

INFRASTRUCTURE

ADDITIONAL INFORMATION BOOKLET

ISSUE
NUMBER 10
30 SEPTEMBER
2017

RARE INFRASTRUCTURE VALUE FUND - HEDGED

ARSN 121 027 709 APIR Code TGP0008AU

RARE INFRASTRUCTURE VALUE FUND - UNHEDGED

ARSN 150 677 017 APIR Code TGP0034AU

RARE EMERGING MARKETS FUND

ARSN 132 182 462 APIR Code TGP0015AU

RARE INFRASTRUCTURE INCOME FUND

ARSN 132 182 631 APIR Code TGP0016AU

The information in this document forms part of the RARE Infrastructure Value Fund – Hedged, RARE Infrastructure Value Fund – Unhedged, RARE Infrastructure Income Fund and RARE Emerging Markets Fund Product Disclosure Statements issued by Legg Mason Asset Management Australia Limited.

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RARE

ABOUT THIS ADDITIONAL INFORMATION BOOKLET (AIB)

It is important that you read this AIB carefully and together with the Product Disclosure Statement (PDS) for the Fund or Funds you are considering investing in before deciding whether to invest and before lodging an application.

A reference in this AIB to the “Fund” or “Funds” refers to each of the following individually or collectively:

-  **RARE Infrastructure Value Fund - Hedged**
PDS dated 30 September, 2017
-  **RARE Infrastructure Value Fund - Unhedged**
PDS dated 30 September, 2017
-  **RARE Emerging Markets Fund**
PDS dated 30 September, 2017
-  **RARE Infrastructure Income Fund**
PDS dated 30 September, 2017

Unless otherwise specified, definitions contained in each PDS will have the same meaning in this AIB.

We suggest that you keep a copy of the relevant PDS and any additional information for future reference.

The information contained in this AIB that forms part of the PDS is general information only and has been prepared without taking into account your personal objectives, financial situation or needs. You should read this information together with the PDS and consider the appropriateness of this information for your financial situation before making a decision to invest in the Fund. You should consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances.

The offer of units in the Fund made in the PDS together with this AIB is available to persons receiving the PDS within Australia and New Zealand (including in electronic form). The PDS and this booklet do not constitute an offer or invitation in any place outside Australia where, or to any person whom, it would be unlawful to make such an offer or invitation. The distribution of the PDS (electronically or otherwise) in any jurisdiction outside Australia may be restricted by law. Persons who come into possession of the PDS and this booklet outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the applicable law.

You can access the relevant PDS and this AIB on the RARE Infrastructure Limited (RARE) website, www.RAREinfrastructure.com, or request free copy by calling RARE on +61 2 9397 7300.

Legg Mason Asset Management Australia Limited is the responsible entity. References in this PDS to “we”, “us” and “our” refer to Legg Mason Australia.

All parties referred to in this AIB have given, and, at the date of this AIB, not withdrawn, their consent to being named in this AIB and for information relating to them being stated in this AIB in the form and context as presented herein.

CONTACT DETAILS:

WHO TO CONTACT

FOR APPLICATION AND REDEMPTION REQUESTS

Legg Mason Asset Management Australia Limited
c/- RBC Investor Services Trust – Registry Operations Attention:
Unit Registry Department
GPO Box 4471
Sydney NSW 2001
Facsimile: +61 2 8262 5492

FOR FURTHER INFORMATION ABOUT RARE INFRASTRUCTURE LIMITED AND THE FUNDS

RARE Infrastructure Limited
Level 13, 35 Clarence Street
Sydney NSW 2000
Phone: +61 2 9397 7300
Email: clientservice@RAREinfrastructure.com
Website: www.RAREinfrastructure.com

TO MAKE A COMPLAINT

Complaints Manager
Legg Mason Australia
Level 47, 120 Collins Street
Melbourne VIC 3000
Phone: 1800 679 541
Facsimile: (03) 9017 8690
Email: auclientservices@leggmason.com
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TO CONTACT THE ISSUER

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FOR NEW ZEALAND INVESTORS

Should you wish to serve us with any documents, you may do so by delivering them to:

Mr. Haydn Wong or Ms. Rachel Paris
Partner
Bell Gully
Vero Centre
48 Shortland Street
Auckland New Zealand

Mr. Wong, Ms. Paris and Bell Gully have given, and not withdrawn before the date of this booklet, their consents to being named in this booklet as the address in New Zealand for service of documents on us with regard to the PDS and this booklet.

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1. HOW THE FUNDS WORK

1.1 APPLICATION AND REDEMPTION PRICES

Unit pricing on applications and redemptions is carried out in accordance with the Funds' constitutions and our Unit Pricing Policy. A summary of this Unit Pricing Policy is available free of charge to a unit holder or anyone receiving a PDS or this AIB.

The application and redemption prices for a unit in the relevant Fund is calculated as the value of the assets of that Fund, less the accrued expenses and other liabilities of the Fund (including the accrued management fees and where applicable, accrued performance fees), determined by us, divided by the number of units on issue, and adjusted by adding or subtracting an amount to reflect transaction costs.

Transaction costs, also known as the buy-sell spread, are costs incurred by the relevant Fund to acquire or sell the assets of that Fund in relation to each application and redemption. These include charges such as brokerage and settlement costs.

Read more about Transactions Costs in Section 3.4 of this booklet.

1.2 APPLICATIONS FOR INVESTMENT

INITIAL INVESTMENTS

The minimum initial investment in a Fund is \$20,000. To apply, complete the Application Form accompanying the current PDS.

If a properly completed and signed Application Form with cleared payment and satisfactory supporting client identification documents are received, verified and accepted before 4.00pm Australian Eastern Standard Time (AEST) on a Business Day (a day that is not a Saturday, a Sunday or a public holiday or bank holiday in New South Wales), the application will usually be processed at the application price of the relevant Fund on that Business Day.

If the application request is received after 4pm AEST or on a non-Business Day, provided the properly completed and signed Application Form with cleared payment and satisfactory supporting client identification is received, verified and accepted, the application will usually be processed at the application price of the relevant Fund on the following Business Day. The net asset value of a Fund is usually calculated on a daily basis (details of how application and redemption prices are calculated are set out in Section 1.1, "Application and Redemption prices").

APPLICATION PAYMENT METHODS

We offer a range of payment methods to make it easy for you to make an initial application or ongoing application.



Applications can be made via the following options:

-  Cheque
-  Direct Debit / Credit
-  EFT

Where Direct Debit is elected, the initial application can only be made once your account has been established by the Responsible entity and your account information has been provided. We must receive your initial application within 120 days of us receiving your application form, otherwise the account will be closed.

Direct Debit

You can make an initial application or regular applications by completing a Direct Debit Request form. To use the direct debit facility the Responsible Entity requires that you:

-  Read and understand the Direct Debit Agreement; and
-  Complete and return the Direct Debit Request form.

You can vary the amount debited from your nominated account at any time by providing us with a written request. If you wish to change the financial institution from which your investments are deducted, you must provide us with a new Direct Debit Request form. Regular investments received into your account via direct debit will be invested according to your direct debit instructions provided on your Direct Debit Request form.

APPLICATIONS FOR INVESTMENT VIA MFUND

Funds on the mFund Settlement Service (**mFund**) are not traded on an exchange and investors will not trade units with other investors on the market.

You must use an mFund accredited and licensed broker to facilitate your transactions on mFund. Your chosen broker may charge you additional fees (such as brokerage costs) which are not outlined in the "Fees and Costs" section of each Fund's PDS. You should consider the broker's Financial Services Guide to obtain detailed information about these fees and costs.

To make an application through the mFund settlement service operated by the Australian Securities Exchange (ASX) you will need to place a buy order with your licensed broker.

Application monies will be sent to us via the ASX electronic settlement system (CHESS).

When investing via mFund, the ASX settlement cut-off is 11:30am. Please note, a buy or sell order (order) received prior to 11:15am on a BD by your licensed broker will likely be given same date value, but this is not guaranteed.





If you invest via mFund, your broker will complete your identification requirements and Anti-Money Laundering and Counter-Terrorism Financing paperwork. Please contact your broker to effect any changes to these details, the broker will transmit the updated information via CHESS or in certain situations to us, where necessary.

Information about the Funds' net asset value will be disclosed monthly on our website at www.leggmason.com.au.

ADDITIONAL INVESTMENTS

The minimum additional investment in a Fund is \$5,000. To apply, follow the instructions below. Additional Application Forms are available on the RARE website at www.RAREinfrastructure.com.

You can invest additional amounts by:

- a) Depositing funds directly into the relevant Fund's bank account and on the same day as the funds are banked sending an Additional Investment Form by facsimile to RBC Investor Services Trust (RBC) on +61 2 8262 5492 by 4.00pm pm AEST or alternatively by sending an instruction with the following details:
 -  The relevant Fund name
 -  Your investor account number and name
 -  The additional investment amount
 -  The date money was banked to that Fund's bank account

- ✦ A phone number where we can contact you during business hours in case we need to ask you any questions about your request.

Funds can be deposited by EFT or direct credit.

- Sending RBC a cheque together with a completed Application Form or letter by 4.00pm AEST with the following details:

- ✦ The relevant Fund name
- ✦ Your investor account number and name
- ✦ The additional investment amount
- ✦ A phone number where we can contact you during business hours in case we need to ask you any questions about your request.

RECONCILING INSTRUCTIONS AND FUNDS

RBC review the application monies deposited into the Funds' applications bank account during each Business Day.

RBC prepare a reconciliation of any outstanding items which include Application Forms received with no corresponding application monies received and application monies received with no corresponding Application Form.

RARE aims to contact investors within seven Business Days for outstanding items identified as part of this reconciliation.

If a properly completed and signed additional application instruction and cleared payment is received before 4.00pm AEST on a Business Day the additional application will usually be processed at the application price on that Business Day.

If a properly completed and signed additional application instruction and cleared payment is received after 4.00pm AEST on a Business Day or on a non-Business Day the additional application will usually be processed at the application price on the following Business Day.

Please consider any updated information before you invest.

INVESTING USING A MARGIN LOAN

When you invest using a Margin Loan, you do not acquire the rights of a unit holder in the Fund. The Margin Lender is the registered holder and your contract with them will stipulate your rights and entitlements. All correspondence and dealings regarding your investment will be through the Margin Lender and you will need to contact them if you wish to make a transaction or change to the account. We do not accept responsibility for any aspect of a Margin Lending product or its administration.

1.3 WITHDRAWING YOUR INVESTMENT

The minimum withdrawal amount is \$5,000.

You can withdraw your investment by sending RBC a completed withdrawal form, which is available on RARE's website www.RAREinfrastructure.com or by writing to RBC and providing the following information:

- ✦ The relevant Fund name
- ✦ Your investor account number and name
- ✦ The value or number of units to be redeemed
 - If not already provided, bank account details for the payment of the withdrawal amount
- ✦ A phone number where we can contact you during business hours in case we need to ask you any questions about your request.

Subject to the terms and conditions below, we will also accept withdrawals by facsimile to RBC on (02) 8262 5492, provided that the original is subsequently mailed. Withdrawals that include a change in bank account details will only be processed on receipt of the original. We will process the withdrawal request provided it has no reason to believe the request is not genuine. Withdrawal requests will generally be processed based on the date the facsimile is received.

You must advise us in writing if you do not want us to act on facsimile instructions in relation to your account.

The investor or their authorised nominee must sign withdrawal requests.

In the case of companies, a withdrawal request must be:

- ✦ Signed by two directors or a director and a company secretary of the company (need not be under seal) and state in which capacity each signatory signs
- ✦ If a proprietary company that has a sole director who is also the sole company secretary, or where there is no company secretary, signed by that director (need not be under seal) and state that the signatory is signing in its capacity as the sole director and company secretary (if applicable)
- ✦ Executed under Power of Attorney of the company.

If the withdrawal request is received before 4.00pm AEST on a Business Day (and if required by law, with satisfactory client identification), the withdrawal will usually be processed at the redemption price of the relevant Fund on that Business Day. If the withdrawal request is received after 4.00pm AEST on a Business Day or received on a non-Business Day, the withdrawal will usually be processed at the redemption price of the relevant Fund on the next Business Day (details of how application and redemption prices are calculated are set out in Section 1.1, "Application and Redemption prices").

The proceeds of any withdrawal will usually be available within seven Business Days and paid to the investor by direct credit to their nominated bank account.

If an investor's unit holding falls below the minimum unit holding value of \$20,000, we may redeem the remaining holding in full after giving the investor 30 days' notice in writing of our intention to do so. However, we reserve the right to vary the minimum withdrawal and minimum unit holding at our absolute discretion.

We may also compulsorily redeem an investor's units in the following circumstances:

- ✦ If the investor has breached its obligations to us
- ✦ To satisfy any amount due to us by the investor or that we owe someone else relating to the investor (for example to the tax office)
- ✦ Where we suspect that the law prohibits the investor from being an investor in the Fund.

Facsimile requests are subject to the following terms and conditions.

FACSIMILE – TERMS AND CONDITIONS

An investor who does not notify us in writing that they do not wish facsimile requests to be actioned by us elects to have those requests received by facsimile processed by us and agrees to the following terms and conditions:

By not notifying us that you do not want us to act on facsimile instructions in relation to your account you:

- ✦ Release us from, and indemnify us against, all losses and liabilities whatsoever arising from our acting in accordance with any instructions received by facsimile bearing your account number, investor account ID and a signature purportedly yours or that of an authorised nominee
- ✦ Agree that we are not responsible to you for acting on any instructions received by facsimile which appear to be, but are not in fact, authorised by you, and that a payment made in accordance with instructions received by facsimile will be in complete satisfaction of our obligation to you to make a payment, notwithstanding that it was requested without your knowledge or authority.

1.4 SWITCHING

Investors can request to switch all or part of their investment between Funds. A switch is processed as a withdrawal of units from the existing Fund and an application of units in the new Fund. As a result the minimum initial investment of \$20,000 applies if you switch into a Fund that you do not currently have an investment in. Switches between Funds that you currently have an investment holding in can be accepted for \$5,000 (or the equivalent number of units). The switch cannot result in your investment in a Fund falling below the minimum unit holding value of that Fund.

Generally a completed and signed request for a switch must be received by 4.00pm AEST on a Business Day to be processed with the application price and redemption price calculated for that Business Day. The form must be correctly completed. The Funds' buy-sell spreads will apply to the switch.

Switch forms are available on the RARE website at www.RAREinfrastructure.com.

Alternatively you can send a written switch instruction directly to RBC. The instruction should include your name, account number, the Funds you wish to switch between and the amounts you wish to switch.

If you wish to switch into a Fund that you do not currently have an investment holding in, you will need to obtain and read the current PDS for that Fund, before completing the switch instruction and an initial Application Form. A copy of each of the Funds PDSs are available on the RARE website at www.RAREinfrastructure.com.

We recommend that you assess any tax implications of a switch transaction with your tax adviser before submitting your switch request.

1.5 TRANSFERS

In order to process a transfer, a properly completed and signed Australian Standard Transfer Form must be received by RBC.

If the transferee does not hold a current investment holding in the Fund, the transferee must obtain and read the current PDS for that Fund and provide a properly completed and signed Application Form in order for the transfer to be processed.

Once accepted, the transfer will be processed at mid price, meaning that no buy-sell spread is applied.

We recommend that you assess any tax implications of

a transfer request with a professional tax adviser before submitting your transfer request.

1.6 INVESTING THROUGH A MASTER TRUST OR WRAP ACCOUNT

Potential investors may invest in our Funds by directing the operator of an IDPS or IDPS-like scheme (such as a master trust, wrap account, a nominee or custody service) to acquire units in a Fund on their behalf. We authorise the use of this AIB in conjunction with the relevant PDS as disclosure for investors and potential investors who wish to access one of the Funds through an IDPS, where the operator has provided us with a written undertaking in accordance with ASIC requirements.

To make an investment through an IDPS, complete an Application Form for that service. Do not complete the Application Form that accompanies this document.

For IDPS investors, the minimum initial and additional investment amounts shall be those specified by the IDPS. If your initial investment was made through an IDPS Operator, any additional investment should also be made through them.

If you invest through an IDPS, you can only withdraw through the operator of that service.

IDPS investors do not become unit holders in our Funds by directing the IDPS to acquire units on their behalf. Accordingly, they do not acquire the rights of a unit holder of a Fund. The IDPS acquires these rights and may exercise or decline to exercise them, on behalf of the IDPS investors according to the arrangements governing the IDPS. Some provisions of the Funds' constitutions are not relevant for IDPS investors. For example, IDPS investors are not entitled to a cooling-off period, cannot attend unit holder meetings, and cannot transfer their units between Funds.

1.7 DISTRIBUTIONS

INCOME DISTRIBUTIONS

The RARE Infrastructure Value Fund – Hedged, the RARE Infrastructure Value Fund – Unhedged and the RARE Infrastructure Income Fund intend to distribute on a quarterly basis. We currently intend that these Funds will distribute to investors by the 10th Business Day of January, April, July and October each year.

The RARE Emerging Markets Fund intends to distribute semi-annually. We currently intend that this Fund will distribute to investors by the 10th Business Day of January and July each year.

Application and redemption prices fall by the approximate amount of the distribution after each distribution period because the distribution reduces the Fund's assets. If you invest just before the end of a distribution period, you may find you have some of your capital returned as income.

HOW DISTRIBUTIONS ARE PAID TO YOU

You may elect to have your distributions from a Fund:

- ✦ Reinvested in further units in that Fund; or
- ✦ Paid to you by direct credit to your nominated

bank account.

If you do not make an election on the Application Form as to how you would like to deal with your distributions, you will be deemed to have made an election to have all distributions reinvested in further units in the relevant Fund. Any change to distribution instructions should be advised to RBC at least 10 Business Days before the end of the relevant distribution period.

Units issued for reinvested distributions will be priced using the next applicable unit price calculated after the end of the relevant distribution period.

You are entitled to receive distributions in some additional circumstances (such as if a Fund ever terminated). If we decide to terminate a Fund, investors will participate in the distribution of any surplus after the satisfaction of that Fund's liabilities.

You should also read Section 4 'Important tax information'.

1.8 THE CUSTODIAN AND INVESTMENT ADMINISTRATOR

We have appointed RBC as custodian and investment administrator. RBC's role as custodian is limited to holding assets of the Funds. As administrator, RBC is responsible for the day to day administration of the Funds. RBC has no supervisory role in relation to the operation of the Funds and has no liability or responsibility to you for any act done or omission made in accordance with the custody and investment administration agreements. RBC was not involved in preparing, nor takes any responsibility for, a PDS or this AIB and RBC gives no guarantee of the success of the Funds, nor the repayment of capital or any particular rate of capital or income return.

RBC has given, and has not withdrawn before the preparation date of this AIB, its written consent to be named in this AIB as the custodian and investment administrator for the Funds.

1.9 DECEASED ESTATES

For information on the documentation required in relation to a deceased estate, please contact the RARE client service team at clientservice@RAREinfrastructure.com.

2. HOW RARE MANAGES YOUR MONEY

2.1 INVESTMENT PROCESS

RARE's investment process includes a number of steps that aim to ensure that the attributes of a security will match the investment objective of the relevant Fund. RARE uses various mechanisms to analyse the global universe of securities. These mechanisms include an investment screening process applying specific financial and market criteria to develop an investment universe of securities. These securities are then subjected to detailed analysis and research to determine RARE's view of the securities' quantitative and qualitative attributes and the risk adjusted return for each security. RARE then compares

and selects securities by comparing what RARE believes are common features. The securities exhibiting the better risk adjusted returns are then considered for investment.

The portfolio held by each Fund is constructed based on a bottom up analysis of individual securities. It is not constructed with reference to any particular index.

2.2 STATEMENT ON SOCIALLY RESPONSIBLE INVESTING

RARE is a signatory to the United Nations – Principles of Responsible Investment (www.unpri.org).

We do not promote the Funds on the basis that RARE takes into account labour standards or environmental, social or ethical considerations for the purposes of selecting, retaining or realising the investments of the Funds.

In making investment decisions, RARE incorporates environmental, social and governance issues into investment analysis and decision making processes, including such issues as climate change (cost of carbon) and corporate governance. However, in doing so, RARE does not have a predetermined view on what it regards to be a labour standard or an environmental, social or ethical consideration.

2.3 GETTING THE LATEST FUND INFORMATION

If you are interested in:

- ✦ The latest performance figures of the Funds
- ✦ The current size of the Funds
- ✦ Fee information.

then you may obtain further information, free of charge on request, from RARE or by visiting RARE's website, www.RAREinfrastructure.com. RARE's contact details are located on page 2 of this AIB. Printed copies of regular Fund reports are available from RARE, free of charge on request.

Past performance is not a reliable indicator of future returns. Returns can be volatile, particularly over short periods, reflecting rises and falls in the value of the underlying investments. You should consider any investment in the Fund as a long-term investment. You should seek financial advice from a licensed financial adviser as to the suitability of an investment in a Fund to your personal circumstances and needs.

Please see "Risks of managed investment schemes" in Section 4 of the PDS for information on the risks associated with investing in the Fund that may impact on Fund performance.

3. FEES AND OTHER COSTS

3.1 ADDITIONAL EXPLANATION OF FEES AND COSTS

You should read all the information about fees and costs because it is important to understand their impact on your investment.

3.2 MANAGEMENT FEES

Type of Fee or Cost ¹	Amount	How and When Paid
Fees when your money moves in or out of a Fund		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment either by you or your employer	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Termination fee The fee to close your investment	Nil	Not applicable
Management Costs The fees and costs for managing your investment		
Management fee¹ This is the fee payable to Legg Mason Australia as the responsible entity. Out of this fee will be paid investment management fees and expenses, all ongoing administration, responsible entity fees and other fees that would normally be payable by the Funds except for transaction costs, government charges and abnormal expenses.	Depending on the Fund, (see next table).	This fee is calculated and accrued daily and is paid monthly in arrears to Legg Mason Australia from the assets of a Fund. (This fee may be negotiated for wholesale investors).
Performance Fee¹ (excluding the RARE Infrastructure Income Fund) Payable by Legg Mason Australia to RARE if the performance of a Fund (adjusted for the management fee) exceeds the return of the Benchmark for that Fund (provided the return of the Fund is positive).	10.25% of the return of the Fund that exceeds the return of the benchmark. The total performance fee will not exceed 0.30% of the average of the daily net asset value of the relevant Fund in any Financial Year.	If a performance fee is payable, it is paid to Legg Mason Australia out of the assets of the Fund as soon as practicable after the end of each Financial Year period ending 30 June. The fee is calculated daily and reflected in the Fund's daily unit price.
Service Fees		
Investment switching fee The fee for changing investment options	Not applicable	Not applicable

Unless otherwise stated, all fees and costs quoted in this AIB include, if applicable, Goods and Services Tax (GST) less any reduced input tax credits (RITC) and stamp duty. If the GST and RITC changes, the Fund's constitution allows us to recoup any extra amount out of the Fund.

1. The amount of this fee can be negotiated for wholesale investors, refer to Section 3.7 for further information.

The Management Fees set out in the table below apply to, and are incorporated into the relevant PDS for each Fund.

Fund	Management Fee (% per annum)
RARE Infrastructure Value Fund – Hedged	1.025%
RARE Infrastructure Value Fund – Unhedged	0.974%
RARE Emerging Markets Fund	1.230%
RARE Infrastructure Income Fund	1.025%

3.3 PERFORMANCE FEES (EXCLUDING THE RARE INFRASTRUCTURE INCOME FUND)

The Funds' constitutions provide us with an entitlement to receive a performance fee that is to be paid out of the assets of the respective Fund in the circumstances set out below. In practice, should we become entitled to a performance fee, we will charge each relevant Fund an amount equivalent to the performance fee amount up to a maximum of 0.30% per annum of the average of the daily net asset value of the Fund in any Financial Year and pay this amount directly to RARE.

The cost shown in the fee table on page 6 of each PDS includes the performance fee payable to RARE. The worked example of annual fees and costs also includes the estimated performance fee for each Fund.

GLOSSARY

Actual Performance means, for the purposes of calculating a performance fee, the Mid Price at the end of a Financial Year less the Mid Price at the end of the previous Financial Year, divided by the Mid Price at the end of the previous Financial Year. The Actual Performance is expressed as a percentage.

Benchmark Return means, for the purposes of calculating a performance fee, the Benchmark (as described below) as at the end of a Financial Year less the Benchmark as at the end of the previous Financial Year (or for the first performance fee period, 100), divided by the Benchmark as at the end of the previous Financial Year. The Benchmark Return is expressed as a percentage.

Mid Price means, for the purposes of calculating the performance fee, the adjusted net asset value of a Fund (plus any distributions relating to the current Financial Year and prior to taking into account any accrued performance fee) divided by the number of units on issue. The Mid Price is calculated daily.

NAV unit price means, when used in the "Example of effect of Performance Fee" section that follows, a net asset value unit price. The net asset value unit price is calculated as the value of the assets of a Fund, less the accrued expenses and other liabilities of that Fund (including the accrued management fees and accrued performance fees), determined by us, divided by the number of units on issue.

CALCULATION AND ACCRUAL

We have set the performance fee at 10.25 % (10% plus the net effect of GST) of the amount by which the Actual Performance of a Fund exceeds the Benchmark Return. The performance fee is calculated and accrued daily.

If, at the end of a Financial Year, the Actual Performance of a Fund is higher than the Benchmark Return and the aggregate of the daily performance fee accruals, RARE will be paid the dollar amount of that accrual out of the assets of a Fund (subject to a maximum amount explained below).

If, at the end of a Financial Year, the Actual Performance of a Fund is lower than the Benchmark Return, no performance fee will be paid.

There is no performance fee payable by the RARE Infrastructure Income Fund. For the RARE Infrastructure Value Fund - Hedged and the RARE Infrastructure Value Fund -

Unhedged, the Benchmark is an accumulation index maintained daily by RARE comprised of the OECD G7 Inflation Index (OECD Index) plus 5.5% per annum. The OECD Index is published on the OECD website at:

<http://stats.oecd.org/Index.aspx?querytype=view&queryname=221>

The OECD usually publishes the OECD Index early in each month, two months in arrears. Since the OECD Index is published after the commencement of each month, RARE does not use that published index in the calculation of the Benchmark until the first day of the month after it is published. This means that the two month lag created by the time it takes for the OECD to publish the OECD Index is extended to three months because RARE does not use the published index until the first day of the next month.

By way of example, the way the Funds will use the OECD Index in the calculation of the performance fee is as follows:

The January monthly OECD Index will be published by the OECD in March. RARE will then use the January OECD Index to calculate the Benchmark that is used in the daily performance fee calculation in April. In May, RARE will use the OECD Index for February. This means the performance of the Funds will be measured against the OECD Index for a previous period. Historically the movement of the OECD Index from month to month is small and therefore the impact of using the OECD Index for a previous period (rather than the actual period) should be immaterial on the calculation of the performance fee for a period.

If you have any questions in relation to how this lagging Benchmark is used in the calculation of the performance fee please contact the RARE client service team at clientservice@RAREinfrastructure.com.

RARE converts the percentage change in the OECD Index from last month compared to the present month, plus 5.5% per annum, to a daily equivalent (using the assumption that any change in the OECD Index has accrued uniformly on each day of the month). This daily percentage change will be subtracted from the percentage change in each Fund's performance each day.

The resulting percentage may be positive or negative (representing the outperformance of a Fund against the Benchmark or its underperformance against the Benchmark).

For the RARE Emerging Markets Fund, the Benchmark is an accumulation index maintained daily by RARE referred to as the Citigroup Global Emerging Market Sovereign Investment Grade USD Index (Citigroup Index) plus 5.0% per annum. The Citigroup Index is calculated by Citigroup and downloaded from Bloomberg, code: SBGI3B.

By way of example, the way the Fund will use the Citigroup Index in the calculation of the performance fee is as follows:

The January monthly Citigroup Index will be published by Citigroup in February. RARE will then use the January Citigroup Index to calculate the Benchmark that is used in the daily performance fee calculation in March. In April, RARE will use the Citigroup Index for February.

RARE will convert the percentage change in the Citigroup Index from the previous month compared to the present month, plus 5% per annum, to a daily equivalent (using the assumption that any change in the index has accrued uniformly on each day of the month). This daily percentage change will be subtracted from the percentage change in the Emerging Markets Fund's performance each day to calculate the daily performance fee accrual.

The resulting percentage may be positive or negative (representing the outperformance of the Emerging Markets Fund against the Benchmark or its underperformance against the Benchmark).

If you have any questions about how the Benchmark is used in the calculation of the performance fee, please contact RARE.

The percentage outperformance (or under performance) will be multiplied by the adjusted net asset value of the Funds daily. The daily performance fee will be 10.25% of the outperformance.

The daily performance fee calculation and accrual is taken into account in determining each Fund's unit price each day and may cause the unit price to increase or decrease depending on the percentage outperformance or underperformance.

ESTIMATE OF PERFORMANCE FEE

The performance fee for each Fund is 10.25% of the returns over the Benchmark and is subject to a "high water mark" and an annual maximum payment of 0.30% of the average of the daily net asset value in any Financial Year. The "high water mark" of a Fund is the highest of the Mid Prices at the close of each performance fee period since the inception of that Fund. A performance fee cannot be paid for the current performance fee period unless the closing Mid Price is greater than the "high water mark". In addition, the maximum performance fee accrued and payable shall not exceed 0.30% of the average daily net asset value of the relevant Fund in any Financial Year. The performance fee is accrued daily and is paid annually out of the assets of the relevant Fund.

For each Fund, during the year from 1 July 2014 to 30 June 2015, we determined the performance fees outlined in the table below:

Fund	Performance Fee	%
RARE Infrastructure Value Fund – Hedged	\$4,035,320.46	0.30%
RARE Infrastructure Value Fund – Unhedged	\$1,997,742.69	0.30%
RARE Emerging Markets Fund	\$449,868.51	0.30%

There were no performance fees payable during the year from 1 July 2015 to 30 June 2016. Due to the nature of share markets and global macroeconomic trends, we are not able to predict future performance of the Fund or the Benchmark.

You should read Section 4 "Risks of managed investment

schemes" of the PDS, to understand the factors that may impact on the performance of the Funds.

EXAMPLE OF EFFECT OF PERFORMANCE FEE

The following examples outline two scenarios of the effect of the performance fee. Please note that the below are examples only. In practice, the actual investment balance of a unit holder will vary daily and the actual fees and expenses that we charge are based on the value of the relevant Fund, which also fluctuates daily. These examples do not include transaction costs applicable to each application and redemption (see Section 3.4 on Page 11).

Assume that you are the only investor and make an investment of \$500,000 in a Fund as at 1 July and 500,000 units are issued to you (assuming a NAV unit price of \$1.00 as at 1 July). The Benchmark Return is assumed to be 9% per annum in the following examples.

Let's assume that the NAV unit price has increased to \$1.10 so that the value of your investment in the relevant Fund as at 30 June is \$550,000. You have received \$25,000 of distributions during the Financial Year. As explained above, to calculate a Mid Price for the purposes of calculating the Actual Performance, the distributions you have received during the Financial Year are added back to net asset value amount of your investment. This means that a Mid Price for this Financial Year is \$1.15. Let's also assume that the average net asset value of the relevant Fund over the Financial Year was \$525,000. The performance fee components are calculated in the following way on the next page:

Actual Performance	=	[Mid Price this FY – Mid Price last FY] / Mid Price last FY	
Mid Price this FY	=	(\$550,000+\$25,000) / 500,000	= \$1.15
Mid Price last FY (Previous high water mark)	=	\$500,000 / 500,000	= \$1.00
Therefore		(\$1.15 - \$1.00) / \$1.00	= 15%
Benchmark Return	=	Per assumption, 9%	= 9%
Performance fee calculation	=	(15% - 9%) x (\$525,000 + \$25,000) x 10.25%	= \$3,382.50
Performance Fee Cap	=	0.3% x \$525,000	= \$1,575
Performance fee accrued and payable	=	Minimum of performance fee calculation or performance fee cap	= \$1,575
Performance fee per unit	=	\$1,575 / 500,000	= \$0.00315

Example 1. The Actual Performance for the relevant Fund is greater than the Benchmark Return.

The performance fee payable of \$1,575 at the end of the Financial Year is included in the \$1.15 NAV unit price. As the NAV unit price is calculated including the performance fee accrual, the NAV unit price is not impacted by the payment of the performance fee. As such, the value of your investment in the relevant Fund remains at \$550,000. The new high water mark is \$1.15 per unit.

Example 2. Performance fee not payable as performance is below the benchmark value.

Now let's assume instead that the NAV unit price has increased to \$1.02 so that the value of your investment in the relevant Fund as at 30 June is \$510,000 and you have received \$25,000 of distributions during the Financial Year. Let's also assume that the average net asset value of the Fund over the year was \$505,000. No performance fee is payable on your investment as the Actual Performance of 7% has not exceeded the Benchmark Return of 9%. The NAV unit price is unchanged at \$1.02.

3.4 TRANSACTION COSTS (BUY/SELL SPREAD)

In addition to the Management Costs, the funds may incur transactional and operational costs. Such costs include:

- i) explicit costs such as brokerage, settlement and clearing costs;
- ii) implicit costs being an assessment of the difference between the price for acquiring an asset and the price for disposing an asset.

Transactional and operational costs incurred as a result of Unitholders coming into and going out of the fund may be

accounted for in the Buy/Sell Spread. Other transactional and operational costs are additional costs to Unitholders that are deducted from the assets of the Fund. Such costs are recovered as they are incurred and reflected in the Unit price.

The transactional and operational costs for the funds are provided in the table. Unless otherwise stated in the table, the transactional and operational costs disclosed in the table are based on the costs incurred for the 12-month period ending 30 June 2017. For those funds operating for less than 12 months, the transactional and operational costs are estimates based on information available as at the date of issue of this PDS. Where Legg Mason Australia considers any change to these estimates that are not materially adverse, the information may be updated on Legg Mason Australia's website, www.leggmason.com.au.

The Buy/Sell Spread is an estimate of the transaction costs that are incurred in buying and selling the underlying assets of each Fund as a result of applications and redemptions. The Application Price is adjusted up by a buy spread and the Redemption Price is adjusted down by a sell spread. We can change the Buy/Sell Spread at any time without prior notice.

The Buy/Sell Spread is retained in each of the Funds and no portion is paid to Legg Mason Australia. Buy/Sell spreads are included in each application and redemption unit price.

For example, if on a particular date the price of a unit in the RARE Emerging Markets Fund, determined as described in Section 1.1, "Application and redemption prices" is determined in accordance with the Fund constitution and Legg Mason Australia Unit Pricing Policy to be \$1.00 then the application and redemption prices calculated for that day's transactions will be \$1.0025 and \$0.9975 respectively.

Fund	Buy Spread (+)	Sell Spread (-)	Total estimated transactional and operational cost~	Less Buy Sell Spread recovery~	Estimated transactional and operational cost affecting return~
RARE Infrastructure Value Fund – Hedged	0.20%	0.15%	0.30%	0.084%	0.216%
RARE Infrastructure Value Fund – Unhedged	0.20%	0.15%	0.29%	0.095%	0.195%
RARE Emerging Markets Fund	0.25%	0.25%	0.27%	0.058%	0.218%
RARE Infrastructure Income Fund	0.20%	0.15%	0.32%	0.073%	0.241%

~Calculated based on administration and other costs charged to the Fund for the 12 months to 30 June 2017. Past costs are not a reliable indicator of future costs.

3.5 FLEXIBLE CHARGING STRUCTURE

Under the constitutions for each Fund, we are entitled to certain maximum Contribution Fees, Withdrawal Fees, Performance Fees and Management Fees. We may waive, reduce or refund these fees in certain circumstances (for example, see Section 3.7 below).

The maximum fees permitted under the constitutions are as follows:

Fund	Contribution Fee	Withdrawal Fee	Management Fee	Performance Fee
RARE Infrastructure Value Fund – Hedged	5%	5%	2%	10.25% of returns above Benchmark
RARE Infrastructure Value Fund – Unhedged	Nil	Nil	2%	10.25% of returns above Benchmark
RARE Emerging Markets Fund	5%	5%	2%	10.25% of returns above Benchmark
RARE Infrastructure Income Fund	5%	5%	2%	10.25% of returns above Benchmark

However, for the life of each PDS's, the fees charged will be as per the table in Section 3.2

Under the constitutions for the Funds, we are entitled to recover all expenses incurred by us in relation to the proper performance of our duties in respect of the Funds.

From the management fee, and without further charge to the Funds, we pay custody fees, responsible entity fees, investment management fees, audit fees, accounting fees, legal and regulatory fees, and all other normal costs of the Funds.

Transaction costs (such as brokerage and settlement costs), government charges (such as GST charged on brokerage) are paid when units are issued or redeemed by a unit holder.

3.6 CHANGES TO MAXIMUM FEES

In ordinary circumstances we will provide investors in the Fund with at least 30 days prior notice of any proposed increase to the fees up to the maximum fees set out above.

We are only permitted to charge more than the maximum amount of the fee that the Funds' constitution specifies if unit holders' approval by special resolution has been sought and granted.

3.7 NEGOTIATED FEES

We may offer rebates or waivers of fees to wholesale clients on an individually negotiated basis in accordance with relevant law and any applicable ASIC relief. Wholesale clients should contact RARE by phone on +61 2 9397 7300 or via email at invest@RAREinfrastructure.com for further information.

3.8 ABNORMAL EXPENSES

A Fund may incur abnormal expenses, such as expenses associated with a change in responsible entity, termination of the Fund or a unit holder meeting. These expenses will be paid out of the Fund as and when these expenses occur.

3.9 ADVISER FEES

We do not pay an adviser service fee or commission to financial advisers.

You may incur a fee for the advice provided to you by your adviser, but this does not represent a fee that we have charged you for investing in a Fund and is not an amount paid out of the assets of a Fund. The amount of fees you will pay (if any) to your adviser should be set out in a Statement of Advice given to you by your financial adviser. You will be responsible for the payment of these fees and they will not be paid by us. We recommend that you check with your adviser if you will be charged a fee for the provision of their advice.

3.10 GST AND RITC

For the purposes of each PDS and this AIB, it has been assumed that we will be entitled to the maximum amount of RITC applicable when stating fee amounts. If the GST rate increases, or if the full amount of RITC is not available, the Fund's constitution allows us to recoup the extra amount out of the Fund.

Under GST regulations since July 2012, the rate of RITC remained at 75% for some categories of fees and costs but

reduced to 55% for other fees and costs.

Each Fund intends to claim the full RITC available for fees and costs.

Each Fund will charge the relevant management fee with an adjustment made to recoup the difference in RITC as applicable.

The base management fee and performance fee for the Fund has not changed.

4. IMPORTANT TAX INFORMATION

INVESTING IN MANAGED FUNDS - WHAT ABOUT TAX?

Investing, and dealing with investments, has tax and often social security implications which can be complex, and which are invariably particular to your circumstances. This means that it is important that you seek professional taxation advice that takes account of your particular circumstances before you invest or deal with your investment. This information should serve only as a guide to the tax considerations that may arise. The information applies only to Australian resident investors. Different tax considerations arise for non-resident investors.

The following summary in this section outlines the taxation that is based on the Australian tax laws as at the date of a PDS or this AIB and is subject to change. Investors will be advised of any material impact as a result of any new or newly amended tax consideration (which is not already described in this section) on the Funds. It is important that investors seek professional taxation advice that takes account of your particular circumstances or personal objectives before you invest or deal with your investment.

THE WAY MANAGED FUNDS ARE TAXED

It is intended that no income tax will be payable by the Funds as they will distribute all the income to unit holders annually.

The distributions from a Fund will include the income the Fund has generated from its investing activities. The income will retain its character as it passes to the investors. As a result you may receive distributions that include interest, dividends and other income and capital gains (discounted and non-discounted).

THE ATTRIBUTION MANAGED INVESTMENT TRUST (AMIT) REGIME

The AMIT regime became law on 5 May 2016. Under the new law, eligible managed investment trusts ("MITs") can elect to enter into the AMIT regime from 1 July, or from later income years. We are reviewing the impacts of entry into the AMIT regime on the Fund to determine whether it is in the best interests of members of the Fund as a whole to enter into AMIT regime. Currently, it is envisaged that we will opt into the AMIT regime for the year ending 30 June 2018 provided the Fund qualifies as an eligible MIT.

The summary below outlines the key features of the AMIT regime and its impact on unitholders that we have identified (note this is not an exhaustive list).

BENEFITS OF THE AMIT RULES

Some of the benefits that may result as a consequence of the Fund being operated as an AMIT include:

- Investors in the Fund will have greater tax certainty regarding the value and nature of the amounts on which they are assessed as a result of investing in the Fund;
- The Fund will be deemed to be a "fixed trust" for taxation law purposes. This provides greater certainty in relation to, amongst other things, the ability of the Fund to "flow through" franking credits to investors, and the ability of the Fund to carry forward tax losses;
- An investor in the Fund will be able to obtain upward cost base adjustments for their units in the Fund if the taxable income attributed to that investor exceeds the value of the distribution(s) made to that investor.
- The Fund will have the ability to treat classes of units separately for the purposes of the AMIT Rules and apply income streams to particular classes of units accordingly, for example, permit income preferred classes; and
- We may be able to make year-on-year adjustments to reflect under-or-over distributions of the Fund's income without a tax penalty for the Fund or investors.

TAX POSITION UNDER THE AMIT RULES FOR UNIT HOLDERS WHO ARE AUSTRALIAN RESIDENTS FOR TAX PURPOSES

If we make an election to apply the AMIT regime to the Fund, we will provide unitholders with appropriate notice of the decision. Members should seek independent tax advice to assess the impact on their circumstances and needs.

A unitholder that is an Australian resident for tax purposes will be subject to tax on the income of the Fund which is attributed to them under the AMIT regime. This will be determined by us and disclosed in the tax statement that is sent to unitholders each year.

In these circumstances, the manner in which we will report to unitholders will also change. Unitholders will be provided with an AMIT Member Annual Statement ("AMMA Statement"), similar to the distribution statement that is currently provided. The AMMA Statement will set out the amount which has been 'attributed' to a unitholder (and, where relevant, its components) and other relevant tax information.

Under the AMIT Rules, a unitholder may notify the

Commissioner of Taxation that they disagree with the attribution of income that has been determined by the Responsible Entity.

Additionally, there is a new cost base adjustment mechanism under the AMIT Rules, whereby a unitholder will be required to compare the taxable components of the amounts attributed to them via the AMMA Statement against the amounts distributed to them for that year. Broadly speaking, if the amount attributed to them is less than the amount distributed, unitholders recognise a net decrease in the cost base of their units but if the amount attributed to them is greater than the amount distributed, unitholders may be entitled to a net increase in the cost base of their units.

TAX ON YOUR DISTRIBUTIONS

Australian resident investors are generally subject to tax on their share of the income of the Fund. This will also include amounts that are reinvested in the Funds.

The way in which investors are taxed will depend on the character of the distributions they receive. We will send you an Annual Tax Statement indicating the components of your distribution within 20 Business Days after the end of each Financial Year which will assist you in completing your tax return.

GST AND MANAGED FUNDS

The issue of units in the Funds are not subject to GST, however, the Funds may pay GST on the services it acquires.

Fees and expenses payable by the Funds are subject to GST at the rate of 10%. Generally, the Fund cannot claim full input tax credits for GST incurred on these services but it may be entitled to a RITC of the GST payable. If the GST rate increases, or if the full amount of RITC is not applicable, the Fund's constitution allows us to recoup the extra amount out of the relevant Fund.

CAPITAL GAINS TAX WHEN YOU WITHDRAW FROM THE FUNDS

Australian residents who invest in the Funds are generally subject to capital gains tax on realised net capital gains when they redeem units and withdraw any money from the Funds. Where the investor is regarded as a trader or institutional investor, such gains may be regarded as ordinary income. Individuals, trusts and complying superannuation entities may obtain partial capital gains tax discounts in relation to the disposal of units and the capital gains portion of distributions.

SWITCHING FUNDS

Switching an investment from one Fund to another will constitute the redemption of the units in the original Fund and the re-investment of the proceeds into the new Fund.

The redemption of units will generally give rise to the taxation consequences described above in relation to the withdrawal from a Fund.

The acquisition of units in the new Fund will generally be the acquisition of a new investment, with a cost base equal to the amount paid in respect of the acquisition.

QUOTATION OF TAX FILE NUMBER (TFN) OR AUSTRALIAN BUSINESS NUMBER (ABN)

We recommend you provide your TFN/ABN on the Application Form for units in any of the Funds. If you choose not to and do not advise us that you have an exemption, we may be required to withhold or deduct tax from your distributions at the highest marginal tax rate, plus the Medicare levy, before passing on any distribution to you.

After 21 July each year, we cannot refund any TFN withholding tax deducted in the previous Financial Year. By quoting your TFN or ABN you authorise us to apply it to your investment and its disclosure to the Australian Tax Office. Collection of TFN or ABN information is authorised, and its use and disclosure are strictly regulated, by the tax laws and under privacy legislation.

FOREIGN INCOME TAX OFFSETS

Australian resident investors may be entitled to claim foreign income tax offsets (**FITOs**) in respect of Funds with international investments that distribute amounts of foreign income (where foreign tax has been paid). FITOs are not cash receipts but need to be included in the calculation of a unitholder's taxable income. Unitholders may be able to offset the FITOs against their tax liability. However, the ability to use FITOs will be limited to the greater of either \$1,000 or the amount of tax payable in respect of the unitholder's foreign income.

FOREIGN TAXES

Foreign taxes may be imposed where a Fund's investments or dealings have some connection with a foreign jurisdiction. For example, the United States of America has enacted rules known as the Foreign Account Tax Compliance Act (FATCA), which commenced on 1 July 2014. FATCA withholding tax at 30% may apply to US sourced income and payments unless the recipient is "FATCA compliant".

As responsible entity of the Trusts, we are a Reporting Australian Financial Institution (AFI) and comply with our obligations under the FATCA Intergovernmental Agreement with the US (FATCA IGA) and Australian domestic laws. Under the FATCA Agreement, we do not report information directly to the IRS. Instead, we report to the Australian Taxation Office (ATO) and the information is made available to the IRS, in compliance with Australian privacy laws, under existing rules and safeguards in the Australia-U.S. Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on income (the Convention). We conduct appropriate due diligence procedures as set out in the FATCA IGA.

Provided we comply with registration, due diligence and reporting requirements in accordance with the FATCA IGA and associated Australian domestic law, the Trusts will be treated as "deemed FATCA compliant" and will not be subject to FATCA withholding on US sourced income and payments made to it.

We may request that you provide certain information about yourself (for individual investors) or your controlling persons (where you are an entity) in order for the Funds to comply with its FATCA IGA obligations.

In the event that the we/the Trusts incur any amount of withholding tax (including FATCA withholding tax) and/or penalties, neither we/the Trust will be required to compensate you for any such tax or penalties.

COMMON REPORTING STANDARD

The Common Reporting Standard (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), the financial account information on non-residents. The CRS tackles and deters cross-border tax evasion by establishing a common international standard for financial institutions to identify and report information about the financial accounts of foreign residents to their local tax authority and for tax authorities to exchange this information. 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.

The CRS legislation received Royal Assent on 18 March 2016 and will take effect on 1 July 2017. The first exchange of information will occur in 2018. This legislation requires Australian financial institutions (over a transition period) to conduct due diligence and collect certain information, from existing, and new investors.

5. HOW TO APPLY

5.1 COOLING-OFF PERIOD

Subject to applicable law, retail investors have a right to a cooling-off period relating to their investment, except for investments made under distribution reinvestment plans or other additional investment arrangements. There may be other circumstances in which a retail investor is not entitled to exercise cooling-off rights. For instance, if the Funds are not liquid at the time an investment is made.

For direct retail investors only, your cooling-off rights are described below.

Immediately following the earlier of the date on which you receive confirmation of your investment or the 5th Business Day after the day on which your units were issued to you, there is a 14-day period during which you may cancel your investment (subject to applicable law).

Should you choose to cancel your investment during this period, the amount returned to you will be adjusted to take account of any movements in the unit price since the day on which you acquired the investment. The cancellation of your investment will be processed at the price that you would have paid for your investment on the date your request is received. We may deduct from the amount returned to you any reasonable administrative

and transaction costs and tax paid or payable because of the issue, and cancellation, of your investment.

If a distribution has occurred between acceptance of your application and receipt of your cooling-off period notification, there may be taxation implications for you. We suggest that you seek professional taxation advice in these circumstances.

IDPS investors who have directed an IDPS Operator to acquire units in the Fund own units in the Fund have no cooling-off rights as they have not acquired a direct interest in the Fund. You should contact your IDPS operator to find out what your cooling-off rights are.

If you wish to cancel your investment during the cooling-off period, you need to inform us in writing of your intention to exercise this right before the end of the cooling-off period (and before exercising any rights or powers you have in respect of your investment in a Fund).

This notification should be sent to RBC at the address below:

RBC Investor Services Trust – Registry Operations

Attention: Unit Registry Department

GPO Box 4471

Sydney NSW 2001

Should you have any questions regarding our cooling-off policy, please contact us on 1800 679 541.

5.2 ENQUIRIES AND COMPLAINTS

If you have a complaint about the service provided to you, please contact us and inform us of your concern. We will then undertake to resolve the matter quickly, fairly and in the strictest of confidence, in accordance with our complaints-handling process.

Upon receiving your complaint an appropriate staff member will be allocated responsibility to resolve the matter. We will contact you within 10 Business Days to explain the resolution process and inform you of the assigned staff member who will keep you updated on the progress of the investigation. It is our policy to resolve complaints as soon as is practicable while not sacrificing the quality of the complaints handling process. Accordingly, we will endeavour to communicate a satisfactory resolution to you within 45 days of the initial contact.

You will not incur any charge for the handling of your complaint. If you are not satisfied with our response to your complaint, you have the right to use an external disputes resolution process. We are a member of Financial Ombudsman Service Limited (FOS) which is an external disputes resolution scheme. In order for a complaint to be considered by FOS, we must have at least 45 days to attempt to negotiate a satisfactory resolution with you.

FOS can be contacted by phone on 1300 780 808 or email info@fos.org.au to lodge a complaint or obtain further information about your rights. This service is free of charge for all our clients, and we are required to assist FOS in the dispute resolution process and comply with its decisions in relation to a complaint.

Should you have any questions regarding our complaints resolution policy or wish to lodge a complaint, please call 1800 679 541.

You can refer the matter in writing to:

Complaints Manager

Legg Mason Australia

Level 47, 120 Collins Street

Melbourne VIC 3000

6. OTHER IMPORTANT INFORMATION

6.1 FUND REPORTING TO INVESTORS

All investors in a Fund will generally be sent by mail:

- ✦ Within seven Business Days of the acceptance of an application for units or reinvestment of distributions, a confirmation providing details of the units issued or notice that the application has been rejected
- ✦ Within seven Business Days of processing a withdrawal request, a confirmation providing details of the units redeemed
- ✦ Within seven Business Days of each month end, a unit holder's statement for that month when there has been a transaction in that month
- ✦ Within 10 Business Days of the end of a distribution period, a distribution statement
- ✦ Within 20 Business Days of 30 June, a tax statement
- ✦ Within 20 Business Days of 30 June, an Other Management Costs and performance statement, if this information has not already been provided to you with other unit holder statements
- ✦ Within three months of Financial Year end, an annual report for that Financial Year
- ✦ Within six months of the Financial Year end, a periodic statement (if you are a retail client and all the relevant information has not already been provided to you)
- ✦ As soon as practicable upon request, a unit holder's statement showing transactions since the last unit holder's statement

If 100 or more investors hold units in a Fund the Fund will be a "disclosing entity" and will be subject to regular reporting and disclosure obligations. The Funds are currently disclosing entities, and as such are subject to these regular reporting and disclosure obligations.

We comply with our continuous disclosure obligations by following ASIC's Good Practice Guidance rather than lodging copies of documents with ASIC. Accordingly, should we become aware of material information that would otherwise be required to be lodged with ASIC as part of our continuous disclosure obligations, we will ensure that such material information will become available as soon as practicable on our website – www.leggmason.com.au and/or the RARE website at www.RAREinfrastructure.com. This will include the annual report for each Fund within 30 days of each financial year end.

Additionally, such information may be obtained from us in a printed form, free of charge, within five days of receipt of your request.

If you are investing through an IDPS, information and reports on your investment in the Funds will be provided to you by the IDPS Operator, not by us.

6.2 ABOUT THE FUNDS' CONSTITUTIONS

Each Fund was established under a constitution. Together with the PDS, this AIB and certain laws (including the Corporations Act 2001 (Cth) (**Corporations Act**)), and Corporations Regulations 2001 (**Corporations Regulations**) the constitution governs our relationship with you.

The constitution deals with, amongst other things:

- ✦ The conditions under which the relevant Fund operates
- ✦ The rights, responsibilities and duties of the responsible entity and investors
- ✦ Fees and expenses
- ✦ Termination of the relevant Fund

Subject to the Fund's constitution and the law, your liability is limited to the amount (if any) which remains unpaid for your units. However, higher courts have not finally determined the extent of liability of investors in managed investment schemes.

Subject to the Corporations Act, the constitution limits our need to compensate you if things go wrong. Generally, if we comply with our duties as responsible entity of the Funds, then we do not need to compensate investors for any loss suffered in relation to the Funds.

We may amend the constitutions if we, as the responsible entity, reasonably consider that the amendment will not adversely affect investors' rights. Otherwise, we must obtain the approval of investors (by special resolution) to make changes to the constitution at a meeting of investors.

You may obtain a copy of the constitutions free of charge by phoning, emailing or writing to RARE.

If you are investing through a master trust or wrap account, the constitutions will not govern our relationship with you. Please see Section 1.6.

6.3 PRIVACY

By completing the Application Form, you are providing personal information to us which we will collect for the primary purpose of providing this product to you. We may use the personal information in your Application Form for a number of related purposes, including processing your application, administration and management of your investment in the Fund and to comply with applicable laws and regulations such as Australian taxation laws, the Corporations Act, FATCA IGA and the AML/CTF Act. We may also collect your information if the law requires or if you consent, for example, in the Fund Application Form.

We may disclose your personal information to:

- ✦ Our related companies or individuals who provide services

or perform functions on behalf of us

- ✦ Anyone else to whom you authorise us to disclose it
- ✦ Anyone else where authorised by law

These recipients are located in Luxembourg, Malaysia and Canada, and may include further locations.

If your details are incorrect, please contact us so we can correct them. You are able to access the personal information that we hold about you. Please contact our Privacy Officer on 1800 659 541

You may choose not to complete all items on the Application Form. If you do not complete the Application Form in full, we may not accept your Application Form. Further, depending on the type of information you withhold, we may not be able to process or administer your requested investment, or pay income into your bank account. The consequences of not providing your Tax File Number or Australian Business Number (or exemption) are noted in Section 7 of the Application Form.

Our Privacy Policy (available at www.leggmason.com.au) also describes:

- ✦ How you can access your personal information and seek its correction
- ✦ How you may complain about a breach of the Australian Privacy Principles
- ✦ How such a complaint will be handled

6.4 CYBER SECURITY RISKS

With the increased use of technologies such as the Internet and other electronic media and technology to conduct business, the Responsible Entity, each Fund and the service providers and their respective operations are susceptible to operational, information security and related risks including cyber security attacks or incidents.

Cyber incidents can result from deliberate attacks or unintentional events, and include, gaining unauthorised access to digital systems, networks or devices (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). In addition to intentional cyber-events, unintentional cyber-events can occur, such as, the inadvertent release of confidential information.

Cyber security breaches may cause disruptions and impact a business, potentially resulting in financial losses. This may impact website access, the Fund's ability to calculate NAV, trading, and the ability of Fund shareholders to transact business. Cyber attacks may violate privacy and other laws, resulting in regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional

compliance costs, and the loss of propriety information. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Responsible Entity and the Responsible Entity's service providers.

The above may impact issuers of securities in which the Funds invest, counterparties, governmental and other regulatory authorities, exchange and financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for Fund shareholders) and other parties. In addition, substantial costs may be incurred in order to try to prevent any cyber incidents in the future.

6.5 APPOINTMENT OF AUTHORISED NOMINEE

A person, partnership or company may be appointed as an investor's authorised nominee by having the relevant section of the Application Form executed. The authorised nominee (if it is a company or partnership, including any person we reasonably believe is an authorised officer or partner) may provide investment instructions in respect of the Fund, prepare, sign and provide requests to redeem units in the Fund, advise of changes to your details in respect of your investment in the Fund, and obtain information about your investments in the Fund. This appointment can be cancelled at any time by notice in writing to us. All joint unit holders must sign the appointment or cancellation.

By appointing an authorised nominee the investor:

- ✦ Releases, discharges and agrees to indemnify us, RARE, RBC and the Fund from and against any and all losses, liabilities, actions, proceedings, accounts, claims and demands (including legal and client costs) arising from the fraud, negligence or appointment of or purported exercise of powers by the authorised nominee or in connection with the use of the facility
- ✦ Agrees that a payment or purported payment (the payment) made in accordance with the requests or instructions of the authorised nominee shall be in complete satisfaction of our obligations, to the extent of the payment, notwithstanding any fact or circumstance including that the payment was requested, made or received without the investor's knowledge or authority
- ✦ Agrees that if payment is made in accordance with the request or instructions of the authorised nominee, the investor shall have no claim against us, in relation to the payment

Please contact the RARE Client Service Team for further information on requirements for nominees and custodians.

6.6 IMPORTANT INFORMATION FOR NEW ZEALAND INVESTORS

Part 1: General warning statement to accompany offer documents¹.

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 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. In the main, the Corporations Act and the regulations made under that Act set out how the 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 (<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.

Part 2: Additional warning statement where the offer involves payments that are not in New Zealand dollars

Additional warning statement: currency exchange risk

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

1. Schedule 25 of the FMC Regulations

Part 3: Additional warning statement where the offer involves financial products able to be traded on a financial product market

Additional warning statement: trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New

Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Part 4: Additional warning statement where the offer is of interests in an Australian registered scheme and any dispute resolution process described in the offer document is not available in New Zealand

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.

GENERAL

During the currency of this offer document/PDS, we will provide you with copies of the relevant constitutional documents in respect of the Funds free of charge on your request.



CONTACT US

For more information on RARE products visit:

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