

# THE TRUST COMPANY PHILANTHROPY FUND

## Product Disclosure Statement

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### CONTACT DETAILS

If you have any questions or would like a copy of the PDS or any updates, any information incorporated by reference in the PDS or more information about The Trust Company Philanthropy Fund:

**Phone** 1800 022 033

**Fax** 02 8256 1427

**Mail** The Trust Company Investment Funds,  
GPO Box 4171, Sydney NSW 2001

**Website** [www.perpetual.com.au/ttcpf](http://www.perpetual.com.au/ttcpf)

**Email** [investments@perpetual.com.au](mailto:investments@perpetual.com.au)

### IMPORTANT NOTES

This PDS provides a summary of significant information and contains a number of references to other important information which also forms part of the PDS. You should consider all of this information before making a decision to invest in this product.

The information provided in the PDS is general information only and does not take account of your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

We may update the PDS with changes that are not materially adverse via disclosure on our website. You can also obtain a paper copy of any updates free of charge on request.

This PDS can only be used by investors receiving it (electronically or otherwise) in Australia. All amounts in this PDS are in Australian dollars and all times quoted are Sydney time (unless otherwise specified). A business day is a working day for Perpetual in Sydney.

**PRODUCT DISCLOSURE STATEMENT (PDS)  
DATED 1 OCTOBER 2020**

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

Perpetual 

## 1. ABOUT PERPETUAL INVESTMENT MANAGEMENT LIMITED

Perpetual Investment Management Limited (PIML) is:

- the responsible entity of The Trust Company Philanthropy Fund (Fund)
- the issuer of units in the Fund and this PDS.

PIML is one of Australia's leading investment managers with \$28.4 billion in funds under management (as at 30 June 2020). PIML is a wholly owned subsidiary of Perpetual Limited (ABN 86 000 431 827) and part of the Perpetual Group, which has been in operation for over 130 years. By employing some of the industry's best investment specialists and applying a proven investment philosophy, PIML has been able to help generations of Australians manage their wealth.

As the responsible entity of the Fund our main responsibilities are to manage the Fund according to its constitution (copy available free of charge by contacting us) and investment policy as well as properly administering it. We have established an investment committee to set the investment objectives, investment guidelines and investment approach for the Fund. We may change the Fund's investment policy whenever we believe it's in the best interests of investors, without prior notice.

In carrying out our duties, we are subject to the Corporations Act and must:

- act honestly and in the best interests of investors
- exercise care and diligence.

Subject to the Corporations Act:

- we're not liable to investors for any losses in any way relating to the Fund, except to the extent to which the loss is caused by our fraud, negligence or breach of trust
- our liability is limited to our ability to be indemnified out of the assets of the Fund.

## 2. HOW THE TRUST COMPANY PHILANTHROPY FUND WORKS

The Fund is a managed investment scheme that is registered (ARSN 129 942 052) with the Australian Securities and Investments Commission (ASIC).

The Fund commenced in March 2008.

The Fund is a liquid fund as at the date of this PDS and is expected to remain liquid. However, it is possible that the Fund could be deemed non-liquid in the future due to its exposure to non-liquid alternative assets.

### INVESTORS

In this PDS, 'Perpetual Private' refers to Perpetual Group subsidiaries that act as trustee, custodian, executor or attorney, or the operator of an investor direct portfolio service (IDPS), as applicable.

We authorise the use of this PDS as disclosure only for:

- trusts, estates and agencies for which Perpetual Private is a trustee, executor or attorney
- investors who wish to access the Fund through an IDPS, IDPS-like scheme, or a nominee or custody service provided by Perpetual Private
- DIY superannuation funds for which Perpetual Private is the trustee, custodian or administrator,

which are collectively referred to in this PDS as a 'Service'.

Investment in the Fund through this PDS is offered exclusively to clients of Perpetual Private investing through a Service (referred to as 'you' in this PDS).

As an indirect investor gaining exposure to the Fund through a Service, you do not yourself become an investor in the Fund. Instead, it is Perpetual Private, which invests for you and acts on your behalf, that has the rights of an investor. Certain provisions of the Fund's constitution are not relevant to indirect investors. For example, indirect investors cannot attend investor meetings or transfer or mortgage units in the Fund. You can request reports on your investment in the Fund from Perpetual Private and you should direct any inquiries to them.

When you invest in the Fund, your money is pooled with investments from other investors and used to buy assets for the Fund, which we manage on behalf of all investors. Each unit that Perpetual Private holds in the Fund on your behalf confers a proportional beneficial interest in the Fund. However, you or Perpetual Private are not entitled to any particular asset of the Fund and we rather than you or Perpetual Private have ownership and control over the Fund's assets, management and operation.

### VALUE OF YOUR INVESTMENT

When you invest, Perpetual Private will be allocated units in the Fund on your behalf. The value of your investment in the Fund will vary as the Fund's daily unit price changes to reflect increases or decreases in the market value of the Fund's underlying assets.

### INVESTMENTS AND WITHDRAWALS

You can invest in or withdraw from the Fund by directing Perpetual Private to lodge an investment application or withdrawal request, as applicable, with us.

As you are investing indirectly through a Service, please contact Perpetual Private for details about their following requirements:

- any minimum investment and withdrawal amounts
- processing requirements and timeframes
- distribution payment options
- identification verification procedures
- privacy policy.

You should also use any relevant application, withdrawal and other forms provided by Perpetual Private.

### HOW UNITS ARE ISSUED OR WITHDRAWN

If our Sydney office receives and accepts Perpetual Private's investment application or withdrawal request by 3.00pm on any business day, the investment or withdrawal will be processed using that day's entry or exit price. If received and accepted after 3.00pm, it will be processed using the next calculated entry or exit price. If it's a non-working day for Perpetual in Sydney, the investment or withdrawal will be processed using the next available entry or exit price.

The time it takes to process investment applications or withdrawal requests made through Perpetual Private may vary from these times due to their processing requirements (refer to Perpetual Private for details).

The number of units issued to Perpetual Private is determined by dividing the investment amount by the applicable entry price. The number of units withdrawn for withdrawals is determined by dividing the withdrawal amount by the applicable exit price.

For current entry and exit prices, visit our website or contact Perpetual Private.

### WITHDRAWAL PROVISIONS

The normal timeframe for payment of withdrawals is within seven days from when we have accepted a withdrawal request from Perpetual Private, although the payment period under the Fund's constitution allows up to 30 days. However, withdrawal payments may be:

- delayed for up to 28 days for large amounts, if we estimate that the Fund must realise 10% of its assets to fund redemptions, or longer as determined appropriate in the circumstances or where the law requires or permits
- suspended where we consider the suspension is in investors' interests (refer 'Suspension of withdrawals' for further information) or the law requires or permits (eg if the Fund becomes non-liquid – refer 'Implications if the Fund becomes non-liquid' for further information).

#### **SUSPENSION OF WITHDRAWALS**

In certain emergency situations that impact the effective and efficient operation of a market for an asset held by the Fund or in circumstances where we otherwise consider it to be in investors' interests, we may suspend processing withdrawals for the Fund. This may include situations where:

- we cannot properly ascertain the value of an asset held by the Fund
- an event occurs that results in us not being able to reasonably acquire or dispose of assets held by the Fund
- an underlying fund suspends applications and withdrawals.

Any withdrawal requests received during a suspension period are deemed to be lodged and will be processed using the exit price applicable when the suspension is lifted.

#### **IMPLICATIONS IF THE FUND BECOMES NON-LIQUID**

While the Fund is liquid as at the date of this PDS and is expected to remain liquid, there is the risk that it could be deemed non-liquid in the future due to its exposure to non-liquid alternative assets. If the Fund becomes non-liquid (as defined in the Corporations Act) withdrawals may only be made subject to an offer made according to the Corporations Act. In these circumstances, you will only be able to withdraw from the Fund if we make money available for withdrawals. The Corporations Act requires us to allocate this money on a pro rata basis among investors wanting to withdraw. We're under no obligation to offer you an opportunity to withdraw from the Fund while the Fund is non-liquid. We will advise Perpetual Private if the Fund becomes non-liquid and the terms of any withdrawal offer.

#### **DISTRIBUTIONS**

Distribution of the Fund's distributable income to investors generally occurs quarterly as at 31 March, 30 June, 30 September and 31 December and proceeds are generally paid to Perpetual Private within 10 business days after the end of the distribution period. However, the Fund's constitution allows up to 180 days after the end of the distribution period for distributions to be paid.

The distributable income may include interest, dividends, foreign income, realised net capital gains and other income. The components of a distribution will depend on the nature of the Fund's underlying assets.

The distribution amount depends on the Fund's distributable income. The amount you receive will be proportionate to the number of units Perpetual Private holds on your behalf relative to the number of units on issue at the end of the distribution period. The amount will vary and sometimes there might not be any distribution.

Please refer to Perpetual Private for details of any distribution payment options.

We can determine to reinvest part or all of your distribution in the Fund.

#### **REGULAR REPORTING**

All reports will be sent directly to Perpetual Private. They will use this information to provide you with regular reporting and information to help you complete your annual income tax return. Please contact Perpetual Private with any investor inquiries.

#### **UPDATED INFORMATION**

You can go to our website or contact Perpetual Private for the latest investment returns and any other updated information in relation to the Fund. Other general information is also provided in the Fund's annual report, which is also available at our website.

#### **INTEREST EARNED ON APPLICATION, WITHDRAWAL AND DISTRIBUTION ACCOUNTS**

Application money, proceeds of withdrawal requests and distribution amounts are held in trust accounts prior to being processed. A member of the Perpetual Group retains any interest earned on these accounts.

#### **FURTHER INFORMATION**

Further details about how the Fund works, including information about acquiring and disposing of interests and how units are priced and investments are valued, are contained in a separate document titled 'The Trust Company Philanthropy Fund – Additional information', which forms part of this PDS.

You should read the important information about how the Fund works, before making a decision. Go to [www.perpetual.com.au/ttcpf](http://www.perpetual.com.au/ttcpf).

The material relating to how the Fund works may change between the time when you read this PDS and the day when the product is acquired.

### **3. BENEFITS OF INVESTING IN THE TRUST COMPANY PHILANTHROPY FUND**

The Trust Company Philanthropy Fund is designed primarily for charitable trusts and non-profit organisations seeking an investment that aims to provide both long-term growth and income.

The Fund provides a diversified investment portfolio, with an emphasis on Australian shares, international shares, real estate and alternative assets, in a convenient single investment that aims to provide investors with a balance between regular income and growth returns over the long term so there is growth in income used to support charities and philanthropic endeavours.

### **4. RISKS OF MANAGED INVESTMENT SCHEMES**

All investments carry risk. The value of your investment may fall for a number of reasons, which means that you may receive back less than your original investment when you withdraw or you may not receive income over a given timeframe. Before making an investment decision, it's important to understand the risks that can affect the value of your investment. While it's not possible to identify every risk relevant to investing in the Fund, we have detailed in the following table significant risks that may affect your investment. Different strategies may carry different levels of risk, depending on the assets that make up the strategy, and assets with the highest long-term returns may also carry the highest level of short-term risk due to their generally larger fluctuations in returns.

While we can't completely eliminate investment risks, we aim to manage the impact of these risks by setting consistent and carefully considered investment guidelines.

The level of risk for each person will vary depending on a range of factors including age, investment timeframe, other investments and risk tolerance. Your financial adviser can assist you in determining whether the Fund is suited to your financial needs and the level of diversification you need.

Neither we nor any company in the Perpetual Group guarantee that you will earn any return on your investment or that your investment will gain in value or retain its value. The level of returns will vary, and future returns may differ from past returns. Investment in the Fund is subject to investment risk, including possible delays in repayment and loss of income and capital invested.

## SIGNIFICANT RISKS

TYPE OF RISK	DESCRIPTION OF RISK
Company risk	When an investment in a company is made, an investor is exposed to many risks to which the company is exposed and may impact the value of the security. In addition, the market price of a company's securities may fluctuate in an unrelated or disproportionate way to the operating performance of the company.
Market and economic risk	Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility.
Asset risk	A particular asset that the Fund invests in may fall in value, which can result in a reduction in the value of your investment.
Currency risk	For investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall.
Interest rate risk	Changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.
Credit risk	The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time. The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit rating declines.
Liquidity risk	The absence of an established market or shortage of buyers for an investment can result in a loss if the holder of the investment needs to sell it within a particular timeframe. A shortage of liquidity can also result in delays in the payment of withdrawals from the Fund (see 'Liquidity risk' on this page for further information).
Derivatives risk	Derivative market values can fluctuate significantly and, as a result, potential gains and losses can be magnified. Losses can occur where the value of the derivative fails to move in line with the underlying asset or where a greater exposure to a market is created through the derivative position than is backed by the assets of the Fund. Other risks applying to derivatives include counterparty risk and liquidity risk, or where the derivative position is difficult or costly to reverse. A counterparty may also be required to take collateral from the Fund's assets to support a derivatives contract. Therefore, there is a risk that if the counterparty becomes insolvent, the Fund's assets may not be returned in full. See 'Use of derivatives' on page 5 for further details about how derivatives may be used in managing the Fund.
Counterparty risk	A loss may occur if the other party to a contract, including derivatives contracts, defaults on their obligations under the contract.
Legal and regulatory risk	Changes in legislation and differences between rules (including interpretation of the law) in domestic and foreign markets, including those dealing with taxation, accounting and investments, may adversely impact your investment.
Investment strategy risks	The Fund's investment strategy may involve specific risks. These include gearing risk and short-position risk in some of the underlying funds into which the Fund invests (see 'Investment strategy risks' on this page for details).
Other risks	The investment professionals employed by the appointed specialist investment managers or PIML may change, which may affect the future performance of the Fund. Investing in the Fund may have a different tax outcome than investing directly because of the application of tax laws to the Fund and the impact of investments and withdrawals by other investors. One result is that you may receive back some of your capital as income. Transactions may be suspended, which may result in delays in paying withdrawal requests. The Fund may be terminated.

## LIQUIDITY RISK

In the absence of an established market or shortage of buyers for certain investments, such as some alternative assets, the Fund may not be liquid from time to time. This means there is a risk you will have difficulty withdrawing your investment. While we generally strive to make proceeds from your withdrawal request available to Perpetual Private within seven days from when we have accepted the request, in certain circumstances we may not be able to meet your withdrawal request when received.

## INVESTMENT STRATEGY RISKS

### GEARING RISK

The Fund doesn't use gearing as an investment strategy but some of the underlying funds into which the Fund invests may gear.

With gearing, money is borrowed to increase the amount that can be invested. While this can result in larger investment gains in a rising market, it can also magnify losses in a falling market.

**Gearing increases the volatility of a fund's investment returns. Consequently, a fund that gears is considered to have a higher investment risk than a comparable fund that does not gear.**

### SHORT-POSITION RISK

The Fund doesn't take short positions as an investment strategy but some of the underlying funds into which the Fund invests may do so.

Where permitted, a short position can be created when a fund sells a borrowed security before buying it back from the open market to return to the securities lender. If the market price of the security:

- falls in value, the fund makes a profit because it buys it back for less than it was sold
- rises in value, the fund will incur a loss when buying it back for more than it was sold.

Establishing a short position in a security involves a higher level of risk than investing in a security. This is because when you invest in a security, the maximum loss is generally limited to the amount invested. With short positions there is no limit on the maximum loss because there is no upper limit on the security's price. In other words, the loss will continue to increase as the security's price rises.

A further risk is that the securities lender may recall a borrowed security, so the fund will have to find another securities lender willing to lend the security, or may have to buy the security quickly at an unfavourable price.

## 5. HOW WE INVEST YOUR MONEY

**When choosing a fund in which to invest, you should consider the likely investment return, the risk and your investment timeframe.** We recommend you consult a financial adviser for assistance in determining whether the Fund is appropriate for you.

### FUND INVESTMENTS

#### INCOME ASSETS

##### CASH

Cash investments include discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans. Cash provides a relatively consistent rate of return in the form of regular interest payments, generally in line with short-term interest rates and is widely considered the lowest investment risk.

##### FIXED INCOME

Fixed income instruments are securities issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark.

**Diversified credit** may involve investing in income generating securities such as corporate debt, mortgages, infrastructure debt, private debt, asset-backed and debt-like hybrid securities, discount securities and sub-investment grade securities that have higher credit risk and less liquidity than cash and fixed income investments.

#### GROWTH ASSETS

##### REAL ESTATE

A real estate (property) investment involves buying shares that represent a portion of ownership in a property related company, buying units in an unlisted property trust or buying property directly. Property investments can be in a range of sectors including commercial, industrial, residential and retail. Returns are usually generated from rental income and changes in the value of the underlying properties.

##### SHARES

Shares represent a portion of ownership in a company. Shareholders can benefit if a company passes on some of its profits to them through dividends and/or from capital growth if the share price rises.

#### ALTERNATIVE ASSETS

##### INCOME ALTERNATIVES

**Specialist credit** is an alternative strategy that has similar characteristics to fixed income. However, it may involve investing in sectors that have higher credit risk and forego some liquidity to target a higher return profile, such as high yield and convertible bonds.

#### INCOME/GROWTH ALTERNATIVES

**Absolute return funds** can display characteristics of either income or growth alternatives, depending on the actual underlying assets and investment techniques used by the investment managers. Furthermore, a portfolio of multiple absolute return funds can be configured to display either income or growth characteristics, which will also affect the portfolio's risk profile.

Absolute return funds are actively managed investments that aim to produce returns in both rising and falling markets by using a broad range of securities and investment techniques. These techniques may be different to methods used by traditional fund managers and may include:

- the use of derivatives
- hedging – where the manager uses two or more securities that are likely to move in opposition to each other, thereby attempting to mitigate risk
- short selling
- investments in exotic and/or low-liquid securities
- leverage – where the fund manager borrows or gears the fund's assets.

This means that absolute return funds won't necessarily follow the movements in the indices for traditional assets, making them effective for diversification and for reducing portfolio risk when used in conjunction with traditional assets. Investors can receive returns in the form of capital growth (or loss) and income.

#### GROWTH ALTERNATIVES

**Infrastructure** involves investing by purchasing listed or unlisted equity or debt securities in companies and/or large projects that provide facilities and services needed by the community (eg transport, power, roads, telecommunications or water supply), or in other capital intensive assets (eg timberland and regional infrastructure). The return on an infrastructure equity investment generally includes capital growth (or loss) and income. Alternatively, infrastructure debt securities pay regular interest similar to that of other fixed income investments.

**Private equity** comprises investments in unlisted companies that offer the prospect for a major escalation in economic value through a range of strategies including product development, market expansion, mergers and acquisitions, corporate and balance sheet restructuring. They are generally long-term investments that aren't liquid, and usually generate their returns through an initial public offering, a sale or merger, or a recapitalisation.

**Private real estate** is the real estate equivalent of unlisted private equity. It seeks high returns by investing in property projects with a large potential escalation in economic value, mainly via major redevelopment or repositioning of the asset.

#### INVESTMENT APPROACH

The Fund invests in a diverse mix of assets either directly or indirectly via underlying managed funds.

#### USE OF DERIVATIVES

A derivative is a financial instrument that derives its value from the price of a physical security or market index. Derivatives may include, but are not limited to, futures, options, swaps and forward foreign exchange contracts.

Derivatives may be used in the management of the Fund for a range of investment activities including, but not limited to, the following purposes:

- managing investment risk and volatility of a stock, security or market
- managing actual and anticipated interest rate risk and credit exposure

- managing currency risk and adjusting currency exposure
- achieving asset exposures without buying or selling the underlying securities
- generating additional income
- managing strategic and tactical asset allocation strategies
- taking advantage of price differences (known as arbitrage).

Derivatives will not be used directly by the Fund for speculative purposes.

The use of derivatives is consistent with the Fund's investment guidelines and objectives.

Investing in derivatives can expose the Funds to additional risks. Please refer to 'Derivatives risk' within the 'Significant risks' table on page 4 for more information.

## ENVIRONMENTAL, SOCIAL AND ETHICAL FACTORS AND LABOUR STANDARDS

PIML is a signatory to the United Nations-supported Principles for Responsible Investment (PRI). PRI signatories undertake to consider environmental, social and corporate governance (ESG) factors in their investment decision-making and ownership practices.

Our consideration of ESG factors and labour standards does not include making ethical or moral judgements on particular practices or issues. Instead, when deciding whether to buy, retain or sell an investment, we consider those ESG risks and labour standards only to the extent that they are relevant to the current or future value of the investment.

For share investments, we may also actively engage with companies to encourage them to improve their ESG practices or labour standards where we believe it is in the interest of the Fund's investors.

## BORROWING

The Fund's constitution allows the Fund to borrow. The Fund doesn't intend to borrow as part of its investment strategy, however borrowing may occur in the daily management of the Fund. To the extent permitted, the Fund may borrow from a variety of sources, including companies associated with the Perpetual Group (in which case the terms are set on a commercial and arm's length basis).

## FUND PROFILE

### THE TRUST COMPANY PHILANTHROPY FUND

#### Suitability

Designed for investors with the appropriate risk level, investment timeframe and objective – see below.

#### Risk level<sup>1</sup>

6 – High

#### Minimum suggested timeframe<sup>2</sup>

5 years or more

#### Investment return objective

Aims to:

- provide investors with a balance between regular income and growth returns over the long term so that there is growth in regular income used to support charities and philanthropic endeavours
- outperform the composite benchmark<sup>3</sup> over rolling three-year periods (before fees and taxes).

#### Investment guidelines<sup>4</sup>

Australian shares	25-60%
International shares	0-30%
Real estate	5-15%
Fixed income	0-20%
Income alternatives	0-20%
Growth alternatives	0-20%
Cash	0-30%

- 1 The risk level represents the Standard Risk Measure (SRM) based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period, as follows.

RISK BAND	RISK LABEL	ESTIMATED NUMBER OF NEGATIVE ANNUAL RETURNS OVER ANY 20 YEAR PERIOD
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The SRM is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of the negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Investors should still ensure they are comfortable with the risks and potential losses associated with the Fund.

The SRM for the Fund may change over time for various reasons, including as a result of reviews of the underlying capital market assumptions that are used in its calculation and future changes to asset allocations. Any changes to the SRM at any time will be available at our website.

- 2 This is a guide only and not a recommendation. You should discuss your investment in the Fund with your financial adviser to ensure that it meets your needs.
- 3 The Fund's benchmark is an asset weighted composite benchmark (reflecting the Fund's target asset allocation at any time to the various asset types), as follows:
  - Australian shares – S&P/ASX 300 Accumulation Index
  - international shares – MSCI All Country World Index – Net Return (unhedged in AUD)
  - real estate – S&P/ASX 200 A-REIT – Total Return Index
  - fixed income – 40% Bloomberg AusBond Composite 0+ Yr Index and 60% Bloomberg AusBond Bank Bill Index
  - income alternatives – Bloomberg AusBond Bank Bill Index plus 2%
  - growth alternatives – Bloomberg AusBond Bank Bill Index plus 5%
  - cash – Bloomberg AusBond Bank Bill Index.
- 4 This provides an indication of what the Fund will ultimately invest in directly or indirectly. You can obtain information on the actual asset allocations (updated as at the end of each month) by contacting us.

## 6. FEES AND 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)** MoneySmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

## FEES AND COSTS SUMMARY

The information in the 'Fees and costs summary' can be used to compare costs between different managed investment schemes.

Unless otherwise stated, all fees and costs disclosed in this PDS are inclusive of the net effect of goods and services tax (GST).

Fees and costs can be deducted from investment returns or from the Fund's assets as a whole.

Any additional fees that you may be charged by Perpetual Private for investing in the Fund via their Service should be set out in their disclosure document.

### FEES AND COSTS SUMMARY

THE TRUST COMPANY PHILANTHROPY FUND	
TYPE OF FEE OR COST	AMOUNT
<b>ONGOING ANNUAL FEES AND COSTS</b>	
<b>Management fees<sup>1</sup> and costs</b> The fees and costs for managing your investment	1.54% pa
<b>Performance fees</b> Amounts deducted from your investment in relation to the performance of the product	0.07% pa
<b>Transaction costs</b> The costs incurred by the scheme when buying or selling assets	0.21% pa
<b>MEMBER ACTIVITY RELATED FEES AND COSTS (fees for services or when your money moves in or out of the product)</b>	
<b>Establishment fee</b> The fee to open your investment	Nil
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil
<b>Buy/sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the scheme	0.12%/0.10%

## FEES AND COSTS SUMMARY (CONTINUED)

THE TRUST COMPANY PHILANTHROPY FUND	
TYPE OF FEE OR COST	AMOUNT
<b>MEMBER ACTIVITY RELATED FEES AND COSTS (fees for services or when your money moves in or out of the product)</b>	
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil
<b>Exit fee</b> The fee to close your investment	Nil
<b>Switching fee</b> The fee for changing investment options	Nil

<sup>1</sup> We may negotiate a rebate of all or part of our management fee with Perpetual Private, as a wholesale client (as defined by the Corporations Act).

We may change our fees without your consent. However, we won't increase our management fee, or introduce any new fees, without giving Perpetual Private at least 30-days' written notice. Management costs, any performance fees payable in underlying funds and transaction costs may vary each year without notice.

## EXAMPLE OF ANNUAL FEES AND COSTS

This table gives an example of how the ongoing annual fees and costs in The Trust Company Philanthropy Fund can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE - THE TRUST COMPANY PHILANTHROPY FUND		BALANCE OF \$50,000 <sup>1</sup> WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged <b>\$0.00</b>
<b>PLUS</b> Management fees and costs	1.54%	<b>And</b> , for every \$50,000 you have in The Trust Company Philanthropy Fund you will be charged or have deducted from your investment <b>\$770.00</b> each year
<b>PLUS</b> Performance fees	0.07%	<b>And</b> , you will be charged or have deducted from your investment <b>\$35.00</b> in performance fees each year
<b>PLUS</b> Transaction costs	0.21%	<b>And</b> , you will be charged or have deducted from your investment <b>\$105.00</b> in transaction costs
<b>EQUALS</b> Cost of The Trust Company Philanthropy Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of <b>\$910.00</b> . <sup>*</sup> <b>What it costs you will depend on the fees we negotiate with Perpetual Private.</b>

<sup>1</sup> We have assumed a constant value of \$50,000 for the whole year.

<sup>\*</sup> Additional fees may apply:

A **buy spread** of 0.12%, equal to \$6.00 on a \$5,000 contribution, will also apply. **And**, if you leave the managed investment scheme, you will be charged a **sell spread** of 0.10%, equal to \$50.00 for every \$50,000 you withdraw.

### FURTHER INFORMATION

Further information about fees and costs, including management fees and costs, performance fees, transaction costs and maximum amounts allowable under the Fund's constitution, is available in a separate document titled 'The Trust Company Philanthropy Fund – Additional information', which forms part of this PDS. The Fund's latest annual transaction costs and current buy/sell spread details, which also form part of this PDS, are publicly available at our website.

You should read the important information about fees and costs before making a decision. Go to [www.perpetual.com.au/ttcpf](http://www.perpetual.com.au/ttcpf).

The material relating to fees and costs may change between the time when you read this PDS and the day when the product is acquired.

## 7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

Your investment in a registered managed investment scheme is likely to have tax consequences for you each year, even if you don't change your investment. Registered managed investment schemes generally don't pay tax on behalf of investors and you may be assessed for tax on any income and capital gains arising from your investment in the Fund.

The tax consequences of investing in managed investment schemes are particular to your circumstances, so we strongly recommend you seek professional tax advice.

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 Fund.

### ATTRIBUTION MANAGED INVESTMENT TRUST (AMIT) REGIME

The Fund has elected into the AMIT regime. Please refer to 'The Trust Company Philanthropy Fund – Additional information' document for further information.

### TAX FILE NUMBER (TFN)/ AUSTRALIAN BUSINESS NUMBER (ABN)

Providing your TFN isn't compulsory but without it or the appropriate exemption information Perpetual Private has to withhold tax from the income distributed/attributed to you at the highest marginal tax rate (plus Medicare levy) until your TFN or exemption is provided.

You may prefer to provide an ABN as an alternative to your TFN if your investment is made as part of an enterprise.

Please refer to Perpetual Private for more information on the collection of TFNs and ABNs for investors investing in the Fund through their Service.

### FURTHER INFORMATION

Further general information about how managed investment schemes are taxed is available in a separate document titled 'The Trust Company Philanthropy Fund – Additional information', which forms part of this PDS.

You should read the important information about tax before making a decision. Go to [www.perpetual.com.au/ttcpf](http://www.perpetual.com.au/ttcpf).

The material relating to tax may change between the time when you read this PDS and the day when the product is acquired.

## 8. HOW TO APPLY

As you are investing indirectly through a Service, you should complete any relevant forms provided by Perpetual Private.

### YOUR COOLING-OFF RIGHTS

No cooling-off rights apply in respect of any investment in the Fund acquired by Perpetual Private on your behalf. For information about any cooling-off rights that may apply to you in respect of the Service that you invest through, please contact Perpetual Private directly or refer to their disclosure document.

### INQUIRIES AND COMPLAINTS

We have established procedures for dealing with any inquiries or complaints relating to your investment in the Fund, however you should direct these to Perpetual Private in the first instance. If Perpetual Private is unable to answer your query or resolve a complaint on your behalf, you can contact us directly.

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