fund's assets at the close of trading in each market in which the Fund invests.
<b>Is there a minimum number of Units that need to be purchased?</b>	No, there is no minimum number of Units applicable to Investors who buy Units on the Securities Exchange.	The minimum initial investment amount for Investors applying for Units directly with the Responsible Entity is \$25,000.  Additional investments can be made into an existing account at any time. A minimum amount may apply to additional investments depending on the method of your payment.

Selling on the Securities Exchange		Redeeming Units directly with the Responsible Entity
<b>How to withdraw your investment?</b>	Investors can sell Units on the Securities Exchange through a stockbroker or share trading account, without completing any forms. Proceeds from any sale of Units will be delivered through the settlement service, generally two (2) Business Days following your sale.	You can redeem your investment in the Fund by sending a correctly completed Redemption Form to our Unit Registry. You can request a specified dollar amount to be withdrawn, or a full redemption of your investment in the Fund. To withdraw, you must hold your Units on the Fund's issuer sponsored sub-register and provide correctly completed Redemption Forms. Correctly completed Redemption Forms must be received by 2.00pm (Melbourne time) on that Business Day. Payment of your redemption proceeds will usually be paid two (2) Business Days following your redemption being processed.
<b>What is the exit price when selling Units in the Fund?</b>	An investor's exit price will be the price at which the Units were sold on the Securities Exchange, less any brokerage fee that is incurred. Investors should consult their stockbroker for further information on any applicable fees and charges.	Your exit price will be the exit price applicable to the Business Day on which we received your correctly completed Redemption Form by the applicable cut off times for that Business Day. The exit price reflects the NAV per Unit less an allowance for Transaction Costs incurred by the Fund. If you do not meet the cut off times you will receive the exit price for the following Business Day, subject to your application meeting the applicable cut off times for that Business Day.
<b>Is there a minimum number of Units that need to be sold or redeemed?</b>	There is no minimum number of Units applicable to either the sale of Units on the Securities Exchange or the withdrawal of Units directly with the Responsible Entity.	

### Restrictions on withdrawals

In the event that trading in the Units on the ASX have been suspended for (5) consecutive ASX Trading Days, Investors may be able to apply to the Responsible Entity directly to make an off-market withdrawal of their investment from the

Fund. Investors can request a withdrawal form by contacting the Unit Registry.

The off-market withdrawal process, including the calculation of the NAV per Unit, applies only when a Fund is "liquid" (within the meaning given to that term in the Corporations

Act). Where the Fund ceases to be liquid, Units may only be withdrawn pursuant to a withdrawal offer made to all Investors in the Fund in accordance with the Constitution and the Corporations Act. The Responsible Entity is not obliged to make such offers.

We will not satisfy a redemption request if the Fund becomes illiquid (as defined by the Corporations Act) or where the calculation of the NAV of the Fund or redemptions are suspended. There may be other circumstances where off-market withdrawals from the Fund are suspended and Investors may have to wait a period of time before they can make a withdrawal. Withdrawals may be suspended by us for up to twenty-eight (28) days including where:

- it is impracticable for us, or we are unable, to calculate the NAV of the Fund, for example, because of financial market disruptions or closures;
- the payment of redemption proceeds involves realising a significant portion of the Fund's assets which would, in our opinion, result in remaining Investors bearing a disproportionate amount of capital gains tax or expenses, or suffering any other disadvantage or diminution of the value of Units held;
- the quotation of Units on the Securities Exchange is suspended, halted or revoked;
- a redemption would cause us to breach any law, regulation or obligation under which the Fund operates;
- we are allowed to do so by any form of ASIC relief or otherwise permitted by law;
- we reasonably consider it would be in the interests of Investors, or it is otherwise permitted by law; or
- where we receive withdrawal requests of an aggregate value that in our reasonable estimate exceeds 10% of the Fund's assets.

No Units may be issued or redeemed during such periods of suspension.

The redemption process, including the calculation of the NAV per Unit, applies only when the Fund is 'liquid' (as defined by the Corporations Act). Where the Fund ceases to be liquid, Units may only be redeemed pursuant to a withdrawal offer made to all Investors in the Fund in accordance with the Constitution and the Corporations Act. We are not obliged to make such offers.

Where redemptions or switches have been suspended, Units in the Fund may continue trading on the Securities Exchange provided that the Fund continues to comply with the Securities Exchange Rules. If the Fund ceases to comply with the Securities Exchange Rules, the Securities Exchange Operator may suspend trading of Units in the Fund on the Securities Exchange.

### Compulsory redemptions

We may compulsorily redeem some or all of an Investor's Units without asking them in accordance with the Constitution or as permitted by law. As an example, this may occur where an Investor breaches their obligations to the

Responsible Entity (for example, where the Responsible Entity believes that the Units are held in breach of prohibitions contained within the Constitution), or where the Responsible Entity believes that the Units are held in circumstances which might result in a violation of an applicable law or regulation.

### Transfer and conversion of Units

You may request that your stockbroker transfer your holding in the following circumstances:

- You wish to transfer your shareholder reference number (SRN) holding on the issuer sponsored sub-register in the Fund to an account with that stockbroker (HIN holding on the CHESS sub-register). You may only transfer whole Units, and any partial Units remaining after the conversion will be cancelled and become property of the Fund.
- You wish to transfer your HIN holding to another HIN or to transfer your Units to an account directly with the Fund (SRN holding on the issuer sponsored sub-register).

If your Units are held with your stockbroker and you wish to redeem your Units directly with the Responsible Entity, then you will need to first submit a request to your stockbroker to have your Units converted to an issuer sponsored holding. An SRN will be allocated to you by the Unit Registry, and this process will be subject to standard processing times. Please contact your stockbroker for further information.

The Unit Registry handles transfers of Units for Investors who hold Units directly with the Fund (SRN holding on the issuer sponsored sub-register) and wish to transfer to another existing account or a new account directly with the Fund.

### Distributions

Investing in the Fund means you may receive regular income from your investments in the Fund in the form of distributions. However, there may be times when distributions cannot be made, are lower than expected or are delayed.

The Fund intends to pay distributions quarterly (if there is distribution income). Distribution amounts may include dividends, realised gains from disposal of securities, or other assessable income derived by the Fund, after allowing for fees and expenses.

Investors in the Fund at the end of a distribution period are entitled to a pro-rata share of the distributable income (if any) for that period based on the number of Units held in the Fund at the end of the distribution period. The amount of distributable income at the end of any distribution period will be determined by the Responsible Entity.

Distributions will generally be paid within fifteen (15) Business Days of the end of the distribution period to which they relate.

The amount of the distribution paid by the Fund will vary from period to period, and there may be periods when the

Fund will not pay a distribution. The Responsible Entity may, in its discretion, change the duration of a distribution period for the Fund (provided that distribution periods cannot be longer than one (1) year).

Information about the timetable for each distribution and the declared distribution amount will be announced via the ASX Market Announcements Platform.

Distributions can only be paid electronically. You can nominate your preferred distribution method in the Investment. If you do not nominate your preferred distribution method or provide us with your bank account details, this will be taken to be a direction to reinvest distributions as additional Units in the Fund.

To be eligible to receive a distribution in respect of a Unit for a distribution period, you must:

- hold that Unit on the last day of the distribution period; or
- have purchased (either on-market or off-market) that Unit on or before the last day of the distribution period; or
- have applied directly with the Responsible Entity using an Application Form for that Unit on or before the last day of the distribution period.

To be entitled to the distribution an Investor must have bought and settled their Unit purchase by the distribution period end date and be recorded on the register as owning Units. Investors who buy Units directly with the Responsible Entity will need to have submitted a validly completed application and have made payment in order to be entitled. Investors who buy Units on the exchange will need to have traded two (2) Business Days prior to the period end date in order to be entitled to the distribution. The period end dates for this fund are 30 September, 31 December, 31 March and 30 June or the Business Day prior.

You will not be eligible to receive a distribution in respect of a distribution period on a Unit you have sold or redeemed on or before the last day of the distribution period. The distribution is not calculated on a pro-rata basis according to the time that Fund Investors have held their Units.

The Constitution of the Fund complies with the Attribution Managed Investment Trust (AMIT) regime. Under the AMIT regime, the Fund will be treated as a fixed fund for income tax purposes which provides certainty in relation to certain aspects of the tax treatment of the Fund. For income tax purposes, the Fund will be able to attribute amounts of income and tax offsets to unitholders on a fair and reasonable basis. Adjustments may be made to the cost base of a unitholder's interest in the Fund upwards or downwards.

We will send you a tax statement after the end of each financial year detailing the amounts attributed to you to assist in the preparation of your tax return.

You can choose to have your distributions directly credited to your Australian account or, to the extent that the

Responsible Entity offers a Distribution Reinvestment Plan (DRP), automatically reinvested as additional Units in the Fund.

Details in relation to each distribution will be published on the ASX Market Announcements Platform and the Fund's website at [www.daintreecapital.com.au](http://www.daintreecapital.com.au). The distribution policy of the Fund is current as at the date of this PDS and may be subject to change from time to time.

### **Distribution Reinvestment Plan (DRP)**

The DRP is a convenient way for you to increase your holding of Units by allowing you to automatically reinvest all or part of your distributions in additional Units in the Fund, without incurring brokerage, commissions or other Transaction Costs. The DRP is not available to Investors in the Fund with registered addresses outside Australia and New Zealand.

If you wish to participate in the DRP, you must complete the Change of Details Form which is available via [www.daintreecapital.com.au](http://www.daintreecapital.com.au) and return it to the Unit Registry.

If you do not nominate your preferred distribution method or provide us with your bank account details, this will be taken to be a direction to reinvest distributions as part of the DRP. If you do not wish to participate in the DRP, you are required to make a selection to pay your distributions in the form of cash distributions.

An Investor participating in the DRP shall not be entitled to any fractional component of any units nor receive any payment of any residual cash balance in respect of amounts rounded down to the nearest whole number pursuant to Clause 5.3(d) of the DRP. Any residual cash or Unit balance will, however, be accrued and allocated to your account once the residual balance reaches an additional Unit. If you fully redeem your investment with us, any accrued amount not allocated as a full Unit at the time of your withdrawal will become property of the Fund. For more information, please visit the DRP Plan at the [website](#).



## 4. PURCHASING AND SELLING UNITS ON THE SECURITIES EXCHANGE (ASX)

### Purchasing Units on the Securities Exchange

Investors can purchase Units on the Securities Exchange through a stockbroker or share trading account. There is no minimum number of Units Investors can purchase on the Securities Exchange. The purchase of Units on-market is settled through the CHESS settlement service, and Investors do not need to complete an Application Form.

The cost of investing in the Fund on-market will be the price at which you purchase Units on the Securities Exchange, plus any brokerage fees you incur where the purchase price will be the prevailing market price for the purchase of Units at the time of the transaction. Investors can purchase additional Units on the Securities Exchange at any time, through a stockbroker or share trading account.

Investors do not have a right to a cooling off period (regardless of whether they were purchased on the Securities Exchange or applied for directly with the Responsible Entity).

### Selling Units on the Securities Exchange

An Investor's exit price will be the price at which the Units were sold on Securities Exchange, less any brokerage fee that is incurred. There is no minimum number of Units Investors can sell on the Securities Exchange. The Responsible Entity has appointed Market Makers to provide liquidity to Investors on the Securities Exchange by acting as a buyer and seller of Units. At the end of each Business Day, the Market Maker will create or cancel Units by applying for or redeeming its net position in Units bought or sold on the Securities Exchange. The liquidity provided by the Market Maker will ultimately be constrained by day-to-day events including, but not limited to, the continuing ability of the Market Maker to create and redeem Units. See Section 7 of this PDS for more information on the risks associated with market making.

Investors can sell their Units in the Fund on the Securities Exchange through a stockbroker or share trading account without completing a Redemption Form. Proceeds from the sale of Units will be delivered in the same way you would receive proceeds from the sale of listed securities via the settlement service.

An Investor's exit price will be the price at which the Units were sold on Securities Exchange, less any brokerage fee that is incurred. There is no minimum number of Units Investors can sell on the Securities Exchange. Investors can only sell whole Units on the Securities Exchange and any residual partial unit holdings will be cancelled and the property attributable to the partial Unit will become the property of the Fund.

### Liquidity on the Securities Exchange

Investors can buy Units from and sell Units on the Securities Exchange to other Investors in the secondary market in the same way as for any other listed securities.

The Responsible Entity has Market Makers to provide liquidity to Investors on the Securities Exchange by acting as a buyer and seller of Units. At the end of each Trading Day, the Market Maker will create or cancel Units by applying for or redeeming its net position in Units bought or sold on the Securities Exchange. The liquidity provided by the Market Maker will ultimately be constrained by day-to-day events including but not limited to, the continuing ability of the Market Maker to create and redeem Units. See Section 7 of this PDS for more information on the risks associated with market making.

## 5. APPLICATIONS AND REDEMPTIONS DIRECTLY WITH THE RESPONSIBLE ENTITY

### Initial Applications in the Fund

You can make an investment in the Fund by sending a correctly completed Application Form together with the required supporting identification documentation to our Unit Registry. For an application to be valid, it must be correctly completed, and it must comply with the designated minimum investment amounts referred to in the PDS and be appropriately signed by the applicant(s).

When you make an investment in the Fund, Units will be allocated to you based on the entry price for the Business Day your application is effective. The entry prices are calculated by taking the NAV and adding to it an amount which reflects the estimated cost of acquiring assets (subject to PIML's discretion to reduce or waive such costs), and dividing the net figure by the number of Units on issue in the class. The Unit prices are usually calculated each Business Day. The Unit prices will change in response to rises and falls in the market value of assets in the Fund.

Current Unit prices for the Fund are available on the website [www.daintreecapital.com.au](http://www.daintreecapital.com.au), or by contacting a Client Services Representative on 1300 011 088 (or +612 8022 7487 New Zealand) or by emailing [daintree@unitregistry.com.au](mailto:daintree@unitregistry.com.au).

The Constitution of the Fund allows PIML to exercise discretions (for example, determining Transaction Costs and rounding), which may affect Unit pricing. The Unit Pricing Discretions Policy sets out, among other things, the principles that PIML adheres to when exercising these discretions. This policy is available upon request.

If, for any reason, we are unable to process your application (for example, the Application Form is incomplete or incorrectly completed or we are not satisfied that we have received the necessary proof of identification requirements to meet our obligations under AML/CTF law), the application monies will be held by us in a non-interest bearing trust account for up to thirty (30) days (while we endeavour to verify your identification information or obtain any necessary outstanding information), after which we will return the application monies to you.

The minimum initial investment is \$25,000. Additional investments can be made into an existing account at any time. No minimum amount applies to additional investments made by BPAY®. The minimum amount for an additional investment made using electronic funds transfer (EFT) is \$5,000. PIML may, however, at its discretion, accept amounts less than the minimum initial investment amounts. The processing of applications for lower amounts may be delayed while approval is sought for the lower application

amount. We reserve the right not to accept (wholly or in part) any application for any reason or without reason. If we refuse to accept an application, any funds received from you will be returned to you without interest.

Investors and prospective Investors may access the Fund indirectly. This PDS has been authorised for use by operators through an investor Directed Portfolio Service (IDPS) or master trust. Such indirect Investors do not acquire the rights of a unitholder of the Fund. Rather, it is the operator or custodian of the IDPS or master trust that acquires those rights. Therefore, indirect Investors do not receive income distributions or reports directly from PIML, do not have the right to attend meetings of unitholders and do not have cooling off rights. Indirect Investors should not complete the Application Form. The rights of indirect Investors are set out in the disclosure document for the IDPS or master trust. If you are investing through an IDPS or a master trust, enquiries should be made directly to the IDPS operator or the trustee of the master trust.

### How we process your application

We will process your application and issue Units to you when we have received:

- your completed Application Form or Additional Application Form, including any required identification documentation; and
- your cleared application monies into the Fund's application bank account.

If we receive a correctly completed Application Form, identification documents (if applicable) and cleared application money:

- before or at 2pm (Melbourne time) on a Business Day and your application for Units is accepted, you will generally receive the application price calculated for that Business Day; or
- after 2pm (Melbourne time) on a Business Day and your application for Units is accepted, you will generally receive the application price calculated for the next Business Day.

For applications made by BPAY®, we will not issue Units until we receive the money from your nominated financial institution. This generally means there will be a delay between the day you initiate a BPAY®<sup>1</sup> transaction and the day the Units are issued. You will need to quote the Fund's Biller Code **216838** and your unique reference number. Refer to your last transaction confirmation or contact the Unit Registry to obtain your unique reference number.

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<sup>1</sup> BPAY® is a registered trademark of BPAY Pty Ltd ABN 69 079 137 518

If your BPAY® or EFT is dishonoured by your financial institution, we will not process your application. We will not represent a dishonoured payment unless you first contact us to discuss your application. We may deduct any fees incurred as a result of the dishonoured payment from your application amount before we issue you with Units.

## Completing the Application Form

Read the current PDS and TMD.

Eligible direct Investors should complete all sections of the Application Form available from [www.daintreecapital.com.au](http://www.daintreecapital.com.au) or by calling 1300 011 088 (+612 8022 7487 New Zealand). We need to collect this information to comply with our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Legislation. Alternatively, you can complete the online application at [www.daintreecapital.com.au/invest-with-us/](http://www.daintreecapital.com.au/invest-with-us/).

Read and sign the declaration in the Application Form.

For an initial investment via BPAY, please tick the appropriate box in the Application Form and a Client Services Representative will contact you once your account has been opened. For an initial investment via EFT, please refer to the Application Form.

Please email the completed Application Form, together with certified copies of the requested identification documentation, to our Unit Registry. The Unit Registry's email address appears on the front of this PDS and on the Application Form.

## Additional investments

If you hold Units directly with the Fund, you can follow these steps to add to your existing investment using BPAY® without the need to complete any forms. BPAY® provides you with the flexibility to make regular recurring additional investments at the frequency and amount of your choosing.

There is no minimum investment amount for additional investments made using BPAY®.

- Using your bank account's BPAY® function, nominate Daintree Hybrid Opportunities Fund as a Biller. The Biller Code is 216838.
- Enter your unique customer reference number (CRN) that can be found in your last transaction confirmation. Please note that this is different from your Investor number or SRN. Please contact the Unit Registry if you require confirmation of your CRN. We will use the CRN to allocate the additional investment to your account.
- Enter the amount of your additional investment. Note that your financial institution will generally allow a recurring BPAY® payment to be set up if you would like to make regular additional investments.
- Save a copy of your BPAY® payment receipt as proof of payment.

Please note that even though your BPAY® transaction is processed from your bank account immediately, your funds may take some time to be transferred to the Fund from your financial institution. Units will be issued only when we receive your funds and will be issued at the entry Unit price applicable to the day payment is received.

For additional investments made by EFT, a minimum investment amount of \$5,000 applies. You will need to notify our Unit Registry by email or mail using the Additional Application Form or otherwise in writing indicating:

- your account name;
- your account/Investor number or SRN;
- the name of the Fund into which you are making an additional investment;
- the amount of additional monies you are investing; and
- the method of payment.

## Payment of your application monies

We can accept payment of your application monies in Australian Dollars by Direct Debit (initial applications only), BPAY® (additional applications only) or EFT.

Instructions for making additional investments using BPAY® are set out in the above section entitled "additional investments".

Fund	Account Name	BSB	Account Number	Reference
Daintree Hybrid Opportunities Fund (Managed Fund)	Perennial Investment Management Ltd - Application Account	342-011	691649-002	<Investor Name>

Please include the name of the account under which you are investing in the reference field of your EFT payment to assist us to match your monies against your Application Form.

## Redeeming directly from the Fund

If you hold your Units on the Fund's issuer sponsored sub-register then, subject to the Constitution, the Corporations Act and the Securities Exchange Rules, you can apply directly to the Responsible Entity to redeem some or all of your investment at any time. No minimums apply to redemption requests and there is no minimum account balance. To withdraw some or all of your investment, please send a correctly completed Redemption Form to our Unit Registry. You can request a specified dollar amount to be withdrawn, a specified number of Units to be redeemed, or a full redemption of your investment in the Fund. The exit price is calculated by taking the NAV and subtracting from it an amount which reflects the estimated cost of selling assets (subject to PIML's discretion to reduce or waive such costs) and dividing the net figure by the number of Units on issue.

On the Redemption Form you will be required to provide your SRN or your Investor number.

If you hold your Units via a stockbroker (and your Units are associated with a HIN), then you hold your units on the CHESS sub-register. If you want to redeem directly from the Fund, you will first need to submit a request to your stockbroker to have your Units converted to an issuer-sponsored holding so that an SRN can be allocated to you by the Unit Registry. The process of converting your broker-sponsored holding to an issuer-sponsored holding is managed by your stockbroker and is subject to their standard processing times. Please contact your stockbroker for further information.

We will accept redemption requests via email or mail. If you purchased your Units on the Securities Exchange, you will be required to supply certain identification documentation as part of your correctly completed Redemption Form. All instructions to redeem should be signed by the nominated authorised signatory or signatories. Under some circumstances, we may need to contact you to request further documentation to confirm the validity of your instruction. This may delay processing of the redemption request.

If we receive your correctly completed Redemption Form before 2.00pm (Melbourne time) on a Business Day on which your Units are held on the Fund's issuer-sponsored sub-register, we will calculate the amount of your redemption using the exit price applicable to that Business Day. If we receive your redemption request after 2.00pm on a Business Day on which your Units are held on the Fund's issuer-sponsored sub-register, we will use the following Business Day's exit price.

Under the Constitution, the Responsible Entity may set a minimum redemption amount and minimum account balance. If a minimum account balance applies and your redemption request results in your remaining investment in the Fund held on the issuer sponsored sub-register falling below the minimum account balance, we may require you to redeem your entire balance held on the issuer-sponsored sub-register. As at the date of this PDS, the Responsible

Entity has determined that there is no minimum number of Units applicable to either the sale of Units on the Securities Exchange or redemption of Units directly with the Responsible Entity. Additionally, no minimum balance applies to investments in the Fund.

## Payment of your redemption proceeds

You can usually expect to receive payment into your nominated bank account within two (2) Business Days after our receipt and acceptance of your redemption request. However, during July and January of each year, or at any other time when the Fund is processing a distribution, payment of your redemption may be delayed by up to fifteen (15) Business Days. We will not satisfy a redemption request if the Fund becomes illiquid as defined under the Corporations Act. In certain circumstances, we may suspend redemptions. In some circumstances, we may compulsorily redeem your Units, for example where the law prohibits you from being an Investor in the Fund. We can only pay redemption proceeds to an Australian bank account held in the name of the Investor. We are unable to pay redemption proceeds to a third-party bank account. Normally we will pay redemption proceeds to the bank account you nominated on your Application Form when you opened your investment, or if you purchased your Units on the Securities Exchange and submit a redemption request to the Responsible Entity, the bank account nominated on your Redemption Form, or if you have subsequently written to us to change your nominated account, we will pay proceeds to that account.

For redemption proceeds paid to New Zealand bank accounts, the conversion of your Australian dollar proceeds to New Zealand dollars will be processed by the Fund's bank at the exchange rate prevailing at the processing time.

## Switches

If you hold Units directly with the Fund you are able to switch all or part of your investment to another fund managed by PIML. A switch is a withdrawal from one PIML fund and an application into another. If we receive your switch instruction before 2.00pm (Melbourne time) on a Business Day, we will usually process the switch using the entry and exit prices applicable to that Business Day. If we receive your request after 2.00pm, we will usually process it using the following Business Day's Unit prices. In circumstances where the calculation of Unit prices is delayed for any reason, including while we are determining and processing distributions, we have the discretion to defer the processing of switches until Unit pricing has resumed. We will accept switch requests via email or mail. Instructions to switch should be signed by the nominated authorised signatory or signatories. Under some circumstances, we may need to contact you to request further documentation to confirm the validity of your instruction. This may delay processing of the switch request. We are unable to process switches out of a Fund whilst restrictions on withdrawals apply. If you hold Units in the Fund via a stockbroker, you will need to submit a request to your stockbroker to have your Units converted to an issuer-

sponsored holding before you can make a switch request. There may be Identification documentation and KYC requirements to be met as part of the switching process.

### **Indirect Investors**

Investors and prospective Investors may access the Fund indirectly. This PDS has been authorised for use by operators through an IDPS or master trust. Such indirect Investors do not acquire the rights of an Investor in the Fund. Rather, it is the operator or custodian of the IDPS or master trust that acquires those rights. Therefore, indirect Investors do not receive income distributions or reports directly from PIML, do not have the right to attend meetings of unitholders and do not have cooling off rights. Indirect Investors should not complete the Application Form. The rights of indirect Investors are set out in the disclosure document for the IDPS or master trust. If you are investing through an IDPS or a master trust, enquiries should be made directly to the IDPS operator or the trustee of the master trust.



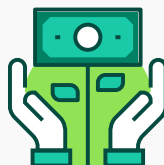
## 6. BENEFITS OF INVESTING IN THE FUND

The Fund is an actively managed portfolio of global hybrid securities that Daintree believes offer Investors a good absolute return and strong income characteristics. The significant benefits of investing in the Fund include:



### Access to investment opportunities

Investing in the Fund means that your money is pooled with that of other Investors. This provides the Fund with the investment buying power not often available to you as an individual Investor with smaller amounts to invest. This means you can gain access to investment markets and risk management techniques that would not normally be accessible to individual retail Investors.



### Right to distributions (if any)

Investing in the Fund means you may receive regular income from your investments in the Fund in the form of distributions. However, there may be times when distributions cannot be made, are lower than expected or are delayed.



### Professional management

Daintree's investment professionals manage the Fund using a disciplined investment approach aimed at delivering returns in excess of the Benchmark.



### Easy access to your information

For the latest available information on the Fund, you can visit [www.daintreecapital.com.au](http://www.daintreecapital.com.au) or contact a Client Services Representative on 1300 011 088 (+612 8022 7487 New Zealand), email [daintree@unitregistry.com.au](mailto:daintree@unitregistry.com.au) or speak to your financial adviser.

## 7. MANAGING RISK

All investments carry risk. The likely investment return and the risk of losing money is different for each managed investment scheme as different strategies may carry different levels of risk depending on the portfolio of assets that make up the scheme. Those assets with potentially higher long-term returns may also have a higher risk of losing money in the shorter term.

Risks can be managed but not completely eliminated. It is important that Investors in the Fund understand that:

- the value of your investment will go up and down;
- investment returns will vary and future returns may be different from past returns;
- returns are not guaranteed and there is always the chance that you may lose money on any investment you make; and
- laws affecting your investment in a managed investment scheme may change over time.

The appropriate level of risk for you will depend on a range of factors including your age, investment time frame, where other parts of your wealth are invested and your risk tolerance.

An investment in the Fund may suit Investors who are seeking a medium-term investment exposure to Australian and global hybrid securities.

Before deciding whether to invest in the Fund, Investors should consider:

- the likely investment return of the Fund;
- the risk involved in investing in the Fund; and
- their investment timeframe.

You should seek your own professional advice on the appropriateness of this investment to your circumstances. You should also consider how an investment in the Fund fits into your overall investment portfolio.

### Risks of investing in the Fund

The significant risks, in no particular order, that may affect the value of your investment and the distributions paid by the Fund include:

- **Investment objective risk** – There is a risk that the Fund will not meet its investment objective.
- **ESG change risk** – There is a risk that company specific, legislative, or other events may change the ESG risks associated with an investment.
- **Market risk** – Unexpected conditions (e.g. economic, technological or political) can have a negative impact on the returns of all investments within a particular market. Daintree's careful analysis of detailed research in combination with diversified holdings, aims to minimise this risk.
- **Concentration risk** – When investments are concentrated in a smaller number of securities than the broader market index, the Unit price of the Fund may

be more volatile than the Benchmark. The Fund has both security and issuer limits which aims to manage this risk by ensuring satisfactory diversification.

- **Company or Security-specific risk** – A number of factors can adversely affect the value of a specific security in which the Fund invests and therefore impact the Fund. Daintree's careful analysis of detailed research in combination with diversified holdings, aims to minimise this risk.
- **Interest rate risk** – Changes in interest rates can influence the value and returns of investments. Daintree aims to minimise this risk by limiting duration exposure.
- **Credit and Counterparty risk** – A counterparty's failure to meet its contractual obligations could result in a financial loss to the Fund. Daintree seeks to reduce this risk, by ensuring that a diversified portfolio of securities is held in the Fund.
- **Conflicts of interest risk** – Either we or our various service providers may from time to time act as issuer, investment manager, secondary market liquidity provider, Custodian, Unit Registry, broker, Administrator, distributor or dealer to other parties or funds that have similar objectives to those of the Fund. It is possible that we, or our service providers may have potential conflicts of interest with the Fund. Such conflicts of interest include but are not limited to, management of multiple accounts with varying fee arrangements, trade allocation, proxy voting and staff personal trading. The Investment Manager may invest in, directly or indirectly, or manage or advise other funds which invest in assets which may also be purchased by the Fund. Neither the Investment Manager nor any of its affiliates nor any person connected with it are under any obligation to offer investment opportunities to the Fund. We maintain a Conflicts of Interest Policy to ensure that we manage our obligations to the Fund such that all conflicts (if any) are resolved fairly.
- **Counterparty risk** – Counterparties used in connection with the Fund's investment activities may default on their obligations, for instance by failing to make a payment when due. This may be due to insolvency or other events of default. Such counterparties may include service providers and derivatives counterparties, as well as the Fund's custodian. Default on the part of a counterparty could result in financial loss to the Fund.
- **Changes in law and regulatory risk** – There is a risk that a change in laws and regulations governing a security, sector or financial market could have an adverse impact on the Fund or on the Fund's investments. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.

- **Cyber risk** – There is a risk of fraud, data loss, business disruption or damage to the information of the Fund or to Investors' personal information as a result of a threat or failure to protect this information or data.
- **Currency risk** – Funds investing in international markets are exposed to changes in exchange rates. The possibility that foreign currencies may fall in value relative to the Australian dollar can have an adverse impact on investment returns. This risk may be partially or fully offset by hedging using forward exchange contracts or appropriate derivative instruments.
- **Liquidity risk** – If a security cannot be bought or sold quickly enough to reduce or minimise a potential loss, the Fund may experience difficulty satisfying commitments associated with financial instruments. The risk management guidelines adopted by Daintree are designed to minimise liquidity risk through applying limits to ensure there is no undue concentration of liquidity risk to a particular counterparty or market.
- **Derivative risk** – Daintree generally uses derivatives to control the various risks associated with investing by modifying the exposure to particular assets, asset classes or currencies. Most commonly, derivatives are used for hedging and investment purposes. Hedging involves establishing offsetting positions in derivative markets to protect the value of the underlying physical assets from anticipated adverse price movements over time. Derivatives are also frequently used as an alternative to investing in physical assets because of their cost and liquidity efficiency. Gains or losses can result from investments in derivatives. In addition to any risk associated with the underlying asset (or index) for which a derivative is valued, derivative prices are affected by other factors including: market liquidity; interest rates; and counterparty risk. Daintree seeks to mitigate the risks through a range of risk management strategies including the use of limits on positions.
- **Distribution policy risk** – Under the distribution policy for the Fund, there may be circumstances where the distributions received by Investors in cash may be insufficient to cover an Investor's tax payable on the income of the Fund attributable to the Investor.
- **Fund provision of liquidity on the Securities Exchange risk** – If a security cannot be bought or sold quickly enough to reduce or minimise a potential loss, a Fund may experience difficulty satisfying commitments associated with financial instruments.
- **Fund risk** – Fund risk refers to specific risks associated with the Fund, such as termination and changes to fees and expenses. The performance of the Fund or the security of an Investor's capital is not guaranteed. There is no guarantee that the investment strategy of the Fund will be managed successfully, or that the Fund will meet its investment objectives. Failure to do so could negatively impact the performance of the Fund. An investment in the Fund is governed by the terms of the Constitution and this PDS, each as amended from time to time. The Fund is also governed by the Securities Exchange Rules, and is exposed to risks of quotation on that platform, including such things as the platform or settlements process being delayed or failing. The Securities Exchange may suspend, or remove the Units from quotation on the Securities Exchange. The Responsible Entity may elect, in accordance with the Constitution and the Corporations Act, to terminate the Fund for any reason.
- **iNAV risk** – The iNAV published is indicative only and might not be up to date or might not accurately reflect the underlying value of a Unit.
- **Investment Manager risk** – is the risk that the Fund's investment objective will not be achieved and/or it may underperform the benchmark or may underperform other investment managers in the same asset class. The risk is reduced by the active management of the Fund's assets.
- **Market making risk** – Under the Securities Exchange Rules, we have certain market making obligations in respect to the Fund. To facilitate an orderly and liquid market in the Fund we will appoint Market Maker(s) to provide alternative liquidity. Whilst we monitor our Market Makers ability to maintain a continuous liquidity to the market, there is no guarantee that these requirements are always met, particularly if there is a failure by a Market Maker.
- **Price of Units on the Securities Exchange** – The price at which the Units may trade on the Securities Exchange may differ materially from the NAV per Unit and the iNAV.
- **Responsible Entity risk** – Is the risk that PIML, the Responsible Entity for the Fund, does not properly discharge its duties in the management of the Fund. We aim to keep Responsible Entity risk to a minimum by monitoring the Fund, acting in your best interests and ensuring compliance with legislative requirements.
- **Other risks** – Managed investment schemes are also subject to operational risk in that circumstances beyond our control may prevent us from managing the Fund in accordance with its investment strategy. These circumstances may include strikes or industrial disputes, fires, war, civil disturbances, regulatory, terrorist acts, state emergencies and epidemics.
- **Performance risk** – There is a risk that the Fund may not achieve its investment objectives.
- **Pooled investment scheme risk** – The market prices at which the Fund is able to invest inflows, or sell assets to fulfil outflows, may differ from the prices used to calculate the NAV per Unit (and the iNAV). Investors in the Fund may therefore be impacted by other Investors entering and exiting the Fund. The impact will depend on the size of inflows or outflows relative to the Fund, and on the price volatility of the securities in which the Fund invests. Inflows and outflows may also affect the taxable income attributed to an Investor during a financial year.

- **Securities Exchange liquidity risk** – The liquidity of trading in the Units on the Securities Exchange may be limited. This may affect an Investor's ability to buy or sell Units on the Securities Exchange. Investors will not be able to buy or sell Units on the Securities Exchange during any period where the Securities Exchange Operator is experiencing a trading outage or where the Securities Exchange Operator suspends trading of Units in the Fund. Further, where trading in the Units on the Securities Exchange has been suspended, the ability of Investors to apply directly to the Responsible Entity to withdraw their investment in the Fund may be suspended and will be subject to the provisions of the Constitution and the Corporations Act.
- The Fund may be removed from quotation by the Securities Exchange Operator or terminated. The Securities Exchange Rules impose certain requirements for the continued quotation of securities, such as the Units, on the Securities Exchange. Investors cannot be assured that the Fund will continue to meet the requirements necessary to maintain quotation on the Securities Exchange. In addition, the Securities Exchange Operator may change the quotation requirements.
- The Responsible Entity may elect, in accordance with the Constitution and Corporations Act, to terminate the Fund for any reason including if Units cease to be quoted on the Securities Exchange. Information about the Securities Exchange Rules applicable to the quotation of Units in the Fund on the Securities Exchange is set out in Section 10 of this PDS.

## 8. INVESTMENT STRATEGY & OBJECTIVE

Daintree Hybrid Opportunities Fund (Managed Fund)		
<b>About the Fund</b>	<p>Daintree applies a pragmatic and risk averse approach to managing a portfolio of Australian and global hybrid securities and cash. The Fund targets an absolute return over time, by investing in a diversified portfolio of predominantly Australian and global hybrid securities which meets Daintree's investment standards.</p> <p>The Fund invests in non-Australian dollar denominated securities which may be fully or partially hedged back to the Australian Dollar.</p>	
<b>Investment return objective</b>	<p>The aim of the Fund is to provide a steady stream of income over the medium term, by investing in a diversified portfolio of Australian and global hybrid securities and cash, and to provide a total return (after fees) that exceeds the Benchmark measured throughout a market cycle.</p>	
<b>Minimum suggested investment timeframe</b>	Three (3) to Five (5) years	
<b>Suitable Investor profile</b>	<p>The Fund may be suitable for Investors with an investment horizon of three (3) years or more, who are seeking a well-diversified portfolio of hybrid securities.</p>	
<b>Asset allocation/classes</b>	Australian Hybrid securities	0-100%
	Global Hybrid securities	0-50%
	Cash and cash equivalents	0-30%
	Listed Equities	0-5%
<b>Benchmark</b>	RBA Cash Rate	
<b>Fund performance</b>	<p>For up-to-date performance, Unit prices and commentaries, please visit <a href="http://www.daintreecapital.com.au">www.daintreecapital.com.au</a>.</p>	
<b>Labour standards, environmental, social and ethical considerations</b>	<p>Daintree takes a number of ESG considerations into account when selecting, retaining or realising investments. ESG is an element of the investment process and is integrated into portfolio construction and risk management processes. Daintree has devised and implemented an ESG policy which guides the investment team when selecting, retaining and realising investments of the Fund. For further information, please see further below in Section 8 of this PDS and the Daintree website <a href="http://www.daintreecapital.com.au">www.daintreecapital.com.au</a>.</p>	
<b>Changes to Fund details</b>	<p>We have the right to close or terminate the Fund and make changes to the Fund including the investment return objective, the benchmark, asset classes and asset allocation ranges and currency strategy (if any), without prior notice in some cases. We will inform Investors of any material change to the Fund's details via Daintree and the Perennial websites or as otherwise required by law.</p>	
<b>Distributions</b>	<p>Distributions will generally be quarterly but may be made more or less frequently at the discretion of the Responsible Entity.</p>	



## Daintree Hybrid Opportunities Fund (Managed Fund)

### Derivatives

The Fund may use derivatives in limited circumstances. The Fund may use derivatives on a temporary basis to gain exposure to the underlying reference assets of those derivatives.

The Fund does not intend to engage in short selling or enter securities lending arrangements.

Derivatives may be used by the Fund for investment and risk management purposes.

Derivatives will not be used to gear the Fund. The Fund will not engage in short selling. We note that whilst the Fund may use various derivative instruments, including futures and options, to manage cash flow and investment risk of the portfolio, it may only do so in the following three (3) scenarios:

- a. for the dominant purpose of managing foreign exchange or interest rate risk;
- b. for the dominant purpose of more efficiently gaining an economic exposure, through the use of derivatives, to the underlying reference assets of those derivatives; or
- c. provided the Fund will not use derivatives to obtain exposure to more than 10% of the underlying reference assets of the fund by NAV, and related cash and cash-like instruments. This includes aggregate exposure of the Fund to all over-the-counter (OTC) derivative counterparties, including assets held by the Fund as collateral under an OTC derivative. If a larger exposure is attributable to circumstances that were not reasonably foreseeable by the Responsible Entity, such as unforeseen market movements or large redemption requests, such exposure will remain in the Fund for a period of no more than three (3) consecutive Business Days.

The investment strategy does not permit the Investment Manager to hold notional derivative exposures valued at more than 10% of the NAV of the Fund (excluding those used to hedge interest rate risk or foreign exchange risk of the underlying assets) apart from in exceptional circumstances, in which case the Investment Manager is required to take action as soon as practicable to reduce the exposure below 10%.

Where OTC derivatives account for more than 5% of the NAV of the Fund, the aggregate exposure of the Fund to all OTC derivative counterparties, including assets held by the Fund as collateral under an OTC derivative, is managed so that it does not exceed a maximum of 10% of the NAV of the Fund. Only cash may be held by the Fund as collateral under an OTC derivative. Margining is managed daily.

### Labour standards and environmental, social or ethical considerations

PIML has delegated investment decisions for the purposes of selecting, retaining or realising investments for the Fund to Daintree, who operates the Fund in accordance with the investment management agreement.

Environmental, Social and Governance (ESG) analysis is a consideration that Daintree draws on as part of its investment strategy.

Daintree is a member of the UN Principles for Responsible Investment (PRI), a leading promoter of responsible investment practices. As a signatory to the PRI, Daintree considers the PRI core principles as high-level guideposts to assess a company's environmental, social and governance risks and opportunities. In addition to considering the PRI principles, Daintree has also devised an ESG Policy that is applied when managing the Fund. The Daintree ESG Policy can be found in full at [www.daintreecapital.com.au](http://www.daintreecapital.com.au).

Daintree's process contemplates a broad spectrum of ESG-related issues, with emphasis placed on factors deemed to be of high materiality to each issuer/entity in which the Fund invests. Determination of materiality is by reference to global standards such as the Sustainable Accounting Standards Board (SASB). Daintree's ESG Policy is underpinned by the following:

- Screening of potential investments via a detailed checklist to identify characteristics of an issuer or security that may contravene ESG Policy requirements or pose investment risks that cannot be mitigated by the ESG Policy. Examples include, but are not limited to, the assessment of corporate structure, alignment of business strategy with stated sustainability goals and involvement in significant controversies, such as a major legal liability or a data privacy or cyber-security incidents.
- Restrictions on investments in sectors deemed incompatible with the ESG Policy. Daintree is expressly prohibited from investing in issuers which derive revenue from fossil fuel exploration and production, coal-fired power generation,

uranium exploration, gambling, alcohol production and adult entertainment. Under the ESG Policy, Daintree is also expressly prohibited from investing in companies who are involved in or derive any revenue from the manufacture of goods in the following sectors; weapon manufacturers (cluster munitions, anti-personnel mines, nuclear weapons), tobacco production, cannabis production and cannabis-related products and whaling.

- Daintree has devised a numerical rating scoring system (the **Daintree Score**) which assesses each individual ESG component. Both 'environment' and 'social' components equally contribute to 40% of the weighted Daintree Score (20% is attributed to each component). However, a stronger bias is placed on 'governance' related components, which attributes 60% to the weighted Daintree Score, which is reflective of the importance that Daintree places on corporate governance matters. The Daintree Score is considered in conjunction with other factors as part of the investment strategy, and is a standardised measure drawing on publicly available company data compiled by third-party providers to allow comparison between various issuers, and to monitor trends over time. Changes in the Daintree score over time might prompt additional work to understand the drivers of this change.

Daintree also undertakes regular engagement with companies to better understand the impacts of material ESG issues, and as an avenue to advocate for greater disclosure and transparency with regard to ESG information.

## 9. FEES AND OTHER COSTS

### Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

### To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

This Section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole. Taxes are set out in Section 11 of this PDS. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Daintree Hybrid Opportunities Fund (Managed Fund)		
Type of Fee or Cost <sup>2</sup>	Amount	How and when paid
Ongoing annual Fees and Costs <sup>2</sup>		
<b>Management Fees and Costs</b> The fees and costs for managing your investment	Estimated to be 0.75% p.a. of Fund's NAV comprised of: <ul style="list-style-type: none"> <li>i) Investment Management Fee: 0.65% p.a.</li> <li>ii) Expense Recovery: 0.10% p.a.<sup>3</sup></li> <li>iii) Indirect Costs: Nil.<sup>4</sup></li> </ul>	The Fund's Investment Management Fee is 0.65%p.a. of the Fund's NAV, calculated daily. The Investment Management Fee is deducted from the assets of the Fund, is paid monthly in arrears to PIML and is reflected in the Fund's NAV per Unit.  The Expense Recovery of 0.10%p.a. of the Fund's NAV accrues daily and is paid monthly to PIML from the assets of the Fund. The Expense Recovery is reflected in the Fund's NAV per Unit.  Indirect Costs are a reasonable estimate of any certain costs incurred within the Fund that reduce returns. Indirect Costs will be deducted from the assets of the Fund as and when incurred.
<b>Performance Fee</b> Amounts deducted from your investment in relation to the performance of the Fund	Nil.	Not Applicable.
<b>Transaction Costs</b> The costs incurred by the Fund when buying or selling assets	0.09% p.a. <sup>5</sup>	Transaction Costs are not covered by the buy/sell spread, they are instead paid out of the assets of the Fund at an additional cost to

you and are reflected in the Fund's NAV per Unit.

Member activity related Fees and Costs (fees for services of when your money moves in or out of the Fund)

<b>Establishment Fee</b> The fee to open your investment	Nil.	Not Applicable
<b>Contribution Fee</b> The fee on each amount contributed to your investment	Nil.	Not Applicable
<b>Buy-sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the Fund	Buy Spread 0.10% Sell Spread: 0.10%	Estimated Transactional Costs are allocated when an Investor buys or sells Units in the Fund by applying a 'buy spread' and a 'sell spread'. The buy/sell spreads are an additional cost to Investors when transacting but, as they are reflected in the Unit price of the Fund, they are not charged to you separately.
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment	Nil.	Not Applicable
<b>Exit Fee</b> The fee to close your investment	Nil.	Not Applicable
<b>Switching Fee</b> The fee for changing investment options	Nil.	Not Applicable

<sup>1</sup> The Investment Management Fee may be negotiated with wholesale clients. <sup>2</sup> The fees are inclusive of the GST and take into account any expected RITCs. Where fees have been quoted to two (2) decimal places, the actual fee may have been rounded up. <sup>3</sup> This excludes any unusual or non-recurrent expenses which will be deducted from the Fund's assets as and when incurred. <sup>4</sup> Indirect Costs are calculated with reference to the relevant costs incurred during the financial year ending 30 June 2023. Based on information available as at the date of this PDS, the Fund did not incur any Indirect Costs in the past financial year, although the Fund may incur these costs in the future. <sup>5</sup> Transaction Costs are shown net of any amounts recovered by the Fund from the buy-sell spread and are based on the Transaction Costs incurred in the previous financial year.

## Example of annual Fees and Costs for the Fund

The table below gives an example of how ongoing annual fees and costs for the Fund can affect your investment over a one (1) year period. You should use this table to compare this product with other products offered by managed investment schemes.

Example – Daintree Hybrid Opportunities Fund		
Balance of \$50,000 with a contribution of \$5,000 during year		
<b>Contribution Fees</b>	Nil.	For every additional \$5,000 you put in, you will be charged <b>\$0</b> .
<b>PLUS</b>		
<b>Management Fees and Costs</b>	0.75% p.a.	And, for every \$50,000 you have in the Fund you will be charged or have deducted from your investment <b>\$375</b> each year.
<b>Performance Fee</b>	Nil.	And, you will be charged or have deducted from your investment <b>\$0</b> in Performance Fees each year.
<b>Transaction Costs</b>	0.09% p.a.	And, you will be charged or have deducted from your investment <b>\$45</b> in Transaction Costs.
<b>Equals Cost of the Fund</b>		
If you had an investment of \$50,000 at the beginning of the year and you invested an additional \$5,000 during the year, you will be charged fees and costs of <b>\$420</b> . <sup>1</sup> What it costs you will depend on the fees you negotiate with the Fund.		

<sup>1</sup> Additional fees may apply. This example assumes the \$5,000 contribution occurs at the end of the first year, therefore Management Fees and Costs are calculated using the \$50,000 balance only. A buy spread of 0.10%, equal to \$10 on a \$5,000 contribution will also apply. This example is based on the fees charged in the previous financial year and as such, assumes no Indirect Costs are payable.

## Additional explanation of Fees and Costs

The ongoing annual Management Fees and Costs comprise:

### 1. Investment Management Fee

The Investment Management Fee of 0.65% p.a. of the NAV of the Fund is payable to PIML for managing the assets of the Fund and overseeing the operations of the Fund.

The Investment Management Fee is not deducted from your account. Instead, it accrues daily within the Fund's NAV price and is deducted from the assets of the Fund. The Investment Management Fee is paid to PIML monthly in arrears. Out of this fee, PIML pays a portion to Daintree for managing the assets of the Fund.

### 2. Expense Recovery

The Responsible Entity is entitled to recover the expenses it reasonably incurs in the proper performance of its duties as the Responsible Entity of the Fund. Expenses such as custody charges, administration and accounting costs, registry fees, audit fees and tax fees will be recovered via the Expense Recovery, which will not exceed 0.10%p.a. of the Fund's NAV in any one financial year. Any such expenses in excess of the cap will be borne by the Responsible Entity from its own resources, on the basis that the Responsible Entity has the right to be reimbursed for them at a later time, provided that the cap will not be exceeded at the time of reimbursement.

In addition to the Expense Recovery, if any unusual or non-recurrent expenses are incurred, PIML reserves its right to deduct these expenses from Fund's assets as and when incurred.

The Expense Recovery accrues daily and will be paid to PIML monthly. The amount included in the table of Fees and Costs is calculated with reference to the relevant costs incurred during the financial year ending 30 June 2023, and is based on no unusual or non-recurrent expenses being incurred.

### 3. Indirect costs

Indirect Costs are the costs incurred in managing the Fund's assets which directly or indirectly reduce the return on the Fund. Indirect Costs include any amounts not charged as a fee that the Responsible Entity knows, or may reasonably estimate, has reduced or will reduce (directly or indirectly) the income of the Fund, or the value of the Fund's assets. It is estimated that there are no additional Indirect Costs associated with investing in the Fund. However, if unusual or non-recurrent expenses are incurred, the Responsible Entity will deduct these from the Fund's assets. Indirect Costs do not include Transaction Costs and may differ from the current financial year in the future. (see 'Transactional Costs' section below).

### Transactional and Operational Costs

In managing the assets of the Fund, transaction costs such as brokerage, settlement, clearing, stamp duty, and the difference between the actual price paid or received for acquiring or disposing of an asset and its actual value at that

time may be incurred by the Fund. These costs are generally incurred as a result of applications or redemptions from the Fund or when the Fund sells or buys assets as part of its day-to-day trading activities.

### **Buy/sell spread**

Transactional costs which arise as a result of applications and redemptions will be recovered from the applicants and redeeming unitholders in the form of a 'buy spread' and a 'sell spread' when transacting directly with the Responsible Entity. The buy/sell spreads are an additional cost to you when transacting but, as they are included in the Unit price, they are not charged to you separately. The buy/sell spread is the difference between the entry price and the exit price of the Units in the Fund. Buy/sell spreads are not retained by us but rather paid to the Fund to ensure that other unitholders are not disadvantaged by the trading activity arising from applications or redemptions.

For an Investor applying for Units directly with the Responsible Entity, the current buy spread is 0.10% of the NAV per Unit, represented by the difference between the entry price and the NAV per Unit. For an Investor applying directly to the Responsible Entity to redeem their investment in Fund, the current sell spread is 0.10% of the amount that you redeem, represented as the difference between the exit price and the NAV per Unit. For example, if you invested \$50,000 in the Fund the cost of the buy spread would be \$50, or if you redeemed \$50,000 from your investment the cost of the sell spread would be \$50. We may vary the buy and sell spreads from time to time and prior notice will not ordinarily be provided. Updated information on the buy and sell spreads will be posted on the Fund's website at [www.daintreecapital.com.au](http://www.daintreecapital.com.au).

For an Investor that buys or sells Units on the Securities Exchange, the price at which they transact may vary from the prevailing iNAV. The prices on the Securities Exchange are determined in the secondary market by market participants who set their own prices at which they wish to buy or sell Units in the Fund. The difference, or spread, from the prevailing iNAV may represent a cost, or possible benefit, of an investment in the Fund. Where the Responsible Entity buys or sells Units on the Securities Exchange, the price at which it buys or sells units will generally include an allowance to cover Transaction Costs but will also reflect market conditions and supply and demand for Units during the Trading Day. As such, the cost of the spread on the Securities Exchange may be different to the cost of the 'buy spread' or 'sell spread' for Investors who apply or withdraw directly with the Responsible Entity. Where the Responsible Entity buys or sells Units the Fund retains the benefit of this spread.

### **Other Transactional Costs**

Transaction costs which arise from trading activity to execute the Fund's investment strategy and are not the result of applications into and withdrawals from the Fund, are not covered by the buy/sell spread. They are instead paid out of the Fund's assets. These costs are an additional cost to you

and are reflected in the Fund's Unit price and are not paid to us.

The total transaction costs for the financial year ending 30 June 2023, was 0.14% of the NAV of the Fund, of which approximately 0.05% was recouped via the buy/sell spread. The difference of 0.09% reflected the day-to-day trading costs and was factored into the net investment return of the Fund. These costs may vary in future. Based on an average account balance of \$100,000 over a one-year period, this estimate of Transactional Costs represents approximately \$90.

### **Stockbroker fees for Investors**

Investors may incur customary brokerage fees and commissions when buying and selling the Units on the Securities Exchange.

Please consult a stockbroker for more information in relation to their fees and charges.

### **Fees for Indirect Investors**

For Investors accessing the Fund through a master trust or wrap account, additional fees and costs may apply. These fees and costs are stated in the offer document provided by your master trust or wrap account operator. These are not fees paid to the Responsible Entity.

### **Payments to platforms**

Some master trusts, wrap accounts or other investment administration services ("Platforms") charge product access payments fees (as a flat dollar amount each year) for having the Fund included on their investment menus. We may, therefore, pay amounts from the fees we receive to any Platform through which the Fund is made available. Product access is paid by us out of the investment management fee and is not an additional cost to you.

### **Financial adviser fees**

No commissions will be paid by us to financial advisers. Additional fees may be paid by you to your financial adviser if one is consulted. You should refer to the Statement of Advice they give you in which details of the fees are set out.

### **Differential fees**

Management Fees and Costs may be negotiated with Investors who are wholesale clients for the purposes of the Corporations Act. The amount of any fee rebate is at the Responsible Entity's discretion. The Responsible Entity will achieve these reductions by payments from its own resources. Further information can be obtained by contacting the Responsible Entity.

### **Can fees and costs change and what are the maximums?**

Yes, fees and costs can change subject to maximums in the Fund's Constitution. The Constitution of the Fund limits the amount of the Responsible Entity's fee to a maximum of 2% p.a. of the Fund's NAV (plus GST). The Constitution of the Fund provides for a maximum Investment Management Fee of 4% p.a. (plus GST).



As at the date of this PDS, the Responsible Entity does not have any intention to change the fees and costs described in this PDS, although it has the right to do so at any time. Any increase in the fees and costs for the Fund will be announced to unitholders at least thirty (30) days before it occurs.

## 10. SECURITIES EXCHANGE RULES AND CHES

Units in the Fund are admitted to trading status on the Securities Exchange and are quoted under the AQUA Rules framework. The Securities Exchange Rules are accessible at [www.asx.com.au](http://www.asx.com.au).

The following table sets out the key differences between the ASX Listing Rules and the Securities Exchange Rules.

Requirement	ASX Listing Rules	AQUA Rules
<b>Continuous disclosure</b>	Issuers are subject to continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.	<p>Issuers of products quoted under the AQUA Rules are not subject to the continuous disclosure requirements in ASX Listing Rule 3.1 and section 674 of the Corporations Act.</p> <p>The Responsible Entity will comply with the disclosure requirements in section 675 of the Corporations Act. This means that we will disclose to ASIC information which is not generally available and that a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of the Units, provided that such information has not already been included in this PDS (as supplemented or amended).</p> <p>PIML will publish such information on the ASX Market Announcements Platform at the same time as it is disclosed to ASIC.</p> <p>PIML is required to disclose information about the NAV of the Fund daily. The NAV of the Fund will be calculated by the Administrator in accordance with PIML's Unit Pricing Policy.</p> <p>PIML must also disclose information about:</p> <ul style="list-style-type: none"> <li>• net monthly applications and redemptions;</li> <li>• distributions and other disbursements;</li> <li>• any other information which is required to be disclosed to ASIC under section 675 of the Corporations Act; and</li> <li>• any other information that would be required to be disclosed to the ASX under section 323DA of the Corporations Act if the Units were admitted under the ASX Listing Rules.</li> </ul> <p>Additionally, under the AQUA Rules the Responsible Entity must immediately notify the ASX of any information the non-disclosure of which may lead to the establishment of a false market in the Units or which would be likely to materially affect the price of the Units.</p>
<b>Periodic disclosure</b>	Issuers are required to disclose half-yearly and annual financial information and reports to the ASX Market Announcements Platform.	<p>Issuers of products quoted under the AQUA Rules are not required to disclose half-yearly or annual financial information or reports to the ASX Market Announcements Platform.</p> <p>The Responsible Entity is required to lodge financial information and reports in respect of each Fund with ASIC under Chapter 2M of the Corporations Act.</p>

Requirement	ASX Listing Rules	AQUA Rules
<b>Corporate governance</b>	Listed companies and listed managed investment schemes are subject to notification requirements under the Corporations Act and the ASX Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	Although the Units are intended to be quoted under the AQUA Rules, neither the Fund nor the Responsible Entity itself are listed and therefore, they are not subject to certain corporate governance requirements. The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act, and with section 601FM of the Corporations Act including that the Responsible Entity may be removed by an extraordinary resolution of members on which the Responsible Entity would not be entitled to vote.
<b>Related party transactions</b>	Chapter 10 of the ASX Listing Rules relates to transactions between an entity and a person in a position to influence the entity and sets out controls over related party transactions.	Chapter 10 of the ASX Listing Rules does not apply to products quoted under the AQUA Rules. The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act.
<b>Auditor rotation obligations</b>	Division 5 of Part 2M.4 of the Corporations Act imposes specific rotation obligations on auditors of listed companies and listed managed investment schemes.	Issuers of products quoted under the AQUA Rules are not subject to the auditor rotation requirements in Division 5 of Part 2M.4 of the Corporations Act. An auditor will be appointed by the Responsible Entity to audit the financial statements and Compliance Plan of the Fund.
<b>Disclosure</b>	Issuers admitted under the ASX Listing Rules are subject to the requirements of the Corporations Act in relation to the issue of a PDS.	Products quoted under the AQUA Rules will also be subject to these requirements of the Corporations Act. Investors should read this PDS and the TMD carefully before investing in the Fund to fully understand the risks involved in investing in this type of product.

## Spread requirements

There are requirements under the ASX Listing Rules that issuers satisfy certain minimum spread requirements (i.e. a minimum number of Investors each having a minimum parcel size). These requirements do not apply to AQUA Product issuers. Under the AQUA Rules, unless and until a suitable spread of holders is achieved, an AQUA Product issuer must ensure a reasonable bid and volume is maintained for the AQUA Product on the ASX except in permitted circumstances or have in place other arrangements which meet ASX's requirements for providing liquidity, generally through the appointment of a Market Making agent.

## About CHES

The Responsible Entity through its outsourced Unit Registry services provider, participates in CHES. CHES is a computer system used by the ASX to manage the settlement of share transactions and to record shareholdings. In practical terms, it allows brokers and other market participants to settle trades via CHES by themselves or on behalf of their clients. The Unit Registry has established and will maintain an electronic sub-register with CHES on behalf of the Responsible Entity.

The Responsible Entity will not issue investors with certificates in respect of their Units held on the CHES sub-register. When Investors purchase Units on the Securities Exchange they will receive a holding statement which will set out the number of Units that they hold. An Investors' holding statement will specify the HIN allocated by CHES or the SRN allocated by the Unit Registry.

Subject to ASX Operating Rules and the ASX Clearing and Settlement Rules, PIML as the Responsible Entity may decline to register a purchaser of a Unit or Units transacted on the ASX.

## 11. TAXATION

**Warning:** Investors should obtain independent taxation advice that takes into account their specific circumstances regarding investing in the Fund.

The taxation information in this PDS is provided for general information only. It is a broad overview of some of the Australian tax consequences associated with investing in the Fund for a potential Australian resident Investor. It does not take into account the specific circumstances of each person who may invest in the Fund. It should not be used as the basis upon which potential Investors make a decision to invest. As the circumstances of each Investor are different, the Responsible Entity strongly recommends that Investors obtain professional independent tax advice relating to the tax implications of investing in and dealing in units in relation to their own particular circumstances before making any investment decision.

The taxation information in this PDS has been prepared based on the Australian tax laws and administrative interpretations of such laws in effect as at the date of this PDS. Investors should be aware that the ultimate interpretation of taxation law rests with the Courts and that the law, and the way the Federal Commissioner of Taxation (**Commissioner**) or a Commissioner of State Revenue administers the law and interpretations may change at any time.

### AMIT

- The Attribution Managed Investment Trust (AMIT) regime has been designed specifically for managed investment trust's, to provide certainty and flexibility to managed trust and their Investors.
- PIML has made an irremovable decision election for all eligible Trust's to enter into the AMIT regime, which came into effect on 2 July 2017 (or from the commencement year for eligible Trust's that launched after 30 June 2018), on the basis that entry into the AMIT regime is in the investor's best interests. The constitution for each Trust complies with the AMIT regime. The AMIT regime adequately deals with "unders" and "overs" and, facilitates and simplifies the distribution calculation process.

Under the AMIT regime:

- Each Trust 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 Trust.
- For income tax purposes, each Trust will be able to attribute amounts of income and tax offsets to unitholders on a fair and reasonable basis.
- Adjustments may be made to the cost base of a unitholder's interest in the relevant Trust, upwards or downwards.

### Taxation of non-resident Investors

If a non-resident Investor is entitled to taxable income of the Fund, the Investor may be subject to Australian tax at the rates applicable to non-residents. If you are a non-resident, you may be entitled to a credit for Australian income tax paid by the Responsible Entity in respect of your tax liability.

### Taxation reforms

The expected tax implications of investing in a Fund described in this tax disclosure may change as a result of changes in the taxation laws and interpretation of them by the Courts and/or the Australian Tax Office. Tax reform activity that affects trusts is generally ongoing. Investors should seek their own advice on the potential impact of any proposed legislative changes or judicial developments. The Responsible Entity will also closely monitor any impact or developments in this regard.

### Franking credits

The Fund may invest in Australian shares which pay franked dividends. An Investor may receive distributions which include franking credits.

### Goods and Services Tax (GST)

An investment in the Fund will not be subject to goods and services tax.

### Tax File Number ("TFN") or Australian Business Number ("ABN")

You are not required to quote your Tax File Number (TFN) or, if you have one, an Australian Business Number (ABN), or claim an exemption from providing a TFN. However, if a TFN or ABN is not provided, or an exemption is not claimed, PIML is required by law to withhold tax from distributions at the top marginal tax rate plus the Medicare Levy. If you are making this investment on behalf of a business or enterprise you carry on, you may quote your ABN instead of a TFN.

### Foreign Account Tax Compliance Act

Under the Foreign Account Tax Compliance Act (FATCA), the Responsible Entity is required to collect and report information about certain Investors identified as U.S. tax residents or citizens. In order to comply with its FATCA obligations, the Responsible Entity may request Investors to provide certain information (FATCA Information).

To the extent that all FATCA Information is obtained, the imposition of US withholding tax on payments of US income or gross proceeds from the sale of particular US securities shall not apply. Although the Responsible Entity attempts to take all reasonable steps to comply with its FATCA obligations and to avoid the imposition of the withholding tax, this outcome is not guaranteed.

Under the terms of the intergovernmental agreement between the US and Australian governments, the Responsible Entity may provide FATCA Information to the

Australian Taxation Office (ATO). Please be aware that the Responsible Entity may use an Investor's personal information to comply with FATCA and may contact an Investor if additional information is required.

### **Common Reporting Standard**

The Common Reporting Standard (CRS) requires the Responsible Entity to collect certain information about an Investor's tax residence. If an Investor is a tax resident of any country outside Australia, the Responsible Entity may be required to pass certain information about the Investor (including account-related information) to the ATO. The ATO may then exchange this information with the tax authorities of another jurisdiction or jurisdictions, pursuant to intergovernmental agreements to exchange financial account information.

Although the CRS does not involve any withholding tax obligations, please be aware that the Responsible Entity may use an Investor's personal information to comply with the CRS obligations and may contact an Investor if additional information is required. For Investors who apply for Units directly with the Responsible Entity, the account opening process cannot be completed until all requested information has been provided.

## 12. ADDITIONAL INFORMATION

### Custodian

The Custodian provides custodial services to the Responsible Entity, including holding the assets of the Fund. The Custodian may, from time to time, appoint sub-custodians. The custodian has a limited role and has no obligation to monitor whether the Responsible Entity is complying with its obligations as responsible entity of the Fund.

As of the date of this PDS, the Custodian is:

HSBC Bank Australia Limited  
(ABN 48 006 434 162)

### Administrator

The Administrator provides administration services to the Responsible Entity. These services include fund accounting, maintenance of books and records, calculating distribution amounts, valuing the Fund's assets and liabilities, calculating the issue price and withdrawal amount, and taxation and other services. The Responsible Entity may change the Custodian and Administrator without prior notice to Holders.

As of the date of this PDS, the Administrator is:

HSBC Bank Australia Limited  
(ABN 48 006 434 162)

### Unit Registry

As for any quoted security, the role of the Unit Registry is to keep a record of the unitholders in the Fund. This includes details such as the quantity of Units held, tax file numbers (if provided) and details of distribution reinvestment plan participation. The Responsible Entity may change the Registrar without prior notice to unitholders.

As of the date of this PDS, the Registry is:

OneVue Fund Services Pty Limited (ABN 18 107 333 308)

### Asset Disclosure and market making

We have appointed experienced Market Maker(s) for the Fund under a market making agreement.

The role of a Market Maker is to provide liquidity in the market for Units and to satisfy supply and demand for Units. It does this by:

- subject to certain conditions, providing liquidity to the market through acting as the buyer and seller of units during a significant part of the ASX Trading Day; and
- creating and redeeming Units in the primary market pursuant to this PDS, which helps to ensure the number of Units on issue matches supply and demand.

The Responsible Entity seeks to appoint market making firms that:

- have experience in making markets in exchange-traded securities in Australia;
- have the necessary skill and expertise to perform market making functions; and
- are market participants (or trade through a market participant).

To qualify for admission as a market participant, a firm must satisfy the admission requirements set out within the Securities Exchange Rules. Such admission requirements include various matters such as organisational competence and business integrity.

The Fund will agree with the Market Maker on a Pricing Basket that will enable the Market Maker to determine the price at which its buys and sells Units on the Securities Exchange. The Fund will disclose the Pricing Basket on a daily basis. The Pricing Basket is intended to represent the value of the applicable Fund during the Securities Exchange Trading Day.

The Market Maker creates and redeems Units in the Fund with the issuer at prices that are determined by the published NAV of the applicable Fund. The NAV is based on the value of every underlying asset in the applicable Fund. This means the Market Maker has a strong incentive to ensure there is minimal or no difference between the price at which it buys and sells Units based on the Pricing basket and the price of Units created or redeemed based on the NAV of the Fund.

However, there is a risk to transacting Investors that Unit prices determined by the material portfolio information during the Trading Day will not accurately represent the value of the Fund. This risk could arise due to, for example, market volatility or stale prices in the underlying assets.

Generally, arrangements with a Market Maker will specify certain permitted circumstances in which the market making obligations may be suspended (such as operational disruptions, market disruptions or unusual conditions, other circumstances as permitted under the Securities Exchange Rules, the suspension or rejection by the Responsible Entity of applications for Units or withdrawal requests, or the Market Maker not having ASIC relief to allow short selling of Units). If the Market Maker defaults on its obligations, the Responsible Entity may seek to replace the Market Maker, although the arrangements with the Market Maker may limit or exclude any liability on the part of the Market Maker. Subject to the Securities Exchange rules and agreements with the Market Maker, the Responsible Entity may replace or terminate the Market Maker. The Responsible Entity may determine to no longer appoint Market Makers in respect of the Fund in circumstances where it is no longer required to do so under the Securities Exchange Rules.

### Auditor

The Responsible Entity has an obligation imposed upon it under the Corporations Act to appoint an auditor for the



Fund and the Compliance Plan. The Responsible Entity has engaged KPMG as the independent auditor for the Fund.

### **Monitoring of service providers**

The Responsible Entity has procedures in place to monitor the performance of those service providers to whom functions have been outsourced. Monitoring methods include, where appropriate, daily observation of service provider performance, review of regular compliance and audit reports, regular meetings with service providers and performance assessments.

### **PIML as the Responsible Entity**

PIML, as the Responsible Entity, is responsible for the management and administration of the Fund. The Responsible Entity holds an Australian Financial Services Licence (AFSL 275101), that authorises it to act as the Responsible Entity of the Fund. The powers and duties of the Responsible Entity are set out in the Constitution of the Fund, the Corporations Act and general trust law.

The Responsible Entity has the power to appoint an agent, or otherwise engage a person, to do anything that it is authorised to do in connection with the Fund and, for the purpose of determining whether the Responsible Entity has properly performed its duties as responsible entity, the Responsible Entity is taken to have done (or failed to do) anything that the agent or person has done (or failed to do) because of the appointment or engagement, even if they were acting fraudulently or outside the scope of their authority or engagement.

### **Daintree as the Investment Manager**

The Responsible Entity has appointed Daintree Capital Management Pty Limited as the Investment Manager of the Fund.

### **Consent**

All parties have given, and not before the date of this PDS, withdrawn their consent to the inclusion in the PDS of the statement concerning them in the form and context in which it is included. This consent is given on the basis that the parties have not authorised or caused the issue of the PDS and has not made any statement that is included in the PDS or any statement on which a statement made in the PDS is based. Such parties expressly disclaim and take no responsibility for any statements or omissions in the PDS. This applies to the maximum extent permitted by law and does not apply to any matter to the extent to which the consent is given above.

### **Constitution**

The Fund is a registered managed investment scheme governed by a Constitution. Under the Constitution, the Responsible Entity has all the powers it is possible to confer on a trustee as though it were the absolute owner of the Fund's assets and acting in its personal capacity.

The Constitution which addresses matters such as NAV per Unit, withdrawals, the issue and transfer of Units, Investor meetings, Investors' rights, the Responsible Entity's powers

to invest, borrow and generally manage the Fund and the Responsible Entity's fee entitlement and right to be indemnified from the Fund's assets. The Responsible Entity may alter the Constitution if it reasonably considers the amendments will not adversely affect Investors' rights. Otherwise, the Responsible Entity must obtain Investors' approval at a meeting of Investors.

To the extent that any contract or obligation arises in connection with the acceptance by the Responsible Entity of an application or reliance on this PDS by Investors, any amendment to the Constitution may vary or cancel that contract or obligation. Further, that contract or obligation may be varied or cancelled by a deed executed by the Responsible Entity with the approval of a special resolution of Investors, or without that approval if the Responsible Entity considers the variation or cancellation will not materially and adversely affect Investors' rights.

The Responsible Entity may retire or be required to retire as responsible entity (if there is a resolution passed by unitholders of a majority by value of interests, vote for the Responsible Entity's removal). No Units may be issued after the 80th anniversary of the date of the Constitution. The Responsible Entity may exercise its right to terminate the Fund earlier. Holders' rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

The Responsible Entity may resolve at any time to terminate and liquidate the Fund in accordance with the Constitution and the Corporations Act. Upon termination and after conversion of the assets into cash and payment of, or provision for, all costs, expenses and liabilities (actual and anticipated) the net proceeds will be distributed pro rata among all unitholders according to the aggregate of the Redemption Price for each of the Units they hold in the Fund. A copy of the Constitution in relation to the Fund may be inspected by Holders at the Responsible Entity's office, during business hours. The Responsible Entity will provide Holders with a copy of the Constitution upon request.

### **Compliance Plan**

In accordance with the provisions of the Corporations Act, the Responsible Entity has prepared and lodged a Compliance Plan for the Fund with ASIC. The Compliance Plan sets out the key criteria that the Responsible Entity will follow to ensure that it is complying with the Corporations Act and the Constitution of the Fund. A Compliance Committee has been established to oversee compliance with the Compliance Plan.

Each year the Compliance Plan, and the Responsible Entity's compliance with the Compliance Plan, will be independently audited, as required by the Corporations Act, and the auditor's report will be lodged with ASIC.

### **Compliance Committee**

The Responsible Entity has established a Compliance Committee with a majority of members that are external to the Responsible Entity. The Compliance Committee's functions include:

- monitoring the Responsible Entity's compliance with the Compliance Plans and reporting its findings to the Responsible Entity;
- reporting breaches of the Corporations Act or the Constitution to the Responsible Entity;
- reporting to ASIC if the Committee is of the view that the Responsible Entity has not taken or does not propose to take appropriate actions to deal with breaches reported to it by the Committee; and
- assessing the adequacy of the Compliance Plan, recommending any changes and reporting these to the Responsible Entity.

## Unit Pricing Policy

The Responsible Entity has documented its policy on how it exercises discretions when determining Unit prices for the Fund.

The policy has been designed to meet the ASIC requirements and is available on request to all unitholders and prospective unitholders at no charge.

## NAV Permitted Discretions Policy

The Responsible Entity's NAV Permitted Discretions Policy provides further information about how it calculates NAV per Unit. The policy complies with ASIC requirements. The Responsible Entity will observe this Policy in relation to the calculation of the NAV per Unit and will record any exercise of discretion outside the scope of the policy. Investors can request a copy of the policy free of charge by calling the Responsible Entity on 1300 011 088.

## Change of details

Investors who hold Units on the CHESS sub-register and have a HIN, are able to change their details by notifying their broker. The exception to this is where such an Investor wishes to change their distribution preference. This can be achieved by completing a change of details form and sending it to Unit Registry.

Where an Investor on the CHESS sub-register wishes to change any other details using a form, they will need to also supply identification documents. For details of the identification documents required, refer to the AML/CTF section of the Application Form.

Investors who hold Units on the issuer sponsored sub-register are able to change their details by completing a change of details form and sending it to Unit Registry. We require your instructions to be signed by the nominated signatory on your account. If you have nominated joint signatories for the account, both should sign notifications of changes in any of your details.

Certain details, including email address and contact details, can also be changed using our Investor portal.

## Complaints

If you have a complaint (or wish to obtain further information about the status of an existing complaint), please contact us

on 1300 011 088 (+61 2 8022 7487 New Zealand) or write to:

Daintree Client Services: [daintree@unitregistry.com.au](mailto:daintree@unitregistry.com.au)

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. You can contact AFCA by emailing [info@afca.org.au](mailto:info@afca.org.au), by calling 1800 931 678 (free call) or by writing to AFCA at GPO Box 3, Melbourne VIC 3001.

The dispute resolution process described in this PDS is only available in Australia and is not available in New Zealand.

## Privacy

Privacy laws regulate, among other matters, the way organisations collect, use, disclose, keep secure and give people access to their personal information. The Responsible Entity is committed to respecting the privacy of a Holder's personal information. The Responsible Entity's privacy policy states how the Responsible Entity manages personal information. The Responsible Entity collects personal information in the Application and Redemption Form, and may collect additional personal information in the course of managing the Fund. Some information must be collected for the purposes of compliance with the Anti-Money Laundering and Counter Terrorism Financing Act 2006.

The Responsible Entity may provide personal information to a unitholder's adviser if written consent is provided to the Responsible Entity. The Responsible Entity may disclose personal information to authorities investigating criminal or suspicious activity and to the Australian Transaction Reports and Analysis Centre (AUSTRAC) in connection with anti-money laundering and counter-terrorism financing.

The Responsible Entity may provide a unitholder's personal information to its service providers for certain related purposes (as described under the Privacy Act 1988) such as account administration and the production and mailing of statements. The Responsible Entity may also use a unitholder's personal information and disclose it to its service providers to improve customer service (including companies conducting market research) and to keep Holders informed of the Responsible Entity's or its partners' products and services, or to their financial adviser or broker to provide financial advice and ongoing service.

The Responsible Entity will assume consent to personal information being used for the purposes of providing information on services offered by the Responsible Entity and being disclosed to market research companies for the purposes of analysing the Responsible Entity's Investor base unless otherwise advised. Unitholders may request access to the personal information held about them at any time and ask the Responsible Entity to correct this information if it is incomplete, incorrect or out of date.

To obtain a copy of the privacy policy, contact the Responsible Entity on 1300 011 088 (within Australia) or +61 2 8022 7487 (outside Australia).

### **Anti Money Laundering/ Counter Terrorism Financing (AML/CTF)**

The AML/CTF Act and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to the Responsible Entity (AML Requirements), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML/CTF Act is enforced by AUSTRAC. However, both the issue of Units in the Fund and secondary trading of Units in the Fund are exempt from the AML Requirements by section 247(3) of the AML/CTF Act and Chapter 21 of the Anti-Money Laundering and Counter Terrorism Rules.

### **Other services**

The Responsible Entity, in its personal capacity, or companies related to the Responsible Entity, may invest in or provide services to the Fund. Any such services will be provided on terms that would be reasonable if the parties were dealing at arm's length.

### **Information for New Zealand Investors – Warning Statement**

The following disclosure is made to enable the Fund's Units to be offered by the Responsible Entity in New Zealand under the mutual recognition scheme between Australia and New Zealand:

This offer to New Zealand Investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

1. This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Australian Corporations Act 2001 (Cth) and the regulations made under that Act set out how the offer must be made.
2. There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
3. The rights, remedies, and compensation arrangements available to New Zealand Investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.
4. Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<https://www.fma.govt.nz>). The

Australian and New Zealand regulators will work together to settle your complaint.

5. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
6. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

### **Additional warning statement: Currency exchange risk**

1. The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
2. If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

### **Additional warning statement: Trading on financial product market**

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

### **Additional warning statement: Dispute resolution process**

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

### **ASIC Relief**

Under ASIC Class Order [CO13/721], ASIC has granted relief from the ongoing disclosure requirements in section 1017B of the Corporations Act on the condition that the Responsible Entity complies with the continuous disclosure requirements in section 675 of the Corporations Act as if the Fund were an unlisted disclosing entity and includes statements in any PDS for interests in the Fund to the effect that PIML will comply with the continuous disclosure requirements of the Corporations Act as if the Fund was an unlisted disclosing entity.

### **Documents lodged with ASIC**

The Responsible Entity is subject to certain regular reporting and disclosure obligations in relation to the Fund under the Corporations Act. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. As an Investor in the Fund, a unitholder may obtain the following documents from the Responsible Entity:

- the annual report most recently lodged with ASIC in respect of the Fund;
- any half-year financial report lodged with ASIC ; and
- any continuous disclosure notices in respect of the Fund which the Responsible Entity lodges with ASIC, the or publishes on [www.perennial.net.au](http://www.perennial.net.au) or [www.daintree.com.au](http://www.daintree.com.au).
- details of any DRP.

When requested by an Investor to do so, the Responsible Entity will send a printed or electronic copy of any of the above documents free of charge within five (5) Business Days of the request.

### Cooling off

There is no cooling off period in relation to the subscription for Units in the Fund. This means that once Units are either purchased on the Securities Exchange or applied for directly with the Responsible Entity, an applicant cannot decide to withdraw the application.

### Information available from the Responsible Entity

The Responsible Entity is subject to regular reporting and disclosure obligations, in its capacity as responsible entity of the Fund and issuer of the Units. As part of the Fund's admission to trading status on the ASX, Perennial has agreed to:

- provide the iNAV as described in this PDS;
- disclose a Pricing Basket of the Fund's holdings on a daily basis;
- disclose the Fund's portfolio holdings on a delayed quarterly basis and within two (2) months of the end of each calendar quarter; and
- make available half year and annual financial reports, distribution information and other required disclosures on the Securities Exchange.

The following information can be obtained from us by visiting the Daintree website at [www.daintreecapital.com.au](http://www.daintreecapital.com.au) or by contacting us on 1300 011 088 (Australia):

- the daily NAV for the Fund;
- the daily NAV per Unit for the Fund;
- the iNAV per Unit for the Fund;
- tracking performance of the Proxy Portfolio and portfolio will be provided on a quarterly basis;
- the Responsible Entity's Unit Pricing Policy;
- the latest PDS for the Fund;
- the latest TMD for the Fund;
- copies of announcements made to the Securities Exchange (including continuous disclosure notices and distribution information);
- information about distributions as soon as possible after they are declared;
- annual and any half-year reports and financial statements for the Fund;
- the Pricing Basket and portfolios; and

## 13. GLOSSARY

Defined terms and other	Definition
<b>Administrator</b>	HSBC Bank Australia Limited (ABN 48 006 434 162).
<b>AFCA</b>	Australian Financial Complaints Authority.
<b>Application Form</b>	The application form for the Fund.
<b>Additional Application Form</b>	The additional application form for the Fund.
<b>AFS Licence</b>	Australian financial services licence.
<b>AMIT</b>	Attribution Managed Investment Trust.
<b>AML/CTF Act</b>	The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).
<b>AQUA Rules</b>	The ASX Operating Rules that apply to the quotation of ASX funds, ETFs and other structured securities and products such as the Units.
<b>ASIC</b>	Australian Securities & Investments Commission.
<b>ASIC Relief</b>	Any declaration made or exemption granted by ASIC that is applicable to the Fund and that is in force.
<b>ASX</b>	ASX Limited or the Australian Securities Exchange, as the case requires.
<b>ATO</b>	Australian Taxation Office.
<b>Benchmark</b>	RBA Cash Rate
<b>Business Day(s)</b>	A day other than a Saturday or a Sunday on which banks are open for general banking business in Melbourne.
<b>CHESS</b>	Clearing House Electronic Sub-Register System, the Australian settlement system for equities and other issued products traded on the ASX and other exchanges. CHESS is owned by the ASX.
<b>Clearing Rules</b>	The operating rules of ASX Clear Pty Limited (ABN 48 001 314 503) from time to time.
<b>Compliance Plan</b>	The Compliance Plan of the Fund.
<b>Constitution</b>	The Constitution of the Fund.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>CRS</b>	Common Reporting Standard.
<b>Custodian</b>	HSBC Bank Australia Limited (ABN 48 006 434 162).
<b>Custody Agreement</b>	The custody agreement in respect of the assets of the Fund between the Custodian and the Responsible Entity.
<b>EFT</b>	Electronic Funds Transfer.
<b>FATCA</b>	Foreign Account Tax Compliance Act.
<b>Fund</b>	The Daintree Hybrid Opportunities Fund (Managed Fund).
<b>GST</b>	Goods and Services Tax.
<b>HIN</b>	Holder Identification Number.
<b>IDPS</b>	Investor Directed Portfolio Service.
<b>iNAV</b>	Indicative NAV per Unit.

Defined terms and other	Definition
<b>Investment Manager</b>	Daintree Capital Management Pty Ltd (ABN 45 610 989 912, CAR 001304218).
<b>Investor</b>	The person recorded in the Register as the holder of a Unit.
<b>Listing Rules</b>	The listing rules of the ASX or other Securities Exchange where the Fund is quoted, from time to time.
<b>Management Costs</b>	The management fees and costs of the Fund as described in Section 9 of this PDS.
<b>NAV</b>	Net asset value.
<b>Unit Pricing Policy</b>	The Responsible Entity's policy detailing the discretions exercised in the calculation of NAV per Unit.
<b>NAV per Unit</b>	The NAV per Unit is calculated by dividing the NAV of the Fund by the number of Units on issue.
<b>Perennial</b>	Perennial Investment Management Limited (PIML) and its related bodies corporate.
<b>PDS</b>	This product disclosure statement as amended or supplemented from time to time.
<b>Pricing Basket / Proxy Portfolio</b>	A portfolio that broadly moves in line with the underlying portfolio. This portfolio may or may not include assets or investment securities that are found in the underlying portfolio.
<b>Registry Services Agreement</b>	The registry services agreement in respect of the Fund between the Responsible Entity and the Unit Registry.
<b>Responsible Entity</b>	Perennial Investment Management Limited, ABN 13 108 747 637, AFSL 275101.
<b>Settlement Rules</b>	The operating rules of ASX Settlement Pty Limited (ABN 49 008 504 532) from time to time.
<b>Securities Exchange</b>	The Australian securities exchange operated by ASX, or other exchange as appropriate.
<b>Securities Exchange Operator</b>	ASX, or other exchange as appropriate.
<b>Securities Exchange Operating Rules</b>	The operating rules of the ASX as amended from time to time.
<b>Securities Exchange Rules</b>	The operating rules of the Securities Exchange Operator that apply from time to time to the quotation of managed funds and products such as the Units.
<b>SRN</b>	Securityholder Reference Number.
<b>TMD</b>	Means Target Market Determination.
<b>Trading Day</b>	The day and time during which shares are traded on the Securities Exchange.
<b>Unit or Units</b>	The securities on offer under this PDS.
<b>Unit Registry</b>	OneVue Fund Services Pty Limited (ABN 18 107 333 308) will operate the registry for the Fund.