

PERPETUAL CHARITABLE FUNDS

Perpetual Charitable and Community Investor Fund
Perpetual Charitable Endowment Fund

Additional information

IMPORTANT NOTES

The information in this document forms part of and should be read in conjunction with:

- Product Disclosure Statement issue number 6 dated 1 November 2017 for Perpetual Charitable and Community Investor Fund
- Product Disclosure Statement issue number 6 dated 15 June 2018 for Perpetual Charitable Endowment Fund.

It contains important additional information about:

- how the Funds work
- fees and costs
- how managed investment schemes are taxed.

We may update this document where we can according to the Funds' constitutions and the law. The updated document will be available at our website and you can also obtain a copy free of charge upon request. You should keep a copy of this document and any updates to it for your reference.

**ADDITIONAL INFORMATION
DATED 15 JUNE 2018**

Issued by Perpetual Investment Management Limited
ABN 18 000 866 535 AFSL 234426

Perpetual 

HOW THE FUNDS WORK

INVESTMENTS

You can invest in Perpetual Charitable and Community Investor Fund and/or Perpetual Charitable Endowment Fund (each a 'Fund', together the 'Funds') by directing Perpetual Private to lodge an investment application with us.

We have the discretion not to accept applications and can delay processing them if we believe that's in the best interests of investors or required by the law.

WITHDRAWALS

For Perpetual Charitable and Community Investor Fund, the general withdrawal provisions assume that the Fund is liquid at the time a withdrawal request is received. If that Fund becomes non-liquid at any time, we may not be able to pay withdrawals or may need to defer or place limits on withdrawal requests (see 'Implications if the Fund becomes non-liquid' in the PDS for further information).

You can withdraw some or all of your investment in a Fund at any time by directing Perpetual Private to contact us and provide us with the number of units or the amount to be withdrawn.

If you withdraw your units before the end of a distribution period, you won't receive a distribution for those units in that period. Your withdrawal amount will generally include your share of distributable income accrued in the Funds to the date of withdrawal as capital.

We may determine that part of your withdrawal amount represents a share of the distributable income including realised net capital gains for that distribution period. We will advise Perpetual Private if this happens.

We'll confirm all withdrawals in writing with Perpetual Private.

DISTRIBUTIONS

A distribution is the payment of the Funds' distributable income to investors at predetermined intervals.

At the end of each distribution period, a Fund's unit price will typically fall as it is adjusted to reflect the amount of any distribution. As your distribution amount is based on the entire distribution period, the closer you invest before the end of a distribution period the greater the possibility is that you may receive back some of your capital as income in the distribution paid for that period.

The Funds' constitutions allow us to make special distributions on an interim basis without prior notice to investors.

Any realised net capital gains are generally included in the 30 June distribution.

You still have to pay tax on the distribution even if it is reinvested (if available) – see 'Distributions' under 'Tax' on page 7.

If a Fund elects into the AMIT regime, there may be implications for distributions (see 'Tax' on page 6 for details).

HOW UNITS ARE PRICED AND INVESTMENTS ARE VALUED

Unit prices for each Fund are calculated by:

- establishing the net asset value of the Fund
- for entry unit prices – adding the applicable transaction costs (buy spread) to the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the entry unit price
- for exit unit prices – deducting the applicable transaction costs (sell spread) from the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the exit unit price.

We generally determine the net asset values of the Funds on each business day. The net asset value is calculated by deducting the value of a Fund's liabilities from the value of its gross assets.

The net asset value of each Fund includes unrealised gains and losses and any income and realised gains accrued but not yet distributed. If unrealised gains are realised in the future, any assessable portion may be distributed to investors.

Investments are valued at their market value. In all cases, we determine the valuation method according to the Funds' constitutions. For the Funds' investments in other managed funds, the market value will normally be based on the exit price of units in the underlying fund(s).

A copy of our unit pricing policy, including details of any discretions that we may exercise in various circumstances, is available at our website or can be obtained free of charge by contacting us.

DELAYS IN CALCULATING AND PUBLISHING UNIT PRICES

Occasionally there may be delays in receiving unit prices or investment valuations from the underlying funds due to their finalisation of distributions or unforeseen circumstances. This restricts our ability to calculate and price a Fund. Importantly, the timing of unit prices impacts processing transactions including applications and withdrawals. When transactions are processed we'll use the applicable unit price you are entitled to, based on the date we received your transaction instruction from Perpetual Private.

CONTINUOUS DISCLOSURE DOCUMENTS

At the issue date of the PDS, the Funds were not disclosing entities under the Corporations Act. If this changes, the Funds will then be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Funds may be obtained from, or inspected at, any ASIC office. If and when a Fund becomes a disclosing entity, you may obtain a copy of the following from us free of charge on request:

- the Fund's annual financial report most recently lodged with ASIC
- any half-yearly financial reports lodged with ASIC by the Fund after lodgement of that annual report
- any continuous disclosure notices given by the Fund after that date of lodgement of that annual report and
- any other material updates.

FEES AND COSTS

The following table and other information in this section provide further details about the fees and costs that you may be charged for investing in the Funds and should be read in conjunction with the relevant PDS. You should read all information about fees and costs because it's important to understand their impact on your investment.

Unless otherwise stated, all fees and other costs disclosed in this document are inclusive of the net effect of GST.

ADDITIONAL EXPLANATION OF FEES AND COSTS

MANAGEMENT COSTS

The total management cost for each Fund comprises:

- our management fee
- its indirect costs.

The amounts shown in the 'Estimated management costs' table on page 4 include all management fees and estimated indirect costs as at the date of the PDS. The indirect costs information is based on information available and (if applicable) estimates as at the date of this PDS. Any updates from time to time, which are not materially adverse, will be available at our website.

Management costs may vary in future years. Updated details will also be available at our website each year.

FEES AND OTHER COSTS

PERPETUAL CHARITABLE FUNDS								
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID						
FEES WHEN YOUR MONEY MOVES IN OR OUT OF THE MANAGED INVESTMENT PRODUCT								
Establishment fee The fee to open your investment	Nil.	Not applicable.						
Contribution fee The fee on each amount contributed to your investment	Nil. ^{1,2}	Not applicable.						
Withdrawal fee The fee on each amount you take out of your investment	Nil. ^{1,2}	Not applicable.						
Exit fee The fee to close your investment	Nil.	Not applicable.						
MANAGEMENT COSTS^{2,3}								
The fees and estimated costs for managing your investment	<table border="1"> <thead> <tr> <th>Fund</th> <th>Estimated total management cost (% pa)</th> </tr> </thead> <tbody> <tr> <td>Perpetual Charitable and Community Investor Fund</td> <td>1.48%</td> </tr> <tr> <td>Perpetual Charitable Endowment Fund</td> <td>1.27%</td> </tr> </tbody> </table>	Fund	Estimated total management cost (% pa)	Perpetual Charitable and Community Investor Fund	1.48%	Perpetual Charitable Endowment Fund	1.27%	<p>Management costs are charged directly to the Funds and/or incurred indirectly in underlying funds.</p> <p>The method and frequency of deduction of each component differs (see 'Management costs' on pages 3-5 for details).</p> <p>All or part of the base fee component of the management fee may be rebated (see 'Differential fees' on page 4 for details).</p>
Fund	Estimated total management cost (% pa)							
Perpetual Charitable and Community Investor Fund	1.48%							
Perpetual Charitable Endowment Fund	1.27%							
SERVICE FEES								
Switching fee The fee for changing investment options	Nil.	Not applicable.						

1 A buy/sell spread will generally apply (see 'Buy/sell spread' on page 5 for details).

2 See 'Maximum fees and charges' on page 6 for details of the maximum fee amounts allowed under the Funds' constitutions.

3 See 'Management costs' on this page for further details.

ESTIMATED MANAGEMENT COSTS

FUND	MANAGEMENT FEE (% PA)		ESTIMATED INDIRECT COSTS (% PA) ¹			ESTIMATED TOTAL MANAGEMENT COST (% PA) ⁶
	BASE FEE	INVESTMENT MANAGEMENT FEE	ESTIMATED ALTERNATIVE ASSET FEES	ESTIMATED PERFORMANCE-RELATED FEES ⁴	ESTIMATED OTHER INDIRECT COSTS ⁵	
Perpetual Charitable and Community Investor Fund	0.74%	0.38%	0.18% ²	0.10%	0.08%	1.48%
Perpetual Charitable Endowment Fund	0.74%	0.46%	0.02% ³	0.01%	0.04%	1.27%

- 1 Except for estimated alternative asset fees for Perpetual Charitable Endowment Fund, which will apply from the date of this document following inclusion of impact investments within the Fund's exposure to diversified alternatives, estimated indirect costs are based on indirect costs for the financial year ended 30 June 2017, which may vary in future years. See 'Indirect costs' on this page for further information.
- 2 The Fund's actual exposure to alternative assets and the relative allocations between the various specialist investment managers of relevant underlying funds, charging differing amounts in varying ways, will impact the total alternative asset fees charged each year.
- 3 Investment management fees in underlying funds for global listed infrastructure and specialist credit are paid out of our investment management fee and the estimated alternative asset fees assume a 2% allocation to impact investments within the Fund's exposure to diversified alternatives. The Fund's actual exposure to impact investments and the relative allocations between the various specialist investment managers of relevant underlying funds, charging differing amounts in varying ways, will impact the total alternative asset fees charged each year.
- 4 **Past performance and these estimates are not indicative of future returns.** Performance-related fees payable in the future may vary depending on:
 - the portion of the Fund's assets that are subject to performance-related fees
 - the Fund's allocation between the relevant underlying funds, with their specialist investment managers charging differing performance-related fees against varying outperformance benchmarks
 - the actual investment returns each specialist investment manager achieves.
See 'Performance-related fees' on this page for further information.
- 5 These estimated amounts include any other indirect costs associated with investing in the underlying funds and any relevant derivatives. Any abnormal operating expenses incurred in future years, if applicable, will be an additional indirect cost.
- 6 Totals may vary slightly to the sum of the various components due to roundings.

MANAGEMENT FEE

The management fee for each Fund comprises:

- the base fee
- an investment management fee.

The management fee is included in the calculation of the unit price for each Fund and is normally paid to us monthly.

BASE FEE

We receive a base fee for overseeing the Funds, which includes providing administration services.

DIFFERENTIAL FEES

We may negotiate a rebate of all or part of the base fee component of our management fee with Perpetual Private, as a wholesale client (as defined by the Corporations Act). The payment and terms of rebates are negotiated with Perpetual Private but are ultimately at our discretion, subject to the Corporations Act and ASIC policy.

INVESTMENT MANAGEMENT FEES

We also receive investment management fees for overseeing the Funds' investments. The amounts may differ between Funds due to the nature of each Fund's investments (refer to the 'Investment guidelines' in each PDS). We pay any investment management fees in relation to the underlying funds, other than any alternative asset fees for relevant alternative assets (see 'Indirect costs' on this page) and performance-related fees, out of our investment management fees.

INDIRECT COSTS

Indirect costs may include:

- alternative asset fees for:
 - income and growth alternatives in Perpetual Charitable and Community Investor Fund
 - impact investments only within Perpetual Charitable Endowment Fund's exposure to diversified alternatives
- performance-related fees (if applicable)
- other indirect costs.

ALTERNATIVE ASSET FEES

Any relevant alternative asset fees are indirect costs since they are not paid out of the investment management fee we receive due to the unique nature of certain types of alternative assets and the varying ways in which fees may be levied by the respective specialist investment managers of the underlying funds.

PERFORMANCE-RELATED FEES

In addition to the investment management fee, some of the specialist investment managers of the underlying funds for Australian shares, international shares and certain alternative assets may be entitled to a performance-related fee as part of their remuneration. Performance-related fees are payable when a specialist investment manager of an underlying fund outperforms a defined performance hurdle (benchmark), for a defined period of time.

Any performance-related fee payable to the specialist investment manager of an underlying fund will be attributed to the overall management costs of the relevant Fund. All performance-related fees will be incorporated in the unit prices of the underlying funds.

The performance-related fee payable to the specialist investment managers of these underlying funds is based on a percentage earned on that manager's outperformance of their respective benchmark. The exact methodologies for calculating performance-related fees vary significantly between the specialist investment managers of the underlying funds.

For specialist investment managers of the underlying funds other than for alternative assets, the maximum performance-related fee rate can be up to 25% of outperformance.

EXAMPLE

If the specialist investment manager of the underlying fund outperformed their respective benchmark by 2% and was entitled to 10% of the outperformance, the performance-related fee payable to the specialist investment manager would be 0.2% (that is, 10% of 2%). Assuming a constant investment balance of \$50,000, this would equate to a performance-related fee amount of \$100.

For alternative assets, the maximum performance-related fee rate is 30% of any performance above the management fee charged by the specialist investment manager of the underlying fund.

EXAMPLE

If the management fee charged by the specialist investment manager of the underlying fund was 2.5% and the gross return of the portfolio before fees was 10%, the return after the underlying fund's management fee but before performance-related fees would be 7.5%. If the specialist investment manager was entitled to a performance-related fee rate of 20%, the performance-related fee payable would be 1.5% (that is 20% of 7.5%). Assuming a constant investment balance of \$50,000, this would equate to a performance-related fee amount of \$750 payable to that specialist investment manager.

OTHER INDIRECT COSTS

Other indirect costs include both our expense recoveries deducted directly from the Funds and other costs incurred indirectly in underlying funds. Indirect costs may also be incurred if a Fund or underlying fund invests in derivatives.

OUR EXPENSE RECOVERIES

We're entitled to charge to the Funds or be reimbursed from the Funds for any expenses incurred in the proper performance of our duties and obligations relating to the management and administration of the Funds.

There is no limit in the Funds' constitutions on the amount that can be recovered for expenses that are reasonably and properly incurred.

Normal operating expenses

Normal operating expenses are those incurred in the day-to-day operation of the Funds, which include items such as audit fees, custody fees and expenses for publishing the PDSs.

Abnormal operating expenses

Abnormal operating expenses aren't generally incurred during the day-to-day operation of the Funds and aren't necessarily incurred in any given year. They're due to abnormal events such as the cost of running an investor meeting, or legal costs incurred by changes in a Fund's constitution.

OTHER MANAGEMENT COSTS INCURRED IN UNDERLYING FUNDS

The specialist investment managers of the underlying funds may also charge expense recoveries, which will usually be deducted from the assets of the underlying funds and reflected in their unit price, and/or the underlying funds themselves may incur indirect costs. If charged, these amounts will be an indirect cost to you.

TRANSACTIONAL AND OPERATIONAL COSTS

The following transactional and operational cost information for each Fund based on the most recently completed financial year is publicly available at our website or can be obtained free of charge by contacting us:

- total estimated transactional and operational costs
- estimated transaction costs offset by buy/sell spreads
- estimated net transactional and operational costs borne by all investors (the estimated percentage by which the Fund's investment return has been reduced by transactional and operational costs), which, for the financial year ended 30 June 2017, were:
 - 0.15% for Perpetual Charitable and Community Investor Fund
 - 0.12% for Perpetual Charitable Endowment Fund.

TRANSACTION COSTS

In managing the investments of the Funds, transaction costs such as brokerage, settlement costs, clearing costs and government charges may be incurred by changes in a Fund's investment portfolio, or when a Fund experiences cash flows in or out of it. Transaction costs are an additional cost to you.

When a Fund incurs transaction costs from changing its investment portfolio, they are paid out of the Fund's assets and reflected in its unit price.

Transaction costs that are incurred because investors buy or sell units in a Fund are also paid from the Fund's assets, but they are offset by the transaction cost allowances that are included in the calculation of the Fund's entry and/or exit unit prices, as described under 'Buy/sell spread' below.

BUY/SELL SPREAD

Estimated transaction costs are allocated when an investor buys or sells units in a Fund by incorporating a buy/sell spread between the Fund's entry and exit unit prices, where appropriate. This aims to ensure that other investors aren't impacted by the transaction costs associated with a particular investor buying or selling units in the Fund. We have discretion to waive the buy/sell spread on applications or withdrawals where no transaction costs are incurred.

A buy/sell spread is an additional cost to you. The spread, if applicable, is based on our estimates of the average transaction costs incurred by a Fund. However, it is not a fee paid to us and is retained in the Fund to cover the actual transaction costs as they are incurred.

The buy/sell spread will impact the return on your investment.

Estimated transaction costs, which are used to determine the buy/sell spreads, are reviewed regularly. Consequently, the buy/sell spreads current as at the issue date of the PDSs may change (increase or decrease) during the life of the PDSs. The buy/sell spread for each Fund is publicly available at our website or can be obtained free of charge by contacting us.

GST is not applicable to any buy/sell spread when you buy or sell units in the Funds.

OPERATIONAL COSTS

If a Fund incurs any incidental borrowing costs for short-term operational purposes, these costs may be paid out of the Fund's assets and reflected in its unit price.

MAXIMUM FEES AND CHARGES

Each Fund's constitution allows us to charge maximum fees as outlined below.

FEE OR COST	MAXIMUM
Contribution fee	5.00% of the investment amount
Withdrawal fee	5.00% of the withdrawal amount
Management fee	2.00% pa of the gross value of the assets of the Funds
Expense recoveries	Unlimited

Amounts disclosed are inclusive of GST (the responsible entity is entitled to recover any GST paid on these fees from the Funds).

INCREASES OR ALTERATIONS TO OUR FEES

We may change our fees without your consent. However, we won't increase our management fees, or introduce contribution or withdrawal fees, without giving Perpetual Private at least 30-days' written notice.

TAX

Tax information, including GST, is set out on pages 6-7.

ADVISER REMUNERATION

No commissions are paid to your financial adviser.

OTHER BENEFITS

As a result of your investment in the Funds your financial adviser may receive other non-monetary benefits (where allowed by law), which are not an additional cost to you.

TAX

The tax consequences of investing in managed investment schemes are particular to your circumstances, so we recommend you see a tax adviser. This information is general only and shouldn't be relied on.

As you are investing indirectly through a Service, you should also refer to Perpetual Private for further information about the tax treatment of your investment in the Funds.

ATTRIBUTION MANAGED INVESTMENT TRUST (AMIT) REGIME

The Federal Government passed tax legislation in May 2016 applicable to eligible managed investment schemes. Where a managed investment scheme meets the eligibility requirements and Perpetual Investment Management Limited, as the responsible entity, makes an election to apply the new tax rules, the Fund becomes an Attribution Managed Investment Trust (AMIT).

We have elected into the AMIT regime for Perpetual Charitable and Community Investor Fund for the 2017/2018 and subsequent financial years.

The current tax rules detailed below will continue to apply to Perpetual Charitable Endowment Fund unless an election to enter the AMIT regime is made. We will provide notification on our website if/when this election occurs. In this event, Perpetual Charitable Endowment Fund would then become subject to the same tax rules detailed below for Perpetual Charitable and Community Investor Fund.

TAX POSITION OF THE FUNDS

Generally, Australian income tax won't be payable by the Funds.

PERPETUAL CHARITABLE ENDOWMENT FUND

Investors will be 'presently entitled' to all of the distributable income each year ending 30 June. If there is net income of a Fund that no investor is 'presently entitled' to, the Fund will be subject to tax at the highest marginal tax rate (plus Medicare levy).

PERPETUAL CHARITABLE AND COMMUNITY INVESTOR FUND

Investors will be subject to tax on the income of the Fund that is attributed to them under the AMIT rules each year ending 30 June. The amount attributed to an investor will be shown on their annual tax statement. If there is income of the Fund that is not attributed to an investor, the Fund will be subject to tax at the highest marginal tax rate (plus Medicare levy).

AUSTRALIAN RESIDENT INVESTORS

The following information may not be relevant to investors that are exempt from income tax.

DISTRIBUTIONS

For information about the calculation of your distribution entitlement, see 'Distributions' on page 2.

PERPETUAL CHARITABLE ENDOWMENT FUND

The net income of the Fund distributed to you must be included in your income tax return for the year of the entitlement even if the distribution is received or reinvested in the following year, see 'Annual tax statement' on this page. The Fund's constitution allows us to reinvest part or all of your distribution.

PERPETUAL CHARITABLE AND COMMUNITY INVESTOR FUND

The income of the Fund attributed to you must be included in your income tax return for the year of the entitlement even if the distribution is received or reinvested in the following year, see 'Annual tax statement' on this page.

The AMIT rules also allow us to:

- reinvest part or all of your distribution and/or
 - accumulate part or all of the Fund's income in the Fund, in which case the income of the Fund that is attributed to you will be more than the distribution you receive.¹
- 1 If this were to occur, the Fund's unit price would only fall by the amount of the actual distribution and not by the additional amount attributed to investors. Investors would need to increase the cost base of their units for tax purposes by the amount that has been attributed to them but not paid as a distribution. This information will be provided on your annual tax statement.

CAPITAL GAINS TAX

PERPETUAL CHARITABLE ENDOWMENT FUND

In addition to any realised net capital gains distributed to you, any withdrawal of units from the Funds may create a taxable gain or loss, which will be treated as a capital gain or loss, or as ordinary income, depending on your circumstances.

PERPETUAL CHARITABLE AND COMMUNITY INVESTOR FUND

In addition to any realised net capital gains attributed to you, any withdrawal of units from the Funds may create a taxable gain or loss, which will be treated as a capital gain or loss, or as ordinary income, depending on your circumstances.

ANNUAL TAX STATEMENT

Perpetual Private will use the information we provide to prepare their statements for you.

NON-RESIDENT INVESTORS

PERPETUAL CHARITABLE ENDOWMENT FUND

Australian tax will be deducted from certain Australian sourced income and capital gains distributed to non-resident investors. Non-resident investors may also be subject to tax in the country they reside in, but may be entitled to a credit for some or all of the tax deducted in Australia.

PERPETUAL CHARITABLE AND COMMUNITY INVESTOR FUND

Australian tax will be deducted from certain Australian sourced income and capital gains attributed to non-resident investors. Non-resident investors may also be subject to tax in the country they reside in, but may be entitled to a credit for some or all of the tax deducted in Australia.

GOODS AND SERVICES TAX (GST)

GST generally applies to the fees, costs and expenses payable by the Funds, including management costs and other fees payable to us.

Generally, the Funds can't claim a credit for all of the GST paid but may be entitled to claim a reduced input tax credit (RITC), which represents a portion of the GST applicable to management costs and certain other expenses, as set out in the GST law.

Unless otherwise stated, the management costs and other fees specified in the PDS show the approximate net cost to the Funds of these amounts payable to us, on the basis that the Fund is entitled to claim RITCs for the GST on these amounts.