eInvest Income Generator Fund (Managed Fund)

Product Disclosure Statement (PDS) | Dated: 14 March 2018

ASX CODE: EIGA | ARSN 623 311 419

Responsible Entity: Perennial Investment Management Limited ABN 13 108 747 637 | AFSL 275101

Important information

About this PDS

This Product Disclosure Statement (PDS) is dated 14 March 2018.

Perennial Investment Management Limited (**Perennial, PIML, Responsible Entity, we, our** or **us**) ABN 13 108 747 637 AFS Licence 275101 as responsible entity for the eInvest Income Generator Fund (**Managed Fund**) (ARSN 623 311 419) (**Fund**) is the issuer of this PDS and is responsible for its contents. A copy of this PDS was lodged with both the Australian Securities & Investments Commission (**ASIC**) and ASX Limited (**ASX**) on 14 March 2018. No responsibility as to the contents of this PDS is taken by ASIC or ASX or their respective officers.

This PDS sets out information and is an offer document for units in the Fund. As at the date of lodgement of this PDS, units in the Fund (**Units**) are not yet admitted to trading status on ASX. An application has been made to the ASX for Units to be quoted under the AQUA Rules. The exposure period for the PDS expires seven days after lodgement of this PDS with ASIC, subject to possible extension by ASIC for a further period of up to seven days. The information provided in this PDS is general information only. New Zealand investors should refer to section 8.13 Warning Statement for New Zealand Investors.

The Fund is an Australian registered managed investment scheme. Units in the Fund are offered and issued by Perennial on the terms and conditions described in this PDS. The Responsible Entity will not accept an application for units in the Fund until the exposure period for the Fund has expired. By becoming an investor in the Fund you agree to be bound by this PDS. You should not base your decision to invest in the Fund solely on this information. You should obtain professional financial advice tailored to your personal circumstances and consider the suitability of the Fund in view of your financial position, investment objectives and needs before making an investment decision.

PIML has appointed Perennial Value Management Limited ABN 22090879904 AFS Licence 247293 (**Perennial Value or the Investment Manager**) to provide investment and other services for the Fund, pursuant to an investment management agreement entered into between PIML and Perennial Value. Further, ETF Investments Australia Pty Ltd ABN 88 618 802 912 trading as 'eInvest Australia' (**eInvest**) has been appointed by PIML (as its corporate authorised representative) to provide marketing, distribution and client services for the Fund.

Perennial Value is a related bodies corporate of PIML. An investment in the Fund does not represent an investment in, deposit or other liability of PIML or Perennial Value.

PIML does not guarantee the performance of the Fund or the return of capital or income. Your investment in the Fund is subject to investment risk. This could involve delays in repayment and loss of income or the principal invested.

PIML and its respective employees, agents and officers do not guarantee the success, repayment of capital, rate of return on income or capital, or investment performance of the Fund. It is your obligation to seek any advice and observe any legal restrictions on investment in the Fund which may apply to you.

Information in this PDS is subject to change from time to time. A copy of the latest PDS for the Fund being offered is available on the PIML and einvest websites at www.perennial.net.au & www.einvest.com.au or by contacting PIML on 1300 730 032. A paper copy will be provided free of charge on request.

Important information

The offer

This PDS does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer. Units have not been registered under the United States Securities Act of 1933 (as amended) and except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America or any of its territories or for the benefit of a US Person (as defined in Regulations of such Act).

PDS updates

Information in this PDS that is not materially adverse to investors is subject to change from time to time and may be updated by the Responsible Entity by publishing such information on the PIML website at www.perennial.net.au. A paper copy of any updated information will be provided free of charge on request. Any new or updated information that is materially adverse to investors will be available to investors via a supplementary or new PDS accessible via the ASX Market Announcements Platform.

Risks

An investment in the Units is subject to risks, which may include possible delays in repayment and loss of income and capital invested. None of PIML or any of its related entities, directors or officers gives any guarantee or assurance as to the performance of, or the repayment of capital or income reinvested in the Fund described in this PDS. PIML and its related entities may invest in, lend to or provide other services to the Fund.

This PDS is prepared for general information only and is not financial product advice. It is not intended to be a recommendation by the Responsible Entity, any of the Responsible Entity's associates or any other person to invest in the Fund. In preparing this PDS, the Responsible Entity did not take into account the investment objectives, financial situation or particular needs of any particular person.

Before making an investment decision, investors need to consider whether an investment in the Fund is appropriate to their needs, objectives and circumstances. Investors should consult an independent professional financial adviser and ensure they understand the risks of the Fund before investing.

Definitions

Certain capitalised terms used in this PDS are defined in the Glossary in section 10. All references to dollar amounts in this PDS are to Australian dollars unless otherwise stated. For further details on PIML's funds, please contact a stockbroker or financial adviser or visit: www.perennial.net.au or www.einvest.com.au.

14 March 2018

Dear Investor,

It is with great pleasure that we introduce the eInvest Income Generator Fund (Managed Fund) (ARSN 623 311 419) (**Fund**), a newly established Exchange Traded Managed Fund (**ETMF**) registered with ASIC to be quoted on the ASX under the code EIGA.

Perennial Investment Management Limited (Perennial, PIML, Responsible Entity, we, our or us) ABN 13 108 747 637 AFS Licence 275101 is the Responsible Entity of the Fund and Perennial Value Management Limited ABN 22 090 879 904 AFS Licence 247293 (Perennial Value) is the Investment Manager.

The Fund provides investors with the opportunity to generate a tax-effective income stream, paid monthly, through an investment in a diversified portfolio of Australian shares. The objective of the Fund is to provide investors with an attractive level of tax effective income, paid via monthly distributions. The Fund aims to provide a gross yield, adjusted for applicable franking credits, above that provided by the S&P/ASX 300 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt).

Key benefits of investing in the Fund include:

- An experienced investment team, actively managing your portfolio

Perennial Value is a specialist active Australian shares investment manager, established in 2000. The investment team is led by John Murray who has over 30 years' experience in investing in Australian Shares. John was inducted into the Australian Fund Managers' Hall of Fame in 2014. Stephen Bruce, who has some 17 years' experience in Australian shares and with Perennial Value, is the lead portfolio manager of this Fund. The team comprises 15 investment professionals with an average of 16 years' experience managing and analysing Australian shares and derivatives. The team uses its proven investment process to actively position the Fund to take advantage of prevailing market conditions.

- Focus on monthly income

We know how important regular income is to our investors and it is our intention, where possible, to pay distributions monthly.

- Access to a well-diversified portfolio, with income enhancing strategies

The portfolio will consist of a diversified portfolio of quality Australian shares which the Investment Manager believes has the ability to pay an attractive level of dividend income and to grow in capital value over the long term. The Investment Manager will use various strategies aimed at maximising the income of the portfolio including, tilting the portfolio towards higher yielding stocks, increasing weightings to stocks ahead of their dividend paying period and participating in off-market buy-backs. The Fund may also, from time to time, implement strategies to generate income from options, as such opportunities present. Importantly, the Fund will aim to deliver the higher yield while investing in a portfolio of 20-70 securities, thereby significantly mitigating the risk of any single stock in the portfolio.

The Offer

PIML is seeking to raise funds under the initial offer to seed the Fund prior to the units being admitted to trading status on ASX at an Issue Price of $4.00 per Unit under the Initial Offer.

The PDS contains important information regarding the Offer. We encourage you to read it carefully and in its entirety, including section 6 which sets out certain key risks associated with an investment in the Fund, and section 5 which sets out the fees and other costs associated with investing in the Fund. In any event, you should seek relevant professional advice before making an investment decision.

We look forward to welcoming you as an initial investor in the eInvest Income Generator Fund (Managed Fund).

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1. WHAT IS AN ETMF?

In Australia, Exchange Traded Managed Fund's (ETMFs) are quoted on the ASX under the AQUA rules and are traded much like a share. ETMFs can provide you with a convenient way to gain exposure to a wide variety of investments. They can also be used as the building blocks for a well-diversified portfolio.

Exchange Traded Managed Fund's (ETMFs) v Exchange Traded Funds (ETFs)

In the Australian Market ETFs are primarily "passively managed" meaning the investment strategy of the ETF is to track an index, or other benchmark. Some ETMFs, such as the Fund, are "actively managed", meaning they do not seek to track the performance of a stated benchmark. Whilst an ETMF may also have a benchmark like an ETF, the manager may change sector allocations, portfolio positions etc. as they see fit. This produces investment returns that may not mirror the underlying benchmark of the Fund.

The liquidity of an ETMF is also different to that of an ETF because the portfolio of an ETMF is generally disclosed to the market on a delayed basis to protect the intellectual property of the manager. ETMFs such as the Fund appoint a market making agent to execute orders on ASX on behalf of the Fund. The issuer of the ETMF provides guidelines to the market making agent in order to provide on-screen bids and offers around the estimated intraday fair value.

ETMFs can be used in your portfolio for various reasons, including:

- Capital growth - for those investors aiming for long term capital growth in their investment portfolio;
- Income growth - for those investors seeking good income and tax effective dividends over time for their portfolio;
- A combination of capital and income growth; and
- Tactical use - for those investors seeking to take advantage of market valuation differences in their portfolio.

ETMFs combine certain features of managed funds and listed shares in the one investment. Like managed funds, ETMFs give you direct access to skilled investment professionals who manage the underlying investment portfolios. Unlike managed funds, however, ETMFs which are quoted on the ASX can offer you the added benefits of flexibility and liquidity, allowing you to buy and sell during the course of the trading day through your broker, adviser or online trading account, much like a listed share.

Information on the Fund is set out in section 2 of this PDS. ETMFs may carry certain investment risks. For information on the risks applicable to the Fund see section 6 of this PDS.

1.2 eInvest AUSTRALIA

eInvest is a provider of solutions-based ETMF investments. eInvest provides you with easy, tradeable investment solutions for your everyday investment needs by offering high quality portfolios based on the research, skill and intellect of experienced investment professionals.

eInvest is driven by a passion and desire to deliver a positive investment experience to all Australians. eInvest believes that all Australians should have the ability to access high quality investment solutions upon which to build the foundations of their investment, superannuation and retirement income portfolios. eInvest also believes that investors can have the control and flexibility they desire from their investments at a "value for money" price.

PIML has appointed eInvest Australia to provide marketing, distribution and client services for the Fund under a distribution agreement.

PIML is currently the responsible entity of over 9 registered managed investment schemes. PIML, Perennial Value and its related bodies corporate, have experience in establishing and operating a listed investment company. However, the Fund is PIML's first quoted AQUA managed investment scheme.

1. Key features

1.3 SUMMARY OF KEY INFORMATION

The following table briefly summarises some of the key information contained in this PDS. It is not a complete summary of this PDS and you should read the PDS in its entirety. You should seek your own professional investment advice before deciding to invest in the Fund. Sections 1 to 9 of this PDS contain general information concerning the key features of the Fund.

Fund Name	eInvest Income Generator Fund (Managed Fund)
ARSN	623 311 419
ASX Code	EIGA
About the Fund	The Fund is an Australian registered managed investment scheme. An application has been made for Units in the Fund to be admitted to trading status on the ASX under the AQUA Rules.
Responsible Entity	PIML is the responsible entity of the Fund and is the issuer of this PDS.
Investment Manager	Perennial Value is the investment manager of the Fund.
Investment objectives & Benchmark	The objective of the Fund is to provide investors with an attractive level of tax effective income, paid via monthly distributions. The Fund aims to provide a gross yield, adjusted for applicable franking credits, above that provided by the S&P/ASX 300 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt). The Fund will aim to achieve this by investing in a diversified portfolio of quality Australian shares listed (or soon to be listed) on the ASX, which Perennial Value believes has the ability to pay an attractive level of dividend income and to grow in value over the long-term. The portfolio may hold between 20 and 70 stocks, with the typical number held being in the range of 30 to 40. The Fund will not engage in short selling and will not use derivatives to a material extent. We note that whilst the Fund may use various derivative instruments, including futures and options, to manage cash flow and investment risk or enhance the yield on the portfolio, it would only do so in the following three scenarios: **(a)** for the dominant purpose of managing foreign exchange or interest rate risk (although as this Fund will invest in AUD denominated securities this is not envisaged); **(b)** for the dominant purpose of more efficiently gaining an economic exposure, through the use of exchange-traded derivatives, to the underlying reference assets of those derivatives, but only on a temporary basis (i.e.for a period of less than 28 days, which cannot be extended by rolling over or replacing the derivative); or **(c)** use of exchange-traded derivatives, provided the notional derivatives exposure of the Fund does not exceed 10% of its net asset value (unless the exposure is attributable to circumstances that were not reasonably foreseeable by the Responsible Entity, such as unforeseen market movements or large redemption requests, and the exposure is for a period of no more than three consecutive business days).

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	These three exceptions operate independently of each other. For example, where the Fund uses exchange-traded derivatives for the dominant purpose of managing foreign exchange or interest rate risk, this does not count towards the 10% notional derivatives exposure limit for exchange-traded derivatives in accordance with ASIC Regulatory Guide 240.12.
Benchmark Index	The benchmark for the Fund is the gross yield derived from the S&P/ASX300 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt)
Asset Allocation	Cash: 0 – 20% Shares: 80 – 100%
Suitable Investor	Investors seeking monthly tax-effective income distributions, and the possibility of long-term capital growth, from a diversified portfolio of quality Australian shares. In particular, the Fund is suited to investors in the pension phase who are seeking an enhanced level of income and are able to take full advantage of franking credits and off-market share buybacks. As with any investment in the equities market, substantial fluctuations in the value of the Fund may occur. It is therefore important to regard an investment in the Fund as a long-term proposition, suited to investors with an investment time frame of 5+ years.
Investing in the Fund	Investors can invest in the Fund during the Initial Offer by making an Application under this PDS, or subsequently, by buying Units on the ASX Market through a stock broker or share trading account. The Initial Offer will be used to seed the Fund. The Application Price for each Unit is $4.00. Investors must apply for a minimum of $5,000 of Units, and thereafter in multiples of $2,000. The Initial Offer is expected to close on Friday 27 April 2018. Units will be quoted on the ASX. Once quoted (and subject to market conditions), investors may buy Units by trading on the ASX. The purchase of Units on the ASX is not governed by the terms of this PDS and therefore the minimum investment does not apply to purchases of Units on the ASX.
Distributions	The distribution period in relation to the Fund is set out in section 3 of this PDS. The Responsible Entity intends to make distributions in respect of the Fund monthly (assuming there is distributable income).
Risks	Before investing in the Fund, investors should carefully consider the risks associated with an investment in the Fund and obtain independent financial advice on whether an investment in the Fund is suitable for their objectives, financial situation and needs. For further details of the risks of investing, see section 6 of this PDS.
Fees and costs	The Responsible Entity charges a management fee of 0.80% pa, inclusive of GST and RITC. Fees and costs as described in section 5 of this PDS will apply.
Tax	Tax information of a general nature is set out in section 9. Investors should seek their own professional tax advice which takes into account their particular circumstances.
Complaints	The Responsible Entity has a process in place to deal with complaints from Holders. The complaints process is set out in section 8.6 of this PDS.

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1.4 ADMISSION TO TRADING UNDER THE AQUA RULES

An application has been made for Units in the Fund to be admitted to trading status on the ASX under the AQUA Rules. The AQUA Rules form part of the ASX Operating Rules. The Fund will not be listed on the ASX under the ASX Listing Rules.

The AQUA Rules provides a tailored framework for the quotation of exchange traded funds, managed funds and structured products on the ASX. The AQUA Rules are accessible at www.asx.com.au

In operational terms, the market for products quoted under the AQUA Rules operates in the same way that it does for listed equities, with continuous matching of bids and offers and an opening and closing auction.

AQUA Rules: fundamental difference

The key distinction between products admitted under the ASX Listing Rules and those quoted under the AQUA Rules is the level of control and influence that the issuer of the relevant product has over the value of the underlying assets of the product.

Under the ASX Listing Rules, listed equity securities typically reflect the value of the business operated by the issuer. By contrast, the value of a product quoted under the AQUA Rules typically reflects the performance of the underlying assets.

The following table highlights the key specific differences between the AQUA Rules and the ASX Listing Rules.

Requirement	ASX Listing Rules	AQUA Rules
Continuous disclosure	Issuers **are subject** to continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.	Issuers of products quoted under the AQUA Rules are not subject to the continuous disclosure requirements in ASX Listing Rule 3.1 and section 674 of the Corporations Act. The Responsible Entity will comply with the disclosure requirements in section 675 of the Corporations Act. This means that we will disclose to ASIC information which is not generally available and that a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of the Units, provided that such information has not already been included in this PDS (as supplemented or amended). Perennial will publish such information on the ASX announcements platform and its website at the same time as it is disclosed to ASIC. PIML is required to disclose information about the NAV of the Fund daily. The NAV of the Fund will be calculated by Mainstream Fund Services Pty Limited (**Mainstream**) in accordance with PIML's Unit Pricing Policy. PIML must also disclose information about: • net monthly applications and redemptions; • distributions and other disbursements; • any other information which is required to be disclosed to ASIC under section 675 of the Corporations Act; and • any other information that would be required to be disclosed to the ASX under section 323DA of the Corporations Act if the Units were admitted under the ASX Listing Rules.In addition, under the AQUA Rules the Responsible Entity must immediately notify the ASX of any information the non-disclosure of which may lead to the establishment of a false market in the Units or which would be likely to materially affect the price of the Units.

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Periodic disclosure	Issuers **are required** to disclose half-yearly and annual financial information and reports to the ASX announcements platform.	Issuers of products quoted under the AQUA Rules **are not required** to disclose half-yearly or annual financial information or reports to the ASX announcements platform. The Responsible Entity is required to lodge financial information and reports in respect of each Fund with ASIC under Chapter 2M of the Corporations Act.
Corporate governance	Listed companies and listed managed investment schemes **are subject** to notification requirements under the Corporations Act and the ASX Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	Although the Units are intended to be quoted under the AQUA Rules, neither the Fund nor the Responsible Entity itself are listed on the ASX and therefore they **are not subject** to certain corporate governance requirements. The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act, and with section 601FM of the Corporations Act including that the Responsible Entity may be removed by an extraordinary resolution of members on which the Responsible Entity would not be entitled to vote.
Related party transactions	Chapter 10 of the ASX Listing Rules relates to transactions between an entity and a person in a position to influence the entity and sets out controls over related party transactions.	Chapter 10 of the ASX Listing Rules **does not apply** to AQUA Rules quoted products. The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act.
Auditor rotation obligations	Division 5 of Part 2M.4 of the Corporations Act imposes specific rotation obligations on auditors of listed companies and listed managed investment schemes.	Issuers of products quoted under the AQUA Rules **are not subject** to the auditor rotation requirements in Division 5 of Part 2M.4 of the Corporations Act. An auditor will be appointed by the Responsible Entity to audit the financial statements and Compliance Plan of the Fund.

Spread Requirements

There are requirements under the ASX Listing Rules that issuers satisfy certain minimum spread requirements (i.e. a minimum number of holders each having a minimum parcel size). These requirements do not apply to AQUA Product issuers. Under the AQUA Rules, unless and until a suitable spread of holders is achieved, an AQUA Product issuer must ensure a reasonable bid and volume is maintained for the AQUA Product on the ASX except in permitted circumstances, or have in place other arrangements which meet ASX's requirements for providing liquidity, generally through the appointment of a market making agent.
About CHESS

The Responsible Entity through its outsourced Unit Registry services provider participates in the Clearing House Electronic Sub-register System ("CHESS"). CHESS is a fast and economical clearing and settlement facility which also provides an electronic sub-register service. The Unit Registry has established and will maintain an electronic sub-register with CHESS on behalf of the Responsible Entity.

The Responsible Entity will not issue Investors with certificates in respect of their Units. Instead, when Investors buy Units on the ASX they will receive a holding statement from the Unit Registry which will set out the number of Units they hold. The holding statement will specify the "Holder Identification Number" or "Securityholder Reference Number" allocated by CHESS.

Subject to ASX Operating Rules and the ASX Listing Rules, PIML as the Responsible Entity may decline to register a purchaser of a Unit or Units.

2. About the Fund

The Fund has been established to provide investors with a convenient, ASX-listed means of making an investment in a well-diversified, actively-managed portfolio of quality Australian shares which has the ability to generate an attractive level of income and to provide capital growth over the long-term.

2.1 INVESTMENT OBJECTIVES

The objectives of the Fund are to:

(a) generate an income yield, including franking credits, in excess of that provided by the overall Australian share market;

(b) pay income via monthly distributions; and

(c) deliver long-term capital growth.

The Fund's benchmark is the gross yield of the S&P/ASX300 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt). The Funds' performance is to be measured against this benchmark.

The portfolio aims to provide investors with an attractive level of tax effective income, paid via monthly distributions. The Fund aims to provide a gross yield, adjusted for applicable franking credits in excess of the benchmark after fees. This objective and the Perennial Value investment process is expected to result in the portfolio predominantly comprising Australian industrial stocks included in the S&P/ASX 100 Index.

2.2 INVESTMENT STRATEGY

The Fund will aim to achieve the objective by investing in a well-diversified, actively-managed portfolio of quality Australian shares listed (or soon to be listed) on the ASX, which Perennial Value, believes to have the ability to:

(a) pay an attractive level of dividend income; and

(b) grow in value over the long-term.

The portfolio may hold between 20 and 70 stocks, with the typical number held being around 30-40.

The Fund will not engage in short selling and will not use derivatives to a material extent. We note that whilst the Fund may use various derivative instruments, including futures and options, to manage cash flow and investment risk or to enhance the yield of the portfolio, it would only do so in the following three scenarios:

(a) for the dominant purpose of managing foreign exchange or interest rate risk (although as this Fund will invest in AUD denominated securities this is not envisaged);

(b) for the dominant purpose of more efficiently gaining an economic exposure, through the use of exchange-traded derivatives, to the underlying reference assets of those derivatives, but only on a temporary basis (i.e. for a term of less than 28 days, which cannot be extended by rolling over or replacing the derivative); or

(c) use of exchange-traded derivatives, provided the notional derivatives exposure of the Fund does not exceed 10% of its net asset value (unless the exposure is attributable to circumstances that were not reasonably foreseeable by the Responsible Entity, such as unforeseen market movements or large redemption requests, and the exposure is for a period of no more than three consecutive business days).

These three exceptions operate independently of each other. For example, where the Fund uses exchange-traded derivatives for the dominant purpose of managing foreign exchange or interest rate risk, this does not count towards the 10% notional derivatives exposure limit for exchange-traded derivatives in accordance with ASIC Regulatory Guide 240.12.

The Fund will not use short selling techniques or securities lending.

2.3 INVESTMENT PHILOSOPHY

Perennial Value believes that a well-diversified portfolio high quality, financially sound, dividend paying Australian shares can play a key role in meeting investors' income generating needs.

The income that can be generated from such a portfolio compares very well to that which can be generated from alternative sources such as fixed income and term deposits. For example, over the last 20 years, the average yield on 12 month term deposits has been 4.6% p.a., while the average yield on the Australian stock market, including franking credits, has been 5.7% p.a. over this time.

However, there are two key differences between generating income from the equity market and income from term deposits or fixed income:

Firstly, the capital value of an investment in shares tends to grow over time, whereas the value of an investment in term deposits or fixed income does not; and

Secondly, the dividend income stream from an investment in shares tends to typically grow over time as the companies' underlying earnings grow.

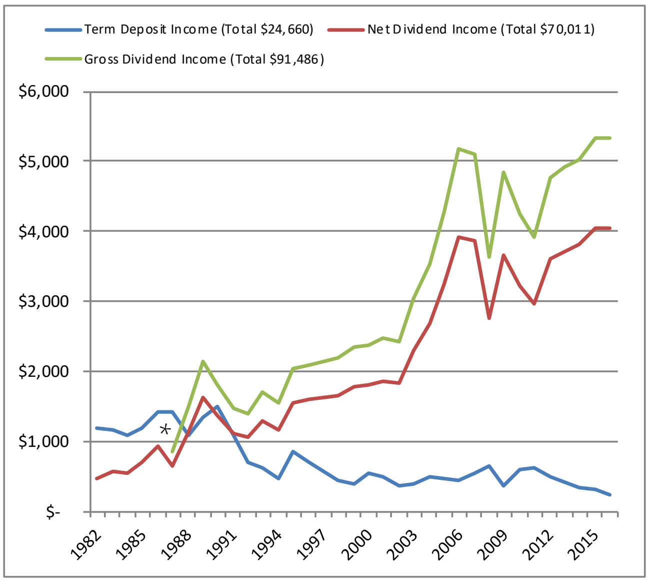
Equity markets do however generally have higher volatility than term deposits and fixed income products and a higher risk of short-term capital loss but with the potential to deliver higher investment returns over the long term.

2. About the Fund

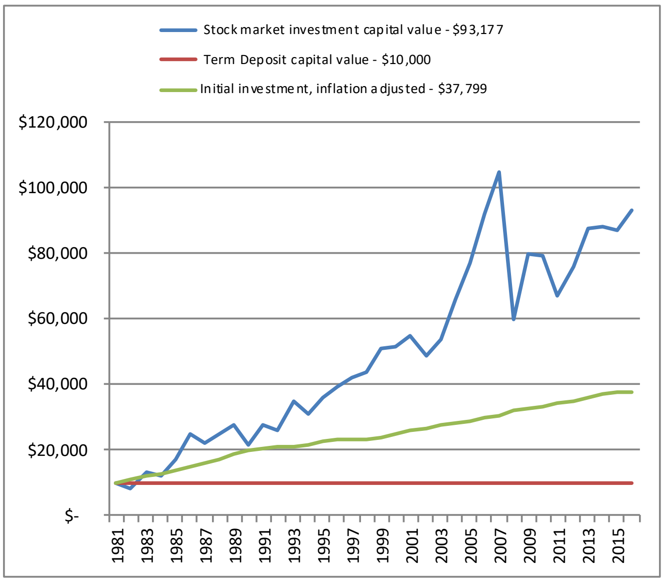
The tables on below compare the annual income generated from, and the capital value of a $10,000 investment in both the stock market and 12 month term deposits over the past 35 years. As can be seen, the investment in the stock market delivered dramatically greater income and also strong capital growth during this period while also experiencing greater volatility from time to time.

The share market potential for long-term growth in both capital and income can offset the impact of inflation and make investment in shares a suitable means of income generation for those with a long-term investment horizon, who can accept a degree of volatility that comes with an investment in the stock market.

INCOME



CAPITAL GROWTH



Source: Bloomberg and Perennial Value. Bloomberg has not consented to the inclusion of trading data sources from it in this PDS.

Past Performance is not a reliable indicator of future performance. The analysis above assumes that dividends and interest have not been reinvested.

* Gross Dividend Income Includes Franking Credits , with the imputation system starting in 1987

2. About the Fund

2.4 INVESTMENT MANAGER

Perennial Value have been appointed as the investment manager for the Fund. It is a specialist investment management firm, established in 2000. It has a highly-experienced team of 15 investment professionals and currently manages over $5 billion in Australian equities and derivatives. The firm has considerable experience managing income-oriented Australian shares portfolios, successfully managing the Perennial Value Shares for Income Trust and related portfolios since December 2005.
Perennial Value offers you:

An experienced investment team, actively managing your portfolio

The investment team is led by John Murray who has over 30 years' experience in investing in Australian Shares. Stephen Bruce, the lead portfolio manager of this Fund, has over 17 years' experience investing in Australian Shares and was a founding member of the Perennial Value team. The team comprises of 15 investment professionals, with an average of 16 years' experience managing and analysing Australian Shares and derivatives. The team actively positions your investment to take advantage of market conditions.

A well-diversified portfolio, with income enhancing strategies generally only utilised by institutional investors

The portfolio will consist of a well-diversified portfolio of quality Australian shares, providing a higher than market yield in aggregate and the prospect of long-term capital growth. The Investment Manager will use various strategies aimed at maximising the income of the portfolio including tilting the portfolio towards higher yielding stocks, increasing the holdings in stocks ahead of their dividend paying period and using options strategies to generating additional income as opportunities present through time. Importantly, the portfolio will at all times remain well-diversified, holding between 20 and 70 securities, significantly negating the risk of any single stock in the portfolio.

Focus on monthly income

We know how important regular monthly income is to our investors and it is our intention to pay monthly distributions where possible.

Portfolio Characteristics

The Fund will offer investors the following characteristics:

Distributions	Monthly
Asset allocation	0 – 20% in cash 80 – 100% in shares.
Minimum and max number of shares in portfolio	Minimum 20 Maximum 70
Gearing	Not allowed
Foreign Currency exposure	Not allowed
Offshore exposures	Not allowed
Investments	The Fund primarily invests in quality Australian shares. The Fund may use derivative instruments but only in accordance with the scenarios described in section 2.2.

2. About the Fund

2.5 INVESTMENT TEAM

The Perennial Value executives have equity ownership in the Perennial Value business, combined with significant personal investment in the Perennial Value funds, which ensures alignment of interests between the Investment Manager and investors.

Below shows the experience, tenure and responsibilities of the investment team:

PRIMARY MANAGERS

John Murray

Managing Director of Perennial Value

CA, ASIA. F. Fin, B.A (Acc)

John Murray established Perennial Value in January 2000 and has some thirty years industry experience. He is one of Australia's most respected value investors and has built a stable team of investment professionals who have delivered consistently strong results for investors. Under John's leadership, funds under management have grown from $40 million in 2000 to current levels and Perennial Value has won a number of prestigious industry awards and accolades. In October 2014, John was inducted into the Australian Funds Management Hall of Fame.

Stephen Bruce

Senior Portfolio Manager

B.Ec, M.Com, CA, CFA, SA Fin

Stephen joined Perennial Value as an Equities Analyst in April 2000. In 2006, he was promoted to the role of Research Coordination/Senior Equities Analyst and assumed the role of Deputy Portfolio Manager for the Perennial Value Shares for Income Trust. In 2011, he was promoted to the role of lead Portfolio Manager for the Perennial Value Shares for Income Trust and Co-portfolio Manager for the Perennial Value Australian Shares Trust. He also has research responsibility for the banking, healthcare, chemical and agricultural sectors.

Damian Cottier

Portfolio Manager & Research Coordinator

B.Com, LLB, CFA

Damian joined Perennial Value in May 2005. He is a Senior Equities Analyst/Research Coordinator and has research responsibility for the insurance, media and REIT sectors as well as a range of small industrial stocks. In 2011, Damian assumed the role of Research Coordinator. Prior to joining Perennial Value as an Equities Analyst, Damian worked as the Corporate Analyst for Perennial Investment Partners from 2002. Damian previously practiced corporate law for seven years with Freehills, Baker and McKenzie and Gilbert and Tobin. During this time, Damian practiced in the Mergers and Acquisitions field working on takeovers and shareholder matters in both Australia and Hong Kong.

2. About the Fund

Dan Bosscher
Portfolio Manager

B. Com, LLB (Hons)

Dan is a Portfolio Manager. He joined Perennial Value in August 2012 after fifteen years at UBS Investment Bank where he held the position of Managing Director – Head UBS Fundamental Investment Group. In this role, Dan managed a seven person team investing as a multi-strategy hedge fund in the Australian market. His responsibilities included the overall risk management of the portfolio using various derivative structures and strategies including long/short, risk arbitrage, quantitative, convertible bond arbitrage and derivative overlay.

Grant Oshry
Head of Mid Caps

CA, CMA (UK), B.Acc (Hons), B.Com

Grant joined Perennial Value in May 2003. Prior to joining Perennial Value, Grant held the position of Manager in the Unit Pricing and Distribution Division of MLC Limited. Previously, Grant was an Equities Dealer and Small Cap Analyst at Deutsche Asset Management in South Africa. He also qualified as a Chartered Accountant at Arthur Anderson in South Africa, while working in their Auditing Division. Subsequent to immigrating to Australia, Grant re-qualified as an Australian Chartered Accountant and is a member of the Institute of Chartered Accountants in Australia.

Andrew Smith
Head of Smaller Companies & Micro Caps

B.Com (Hons)

Andrew commenced with Perennial in July 2008. Andrew's previous role was Head of Research at Linwar Securities, a boutique broker specialising in smaller company research. Andrew joined Linwar in 2003 and during this time he has gained a deep understanding of stocks across the small cap spectrum. Prior to this, he worked at Tyndall in their graduate program, where he gained experience across a number of functions including accounting, product development and stock analysis.

William Wu
Senior Equities Analyst

B. Com (Acc and Fin)

William joined Perennial Value Management in July 2011 as an Assistant Analyst. Prior to joining Perennial Value, from 2009 he was a Business Analyst for Perennial Investment Partners. In this role, William was responsible for financial analysis, forecasting, budgeting assignments and reporting to the Financial Controller and Managing Director.Prior to joining Perennial, William worked at RSM Bird Cameron in the Insolvency division and started his career as a cadet of Moore Stephens in the Business Services division.

Julian Guido
Senior Small Caps Analyst

BCom (Accounting)

Julian joined Perennial Value in April 2017 as a Senior Small Caps Analyst. Julian is highly renowned in the Australian Small Caps market with over sixteen years equities research experience. Prior to joining Perennial Value, Julian specialised in Small Caaps institutional sales at Ord Minnett. Julian was most notably the Head of Small and Mid Caps Equities Research at CIMB Securities Australia (formerly RBS and ABN Amro) for over nine years. Whilst at CIMB, Julian was constantly one of the top ranking Analysts in the Peter Lee Survey, importantly achieving first place in the 2013 survey for Small Caps Analysts. Prior to CIMB, Julian held research positions at Merrill Lynch, Citigroup and County Natwest, again specialising in Small caps as well as large cap industrials.

Philip Cornet
Dealer

B.Sc

Philip joined Perennial Value in October 2015. He is responsible for equities trading across all of Perennial Value's Australian Shares, Smaller Companies and Wealth Defender portfolios. Prior to joining Perennial Value, Philip began his career on the ASX options trading floor twenty years ago with extensive experience in the Australian equities and equity derivatives markets working on both the buy-side and the sell-side.This included trading and client facing roles at investment banks Citigroup, Macquarie Group and Lehman Brothers on the sell-side and on the buy-side as a portfolio manager where he developed and managed equity portfolios with derivative overlays with a focus on implementation, protective strategies and superior risk-adjusted returns.

2. About the Fund

Michael Pollard
Portfolio Manager

B.Com, B.Arts, CFA

Michael is a Portfolio Manager in the Perennial Value Wealth Defender Team. Michael has fourteen years of experience managing derivatives portfolios at UBS and Credit Suisse, including eight years spent in London, and most recently ran derivative overlays and tactical asset allocation at a boutique wealth management firm in Melbourne. At Credit Suisse, Michael managed a global emerging markets derivatives portfolio, as well as a portfolio offering systematic alpha and beta exposure to global equity and volatility markets.

Scott Stewart
Portfolio Manager

B. Com, LLB

Scott is a Portfolio Manager in the Perennial Value Wealth Defender Team. Prior to joining Perennial Value in July 2014 as a senior derivatives trader, Scott was a Senior Trader – Global Equities at ANZ Banking Group. In his role at ANZ, Scott was responsible for managing a portfolio of global vanilla and exotic options across regional equity markets in Australia, Europe, Asia and the USA. A key part of his portfolio management responsibilities was the development and coordination of the strategic platform, inclusive of the risk management platform.

Samuel Berridge
Portfolio Manager & Resources Analyst

BSc. (Hons), Grad Dip App Fin, MAusIMM

Sam joined Perennial Value Management in April 2012, from the Royal Bank of Scotland in Sydney where he held the role of Metals and Mining Analyst. During that time he won Starmine's 2011 top Australian Metals and Mining Analyst Award. Prior to transitioning to the investment industry in 2008, he commenced his career in the mining industry gaining open pit mining and exploration experience across key commodities including gold, nickel, iron and uranium. During his six years in the mining sector, Sam held roles with industry leaders such as Equigold and Jindalee Resources in Australia and West Africa.

Ewan Galloway
Equities Analyst

B.A (Hons)

Ewan joined Perennial Value Management in December 2016 an Equities Analyst. Prior to joining Perennial he worked as a financial analyst/consultant at Expert 360 and previous to that spent six years at Deutsche Bank AG London where he undertook a number of financial analyst roles in Global Debt Services, M&A, Equity Capital raising and Healthcare Investment Banking. Ewan holds a Bachelor of Arts (Honours) in History and has completed the Columbia University Executive Education MBA program.

Haran Kumareswaran
Derivatives Analyst

M.Quant Finance, B.Com (Hons)

Haran started at Perennial Value in July 2016 as a Derivatives Analyst with over nine years derivatives experience. Prior to Perennial Value, Haran was a Treasury, Risk and Foreign Exchange Analyst at Flight Centre. Haran has also held a number of derivatives trading and risk management roles at Olam International, Everest Derivatives Trading and Optiver between 2007 and 2015. Haran has experience in foreign exchange, commodities and treasury throughout the Asia Pacific region. Haran holds a Master of Quantitative Finance from UTS and a Bachelor of Commerce (Honours) from the University of Sydney. Haran's Honours research thesis topic was "An empirical application of the GARCH model to modelling and forecasting the effect of news on the volatility of stock market returns". Haran is a current CFA Level 1 candidate.

Steven Yee
Dealer

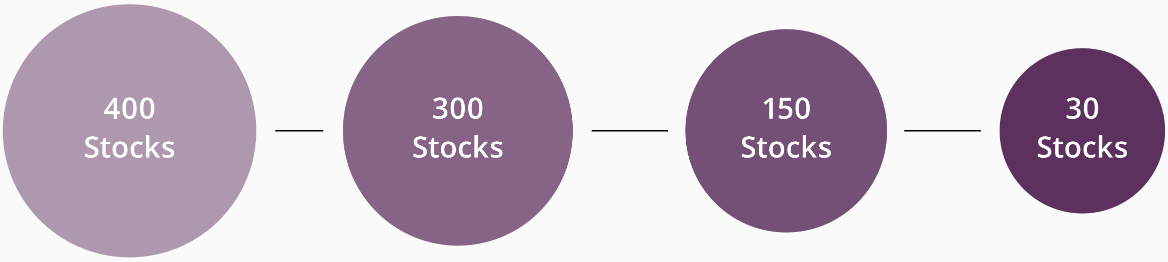
B.Com (Fin. and Comp. Sc.)

Steven joined Perennial Value in November 2009. He is responsible for equities trading across all of Perennial Value's Australian Shares, Smaller Companies and Shares for Income portfolios. Prior to joining Perennial, Steven was the dealer for Australian equities portfolios and also worked in the Fixed Interest team at Perpetual Investments. Prior to that, Steven was a Logistics Analyst at Nestlé, Australia. Steven has a Bachelor of Commerce (majors in Finance and Computer Science) from the University of Sydney and has completed level 1 of the CFA program.

2. About the Fund

2.6 INVESTMENT PROCESS

The investment process to be employed for the Fund involves extensive research and financial modelling and can be summarised in the schematic below:



Universe screening	Fundamental research	Proprietary ranking (PVM High Yield Screen)	Portfolio construction
Screen for	**Characteristics sought**	**Six key measures sourced from company models**	**Determines every stock's weighting**
• Lack of Earnings • High Debt Levels • Expensive Valuations	• Sound financial position • Good management • Profit track record • Strong market positions • Capital preservation – Financial modeling – ESG analysis – Company visits – Peer reviews	• Gross Yield 40% • P/E 12% • P/FCF 12% • P/NTA 12% • Net interest cover 12% • Forecast 3yr EPS Growth 12% – Stocks ranked best to worst yielding – Used to illustrate relative value	• Function of: – Risk Limits – Liquidity – Conviction Rating

= Client portfolio

2. About the Fund

Universe screening

The Perennial Value investment process begins with screening the Australian share market and eliminating entities based on factors such as expensive valuations, high debt levels and lack of earnings track record. This results in a universe of around 300 stocks on which detailed modelling and research is then conducted.

Fundamental research

This process involves:

- Extensive information gathering from published sources as well as company and industry contacts
- Detailed financial modelling and normalisation of financial statements
- Written research reports encapsulating key qualitative and quantitative criteria
- Detailed peer review of analyst assumptions and modelling
- Analysis of Environmental, Social and Governance factors

Every potential investment opportunity is assessed on its key qualitative and quantitative criteria. To qualify for investment, stocks must have sustainable businesses (qualitative) and offer good relative value at the current share price (quantitative).

These criteria include:

- Sound financial position (low debt)
- Good management
- Demonstrated profit track record
- Strong market position

Direct company and industry contacts are an integral part of the stock selection process.

Proprietary ranking

Relative value is measured by the Investment Manager's proprietary stock ranking model, knowns as the "Perennial Value Shares for Income Screen".

To qualify for inclusion in the shares for income screen, in addition to meeting the qualitative criteria above, a stock must have a market capitalisation of greater than $500 million. This results in a list of around 150 eligible stocks.

For these stocks, six key valuation measures are then downloaded from each company model into the ranking model:

- Price to earnings
- Price to free cash flow
- Gross dividend yield
- Price to net tangible assets
- Net interest cover
- Forecast earnings per share growth

The first five measures are based on forecasts looking forward two years. The sixth measure, earnings per share growth, is expressed as an annualised growth rate based on our internal forecasts for the next three years. This forces us to assess each company's dividend growth prospects beyond the generally accepted one to two year market consensus timeframe.

For each of the six measures, stocks are assigned a ranking which, when combined, results in the stock's overall ranking in the screen. Given the focus on income generation, gross dividend yield is assigned a 40% weighting, while each of the other five metrics is assigned a 12% weighting.

2. About the Fund

Portfolio construction

The outcome of this detailed research process is a list of stocks which are eligible for inclusion in the portfolio. The major driver of portfolio construction is the desire to deliver a superior yield at all times from good quality companies. As such, the portfolio will have a strong bias towards the highest-ranking stocks in the shares for income screen.

The weightings of stocks in the portfolio is based on a portfolio construction matrix, which is a function of:

The stock's forecast gross dividend yield; and

The analysts' view of the stock's expected total relative return over the next 12 months

This ensures that stocks with a higher forecast gross yield and greater expected total return receive a larger weighting in the portfolio.

Risk limits

The portfolio is subject to strict risk limits to maintain adequate diversification and thereby ensure the Investment Manager does not "bet the house" on any stock or sector.

These are:

- Number of stocks held between 20 and 70 (typically around 30-40);
- Minimum market capitalisation at the time of acquisition of $500 million;
- Maximum individual stock holding of Benchmark Index +5%;
- Maximum investment in any one stock of 12.5% of issued capital;
- Maximum sector exposure of Benchmark Index +/-20%;
- The portfolio can include listed stocks not included in the Benchmark Index;
- Maximum gross effective exposure to derivatives is 10% of the portfolio.

Currency Management

The Fund invests in securities that are denominated in Australian dollars. Therefore, the portfolio is expected to have no foreign currency risk.

Derivatives

Derivatives may be used in the Fund for investment and risk management purposes. Derivatives will not be used to gear the portfolio exposure and will only be used in accordance with the scenarios described in section 2.2.

Environmental, social and ethical considerations

Perennial Value believes companies that conduct their business at an appropriate Environmental, Social and Ethical (ESG) standard present the best long term prospect of delivering good outcomes to investors. Perennial Value has developed a proprietary ESG database, measuring and monitoring ESG activities for each of the 300 companies in the investment universe. Perennial Value analysts monitor and measure each company to determine its view of the company's ESG standards. This is then incorporated into the analyst recommendation and view of the company.

2.7 PERFORMANCE

Performance information for the Fund, and the Net Asset Value for the Fund, will be published on Perennial and eInvest websites at www.perennial.net.au and www.einvest.com.au or on the ASX website www.asx.com.au (code: EIGA). Information relating to past performance is not a reliable indicator of future performance. At the date of this PDS, the Fund has no material assets or liabilities and no performance information is available because the Fund is a new fund.

Changes to investment objectives and strategy

The Responsible Entity may from time to time vary the investment mandate (i.e. the investment objective and strategy as described in sections 2.1 to 2.2) for the Fund as set out in this PDS.

Any significant change to the investment mandate will be notified to investors and potential investors via a supplementary or new PDS accessible through the ASX Market Announcements Platform.

2. About the Fund

2.8 MARKET MAKING

To assist with the liquidity of the Units on ASX, the Responsible Entity, on behalf of the Fund, may act as a buyer or seller of Units. At the end of each ASX Business Day, the Responsible Entity will create or cancel Units by applying for or redeeming its net position in Units bought or sold on ASX. The Responsible Entity has appointed Macquarie Securities (Australia) Limited (**Macquarie**), a trading participant under the ASX Operating Rules, to provide market-making services as agent for the Responsible Entity with respect to the Fund.

The price at which the Responsible Entity may buy or sell Units will reflect the iNAV per Unit, market conditions and supply and demand for Units during the ASX Trading Day. The difference between the price at which the Responsible Entity is willing to buy Units and sell Units at any time is known as the "bid-offer spread". The Fund's monthly average bid-offer spread is reported in the ASX Investment Products Monthly Update, which can be viewed on the ASX's website at www.asx.com.au.

Macquarie is an established provider of algorithmic execution solutions in Australia with a proven track record of quality product. An experienced desk monitors the orders in real time with the further support of technology operations and development teams, who are based locally. Monitoring tools and redundancy solutions are in place. Macquarie is licensed with an AFSL and is part of Macquarie Group, which is a listed entity.

Macquarie has been operating the agency market making solution for another Managed Fund’s Responsible Entity since August 2016.

The Fund will bear the risk of the market making activities undertaken by the Responsible Entity, which may result in either a cost or benefit to the Fund.

The liquidity provided by the Market Maker will ultimately be constrained by day-to-day events including but not limited to, the continuing ability of the Market Maker to create and redeem Units.

The risks of market making are explained in section 6.

3. Benefits of investing in the Fund

Perennial Value have been appointed as the investment manager for the Fund. It is a specialist investment management firm, established in 2000. It has a highly-experienced team of 15 investment professionals and currently manages over $5 billion in Australian equities and derivatives. The firm has considerable experience managing income-oriented Australian shares portfolios, successfully managing the Perennial Value Shares for Income Trust and related portfolios since December 2005.

A well-diversified portfolio, with income enhancing strategies

The portfolio will consist of a well-diversified portfolio of quality Australian shares, providing a higher than market yield in aggregate and the prospect of long-term capital growth. The Investment Manager will use various strategies aimed at maximising the income of the portfolio including tilting the portfolio towards higher yielding stocks, increasing the holdings in stocks ahead of their dividend paying period and using options strategies to generating additional income as opportunities present through time. Importantly, the portfolio will at all times remain well-diversified, holding between 20 and 70 securities, significantly negating the risk of any single stock in the portfolio.

3.1 DISTRIBUTIONS

The Fund intends to pay distributions monthly. Distribution amounts may include dividends, realised gains or losses from disposal of securities, or other assessable income derived by the Fund, after allowing for fees and expenses.

Holders in the Fund at the end of a distribution period are entitled to a pro-rata share of the distributable income (if any) for that period based on the number of Units held in the Fund at the end of the distribution period. The amount of distributable income at the end of any distribution period will be determined by the Responsible Entity.

Distributions will generally be paid within 15 business days of the end of the distribution period to which they relate by deposit to a Holder's nominated Australian bank, building society or credit union account.

The amount of the distribution paid by the Fund will vary from period to period, and there may be periods when the Fund will not pay a distribution. The Responsible Entity may, in its discretion, change the duration of a distribution period for the Fund (provided that distribution periods cannot be longer than one year). See section 9 for further information.

Information about the timetable for each distribution and the declared distribution amount will be announced via the ASX Market Announcements Platform.

Distributions can only be paid electronically and the Fund will not pay distributions by cheque or mail.

3.2 TAX STATEMENT

The Responsible Entity will, as soon as reasonably practicable after the end of each financial year, issue to each Holder who received an entitlement to the distributable income of the Fund during a financial year, a tax statement which outlines the amount and composition of the taxable income of the Fund to which the Holder became entitled.

3.3 DISTRIBUTION REINVESTMENT PLAN

The Responsible Entity intends to offer a distribution re-investment plan (DRP). Participation in any DRP will be subject to the terms and conditions of the DRP policy document, which will be available at no charge by contacting PIML on 1300 730 032 (within Australia) or +61 3 8623 4202 (outside Australia). Any DRP will be available only to Holders who have a registered address in Australia or New Zealand.
Where a DRP is available, eligible Holders can choose to:

- participate in the DRP, meaning all distributions from the relevant Fund will be reinvested in additional Units in the Fund; or
- have the distributions paid directly to a nominated Australian bank, building society or credit union account.

Full or partial reinvestment will be available. If no DRP election is made, the distributions will automatically be paid into the nominated Australian bank, building society or credit union account. Holders can elect to participate in the DRP by completing an on-line application form available on the Unit Registry's website or by contacting the Unit Registry, Link Market Services.

4. How to invest in the Fund

Investors can invest in the Fund during the Initial Offer by making an Application under this PDS, or subsequently, by purchasing Units on ASX through a stockbroker or share trading account.

4.1 THE INITIAL OFFER

See section 7 of this PDS for details on the Fund's Initial Offer.

4.2 PURCHASING UNITS ON-MARKET

Following the closure of the Initial Offer, and subject to confirmation of admission to trading status by the ASX, the Units will be available for trading on ASX.
Investors can invest in the Fund by purchasing Units on ASX through a stockbroker or share trading account. There is no minimum number of Units investors can buy on ASX. The purchase of Units on-market is settled through the CHESS settlement service, and investors will not need to complete any application form.

The cost of investing in the Fund on-market will be the price at which you purchase Units on ASX, plus any brokerage fees you incur. Investors can purchase additional Units on ASX at any time, through a stockbroker or share trading account.

Investors do not have a right to a cooling off period for Units purchased on ASX.

4.3 SELLING UNITS ON-MARKET

Holders can sell Units on the ASX through a stockbroker or share trading account, without completing any forms. Proceeds from any sale of Units will be delivered through the ASX CHESS settlement service. An investor's exit price will be the price at which the Units were sold on ASX, less any brokerage fee that is incurred.

There is no minimum number of Units investors can sell on ASX.

The Responsible Entity has appointed Macquarie as the market maker to provide liquidity to investors on ASX by acting as a buyer and seller of Units. At the end of each Business Day, the market maker will create or cancel Units by applying for or redeeming its net position in Units bought or sold on ASX.

The liquidity provided by the market maker will ultimately be constrained by day-to-day events including but not limited to, the continuing ability of the market maker to create and redeem Units. See section 4.4 of this PDS for more information on Off-Market Withdrawal Rights and the risks associated with market making under section 6.1.

4.4 OFF-MARKET WITHDRAWAL RIGHTS

In the event that trading in the Fund's Units on the ASX has been suspended for five consecutive ASX Business Days, Investors may be able to apply to Perennial directly to make an off-market withdrawal of their investment from the Fund. Investors can request a withdrawal form by contacting the Unit Registry.

The off-market withdrawal process, including the calculation of the NAV per Unit, applies only when the Fund is 'liquid' (within the meaning given to that term in the Corporations Act). Where the Fund ceases to be liquid, Units may only be withdrawn pursuant to a withdrawal offer made to all investors in the Fund in accordance with the Constitution and the Corporations Act. PIML is not obliged to make such offers. Where the Fund is not liquid, investors do not have a right to withdraw from the Fund and can only withdraw where the Responsible Entity makes a withdrawal offer in accordance with the Corporations Act. The Responsible Entity is not obliged to make such offers. Holders will be notified in writing of any changes to their withdrawal rights.

There may be other circumstances where off-market withdrawals from the Fund are suspended and investors may have to wait a period of time before they can make a withdrawal.

Off-market withdrawals from the Fund may be suspended for up to 28 days including where:

- it is impracticable for PIML, or PIML is unable, to calculate the NAV of the Fund, for example, because of financial market disruptions or closures;
- the payment of withdrawal proceeds involves realising a significant portion of the Fund's assets which would, in PIML's opinion, result in remaining investors bearing a disproportionate amount of capital gains tax or expenses, or suffering any other disadvantage or diminution of the value of Units held;
- the quotation of Units on ASX is suspended, halted or revoked;
- in respect of any period of 5 consecutive Business Days members request the withdrawal of a number of Units that in aggregate represent more than 10% of the number of Units in issue, the Responsible Entity may in its discretion determine that each withdrawal request made in that period (each an "original withdrawal request") must be and be deemed to be 5 separate withdrawal requests each for a one-fifth portion of the total number of Units in the relevant original withdrawal request;
- PIML reasonably considers it would be in the interests of Investors, or it is otherwise permitted by law;
- a redemption would cause the Responsible Entity to breach any law, regulation or obligation under which it operates; or
- the Responsible Entity is allowed to do so by any form of ASIC relief or otherwise permitted by law.

No Units may be issued or withdrawn during such periods of suspension.

5. Fees and other costs

TRANSACTION COSTS		
Type of fee or cost	**Amount**	**How and When Paid**
Fees when your money moves in or out of the Fund		
Establishment fee The fee to open your investment	Nil	N/A
Contribution fee* The fee for each amount contributed to your investment	Nil	N/A
Withdrawal fee* The fee on each amount you take out of your investment	Nil	N/A
Exit fee The fee to close your investment	Nil	N/A
Management costs[1]		
The fees and costs for managing your investment	Investment management fee 0.65% per annum of the Fund's Net Asset Value Plus Expense recoveries[2] - capped at 0.15% per annum of the Fund's Net Asset Value Plus Indirect costs Nil	Calculated and accrued daily as a percentage of the Fund's Net Asset Value, and reflected in the daily Net Asset Value per Unit. The amount is deducted from the Fund's assets monthly on or after the first day of the following month.

Fees and cost can be paid directly from your account or deducted from your investment returns.

The fees are inclusive of the Goods and Services Tax (GST) and take into account any expected Reduced Input Tax Credits (RITCs). Where fees are shown to two decimal places, the actual fee may have been rounded up.

Each fee set out in this table may in some cases be negotiated with wholesale clients. For more information, refer to the explanation of "Differential fees" in the "Additional Explanation of Fees and Costs" section below.

1. Management costs includes the investment management fee and expense recoveries (excluding any unusual or non-recurrent expenses). Management costs reduce the Net Asset Value of the Fund and are reflected in the unit price.

2. Certain expense recoveries may be deducted from the Fund on an uncapped basis. See explanation of "Management Costs" in the "Additional Explanation of Fees and Costs" section below for more information.

* Cash applications and redemptions are only available if agreed by the Responsible Entity. Additional contribution and withdrawal fees may apply in the case of a cash application or redemption as agreed with the Responsible Entity from time to time.

5. Fees and other 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 fund 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 contribution fees and management costs where applicable. 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) website (www.moneysmart.gov.au) has a managed investment fee calculator to help you check out different fee options.

You can use the ASIC calculator to calculate the effect of fees and costs on your account balances.

This section provides summary information about the main fees and costs that you may be charged for the Fund. The fees and costs charged by the Fund may be deducted from your account, from the returns on your investment or from the Fund assets as a whole.

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

5. Fees and other costs

5.1 EXAMPLE OF ANNUAL FEES AND COSTS FOR THE FUND

The table below gives an example of how the fees and costs for the Fund can affect your investment over a one year period. You should use this table to compare this product with other managed investment schemes.

Example. Table 5.1

Balance of $50,000 with total contributions of $5,000 during the year.		
Contribution fee* The fee for each amount contributed to your investment	$0	For every additional $5,000 you put in, you will be charged: $0
PLUS Management Costs (investment management fee plus capped expense recovery plus indirect costs)	0.80% p.a.	And, for every $50,000 you have in the Fund you will be charged $400 each year.
Exit fee The fee to close your investment	Nil	N/A
EQUALS cost of the Fund[1 2 3]		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 of $400 What it costs you will depend on the fees you negotiate with PIML or your financial adviser.

When calculating management costs in this Example, the law says we must assume that the value of your investment remains at $50,000 and the Fund's Unit price does not fluctuate. Management costs actually incurred will depend on the market value of your investment and the timing of your contributions (including any reinvestment of distributions).

Management costs are made up of the investment management fee of 0.65% p.a., capped expense recovery of 0.15% p.a. and estimated indirect costs of 0.00% p.a., of the Fund's Net Asset Value. Certain additional costs may apply, such as transactional and operational costs. For more information, refer to "Management costs" in the "Additional Explanation of Fees and Costs" section below.

If you would like to calculate the effect of fees and costs on your investment you can visit the ASIC website (www.moneysmart.gov.au) and use their managed investment fee calculator.

1. Certain additional costs apply, such as extraordinary expense recoveries. For more information, refer to the "Additional Explanation of Fees and Costs" section below.
2. This is an example only. It assumes that the $50,000 is invested for the entire year and the $5,000 investment occurs on the last day of the year.
3. Additional fees may be paid to a broker or financial adviser, if you have consulted one. You should refer to the Statement of Advice provided by your broker/financial adviser in which details of the fees are set out.

5.2 ADDITIONAL EXPLANATION OF FEES AND COSTS

Management costs

The Fund pays Management Costs of up to 0.80% per annum to the Responsible Entity for managing the assets of the Fund and overseeing the operations of the Fund.

The Management Costs include the ongoing fees and other costs involved in managing the Fund and deriving investment returns. The management costs comprise:

- Responsible Entity's fee (from which the Investment Manager's Fee is paid);
- Expense Recoveries; and
- any indirect costs.

Management costs do not include:

- transactional and operational costs, such as brokerage on securities transactions for Fund assets and brokerage on units transacted as part of market making activities fees and other transaction fees associated with buying and selling the Fund's assets; and
- other costs that an investor would ordinarily incur when investing directly in the Fund's underlying assets.

These costs are therefore not included in the management costs set out in Table 5.1, but they are paid out of the Fund's assets.

Indirect costs

These form part of Management Costs and include any fees and expenses not already charged to a member as a fee that will directly or indirectly reduce the return on a product, for example, certain OTC derivative costs. The Fund's indirect costs are based on an estimate for the period starting at the commencement of the Fund and ending 30 June 2018 and are estimated to be NIL. Actual indirect costs for future years may differ.
Investment Manager's fee

This fee is paid by the Responsible Entity to the Investment Manager to provide investment and other services for the Fund. It is paid from the Responsible Entity's fee and is not an additional cost to the Fund.

Responsible Entity's fee

This fee is charged by the Responsible Entity for managing the Fund and making it available to investors.

Expense Recoveries

These represent the operating expenses incurred in the operation of the Fund. The Fund's constitution allows all properly incurred expenses to be recovered from the Fund and does not place any limit on the amount or types of expenses that can be recovered. However, as detailed below whilst this PDS is current these expenses will be capped.

The expenses normally incurred in the day to day operation of the Fund include custodian, fund administration, unit registry, market making and ASX fees and audit costs (other than transactional costs described above). The normal expenses charged to the Fund will be capped as set out in Table 5.1 above. Any such expenses in excess of the cap will be borne by the Responsible Entity from its own resources, on the basis that the Responsible Entity has the right to be reimbursed for them at a later time, provided that the cap will not be exceeded at the time of reimbursement.

Extraordinary expenses

Expenses that are not normally incurred in the day to day operation of the Fund and are not necessarily incurred in any given year. They may include costs associated with holding unitholder meetings, changing the Fund's constitution, or defending or pursuing legal proceedings. Extraordinary expense recoveries are not included in the cap on expenses described in this section and are not included in the Management Costs set out in Table 3.1 and Table 3.2 above. If the cap on expenses is exceeded because of the payment of extraordinary expenses, Holders will be notified. Any such expenses will be recovered from the Fund and reflected in the Fund's Net Asset Value per Unit.

Stockbroker fees

Investors may incur customary brokerage fees and commissions when buying and selling Units on the ASX, as for any listed or quoted security. Please consult a stockbroker for more information in relation to their fees and charges.

5. Fees and other costs

Can fees and costs change and what are the maximums?

Yes, fees and costs can change subject to maximums in the Fund's Constitution. The Constitution of the Fund limits the amount of the Responsible Entity's fee to a maximum of 5% p.a. of the Fund's Net Asset Value (plus GST). However, management costs (which include the Responsible Entity's fee) are capped at the levels set out in the table in section 5 while this PDS is current. The Constitution of the Fund provides for the following maximum application and redemption fees:

- a maximum application fee of 5% of the aggregate Issue Price of the Units applied for (plus GST);
- a maximum redemption fee of 5% of the aggregate Withdrawal Amount of the relevant Units (plus GST).

The Responsible Entity also has the right under the Constitution to recover from the Fund all expenses properly incurred in the performance of its duties. As at the date of this PDS, the Responsible Entity does not have any intention to change the fees and costs described in this PDS, although it has the right to do so at any time. Any increase in the fees and costs for the Fund will be announced to the ASX via the Market Announcements Platform at least 30 days before it occurs.

Transactional and operational costs

Transactional and operational costs include brokerage, settlement costs, bid-offer spreads on investments and currency transactions and borrowing, clearing and stamp duty costs, such as brokerage on securities transactions for Fund assets and brokerage on units transacted as part of market making activities fees, clearing costs, and other transaction fees associated with buying and selling the Fund's assets. Transactional and operational costs are an additional cost and are not included in the Management Costs. These costs are also incurred in connection with day to day trading within the Fund. Transactional and operational costs are not charged to you as a fee, however, they will have an effect on the value of your investment by reducing the Net Asset Value of the Fund.

We estimate the total transaction and operational costs of the Fund for the year ending 30 June 2018 to be up to 0.19% of the Fund's Net Asset Value. This estimate of transactional and operating costs is based on a reasonable estimate using transactional and operating costs reflective of the Fund's proposed investment portfolio and with reference to the transaction costs incurred by the Perennial Value Shares for Income "Unlisted "Trust which has a strategy and underlying share portfolio that closely mirrors that which will be implemented within this Fund. Based on an average account balance of $50,000 over a one year period, this estimate of transactional and operational costs represents approximately $95. We have also assumed that application monies received in respect of the Fund are fully invested. In practice, your incurred transaction and operational costs will vary from year to year based on your investment balance, the Fund's volume of trading and the number and value of applications processed.

Differential fees

A rebate of part of the Responsible Entity fee may be negotiated with investors who are wholesale clients for the purposes of Section 761G of the Corporations Act.

The amount of any fee rebate is at the Responsible Entity's discretion. The Responsible Entity will achieve these reductions by payments from its own resources. Further information can be obtained by contacting Perennial.

Adviser remuneration

No commissions will be paid by us to financial advisers. Additional fees may be paid by you to your financial adviser if one is consulted. You should refer to the Statement of Advice they give you in which details of the fees are set out.

Broker fees in Initial Offer period

The Responsible Entity and Perennial Value in its personal capacity have appointed a broker to provide certain services with respect to management of the Initial Offer. See section 7.13 of this PDS for more information on the details of these services and also the distribution fees to be paid by PIML in respect to the Initial Offer.

6. Risks

Holders in the Fund face a number of investment risks. There are risks associated with any investment. Generally, the higher the expected return of an investment, the higher the risk and the greater the variability of returns.

The market price and Net Asset Value per Unit can fluctuate within a wide range. When considering an investment in the Fund, personal tolerance for fluctuating market values should be taken into account.

The most common risks associated with investing in the Fund are described below, but there could be other risks that affect the performance of the Fund. The discussion of risks below is general in nature and should not be relied upon as personal financial product advice.

The Responsible Entity does not provide assurances or guarantees on future profitability, returns, distributions or return of capital. An investment in the Fund could lose money over short or long periods.

You should seek your own professional advice on the appropriateness of this investment to your circumstances. You should also consider how an investment in the Fund fits into your overall investment portfolio.

6.1 RISKS OF INVESTING IN THE FUND

The risks, in no particular order, that may affect the value of your investment and the distributions paid by the Fund include:

Investment objective risk

There is a risk that the Fund will not meet its investment objective.

Market risk

Market risk is the risk that the Net Asset Value of a fund will fluctuate as a result of fluctuations or changes in the market prices of the securities held by that fund and the financial markets as a whole. Unexpected conditions (e.g. economic, technological or political) can have a negative impact on the returns of all investments within a particular market. Our careful analysis of detailed research in combination with diversified holdings, aims to minimise this risk.

ASX Market risk

The ability to buy and sell Units on ASX could be limited and may impact the liquidity of the Units. No trading will occur during any period where ASX suspends trading of the Units.

Concentration risk

When investments are concentrated in a smaller number of securities than the Benchmark Index, the Unit price may be more volatile than the return of the Benchmark Index. The Fund has both security and sector limits relative to the Benchmark Index which aim to manage this risk by ensuring satisfactory diversification.

Company or security-specific risk

A number of factors can adversely affect the value of a specific security in which the Fund invests and therefore impact the Fund. Perennial Value's careful analysis of detailed research in combination with diversified holdings, aims to minimise this risk.

Interest rate risk

Changes in interest rates can influence the value and returns of investments. Perennial Value's careful analysis of detailed research in combination with diversified holdings, aims to minimise this risk.

Liquidity of investments risk

If a security cannot be bought or sold quickly enough to reduce or minimise a potential loss, the Fund may experience difficulty satisfying commitments associated with financial instruments. The risk management guidelines adopted by Perennial Value are designed to minimise liquidity risk through applying limits to ensure there is no undue concentration of liquidity risk to a particular counterparty or market.

ASX Liquidity risk

The liquidity of trading in the Units on the ASX may be limited. This may affect an investor's ability to buy or sell Units. Investors will not be able to purchase or sell Units on the ASX during any period that ASX suspends trading of Units in the Fund. Further, where trading in the Units on the ASX has been suspended for five consecutive Business Days, the availability of the Fund's off-market redemption facility will be subject to the provisions of the Constitution.

Currency and Interest Rate risk

Fund assets will be denominated in AUD. Changes in interest rates and exchange rates may impact economic conditions across the market and, thus, may affect stock valuations both positively and negatively.

6. Risks

Derivative risk

In limited circumstances, Perennial Value may use derivatives to control the various risks associated with investing by modifying the exposure to particular assets, asset classes or currencies or to enhance the yield of the portfolio. Most commonly, derivatives are used for hedging and investment purposes. Hedging involves establishing offsetting positions in derivative markets to protect the value of the underlying physical assets from anticipated adverse price movements over time. Derivatives may also be used by Perennial Value as an alternative to investing in physical assets because of their cost and liquidity efficiency. To the extent that derivatives are used, they will be limited to the following three scenarios:

(a) for the dominant purpose of managing foreign exchange or interest rate risk (although as the Fund will invest in AUD denominated securities, this is not envisaged);

(b) for the dominant purpose of more efficiently gaining an economic exposure, through the use of exchange-traded derivatives, to the underlying reference assets of those derivatives, but only on a temporary basis (i.e. for a period of less than 28 days, which cannot be extended by rolling over or replacing the derivative); or

(c) use of exchange-traded derivatives, provided the notional derivatives exposure of the Fund does not exceed 10% of its net asset value (unless the exposure is attributable to circumstances that were not reasonably foreseeable by the Responsible Entity, such as unforeseen market movements or large redemption requests, and the exposure is for a period of no more than three consecutive business days).

These three exceptions operate independently of each other. For example, where a fund uses exchange-traded derivatives for the dominant purpose of managing foreign exchange or interest rate risk, this does not count towards the 10% notional derivatives exposure limit for exchange-traded derivatives in accordance with ASIC Regulatory Guide 240.12.

Gains or losses can result from investments in derivatives. In addition to any risk associated with the underlying asset (or index) for which a derivative is valued, derivative prices are affected by other factors including: market liquidity; interest rates; and counterparty risk. We seek to mitigate the risks through a range of risk management strategies including the use of limits on positions.

Investment manager risk

Is the risk that the Fund's investment objective will not be achieved and/or it may underperform the Benchmark Index or may underperform other investment managers in the same asset class. The risk is mitigated by the active management of the Fund's assets.

Responsible entity risk

There is a risk that the Fund could terminate, that fees and expenses could change or that the Responsible Entity could be replaced as responsible entity for the Fund. We aim to keep responsible entity risk to a minimum by monitoring the Fund, acting in your best interests and ensuring compliance with legislative requirements.

Market making risk

Macquarie acts as market maker in the Units on behalf of the Fund. There is a risk that the Fund may suffer a cost as a result of these market making activities. This in turn may adversely affect the NAV or iNAV of the Fund. Such a cost could be a result of an error in execution of market making activities or in how Units are priced when traded on ASX. Macquarie has the discretion to increase the spread, within the agreed parameters between the Market Maker and the Responsible Entity, at which it makes a market and also has the right to cease making a market subject to its obligations under the AQUA Rules and ASX Operating Rules.

Other risks

Managed investment schemes are also subject to operational risk in that circumstances beyond our control may prevent us from managing the Fund in accordance with its investment strategy. These circumstances may include strikes or industrial disputes, fires, war, civil disturbances, terrorist acts, state emergencies and epidemics.

Tax risk

Taxation law is complex and subject to changes by the Australian Government, possibly with retrospective effect. As the circumstances of each investor are different, the Responsible Entity strongly recommends that investors obtain professional independent tax advice relating to the tax implications of investing in and dealing in Units. A general summary of the tax treatment of holding Units is set out in section 9 of this PDS.

6. Risks

Fund risk

There is a risk that the Fund could terminate, that fees and expenses could change or that the Responsible Entity may not be able to continue to act, for example if it loses its Australian financial services licence (in which case it could be replaced as responsible entity of the Fund or the Fund could be wound up). Any replacement responsible entity might achieve different results for investors, positive or negative, than would otherwise be the case. There is also a risk that investing in the Fund may give a different result than investing directly into the constituents or assets that make up the Fund's underlying Index.

Operational risk

The Fund's day to day operations may be adversely affected by circumstances beyond the reasonable control of the Responsible Entity, such as failure of technology or infrastructure, or natural disasters. A breakdown in administrative procedures and risk control measures implemented by the Responsible Entity or its service providers may also adversely affect the operation and performance of the Fund.

Personnel risk

The skill and performance of Perennial Value, can have a significant impact on the investment returns of the Fund. Changes in key personnel and resources of the Responsible Entity or Investment Manager may also have a material impact on investment returns on the Fund.

Pooled Investment Scheme risk

The market prices at which the Fund is able to invest inflows, or sell assets to fulfil outflows, may differ from the prices used to calculate the NAV per Unit. Investors in the Fund may therefore be impacted by the investors entering and exiting the Fund. The impact will depend on the size of inflows or outflows relative to the Fund, and on the price volatility of the securities in which the Fund invests. Inflows and outflows may also affect the taxable income distributed to an investor during a financial year.

iNAV risk

The iNAV published for the Fund is indicative only, may not be up to date and may not reflect the true value of a Unit.

Trading risk

In certain circumstances, the ASX may suspend trading of the Units of the Fund and in that event Holders would not be able to buy or sell Units of that Fund on the ASX. In these circumstances, the Responsible Entity may suspend the application and redemption process. There may be other occasions where the Responsible Entity may suspend the application and redemption process, such as around the end of a distribution period or where other factors prevent the accurate calculation of Unit prices, such as the suspension or restriction of trading in securities that form part of the Index. This may cause the Fund's Units to be suspended from trading on the ASX.

The ASX also imposes certain requirements for Units to continue to be quoted. The Responsible Entity will endeavour to meet these requirements at all times to ensure the Units remain quoted, although there can be no assurance that Units will remain quoted on the ASX. Under these circumstances, the Responsible Entity may take measures such as suspending the application and redemption process or potentially terminating the Fund.

The Responsible Entity may elect, in accordance with the relevant Constitution and Corporations Act, to terminate the Fund for any reason including if Units cease to be quoted on the ASX. Information about the AQUA Rules applicable to quotation of Units in the Fund on the ASX is set out in section 1.4 of this PDS.

Liquidity risk

Although the Units will be quoted under the AQUA Rules of the ASX, there can be no assurances that there will be a liquid market for Units, and an investor's ability to buy or sell Units may be restricted. Although the Responsible Entity has appointed a market maker for the Units, to act as agent on behalf of the Fund to assist in maintaining liquidity for the Fund on the ASX, the Responsible Entity cannot guarantee this service will be available at all times and in some circumstances the market maker may be unable to provide these services (such as where there are operational disruptions, market disruptions or unusual conditions, or other events set out in the ASX Operating Rules). In addition, there is the risk that one or more securities or other assets held by the Fund may be difficult or impossible to sell, preventing the Fund from closing out its position or rebalancing in a timely manner and at a fair price. This may be due to factors specific to that investment or to prevailing market conditions. A lack of liquidity could potentially result in the suspension of withdrawals, which may cause the Fund's Units to be suspended from trading on the ASX.

6. Risks

Settlement risk

The application and redemption processes associated with the issue or redemption of Units are subject to settlement procedures through CHESS. The Fund is exposed to some risk if a market participant fails to comply with its settlement obligations. These risks are mitigated by the fact that market participants are subject to usual ASX trading practices including ASX fail fees. The Fund may also suffer loss if a market participant fails to deliver the application consideration for Units, or redeliver Units in relation to a redemption, by the settlement time and the Fund has entered into transactions in reliance on delivery occurring.

Counterparty risk

Counterparties used in connection with the Fund's investment activities may default on their obligations, for instance by failing to make a payment when due. This may be due to insolvency or other events of default. Such counterparties may include service providers and derivatives counterparties, as well as the Fund's custodian. Default on the part of a counterparty could result in financial loss to the Fund.

Trading price of units may differ from Net Asset Value per Unit risk

As with any exchange traded fund, it is possible that the trading price of Units on the ASX may differ from the Net Asset Value per Unit. The trading price is dependent on a number of factors including the demand for and supply of Units, investor confidence, the availability of market maker services during the course of the trading day, the buy-sell spread charged by a market maker and how closely the value of the assets of the Fund tracks the performance of the relevant Index. The application and redemption facility is designed to reduce the likelihood of Units trading at a significant discount or premium to the Net Asset Value per Unit. If the application or redemption facility for the Fund is closed on a particular day, the trading price might diverge further from the Net Asset Value per Unit.

Changes in law and regulatory risk

There is a risk that a change in laws and regulations governing a security, sector or financial market could have an adverse impact on the Fund or on the Fund's investments. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.

Cyber risk

There is a risk of fraud, data loss, business disruption or damage to the information of the Fund or to investors' personal information as a result of a threat or failure to protect this information or data.

Conflicts of Interest risk

The Responsible Entity intends to act as market maker to the Fund. A conflict might arise between the Fund and investors buying or selling Units from the Fund on the ASX, due to the Fund's desire to benefit from its market making activities. The Responsible Entity maintains a conflicts of interest policy to ensure that it manages its obligations to the Fund and its Holders such that any conflicts are managed fairly.

7. The initial offer

Purpose of the Initial Offer

The purpose of the Initial Offer is to raise initial money in order to seed the Fund prior to the Units being admitted to trading status on ASX. The Responsible Entity is offering Units to raise a minimum of $10 million.

The Offer is made up of the General Offer and the Broker Firm Offer (detailed in section 7.2).

With respect of the Initial Offer, the Application Price for each Unit is $4.00. Investors must apply for a minimum of $5,000, and thereafter in multiples of $2,000.

Applications for Units during the Initial Offer must be received by 5.00pm (AEDT) on the Closing Date.

7.1 KEY DATES

Key Dates and Terms for the Initial Offer are set out below.

Opening Date:	Thursday 22 March 2018
Closing Date:	Friday 27 April 2018
Application Price:	$4.00
Minimum Application Amount:	$5,000

7.2 BROKER FIRM AND GENERAL OFFERS

The Initial Offer comprises a Broker Firm Offer and a General Offer. The Broker Firm Offer is open to persons who have received a firm allocation from their Broker or Licensed Dealer and who have a registered address in Australia or New Zealand. Investors who have been offered a firm allocation by a Broker or Licensed Dealer will be treated as an Applicant under the Broker Firm Offer in respect of that allocation. Investors should contact their Broker or Licensed Dealer to determine whether they may be allocated Units under the Broker Firm Offer.

The General Offer is open to investors who have a registered address in Australia or New Zealand.

Applicants under both the General Offer and Broker Firm Offer will be required to pay an Application Amount of $4.00 per Unit for each Unit they apply for.

The Responsible Entity reserves the right not to proceed with the Initial Offer at any time before the allotment of Units under the Initial Offer. If the Initial Offer does not proceed, Application Monies received by the Responsible Entity will be refunded in full (without interest).

The Responsible Entity reserves the right to decline any Applications in whole or in part without giving any reason. An Application may be accepted by the Responsible Entity in respect of the full number of Units specified in the Application or any of them without further notice to the Applicant.

The Responsible Entity reserves the right to close the Initial Offer early, to accept late Applications or extend the Initial Offer without notifying any recipient of this PDS or any Applicant.

7.3 MINIMUM SUBSCRIPTION

The minimum subscription required for the Initial Offer and listing to proceed is $10 million. If the minimum subscription is not obtained within three months after the date of this PDS, the Responsible Entity will repay as soon as practicable all Application Monies in full without interest and no Units will be issued. If the Fund does not obtain the minimum subscription required, it will not seek quotation of Units on ASX.

The Initial Offer is not underwritten.

7.4 APPLYING FOR UNITS

Applications must be for a minimum of $5,000. Applications in excess of the minimum number of Units must be in multiples of $2,000. There is no maximum amount that may be applied for under the Initial Offer.

The Responsible Entity reserves the right to reject any Application or to allocate a lesser number of Units than that which is applied for.

7.5 APPLYING FOR UNITS UNDER THE GENERAL OFFER

To apply for Units under the General Offer, please complete the Online Application Form available on the Offer Micro Site at www.perennial.net.au/EIGA. For postal applications, please complete the General Offer Application Form issued with and attached to this PDS. All forms must be completed in accordance with the accompanying instructions.

Any Applicants applying online must personally complete the Online Application Form and pay the Application Monies via BPAY® (registered to BPAY Pty Ltd ABN 69 079 137 518) only.

For hard-copy Applications, completed Initial Offer Application Forms, and accompanying Application Monies must be lodged so that they are received at the address set out on page 34 by the Closing Date.

7. The initial offer

By mail to:

eInvest Income Generator Fund (Managed Fund) Offer
C/-Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Or by hand delivery to

C/-Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

(Do not use this address for mailing purposes)

7.6 APPLYING FOR UNITS UNDER THE BROKER FIRM OFFER

To apply for Units under the Broker Firm Offer, Applicants must complete the Broker Firm Offer Application Form and lodge it with the Broker or Licensed Dealer from whom the Applicant received their firm allocation. Broker Firm Offer Application Forms must be completed in accordance with the instructions given to an Applicant by the Broker or Licensed Dealer and the instructions set out on the reverse of the Broker Firm Offer Application Form.

The Responsible Entity will determine the allocation of Units amongst Brokers and Licensed Dealers. Brokers and Licensed Dealers will have sole discretion to allocate Units offered under the Initial Offer to their clients, and they (and not the Responsible Entity) will be responsible for ensuring that clients who have received an allocation from them receive the relevant Units. Please contact your Broker or Licensed Dealer if you have any questions.

7.7 PAYMENT

Application Monies may be paid by BPAY® (see below), by cheque or by bank draft.

Cheques or bank drafts must be in Australian currency, drawn on an Australian branch of a financial institution; crossed 'Not Negotiable' and made payable to:

- for Applicants in the General Offer: to eInvest Income Generator Fund (Managed Fund);
- for Applicants in the Broker Firm Offer: in accordance with the directions of the Broker or Licensed dealer from whom the Applicant has received a firm allocation.

Applicants should ensure that sufficient funds are held in the relevant account to cover their cheque. If the amount of an Applicant's cheque is insufficient to pay for the number of Units applied for in the relevant Application Form, the Applicant may be taken to have applied for such higher or lower amount as the cleared Application Monies will pay for.

Applicants who wish to pay by BPAY® should follow the instructions on the Online Application Form (which includes the Biller Code and your unique Customer Reference Number (CRN)). The Online Application Form accompanies the electronic version of this PDS and is available on the Website. Investors should ensure they use the specific biller code and unique CRN provided on the Online Application Form. Failure to use the correct CRN may result in an Application being rejected.

It is each Applicant's responsibility to ensure that Application Monies are received by the Responsible Entity prior to 5pm (AEDT) on the Closing Date. The Responsible Entity accepts no responsibility for any failure to receive Application Monies or payments by BPAY® by the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

There will be no interest paid on Application Monies.

7.8 OFFER OPENING AND CLOSING

The Initial Offer is expected to open for Applications on the Opening Date. However, this may be delayed if ASIC extends the exposure period for this PDS.

The Initial Offer is expected to close at 5.00pm (AEDT) on the Closing Date. Individual Applicants are responsible for ensuring that their Application Form and Application Monies are received prior to this time. Applicants to the Broker Firm Offer should return their applications in accordance with the deadline set out to them by their Broker.

7.9 ALLOCATION POLICY

Units will be allocated under the Initial Offer firstly to Brokers or Licensed Dealers under the Broker Firm Offer, and then to Applicants under the General Offer. Within the Initial Offer, the Responsible Entity may give preference to certain Applicants nominated by it. Otherwise, Applicants under the General Offer will be allocated Units in accordance with the number of Units they apply for, and may be scaled back or rejected. The formula for any scale back will be determined by the Responsible Entity in its sole discretion.

It is currently expected that certain shareholders, directors and employees of the Responsible Entity, related parties or affiliates may also submit Applications.

The Responsible Entity reserves the right in its absolute discretion not to issue Units to Applicants under the General Offer and may reject any Application or allocate a lesser number of Units than those applied for at its absolute discretion.

Application Monies will be refunded to the extent that an

7. The initial offer

Application is rejected or scaled back, or the Initial Offer is withdrawn. No interest will be paid on refunded amounts. The Responsible Entity will retain any interest earned on all Application Monies.

7.10 SUCCESSFUL APPLICATIONS

Applicants under the General Offer will be able to call the offer information line on 1800 502 914 (within Australia), or +61 1800 502 914 (outside Australia) ,between 8.30am and 5.30pm (AEDT) from Thursday 3 May to confirm their allocation.

The Responsible Entity will issue the Units to successful Applicants as soon as practicable after the Closing Date. Holding statements and allotment notices confirming Applicants' allocations under the Initial Offer are expected to be sent to successful Applicants on or around Thursday 3 May. Allotment is expected to occur on Wednesday 2 May.

Investors do not have a right to a cooling off period in respect of the Units.

7.11 TRADING ON ASX

An application has been made to have the Units admitted to trading status on ASX. Trading of the Units on the ASX (under code EIGA) is expected to commence on Monday 7 May 2018 on a normal T+2 settlement basis.

It is the responsibility of Applicants to determine their allocation of Units prior to trading in them. Applicants who sell Units before they receive confirmation of their allotment will do so at their own risk.

If the ASX does not grant permission for the Units to be quoted within 3 months after the date of this PDS, the Units will be cancelled and all Application Monies will be refunded (without interest) as soon as practicable.

7.12 COSTS OF THE INITIAL OFFER

The costs of the Initial Offer including any Broker selling fees will be paid by PIML from its own funds. The Fund is not liable to pay any of these costs.

7.13 FEES PAYABLE BY PERENNIAL IN RESPECT OF THE BROKER FIRM OFFER

By completing the Broker Firm Offer Application Form an Applicant is taken to acknowledge and agree that:

- The Responsible Entity and Perennial value have appointed a broker to provide services pursuant to which they will assist PIML and the Manager to manage the Broker Firm Offer.
- Where the applicant has made an application under the Broker Firm Offer through the broker, the broker shall be entitled to an arranger fee in addition to the distribution fee of 1.50% (including GST), in each case on the gross funds raised by the broker under the broker firm offer;
- Where the applicant has made an Application under the Broker Firm Offer through a licensed dealer (other than the broker), the licensed dealer shall be entitled to a distribution fee of 1.50% (including GST) of the total number of Units in respect of which the licensed dealer under the Broker Firm Offer procures valid applications multiplied by the Subscription Price.

These fees are not a cost to the Fund.

7.14 NO OVERSEAS DISTRIBUTION

No action has been taken to register or qualify the offer under this PDS, or to otherwise permit a public offering of Units, in any jurisdiction outside Australia or New Zealand.

The distribution of this PDS in jurisdictions outside Australia or New Zealand may be restricted by law. This PDS does not constitute an offer in any place in which, or to whom, it would not be lawful to make such an offer. Persons who come into possession of this document should inform themselves about and observe any restrictions on acquisition or distribution of the PDS. Any failure to comply with these restrictions may constitute a violation of securities laws.

7.15 UNITED STATES RESIDENTS

The Units being offered pursuant to this PDS have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable state securities laws. This PDS does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. In addition, any hedging transactions involving these securities may not be conducted unless in compliance with the US Securities Act.

8. Additional Information

8.1 THE ROLE OF CERTAIN ENTITIES IN REGARD TO THE FUND

There are a number of parties in addition to the Responsible Entity involved in the ongoing operation and administration of the Fund or who otherwise provide services in connection with the Fund:

Custodian and administrator

The custodian provides custodial services to the Responsible Entity, including holding the assets of the Fund. The custodian may, from time to time, appoint sub-custodians. The custodian has a limited role and has no obligation to monitor whether the Responsible Entity is complying with its obligations as responsible entity of the Fund.

As of the date of this PDS, the custodian is:

National Australia Bank Limited ABN 12 004 044 937
Level 12
500 Bourke Street
Melbourne VIC 3000

The administrator provides administration services to the Responsible Entity. These services include fund accounting, maintenance of books and records, calculating distribution amounts, valuing the Fund's assets and liabilities, calculating the Issue Price and Withdrawal Amount, and taxation and other services. The Responsible Entity may change the custodian and administrator without prior notice to Holders.

As of the date of this PDS, the administrator is:

Mainstream Fund Services Pty Limited, ABN 81 118 902 891
1/51-57 Pitt Street
Sydney NSW 2000

Unit Registry

As for any quoted security, the role of the Registry is to keep a record of the Holders in the Fund. This includes details such as the quantity of Units held, tax file numbers (if provided) and details of distribution reinvestment plan participation. The Responsible Entity may change the Registrar without prior notice to Holders.

As of the date of this PDS, the Registry is:

Link Market Services Limited ABN 54 083 214 537
Level 12, 680 George Street
Sydney NSW 2000

Market maker

Macquarie has been appointed to provide market-making services for the Fund under a services agreement entered into between the Responsible Entity and Macquarie.

The role of a market maker is to provide liquidity in the market for Units and to satisfy supply and demand for Units. It does this by:

- Subject to certain conditions, providing liquidity to the market through acting as the buyer and seller of Units during a significant part of the trading day; and
- Creating and redeeming Units in the primary market pursuant to this PDS, which helps to ensure the number of Units on issue matches supply and demand.

The Responsible Entity seeks to appoint market making firms that:

- have experience in making markets in exchange-traded securities in Australia;
- have the necessary skill and expertise to perform market making functions; and
- are ASX participants (or trade through an ASX participant).

To qualify for admission as an ASX participant, a firm must meet admission requirements set out in the ASX Operating Rules, which require the firm to hold an Australian financial services licence that authorises it to carry on its business as a market participant and to satisfy ASX of various matters including organisational competence and business integrity.

Generally, arrangements with a market maker will specify certain permitted circumstances in which the market making obligations may be suspended (such as operational disruptions, market disruptions or unusual conditions, other circumstances as permitted under the ASX Operating Rules, the suspension or rejection by the Responsible Entity of applications for Units or redemption requests, or the market maker not having ASIC relief to allow short selling of Units). If the market maker defaults on its obligations, the Responsible Entity may seek to replace the market maker, although the arrangements with the market maker may limit or exclude any liability on the part of the market maker. Subject to the AQUA Rules and agreements with the market maker, the Responsible Entity may replace or terminate the market maker. The Responsible Entity may determine to no longer appoint market makers in respect of the Funds in circumstances where it is no longer required to do so under the AQUA Rules.

8. Additional Information

As of the date of this PDS, the market maker is:

Macquarie Securities (Australia) Limited
(ABN 58 002 832 126)
Level 3
50 Martin Place
Sydney NSW 2000

Auditor

The Responsible Entity has engaged KPMG as the independent auditor of the financial statements of the Responsible Entity and the Fund and of the Responsible Entity's compliance plan for the Fund.

Monitoring of service providers

The Responsible Entity has procedures in place to monitor the performance of those service providers to whom functions have been outsourced. Monitoring methods include, where appropriate, daily observation of service provider performance, review of regular compliance and audit reports, regular meetings with service providers and performance assessments.

PIML as the Responsible Entity

PIML, as the responsible entity, is responsible for the management and administration of the Fund. The Responsible Entity holds an Australian Financial Services Licence (AFSL 275101) that authorises it to act as the responsible entity of the Fund. The powers and duties of the Responsible Entity are set out in the Constitution of the Fund, the Corporations Act and general trust law.

The Responsible Entity has the power to appoint an agent, or otherwise engage a person, to do anything that it is authorised to do in connection with the Fund and, for the purpose of determining whether the Responsible Entity has properly performed its duties as responsible entity, the Responsible Entity is taken to have done (or failed to do) anything that the agent or person has done (or failed to do) because of the appointment or engagement, even if they were acting fraudulently or outside the scope of their authority or engagement.

Perennial Value as the Investment Manager

The Responsible Entity has appointed Perennial Value Management Limited as the investment manager of the Fund.

Perennial Value investment professionals and management together have a majority financial interest in the outcomes of Perennial Value's business and our Institutional partner IOOF Holdings Limited has a minority financial interest.

See section 2.4 for more information on the Investment Manager and section 8.14 for information on the terms of this agreement.

8.2 THE CONSTITUTION

The Fund is a registered managed investment scheme governed by a Constitution. Under the Constitution, the Responsible Entity has all the powers it is possible to confer on a trustee as though it were the absolute owner of the Fund's assets and acting in its personal capacity.

The Constitution which addresses matters such as NAV per Unit, withdrawals, the issue and transfer of Units, investor meetings, investors' rights, the Responsible Entity's powers to invest, borrow and generally manage the Fund and the Responsible Entity's fee entitlement and right to be indemnified from the Fund's assets. The Responsible Entity may alter the Constitution if it reasonably considers the amendments will not adversely affect investors' rights. Otherwise, the Responsible Entity must obtain investors' approval at a meeting of investors.

To the extent that any contract or obligation arises in connection with the acceptance by the Responsible Entity of an application or reliance on this PDS by investors, any amendment to the Constitution may vary or cancel that contract or obligation. Further, that contract or obligation may be varied or cancelled by a deed executed by the Responsible Entity with the approval of a special resolution of investors, or without that approval if the Responsible Entity considers the variation or cancellation will not materially and adversely affect investors' rights.

The Responsible Entity may retire or be required to retire as responsible entity (if there is a resolution passed by Holders of a majority by value of interests, vote for the Responsible Entity's removal). No Units may be issued after the 80th anniversary of the date of the Constitution. The Responsible Entity may exercise its right to terminate the Fund earlier. Holders' rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

The Responsible Entity may resolve at any time to terminate and liquidate the Fund in accordance with the Constitution and the Corporations Act. Upon termination and after conversion of the assets into cash and payment of, or provision for, all costs, expenses and liabilities (actual and anticipated) the net proceeds will be distributed pro rata among all Unitholders according to the aggregate of the Redemption Price for each of the Units they hold in the Fund.

A copy of the Constitution in relation to the Fund may be inspected by Holders at the Responsible Entity's office, during business hours. The Responsible Entity will provide Holders with a copy of the Constitution upon request.

8. Additional Information

8.3 THE COMPLIANCE PLAN

The Responsible Entity has prepared and lodged a compliance plan for the Fund with ASIC. The compliance plan sets out the key criteria that the Responsible Entity will follow to ensure that it is complying with the Corporations Act and the Constitution of the Fund. Each year the compliance plan, and the Responsible Entity's compliance with the compliance plan, will be independently audited, as required by the Corporations Act, and the auditor's report will be lodged with ASIC.

8.4 THE COMPLIANCE COMMITTEE

The Responsible Entity has established a compliance committee with a majority of members that are external to the Responsible Entity. The compliance committee's functions include:

- monitoring the Responsible Entity's compliance with the compliance plans and reporting its findings to the Responsible Entity;
- reporting breaches of the Corporations Act or the Constitution to the Responsible Entity;
- reporting to ASIC if the committee is of the view that the Responsible Entity has not taken or does not propose to take appropriate actions to deal with breaches reported to it by the committee; and
- assessing the adequacy of the compliance plan, recommending any changes and reporting these to the Responsible Entity.

8.5 UNIT PRICING POLICY

The Responsible Entity has documented its policy on how it exercises discretions when determining Unit prices for the Fund.

The policy has been designed to meet the ASIC requirements and is available on request to all Holders and prospective Holders at no charge.

8.6 IF YOU HAVE A COMPLAINT

If you have a complaint (or wish to obtain further information about the status of an existing complaint), please contact us on 1300 088 660 (+61 3 8623 4202 New Zealand) or write to:

Perennial Client Services
Perennial Investment Management Limited
PO Box R1709
Royal Exchange NSW 1225
Where possible, concerns will be resolved immediately.

If further investigation is required, we will acknowledge your complaint in writing and will consider and deal with your complaint as quickly as possible. We are required by law to deal with your complaint within 45 days.

If you are not satisfied with the decision or response to your complaint, or 45 days have elapsed since you made you complaint, you may contact the Financial Ombudsman Service Limited (FOS) by calling 1800 367 287, or by writing to FOS at GPO Box 3, Melbourne, VIC 3001. Information may also be obtained at www.fos.org.au. To be considered by FOS, the claim involved must fall within FOS's jurisdiction as set out in their Terms of Reference (published on the above website), including that any claim must not exceed $500,000 (as may be amended by FOS from time to time).

The dispute resolution process described in this PDS is only available in Australia and is not available in New Zealand.

8.7 PROTECTING YOUR PRIVACY

Privacy laws regulate, among other matters, the way organisations collect, use, disclose, keep secure and give people access to their personal information.

The Responsible Entity is committed to respecting the privacy of a Holder's personal information. The Responsible Entity's privacy policy states how the Responsible Entity manages personal information.

The Responsible Entity collects personal information in the Application and Redemption Form, and may collect additional personal information in the course of managing the Fund. Some information must be collected for the purposes of compliance with the Anti-Money Laundering and Counter Terrorism Financing Act 2006.

The Responsible Entity may provide personal information to a Holder's adviser if written consent is provided to the Responsible Entity. The Responsible Entity may disclose personal information to authorities investigating criminal or suspicious activity and to the Australian Transaction Reports and Analysis Centre (AUSTRAC) in connection with anti-money laundering and counter-terrorism financing.

The Responsible Entity may provide a Holder's personal information to its service providers for certain related purposes (as described under the Privacy Act 1988) such as account administration and the production and mailing of statements. The Responsible Entity may also use a Holder's personal information and disclose it to its service providers to improve customer service (including companies conducting market research) and to keep Holders informed of the Responsible Entity's or its partners' products and services, or to their financial adviser or broker to provide financial advice and ongoing service.

8. Additional Information

The Responsible Entity will assume consent to personal information being used for the purposes of providing information on services offered by the Responsible Entity and being disclosed to market research companies for the purposes of analysing the Responsible Entity's investor base unless otherwise advised. Holders may request access to the personal information held about them at any time and ask the Responsible Entity to correct this information if it is incomplete, incorrect or out of date.

To obtain a copy of the privacy policy, contact the Responsible Entity on 1300 088 660 (within Australia) or +61 3 8623 4202 (outside Australia).

8.8 ATTRIBUTION MANAGED INVESTMENT TRUST REGIME

The Australian government introduced a new tax system for certain managed investment trusts (referred to as attribution managed investment trust or AMIT regime) to reduce complexity, increase certainty and minimise compliance costs for managed investment trusts and their investors.

One benefit of the application of the AMIT regime is that it gives the trustee the discretion to deal with under and over distributions for a previous income year in the year in which they are discovered, called the 'discovery year', rather than the income year they relate to. Unders and overs distributions arise where net income and tax offset entitlement amounts reported to Holders understate or overstate the amounts correctly determined under the law.

The Responsible Entity as trustee of the Fund intends to apply the AMIT regime to the Fund. By investing in the Units each Holder of the Fund acknowledges and agrees that under the AMIT regime the trustee of the Fund has the choice with respect to how it addresses any amounts which give rise to under/over distributions in respect of a particular income year, including whether such amounts are addressed by issuing amended AMMA Statements to Holders for the income year to which they relate or adjusting the trust components in the income year in which the under/over distribution is discovered.

8.9 ANTI-MONEY LAUNDERING / COUNTER TERRORISM FINANCING

The AML/CTF Act and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to the Responsible Entity (AML Requirements), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML/CTF Act is enforced by AUSTRAC. However, both the issue of Units in the Fund and secondary trading of Units in the Fund are exempt from the AML Requirements by section 247(3) of the AML/CTF Act and Chapter 21 of the Anti-Money Laundering and Counter Terrorism Rules.

8.10 FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) & OECD COMMON REPORTING STANDARD (CRS)

FATCA was enacted by the U.S. Congress to target noncompliance by US taxpayers using foreign accounts. In order to prevent FATCA withholding tax being applied to any US connected payments made to the Fund in Australia, the Fund is required to collect and report information to the Australian Taxation Office relating to certain U.S. accounts, which may be exchanged with the U.S. Internal Revenue Service.

Similar to FATCA, the CRS for the automatic exchange of information is a single global standard for the collection and reporting to tax authorities of information by financial institutions on non-residents. The CRS will be implemented in Australia from 1 July 2017. Accordingly, the Fund 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 Fund to comply with its FATCA or CRS compliance obligations. In the event the Fund suffers any amount of withholding tax (including FATCA withholding tax) and/or penalties, neither the Fund nor the Responsible Entity acting on behalf of the Fund will be required to compensate you for any such tax, except in exceptional circumstances.

8.11 OTHER SERVICES

The Responsible Entity, in its personal capacity, or companies related to the Responsible Entity, may invest in or provide services to the Fund. Any such services will be provided on terms that would be reasonable if the parties were dealing at arm’s length.

8.12 INDICATIVE NET ASSET VALUE PER UNIT

As at the date of this PDS, the Responsible Entity intends to take all reasonable steps to make available, or may designate other persons to make available on its behalf, an estimated indicative Net Asset Value per Unit (iNAV) for the Fund no less frequently than every 15 minutes during an ASX Business Day. Such information will be calculated based upon information available to the Responsible Entity or its designate during the ASX Business Day. As at the date of this PDS, the Responsible Entity has arranged for Interactive Data (Australia) Pty Ltd (ICE) to calculate and publish the iNAV. The Responsible Entity expects that the iNAV for the Fund will be accessible from broker websites and other financial information services and at www.perennial.net.au and also www.einvest.com.au

The iNAV calculations are estimates of the Net Asset Value per Unit calculated using market data. The iNAV price is a calculation of the value of a portfolio of assets that is indicative of the Fund's portfolio as at the open of trading on the relevant day based on quotes and last sale prices, less any liabilities of the Fund. Any iNAV is not, and should not be taken to be or relied on as being, the value of a Unit or the price at which Units may be applied for or redeemed, or bought or sold on any stock exchange, and may not reflect the true value of a Unit. Investors interested in applying for or redeeming Units, or buying or selling Units on a stock exchange, should not rely on any iNAV which is made available, in making investment decisions but should consider other market information and relevant economic factors. Neither the Responsible Entity nor any designate or other service provider to the Responsible Entity shall be liable to any person who relies on the iNAV. No assurance can be given that any iNAV will be published continuously, will be up to date or free from error. The publication of an iNAV is dependent on the availability of a suitable data provider and other factors.

8.13 WARNING STATEMENT FOR NEW ZEALAND INVESTORS

The following disclosure is made to enable the Fund's Units to be offered by the Responsible Entity in New Zealand under the mutual recognition scheme between Australia and New Zealand:

1. 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 2001 (Aust) 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.
2. This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Australian Corporations Act 2001 (Cth) and the regulations made under that Act set out how the offer must be made.
3. 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.
4. 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.
5. 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.
6. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
7. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Currency exchange risk

1. 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.
2. 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.

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.

Dispute resolution process

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

8.14 MATERIAL CONTRACTS

The Responsible Entity has entered into (or will enter into prior to the date Units are first issued in any Fund) a number of contracts in relation to the offer of the Fund, as set out below:

8. Additional Information

Management agreement

PIML has appointed Perennial Value as investment manager for the Fund. In performing this Perennial Value must comply with the investment guidelines issued by PIML from time to time and the investment objectives set out in this PDS as amended by PIML from time to time.

PIML may terminate the agreement without cause by giving at least 5 business day's notice to Perennial Value and Perennial Value may terminate the agreement without cause by giving PIML at least 20 business days' notice. PIML may also terminate the agreement for cause immediately.

Under the agreement, the parties give indemnities to each other consistent with market practice for a management agreement of this nature.

In consideration for performing its obligations under this agreement, PIML must pay Perennial Value the fees it receives for acting as responsible entity of the Fund less witholdings required to meet expenses of the Fund and PIML's AFSL and solvency requirements.

Market-making agreement

Macquarie has been appointed as market-maker for the Fund. This agreement sets out the services provided by the market-maker on an ongoing basis to insure that the Responsible Entity complies with market-making obligations under AQUA Rules.

Custody agreement

National Australia Bank Limited is responsible for the custody for the Fund. This agreement sets out the services provided by the custodian on an ongoing basis together with the service standards.

Investment administration agreement

Mainstream Fund Services is responsible for the administration for the Fund. This agreement sets out the services provided by the administrator (accountancy services, tax services and fund administration services including Unit price calculations), together with the service standards.

Registry agreement

Link Market Services Limited is responsible for establishing and maintaining the registry for the Fund.

This agreement sets out the services provided by the Registrar on an ongoing basis together with the service standards.

8.15 ASIC RELIEF

ASIC has granted relief under section 1020F of the Corporations Act from the ongoing disclosure requirements in section 1017B of the Corporations Act on the condition that the Responsible Entity complies with section 675 of the Corporations Act as if the Fund is an unlisted disclosing entity and includes statements to this effect in any PDS for the Fund.

8.16 DOCUMENTS LODGED WITH ASIC

The Responsible Entity is subject to certain regular reporting and disclosure obligations in relation to the Fund under the Corporations Act. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. As an investor in the Fund, a Holder may obtain the following documents from the Responsible Entity (as at the date of this PDS, no such documents have been lodged with ASIC):

- the annual report most recently lodged with ASIC in respect of the Fund;
- any half-year financial report lodged with ASIC in respect of the Fund after the lodgement of the abovementioned annual report and before the date of this PDS; and
- any continuous disclosure notices given in respect of the Fund after the lodgement of the abovementioned annual report and before the date of this PDS.

The Responsible Entity will send a requesting Holder a printed or electronic copy of any of the above documents free of charge within 5 business days of the request.

8.17 NO COOLING OFF

There is no cooling off period in relation to the subscription for Units in any of the Fund. This means that once an application form is submitted, an applicant cannot decide to withdraw the application.

8.18 INDIRECT INVESTORS

When an investor invests through a master trust or wrap platform or an IDPS, the operator of the trust, platform or IDPS is investing on the investor's behalf. Consequently the operator (or the custodian of the platform), and not the investor as an indirect investor, holds the Units and therefore has the rights of a Holder in the relevant Fund. For example, if an investor is an indirect investor they will not have rights to attend and vote at Holder meetings, to withdraw Units or receive distributions. Instead the platform operator will exercise those rights in accordance with their arrangements with the investor. For information about their investment, an investor should contact their platform operator.

8.19 INFORMATION AVAILABLE FROM PERENNIAL

The Responsible Entity is subject to regular reporting and disclosure obligations, in its capacity as responsible entity of the Fund and issuer of the Units. As part of the Fund's conditions of admission to trading status on ASX under the AQUA Rules, Perennial has agreed to:

- Provide the iNAV as described in this PDS;
- Disclose the Fund's portfolio holdings on a monthly basis; and
- Make available half year and annual financial reports, distribution information and other required disclosures on the ASX Market Announcements Platform.

The following information can be obtained from us by visiting the Perennial website at www.perennial.net.au or by contacting Perennial on 1300 088 660 (within Australia) or +61 3 8623 4202 (outside Australia):

- The daily Net Asset Value (NAV) for the Fund;
- The daily NAV per Unit for the Fund;
- The iNAV per Unit for the Fund;
- The Responsible Entity's Unit pricing policy;
- The latest PDS for the Fund;
- Copies of announcements made to the ASX via the ASX Market Announcements Platform (including continuous disclosure notices and distribution information);
- Information about distributions as soon as possible after they are declared;
- Annual and any half-year reports and financial statements for the Fund and;
- Details of any Distribution Reinvestment Plan.

8.20 DISCLAIMER

We have appointed National Australia Bank Limited (ABN 12 004 044 937) (NAB), as the Custodian of the assets of the Fund. In its capacity as Custodian, NAB's role is limited to holding the assets of the Fund as agent of the responsible entity. The Custodian has no supervisory role in relation to the operation of the Fund and is not responsible for protecting your interests. The Custodian has no liability or responsibility to you for any act done or omission made in accordance with the terms of the Custody Agreement.

Neither NAB, nor any other division or subsidiary of NAB, guarantees the performance of the investment or the underlying assets of the Fund, or provides a guarantee or assurance in respect of the obligations of the responsible entity or its related entities.

The Custodian holds investments of the Fund as bare trustee and such investments are not investments of, NAB or any other member of the NAB group of companies (NAB Group). Neither NAB, nor any other member of NAB Group, guarantees the performance of the investment or the underlying assets of the Fund, or provide a guarantee or assurance in respect of the obligations of the Responsible Entity or its related entities. As Responsible Entity of the Fund, we pay fees to NAB in consideration for providing those services.

8.21 CONSENTS

The following parties have given written consent (which has not been withdrawn at the date of this PDS) to being named in the form and context in which they are named, in this PDS:

- Baker McKenzie
- Perennial Value Management Limited
- Mainstream Fund Services Pty Limited
- Link Market Services Limited
- Macquarie Securities (Australia) Limited
- National Australia Bank Limited

Each party named above who has consented to be named in the PDS:

- has not authorised or caused the issue of this PDS;
- does not make or purport to make any statement in the PDS (or any statement on which a statement in the PDS is based) other than as specified; and
- to the maximum extent permitted by law, takes no responsibility for any part of the PDS other than the reference to their name in a statement included in the PDS with their consent as specified.

9. Taxation

The taxation information in this PDS is provided for general information only. It is a broad overview of some of the Australian tax consequences associated with investing in the Fund for a potential Australian resident investor. It does not take into account the specific circumstances of each person who may invest in the Fund. It should not be used as the basis upon which potential investors make a decision to invest. As the circumstances of each investor are different, the Responsible Entity strongly recommends that investors obtain professional independent tax advice relating to the tax implications of investing in and dealing in Units in relation to their own particular circumstances before making any investment decision. The taxation information in this PDS has been prepared based on the Australian tax laws and administrative interpretations of such laws in effect as at the date of this PDS. Investors should be aware that the ultimate interpretation of taxation law rests with the Courts and that the law, and the way the Federal Commissioner of Taxation (“Commissioner”) or a Commissioner of State Revenue administers the law and interpretations may change at any time.

Investors should obtain independent taxation advice that takes into account their specific circumstances regarding investing in the Fund.

This tax summary has been prepared on the assumption that:

- the Fund is a managed investment trust within the meaning of section 995-1 of the Income Tax Assessment Act 1997 ("1997 Act");
- the Fund qualifies as an attribution managed investment trust ("AMIT") within the meaning of section 995-1 of the 1997 Act and the trustee of the Fund elects to apply the AMIT regime to the Fund;
- the Fund is not a public trading trust under Division 6C of the Income Tax Assessment Act 1936; and
- the Taxation of Financial Arrangement (“TOFA”) provisions in Division 230 of the 1997 Act do not apply to the Fund (and no election will be made to voluntarily apply these provisions).

Distributions

The Fund is a resident of Australia for tax purposes. The Fund is required to determine its tax components for the income year. These components may include assessable income, exempt income, non-assessable non-exempt income, tax offsets and credits of different characters. Investors should be entitled to their share of the Fund’s tax components each year. Investors are treated as having derived their share of the tax components of the Fund directly on a flow through basis. In the case where a Fund makes a loss for tax purposes, that Fund cannot distribute the loss to investors. However, subject to a Fund meeting certain conditions, such Fund may be able to take into account the losses in subsequent years.

The distributions an investor receives may include a number of different types of income which reflect the income derived by the Fund. These components may include:

- capital gains;
- foreign income and foreign income tax offsets; and
- tax deferred distributions.

The components of the distribution (if any) may be comprised of a combination of income and capital amounts, or may be comprised solely of amounts of the same character. Interest earned on cash and dividends received from shares will be income, while gains and losses on the sale of listed securities are generally expected to be on capital account. Gains and losses on derivatives contracts may be on either revenue or capital account, subject to the application of the TOFA rules.

An Australian investor’s share of the tax components of the Fund for a year of income form part of the investor’s assessable income of that year.

The investor will be provided with a statement for tax purposes after 30 June each year to assist the investor (and their adviser) in determining their tax position. This tax statement will advise the investor of the share of the tax components of the Fund (if any) to include in the investor’s tax return as assessable income, capital gains and any foreign income/foreign income tax offsets.

If the trustee discovers understatements or overstatements of taxable income and tax offsets in prior years, the trustee has the ability under the AMIT regime to deal with these understatements and overstatements in the income year in which they are discovered. That is, the distribution statements in the discovery year may be adjusted to take into account these understatements or overstatements from a prior income year, rather than re-issuing amended distribution statements for the prior income year to which the understatement or overstatements relates to.

An investor may be required to make, in certain circumstances, both upward and downward adjustments to the cost or cost base of their unit holdings. This occurs where during an income year there is a difference between:

(a) the total of the amounts (money or property) that an investor is entitled to from the Fund and the tax offsets that are allocated to an investor during the year; and

(b) the tax components included in that investor's assessable income or non-assessable non- exempt income.

If the amount in (a) exceeds the amount in (b), the cost or cost base of the investor's units in the Fund should be reduced by the excess amount. This results in either an increased capital gain, or a reduced capital loss, upon the subsequent disposal of the investor's units in the Fund. Should the cost base be reduced to below zero, the amount in excess of the cost base should be a capital gain that is to be included the investor's taxable income.

An Australian resident investor may be entitled to the CGT discount in respect of this gain if the Units have been held for over 12 months. A Holder may be eligible for the 50% CGT discount (where the Holder is an individual or trust) or a 33 1/3% CGT discount (where the Holder is a complying superannuation fund) in respect of the gain that forms part of that Holder's assessable income. A corporate investor cannot claim the benefit of the CGT discount. Any available capital losses incurred by the investor reduce the capital gain before the remaining net capital gain is discounted in the hands of the investor. Capital losses can only be used to reduce capital gains under the CGT provisions.

Conversely, where the amounts in (a) falls short of the amounts in (b) during an income year, the cost or cost base of the investor's units in the relevant Fund should be increased by the shortfall amount.

For Holders who hold Units as trading stock or as part of a securities trading business, similar adjustments need to be made to the tax cost base of the Units to reflect the difference in the amounts referred to above in (a) and (b). Should the tax cost base be reduced to below zero, the amount in excess of the tax cost base should be included in the investor's assessable income.

In the case where a Fund makes a loss for tax purposes, that Fund cannot distribute the loss to investors. However, subject to the Fund meeting certain conditions, the Fund may be able to take into account the losses in subsequent years.

To assist Holders (and their advisers) determine their tax position each income year, Holders will be provided with distribution statements after the end of each financial year detailing the components, for tax purposes, of any distributions received from the Fund during the financial year, including on the redemption of Units.

Franking credits

The Fund may invest in Australian shares which pay franked dividends. A Holder may receive distributions from a Fund which include franking credits. While franking credits are not a cash component of the distribution, normally any franking credits that form part of the distribution should be included as taxable income for the relevant year and declared in a Holder's tax return. Subject to satisfying certain criteria, such franked distributions generally entitle Australian resident investors to obtain a tax offset (the franking credits) that may be offset against their Australian income tax payable in the relevant year. Some investors (e.g. complying superannuation funds and resident individuals) may have an entitlement to a tax refund in respect of the franking credits to the extent they exceed the investor's Australian income tax payable in the relevant year. The ability to offset franking credits against income tax payable is subject to certain legislative restrictions (such as the 45 day holding period rule). We recommend that investors obtain independent professional tax advice about the availability of offsets relating to franking credits.

Capital gains and losses

A trust that qualifies as a managed investment trust ("MIT") can elect to treat its gains and losses on disposal of certain investments (including shares and units in other trusts, but excluding certain financial arrangements under TOFA) as capital gains and losses. The Fund is expected to make this election, where eligible. If the Fund disposes of any of its investments (e.g. on the sale of any assets when Units are redeemed), the Fund may realise assessable capital gains. A capital gain derived by the Fund may be eligible for the 50% CGT discount where the investment has been held for at least 12 months (excluding the acquisition and disposal dates). Any assessable capital gains derived by the Fund to which a Holder becomes entitled forms part of the Holder's assessable income.

Where a Holder becomes entitled to a discounted capital gain from the Fund, the Holder will be required to gross-up the capital gain for the discount at the time that they are required to include that gain in their assessable income. A Holder may also be eligible for the 50% CGT discount (where the Holder is an individual or trust) or a 33 1/3% CGT discount (where the Holder is a complying superannuation fund) in respect of the gain that forms part of that Holder's assessable income.

Selling or redeeming Units

If a Holder disposes of Units by selling or transferring the Units to another person (e.g. selling on-market) or redeems their Units, the Holder may be liable for tax on any gains realised on that disposal or redemption of Units.

If a Holder is assessed otherwise than under the CGT provisions on a disposal or redemption of Units (e.g. if the Holder is in the business of dealing in securities like Units), any profits made on the disposal or redemption of

9. Taxation

the Units should be assessable as ordinary income. Such Holders may be able to deduct any losses made on the disposal of Units. As mentioned above under “Distributions", an investor may be required to make both upward and/or downward adjustments to the cost base of their unit holdings, very broadly, where there is a difference between the cash distribution received by an investor in respect of their Units and the amount of the tax components of a Fund which the investor is required to include in their assessable income. These tax cost base adjustments should be taken into account in working out any revenue gain or loss made on the disposal of the Units.

If a Holder is assessed under the CGT provisions on disposal of Units, the Holder may make a capital gain or loss on the disposal of those Units, in the year in which the contract for the disposal is entered into. An Australian investor should make a capital gain on the disposal of the Unit if the capital proceeds received by the investor exceed the asset’s cost base. If the capital proceeds received by an investor are less than the asset’s reduced cost base, then the investor should make a capital loss. Capital losses may be offset against taxable capital gains made by an investor but not against other types of income.

The cost base that an investor has in a Unit is, broadly, the sum of:

1. the amount the investor paid to acquire the Unit;
2. incidental costs of acquisition and disposal; and
3. the costs of ownership of the Unit (e.g. interest incurred by an investor as a result of borrowing funds to acquire the Unit where the interest is not otherwise allowable as a tax deduction).

In the case of Units acquired under the Distribution Reinvestment Plan, the cost base of the Unit acquired will include the amount of the distribution applied to acquire the Units.

The reduced cost base of a Unit includes 1 and 2, but not 3 of the matters listed immediately above.

In addition, an investor may be required to make both upward and/or downward adjustments to the cost base of their unit holdings, very broadly, where there is a difference between the cash distribution received by an investor in respect of their Units and the amount of the tax components of a Fund which the investor is required to include in their assessable income. Refer to the comments above under "Distributions". Some Holders may be eligible for the CGT discount upon disposal of Units if the Units have been held for at least 12 months (excluding the acquisition and disposal dates) and the relevant requirements are satisfied (as explained above).

Goods and Services Tax (GST)

The issue and redemption of Units should not be subject to GST. However, fees and expenses, such as management costs, incurred by the Fund would likely attract GST (at the rate of 10%). Given the nature of the activities of the Fund, the Fund may not be entitled to claim input-tax credits for the full amount of the GST incurred. However, for the majority of the expenses, a Reduced Input-Tax Credit (RITC) may be able to be claimed. The GST and expected RITC relating to fees and expenses is incorporated in the management cost for the Fund.

9. Taxation

Stamp Duty

As the Units will be listed on the ASX, stamp duty should not be payable in any State or Territory on the issue or transfer of a Unit. This is provided that all of the Units are quoted on the ASX at all relevant times (including for example the date of issue of a Unit) and an investor does not, either alone or together with related persons, acquire 90% or more of the issued Units of the Fund.

Risks

Fund does not qualify as an AMIT

This tax summary has been prepared on the basis that the trustee will elect to apply this new AMIT regime to the Fund. Whether a Fund qualifies as an AMIT each year will depend on a number of factors, some of which are outside the control of the Fund, such as the profile of the ultimate beneficiaries. If a Fund does not qualify as an AMIT and/or does not make an election to apply the AMIT provisions, the income tax implications for investors in the Fund may differ from that set out earlier in this tax summary. For example:

- The existing present entitlement to income method in Division 6 of the 1936 Act may apply rather than the attribution method under the AMIT provisions. In these circumstances, very broadly, it is intended that investors will be presently entitled to all of the income (including net taxable capital gains) of the Fund for each income year. Investors should include in their assessable income their share of the Fund's net taxable income, calculated by reference to the portion of the Fund's trust law income to which they are presently entitled.
- The investor may be required to make downward (but not upward) adjustments to the cost base of their unit holdings for the tax-deferred portion (if any) of a distribution to an investor (i.e. those amounts that have been distributed to the investor but are not included in taxable income). If the asset's cost base is reduced below zero after one or more cumulative tax-deferred distributions, the investor may make a capital gain if they are paid amounts in excess of their cost base. An Australian investor may be entitled to the CGT discount in respect of this gain.

Tax Reform

The expected tax implications of investing in a Fund described in this tax disclosure may change as a result of changes in the taxation laws and interpretation of them by the Courts and/or the Australian Tax Office.

Tax reform activity that affects trusts is generally ongoing. Investors should seek their own advice on the potential impact of any proposed legislative changes or judicial developments. The Responsible Entity will also closely monitor any impact or developments in this regard.

Tax File Number ("TFN") or Australian Business Number ("ABN")

Holders will be requested by the Fund to provide their TFN or ABN (if applicable) or claim an exemption in relation to their investment in the Fund. It should be noted that there is no obligation to provide a TFN, however, Holders who do not provide their TFN or ABN or claim an exemption may have tax deducted from distributions at the highest marginal rate. If this withholding tax applies it is noted that it is merely a collection mechanism and an investor may claim a credit in their annual income tax return in respect of the tax withheld.

Other comments

In cases where Units are to be redeemed by a Holder that is an Australian resident for tax purposes, the Fund should generally not be required to withhold any amounts from the Withdrawal Amount paid on redemption of Units. Distributions to non-resident Holders (including on redemption) may have tax withheld by the Responsible Entity.

It is recommended that non-resident Holders should obtain independent taxation advice in relation to their own particular circumstances, before making any investment decision in relation to the Units.

10. Glossary

These definitions are provided to assist investors in understanding some of the expressions used in this PDS:

AFSL means an Australian Financial Services Licence issued by ASIC.

AML/CTF Act means the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), as supplemented, amended, varied or replaced from time to time.

Applicant means a person who has submitted an Application Form.

Application means an application for Units made under the Initial Offer.

Application Form means either the General Offer Application Form, the Broker Firm Offer Application Form, or the Online Application Form (as the context requires).

Application Price means $4.00 per Unit.

AQUA Product has the meaning given in the Operating Rules and AQUA Products is to be construed accordingly.

AQUA Rules means:

(a) Schedule 10A of the Operating Rules and Procedures;

(b) such other rules that govern the quotation of AQUA Products; and

(c) such other rules that govern the transfer of AQUA Products, as amended from time to time.

ASIC means the Australian Securities and Investments Commission.

ASX means the Australian Securities Exchange Limited.

ASX Business Day has the meaning given to the term "Business Day" in the ASX Settlement Rules.

ASX Listing Rules means the ASX Listing Rules published by the ASX, as supplemented, amended, varied or replaced from time to time.

ASX Operating Rules means the ASX Operating Rules published by the ASX, as supplemented, amended, varied or replaced from time to time.

ASX Settlement Rules means the ASX Settlement Operating Rules published by ASX as supplemented, amended, varied or replaced from time to time.

ASX Trading Day means the day during which securities are traded on ASX. Weekends, and most (but not all) Public Holidays are not ASX Trading Days.

AMIT means the Attribution Managed Investment Trust tax regime.

AUD means the lawful currency of the Commonwealth of Australia.

Australian Securities and Investment Commission (ASIC) means the Australian Securities and Investments Commission or any Government Agency which replaces it or performs its functions.

Australian Tax Office (ATO) means the Australian Tax Office or any Government Agency which replaces it or performs its functions.

Australian Transaction Reports and Analysis Centre (AUSTRAC) means the Australian Transaction Reports and Analysis Centre or any Government Agency which replaces it or performs its functions.

Authorised Participant means a person that:

(a) has an agreement with the Responsible Entity in relation to making applications to acquire and withdraw interests in the Fund; and

(b) has notified the Responsible Entity in writing that the person expects they will be an Australian resident for tax purposes for the financial year of the Fund in which the notification is made and for each subsequent financial year, and has not subsequently notified the Responsible Entity to the contrary; and

(c) is either a Trading Participant (as per the operating rules of ASX) or has engaged a Trading Participant to act on its behalf to acquire and dispose of interests in the Fund.

Benchmark Index means the S&P/ASX300 Franking Credit

Adjusted Annual Total Return Index (Tax-Exempt).

Broker Firm Offer means the offer to buy Units during the Initial Offer Period that is open to persons who have received a firm allocation from their Broker or Licensed Dealer and who have a registered address in Australia or New Zealand.

Broker Firm Offer Application Form means the application form for Units offered under the Broker Firm Offer that is included in or accompanies this PDS.

Business Day means a day other than a Saturday or Sunday on which banks are open for general banking business in Sydney.

10. Glossary

Clearing House Electronic Sub Register System (CHESS) means the Clearing House Electronic Sub register System established and operated in accordance with the ACH Clearing Rules.

Compliance Plan means the arrangement that sets out how the Responsible Entity will ensure compliance with both the Corporations Act and the Constitution when operating the Fund.

Closing Date means Friday 27 April 2018.

Constitution means the constitution establishing the Fund dated 12 October 2017 & Supplemental Deed dated 27 November 2017, as amended from time to time.

Corporations Act means the Corporations Act 2001 (Cth).

Custodian means the entity that holds the assets of the Fund on behalf of the Responsible Entity.

eInvest means ETF Investments Australia Pty Ltd ABN 88 618 802 912 trading as 'eInvest Australia' who has been appointed by PIML as its corporate authorised representative .

ETMF means Exchange Traded Managed Fund.

Financial Ombudsman Service (FOS) means the Financial Ombudsman Service or any Agency which replaces it or performs its functions.

Foreign Account Tax Compliance Act (FATCA) means the Foreign Account Tax Compliance Act, as supplemented, amended, varied or replaced from time to time.

Fund means the eInvest Income Generator Fund (Managed Fund) (ETMF).

General Offer means the offer to buy Units during the Initial Offer Period that is open to investors who have a registered address in Australia or New Zealand.

General Offer Application Form means the application form for Units offered under the General Offer that is included in or accompanies this PDS.

Government or Government Agency means, whether foreign or domestic:

(a) a government, whether federal, state, territorial or local or a department, office or minister of a government acting in that capacity; or

(b) a commission, delegate, instrumentality, agency, board, or other government, semi-government, judicial, administrative, monetary or fiscal body, department, tribunal, entity or authority, whether statutory or not, and includes any self-regulatory organisation established under statute or any stock exchange.

GST means goods and services tax.

GST Act means the A New Tax System (Goods and Services) Tax Act 1999 (Cth) as amended or varied from time to time.

Holder means the person recorded in the Register as the holder of a Unit (including persons jointly registered). Indicative Net Asset Value or iNAV means the estimated NAV per Unit that will be published on the Website during the ASX Trading Day to take into account movements in security prices during that ASX Trading Day.

Initial Offer means the offer for Units in the Fund that opens on the Opening Date and closes on the Closing Date, and which comprises the General Offer and the Broker Firm Offer.

Initial Offer Period means the period commencing on the Opening Date and concluding on the Closing Date.

Issue Price means the price at which a Unit is issued and is determined in accordance with the Constitution.

Liabilities means the liabilities of a Fund including any provision which the Responsible Entity decides should be taken into account in accordance with generally accepted accounting principles applicable in Australia in determining the liabilities of a Fund, but excluding any liabilities:

(a) to applicants for Units in respect of application money or property in respect of which Units have not yet been issued; or

(b) to Holders, arising by virtue of the right of Holders to request redemption of their Units or to participate in the distribution of the assets on termination of the Scheme.

Liquid or Liquidity has the same meaning as in the Corporations Act.

Macquarie means Macquarie Securities (Australia) Limited (ABN 58 002 832 126).

Management Fee means the fees and costs charged by the Fund for the management of an investment in the Units, as set out in section 5 of this PDS.

Market Announcements Platform (MAP) means the Market Announcements Platform of the ASX.

Net Asset Value or NAV means the value of the Fund's assets minus the value of its liabilities.

Net Asset Value per Unit or NAV per Unit means the Net Asset Value of the Fund divided by the number of Units on issue.

Offer means the invitation made to the public under this PDS.

10. Glossary

Online Application Form means the application form for Units in the Initial Offer available on the Website.

Opening Date means 22 March 2018.

Operating Rules means the ASX Operating Rules published by the ASX.

Perennial, PIML, Responsible Entity, we, our or us means Perennial Investment Management Limited (ABN 13 108 747 637, AFS Licence 275101).

Perennial Value means Perennial Value Management Limited (ABN 22090879904, AFS Licence 247293).

Privacy Act 1988 (Cth) means the Privacy Act 1988 (Cth) as supplemented, amended, varied or replaced from time to time.

Product Disclosure Statement or PDS means this Product Disclosure Statement as amended or supplemented from time to time.

Register means the register of holders kept by the Responsible Entity under the Corporations Act.

Transaction Costs means the costs incurred by the Responsible Entity and payable by a Holder in dealing with the assets of a Fund on behalf of a Holder, and include commissions, brokerage and slippage costs (for example, foreign exchange slippage costs, if any).

Tax means all kinds of taxes, duties, imposts, deductions, withholding taxes and charges imposed by a government including GST or any amount recovered from the trustee by way of reimbursement of GST or any amount included either expressly or impliedly in an amount paid or payable by the trustee on account of GST, together interest and penalties imposed or levied by a Government or Government agency.

RITC means reduced input tax credits.

Unit or Units means the securities on offer under this PDS.

Unit Registry means Link Market Services Limited ABN 54 083 214 537, being the entity that will operate the registry for the Units.

Website means www.perennial.net.au and www.einvest.com.au.

Withdrawal Amount means the withdrawal price of Units, calculated in accordance with the Constitution.

Valuation Time means a time determined by the Responsible Entity as at which the Responsible Entity calculates the Net Asset Value.

eInvest Income Generator Fund (Managed Fund)

ASX CODE: EIGA | ARSN 623 311 419

Responsible Entity: Perennial Investment Management Limited ABN 13 108 747 637 | AFSL 275101

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