

# DAINTREE ADDITIONAL INFORMATION BOOKLET (AIB)

26 August 2023

## Contact details

### Issued by the Responsible Entity

Perennial Investment  
Management Limited  
ABN 13 108 747 637 | AFSL 275101

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### Investment Manager

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ABN 45 610 989 912 | CAR 001304218

### Principal place of business

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## Important Information

This Additional Information Booklet (**Additional Information Booklet**) is issued by Perennial Investment Management Limited (ABN 13 108 747 637, AFSL 275101) (**PIML, We, Our, Us or Responsible Entity**) and provides additional important information for each of the Daintree Trusts (collectively the **Trusts** and individually the **Trust**) listed below. The information in this Additional Information Booklet forms part of the Product Disclosure Statements (**PDS**) for each Trust, and you should read this information together with the applicable PDS and Target Market Determination (**TMD**) before making any investment decision.

| Name of Trust              | ABN            | ARSN        | APIR code | PDS dated      |
|----------------------------|----------------|-------------|-----------|----------------|
| Daintree Core Income Trust | 47 688 123 996 | 617 947 690 | WPC1963AU | 26 August 2023 |
| Daintree High Income Trust | 58 997 974 388 | 625 621 721 | WPC1583AU | 26 August 2023 |

The information in this Additional Information Booklet is general information only and does not take into account your personal financial situation, objectives, needs or circumstances. Before making an investment decision based on this Additional Information Booklet or the applicable PDS, We strongly recommend that you consult a licenced financial adviser to obtain financial advice that is tailored to suit your personal circumstances.

Please visit Daintree's website for further information on the Trusts, including the relevant TMD's, updated disclosure information and performance. For a free printed copy of this Additional Information Booklet, please contact a Client Services Representative on 1300 011 088 (+61 2 8022 7487 if calling from New Zealand).

# 1. Key parties

## Responsible Entity

Perennial Investment Management Limited (**PIML**) (ABN 13 108 747 637, AFSL 275101) is the Responsible Entity of the Trust and is responsible for the management and administration of the Trust. PIML has appointed Daintree Capital Management Pty Limited (ABN 45 610 989 912,) (**Daintree**), a Corporate Authorised Representative (CAR No. 001304218) of Perennial Value Management Limited (ABN 22 090 879 904, AFSL 247293) (**PVM**), to manage the assets of the Trusts. In consideration of Daintree providing the investment management services, Daintree is entitled to fees paid by PIML. These fees are not an additional charge to investors.

Both PVM and Daintree are related body corporates of PIML.

## Investment Manager

Daintree is a boutique investment management firm specialising in building fixed income portfolios.

Daintree believes that investment markets are not fully efficient as asset prices are sometimes driven by irrational influences. As Daintree's investment process is fundamentally driven, Daintree believes that applying a rational and disciplined framework will enable it to take advantage of situations where market pricing has become misaligned with fundamental drivers.

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.

Mark Mitchell is the former Portfolio Manager and Head of Credit at Kapstream. Justin Tyler, a former Senior Investment Manager with Aberdeen, responsible for interest rate decision has also joined Daintree.

Mark Mitchell established Daintree Capital in January 2017 and has extensive industry experience both in Australia and the USA, specialising in fixed income securities analysis and portfolio management. Justin Tyler is a founding partner of Daintree Capital, responsible for interest rate and currency decisions.

## Custodian

PIML has appointed HSBC Bank Australia Limited (ABN 48 006 434 162) (**HSBC**), as the custodian of the assets for each Trust. In its capacity as custodian, HSBC's role is limited to holding the assets of the Trust as agent of the Responsible Entity. HSBC has no supervisory role in relation to the operation of the Trusts and is not responsible for protecting your interests. HSBC has no liability or responsibility to you for any act done or omission made in accordance with the terms of the custody agreement. HSBC holds investments of the Trusts as bare trustee and such investments are not investments of HSBC or any other member of the HSBC group of companies (**HSBC Group**).

Neither HSBC, nor any other member of the HSBC Group, guarantees the performance of the investment or the underlying assets of the Trusts, or provides a guarantee or assurance in respect of the obligations of the responsible entity or its related entities.

HSBC makes no statement in this Additional Information Booklet or the PDSs, and has not authorised or caused the issue of it.

## 2. HOW THE TRUSTS WORK

### How the Trusts are valued

All assets within each Trust are usually valued each business day. More frequent valuations are permitted under the constitution for each Trust, and We may revalue assets more frequently if it is considered appropriate.

We may also revalue a Trust less frequently in certain circumstances.

The gross asset value of each Trust equals the market value of the assets. The net asset value of each Trust is obtained by deducting any liabilities of the Trust from the gross asset value of the Trust. We will quote you a price for each unit and will keep a record of the number of units you have bought. The unit price is usually calculated each business day. The unit price will change in response to rises and falls in the market value of assets in the Trust.

### Constitution

The operations of each Daintree Trust are governed by a constitution. The constitution binds the Responsible Entity and the unitholders of that Trust. The constitution, together with the *Corporations Act 2001* (Cth) (**Corporations Act**), sets out the conditions under which each Trust operates and the rights, responsibilities and duties of the Responsible Entity. In particular, the constitutions outline the authorised investment and valuation procedures for each Trust, the Responsible Entity's right to retire and its ability to charge fees and recover expenses.

The Responsible Entity may alter the constitution of any Trust in certain circumstances, where it reasonably considers that the change will not adversely affect unitholders' rights. Otherwise, the Responsible Entity must obtain unitholders' approval by special resolution at a meeting convened for that purpose.

The constitutions also provide that the Responsible Entity may, in certain circumstances and in the exercise of its discretion, wind up or terminate a Trust in accordance with the provisions of the Corporations Act. The Responsible Entity may also compulsorily redeem some or all of a unitholders units without asking them in accordance with the terms of the constitution or as permitted by law. As an example, this may occur where a unitholder 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.

Each constitution contains provisions limiting the Responsible Entity's need to compensate unitholders. Generally, if We comply with Our duties, We will not be required to compensate unitholders for loss unless the law requires us to do so.

The constitutions similarly also contain provisions regarding the Responsible Entity's liabilities and rights for reimbursement out of the Trust's assets. These provisions include that:

- the Responsible Entity is not liable for any loss unless it fails to comply with its duties under the Corporations Act;

- the Responsible Entity can be reimbursed for liabilities and expenses incurred in connection with the proper performance of its duties; and
- the Responsible Entity is not liable to any unitholder when acting in good faith and acting in reliance of professional advice.

The Daintree Trust constitutions may be inspected at PIML's registered office in Sydney on a business day or We can provide you with a copy upon request.

### Unitholders' rights

The Corporations Act and the constitution for each Trust outline the rights of a unitholder in that Trust.

Unitholders rights include, but are not limited to the right to:

- withdraw units (please refer to Page 6 for circumstances where PIML can refuse a withdrawal request);
- receive income and capital distributions;
- transfer units;
- upon the death of a unitholder, pass ownership of units to a surviving joint holder or where held individually, to the individual's legal personal representative on behalf of their estate;
- participate in distributions upon termination or winding up of a Trust after the Trust's liabilities and expenses have been discharged; and
- call, attend and vote at unitholder meetings.

Each unit that a unitholder holds gives the unitholder a beneficial interest in that Trust as a whole, but not in any particular asset of the Trust. Holding units in a Trust does not give a unitholder the right to participate in the management or operation of that Trust.

Each unit in a Trust is of equal value and identical rights are attached to all units.

### Limitation of unitholders' liability

The liability of unitholders is limited by the constitution of each Trust to the amount (if any), which remains unpaid in relation to their investment. The constitution provides that unitholders shall not be under any personal obligation to indemnify the Responsible Entity (or its creditors) in respect of the liabilities of the Responsible Entity in relation to the Trust. However, PIML cannot give an absolute assurance that a unitholder's liability is limited in all circumstances as this issue has not been finally determined in court.

### Impact of investing just before the end of a distribution period

After a distribution is paid, the unit price usually falls by an amount similar to that of the distribution per unit. This means that if you invest just before a distribution, the unit price may already include income that you would be entitled to receive at the distribution date.

Consequently, by investing just before a distribution, you may have some of your capital returned as income. This could affect your taxation position and We recommend you seek professional taxation advice.

## Applications

PIML reserves 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 without interest.

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 relevant PDS and be appropriately signed by the applicant(s).

PIML may, however, at its discretion, accept amounts less than the minimum initial investment amounts.

If, for any reason, We are unable to process your application (for example, where the application form is incomplete or We are not satisfied that We have received the necessary proof of identification requirements to meet Our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Laws and supporting Rules (**AML/CTF Legislation**)), 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 or obtain any necessary outstanding information. If We are unable to identify your identity and/or if We don't receive any requested outstanding information, We will return the application monies to you.

## Target Market Determination

The **TMD** sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs and describes matters relevant to the product's distribution and review.

PIML has prepared a TMD for each Trust as part of Our design and distribution obligations. The design and distribution obligations require issuers and distributors of financial products to develop and maintain effective product governance arrangements for the purpose of achieving improved outcomes for consumers of these products. The aim is to ensure that consumers obtain products that are likely to be consistent with their objectives, financial situation and needs. PIML and its distributors must also take reasonable steps to distribute each product to consumers described in the TMD.

Please make sure you read the relevant TMD and PDS carefully before making a decision to invest.

## Switches

You may switch from one Daintree Trust to another Trust at any time. A switch operates as a withdrawal of units in one Trust and the investment of units in another which may have taxation implications. Please contact a licensed financial or taxation adviser for further information. For more information, please refer to the Daintree Switch Request Form.

## Withdrawals

The following text contains further information on the restrictions on withdrawals and should be read in conjunction with the relevant PDS.

There may be circumstances where your ability to withdraw from a Trust is restricted. In certain circumstances, PIML may suspend withdrawals. These circumstances include for example, where it is impracticable to value the relevant Trust because of an emergency or trading restriction in a country that the Trust invests in or if the exchange on which the investment of the Trust is traded closes.

We will not satisfy a withdrawal request (including switches) if the Trust becomes illiquid (as defined under the Corporations Act). If a Trust is illiquid, withdrawals from that Trust will only be possible if We make a withdrawal offer in accordance with the Corporations Act. We are not obliged to make such an offer. However, if We do, you are only able to withdraw your investment in accordance with the terms of a current withdrawal offer. If an insufficient amount of money is available from the assets specified in the withdrawal offer to satisfy withdrawal request(s), the request(s) will be satisfied proportionately amongst those investor(s) wishing to withdraw from the Trust. Under the Corporations Act, a Trust is illiquid if it has less than 80% liquid assets (generally cash and marketable securities).

The constitution of each Trust also contains specific provisions that provide Us with powers in relation to withdrawals. The constitution may be inspected at PIML's registered office, or We can provide you with a copy upon request.

If a withdrawal request results in your holding in a Trust falling below the required minimum investment balance, We may redeem your entire holding in the Trust.

## Distributions

### How you receive distributions from your investment

The type of income you receive from your investment depends on the underlying asset classes within the relevant Trust and may include interest, coupons and realised capital gains.

Generally, all taxable income and realised taxable capital gains in a financial year will be distributed to unitholders. Any losses will be carried forward to later periods.

### Distribution reinvestment

Where you elect to reinvest your distributions, the distribution reinvestment price is the unit price at the end of the distribution period (without the applicable buy spread) less the distribution per unit payable.

By electing to reinvest your distributions, you are deemed to have directed Us to apply such monies towards the subscription for the number of units, of the same class as already held, at the relevant distribution reinvestment price. All units allotted as part of the distribution reinvestment will rank equally in all respects with existing units in the same class.

If no account is nominated, this will be taken as a direction to reinvest distributions into the Trust from which the income was received.

Investors may cancel their participation at any time by giving notice to PIML. The cancellation will apply from the date of receipt as long as it is at least ten (10) days prior to a distribution date, or such future date as nominated by you. Retrospective cancellations are not permitted.

PIML may cancel or suspend distribution reinvestments or modify the terms by which distribution reinvestments are permitted.

### 3. How We keep you informed

**For the most up to date information on your investment visit [www.daintreecapital.com.au](http://www.daintreecapital.com.au).**

At Daintree's website you can:

- access PDS documents, TMD's, Additional Information Booklet and the annual financial reports for the Trusts;
- download application, switch form and other standard administration forms;
- monitor unit prices, investment performance and changes to a Trust; and
- read the latest views and opinions of Our investment managers.

You can also register to receive newsletters and investment information by subscribing to the mailing list which is available on Our [website](http://www.daintreecapital.com.au).

#### Investor portal

Web registration to the investor portal will be sent via email once your application is processed. The investor portal is accessible via Our website, [www.daintreecapital.com.au](http://www.daintreecapital.com.au). Please contact a Client Services Representative if you require assistance with the registration process.

Once you've registered for the investor portal, you can view your account information online. Information available on the portal includes:

- a portfolio summary of the Trusts you are invested in, the number of units, unit price and the current balance of your account(s); and
- your transaction history including initial investments, additional investments, distributions and withdrawals.

#### Confirmation statement

A statement of confirmation will be sent to you for your initial investment, as well as any additional investments, (excluding direct debit requests), withdrawals and changes that you make to your account (such as change in address and distribution instructions).

#### Transaction statement

You will receive a transaction statement on a quarterly basis. The transaction statement will provide you with the total value of your

investment as at the end of that period, including any switches, withdrawals, investments, and distributions received.

#### Annual taxation statement

After making any distribution for the period ended 30 June each year, an annual taxation statement will be forwarded to you.

#### Distribution statement

A distribution statement will be sent to you in the month following the end of a distribution period, detailing your distribution and current balance.

#### Financial report

The annual financial reports for the Trusts including the financial performance of the Trusts for the financial year, can be downloaded from [www.daintreecapital.com.au](http://www.daintreecapital.com.au) after 30 September each year.

#### Continuous disclosure

As disclosing entities, the Trusts may be subject to regular reporting and disclosure obligations. The Responsible Entity intends to comply with ASIC's Good Practice Guidance on continuous disclosure and disclosure notices as soon as practicable on the Daintree website [www.daintreecapital.com.au](http://www.daintreecapital.com.au). The Responsible Entity will also comply with the continuous disclosure requirements for disclosing entities under the Corporations Act. This means that copies of documents the Responsible Entity lodges with ASIC may be obtained from or inspected at an ASIC office.

The Responsible Entity will also send you free of charge upon request, copies of:

- the most recent annual financial report for the Trusts lodged with ASIC;
- any half yearly financial reports lodged with ASIC after the lodgement of the most recent annual financial report; and
- any continuous disclosure notices lodged for each Trust after the lodgement of that most recent annual financial report.



## 4. Fees and Costs

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. You should read all the information about fees and costs because it is important to understand their impact on your investment. The below information should be read in conjunction with the relevant PDS and TMD for the Trusts.

| Type of fee or cost   | Amount   | How and when paid  |
|---|--|--|
| <b>Ongoing annual fees and costs</b>  |  |  |
| <b>Management Fees and Costs<sup>1</sup></b><br>The fees and costs for managing your investment. <sup>2</sup>     | Management Fees and Costs are comprised of: <ol style="list-style-type: none"> <li><b>1. Investment Management Fee;</b></li> <li><b>2. Expense Recovery;<sup>3</sup> and</b></li> <li><b>3. Indirect Costs.</b></li> </ol><br><b>Daintree Core Income Trust</b><br>0.55% per annum<br><b>Daintree High Income Trust</b><br>0.75% per annum | The Investment Management Fee is a component of the Management Fees and Costs which accrues daily and is payable monthly in arrears to PIML from the assets of the Trust. The Investment Management Fee is reflected in the Trusts' unit price.<br><br>An Expense Recovery is included as a component of the Management Fees and Costs in the Daintree Core Income Trust and the Daintree High Income Trust. The Expense Recovery accrues daily and is payable to PIML monthly in arrears out of the assets of the Trust. The Expense Recovery is reflected in the Trusts' unit price.<br><br>Indirect Costs are the costs incurred in managing the Trusts' assets which directly or indirectly reduce the return on the Trust. It is estimated that there are no additional Indirect Costs associated with investing in the Trust. However, if unusual or non-recurrent expenses are incurred, such as the expenses incurred in holding a unitholder meeting, PIML reserves the right to deduct these expenses from the Trusts' assets, in addition to the Management Fees and Costs. |
| <b>Performance Fees</b><br>Amounts deducted from your investment in relation to the performance of the Trust.     | Not Applicable.  | Not Applicable.  |
| <b>Transaction Costs<sup>4</sup></b><br>The costs incurred by each Trust when buying or selling assets.           | <b>Daintree Core Income Trust</b><br>0.01% per annum<br><b>Daintree High Income Trust</b><br>Nil.  | Transaction Costs are variable and are deducted from the Trust's assets as and when they are incurred and are reflected in the unit price for the Trust.   |
| <b>Member activity related fees and costs (fees for services or when your money moves in or out of the Trust)</b> |  |  |
| <b>Establishment Fee</b><br>The fee to open your investment   | Not applicable.  | Not applicable.  |

<sup>1</sup> The Investment Management Fee may be negotiated with wholesale clients as defined within the Corporations Act. Please refer to 'Differential fees' on Page 10 of this Additional Information Booklet for further information.

<sup>2</sup> The fees are inclusive of the Goods and Services Tax (GST) and take into account any expected Reduced Input Tax Credits (RITCs). Where fees have been quoted to two (2) decimal places, the actual fee may have been rounded up.

<sup>3</sup> Please refer to Section 6 of the PDS for additional information concerning the Expense Recovery.

<sup>4</sup> Transaction Costs are shown net of any amounts recovered by the Trust from the buy-sell spread charged to transacting investors based on the previous financial year.

|  |  |  |
|--|--|--|
| <b>Contribution Fee</b><br>The fee on each amount contributed to your investment.  | Not applicable.  | Not applicable.  |
| <b>Buy/sell Spread</b><br>An amount deducted from your investment representing costs incurred in transactions by the scheme. | <b>Daintree Core Income Trust</b><br>Buy: 0.00%<br>Sell: 0.05%<br><br><b>Daintree High Income Trust</b><br>Buy: 0.15%<br>Sell: 0.15% | The buy/sell spread is an allowance to cover the Transaction Costs that arise from investments and withdrawals from each Trust. It represents an additional cost to you when transacting, but, as the buy/sell spread is reflected in the unit price of each Trust, it is not charged to you separately. |
| <b>Withdrawal Fee</b><br>The fee on each amount you take out of your investment.   | Not applicable.  | Not applicable   |
| <b>Exit Fee</b><br>The fee to close your investment.   | Not applicable.  | Not applicable   |
| <b>Switching Fee</b><br>The fee for changing investment options.   | Not applicable.  | Not applicable   |



## Additional Explanation on Fees and Costs

### Indirect investors – additional master trust or wrap account fees

For investors accessing a Trust 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.

### Incidental fees and costs

Standard government fees, duties and bank charges may also apply to your investments and withdrawals including, dishonour fees and conversion costs.

### The constitutions and fee changes

The constitutions governing the Trusts allow for higher fees to be charged than those detailed in the relevant PDS and this Additional Information Booklet and specifies circumstances where additional fees may be charged.

These include:

- A maximum Management Fee (excluding ongoing recoverable operating expenses) of up to 5% p.a. of the total gross asset value of a Trust's property in the case of a maximum Contribution Fee of 5% of the application (initial investment) amount (not currently charged) for all Trusts;
- A maximum Withdrawal Fee of 5% of the exit price payable on the withdrawal of units (not currently charged);

The constitutions of each Trust also allows the Responsible Entity to be reimbursed for certain ongoing expenses incurred in the operation of a Trust including, but not limited to:

- maintaining the investor register;
- accounting expenses;
- auditing; and
- legal fees incurred in the discharge of its duties.

We have the right to increase the fees or to charge fees not currently levied in each case up to the maximum limits set out in the constitutions without your consent. If We choose to exercise this right, We will provide you with thirty (30) days prior written notice.

### Differential fees

The Management Fees and Costs of a Trust may be negotiated with persons who qualify as wholesale clients within the meaning of the Corporations Act, such as sophisticated or professional investors. In negotiating such fees, We will take into consideration our obligations under the Corporations Act. For further details, please contact a member of the Distribution Team. Details are available at Daintree's website [www.daintreecapital.com.au](http://www.daintreecapital.com.au).

### Interfunding

Where a Trust invests in another Daintree Trust, We will ensure there is no doubling-up of the Investment Management Fee.

### Buy/sell spread

The difference between the entry price and the exit price of each Trust is known as a buy/sell spread. The buy/ sell spread represents an apportionment of transaction costs incurred by a Trust in purchasing and disposing of its investments. It is an adjustment determined by the responsible entity to take into account the costs incurred when buying and selling the underlying securities in each trust (for example, Transaction Costs such as brokerage and any clearing and settlement costs and stamp duty, if applicable). If you invest in a Trust that charges a buy/sell spread, it will be an additional cost to you, but is included in the unit price of the trust and not charged separately. It is not a cost that is paid to the Responsible Entity.

The estimated buy/sell spread for each Trust is outlined in the PDS and on Page 8 of this Additional Information Booklet. However, in circumstances where PIML determines that unitholders of a Trust are not being treated equitably (for example, in stressed and dislocated markets), the buy/ sell spread may be higher than our estimate. From time to time, We may vary the buy/sell spread without notice to reflect changing circumstances. Any revised spread will be applied uniformly to transacting investors while that spread applies.

## Adviser commissions

### Fees paid to financial advisers and other persons

We do not pay commissions to financial advisers.

### Alternative remuneration register

PIML maintains an Alternative Remuneration Register in accordance with the FSC/FPA Industry Code of Practice, which outlines the alternative forms of remuneration that are paid and received by Us. You may view a copy of the register by contacting Us.

### Platform, dealer group and other payments

If We make any payments to dealer groups or platforms We will ensure that such payments are only paid in accordance with the conflicted remuneration requirements under the Corporations Act. Certain dealer groups, of which your adviser may be a part, platforms and other parties may receive payments from Us.

### For more information on fees and costs

If you would like to better understand how our fee structure may impact your investment in a Trust, We recommend that you speak to your financial adviser or visit the ASIC website at [moneysmart.gov.au](https://moneysmart.gov.au), where a fee calculator is available to help you compare the fees of different managed investment schemes.

## 5. Taxation

**WARNING: Investing in a registered managed investment scheme is likely to have tax consequences. You are strongly advised to seek professional tax advice.**

Investing in a Trust is likely to have tax consequences. Before deciding to invest, We strongly recommend that you obtain professional taxation advice concerning the applicable Australian tax consequences for you, and if appropriate, any foreign tax consequences that may apply based on your particular personal circumstances.

The taxation implications of investing in a Daintree Trust can be complex and depend on a number of factors, including whether you are a resident or non-resident of Australia for taxation purposes and whether you hold the units on capital account or revenue account.

### Income of the Trusts

Each Trust has been established as an Australian resident unit trust. It is intended that investors will be presently entitled to all of the income from a Trust for each financial year such that no taxation liability will accrue to PIML. However, a Trust may be required to withhold tax on income distributed to unitholders who are non-residents of Australia or are under a legal disability.

Each Trust's investments and activities are likely to give rise to income and capital gains and losses. The Taxation of Financial Arrangements (TOFA) regime is a code for the taxation of gains and losses in relation to financial arrangements. Under the TOFA regime, gains and losses on financial arrangements are generally assessable for tax purposes on an accrual basis (where the gains/losses are sufficiently certain) or realisation basis, unless a specific TOFA elective methodology is adopted.

### Taxation of Australian resident investors

Investors are generally subject to tax on their share of the net income from a Trust to which they are presently entitled in each financial year. This will also include amounts that are reinvested in a Trust. The way in which investors are taxed will depend on the character of the income they receive (for example, capital gains, foreign income to which foreign income tax offsets may attach, or interest income).

We will provide you with an annual taxation statement after 30 June each year. The annual taxation statement will outline the tax treatment of the distributions you have received in that income year, including any foreign income tax offsets and franking credit entitlements.

To the extent that an investor's share of the net income of a Trust is attributable to a capital gain made by a Trust, the investor will include the capital gain in their assessable income. Certain investors may be entitled to apply the relevant Capital Gains Tax discount to work out the net capital gain to include in their assessable income. In normal circumstances, you should expect the Trusts to derive income and/or capital gains each year.

### Withdrawals from a Trust and Disposal of Units

Withdrawal or disposal of a unit in a Trust is the disposal or cancellation of a CGT asset by an investor and a CGT event for tax purposes. To the extent that the proceeds exceed the cost base on the unit, you will make a capital gain. However, if the proceeds are less than your

reduced cost base, you will make a capital loss. Generally, a capital loss can only be used to offset against capital gains derived in the current or a future tax year.

### **Attribution Managed Investment Trust**

The Attribution Managed Investment Trust (AMIT) regime has been designed specifically for managed investment schemes, to provide certainty and flexibility to managed schemes and their investors. As at the date of this Additional Information Booklet, PIML has made an irremovable decision election for all eligible Trusts to enter into the AMIT regime, which came into effect on 2 July 2017 (or from the commencement year for eligible Trusts 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.

### **Non-resident individual unitholders**

The above taxation summary is only for investors who are residents of Australia for tax purposes. The tax treatment of non-resident investors in a Trust depends on the investor's particular circumstances and the provisions of the relevant Double Tax Agreement between Australia and the country of residence. It is important that non-resident investors seek independent professional taxation advice before investing in a Trust.

A Trust may be required to withhold tax on part or all of the distributions made to non-resident investors.

### **Goods and Services Tax (GST)**

Unless otherwise stated, the fees quoted in the relevant PDS and this Additional Information Booklet are inclusive of GST less RITC. The benefits of any tax deductions, including additional input tax credits for GST, are passed on to investors in the form of reduced fees or costs.

### **Tax File Numbers and Australian Business Numbers**

You are not required to quote your Tax File Number (TFN) or, if you have one, an Australian Business Number (ABN),<sup>3</sup> 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 (FATCA)**

There are certain consequences that may occur if you apply to invest and you are, or become, a US entity, a US citizen, reside in the US or have some connection with the US. These consequences may potentially be adverse to you. If this applies to you, We encourage you to seek professional taxation advice.

The Trusts are required to comply with certain requirements under the FATCA. PIML requests that you provide certain information (in the application form) about yourself in order for PIML to comply with its FATCA obligations.

### **Common Reporting Standard (CRS)**

CRS is the single global standard for the collection, reporting and exchange of financial account information on foreign tax residents. Under it, banks and other financial institutions will collect and report to the Australian Taxation Office (ATO) financial account information on non-residents. The ATO will exchange this information with the participating foreign tax authorities of those non-residents. In parallel, the ATO will receive financial account information on Australian residents from other countries' tax authorities. This will help ensure that Australian residents with financial accounts in other countries are complying with Australian tax law and act as a deterrent to tax evasion.

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<sup>3</sup> Under the AML/CTF Legislation, disclosure of an ABN is required for those individual investors who are sole traders. Please refer to the application form for further information.

## 6. Privacy

We recognise the importance of protecting your privacy. Your personal information will be handled in accordance with Our Privacy Policy, which outlines how the information We collect from you and how this is used, stored and disclosed.

We will collect your personal information from the application form you complete when applying to invest in a Daintree Trusts.

The main reason We collect, use and/or disclose your personal information, is to provide you with the products and services that you request. This may also include the following related purposes:

- To help your financial adviser provide you with financial advice and ongoing services in relation to your account with us.
- To facilitate internal administration, accounting, research, risk management, compliance and evaluation of Daintree products and services.
- To provide you with information about other products and services that PIML or Daintree offers which may be of interest to you.

We may also disclose your information to external parties some of whom act on your or our behalf. These parties may include:

- organisations involved in providing, managing or administering Our products or services such as actuaries, custodians, external dispute resolution services, investment managers, or mail houses;
- your financial adviser;
- funds (administrators or trustees) to which your investment is to be transferred;
- financial institutions that hold accounts for you;
- the ATO; and
- other companies within the Perennial Partners Group of which both Daintree and PIML are part of.

We are also permitted to collect and disclose your personal information when required or authorised to do so by law.

By signing the application form, you agree to Us collecting, storing, using and disclosing your personal information. If you do not provide all the information requested in your application form, We will not be able to accept and process your application.

If you have concerns about the accuracy and completeness of the information We hold, you may request access to your personal information by contacting the Privacy Officer:

**Mail:** Perennial Investment Management Limited  
Level 27, 88 Phillip Street  
Sydney, NSW, 2000

**E-mail:** [privacyofficer@perennial.net.au](mailto:privacyofficer@perennial.net.au)

**Phone:** 1300 011 088

Depending upon the nature of the request, We may have the right to impose a reasonable charge.

To obtain a copy of the Daintree Privacy Policy please contact a Client Services Representative on 1300 011 088 (+61 2 8022 7487 New Zealand) or through Daintree's website at [www.daintreecapital.com.au](http://www.daintreecapital.com.au).

Indirect investors should refer to the Privacy Policy of the trustee or IDPS operator in which they are an investor.

### Anti-Money Laundering and Counter-Terrorism Financing Legislation (AML/CTF)

In order to comply with the obligations imposed upon Us under the AML Legislation, We may need to obtain additional information before processing applications and withdrawals. This includes information to verify a potential and/or existing investor's identity and any underlying beneficial owner of a potential and/or existing investor, and the source of any payment.

Where We request such information from the investor, the processing of applications or withdrawals may be delayed until the required information is received, in a satisfactory form, and the investor is identified. PIML may reject any application where such documents are not provided prior to lodgement of, or accompanying, the application form. A transaction may be delayed, blocked, frozen or refused where reasonable grounds are established that the transaction breaches the law or sanctions of Australia or any other country. Where such a transaction is delayed, blocked, frozen or refused, We are not liable for any loss (including consequential loss) to a potential or existing investor. We may require additional information from a potential or existing investor to assist Us in identification and verification processes, and We may need to re-verify information. Investors should also be aware that under the legislation We are required to disclose information about suspicious matters to regulator and/or law enforcement agencies and may be prevented from informing the relevant investor of such disclosure.

## 7. Investment by New Zealand investors

### New Zealand warning statement

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.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. The Corporations Act 2001 (Aust) and the regulations made under that Act set out how an offer must be made.

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.

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.

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 ([www.fma.govt.nz](http://www.fma.govt.nz)). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

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 and dispute resolution

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars for the AUD unit class.

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. 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: dispute resolution process

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

### Investing in New Zealand dollars

You may invest in the Trust in New Zealand dollars. If contributing in New Zealand dollars you will need to bear in mind both the currency conversion rate and applicable fees when ensuring that your contributions satisfy the applicable minimum thresholds, which are expressed in Australian dollars.

### Distribution payments

You may choose to have distributions paid to your nominated Australian financial institution account. If no account is nominated, this will be taken as a direction to reinvest distributions into the Trust from which the income was received.

### Distribution reinvestments

Units allocated to your account resulting from a distribution reinvestment will be allotted to you in accordance with the terms and conditions set out in the relevant PDS for the Trusts.

The distribution reinvestment plan described in the PDS is offered to New Zealand investors on the following basis:

- At the time the price of the units allotted pursuant to the distribution reinvestment plan is set, We will not have any information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the units if the information were publicly available.
- The right to acquire, or require Us to issue, units will be offered to all investors of the same class, other than those resident outside New Zealand who are excluded so as to avoid breaching overseas laws.
- Every investor to whom the right is offered will be given a reasonable opportunity to accept it.
- Units will be issued on the terms disclosed to you and will be subject to the same rights as units issued to all investors of the same class as you.

You can request from Us free of charge copies of the following documents:

- The most recent annual report of the relevant Trust (if any).
- The most recent financial statements of the relevant Trust and, if those statements are not audited or reviewed by an auditor, a statement to that effect.
- The auditor's report on the most recent financial statements of the relevant Trust (if any).
- The current PDS, TMD or a document that contains a description of the distribution reinvestment plan and its terms and conditions.
- The Trust's constitution and any applicable amendments.

Copies of these documents can be obtained free of charge by contacting a Client Services Representative. You can also obtain copies of these documents by electronic means, by visiting Daintree's website at [www.daintreecapital.com.au](http://www.daintreecapital.com.au) or emailing us at [invest@daintreecapital.com.au](mailto:invest@daintreecapital.com.au).

A distribution statement will be sent to you within thirty (30) days from the date of the reinvestment of units, which will include the amount of the distribution and the number of units that have been allotted to you. If you are a New Zealand resident investing in AUD units of the Trust, any distributions not reinvested will be paid to you in Australian dollars.

## Withdrawals

Withdrawals from an AUD unit class will be paid to an Australian financial institution account. Withdrawals from the NZD unit class will be paid to a New Zealand financial institution account.

## Distribution payments

You may choose to have distributions paid from your AUD unit class units to your nominated Australian financial institution account, and from your NZD unit class units to your nominated New Zealand financial institution account. If no account is nominated, this will be taken as a direction to reinvest income distributions into the Trust from which the income was received.

## Service of documents

Should you wish to provide Us with documents, you can do so by delivering them to:

### Dentons Kensington Swan

Level 9, 89 The Terrace  
PO Box 10 246  
Wellington 6143  
New Zealand

# 8. Other Information

From time to time, you may need to advise us of changes relating to your investment. You may advise us by email or mail of changes relating to:

- your mailing address;
- your licensed financial adviser, if you have nominated one; or
- your election to receive distributions as cash or to reinvest them.

If you need to advise us of changes relating to your nominated bank account (to which we will pay the proceeds of withdrawals and distributions, if you have elected to receive these as cash), we require you to instruct us via mail.

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.

Contact details: Client Services

Mail: Daintree Trusts  
Registry Services  
GPO Box 1406  
Melbourne VIC 3001

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

Phone: 1300 011 088 (Australia)  
+61 2 8022 7487 (NZ)