

PERPETUAL PURE CREDIT ALPHA FUND

Product Disclosure Statement

PRODUCT DISCLOSURE STATEMENT
ISSUE NUMBER 4 DATED 1 MARCH 2021
Issued by Perpetual Investment Management Limited
ABN 18 000 866 535 AFSL 234426

Perpetual 

IMPORTANT NOTES

In this Product Disclosure Statement (PDS), 'Fund' means Perpetual Pure Credit Alpha Fund, a managed investment scheme that is registered with the Australian Securities and Investments Commission (ASIC) – refer 'Fund profile' for details.

The Fund's constitution allows for multiple unit classes, which may have different rights and obligations (including fees and terms) attached to them. Within each class of units, the units have the same rights. This PDS offers investment in the Fund's 'Class W units'. Any reference to the Fund is a reference to Class W units in the Fund.

References in this PDS to 'we', 'us', 'our' and 'Perpetual' are to Perpetual Investment Management Limited as:

- the responsible entity of the Fund
- the issuer of units in the Fund and this PDS
- the investment manager of the Fund.

Perpetual Investment Management Limited is a wholly owned subsidiary of Perpetual Limited (ABN 86 000 431 827).

'Perpetual Group' means Perpetual Limited and its subsidiaries.

We authorise the use of this PDS as disclosure for both investors investing directly in the Fund and indirect investors that wish to access the Fund through an investor directed portfolio service (IDPS), IDPS-like scheme, a nominee or custody service or any other trading platform authorised by Perpetual (collectively referred to in this PDS as a 'Service').

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

'You' or 'your' refers to direct (including Service operators) and/or indirect investors in the Fund, as the context requires.

This PDS describes the important features of the Fund. You should read it carefully before you decide to invest as it will help you to decide whether the Fund is appropriate for you. It contains general information only and doesn't take into account your objectives, financial situation or needs. This PDS will also help when comparing the Fund to others you may be considering.

We recommend that you consider the appropriateness of this information having regard to your objectives, financial situation and needs and seek financial advice before making an investment decision. If you have questions about investing in the Fund, you should speak to your financial adviser. You should consider the tax implications of investing in the Fund, which your financial and/or tax adviser will be able to help you with.

We may update this PDS (as well as the terms and features of the Fund where we can according to the Fund's constitution and the law) with changes that are not materially adverse without issuing a supplementary PDS. The PDS and updated information will be available at our website and you can also obtain a paper copy free of charge, on request. If we become aware of any change that is materially adverse, we'll replace this PDS or issue a supplementary PDS. Any replacement and/or supplementary PDS will be available at our website and you can also obtain a paper copy free of charge, on request. If there is an increase in our fees or charges, we'll give you or your Service operator (as applicable) at least 30-days' prior written notice.

You should keep a copy of the current PDS and any replacement and/or supplementary PDS for future reference. You can access further information that has been made publicly available, that might influence your decision, at our website or by contacting us.

Visit our website or contact us for the most up-to-date past investment returns. Past investment returns are not indicative of future returns, so you shouldn't base your decision to invest in the Fund on past investment returns.

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

This PDS can only be used by investors receiving it (electronically or otherwise) in Australia.

All amounts in this PDS are in Australian dollars and all times quoted are Sydney time (unless otherwise specified). A business day is a working day for Perpetual in Sydney.



CONTENTS

| | | | |
|--|---------------------------|--|--------------------------|
| IMPORTANT NOTES | INSIDE FRONT COVER | ADDITIONAL INFORMATION | 20 |
| ABOUT THE FUND | 2 | Your cooling-off rights | 20 |
| Benefits of investing | 2 | How units are priced and investments are valued | 20 |
| Investment manager | 2 | Reporting | 20 |
| Key features relating to the Fund | 2 | Continuous disclosure documents | 21 |
| | | Inquiries and complaints | 21 |
| FUND PROFILE | 5 | Your privacy | 22 |
| Additional investment information | 6 | Anti-money laundering/counter-terrorism financing laws | 22 |
| | | Investments and social security | 22 |
| UNDERSTANDING INVESTMENT RISK | 8 | Mortgage of units | 22 |
| The risks of investing | 8 | Transfer of units | 23 |
| How we manage these risks | 9 | Our role as responsible entity | 23 |
| | | Constitution | 23 |
| FEES AND OTHER COSTS | 10 | Borrowing powers | 23 |
| Fees and costs summary | 10 | Our liability | 23 |
| Example of annual fees and costs | 11 | Rights of direct investors | 23 |
| Additional explanation of fees and costs | 11 | Suspension of applications and withdrawals | 23 |
| | | Other conditions | 24 |
| OPERATING YOUR ACCOUNT | 14 | Incorporation by reference | 24 |
| Investments | 15 | Other documents | 24 |
| Withdrawals | 15 | | |
| Distributions | 16 | APPLYING FOR AN INVESTMENT | 25 |
| Instructions and changes | 17 | Direct investors | 25 |
| Authorised representative | 17 | Indirect investors | 26 |
| myPerpetual online access | 17 | | |
| Interest earned on application, withdrawal and distribution accounts | 17 | APPLICATION FORM FOR DIRECT INVESTORS | 27 |
| | | CONTACT DETAILS | INSIDE BACK COVER |
| TAX | 18 | | |
| Attribution management investment trust (AMIT) regime | 18 | | |
| Tax position of the Fund | 18 | | |
| Australian resident investors | 18 | | |
| Non-resident investors | 18 | | |
| Reporting | 18 | | |
| Tax file number (TFN)/ | | | |
| Australian business number (ABN) | 19 | | |
| Goods and services tax (GST) | 19 | | |

ABOUT THE FUND

BENEFITS OF INVESTING

The Fund aims to provide investors with a positive return above the cash rate over rolling three-year periods (before fees and taxes) by primarily investing in and actively trading fixed income securities and related derivatives.

Perpetual aims to achieve the Fund's objective by utilising an active and risk aware investment process that leverages the full use of the Perpetual Credit team's experience. The strategy will allow the team discretion to invest in areas of the market or a company's capital structure where they see relative value.

INVESTMENT MANAGER

Perpetual is part of the Perpetual Group, which has been in operation for over 130 years. By employing some of the industry's best investment specialists and applying a proven investment philosophy, Perpetual has been able to help generations of Australians manage their wealth.

KEY FEATURES RELATING TO THE FUND

ASIC requires the following specific information be provided for certain funds that pursue complex investment strategies (eg via use of leverage, derivatives and short selling) and/or have other characteristics (eg complex structures) that may result in increased risk:

- periodic reporting
- investment strategy
- investment manager
- fund structure
- valuation, location and custody of assets
- liquidity
- leverage
- derivatives
- short selling
- withdrawals.

We are required to provide such additional information in relation to the Fund because:

- the Fund's investment strategy includes gearing
- the Fund uses derivatives for certain purposes, including to create short positions on credit securities.

The 'Key features relating to the Fund' table on page 4 provides a summary of how Perpetual complies with this requirement. To the extent that any particular details are not already contained within this document, additional information, which also forms part of this PDS, will be available at our website (see 'Incorporation by reference' on page 24 for details) or can be obtained free of charge by contacting us.

KEY SERVICE PROVIDERS

Perpetual has appointed independent service providers to provide the following key services for the Fund:

- investment administration
- custody
- audit
- unit registry.

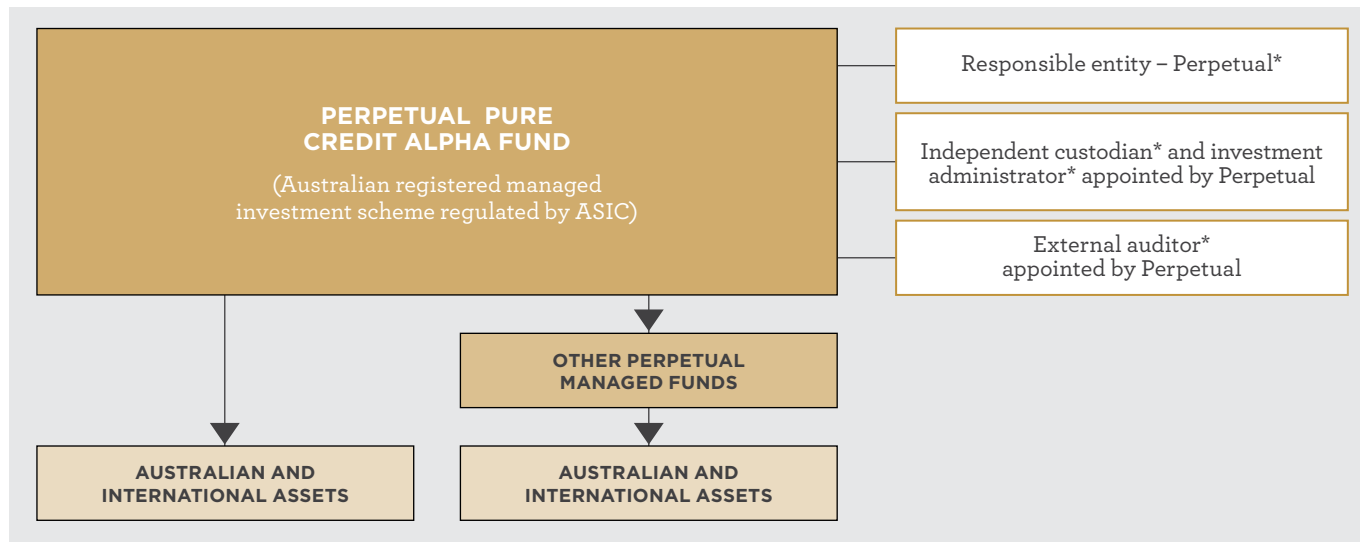
Current details of these key service providers at any time are publicly available at our website (see 'Incorporation by reference' on page 24 for details) or can be obtained free of charge by contacting us.

Perpetual monitors the investment administrator, custodian and unit registry service provider in a number of ways, including:

- obtaining internal controls reports which are independently audited
- holding regular relationship meetings
- receiving periodic compliance certifications.

FUND STRUCTURE

The following diagram illustrates the investment structure that applies to the Fund at the date of this PDS.



* All of these entities are located in Australia.

KEY FEATURES RELATING TO THE FUND

| FEATURE | DETAILS |
|--|---|
| Periodic reporting | <p>The following information, updated at least annually, will be available at our website:</p> <ul style="list-style-type: none"> • the derivative counterparties engaged by the Fund • details of key service providers. <p>The following information, updated monthly, will be available at our website:</p> <ul style="list-style-type: none"> • the asset allocations of the Fund, including the geographic location of any material international assets • the Fund's gearing level • the Fund's long, short and net position percentages • net asset value of the Fund • net returns of the Fund • any material changes in the Fund's risk profile • any material changes in the Fund's investment strategy. |
| Investment strategy | <p>The objective, investment approach and investment guidelines for the Fund and additional investment information are provided in the 'Fund profile' section on pages 5-7.</p> <p>You should also refer to 'Understanding investment risk' on page 8 for information about the risks of investing in the Fund and how these risks are managed.</p> |
| Investment manager | <p>Perpetual is the responsible entity and investment manager of the Fund – refer 'Investment manager' on page 2 for further information.</p> <p>Biographies of the Fund's portfolio managers are available at www.perpetual.com.au/about/our-people/asset-management-team (refer 'Credit and Fixed Income Investment Team').</p> |
| Fund structure | <p>The Fund may invest in assets directly or indirectly via other Perpetual managed funds that have compatible investment objectives and authorised investments – refer 'Fund structure' on page 3 for further information.</p> <p>The Fund's ongoing annual fees and costs include management fees and costs and transaction costs – refer 'Ongoing annual fees and costs' on page 11 for details.</p> |
| Valuation, location and custody of assets | <p>The Fund predominantly invests in cash (deposits and money market) and fixed income securities, but may have exposure to other securities as well as derivative instruments (refer 'Fund investments' on page 6 for descriptions of these types of assets) following the 'Investment guidelines' detailed on page 5 and 'Investment approach' detailed on pages 6-7.</p> <p>There are no specific guidelines or constraints on the geographic location of the Fund's international assets.</p> <p>All of the Fund's investments are valued at market value by an independent investment administrator appointed by Perpetual (refer 'Key service providers' on page 2 for further information). The net asset value of the Fund is generally determined each business day – refer to 'How units are priced and investments are valued' on page 20 for further information.</p> <p>Perpetual has also appointed an independent custodian to hold the Fund's assets (refer 'Key service providers' on page 2 for further information).</p> |
| Liquidity | <p>Since the Fund has a maximum limit of 18% for investments in illiquid assets, under normal market conditions we expect that at least 80% of the Fund's assets could be liquidated at market value within 10 days. The Fund is therefore considered liquid and is operated as a liquid managed investment scheme – refer 'Liquidity risk' on page 8, 'Withdrawals' on page 15 and below and 'Suspension of applications and withdrawals' on page 23 for further information.</p> |
| Leverage | <p>The Fund uses gearing as a key part of its investment strategy – refer 'Investment guidelines' within the 'Fund profile' on page 5 and 'Gearing risk' on page 8 for information about associated risks and 'Borrowing powers' on page 23.</p> |
| Derivatives | <p>Derivatives may be used in the management of the Fund – refer 'Use of derivatives' on page 6 for details and 'Derivatives risk' on page 8 for information about associated risks.</p> |
| Short selling | <p>The Fund may use derivatives to create short positions on credit securities. However, the Fund does not engage in traditional short selling involving the borrowing of actual securities.</p> |
| Withdrawals | <p>The Fund is operated as a liquid managed investment scheme, however withdrawals from the Fund are only processed on a monthly basis. You can generally request a withdrawal of all or part of your investment in the Fund at any time as long as you maintain the required minimum balance after any partial withdrawal from the Fund – refer 'Withdrawals' on page 15 and 'Suspension of applications and withdrawals' on page 23 for further information.</p> |

FUND PROFILE

PERPETUAL PURE CREDIT ALPHA FUND

| | | |
|---|--|---------|
| Registered managed investment scheme¹ | Perpetual Pure Credit Alpha Fund ARSN 121 609 747 | |
| APIR code² | PERO669AU | |
| Commencement date | March 2012 | |
| Suitability | Designed for investors with the appropriate risk level, investment timeframe and objective – see below. | |
| Risk level³ | 5 – Medium to high | |
| Minimum suggested timeframe⁴ | Three years or longer | |
| Investment return objective | The Fund aims to provide investors with a positive return above the cash rate over rolling three-year periods (before fees and taxes) by primarily investing in and actively trading fixed income securities and related derivatives. | |
| Investment approach⁵ | <p>The Fund's investment portfolio will be diversified, taking into account changes in market-wide and security-specific credit margins while seeking to maximise returns from liquidity premiums. In addition, it is the intention to enhance returns through:</p> <ul style="list-style-type: none"> • the ability to purchase securities with no minimum credit rating • the appropriate use of leverage • investing in different levels of the capital structure based on opportunities in the market • creating short positions on credit securities using derivatives. | |
| Investment guidelines⁶ | Investment grade ⁷ debt | 50-100% |
| | Sub-investment grade ⁸ /non-rated debt | 0-50% |
| | Equity | 0-15% |
| | Illiquid assets ⁹ | 0-18% |
| | Gearing level ¹⁰ | 0-50% |
| Minimum investment | \$100,000 | |
| Applications¹¹ | Daily | |
| Withdrawals¹² | Monthly | |
| Distribution frequency and dates¹³ | Quarterly – as at 31 March, 30 June, 30 September and 31 December | |

1 This shows the Fund's registered name as at the date of this PDS and its Australian registered scheme number (ARSN) issued by ASIC.

2 The APIR code is the unique industry identifier for the Fund.

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

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

The SRM is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of the negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of administration fees on the likelihood of a negative return.

You should still ensure you are comfortable with the risks and potential losses associated with the Fund.

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

4 This is a guide only and not a recommendation. When choosing a fund in which to invest, you should consider the likely investment return, the risk and your investment timeframe. We recommend you consult a financial adviser for assistance in determining whether the Fund is appropriate for you.

5 See 'Investment approach' on page 6 for more information.

6 This provides an indication of what the Fund will invest in. You can obtain information on the actual asset allocations (updated as at the end of each month) at our website or by contacting us.

7 Investment grade is a term given to debt securities that have a high probability of payment of interest and repayment of principal.

8 Sub-investment grade is a term given to debt securities where there is a higher risk that the issuer may not be able to meet interest payments or the repayment of principal if difficult conditions arise. The Fund predominantly invests in investment grade debt securities, but we may increase our sub-investment grade exposure under favourable economic conditions. Sub-investment grade debt securities may include, but are not limited to, private debt, hybrids and collateralised loan obligations.

9 Illiquid assets are defined as assets within the above allocations that have no readily available secondary market and are not marketable securities, such as certain types of corporate loans. Units in unlisted funds are considered illiquid where underlying assets meet that definition.

10 The gearing level is the Fund's borrowings divided by the total gross value of assets. It will depend on the present levels and future expectation of the Fund's net income (income after fees and expenses).

11 See 'Investments' on page 15 for more information.

12 See 'Withdrawals' on page 15 for more information.

13 See 'Distributions' on page 16 for more information.

ADDITIONAL INVESTMENT INFORMATION

FUND INVESTMENTS

The Fund predominantly invests in cash (deposits and money market) and fixed income securities, but may have exposure to other securities as well as derivative instruments. The Fund predominantly holds Australian assets but may also hold offshore assets (for which the currency risk may be hedged).

The Fund may invest in assets directly or indirectly via other Perpetual managed funds that have similar investment objectives and authorised investments.

CASH

Cash investments include bank accounts, discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans. Cash generally provides a rate of return in line with short-term interest rates.

DEPOSITS

Deposits are products offered by authorised deposit-taking institutions (ADIs). ADIs are regulated by the Australian Prudential Regulation Authority (APRA), which enforces standards designed to ensure that under all reasonable circumstances ADIs can meet their obligations to depositors.

MONEY MARKET

Money market instruments are considered highly liquid fixed income instruments with a short maturity profile.

FIXED INCOME

Fixed income securities are instruments issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark. Some of these instruments contain both debt and equity characteristics (eg hybrids), which may convert to common equity and may pay income in the form of a franked dividend.

EQUITY

Equity includes common equity, being the amount that all common shareholders have invested in a company, and deeply subordinated structured debt instruments such as collateralised debt obligations and asset-backed securities. In the hierarchy of creditors in the event of default, holders of subordinated debt rank behind the liquidator, government tax authorities and senior debt holders.

DERIVATIVES

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

INVESTMENT APPROACH

Perpetual aims to achieve the Fund's objectives by:

- diversifying the Fund amongst different securities issued by various entities
- actively managing for changes in market wide and security specific credit margins
- identifying and investing in relative value within the universe of credit securities
- investing in longer term non-government securities
- maximising returns from liquidity premiums
- utilising derivatives in conjunction with authorised investments
- actively managing the portfolio with respect to interest rates, swap and credit margins and managing the portfolio's sensitivity to these
- utilising limited exposure to illiquid assets.

USE OF DERIVATIVES

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

- managing actual and anticipated interest rate risk and credit exposure
- managing the duration of the Fund
- managing currency risk and adjusting currency exposure
- achieving asset exposures without buying or selling the underlying securities
- creating short exposure to a security
- adding to the gearing level of the portfolio
- taking advantage of price differences (known as arbitrage).

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

The derivatives used by the Fund are mostly exchange traded derivatives. For any over-the-counter (OTC) derivatives, counterparties must have minimum long and short-term credit ratings from a recognised ratings agency that are acceptable to us. A list of OTC derivative counterparties is available at our website.

ENVIRONMENTAL, SOCIAL, GOVERNANCE AND ETHICAL FACTORS

Increasingly, investment managers are developing their own policies regarding their method for considering environmental, social (which includes labour standards) and governance (ESG) factors which may influence the purchase, sale or retention of an individual investment.

Perpetual has a long-standing commitment to responsible investment, and in 2009 became a signatory to the United Nations supported Principles for Responsible Investment (PRI). PRI signatories recognise the growing social and political expectation that the companies they invest in conduct themselves responsibly and sustainably. Our commitment to PRI acknowledges that, as a company and as an industry, we must continue to improve our understanding of how ESG factors impact investment returns for individual assets and across the economy.

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

BORROWING

Whilst we have the discretion to borrow for gearing as part of the Fund's investment strategy, we currently don't intend to do so. However, borrowing may occur in the daily management of the Fund.

UNDERSTANDING INVESTMENT RISK

THE RISKS OF INVESTING

All investments carry risk. The value of your investment may fall for a number of reasons, which means that you may receive back less than your original investment when you withdraw or you may not receive income over a given timeframe. Before making an investment decision, it's important to understand the risks that can affect the value of your investment. While it's not possible to identify every risk relevant to investing in the Fund, we have detailed in the following table significant risks that may affect your investment.

Different strategies may carry different levels of risk, depending on the assets that make up the strategy, and assets with the highest long-term returns may also carry the highest level of short-term risk due to their generally larger fluctuations in returns.

Your financial adviser can assist you in determining whether the Fund is suited to your financial needs.

SIGNIFICANT RISKS

| TYPE OF RISK | DESCRIPTION OF RISK |
|-----------------------------|--|
| Market and economic risk | Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility. |
| Asset risk | A particular asset that a fund invests in may fall in value, which can result in a reduction in the value of your investment. |
| Currency risk | For investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall. Currency management or hedging strategies may not necessarily provide protection against adverse currency movements. |
| Interest rate risk | Both prevailing interest rates and changes in interest rates may have a negative impact, either directly or indirectly, on investment returns. |
| Credit risk | The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time. The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit rating declines. |
| Liquidity risk | The absence of an established market or shortage of buyers for an investment can result in a loss if the holder of the investment needs to sell it within a particular timeframe. A shortage of liquidity can also result in delays in the payment of withdrawals from a fund. Investors should note that withdrawals from the Fund are only processed monthly. Depending on when you lodge a withdrawal request, it could be 70 days or longer before you receive the proceeds of your withdrawal – see 'Withdrawals' on page 15 and 'Suspension of applications and withdrawals' on page 23 for further information. |
| Derivatives risk | Derivative values can fluctuate significantly and in certain circumstances a derivative can be more volatile than the underlying asset or index. The value of a derivative contract may fall as a result of an adverse movement in the underlying asset or index. Losses can be magnified where a greater exposure is created through the derivative position than is backed by the assets of a fund. Derivatives may also be subject to liquidity risk and/or counterparty risk. Depending on market conditions derivative positions can be costly or difficult to reverse. A counterparty may also be required to take collateral from the Fund's assets to support a derivatives contract. Therefore, there is a risk that if the counterparty becomes insolvent, the Fund's assets may not be returned in full. See 'Use of derivatives' on page 6 for further information about how derivatives may be used in the management of the Fund. |
| Counterparty risk | A loss may occur if the other party to a contract, including derivatives contracts, defaults on their obligations under the contract. |
| Gearing risk | Gearing increases the volatility of a fund's investment returns and the greater the level of gearing, the greater the potential for loss of investment capital. While gearing can result in larger investment gains in a rising market, it is also likely to magnify losses in a falling market. For example, a 10% fall in the value of assets in a fund with a gearing level of 50% would result in an effective rate of loss of 20%. Using derivatives for gearing also exposes the Fund to derivatives risk (see 'Derivatives risk' above). |
| Legal and regulatory risk | Changes in legislation and differences between rules (including interpretation of the law) in domestic and foreign markets, including those dealing with taxation, accounting and investments, may adversely impact your investment. |
| Other investment risks | The investment professionals employed to manage the Fund may change, which may affect the future performance of the Fund. Investing in the Fund may have a different tax outcome than investing directly because of the application of tax laws to the Fund and the impact of investments and withdrawals by other investors. One result is that you may receive back some of your capital as income. Transactions may be suspended, which may result in delays in paying withdrawal requests. The Fund may be terminated. |
| Conflicts risk | Conflicts of interest may arise between related parties appointed to provide services to the Fund. |
| Operational and cyber risks | The Fund's operations may be adversely impacted by breakdowns in internal/external administrative processes or circumstances beyond our reasonable control, such as failure of technology or infrastructure, or natural disasters. Despite security measures, fraud, data loss/damage or business disruption may result from cyber threats against or unauthorised infiltration of our technology systems and networks or those of our service providers. |

HOW WE MANAGE THESE RISKS

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

Perpetual Group has policies and procedures in place to manage any conflicts of interest, which ensure Perpetual's appointment and supervision of any related party is on arm's length terms and that any such related party performs its functions to the same standard as if the parties were not related and in the best interest of investors.

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 account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees.
Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** MoneySmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

FEES AND COSTS SUMMARY

FEES AND OTHER COSTS

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document.

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

If you are an indirect investor, any additional fees that you may be charged by your Service operator for investing in the Fund via their Service should be set out in your Service operator's disclosure document.

FEES AND COSTS SUMMARY

| PERPETUAL PURE CREDIT ALPHA FUND | | |
|---|--|--|
| TYPE OF FEE OR COST | AMOUNT | HOW AND WHEN PAID |
| ONGOING ANNUAL FEES AND COSTS | | |
| Management fees and costs The fees and costs for managing your investment | Management fees and estimated management costs are 1.00% pa. | Management fees, which are expressed as a percentage of the net asset value of the Fund, are calculated and accrued daily and generally paid to us monthly. They are deducted directly from the Fund's assets and reflected in its unit price. Direct investors may be able to negotiate the management fee with us. ¹ Management costs may be charged directly to the Fund and/or incurred indirectly in underlying funds. |
| Performance fees Amounts deducted from your investment in relation to the performance of the product | Nil. | Not applicable. |
| Transaction costs The costs incurred by the scheme when buying or selling assets | Estimated transaction costs are -0.03% pa. | All transactions costs are paid out of the Fund's assets and reflected in its unit price. This amount represents net transaction costs borne by all investors after any buy/sell spread recoveries charged on investor-initiated transactions (see 'Buy/sell spread' below). |
| MEMBER ACTIVITY RELATED FEES AND COSTS (fees for services or when your money moves in or out of the product) | | |
| Establishment fee The fee to open your investment | Nil. | Not applicable. |
| Contribution fee The fee on each amount contributed to your investment | Nil. | Not applicable. |
| Buy/sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme | Buy spread 0.15% | Sell spread 0.25% |
| Withdrawal fee The fee on each amount you take out of your investment | Nil. | Not applicable. |
| Exit fee The fee to close your investment | Nil. | Not applicable. |
| Switching fee The fee for changing investment options | Nil. | Not applicable. |

¹ See 'Differential fees' within the 'Additional explanation of fees and costs' section on page 12 for further information.

EXAMPLE OF ANNUAL FEES AND COSTS

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

| EXAMPLE - PERPETUAL PURE CREDIT ALPHA FUND | | BALANCE OF \$100,000 ¹ WITH A CONTRIBUTION OF \$5,000 DURING YEAR |
|---|--------|---|
| Contribution fees | Nil | For every additional \$5,000 you put in, you will be charged \$0.00 |
| PLUS Management fees and costs | 1.00% | And , for every \$100,000 you have in the Perpetual Pure Credit Alpha Fund you will be charged or have deducted from your investment \$1,000.00 each year |
| PLUS Performance fees | Nil | And , you will be charged or have deducted from your investment \$0.00 in performance fees each year |
| PLUS Transaction costs | -0.03% | And , you will be charged or have deducted from your investment -\$30.00 in transaction costs |
| EQUALS Cost of Perpetual Pure Credit Alpha Fund | | If you had an investment of \$100,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of \$970.00¹ . What it costs you will depend on the Fund you choose and the fees you negotiate. |

¹ We have assumed a constant value of \$100,000 for the whole year.

* Additional fees may apply:

A **buy spread** of 0.15%, equal to \$7.50 on a \$5,000 contribution, will also apply. **And**, if you leave the managed investment scheme, you will be charged a **sell spread** of 0.25%, equal to \$250.00 for every \$100,000 you withdraw. See 'Buy/sell spread' on page 13 for further information.

ADDITIONAL EXPLANATION OF FEES AND COSTS

ONGOING ANNUAL FEES AND COSTS

The total ongoing annual fees and costs for the Fund comprises:

- management fees and costs
- transaction costs.

The amounts shown in the following 'Estimated ongoing annual fees and costs' table include all management fees, estimated management costs and estimated transaction costs as at the date of the PDS. Any updates from time to time, which are not materially adverse, will be available at our website.

Ongoing annual fees and costs may vary in future years. Updated details will also be available at our website each year.

ESTIMATED ONGOING ANNUAL FEES AND COSTS

| FUND | ESTIMATED MANAGEMENT FEES AND COSTS | | ESTIMATED TRANSACTION COSTS (% PA) ² | ESTIMATED TOTAL ONGOING ANNUAL FEES AND COSTS (% PA) |
|----------------------------------|-------------------------------------|--|---|--|
| | MANAGEMENT FEES (% PA) | ESTIMATED MANAGEMENT COSTS (% PA) ¹ | | |
| Perpetual Pure Credit Alpha Fund | 1.00% | 0.00% | -0.03% | 0.97% |

- Since we currently choose to pay normal operating expenses out of our management fee, estimated management costs represent any abnormal operating expenses recovered from the Fund and any other indirect costs (see 'Abnormal operating expenses' on page 12 and 'Other indirect management costs' on page 12 for further information) for the financial year ended 30 June 2020, which may vary in future years without notice.
- Estimated transaction costs represent **net** transaction costs borne by all investors in the Fund after any buy/sell spread recoveries charged on investor-initiated transactions for the financial year ended 30 June 2020, which may vary in future years without notice. **Transaction costs should not be considered in isolation of investment returns.** It is important to understand that actively managed investments are likely to have higher transaction costs than passively managed investments, such as index funds, because of the higher expected volume of trading of the portfolio's assets in generating investment returns.

MANAGEMENT FEES AND COSTS

MANAGEMENT FEES

We receive management fees for managing and administering the Fund and overseeing the Fund's investments.

DIFFERENTIAL FEES

We may negotiate a rebate of all or part of our management fee with wholesale clients (as defined by the Corporations Act) and employees of the Perpetual Group. The payment and terms of rebates are negotiated with wholesale clients but are ultimately at our discretion, subject to the Corporations Act and ASIC policy.

MANAGEMENT COSTS

Management costs may include:

- any operating expenses which are not paid out of our management fees (see 'Abnormal operating expenses' below)
- other indirect management costs.

OPERATING EXPENSES

We're entitled to charge to the Fund or be reimbursed from the Fund for any expenses incurred in the proper performance of our duties and obligations relating to the management and administration of the Fund.

There is no limit in the Fund's constitution on the amount that can be recovered for expenses that are reasonably and properly incurred.

Normal operating expenses

Normal operating expenses are those incurred in the day-to-day operation of the Fund.

We currently choose to pay normal operating expenses, excluding any operational borrowing costs (see 'Borrowing costs' on page 13 for further information), out of our management fee.

Abnormal operating expenses

Abnormal operating expenses aren't generally incurred during the day-to-day operation of the Fund and aren't necessarily incurred in any given year. They're due to abnormal events like the cost of running an investor meeting, or legal costs incurred by changes in the Fund's constitution.

Any abnormal operating expenses charged to the Fund will be an additional management cost for the relevant year for the Fund.

OTHER INDIRECT MANAGEMENT COSTS

Derivatives

Management costs may also be incurred if the Fund or an underlying fund invests in any relevant derivatives.

Management fees and costs in underlying funds

The following also applies where the Fund invests into an underlying fund.

Managers of underlying funds will generally charge a management fee for their services. These fees will be deducted from the underlying funds and reflected in their unit price. Perpetual will compensate the Fund for these amounts so they are not an indirect management cost to you.

Managers of underlying funds may also charge expense recoveries to their underlying funds, which will usually be deducted from the assets of the underlying funds and reflected in their unit price, and/or the underlying funds themselves may incur indirect costs. If charged, these amounts will usually be an indirect management cost to you.

TRANSACTION COSTS

In managing the investments of the Fund, transaction costs such as brokerage, settlement costs, clearing costs and government charges may be incurred in the Fund's investment portfolio, or when the Fund experiences cash flows in or out of it.

When the Fund incurs transaction costs from changing its investment portfolio, they are paid out of the Fund's assets and reflected in its unit price.

Estimated transaction costs that are incurred because investors buy or sell units in the Fund are also paid from the Fund's assets, but they are recovered from those transacting investors by the transaction cost allowances that are included in the calculation of the Fund's entry and/or exit unit prices, as described under 'Buy/sell spread' on page 13.

Net transaction costs after any buy/sell spread recoveries charged on investor-initiated transactions, as shown in the 'Fees and costs summary' table on page 10, are a cost to all investors in the Fund.

Transaction costs may vary from year to year without notice to investors.

The following annual transaction cost information for the Fund based on the most recently completed financial year, which forms part of the PDS, is publicly available at our website (see 'Incorporation by reference' on page 24 for details) or can be obtained free of charge by contacting us:

- estimated total **gross** transaction costs
- estimated transaction costs recovered by buy/sell spreads on investor-initiated transactions
- estimated **net** transaction costs borne by all investors (the estimated percentage by which the Fund's investment return has been reduced by transaction costs not recovered by buy/sell spreads).

MEMBER ACTIVITY RELATED FEES AND COSTS

BUY/SELL SPREAD

Estimated transaction costs are allocated when an investor buys or sells units in the Fund by incorporating a buy/sell spread between the Fund's entry and exit unit prices, where appropriate. This aims to ensure that other investors aren't impacted by the transaction costs associated with a particular investor buying or selling units in the Fund. We have discretion to waive the buy/sell spread on applications or withdrawals where no transaction costs are incurred.

The buy/sell spread is an additional cost to you and will impact the return on your investment. The spread is based on our estimates of the average transaction costs incurred by the Fund. However, it is not a fee paid to us and is retained in the Fund to cover the actual transaction costs as they are incurred.

Estimated transaction costs, which are used to determine the buy/sell spread, are reviewed regularly. Consequently, the buy/sell spread current as at the date of this PDS, as shown in the 'Fees and costs summary' table on page 10, may change (increase or decrease) during the life of this PDS. The current buy/sell spread for the Fund at any time (as amended), which forms part of the PDS, is publicly available at our website (see 'Incorporation by reference' on page 24 for details) or can be obtained free of charge by contacting us.

GST is not applicable to any buy/sell spread when you buy or sell units in the Fund.

FURTHER INFORMATION ABOUT FEES AND COSTS

BORROWING COSTS

Whilst we currently choose to pay normal operating expenses out of our management fee, if the Fund incurs any incidental borrowing costs for short-term operational purposes, these costs may be paid out of the Fund's assets and reflected in its unit price.

Any borrowing costs are additional to the management fees and costs shown in the 'Fees and costs summary' table on page 10.

MISCELLANEOUS FEES

If we incur a fee because a cheque or direct debit for your investment in the Fund is dishonoured by your financial institution, the amount will be charged to your investment.

GOVERNMENT CHARGES

If you are a direct investor, government charges will be applied to your account as appropriate.

MAXIMUM FEES AND CHARGES

The Fund's constitution allows us to charge maximum fees as outlined in the following table. Amounts disclosed are inclusive of GST.

MAXIMUM FEES AND CHARGES

| FEE OR COST | MAXIMUM |
|-------------------------------------|---|
| Contribution fee | 5% of the investment amount |
| Withdrawal fee | 5% of the withdrawal amount |
| Management fee (excluding expenses) | 3% pa of the gross asset value of the Fund |
| Performance fee | 20% of the Fund's return above its performance hurdle |
| Expense recoveries | Unlimited |

INCREASES OR ALTERATIONS TO OUR FEES

We may change our fees without your consent. However, we won't increase our management fee, or introduce any new fees, without giving you or your Service operator (as applicable) at least 30-days' written notice.

Management costs and transaction costs may vary each year without notice.

TAX

Tax information, including GST, is set out on pages 18-19. Unless otherwise stated, all fees and other costs disclosed in this PDS are inclusive of the net effect of GST.

ADVISER REMUNERATION

FINANCIAL ADVISER COMMISSIONS

No commissions are paid to your financial adviser.

OTHER BENEFITS

As a result of your investment in the Fund your financial adviser may receive other non-monetary benefits (where allowed by law), which are not an additional cost to you.

PLATFORM ADMINISTRATION PAYMENTS

We may make payments to platform providers for administrative services associated with distributing our Fund on their investments menu (where allowed by law). These payments may help them recover their costs incurred in establishing our Fund on their menu and certain other marketing and distribution costs. If these payments are made, they are not paid by you or the Fund, but rather they are paid by us.

BENEFITS RECEIVED

As a result of brokerage paid by the Fund, we may receive benefits such as investment research, which we may use for any investment purpose, including for the Fund.

OPERATING YOUR ACCOUNT

When you invest in the Fund, your money is pooled with investments from other investors and used to buy assets for the Fund, which we manage on behalf of all investors.

When you invest in the Fund, you (or your Service operator on your behalf, if applicable) will be allocated units in the Fund. The value of your investment in the Fund will vary as the Fund's daily unit prices change to reflect increases or decreases in the market value of the Fund's underlying assets.

DIRECT INVESTORS

Unless otherwise indicated, the following information in this section (pages 14-17) applies to **direct investors**.

INDIRECT INVESTORS

You can invest in the Fund or withdraw all or part of your investment in the Fund by directing your Service operator to lodge an investment application or withdrawal request, as applicable, with us.

If you are investing indirectly through a Service, you should contact your Service operator for details about the following as they may vary due to the Service operator's requirements:

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

You should also use any relevant application and other forms provided by your Service operator.

| FEATURE/ TRANSACTION | SUMMARY INFORMATION | FURTHER INFORMATION |
|------------------------------------|---|------------------------|
| Initial investment | <p>\$100,000 minimum investment in the Fund. After reading the PDS, complete the application form (electronic or hard copy) and submit it online or send it to us:</p> <ul style="list-style-type: none"> • for investments by cheque – attach a cheque to your completed online application checklist or hard copy application form, as applicable. • for investments by direct debit – we'll debit your initial investment amount directly from your nominated account once we've accepted your application. | page 15 |
| Additional investments | <p>\$5,000 minimum additional investment in the Fund. After reading the current PDS:</p> <ul style="list-style-type: none"> • for investments by direct debit – complete the application form (electronic or hard copy) and submit it online through myPerpetual (see below) or send it to us and we'll debit the additional investment amount directly from your nominated account once we've accepted your application. • for investments by BPAY – remit your additional investment amount to us quoting your Customer Reference Number (CRN) and the Fund's BPAY biller code 489070. | page 15 |
| Withdrawals | <p>Withdrawals from the Fund are only processed on a monthly basis.</p> <p>If you wish to make a withdrawal, you can transact online through myPerpetual (see page 17) or send us a completed 'Withdrawal form' (available from our website or by contacting us), write to us stating your request (including your client number and account number) or use our email withdrawal facility.</p> | page 15 |
| Distributions | <p>You can have your distributions reinvested in the Fund or deposited into your nominated account by noting your choice in section 6 of the application form. Where we determine to reinvest part or all of your distribution under the AMIT rules, it will be reinvested in the Fund.</p> | page 16 |
| New instructions or changes | <p>Please use myPerpetual online access (see below) or contact us to advise of any changes to your name, address/contact details, bank account and other details/instructions. You can also send us a completed change of instructions form (available from our website or by contacting us).</p> <p>When requesting any new features or changes/cancellations involving transactions (eg distribution payments), we must receive your instructions at least five business days before a transaction date for it to apply to the next transaction.</p> | page 17 |
| Authorised representative | <p>You can appoint an authorised representative to act on your behalf in relation to your investment in the Fund by completing section 4 of the application form.</p> | page 17 |
| myPerpetual online access | <p>You can update your personal details, view information about your investment, receive statements and reports and transact online. You should specify the level of access you want in section 5 of the application form.</p> | page 17 |
| Updated information | <p>Go to our website or contact us for the latest information on unit prices, buy/sell spreads and investment returns and any other updated information in relation to the Fund. Other general information is also provided in the Fund's annual report, which is also available at our website.</p> | inside back cover |

INVESTMENTS

INITIAL INVESTMENT

The minimum initial investment in the Fund is \$100,000, which may be paid:

- by cheque or
- by direct debit.

You should indicate on your application form the amount of your investment in the Fund.

Accepting your application includes us verifying your identity (see 'Anti-money laundering/counter-terrorism financing laws' on page 22 for more information).

ADDITIONAL INVESTMENTS

Additional investments can be made at any time according to the current PDS. The PDS may be updated or replaced from time to time and you should read the current version before you make an additional investment. You can obtain a copy of the current PDS, free of charge, at our website or by contacting us.

The minimum additional investment in the Fund is \$5,000, which may be paid:

- by BPAY or
- by direct debit.

DIRECT DEBIT

You can authorise us on your application form to debit investment amounts directly from your nominated Australian bank, building society or credit union account.

We are unable to debit a third party account, so you must be a party to the bank account nominated for direct debits. For joint investors, at least one investor must be a party to the nominated account.

We will initiate direct debit drawings automatically upon acceptance of your instruction and we will not advise you beforehand. To avoid potential dishonours by your financial institution and any associated charges, it is your responsibility to ensure that:

- direct debit is available from any account you nominate
- your nominated account has a sufficient balance available to meet any authorised direct debits.

DIRECT DEBIT REQUEST SERVICE AGREEMENT

If you elect to make investments by direct debit authority, you must read and accept the terms of our Direct Debit Request Service Agreement, which is publicly available at our website (see 'Other documents' on page 24 for details) or can be obtained free of charge by contacting us.

BPAY

BPAY is a convenient way for you to make additional investments in the Fund from your cheque or savings account using the phone or online banking facilities provided by most Australian banks, building societies and credit unions.

If you indicate on your application form that you want to make additional investments in the Fund by BPAY, we'll send you a Customer Reference Number (CRN). You can also apply for a CRN at any other time by contacting us.

When using BPAY for making additional investments, you'll need to quote your CRN and the Fund's **BPAY biller code 489070**.

HOW UNITS ARE ISSUED

Generally, if our Sydney office receives and accepts an investment application electronically or otherwise (including investment amounts received by BPAY, where applicable) by 3.00pm on any business day, it will be processed using that day's entry price. If received and accepted after 3.00pm, it will be processed using the next calculated entry price. If it's a non-working day for Perpetual in Sydney, it will be processed using the next available entry price.

The number of units issued to you (or your Service operator, as applicable) for investment applications is determined by dividing the investment amount by the applicable entry price.

For the current entry price, visit our website or contact us.

We have the discretion:

- not to accept applications and can delay processing them if we believe that's in the best interests of investors or if required by law (see 'Suspension of applications and withdrawals' on page 23 for more information)
- to accept transactions in our Sydney office up to 5.00pm on 30 June only (or the preceding business day should 30 June fall on a weekend).

WITHDRAWALS

You can request a withdrawal of all or part of your investment in the Fund at any time as long as you maintain a minimum balance (currently \$100,000) in the Fund after any partial withdrawal from the Fund, otherwise we may close your account and pay the balance of your investment to you.

All written withdrawal requests must be signed by you or your authorised representative (see 'Authorised signatories' on page 26 for more details and contain the following information):

- your client number and account number
- the name of the Fund
- the number of units or amount to be withdrawn
- your payment instructions.

PROCESSING OF WITHDRAWALS

Withdrawals from the Fund are only processed on a **monthly** basis.

Generally, if our Sydney office receives and accepts your withdrawal request (including those made online via myPerpetual) by 3.00pm on the last business day of a month (the 'Prescribed Withdrawal Time'), it will be processed effective as at the first business day following one month after the Prescribed Withdrawal Time, using the exit price for that date.

For example, a withdrawal request received by 3.00pm on 31 July will be processed as at 1 September, and using the exit price as at 1 September. This enables the portfolio to be managed with the aim of maximising the returns for investors if the Fund is required to liquidate positions in the market. For this reason, withdrawal requests cannot be cancelled once we have received them, unless approved by the responsible entity or by delegated authority. Any withdrawal cancellation requests must be made in writing.

The number of units withdrawn for withdrawals is determined by dividing the withdrawal amount by the applicable exit price.

For the current exit price, visit our website or contact us.

Your withdrawal proceeds will be deposited into your nominated Australian bank, building society or credit union account.

Withdrawal proceeds that are paid directly into your nominated account are subject to clearance by your bank, building society or credit union from the date of deposit into your account.

We will confirm all withdrawals in writing. For your protection, withdrawals will not be paid in cash. Withdrawals of money invested by direct debit request, at our discretion, may be required to be paid back into the account from which it was debited.

The proceeds from your withdrawal will usually be available within 14 business days from when we have effectively processed the request, given normal operating conditions, but no later than 70 days from the date on which the withdrawal was effectively processed.

If you withdraw your units before the end of a distribution period, you won't receive a distribution for those units in that period. Your withdrawal amount will generally include your share of distributable income accrued in the Fund to the date of withdrawal as capital.

We may determine that part of your withdrawal amount represents a share of the distributable income including realised net capital gains for that distribution period. We will advise you if this happens.

EMAIL INSTRUCTIONS

We currently accept various instructions, including withdrawal requests, by scanned attachment to email provided we have no reason to believe the request isn't genuine.

Conditions apply to email withdrawal requests (see 'Other conditions' on page 24 for details).

DISTRIBUTIONS

ALL INVESTORS

A distribution is the payment of the Fund's distributable income to investors at predetermined intervals. The distributable income may include interest, dividends, foreign income, realised net capital gains and other income (see 'Tax' on page 18 for further information). The components of a distribution will depend on the nature of the Fund's underlying assets.

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

At the end of each distribution period, the Fund's unit price will typically fall as it is adjusted to reflect the amount of any distribution. As your distribution amount is based on the entire distribution period, the closer you invest before the end of a distribution period the greater the possibility is that you may receive back some of your capital as income in the distribution paid for that period.

The Fund distributes quarterly as at 31 March, 30 June, 30 September and 31 December. Distributions not reinvested are generally paid within 21 days. However, the Fund's constitution allows up to 90 business days after the end of the distribution period.

The Fund's constitution lets us make special distributions on an interim basis without prior notice to you.

Any realised net capital gains are generally included in the 30 June distribution.

You still have to pay tax on the distribution even if it is reinvested – see 'Distributions' under 'Tax' on page 18 for details.

DISTRIBUTION PAYMENT OPTIONS FOR DIRECT INVESTORS

You can choose to have your distributions:

- reinvested in the Fund
- deposited into your nominated Australian bank, building society or credit union account.

If you don't make a choice or if we're unable to credit your nominated account (if applicable), we'll reinvest your distribution.

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

As the Fund has elected into the AMIT regime, there may be implications for distributions (see 'Tax' on page 18 for details).

Generally, for distribution reinvestments in the Fund:

- amounts will be reinvested as at the first day following the end of the distribution period
- the reinvestment price will be based on the net asset value price (that is, excluding a buy spread) calculated on the last business day of the distribution period, adjusted for any distribution paid for that period.

INSTRUCTIONS AND CHANGES

Any changes to your name and all changes to bank account details must be made in writing by mail or scanned attachment to email. Only new bank account details can be added online.

Any acceptable changes made online or by phone can only be made after we've confirmed your identity.

Other conditions may also apply depending on the way you provide instructions to us, as set out under 'Other conditions' on page 24.

AUTHORISED REPRESENTATIVE

You can appoint a person, partnership or company as your authorised representative by nominating them on your application form and having them sign the relevant section. Your authorised representative will be empowered to act on your behalf in all matters relating to your investment in the Fund.

Conditions apply to the appointment of an authorised representative, as set out under 'Other conditions' on page 24.

myPERPETUAL ONLINE ACCESS

myPerpetual provides easy and convenient online access for you to:

- receive reporting online, including any notifications we are required to provide under the Corporations Act (although there may be times when we must also send online correspondence to you in paper form – see 'Reporting' on page 20 for further information)
- check the total value of your investment in the Fund
- view your account summary, including the Fund(s) you are invested in, the number of units, unit price and current balance of the Fund(s)
- review your recent transaction history
- update your personal details
- transact online.

Unless you indicate otherwise on your application form, we'll send you relevant online access setup details and activation instructions.

We may provide joint investors, trustees of superannuation funds/trusts, companies, partnerships and trustee company accounts with more than one login for online access to your account.

CONDITIONS OF USE

Before you first use myPerpetual, you must accept the conditions of use, which are publicly available at our website (see 'Other documents' on page 24 for details) or can be obtained free of charge by contacting us.

Other conditions also apply to any transactions made through myPerpetual (see 'Other conditions' on page 24 for details).

ACCESS BY AUTHORISED REPRESENTATIVES

If you appoint an authorised representative, you can request us to allow them online access to your account as follows:

- view your account only or
- view and transact on your account (default access).

ACCESS BY YOUR ADVISER

We'll also give your adviser online access to either:

- view details about your investment only
- view details about your investment and transact on your account on your behalf (default access).

You can change your adviser's access at any time by instructing us in writing.

INTEREST EARNED ON APPLICATION, WITHDRAWAL AND DISTRIBUTION ACCOUNTS

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

TAX

The tax consequences of investing in managed investment schemes are particular to your circumstances, so we recommend you see a tax adviser. This information is general only and shouldn't be relied on.

If you are investing indirectly through a Service, you should also refer to your Service operator for further information about the tax treatment of your investment in the Fund.

ATTRIBUTION MANAGED INVESTMENT TRUST (AMIT) REGIME

The Fund has elected into the AMIT regime.

TAX POSITION OF THE FUND

Generally, Australian income tax won't be payable by the Fund.

Under the AMIT regime, each year, we are required to break down the income of the Fund (net of fees and expenses) into trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (eg franking credit offsets).

The Fund will not be subject to income tax provided that all of the determined trust components are attributed to investors on a fair and reasonable basis and in accordance with its constitution and any other constituent documents of the Fund (which includes this PDS).

Investors will be subject to tax on the income of the Fund that is attributed to them each year ending 30 June. If there is income of the Fund that is not attributed to an investor, the Fund will be subject to tax at the highest marginal tax rate (plus Medicare levy).

AUSTRALIAN RESIDENT INVESTORS

DISTRIBUTIONS

For information about the calculation of your distribution entitlement, see 'Distributions' on page 16.

The income of the Fund attributed to you must be included in your income tax return for the year of the entitlement even if the distribution is received or reinvested in the following year – see 'Annual tax statement' on this page.

Where a distribution made to you is less than¹, or more than, the trust components attributed to you, the cost base of your units will need to be increased or decreased, as appropriate. Details of the trust components attributed to you and any net cost base adjustment will be included on your annual tax statement.

Where the Fund's determined trust components for an income year are revised in a subsequent year (eg due to actual amounts differing to the estimates of income, gains/losses or expenses), then differences (referred to as 'unders and overs') will arise. Unders and overs will generally be taken into account in the year they are discovered.

¹ If this were to occur, the Fund's unit price would only fall by the amount of the actual distribution and not by the additional amount attributed to investors. You would need to increase the cost base of your units for tax purposes by the amount that has been attributed but not paid as a distribution.

CAPITAL GAINS TAX

In addition to any realised net capital gains attributed to you, any withdrawal or transfer of units in the Fund may create a taxable gain or loss, which will be treated as a capital gain or loss, or as ordinary income, depending on your circumstances.

ANNUAL TAX STATEMENT

DIRECT INVESTORS

We'll issue annual tax statements, referred to as an AMIT Member Annual Statement (AMMA), for the Fund at the end of August each year, or shortly after. It will show the taxable and non-taxable components of the income attributed to you (which includes any distributions received or reinvested) and any net cost base adjustment required to be made.

INDIRECT INVESTORS

Your Service operator will use the information we provide to prepare their statements for you.

NON-RESIDENT INVESTORS

Australian tax will be deducted from certain Australian sourced income and capital gains distributed/attribution to non-resident investors. Non-resident investors may also be subject to tax in the country they reside in, but may be entitled to a credit for some or all of the tax deducted in Australia.

REPORTING

We are required to report to the ATO certain information relating to your investment in the Fund, including transactions and the income distributed/attribution to you.

TAX RESIDENTS OF OTHER COUNTRIES

For direct investors, we must obtain details about any other countries where you are a resident for tax purposes (including your taxpayer identification number) as the Fund may be required to report information about your investment (including investment balances and any payments made) to the ATO each year for provision to the relevant overseas tax authority under rules designed to combat tax evasion in that country. We will determine whether the Fund is required to report your details to the ATO for this purpose based on our assessment of the relevant information received.

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

Providing your TFN isn't compulsory but without it or the appropriate exemption information we or your Service operator (as applicable) have to withhold tax from the income distributed/attribution to you at the highest marginal tax rate (plus Medicare levy) until your TFN or exemption¹ is provided.

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

¹ See page 25 for details of TFN exemption codes.

DIRECT INVESTORS

We are authorised under tax laws to collect TFNs and ABNs in connection with your investment in the Fund.

INDIRECT INVESTORS

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

GOODS AND SERVICES TAX (GST)

GST generally applies to the fees, costs and expenses payable by the Fund, including management costs and other fees payable to us.

Generally, the Fund can't claim a credit for all of the GST paid but may be entitled to claim a reduced input tax credit (RITC), which represents a portion of the GST applicable to management costs and certain other expenses, as set out in the GST law.

Unless otherwise stated, the fees and costs in the 'Fees and costs summary' table on page 10 show the approximate net cost to the Fund of these amounts payable to us, on the basis that the Fund is entitled to claim RITCs for the GST on relevant amounts.

ADDITIONAL INFORMATION

YOUR COOLING-OFF RIGHTS

DIRECT INVESTORS

You have up to 14 days from the earlier of the time when you receive confirmation of issue of units in the Fund to you or the fifth business day after the units in the Fund are issued to you where you can have your investment repaid ('cooling-off period'). See 'How units are issued' on page 15 for details of when units in the Fund are issued.

The amount repaid will be adjusted for any transaction costs and any increase or decrease in the value of your investment.

Investments repaid may create a taxable gain or loss so we recommend that you seek professional tax advice.

Your right to be repaid during the cooling-off period does not apply if:

- you exercise any of your rights as an investor in the Fund
- you are a wholesale client (as that term is defined in the Corporations Act).

If you'd like to have your investment repaid, write to us stating that you want to be repaid during the cooling-off period (please include your account number). Your request must reach our Sydney office before the end of the cooling-off period.

When we receive your request, we will send you the details about your repayment.

INDIRECT INVESTORS

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

HOW UNITS ARE PRICED AND INVESTMENTS ARE VALUED

Unit prices for the Fund are calculated by:

- establishing the net asset value of the Fund
- for entry unit prices – adding the applicable transaction costs (buy spread) to the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the entry unit price
- for exit unit prices – deducting the applicable transaction costs (sell spread) from the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the exit unit price.

We generally determine the net asset value of the Fund on each business day. The net asset value is calculated by deducting the value of the Fund's liabilities from the value of its gross assets.

The net asset value of the Fund includes unrealised gains and losses and any income and realised gains accrued but not yet distributed. If unrealised gains are realised in the future, any assessable portion will be distributed to investors.

Investments are valued at their market value. In all cases, we determine the valuation method according to the Fund's constitution. For investments in any other managed funds, it will normally be based on the exit price of units in the underlying fund(s). We generally calculate and apply entry and exit unit prices each business day.

We can defer the calculation of unit prices where permitted by the Fund's constitution and the law. For example, if significant delays occur where an underlying fund does not calculate or provide a price, unit prices may not be calculated nor applications and withdrawals processed for the Fund until the underlying fund's unit price is determined.

A copy of our unit pricing policy, including details of any discretions that we may exercise in various circumstances, is available at our website or can be obtained free of charge by contacting us.

REPORTING

The Fund profile (updated monthly) is available at our website or can be obtained free of charge by contacting us.

DIRECT INVESTORS

Direct investors in the Fund receive:

- an initial investment statement, generally within seven business days of your application being accepted and processed
- an additional investment statement, generally within seven business days of any additional investment being accepted and processed
- a withdrawal statement, generally within seven business days of any partial or full withdrawal request being processed
- a distribution statement following a distribution
- an annual statement providing details of your investment as at 30 June each year
- an annual report (including financial statements) for each financial year ending 30 June will be available at our website (copy by mail available on request)
- an annual tax statement for the financial year, generally sent by the end of August or shortly after, providing relevant details for your income tax return (available on request by non-resident investors)
- confirmation of any other transactions that we are required to report on.

If you have provided an email address, you consent to receiving online communications (including via myPerpetual) and the above reporting will be made available via myPerpetual (see 'myPerpetual online access' on page 17 for further information), although there may be times when we must also send correspondence to you in paper form.

INDIRECT INVESTORS

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

CONTINUOUS DISCLOSURE DOCUMENTS

The Fund may be subject to certain regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, any ASIC office. You may obtain a copy of the following at our website or from us free of charge on request:

- the Fund's annual financial report most recently lodged with ASIC
- any half-yearly financial reports lodged with ASIC by the Fund after lodgement of that annual report
- any continuous disclosure notices given by the Fund after the date of lodgement of that annual report and
- any other material updates.

INQUIRIES AND COMPLAINTS

DIRECT INVESTORS

We're committed to providing you with the highest level of service and we have established procedures for dealing with any inquiries and complaints relating to your investment in the Fund.

INQUIRIES

If you have an inquiry, you can either phone us on 1800 022 033 during business hours, email us at investments@perpetual.com.au or write to:

Client Services
Perpetual Wholesale Funds
GPO Box 4171
Sydney NSW 2001

COMPLAINTS

If you have a complaint about your investment in the Fund, you should take one of the following steps:

1. Contact one of our Client Services representatives on 1800 022 033 and tell them about your complaint.
2. Email your complaint to MyComplaint@perpetual.com.au.
3. Complete our online complaints submission form available at www.perpetual.com.au/privacy-policy/making-a-complaint.

4. Put your complaint in writing and mail it to:

Client Services – Complaints
Perpetual Wholesale Funds
GPO Box 4171
Sydney NSW 2001

We will endeavour to resolve your complaint fairly and as quickly as we can and within the maximum response timeframe. The maximum response timeframe is 45 days for standard complaints (or 30 days for standard complaints we receive on or after 5 October 2021). Other type of complaints and complex complaints may have a different maximum response timeframe. We will let you know if a different maximum response timeframe will apply to your complaint.

If, before the maximum response timeframe for your complaint has passed, you don't feel as though your concerns are being heard, our Client Advocacy Team may be able to assist you. Please see www.perpetual.com.au/about/client-advocacy for information on how to get in touch with our Client Advocacy Team members.

If, once you receive our final response to your complaint, you are not satisfied with the resolution we have proposed, or if you have not received a response within the maximum response timeframe that applies to your complaint, the Australian Financial Complaints Authority (AFCA) might be able to assist you.

AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY

We are members of the AFCA external dispute resolution scheme.

AFCA has been established by the Commonwealth Government to deal with complaints from consumers and small businesses about financial services firms that are members of AFCA. AFCA provides a **free** service for consumers.

Contact details for AFCA are as follows:

Phone 1800 931 678
Email info@afca.org.au
Website www.afca.org.au
Mail Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

INDIRECT INVESTORS

Any inquiries or complaints about the Service through which you are investing should be directed to your Service operator.

Any inquiries or complaints relating to your investment in the Fund should also be directed to your Service operator in the first instance. If your Service operator is unable to answer your query or resolve a complaint on your behalf, you can contact us by following the procedures relating to direct investors.

YOUR PRIVACY

DIRECT INVESTORS

We collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your personal information to Perpetual's related entities or service providers that perform a range of services on our behalf and which may be located overseas.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold
- how we collect and hold personal information
- the purposes for which we collect, hold, use and disclose personal information
- the types of entities we usually disclose personal information to and the countries where they are likely to be located if it is practicable for us to specify those countries
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances)
- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how we will deal with such a complaint.

Our privacy policy is publicly available at our website (see 'Other documents' on page 24 for details) or you can obtain a copy free of charge by contacting us.

INDIRECT INVESTORS

We do not collect or hold your personal information in connection with your investment in the Fund. Please contact your Service operator for more information about their privacy policy.

ANTI-MONEY LAUNDERING/COUNTER-TERRORISM FINANCING LAWS

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML Act) regulates financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing.

DIRECT INVESTORS

Under the AML Act, we are required to:

- verify your identity before providing services to you, and potentially from time to time thereafter
- collect information about your circumstances, including the source of funds being invested, your occupation (individual investors) and your beneficial owners (non-individual investors)

- where you supply documentation relating to your identity, keep a record of this documentation for seven years after the end of your relationship with Perpetual.

As a result:

- transactions may be delayed or refused where we require further information regarding your identity or we have reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country
- where transactions are delayed or refused, we are not liable for any loss you suffer (including consequential loss) as a result of our compliance with the AML Act.

Where required by law, we may disclose your information to regulatory or law enforcement agencies, including the Australian Transaction Reports and Analysis Centre (AUSTRAC), which is responsible for regulating the AML Act.

Customer identification requirements for individual investors are collected in the application form included with this PDS. All other prospective investors must complete the relevant 'Customer identification form', which is publicly available at our website or can be obtained free of charge on request.

We are not liable for any loss you may suffer as a result of our compliance with this legislation.

INDIRECT INVESTORS

You will need to satisfy your Service operator's requirements for verifying your identity.

INVESTMENTS AND SOCIAL SECURITY

If you are an individual investor, your investment in the Fund may affect your social security or pension entitlements. The calculations are complex so we recommend that you seek advice from your financial or tax adviser, or use the Financial Information Service provided by Services Australia.

MORTGAGE OF UNITS

If you are a direct investor, we may, in our absolute discretion, note certain mortgagee interests over an investment (including any distribution reinvestment from that investment), and the following conditions will apply:

- you won't be able to transfer or withdraw your investment (including any distributions reinvested) without the mortgagee's consent
- amounts paid or assets transferred on withdrawal will be forwarded to the mortgagee or paid at the mortgagee's discretion
- the notice of mortgage can be removed only with the mortgagee's consent
- distributions that are not reinvested will be paid according to any instructions in the notice of mortgage, or otherwise according to the investor's instructions on the application form.

TRANSFER OF UNITS

If you are a direct investor, with our consent, you may transfer units in the Fund to another person by providing us with a signed and completed standard transfer form and any other required documents.

A transfer of units will generally be a disposal of units for tax purposes, which may have tax implications (see 'Tax' on page 18 for more details).

OUR ROLE AS RESPONSIBLE ENTITY

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

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

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

CONSTITUTION

All registered managed investment schemes are governed by a constitution. The Fund's constitution (as amended) governs the Fund's operation and, together with this PDS, the Corporations Act and other laws, regulates the Fund and our legal relationship with investors. The Fund's constitution has been lodged with ASIC.

We can amend the Fund's constitution as permitted by the Corporations Act. You may inspect the Fund's constitution at our offices on any business day, free of charge, or obtain a free copy of it by contacting us.

BORROWING POWERS

The Fund's constitution allows the Fund to borrow. To the extent permitted, the Fund may borrow from a variety of sources, including companies associated with the Perpetual Group (in which case the terms are set on a commercial and arm's length basis).

OUR LIABILITY

Subject to the Corporations Act, we're not liable to investors for any losses in any way relating to the Fund, except to the extent to which the loss is caused by our fraud, negligence or breach of trust.

Our liability is, subject to the Corporations Act, limited to our ability to be indemnified out of the assets of the Fund.

RIGHTS OF DIRECT INVESTORS

Each unit you hold in the Fund confers a proportional beneficial interest in the Fund. However, you're not entitled to any particular part of the Fund, its assets or its management or operation (other than through investor meetings).

The Fund's constitution limits your liability to the value of your interest or units in the Fund. However, the courts are yet to conclusively determine the effectiveness of these provisions so no absolute assurance can be given that your liability is limited in every situation.

SUSPENSION OF APPLICATIONS AND WITHDRAWALS

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

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

Applications or withdrawal requests received during the suspension will be processed using the entry or exit price applicable when the suspension is lifted.

WITHDRAWAL OF LARGE INVESTMENTS

We may stagger the payment of withdrawal requests where large requests have been received in a calendar month. If total withdrawal requests in any calendar month represent more than 10% of the net asset value of the Fund, we may decide to treat each withdrawal request as four separate withdrawal requests of one-quarter of the value of the original withdrawal request, payable over four successive months. Further details are in the Fund's constitution.

NON-LIQUID FUND

If the Fund becomes non-liquid (as defined in the Corporations Act) withdrawals may only be made subject to an offer made according to the Corporations Act. In these circumstances, you will only be able to withdraw from the Fund if we make money available for withdrawals. The Corporations Act requires us to allocate this money on a pro rata basis among investors wanting to withdraw. We're under no obligation to offer you an opportunity to withdraw from the Fund while the Fund is non-liquid.

We will advise investors (including Service operators) if the Fund becomes non-liquid and the terms of any withdrawal offer.

OTHER CONDITIONS

A direct investor that appoints an authorised representative and/or uses myPerpetual or the phone or email facilities (as applicable) to transact or provide instructions to us:

- acknowledges that they are bound by the acts of their authorised representative
- releases, discharges and agrees to indemnify us and each other member of the Perpetual Group from and against all losses, liabilities, actions, proceedings, accounts, claims and demands arising from instructions we receive under the facility and
- agrees that a payment or purported payment made according to the conditions of the facility shall be in complete satisfaction of our obligations or those of any other member of the Perpetual Group to the investor for a payment, even if it was requested, made or received without the knowledge or authority of the investor.

INCORPORATION BY REFERENCE

The law allows us to provide certain information to you separately to the PDS, which is taken to be incorporated into the PDS, provided the PDS identifies this additional information and how you can access it.

The following incorporated information forms part of this PDS:

- details of the latest annual transaction costs and the current buy/sell spread for the Fund
- any additional information required by ASIC to be given on various key features that may apply to the Fund.

This information is publicly available from www.perpetual.com.au/pure-credit-alpha-fund, or can be obtained free of charge by contacting us.

You should also read the incorporated information.

OTHER DOCUMENTS

The following documents are also publicly available from www.perpetual.com.au/pure-credit-alpha-fund, or can be obtained free of charge by contacting us:

- Direct Debit Request Service Agreement
- myPerpetual online access conditions of use
- our privacy policy.

Direct investors should also read these other documents, particularly if relevant to any features that you've chosen in relation to your investment in the Fund.

APPLYING FOR AN INVESTMENT

DIRECT INVESTORS

NEW ACCOUNT

Your initial investment in the Fund must be at least \$100,000.

To invest in the Fund, complete the application form (electronic or hard copy) in or accompanying the PDS:

- if investing by **cheque** – send us a cheque for your initial investment amount made payable to ‘**PIML – PISTIW – [insert name of applicant(s)]**’ together with either a copy of your completed online application checklist or your hard copy application form (as applicable)
- if investing by **direct debit** – submit the application form online or send it to us and we’ll debit the initial investment amount directly from your nominated account once we’ve accepted your application.

The following table will assist you in completing the ‘Investor details’ section of the application form, and also explains who should sign the form and where TFN/ABN or exemption details should be recorded.

We must verify your identity before considering your application. Unless you are an individual or joint investor, you should also complete the relevant ‘**Customer identification form**’ available at our website or by contacting us.

ADDITIONAL INVESTMENTS

Additional investments in the Fund must be at least \$5,000.

To make an additional investment in the Fund after reading the current PDS:

- if investing by **direct debit** – complete the application form (electronic or hard copy) and submit it online or send it to us and we’ll debit the additional investment amount directly from your nominated account once we’ve accepted your application
- if investing by **BPAY** – simply remit your additional investment amount, quoting your **Customer Reference Number (CRN)** and the Fund’s **BPAY biller code 489070**.

GUIDE TO COMPLETING THE ‘INVESTOR DETAILS’ SECTION OF THE APPLICATION FORM

| INVESTOR TYPE | SECTION FOR INVESTOR DETAILS | WHO SHOULD SIGN | SECTION FOR TFN/ABN OR EXEMPTION DETAILS ¹ |
|---|------------------------------|---|---|
| I – Individual² | 3A | Individual | 3A – for individual |
| J – Joint individuals² | 3A | Both individuals | 3A – for each individual ³ |
| C – Company | 3B | For a company: <ul style="list-style-type: none"> • two directors or • a director and company secretary or • if the company has a sole director/secretary, by that person or • a representative authorised by the company. Companies can also sign under power of attorney. | 3B – for the company |
| P – Partnership⁴ | 3B | Partners | 3B – for the partnership |
| T – Trust⁵ | 3B | | 3B – for the trust |
| Individual trustee(s) | 3A | If more than one trustee, all trustees should supply their details and sign. ³ | |
| Corporate trustee | 3B | See ‘Company’ investors above. | |
| S – Superannuation funds | 3B | | 3B – for the superannuation fund |
| Individual trustee(s) | 3A | If more than one trustee, all trustees should supply their details and sign. ³ | |
| Corporate trustee | 3B | See ‘Company’ investors above. | |
| A – Association | 3B | Office bearer(s) – if more than one office bearer, all office bearers should supply their details and sign. | 3B – for the association |
| G – Government body | 3B | All authorised signatories | 3B – for the government body |
| O – Other entity (eg co-operative, club, charity) | 3B | Office bearer(s) – if more than one office bearer, all office bearers should supply their details and sign. | 3B – for the entity ⁶ |

1 See page 19 for further information. The following codes may be used in place of the TFN for individual investors:

- 444 444 441 – where you are a pensioner, such as the recipient of Centrelink (age or disability support) pension or Service (veterans) pension
- 444 444 442 – where you are a recipient of other eligible Centrelink pensions or benefits
- 888 888 888 – where you are a non-resident and do not have a TFN.

2 Individuals or joint investors include adult(s) investing for a child under 18 years.

3 If there are more than two joint individual investors or more than two individual trustees – please copy section 3A, insert the additional investor or trustee details (as applicable) and attach to your completed application form.

4 This investor type should only be selected where there is a formal partnership agreement and the partnership has its own TFN.

5 This investor type should only be selected where the trust is established under a formal arrangement and the trust has its own TFN.

6 If you are a registered charity and are exempt from tax and choose not to provide your ABN, you need to attach a statement (including your organisation’s name and address) providing the reason your organisation is not required to lodge an income tax return. If your organisation’s tax status subsequently changes, your organisation can incur a penalty from the ATO if you don’t inform us within two months after the end of the year of income in which the change occurred.

LODGING YOUR APPLICATION FORM

You can lodge your completed application form (including your cheque, if applicable) with your financial adviser or at any Perpetual state office (see back cover for street address details) or post (no stamp required if posted in Australia) to:

Reply Paid 4171
Perpetual Wholesale Funds
GPO Box 4171
Sydney NSW 2001
Australia

APPLICATION CONDITIONS

Please note:

- applicants must be at least 18 years of age
- investment amounts need not be in whole dollars
- there is no maximum investment amount
- cash amounts are not accepted, however we can determine other acceptable methods of payment
- for trust investors, only the trustee has rights and obligations under the Fund
- joint applicants will be assumed to be joint tenants (that is, the survivor(s) will be recognised as holding title to the interests of a deceased joint investor), unless you otherwise specify
- if signed under power of attorney:
 - the attorney certifies that he or she has not received notice of revocation of the power
 - the power of attorney, or a certified copy, must be sent to us
- we have absolute discretion to accept, reject or limit any application.

AUTHORISED SIGNATORIES

If no amendments have been made, the authorised signatories to your investment are the individuals who signed the initial investment application form.

You can add authorised signatories or change the authorised signatories by written request signed by all existing authorised signatories and all new authorised signatories.

JOINT INVESTORS

For joint investors, unless you specify otherwise, we will assume that any investor has the signing authority for the other investor(s) for all future transactions and written changes, including:

- address
- bank account details
- additional investments
- distributions
- withdrawals.

COMPANY INVESTMENTS

Unless we receive additional information, only the company directors, company secretary or attorney signing the application form will be authorised signatories to the company investment.

EXISTING ACCOUNTS

If you request to apply any investments to an existing account number, any adviser or authorised representative who currently has access to transact on and/or view that account will be able to transact on and/or view any additional investments under that account.

INDIRECT INVESTORS

You can invest in the Fund by directing your Service operator to lodge an investment application with us. You should complete any relevant forms provided by your Service operator.

The PDS may be updated or replaced from time to time and you should read the current version before making any investment application in relation to the Fund. You can obtain a copy of the current PDS at our website or from your Service operator.

3. Investor details (continued)

A. Individual and joint account holders

Investor 1 (individual account holder)

| | |
|---------------------------------|----------------------|
| Residential address (mandatory) | |
| unit number | street number |
| <input type="text"/> | <input type="text"/> |
| street name | |
| <input type="text"/> | |
| <input type="text"/> | |
| suburb (if relevant) OR city | |
| <input type="text"/> | |
| state | postcode |
| <input type="text"/> | <input type="text"/> |
| country | |
| <input type="text"/> | |
| phone (business hours) | |
| <input type="text"/> | |
| phone (after hours) | |
| <input type="text"/> | |
| mobile | |
| <input type="text"/> | |
| email address | |
| <input type="text"/> | |
| <input type="text"/> | |

Investor 2 (joint account holder)

| | |
|---------------------------------|----------------------|
| Residential address (mandatory) | |
| unit number | street number |
| <input type="text"/> | <input type="text"/> |
| street name | |
| <input type="text"/> | |
| <input type="text"/> | |
| suburb (if relevant) OR city | |
| <input type="text"/> | |
| state | postcode |
| <input type="text"/> | <input type="text"/> |
| country | |
| <input type="text"/> | |
| phone (business hours) | |
| <input type="text"/> | |
| phone (after hours) | |
| <input type="text"/> | |
| mobile | |
| <input type="text"/> | |
| email address | |
| <input type="text"/> | |
| <input type="text"/> | |

By providing my/our email address, I/we agree to receive any information about my/our investment (such as transaction confirmations, statements (including tax statements), reports and other materials or notifications required by the Corporations Act) electronically. This may include email notifications advising me/us when new information regarding my/our investment is available for viewing online, via hyperlink or via myPerpetual. I/We acknowledge you may still need to send me/us information by mail from time to time.

| | | |
|--|----------------------|----------------------|
| Postal address (if different to residential address) | | |
| po box | unit number | street number |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| street name | | |
| <input type="text"/> | | |
| <input type="text"/> | | |
| suburb (if relevant) OR city | | |
| <input type="text"/> | | |
| state | postcode | |
| <input type="text"/> | <input type="text"/> | |
| country | | |
| <input type="text"/> | | |

| | | |
|---|----------------------|----------------------|
| same contact details as investor 1 <input type="checkbox"/> | | |
| po box | unit number | street number |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| street name | | |
| <input type="text"/> | | |
| <input type="text"/> | | |
| suburb (if relevant) OR city | | |
| <input type="text"/> | | |
| state | postcode | |
| <input type="text"/> | <input type="text"/> | |
| country | | |
| <input type="text"/> | | |

3. Investor details (continued)

B. All other account holders

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|-------------|--|--|--|--|------------|--|--|--|--|---------------|--|--|--|--|-----|--|--|--|--|
| company name/corporate trustee | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| name of superannuation fund, trust, partnership, association, government body or co-operative | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| tax file number | | | | | | | | | | | | | | | and/or ABN | | | | | | | | | | | | | | |
| principal business activity | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| c/- | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| po box | | | | | | | | | | unit number | | | | | | | | | | street number | | | | | | | | | |
| street name | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| suburb (if relevant) OR city | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| state | | | | | | | | | | postcode | | | | | | | | | | country | | | | | | | | | |
| phone (business hours) | | | | | | | | | | | | | | | mobile | | | | | | | | | | fax | | | | |
| email address | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

By providing my/our email address, I/we agree to receive any information about my/our investment (such as transaction confirmations, statements (including tax statements), reports and other materials or notifications required by the Corporations Act) electronically. This may include email notifications advising me/us when new information regarding my/our investment is available for viewing online, via hyperlink or via myPerpetual. I/We acknowledge you may still need to send me/us information by mail from time to time.

4. Authorised representative

Existing investors in the Fund need only complete this section if you wish to add or change an authorised representative. Would you like to appoint an authorised representative? Before appointing an authorised representative, refer to the PDS for more details.

| | | |
|--|-----------------------------|---|
| no | <input type="checkbox"/> | please go to section 5 |
| yes | <input type="checkbox"/> | please complete the details below. I have read the terms and conditions associated with appointing an authorised representative. |
| myPerpetual online access for my authorised representative | | |
| <input type="checkbox"/> | view and transact (default) | or <input type="checkbox"/> view only |
| authorised representative details: | | |
| first name(s) | <input type="text"/> | |
| last name | <input type="text"/> | |
| po box | unit number | street number |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| street name | | |
| <input type="text"/> | | |
| suburb (if relevant) OR city | | |
| <input type="text"/> | | |
| state | postcode | country |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| signature of authorised representative | <input type="text"/> | date <input type="text"/> / <input type="text"/> / <input type="text"/> |

5. Features

Existing investors in the Fund need only complete this section if you wish to add any new features or change existing features.

| | |
|---|--|
| Indicate which optional features you would like applied to your account | |
| BPAY for additional investments | yes (default) <input type="checkbox"/> no <input type="checkbox"/> |
| Investor myPerpetual online access Note: an email address is required to register you for online account access | view & transact (default) <input type="checkbox"/> view only <input type="checkbox"/> |
| Adviser myPerpetual online access Note: your financial adviser can access information about your account online | view & transact (default) <input type="checkbox"/> view only <input type="checkbox"/> |
| Investment information to be sent in the mail Note: most of your investment information is also available through myPerpetual | online only (default) <input type="checkbox"/> online and mail <input type="checkbox"/> |
| Annual financial reports to be sent in the mail Note: annual financial reports are also available on our website | yes <input type="checkbox"/> no (default) <input type="checkbox"/> |
| Marketing material I/We would like to receive investment education material and be informed about Perpetual's products, services and offers | yes (default) <input type="checkbox"/> no <input type="checkbox"/> |

- For each optional feature you have selected, please ensure you have read and understood the 'Operating your account' section in the PDS for that optional feature.

6. Investment allocation

| Fund | APIR code | short code | initial investment (minimum \$100,000) | additional investment (minimum \$5,000) | distributions (indicate a preference with an X). If no selection is made, reinvest will be assumed | |
|-------------------------------------|-----------|------------|---|--|---|--------------------------|
| | | | | | reinvest | bank account |
| Perpetual Pure Credit Alpha Fund | PER0669AU | PISTIW | \$ | \$ | <input type="checkbox"/> | <input type="checkbox"/> |

7. Bank account details

Existing investors in the Fund need only complete this section if you wish to add or change your bank account details.

You can only nominate a bank account that is held in your name(s). By providing your bank account details in this section, you accept the terms in the Direct Debit Service Agreement and authorise Perpetual to use these details for all future transaction requests that you nominate.

Bank account

Complete your account details in this section if you would like us to debit or credit your bank account for applications, withdrawals and payment of distributions, as applicable.

name of financial institution

branch name

branch number (BSB) account number

name of account holder

signature of account holder A signature of account holder B

date / /

9. Declaration and signature (continued)

I/We acknowledge and agree that:

- the information contained in the PDS is not investment advice or a recommendation that the Fund is suitable having regard to my/our investment objectives, financial situation or particular needs
- Perpetual may be required to pass on my/our personal information or information about my/our investment to the relevant regulatory authorities, including for compliance with income tax law and the Anti-Money Laundering and Counter-Terrorism Act 2006 or associated regulation and any tax-related requirements for tax residents of other countries
- investments in the Fund are not investments, deposits or other liabilities of Perpetual Limited or its subsidiaries and are subject to investment and other risks, including possible delays in repayment and the loss of income and principal invested
- neither Perpetual Investment Management Limited nor Perpetual Limited or its subsidiaries guarantee the repayment of capital or the performance of the Fund or any particular rate of return from the Fund
- the PDS has referred me/us to additional information or terms and conditions ('information') of this product which may assist me/us in making my/our investment decision and I/we have referred to this information to the extent I/we considered it was necessary to make my/our investment decision
- Perpetual may contact me/us where required by using the email address(es) provided on the application form. I/We will notify Perpetual of any change to my/our email address(es). I/We understand that failure to advise such a change may result in me/us not receiving correspondence relating to my/our investment.

Joint applicants must both sign

| signature of investor 1 or company officer | signature of investor 2 or company officer |
|---|---|
| <div style="border: 1px solid black; height: 40px;"></div> | <div style="border: 1px solid black; height: 40px;"></div> |
| print name | print name |
| <div style="border: 1px solid black; height: 20px;"></div> | <div style="border: 1px solid black; height: 20px;"></div> |
| <div style="border: 1px solid black; height: 20px;"></div> | <div style="border: 1px solid black; height: 20px;"></div> |
| Capacity (company investments only) | Capacity (company investments only) |
| <input type="checkbox"/> Sole Director <input type="checkbox"/> Director <input type="checkbox"/> Secretary | <input type="checkbox"/> Director <input type="checkbox"/> Secretary |
| date | date |
| <div style="border: 1px solid black; display: flex; justify-content: space-between; width: 100%;"> <input type="text"/> / <input type="text"/> / <input type="text"/> <input type="text"/> </div> | <div style="border: 1px solid black; display: flex; justify-content: space-between; width: 100%;"> <input type="text"/> / <input type="text"/> / <input type="text"/> <input type="text"/> </div> |

| | |
|--|--|
| <p>Important notes:</p> <ul style="list-style-type: none"> • If signing under power of attorney, the attorney certifies that he or she has not received notice of revocation of that power. The power of attorney, or a certified copy, must be sent to Perpetual, if not previously provided. • Perpetual has the absolute discretion to accept or reject any application. • Investors should retain a copy of the PDS. • A business day is a working day for Perpetual in Sydney. | <p>Final checklist</p> <p>Have you:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Completed all sections of your application form? <input type="checkbox"/> Signed your application form? <input type="checkbox"/> Provided your financial adviser the customer identification documents requested in this application form or the relevant Customer Identification form? <input type="checkbox"/> OR, if you are opening a new account and do not have a financial adviser, completed section 10 of this application form (for individuals) or enclosed the relevant customer identification form (for entities) and certified copies of your identification documents (as requested in section 10 of this application form or the relevant customer identification form)? <p>Please send your completed application form to:</p> <p>Reply Paid 4171 Perpetual Wholesale Funds GPO Box 4171 Sydney NSW 2001</p> |
|--|--|

10. Identification verification for individuals and joint investors

This section is only applicable if you are investing as an individual or joint investor (as selected in section 1 of this form) and have not provided this documentation previously. If you are investing as a company, trust or any other investor type, please complete the relevant 'Customer identification form' available on our website or by contacting us.

The identity documentation requested below is required to meet our obligations under the Anti-Money Laundering and Counter-Terrorism financing Act 2006. **We cannot process your application without this information.**

Identity documentation

Please provide a document from Part I. If you do not have a document from Part I, please provide the documents listed in Part II OR Part III.

If you are a joint investor, please provide the relevant documents for BOTH investors.

- **If you are applying directly with Perpetual** – You will need to provide a certified copy of the document(s) with your application.
- **If you are lodging this application through a financial adviser** – You may provide a certified copy with your application OR have your financial adviser sight an original or certified copy of your document(s) and complete the 'Record of verification procedure' section in this form.

PART I – Primary ID documents

PROVIDE ONE OF THE FOLLOWING:

current Australian State / Territory driver's licence containing your photograph

Australian passport (current or a passport that has expired within the preceding 2 years is acceptable)

current card issued under a State or Territory law for the purpose of proving a person's age containing your photograph

current foreign passport or similar travel document containing your photograph and signature

OR

PART II – should only be completed if you do not own a document from Part I

PROVIDE ONE OF THE FOLLOWING:

Australian birth certificate

Australian citizenship certificate

concession card such as a pension, health care or seniors health card issued by the Department of Human Services (excludes Medicare cards)

AND PROVIDE ONE VALID DOCUMENT FROM THE FOLLOWING:

a document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to you and contains your name and residential address

a document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by you to the Commonwealth (or by the Commonwealth to the individual), which contains your name and residential address.

a document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to your address or to you (the document must contain your name and residential address)

OR

PART III – should only be completed if you do not own document(s) from Part I OR Part II

BOTH DOCUMENTS FROM THIS SECTION MUST BE PROVIDED

foreign driver's licence that contains a photograph of you and your date of birth

national ID card issued by a foreign government containing your photograph and your signature

Any documents written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

10. Identification verification for individuals and joint investors (continued)

How to certify your documents

In accordance with the AML Rules, a certified copy means a document that has been certified as a true and correct copy of an original document by a person listed below, including all persons described in the Statutory Declarations Regulations 2018 (Cth). To create a certified copy, one of the persons listed below must write the following on the copy of the document.

'I, [full name], [category of persons as listed below], certify that this [name of document] is a true and correct copy of the original. [signature and date]'

- An Australian bank, building society, credit union or finance company officer with a minimum of 2 years continuous service
- A fellow of the National Tax and Accountants' Association
- An Australian judge of a court, Justice of the Peace or magistrate
- An Australian legal practitioner
- A notary public, patent or trade marks attorney
- An Australian medical practitioner including dentist, nurse, midwife, optometrist, pharmacist, physiotherapist, chiropractor, psychologist, occupational therapist or veterinary surgeon
- A permanent employee or agent of the Australian Postal Corporation with a minimum of 2 years continuous service
- An Australian federal, state or territory police officer
- An architect
- A teacher employed on a full-time basis at an Australian school or tertiary education institution
- An accountant who is a full member of the Chartered Accountants Australia and New Zealand, CPA Australia, the Institute of Public Accountants or the Association of Taxation and Management Accountants
- An Australian Consulate or Diplomatic Officer
- A registered migration agent
- An officer or authorised representative of an Australian Financial Services Licence holder with a minimum of 2 years continuous service with one or more licensees
- A financial adviser or financial planner
- A person in a country other than Australia who is authorised by local law to administer oaths or affirmations or to authenticate documents (please list the local law providing this authority when certifying the document)

IMPORTANT: Please ensure that you have either

- enclosed certified copies of your identity documents **OR**
- agreed that your financial adviser will complete the 'Record of verification procedure' below.

Record of verification procedure (Financial adviser use only)

This section is to be used by financial advisers when a record of verification is provided, rather than certified copies of identity documentation.

| ID document details | Document 1 | Document 2 |
|--------------------------------|---|---|
| verified from | <input type="checkbox"/> original <input type="checkbox"/> certified copy | <input type="checkbox"/> original <input type="checkbox"/> certified copy |
| document name/type | | |
| document issuer | | |
| issue date | | |
| expiry date | | |
| document number | | |
| accredited English translation | <input type="checkbox"/> N/A <input type="checkbox"/> sighted | <input type="checkbox"/> N/A <input type="checkbox"/> sighted |

By completing and signing this record of verification procedure I declare that:

- an identity verification procedure has been completed in accordance with the AML/CTF rules, in the capacity of an AFSL holder or their authorised representative and
- the information provided in relation to the residency status for tax purposes is reasonable considering the identity documentation provided.

| | | | |
|------------------------------|----------------------|-----------------------------|----------------------|
| AFS licensee name | <input type="text"/> | AFSL number | <input type="text"/> |
| representative/employee name | <input type="text"/> | phone number | <input type="text"/> |
| signature | <input type="text"/> | date verification completed | <input type="text"/> |

CONTACT DETAILS

For further information, or a copy of any of our product disclosure statements, please contact Perpetual.

WEBSITE

www.perpetual.com.au

EMAIL

investments@perpetual.com.au

PHONE

During business hours (Sydney time)

1800 022 033 – for investors

1800 062 725 – for advisers

FAX

02 8256 1427

POSTAL ADDRESS

Perpetual Wholesale Funds

GPO Box 4171

Sydney NSW 2001

Australia

Australian Capital Territory

Nishi Building
Level 9
2 Phillip Law Street
Canberra ACT 2601

New South Wales

Angel Place
Level 18
123 Pitt Street
Sydney NSW 2000

Queensland

Central Plaza 1
Level 15
345 Queen Street
Brisbane QLD 4000

South Australia

Level 11
101 Grenfell Street
Adelaide SA 5000

Victoria

Rialto South Tower
Level 29
525 Collins Street
Melbourne VIC 3000

Western Australia

Exchange Tower
Level 29
2 The Esplanade
Perth WA 6000

www.perpetual.com.au

Perpetual
