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Dear Securityholder

**NOTICE OF CONSTITUTION AMENDMENTS TO FACILITATE ADOPTION OF THE ATTRIBUTION
MANAGED INVESTMENT TRUST (AMIT) REGIME**

LETTER PURSUANT TO SECTION 601GCB OF THE CORPORATIONS ACT

The Cromwell Property Group (“**CMW**”) is a stapled group with each stapled security consisting of a share in Cromwell Corporation Limited (ABN 44 001 056 980) and a unit in the Cromwell Diversified Property Trust (ARSN 102 982 598) (the “**Trust**”). Cromwell Property Securities Limited (ABN 11 079 147 809) (“**CPSL**”) is the responsible entity of the Trust.

This letter is to inform you of amendments made to the constitution of the Trust (the “**Constitution**”) by supplemental deed on 17 March 2017 in accordance with notional subsection 601GCA(3) of the *Corporations Act 2001* (Cth), as modified by ASIC Corporations (*Attribution Managed Investment Trusts*) Instrument 2016/489 (“**ASIC Instrument**”).

These changes were foreshadowed by the section 601GCA notice posted on Cromwell Property Group’s website on 8 March 2017, in order to allow the Trust to operate under the new Attribution Managed Investment Trust (“**AMIT**”) regime as set out below.

As CPSL did not receive a request from unit holders with at least 5% of the votes that may be cast on the resolution to call and arrange to hold a meeting of unit holders of the Trust, CPSL has amended the Constitution without unit holder approval in accordance with the ASIC Instrument.

Background

The Trust is eligible to be an AMIT and to apply the new income tax regime for managed investment trusts that was recently enacted under the *Tax Laws Amendment (New Tax System for Managed Investment Trusts) Act 2016* (Cth) (“**AMIT regime**”). The key feature under the AMIT regime is that unit holders are taxed on income from the Trust attributed to them by CPSL on a fair and reasonable basis. Under the current taxation rules under Division 6 of the *Income Tax Assessment Act 1936* (Cth) unit holders who are presently entitled to trust income are subject to income tax on their proportionate share of the taxable income of the Trust. The potential benefits of adopting the AMIT regime are outlined further below. An election by CPSL for the Trust to be an AMIT is irrevocable.

As the responsible entity of the Trust, CPSL is yet to decide whether the Trust should elect into the new AMIT regime. However, CPSL has amended the Constitution pursuant to the ASIC Instrument in order to allow the Trust to operate under the AMIT regime if an election is made. CPSL will decide whether to elect into the AMIT regime based on the best interests of the unit holders as a whole. If an election is made, CMW will inform unit holders accordingly.

A summary of the effect of the modifications to the Constitution is set out below.

Reasons for amendments to the Constitution

The amendments allow CPSL to choose to adopt the AMIT regime to the Trust. CPSL believes the potential benefits of operating under the AMIT regime include:

- Greater certainty associated with the AMIT regime’s attribution of taxable income to unit holders

compared to the current “present entitlement” tax regime.

- Greater certainty as to the tax status of the Trust and its entitlement to certain tax concessions including deemed “fixed trust” status for tax purposes.
- Reduced potential for double taxation by allowing for cost base adjustments where distributions are less than the taxable income assessed to the unit holder.
- Preservation of the character of the income for income tax purposes in the hands of the unit holder.
- Provision of the ability to reconcile “under” and “over” estimations of net income of the Trust to allow adjustments in the year they are discovered rather than the approach under the current law that requires amendments to unit holders previously lodged income tax returns.

As the AMIT regime has only recently been enacted, there may be some uncertainty regarding certain aspects of the AMIT regime's operation in the initial years.

Effect of amendments to the Constitution

Set out below is a summary of the effect of the modifications to the Constitution.

Summary of Amendments to the Constitution of the Cromwell Diversified Property Trust (the Trust)	
Powers of the Manager	A new paragraph 5.1(d) has been inserted in the Constitution to ensure the Manager has all the powers necessary to elect into and comply with the AMIT regime, including doing all things necessary to give effect to the new clause 9A.
When the Trust is not an AMIT	A new clause 9.4A has been inserted to “switch off” all clauses which are relevant to Division 6 of the <i>Income Tax Assessment Act 1936</i> (Cth) when the Trust elects to be an AMIT; in particular, it “switches off” the distribution and present entitlement requirements when the Trust is an AMIT.
AMIT	<p>A new clause 9A has been inserted which contains the general powers for the Manager to comply with the new AMIT rules.</p> <p>Clause 9A.1 provides the Manager with the discretion to choose to apply the AMIT rules.</p> <p>Clause 9A.2 determines the period that the Trust is an AMIT.</p> <p>Clause 9A.3 allows the Manager to attribute “Attribution Amounts” (as defined) in accordance with the Constitution, which is a feature of the new AMIT rules. The definition utilises consistent terminology with the applicable Tax Act (as defined) to attribute amounts of different character.</p> <p>Clause 9A.3(b) provides a discretion for the Manager to distribute any amount of income or capital of the Trust to unit holders.</p> <p>Clause 9A.3(c) provides that any taxes paid or remitted on behalf of a unit holder are taken to be made for that unit holder.</p> <p>Clause 9A.3(d) confers specific powers on the Manager to issue and amend “AMMA Statements” (as defined) to unit holders.</p> <p>Clause 9A.3(e) facilitates the exercise of the Manager's powers in relation to “unders” and “overs” as permitted in the AMIT regime.</p> <p>Clause 9A.3(f) limits the Manager's liability to the unit holders in making choices and complying with the AMIT rules.</p>

Unit holder objections	<p>Clause 9A.4 provides steps to ensure that should a unit holder object to an attribution as afforded under the AMIT regime, the unit holder must give notice and provide information to the Manager and the unit holder must meet all costs or liabilities incurred by the Manager associated with the process of acknowledging the objection and assessing the impact on other unit holders.</p> <p>Further, each unit holder indemnifies the Manager for any tax payable by the Manager in complying with the AMIT rules that reasonably relates to the unit holder.</p>
Definitions	<p>Incidental amendments included inserting into clause 1.1 specific definitions relevant for the AMIT regime. The definitions of these specific terms have been drafted consistently with the Tax Act to include discretions available to the Manager under the legislation.</p>

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