

23 June 2014

Company Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

Charter Hall  
Retail Management Limited  
ACN 069 709 468  
AFSL 246996

Responsible entity of  
Charter Hall Retail REIT  
ABN 34 357 213 849

Level 11, 333 George Street  
Sydney NSW 2000  
GPO Box 2704 Sydney NSW 2001

T +61 2 8908 4000  
F +61 2 8908 4040

[www.charterhall.com.au](http://www.charterhall.com.au)

**Charter Hall Retail REIT (ASX Code: CQR)**

**Amendments to CQR Dividend Reinvestment Plan ("DRP") Rules**

Charter Hall Retail REIT (ASX:CQR) advises that in accordance with Listing Rule 3.10.8, the Board has amended the DRP Rules.

The amended DRP Rules accommodate the changes to the ASX Listing Rules, in particular Appendix 6A which came into effect on 14 April 2014, as well as the changes to the CQR Constitution as approved by unitholders on 3 February 2014.

A copy of the amended DRP Rules are attached to this announcement.

Yours sincerely

**Rebecca Pierro**

**Company Secretary – Charter Hall Retail REIT**

# Charter Hall Retail REIT

**Distribution Reinvestment Plan (DRP)**



# Outline of the DRP

The DRP allows you to automatically reinvest your cash distributions in additional Units without incurring brokerage or other transaction costs.

This Booklet sets out the terms and conditions of the DRP. To assist you with the understanding of this document, we have defined certain terms in the Glossary on page 10.

**If you do not opt to participate in the DRP, you will continue to receive your distributions in the form of cash only.**

If you wish to take advantage of the DRP, you must complete the DRP Election Form and return it to the Trust's Registrar as soon as possible. You may nominate part or all of your unitholding for participation in the DRP. Your nominated participation will apply to all subsequent distributions until altered by you through the lodgment of a new DRP Election or Withdrawal Form.

The DRP is not available to Unitholders with registered addresses outside Australia and New Zealand as it is not practical to obtain necessary approvals in other jurisdictions.

Units under the DRP are issued by reference to the Average DRP Unit Price which is calculated as the Average Unit Price for the relevant distribution less the discount, if any, determined by the Manager from time to time.

Your entitlement to new Units is calculated as follows:

**Units Participating x Distribution Rate<sup>1</sup>**

**Average DRP Unit Price**

Units will be issued under the DRP at or about the same time as distributions are paid and will rank equally in all respects with existing issued Units, including distribution entitlements. You will pay no brokerage, commission or stamp duty on the issue of these Units. A DRP statement will be sent to you with each issue of new Units giving details of your participation in the DRP. A more detailed explanation of the terms and conditions of the DRP follows.

In the event of any conflict between a DRP Election or Withdrawal Form, the DRP Booklet and the Rules of the DRP (please refer to page 6), the Rules will prevail to the extent of the conflict.

Although this Booklet outlines the main features of the DRP, it is not intended to provide financial, taxation or legal advice. As Unitholders have different financial needs and taxation circumstances, you should choose your form of distribution carefully.

**If you are not sure which distribution option is best, you should consult your own financial, taxation or legal advisers.**

## Enquiries

If you have any enquiries, other than taxation, about how the DRP operates and how you can participate, please write, telephone or fax the Trust's Registrar (please refer to the details on page 11).

1. Less any tax required to be deducted by the Trust.

# Questions and Answers

## Who can participate?

All Unitholders may participate in the DRP unless a Unitholder has a registered address outside of Australia or New Zealand.

## Is participation optional?

Yes. The decision is entirely yours.

## How do I join the DRP?

You will need to complete a DRP Election Form available from the Trust's Registrar.

## When will my participation begin?

It will begin when the first distribution payment occurs after receipt of your DRP Election Form provided that it is received by the close of business on the business day following the Record Date for that distribution. Participation will continue until altered or terminated by you in writing.

## Do I have to reinvest all of my Units?

No. You have three options:

1. You can elect to have all of your Units participate. If you elect full participation, all Units held will participate in the DRP for future distributions.
2. You can elect to have a certain number of Units participate. If you elect partial participation and specify the number of Units to participate, distributions on those Units only will be reinvested and those Units that are not participating will receive a distribution in the form of cash.
3. You can elect to have a certain percentage of your Units participate. If you elect partial participation and specify your desired level of participation as a percentage, the actual number of Units that participate will be determined by that percentage so as to achieve your desired participation level.

Unitholders with less than 150 Units may not partially participate. If a Unitholder with less than 150 Units elects to partially participate they will be deemed to have elected to have all their Units participate.

Of course, you can also choose not to participate at all, in which case you will continue to receive your distributions in cash.

## Do new Units issued under the DRP automatically participate?

This will depend on the level of your participation.

If all your Units participate, then new Units issued under the DRP will automatically participate.

If you have specified a certain number of Units that are to participate, any new Units issued to you will not participate (subject to minimum participation levels). If you want these new Units to participate you will need to complete a new DRP Election Form.

If you have specified your desired level of participation as a percentage of your unitholding, that percentage of any new Units issued to you will automatically participate (subject to minimum participation levels). In this way, the percentage level of participation will remain unchanged at your desired level.

## If I buy more Units and I am a partial participant, do I need to lodge a new DRP Election Form?

This will depend on whether you have indicated your desired level of participation as a number of Units or as a percentage of your total unitholding.

If you have specified a percentage, that percentage of the new Units you have bought will automatically participate. This way your percentage level of participation will remain unchanged.

However, if you have specified a given number of Units that are to participate, any new Units you buy will not participate. If you want the new Units purchased to participate, you will have to submit a new DRP Election Form.

## What happens if I have more than one unitholding?

You will need to lodge a separate DRP Election Form for each separate unitholding and you must correctly identify the unitholding on the DRP Election Form.

## Can I change my participation at any time?

The DRP Election Form is used for the purpose of full or partial participation as well as initial participation in the DRP. The DRP Withdrawal Form is used for terminating participation in the DRP.

Simply complete the DRP Election or Withdrawal Form, or request one from the Trust's Registrar by telephone. These instructions take effect from the next distribution payment, subject to being received by the Trust's Registrar by the close of business on the business day following the Record Date for that distribution.

## At what price will the Units be allotted?

Units will be allotted based on the Average Unit Price over the Specified Period for the relevant distribution less the discount, if any, determined by the Manager from time to time.

## What fees will be charged on the issue of Units under the DRP?

You will not be charged brokerage fees, commission or stamp duty for any allotment of Units under the DRP.

## Can I sell my Units when I choose?

You can sell any or all of your Units at any time. The Units will automatically be withdrawn from the DRP when the Trust registers a valid transfer document.

If you sell your Units between the Ex-Distribution Date and the Record Date, you should lodge a DRP Withdrawal Form with the Trust's Registrar by the close of business on the business day following the Record Date to ensure you do not receive any unwanted DRP Units.

If you are a partial participant in the DRP and you sell any of your Units then, unless otherwise notified, any Units not participating in the DRP will be taken to have been sold first, followed by any Units participating in the DRP. If you have specified a percentage participation, you will be taken to have sold such proportion of participating and non-participating Units as necessary to maintain your desired percentage participation (subject to minimum participation levels).

**Should I inform the Trust's Registrar of any sale?**

If you have sold all of your Units, it is not necessary to advise the Trust's Registrar of the sale. However, if you have sold only some of your Units and do not wish those Units sold to be deducted from the DRP in the order mentioned above, then you should notify the Trust's Registrar in writing.

**What about taxation?**

For Australian income tax purposes, distributions reinvested under the DRP are treated as distributions received by you in the same manner as cash distributions.

The Manager of the Trust does not take responsibility for the taxation liabilities of Unitholders and recommends you obtain professional taxation advice.

**How do I keep track of my participation?**

Within 10 business days of allotment of the Units, a separate statement will be issued showing:

- the number of your Units participating in the DRP;
- the cash distribution entitlement;
- the number and effective price of Units issued under the DRP; and
- any taxable components of the distribution.

**Can the DRP be modified, suspended, terminated or reinstated?**

The Manager may modify, suspend, terminate or reinstate the operation of the DRP at any time.

It should also be noted that the Manager may arrange for the DRP to be underwritten at any time on terms and conditions that it deems appropriate.

# Rules of the DRP

## Rule 1: Preliminary

1. These Rules constitute the terms and conditions of the DRP established by the Manager pursuant to the Trust's Constitution.
2. The DRP will continue in operation until suspended or terminated by the Manager pursuant to Rule 17 or by the Trust at a general meeting of Unitholders.

## Rule 2: Interpretation

1. In these Rules, unless a contrary intention appears:

**DRP Account** has the meaning given to that expression by Rule 9;

**DRP Election Form** means a document, the purpose of which is either to cause Units to participate in the DRP or to vary the basis of such participation;

**DRP Securities** has the meaning given to that expression by Rule 3.2;

**DRP Withdrawal Form** means a document, the purpose of which is to cause all Units in a particular securities account which are participating in the DRP to cease participation;

**Record Date** means the close of business on the last business day of a Distribution Period for determining entitlements to the distribution; and

**Reinvestment Units** has the meaning given to that expression by Rule 9. Other terms referred to in these Rules are defined in the Glossary on page 10.

2. References in these Rules to a securities account take account of the fact that a Unitholder may hold different classes of Units.
3. For the purposes of these Rules, a DRP Election Form shall be taken to indicate full participation in respect of Units of a particular kind and class held by a person in a particular securities account when it indicates that all of those Units are to participate.
4. For the purposes of these Rules, a DRP Election Form shall be taken to indicate partial participation in respect of Units of a particular kind and class held by a Unitholder in a particular securities account when it nominates a specified number of those Units (being less than the total number held by the Unitholder in that securities account) for participation in the DRP, or it nominates a specified percentage of a Unitholder's holding for participation in the DRP, being less than 100 percent (subject to Rule 5.14).

## Rule 3: Participation

1. Some or all of the Units being fully paid Units, partly paid Units or converting preference Units held from time to time by a Unitholder in a particular securities account may, subject to these Rules, participate in the DRP.
2. Units held by a person in a particular securities account that participate at any time in the DRP are called DRP Securities.

## Rule 4: Ascertaining Participating Securities

1. The Units held by a Unitholder in a particular securities account which, at a particular time, participate in the DRP shall be determined by reference to the DRP Election Form received from the Unitholder in accordance with Rule 5 which is in force at the relevant time.
2. If a Unitholder has specified the number of Units which are to participate in the DRP as a percentage of that Unitholder's holding, the number of Units which are to participate will be that percentage of the total number of Units held by that Unitholder rounded down, if necessary, to the nearest whole number of Units subject to Rule 5.14.

## Rule 5: Lodgement and Effect of a DRP Election and DRP Withdrawal Form

1. A DRP Election or Withdrawal Form must be in a form prescribed or approved by the Manager.
2. Every DRP Election and Withdrawal Form must:
  - (a) contain sufficient details to enable the relevant securities account and the Units to which it relates to be identified;
  - (b) be executed by or on behalf of the Unitholder by whom the relevant Units are held or in such other manner as the Manager may from time to time prescribe or approve;
  - (c) be received by the Trust's Registrar; and
  - (d) comply with these Rules.
3. If a DRP Election Form specifies full participation, all Units held by the Unitholder, including those subsequently acquired by the Unitholder in respect of the relevant securities account, whether under the DRP or otherwise, will be DRP Securities.
4. Subject to Rule 5.14, if a DRP Election Form specifies partial participation:
  - (a) by specifying the exact number of Units which are to participate, only that number of Units specified will be DRP Securities irrespective of subsequent acquisitions by the Unitholder; and
  - (b) by specifying the percentage of the Unitholder's holding which is to participate, that percentage of Units held, including that percentage of securities subsequently acquired by the Unitholder in respect of the relevant securities account, will be DRP Securities.
5. If a DRP Election Form specifies a number of Units that is greater than the total number of Units in the relevant securities account on the Record Date, the Unitholder shall be deemed to have elected full participation.
6. If a DRP Election Form purports to nominate a securities account for both full participation and partial participation at the same time, the relevant Unitholder shall be deemed to have elected full participation.
7. A DRP Election or Withdrawal Form comes into force when it is approved by the Manager and, until then, creates no rights or liabilities.

8. Approval of a DRP Withdrawal Form shall not be withheld by the Manager.
9. Approval of a DRP Election Form may be withheld by the Manager in any case at the absolute discretion of the Manager which shall not be bound to state any reason for the withholding of the approval.
10. Approval of a DRP Election Form shall be withheld by the Manager in any case where, in the opinion of the Manager, approval of it would prejudice the effective operation of the DRP, would result in a breach of any law or would be contrary to the interests of the Trust as determined by the Manager.
11. Where approval of a DRP Election Form is withheld, the Manager shall so inform the Unitholder from whom the DRP Election Form was received.
12. Unless a DRP Election or Withdrawal Form is received by the Trust's Registrar by the close of business on the business day following the Record Date for the next distribution, the DRP Election or Withdrawal Form shall not take effect in respect of that distribution.
13. Where a DRP Election or Withdrawal Form purports to be signed by an agent on behalf of a Unitholder, the Manager may require proof of the agent's authority and until proof to its reasonable satisfaction is furnished, may decline to recognise the DRP Election or Withdrawal Form.
14. If a DRP Election Form purports to nominate a securities account for partial participation which contains less than 150 securities, the relevant Unitholder shall be deemed to have elected full participation.

#### **Rule 6: Variation and Termination of Participation**

1. Variation of participation may only be effected by lodgement of a new DRP Election Form in substitution for the DRP Election Form in force at the time of lodgement.
2. A Unitholder who has lodged a DRP Election Form in relation to a particular securities account may terminate their participation in the DRP in relation to that securities account by lodging a DRP Withdrawal Form and when that DRP Withdrawal Form comes into force, all of the Units held by the Unitholder in that securities account shall cease to be DRP Securities.

#### **Rule 7: Securities Subject to Charge**

1. If at the time of lodgement of any DRP Election Form, the Trust has a lien on or charge over any of the Units to which the DRP Election Form relates or is entitled to withhold distributions thereon, the DRP Election Form is incapable of coming into force and shall be ineligible for approval by the Manager.
2. If any lien, charge or entitlement arises in relation to any DRP Securities as mentioned in Rule 7.1, a DRP Withdrawal Form in relation to the relevant securities account shall be deemed to have come into force and Rule 6.2 shall take effect accordingly (subject, however, to that lien, charge or entitlement).

#### **Rule 8: Effect of Transfer of Securities**

1. On transfer of all the Units in a particular securities account, such of those securities as are DRP Securities will, on registration of the transfer, automatically cease to have that character.
2. Subject to Rule 8.1, on transfer of only some of the Securities in a particular securities account, unless the Unitholder otherwise notifies the Trust's Registrar, the securities comprised in the transfer shall be taken to be:
  - (a) first, Units receiving a distribution in cash; and
  - (b) second, Units participating in the DRP,

and such of the Units comprised in the transfer as are taken to be DRP Securities will, on registration of the transfer, automatically cease to have that character.

3. For the purposes of this Rule 8, transfer includes a valid application for registration by transmission.

#### **Rule 9: Entitlements**

Distributions declared or otherwise to be paid in respect of DRP Securities shall be deemed received by the Unitholder and applied as subscription moneys for fully paid Units (referred to as Reinvestment Units) in accordance with Rule 11 at or about the distribution payment date to each person by whom DRP Securities are held in the relevant securities account on the Record Date for the distribution.

In order to calculate from time to time the number of Reinvestment Units to which a Unitholder is entitled in respect of a particular securities account, the Trust shall for record purposes only keep a separate account (referred to as a DRP Account) in respect of that securities account which:

- (a) records every amount of distribution which the Unitholder would have received in cash from time to time in respect of the Unitholder's DRP Securities in that securities account had such securities not participated in the DRP and accordingly had distributions been paid in cash (please see  $(V \times W) - T \div X$  in Rule 10 below);
- (b) reflects each application of every such amount; and
- (c) records such other matters as these Rules require.



# Rules of the DRP

## Rule 10: Calculation of Entitlements

A Unitholder holding DRP Securities on the Record Date in respect of a distribution on Units of the same class, shall be entitled to an allotment of the number of relevant Reinvestment Units (as referred to below) which is ascertained by applying the formula:

$$\frac{(V \times W) - T}{X}$$

where:

- V** represents the number of DRP Securities of the relevant class held by the Unitholder in the particular securities account on the Record Date for the distribution;
- W** represents the amount of the distribution to which the Unitholder is entitled in respect of each of those DRP Securities;
- T** represents the amount of withholding tax, income tax or any other tax required to be deducted and withheld by the Trust in respect of distributions attributable to those DRP Securities; and
- X** represents the Average Unit Price, less the discount, if any, determined by the Manager from time to time,

and, if a fraction results from the application of that formula, by rounding the result of the formula's application down to the nearest whole number.

## Rule 11: Allotment of Reinvestment Units

An issue of Reinvestment Units to a Unitholder in respect of a particular securities account by reason of a distribution payment shall be affected as follows:

- (a) there shall be recorded in the DRP Account of the Unitholder in respect of that securities account the number of Reinvestment Units (calculated under Rule 10) required to be allotted to the Unitholder; and
- (b) the number of Reinvestment Units recorded pursuant to Rule 11(a) shall be allotted to the Unitholder at or about the time of payment of the distribution in question.

## Rule 12: DRP Statements

1. Within 10 business days of allotment of any Reinvestment Units, a statement will be issued in respect of each participating securities account to which those Reinvestment Units relate detailing:
  - (a) the number of DRP Securities at the Record Date;
  - (b) the amount of the distribution to which the Unitholder is entitled and which the Unitholder would have received in cash if the DRP Securities had not participated in the DRP;
  - (c) the effective price at which the Reinvestment Units were issued;
  - (d) the number of those Reinvestment Units issued;
  - (e) any estimated taxable components of the distribution;
  - (f) such information, if any, as is required by law to be included in such a statement or to be given to the recipient of the statement; and
  - (g) such other information as the Manager considers necessary.

2. All Reinvestment Units allotted to a Unitholder in relation to a particular securities account will be recorded on the register of the Trust maintained in the same place as the register on which are recorded the majority of the existing securities in that securities account.

## Rule 13: Ranking and Listing

1. All Reinvestment Units shall, from the date of their issue, rank *pari passu* with all other fully paid Units in the capital of the Trust.
2. Promptly after allotment, the Trust will make application for official quotation of all Reinvestment Units on the ASX as per the ASX Listing Rules.

## Rule 14: Death of Participant

1. Where the Unitholder of any Units in respect of which a DRP Election Form is for the time being in force dies, participation of any Units held by that Unitholder in the DRP shall:
  - (a) where such Unitholder is the sole Unitholder, terminate on receipt by the Trust of notice of death; and
  - (b) where the Unitholder is a joint Unitholder, not be affected by the death.
2. In the case of such death, the Trust will recognise as competent to lodge a DRP Election or Withdrawal Form, any person whom it is bound to recognise as competent to transfer the Units.

## Rule 15: Persons in Other Countries

1. Nothing in these Rules requires the Manager to take any action under any laws in force outside Australia or New Zealand which affect or regulate the issue of Units pursuant to the DRP or the right or entitlement of a Unitholder subject to those laws to participate in the DRP.
2. Responsibility to comply with any laws of the kind mentioned in Rule 15.1 is not accepted by the Manager. The Manager, if it considers that it is impracticable or undesirable to meet the requirements of any such law that must be met to enable particular persons to participate, shall be entitled to decline to accept or disregard any DRP Election Form lodged by any such Unitholder. If a DRP Election Form lodged by any such Unitholder has previously been accepted, the Manager is entitled to execute on the Unitholder's behalf a DRP Withdrawal Form.
3. Without limiting the generality of Rule 16.2 (but subject to Rule 16.3) the Manager may alter or add to these Rules in any way which causes:
  - (a) provisions different from those generally applying, are to apply in relation to participation in the DRP by Unitholders resident in, connected with or subject to the laws in force outside Australia or New Zealand where the Manager is of the opinion that to do so is necessary or desirable to enable participation by those Unitholders; or
  - (b) Units held by or on behalf of Unitholders resident in, connected with or subject to the laws in force outside Australia or New Zealand to be incapable of participating in the DRP where the Manager is of the opinion that it is neither practicable nor desirable to extend participation to Units so held.

**Rule 16: Variation of the DRP**

1. Subject to Rule 16.2, the Manager may at any time alter or add to these Rules as it thinks fit.
2. No alteration of, or addition to, these Rules shall be made by the Manager if the alteration or addition:
  - (a) removes or varies a right to receive Reinvestment Units that has already crystallised by reason of the payment of the relevant distribution; or
  - (b) imposes on a Unitholder who holds DRP Securities any obligation to pay money.
3. Neither a determination by the Manager of a rate of discount for the purposes of Rule 10, a change to The Specified Period nor a suspension or termination (in whole or in part) of the DRP pursuant to Rule 17 amounts to an alteration of or addition to these Rules.

**Rule 17: Suspension, Termination or Reinstatement of the DRP**

1. The Manager may at any time suspend the operation of the DRP. The suspension of the DRP will be for either a fixed period or until the DRP is reinstated by the Manager.
2. The Manager may at any time terminate the DRP.
3. On termination of the DRP, the securities held by the Unitholder in a particular securities account which are DRP Securities shall automatically cease to have that character.
4. The Manager may at any time reinstate the DRP.

**Rule 18: Notices and Governing Law**

1. Unless these Rules otherwise require in a particular case, a notice or other communication to be given to the Manager under or for the purposes of these Rules shall be in writing and shall be given by lodging it with the Trust's Registrar.
2. Unless these Rules otherwise require in a particular case, a notice or other communication to be given by the Manager under or for the purposes of these Rules shall be given in any manner permitted by the Trust's Constitution for the giving of notices to Unitholders.
3. These Rules shall be governed by and construed in accordance with the laws of New South Wales and the Commonwealth of Australia.

# Glossary

<b>ASX</b>	Australian Securities Exchange Limited
<b>Average Unit Price</b>	The average of the daily volume weighted average prices over the relevant Specified Period
<b>Distribution Period</b>	Half-yearly
<b>DRP</b>	Distribution Reinvestment Plan
<b>Manager</b>	Charter Hall Retail Management Limited ABN 46 069 709 468 (or its Successor)
<b>The Specified Period</b>	15 business days (or such other period as determined by the Manager's Board from time to time) from and including the 3rd business day following the Record Date
<b>Trust</b>	Charter Hall Retail REIT ARSN 093 143 965
<b>The Trust's Registrar</b>	Link Market Services Limited
<b>Unit</b>	Unit in the Trust

# Corporate Directory

## The Trust

Charter Hall Retail REIT  
ARSN 093 143 965

## The Manager

Charter Hall Retail Management Limited  
ABN 46 069 709 468

## Registered Address

Level 20, No.1 Martin Place  
Sydney NSW 2000

## Manager's Contact Details

Level 20, No.1 Martin Place  
Sydney NSW 2000  
  
Telephone: (02) 8651 9000  
1300 365 585 (local call cost)  
Facsimile: (02) 9221 4655  
Email: [reits@charterhall.com](mailto:reits@charterhall.com)  
Website: [www.charterhall.com.au/cqr](http://www.charterhall.com.au/cqr)

## The Trust's Registrar

Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
  
Telephone: 1300 303 063 (local call cost)  
Email: [charterhall.reits@linkmarketservices.com.au](mailto:charterhall.reits@linkmarketservices.com.au)

## Disclaimer

This Distribution Reinvestment Plan Booklet has been prepared for general information purposes only and whilst every care has been taken in relation to its accuracy, no warranty is given or implied. Further, Unitholders should consider obtaining their own independent advice before making any decision that relies on this information. Neither Charter Hall Retail Management Limited nor any member of the Charter Hall Group guarantees the capital value of the Units or any particular rate of return. This Booklet does not constitute an offer for sale of, or investment in Units in the Charter Hall Retail REIT.

