

21 May 2018

Mr John Smith  
123 Pitt St  
Sydney NSW 2001

**Client number: 4000xxxxx**

**Account number: AC8000xxxx**

Dear Mr Smith

**Re: The Trust Company Diversified Property Fund ARSN 155 454 078 (Property Fund)**

We would like to inform you of changes to the Property Fund that we will be making effective from 1 June 2018.

**Investment approach**

Following an investment review, we will remove our exposure to unlisted Australian property trusts (current allocation of 0-60%). Once we complete our sale of these assets, the Property Fund's asset allocation will be predominately in listed Australian property securities (proposed investment guideline allocation of 90 – 100%).

**Standard Risk Measure**

The Standard Risk Measure (SRM) will increase to "7 – Very High" with the increased allocation in listed securities.

**Management fee reduction**

Reflecting the new investment strategy, Perpetual will reduce its management fees significantly, as there will no longer be a requirement to pay fees to unlisted property investment manager/s and due to the simplification of the investment management style of the Property Fund. The Property Fund's management fee will reduce from 1.025% to 0.30%.

**Sale of unlisted property assets**

The timing of the sale of the unlisted property assets and its settlement is uncertain. It is possible that during this transition period, the Property Fund may hold more cash than its investment guidelines' maximum of 10% and may increase its cash allocation to up to 50% for around three months. Following the completion of the transition, the Property Fund's allocation to cash will return within its investment guideline range of 0 – 10%.

**Marketing name**

Perpetual intends to introduce a marketing name for the Property Fund. The marketing name is 'The Trust Company Property Securities Fund'.

A summary of the changes to the Property Fund are below:

Item	Current	From 1 June 2018																
<b>Investment Objective</b>	<ul style="list-style-type: none"> <li>The Fund seeks to provide investors with a diversified exposure to Australian listed property securities and <b>unlisted property trusts</b> with the aim of delivering a consistent income stream and the potential for capital growth over the long term.</li> </ul>	<ul style="list-style-type: none"> <li>The Fund seeks to provide investors with a diversified exposure predominantly to Australian listed property securities, with the aim of delivering a consistent income stream and the potential for capital growth over the long term.</li> </ul> <p>The reference to <b>unlisted property trusts</b> has been removed from the investment objective.</p>																
<b>Fund Benchmark</b>	<ul style="list-style-type: none"> <li>The Fund's benchmark is the asset weighted composite of S&amp;P/ASX 200 A-REIT Total Return Index (listed property securities) and Mercer/IPD Australian Pooled Property Fund Index (unlisted property trusts).</li> </ul>	<ul style="list-style-type: none"> <li>The Fund's benchmark is the S&amp;P/ASX 200 A-REIT Total Return Index.</li> </ul> <p>Remove benchmark allocation to Mercer/IPD Australian Pooled Property Fund Index.</p>																
<b>Investment guidelines</b>	<table border="1" data-bbox="400 1066 863 1249"> <tr> <td>Australian listed property securities</td> <td>40-100%</td> </tr> <tr> <td>Australian unlisted property trusts</td> <td>0-60%</td> </tr> <tr> <td>Cash</td> <td>0-10%</td> </tr> </table>	Australian listed property securities	40-100%	Australian unlisted property trusts	0-60%	Cash	0-10%	<p>As at the date of this letter until the sale of the Property Fund's unlisted property trusts</p> <table border="1" data-bbox="895 1137 1337 1800"> <tr> <td>Australian listed property securities</td> <td>40-100%</td> </tr> <tr> <td>Australian unlisted property trusts</td> <td>0-60%</td> </tr> <tr> <td>Cash</td> <td>0-10%</td> </tr> </table> <p>During this period, the Property Fund's allocation to cash may exceed 10% and may increase up to 50% for around three months.</p> <p>Following the sale of the Property Fund's unlisted property trusts</p> <table border="1" data-bbox="895 1906 1358 2018"> <tr> <td>Australian listed property securities</td> <td>90-100%</td> </tr> <tr> <td>Cash</td> <td>0-10%</td> </tr> </table>	Australian listed property securities	40-100%	Australian unlisted property trusts	0-60%	Cash	0-10%	Australian listed property securities	90-100%	Cash	0-10%
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<b>Marketing name</b>	<ul style="list-style-type: none"> <li>The Trust Company Diversified Property Fund</li> </ul>	<ul style="list-style-type: none"> <li>The Trust Company Property Securities Fund</li> </ul>
<b>Standard Risk Measure</b>	<ul style="list-style-type: none"> <li>6 – High (4 to less than 6 number of negative annual returns over any 20 year period).</li> </ul>	<ul style="list-style-type: none"> <li>7 – Very high (6 or greater number of negative annual returns over any 20 year period).</li> </ul>
<b>Suggested investment timeframe</b>	<ul style="list-style-type: none"> <li>Five to seven years or longer</li> </ul>	<ul style="list-style-type: none"> <li>Five years or longer</li> </ul>
<b>Management Fee</b>	<ul style="list-style-type: none"> <li>1.025% per annum</li> </ul>	<ul style="list-style-type: none"> <li>0.30% per annum</li> </ul>

### Further information

For further information visit [www.perpetual.com.au](http://www.perpetual.com.au), contact your financial adviser, email [investments@perpetual.com.au](mailto:investments@perpetual.com.au) or phone us on 1800 022 033 during business hours (Sydney time).

Yours sincerely



Jason Komadina  
General Manager – Product & Investments  
Perpetual Private

\* This letter has been prepared by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL 234426. It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances.