This Reference Guide is issued by Perpetual Trust Services Limited, ABN 48 000 142 049, AFSL 236648 ("Responsible Entity"), as responsible entity of the JPMorgan Global Research Enhanced Index Equity Fund ("Fund"). The investment manager of the Fund is JPMorgan Asset Management (Australia) Limited, ABN 55 143 832 080 AFSL 376919 ("Manager").

Contact details
If you have any questions or would like more information about the Fund, you may contact the Manager or the Responsible Entity:

Manager
Phone: 03 9633 4000
Mail: Level 31, 101 Collins Street, Melbourne VIC 3000
Website: www.jpmorganam.com.au
Email: jpmorgan.funds.au@jpmorgan.com

Responsible Entity
Phone: 02 9229 9000
Mail: Level 12, 123 Pitt Street, Sydney NSW 2000
Website: www.perpetual.com.au

Important notes
The information in this Reference Guide forms part of the Product Disclosure Statement dated 1 April 2015 for the Fund ("PDS") and should be read in conjunction with the PDS. You should consider all of this information before making a decision to invest in the Fund.

The information provided in this Reference Guide is for general information only and does not take into account your objectives, financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

This Reference Guide may be updated with changes that are not materially adverse via disclosure on the Manager’s website, at www.jpmorganam.com.au. Upon request, a paper copy of this information will be made available without charge by contacting the Manager. For indirect investors investing through a Service, updated information may also be obtained from your Service operator.

Defined terms used in this Reference Guide have the same meaning as used in the PDS unless defined in this Reference Guide or the context requires otherwise.
1. How the Fund works

Withdrawals
You may withdraw all or part (subject to a minimum withdrawal amount of $5,000) of your investment in the Fund at any time as long as you maintain a minimum balance (currently $1,000) 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.

To make a withdrawal request, please complete the Withdrawal Form available from the Manager’s website at www.jpmorganam.com.au. Withdrawal requests may be sent electronically either by email or facsimile to the Administrative Agent.

You may cancel Withdrawal requests by notifying the Administrative Agent at any time before they are accepted and processed.

Your withdrawal proceeds are generally deposited into a 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 do not accept withdrawal requests in relation to withdrawals made payable to third parties.

The Administrative Agent will confirm all withdrawals in email or writing. For your protection, withdrawals will not be paid in cash.

If you withdraw your Units before the end of the distribution period, you may not 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.

If you are investing indirectly through a Service, you should follow the instructions of the Service operator when withdrawing your investment from the Fund.

Restrictions on Withdrawals
We are not obliged to offer investors the opportunity to make, or to give effect to a withdrawal request. The circumstances in which we may not give effect to all or part of the withdrawal request may include, but are not limited to situations where:

- disposal would be prejudicial to other investors, such as where there is a large single redemption or a number of significant redemptions together; or
- it is not practicable to sell investments in the Fund in the usual timeframe.

If we refuse to give effect to all or part of a withdrawal request, we will advise you as soon as practical of such refusal. We will use reasonable endeavours to give effect to the withdrawal request as soon as possible thereafter, and in an orderly manner.

In certain circumstances where there is a large withdrawal request, we may treat it as a series of smaller requests over a number of weeks or months.

If you are investing indirectly through a Service, you should follow the instructions of the Service operator when withdrawing your investment from the Fund.

2. Features of the Fund

Mortgage of Units
The Administrative Agent is not able to note any security interests over your Units.

Transfer of Units
With our consent, you may transfer Units to another person by providing us with a signed and completed transfer form prescribed by the Responsible Entity, with duty paid, if applicable, and any other required documents.

A transfer of Units will generally be a disposal of Units for tax purposes, which may have tax implications.

If you are investing indirectly through a Service, you should follow the instructions of the Service operator if you wish to transfer your Units.

Instructions and Changes
Please contact the Administrative Agent in writing to advise of any changes to your name, address, contact details and bank accounts, and to provide any other details or instructions.

If you are investing indirectly through a Service, you should contact the Service operator to advise them of such matters.

3. Significant Risks

As the Fund will be substantially invested in shares that correspond to the Underlying Sub-Fund, the following table within this section indicates the risks of investing in the Underlying Sub-Fund which may affect your investment and/or the value of your investment in the Fund. Please note that these risks are in addition to the significant risks disclosed in the PDS. Other risks of investing in the Fund or risks associated with the Underlying Sub-Fund may also apply.
### Other Risks of the Underlying Sub-Fund

<table>
<thead>
<tr>
<th>Type of risk</th>
<th>Description of risk</th>
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</thead>
<tbody>
<tr>
<td>Risks from a fall in value of the Underlying Sub-Fund's investment</td>
<td>The value of the Underlying Sub-Fund's investment may fall as well as rise and the Fund may get back less than it originally invested.</td>
</tr>
<tr>
<td>Risks from underperformance of Benchmark</td>
<td>The Underlying Sub-Fund seeks to provide a return above the Benchmark; however the Sub-Fund may underperform its Benchmark.</td>
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<tr>
<td>Risks from the performance of individual companies and general market conditions</td>
<td>The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.</td>
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<tr>
<td>Risks from currency exchange rates</td>
<td>Movements in currency exchange rates can adversely affect the return of an investment in the Underlying Sub-Fund. The currency hedging used to minimise the effect of currency fluctuations may not always be successful.</td>
</tr>
<tr>
<td>Risks from investing in Emerging and Less Developed Markets</td>
<td>In emerging and less developed markets, in which the Underlying Sub-Fund may invest, the legal, judicial and regulatory infrastructure is still developing but there is much legal uncertainty both for local market participants and their overseas counterparts. Some markets may carry higher risks for investors of the Underlying Sub-Fund who should therefore ensure that, before investing, they understand the risks involved and are satisfied that an investment is suitable as part of their portfolio. Investments in emerging and less developed markets should be made only by sophisticated investors or professionals who have independent knowledge of the relevant markets, are able to consider and weigh the various risks presented by such investments, and have the financial resources necessary to bear the substantial risk of loss of investment in such investments. Countries with emerging and less developed markets include, but are not limited to (1) countries that have an emerging stock market in a developing economy as defined by the International Finance Corporation, (2) countries that have low or middle income economies according to the World Bank, and (3) countries listed in World Bank publication as developing. The list of emerging and less developed markets is subject to continuous change. Broadly they include any country or region other than the United States of America, Canada, Japan, Australia, New Zealand and Western Europe. The other statements in this table are intended to illustrate the risks which in varying degrees are present when investing in emerging and less developed markets.</td>
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<tr>
<td>Political and Economic Risks</td>
<td>• The value of the Underlying Sub-Fund’s assets may be affected by uncertainties such as international political developments, civil conflicts and war, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. For example, assets could be compulsorily re-acquired without adequate compensation. • Events and evolving conditions in certain economies or markets may alter the risks associated with investments in countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. • Economic and/or political instability (including civil conflicts and war) could lead to legal, fiscal and regulatory changes or the reversal of legal/fiscal/regulatory/market reforms. Assets owned (directly or indirectly) by the Underlying Sub-Fund could be compulsorily reacquired without adequate compensation. • Administrative risks may result in the imposition of restrictions on the free movement of capital. • A country’s external debt position could lead to sudden imposition of taxes or exchange controls. • High interest and inflation rates can mean that businesses have difficulty in obtaining working capital. • Local management may be inexperienced in operating companies in free market conditions. • A country may be heavily dependent on its commodity and natural resource exports and is therefore vulnerable to weaknesses in world prices for these products. • In adverse social and political circumstances, governments may enter into policies of expropriation and nationalisation.</td>
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<tr>
<td>Legal Environment Risks</td>
<td>• The interpretation and application of decrees and legislative acts can be often contradictory and uncertain particularly in respect of matters relating to taxation. • Legislation could be imposed retrospectively or may be issued in the form of internal regulations not generally available to the public. • Judicial independence and political neutrality cannot be guaranteed. • State bodies and judges may not adhere to the requirements of the law and the relevant contract. There is no certainty that the Underlying Sub-Fund and/or its investors will be compensated in full or at all for any damage incurred. • Recourse through the legal system may be lengthy and protracted.</td>
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<tr>
<td>Accounting Practices Risks</td>
<td>• The accounting, auditing and financial reporting system may not accord with international standards. • Even when such reports have been brought into line with international standards, they may not always contain correct information. • Obligations on companies to publish financial information may also be limited.</td>
</tr>
<tr>
<td>Type of risk</td>
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| **Market and Settlement Risks**  | • The securities markets in some countries in which the Underlying Sub-Fund invests lack the liquidity, efficiency and regulatory and supervisory controls of more developed markets.  
• Lack of liquidity may adversely affect the ease of disposal of assets in such markets. The absence of reliable pricing information in a particular security held by the Underlying Sub-Fund may make it difficult to assess reliably the market value of assets.  
• The Share register in such markets may not be properly maintained and the ownership or interest may not be (or remain) fully protected.  
• Certain emerging markets may not afford the same level of investor protection or investor disclosure as would apply in more developed jurisdictions.  
• Registration of securities in such markets may be subject to delay and during the period of delay it may be difficult to prove beneficial ownership of the securities.  
• The provision for custody in such markets may be less developed than in other more mature markets and thus may provide an additional level of risk for the Underlying Sub-Fund.  
• Settlement procedures in such markets may be less developed and still be in physical as well as in dematerialised form. Investment may carry risks associated with failed or delayed settlement. |
| **Price Movement and Performance Risks** | • Factors affecting the value of securities in some markets in which the Underlying Sub-Fund invests cannot easily be determined.  
• The Underlying Sub-Fund may invest in securities in some markets that carry a high degree of risk and the value of such investments may decline or be reduced to zero. |
| **Currency Risks**                | • Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities by the Underlying Sub-Fund cannot be guaranteed.  
• The Underlying Sub-Fund might be exposed to currency risk when investing in assets that are not denominated in the Underlying Sub Fund’s reference currency or hedged to the Underlying-Sub Fund’s reference currency.  
• Exchange rate fluctuations that the Underlying Sub-Fund is subject to may also occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement obligations. |
| **Taxation Risks**               | Proceeds from the sale of securities in some markets or the receipt of any dividends and other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Underlying Sub-Fund invests or may invest in the future (in particular Russia, China and other emerging markets) is not clearly established. It is therefore possible that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. As a result, the Underlying Sub-Fund could become subject to additional taxation in such countries that is not currently anticipated or when investments are made, valued or disposed of. There is also a Brazilian Presidential Decree in force, as amended from time to time, detailing the current IOF tax rate (Tax on Financial Operations) that applies to foreign exchange inflows and outflows. The Brazilian government may change the applicable rate at any time and without prior notification. The application of the IOF tax may reduce the net asset value per share for the Underlying Sub-Fund. |
| **Execution and Counterparty Risks** | In some markets in which the Underlying Sub-Fund invests there may be no secure method of delivery against payment which would minimise the exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the case may be, sale proceeds. |
4. How we invest your money

Wholesale Clients

The Fund is intended to be made available for investment to Wholesale Clients only. Retail Clients may be able to invest into the Fund indirectly through a Service.

An investor is generally a Wholesale Client, where any one of the following applies:

- The investor’s investment is $500,000 or more;
- The investor provides an accountant’s certificate stating that the investor has net assets of at least $250,000 in each of the last two financial years;
- The investor is a “professional investor” (including those that hold an AFSL, are APRA regulated or have at least $10 million worth of assets); or
- The Responsible Entity is satisfied on reasonable grounds that the investor has suitable previous experience in financial products, subject to certain conditions.

Companies or trusts may be Wholesale Clients if they are controlled by persons who are Wholesale Clients.

No Interest earned on application and distribution accounts

No interest is earned on application money, proceeds of withdrawal requests and distribution amounts, which are held in trust accounts prior to being processed.

Transaction confirmations

The Administrative Agent will provide written confirmation of each of your transactions promptly. This includes initial and additional investments and reinvestments. Confirmation will be made to you by email or post.

Annual financial report and other Fund information

The audited financial statements for the Fund will be prepared as at 30 June each year and published on the Manager’s website at www.jpmorganam.com.au within 3 months after 30 June each year.

Upon request, you may also receive, free of charge, a hard copy or electronic copy of the financial statements by contacting the Manager.

If the Fund becomes a “disclosing entity” under the Act, the Fund will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office.

If the Fund is a “disclosing entity” under the Act, you have a right to obtain a copy of the following documents at no charge to you:

(a) the annual financial report most recently lodged with ASIC by the Fund;
(b) any half-year financial report lodged with ASIC by the Fund after the lodgement of that annual financial report and before the date of the PDS; and
(c) any continuous disclosure notices given by the Fund after the lodgement of that annual report and before the date of the PDS.

If the Fund is a “disclosing entity”, we will disclose information to investors which may have a material effect on the price or value of Units or would be likely to influence persons who commonly invests in deciding whether to acquire or dispose of Units. You have a right to obtain a copy of these documents at no charge. Please call the Manager and they will provide you with a copy of the requested document within 5 days. We intend to post on the Manager’s website at www.jpmorganam.com.au all continuous disclosure information.

Tax statement

A year-end tax statement will be sent to you by the Administrative Agent with tax information as soon as practical after the end of the financial year to help you include the information in your tax return.

Indirect investors

If you are investing as an indirect investor, your Service operator will report to you about your investment. Please refer to them about the frequency and nature of reporting on your investment.

Valuation

The assets of the Fund are generally valued on each Business Day, however we may value assets of the Fund at any time, and must do so in accordance with and when required by the Act or an ASIC Instrument. The valuation methods and policies applied by us must be consistent with ordinary commercial practices for valuing property of the relevant kind.

Assets of the Fund must be valued at their market value unless:

(a) there is no market for the assets; or
(b) we reasonably believe that the valuation does not represent the fair value of the assets,

in which case, we may use another valuation method or policies in respect of the assets provided that the method or policies for calculating the value must be consistent with ordinary commercial practice for valuing that type of Fund property and produce a value that is reasonably current at the time of valuation. Where an asset is in a currency other than the currency of the Fund, the asset will be valued using the relevant exchange rate quoted by a bank or other responsible financial institution.

Unless we otherwise prescribe, the value of assets of the Fund as at a specified day is to be determined using the values available at the close of that Business Day, unless where the specified day is not a Business Day, then the value is determined using the values most reasonably current, which are typically as at the close of the preceding Business Day.

Our determination of the value of the Fund, of any asset of the Fund and of any part of the Fund is, in the absence of fundamental error, final and binding on all investors of the Fund.

Borrowing by the Fund

Although the Constitution allows us to borrow or raise money, it is not our intention for the Fund to enter into any long term borrowings. Short term borrowings may occur in the ongoing management of the Fund, including for meeting day-to-day liquidity requirements.
Forced Redemption

Pursuant to the Constitution, the Responsible Entity has absolute power and discretion at any time to reject any application, prevent further transactions by any investor, delay or withhold processing and/or payout of redemption proceeds and/or effect forced redemption of Units. Without limiting the generality of the foregoing, the Responsible Entity may exercise such power:

(a) on any investor, who does not fulfil any “Know Your Customer”, anti-money laundering and/or other regulatory or compliance requirements;
(b) on any investor, who is subject to either individual sanctions or a part of such entity or country which is subject to U.S. sanctions (Office of Foreign Assets Control or “OFAC”) or other sanctions; and
(c) if the Responsible Entity determines in its sole discretion that the relevant transaction is suspicious in nature as regards money laundering.

We are not liable for any loss you may suffer as a result of your compliance with our legal or regulatory obligations.

The Responsible Entity has the absolute discretion to reject and reverse any market timing or related excessive, short-term trading practices deployed by any investors that it becomes aware of. In general, market timing refers to the systematic investment behaviour of an investor subscribing or redeeming units for the same fund within a short period of time on the basis of predetermined prices by taking advantage of time differences and/or imperfections and deficiencies in the method of determination of net asset value. Accordingly, to protect the best interests of investors and/or the Fund, we reserve the right to reject and/or suspend any application and withdrawal requests from any investor engaging in such practices or suspected of engaging in such practices and to take such further action as we, at our discretion, may deem appropriate or necessary.

Privacy and personal information

Indirect investors

If you are investing indirectly through a Service, 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.

Direct Investors

We collect personal information from you in the Application Form 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.

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;
- 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; and
- whether we are likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.

We may also give your personal information to service providers of the Fund, including the Manager, the Custodian, the Administrative Agent, the Fund accountant and their related bodies corporate (“Service Providers”) which may require transferring your personal information to entities located outside Australia where it may not receive the level of protection afforded under Australian law.

Our privacy policy is available on our website at www.perpetual.com.au or you can obtain a copy free of charge by contacting us. Personal information will also be handled by the Manager in accordance to the Manager’s privacy policy. A copy of the Manager’s privacy policy is publicly available by visiting www.jpmorganam.com.au.

Anti-Money Laundering/Counter-Terrorism Financing Laws

Under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (“AML Act”), we are required to verify your identity before providing services to you, and where you supply documentation relating to your identity, keep a record of this documentation for 7 years after you end your relationship with us.

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 or similar law of any other country.

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.

Constitution

The Constitution, along with the Act and other relevant laws, governs the way in which the Fund operates and the rights and responsibilities and duties of the Responsible Entity and investors.

The Constitution contains the rules relating to a number of issues including:

a) the rights and liability of investors;
b) the process by which Units are issued and redeemed and the calculation of Unit prices;
c) the calculation and distribution of the income of the Fund;
d) the investment powers of the Responsible Entity, which are very broad;
e) the Responsible Entity’s right to claim an indemnity from the Fund for expenses incurred in relation to the Fund;
f) the rules about investors' meetings;
g) information about complaints' handling; and
h) the duration and termination of the Fund.

The Constitution states that the liability of an investor is limited to the amount, if any, that remains unpaid on the investor's Units. An investor need not indemnify the Responsible Entity or any creditor of the Fund or Responsible Entity, if the Fund's assets are not sufficient to discharge the Fund's liabilities or meet the claim of any creditor of the Fund or the Responsible Entity in respect of the Fund. The Constitution also provides that the Responsible Entity may deduct from any money payable to an investor any taxes which it is required or authorised to deduct or which it considers should be deducted. While the Constitution limits the liability of the investors in the manner described above, this position has not been fully tested in the courts of law.

The Responsible Entity may by deed modify, repeal or replace the Constitution if it reasonably considers the amendments will not adversely affect investors' rights. Otherwise, it must obtain investors approval of the amendments at a meeting of investors.

The Responsible Entity may retire or be required to retire as responsible entity if investors vote for its removal or when requested to do so by the Manager subject to the law and its duties.

The Fund will terminate two days before the 80th anniversary of the establishment of the Fund, but the Responsible Entity may terminate it earlier by notice to investors. On termination, the Responsible Entity will realise the Fund's assets and pay to investors their share of the net proceeds of realisation.

A copy of the Constitution is available at no charge from the Responsible Entity on request. The information set out in the PDS and this Reference Guide about the content of the Constitution is a summary only.

Conflicts of interest

The Manager, Administrative Agent and Custodian are not independent third parties. They are all part of the JPMorganChase Group, which is a multi-service banking group, providing its clients all forms of banking and investment services. As a result, there may be conflicts of interest between the various activities of these parties and their duties and obligations to the Fund.

The Manager, under the rules of conduct applicable to it, must try to avoid conflicts of interest and, when they cannot be avoided, ensure that its clients (including the Fund) are fairly treated.

The Manager, Administrative Agent and Custodian, may from time to time act as manager, administrative agent and custodian in relation to, or be otherwise involved with other funds or other clients. It is therefore possible that any of the parties may, in the due course of their business, have potential conflicts of interest with the Fund or other funds. In such event, each will at all times have regard to its obligations under any agreements to which it is a party or by which it is bound in relation to the Fund or any other funds. In particular, when undertaking any dealings or investments where conflicts of interest may arise, each will respectively endeavour to ensure that such conflicts are resolved fairly.

The Manager and the JPMorganChase Group may effect transactions in which they have, directly or indirectly, an interest which may involve a potential conflict with the Manager's or the JPMorganChase Group's duty to the Fund. Neither the Manager nor the JPMorganChase Group shall be liable to account to the Fund for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Manager's fees, unless otherwise provided, be abated. The Manager will ensure that such transactions are effected on terms that are at least as favourable to the Fund as if the potential conflict had not existed.

There is no prohibition on the Fund entering into any transactions with the Manager, Administrative Agent and Custodian or with any of their affiliates, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length. In such case, in addition to the management fees the Manager earns for managing the Fund, they may also have an arrangement with the issuer, dealer and/or distributor of any products entitling them to a share in the revenue from such products that they purchase on behalf of the Fund. In addition, there is no prohibition on the Manager to purchase any products or funds on behalf of the Fund where the issuer, manager, trustee, custodian, dealer and/or distributor of such products are their affiliates provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length, in the best interest of the Fund. The JPMorganChase Group may act as counterparty for financial derivative contracts entered into by the Underlying Sub-Fund.

Potential conflicting interests or duties may arise because the Manager or the JPMorganChase Group may have invested directly or indirectly in the Fund. JPMorgan Chase & Co. or any of its subsidiaries could hold a relatively large proportion of Units. JPMorganChase Group may make substantial investments in the Fund for various purposes including, but not limited to, facilitating the growth of the Fund, for facilitating the portfolio management or tax reporting of the Fund, or for meeting future remuneration payment obligations to certain employees. JPMorganChase Group is under no obligation to make or maintain its investments and may reduce or dispose of any of these in the Fund at any time. As part of its financial planning, JPMorganChase Group may also hedge the risk of its investments in the Fund with the intention of reducing all or part of its exposure to such investments. The JPMorganChase Group acting in a fiduciary capacity with respect to client accounts may recommend to or direct clients to buy and sell Units. If a client defaults on its obligation to repay indebtedness to the JPMorganChase Group that is secured by Units, and the JPMorganChase Group forecloses on such interest, the JPMorganChase Group would become an investor of the Fund.

Employees (including, but not limited, to portfolio managers) and directors of the JPMorganChase Group may hold Units. Employees of the JPMorganChase Group are bound by the terms of the JPMorganChase Group policy on personal account dealings and managing conflicts of interest.

Restriction to sell to a US person

The Fund has not been registered under the United States ("US") Securities Act, as amended ("Act") or under any similar or analogous provision of law enacted by any jurisdiction in the US. The Units may not be offered or sold within the US or sold to any US person unless we and the Manager, at our absolute discretion, grant an exception. For this purpose, a US person is one falling under the definition of US person under the Act, under the guidelines set forth by the US Commodities Futures Trading Commission in its Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, as amended, or under US Internal Revenue Code ("IRC") as specified below or under the US federal income tax law (as described below under paragraphs 1 through 4), or a non-US entity with certain US owners (as described below under paragraph 5):
5. Fees and Costs

Management Costs

Management costs (the total fees and costs payable by you) comprise of the management fees and estimated expense recoveries*. Our current intention is to charge only 0.38% of the net asset value of the Fund each year.

The costs are inclusive of GST and net of any applicable input tax credits and reduced input tax credits.

*Please refer to "Expense Recoveries" below for further details.

Management Fees

Under the Constitution, we are entitled to receive an annual management fee of up to 3% p.a. of the gross value of the assets of the Fund.

For acting as responsible entity of the Fund, we are entitled to receive an annual fee. For providing the services under an investment management agreement, the Manager is also entitled to receive a fee. This amount is paid by us to the Manager, and forms part of the annual management fee we are entitled to receive and will not be a separate expense recovery under the Constitution. The total management fee is calculated and accrued on a daily basis and payable in arrears on a monthly basis, within generally 10 days of the end of each month.

Expense Recoveries

Under the Constitution, we are entitled to annual fees for acting as responsible entity of the Fund. The annual fee is payable monthly in arrears from the Fund. We are also entitled to be reimbursed from the Fund in respect of expenses reasonably and properly incurred in the administration, management and operation of the Fund, and other incidental expenses. These include a range of costs and expenses which include, but are not limited to, costs associated with the Constitution (including amendments), preparation of marketing material and disclosure documents, asset acquisition or divestment, meetings of investors, audit fees, legal costs, government duties and taxes, brokerage and asset consultants’ fees relating to the Fund, external director fees and the termination of the Fund. To the extent any of these expenses are incurred by the Manager, the Manager is entitled to be reimbursed for these expenses by us (and we will, in turn, be entitled to be reimbursed this amount from the Fund).

We are entitled to be indemnified out of the Fund for all expenses, losses and liabilities reasonably and properly incurred. This entitlement does not exist in relation to an expense, loss or liability attributable to a failure to properly perform the duties of a responsible entity.

Expense recoveries are variable, it is therefore not possible to provide fixed management costs for the Fund.

Where actual expenses result in the management costs exceeding 0.38% of the net asset value of the Fund for the year, such expenses will not be paid out of the assets of the Fund.
Transaction Costs

In managing the investments of the Fund, transaction costs such as charges, disbursements, expenses, outgoings, fees, taxes, commissions, brokerage, settlement costs, clearing costs and government charges may be incurred by changes in the Fund’s investment portfolio, or when the Fund experiences cash flows in or out of it (“Transaction Costs”).

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.

Transaction Costs that are incurred because investors buy or sell Units are also paid from the Fund’s assets, but they are offset by the Transaction Cost allowances that are included in the calculation of the Fund’s application and/or withdrawal Unit prices, which are commonly known as “buy/sell spreads”.

Transaction Costs are estimated and allocated accordingly when an investor buys or sells Units by incorporating a buy/sell spread between the Fund’s application or withdrawal Unit prices, where appropriate. This aims to ensure that other investors are not impacted by the Transaction Costs associated with a particular investor buying or selling Units. We have the discretion to waive the buy/sell spread on applications or withdrawals.

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.

The buy/sell spread is an additional cost to you and will impact the return on your investment*. As it is built into the Fund’s Unit prices, it will not be recorded separately on investor statements.

The buy/sell spread for the Fund is publicly available at the Manager’s website at www.jpmorganam.com.au or may be obtained free of charge by contacting the Manager.

GST is not applicable to any buy/sell spread when you buy or sell Units.

*As at the date of this Reference Guide, there is no buy or sell spread.

Alternative Payments

We do not pay any commission or soft dollars to financial advisers or advisory firms. Your adviser may, however, charge you an advice fee for your investment into the Fund.

Indirect investors

If you are an indirect investor, additional fees may be charged by your financial adviser or Service operator (as applicable) for investing in the Fund as set out in their offer document.

In-Specie Transfers

On investing in the Fund, any costs associated with an ‘in-specie’ transfer will be paid by you.

Where a withdrawal is satisfied by an ‘in-specie’ transfer, you will bear all costs, including any applicable stamp duty, payable as a result of the transfer.

We reserve the right to accept ‘in-specie’ transfers for applications or in satisfaction of withdrawals in our absolute discretion.

6. Tax

The summary below is general in nature and is intended as a guide only. As the tax rules in Australia are complex and are continuously changing, it is strongly recommended that investors obtain specific tax advice pertaining to their own circumstances prior to investing in the Fund.

US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act (“FATCA”)

Under the FATCA provisions of the US Hiring Incentives to Restore Employment (“HIRE”) Act, 30% US withholding may be levied on certain US sourced income received after 30 June 2014 (for the Fund and the Underlying Sub-Fund, principally dividends and interest paid by US corporations and institutions including the US Government) and after 31 December 2016 on the gross proceeds of sales of the assets giving rise to that US sourced income (for the Fund and the Underlying Sub-Fund, principally equity and debt securities issued by US corporations and institutions including the US Government) unless the Fund complies with FATCA. Under US Treasury Regulations, FATCA compliance can be achieved by entering into an Foreign Financial Institution agreement with the US Internal Revenue Service (“IRS”) under which the Underlying Sub-Fund and Fund agrees to, among other things, certain US tax reporting with respect to the holdings of and payments to certain investors in the Fund and the Underlying Sub-Fund. The Fund is resident in Australia and will be subject to the intergovernmental Agreement signed between Australia and the US on 28 April 2014 (“Australia IGA”), under which the Fund is required to comply with FATCA, as implemented through Australia local legislation and/or guidance, and report any US persons to the Australian Taxation Office, which will then forward the information to the IRS. The Australia IGA modifies the FATCA requirements set forth in US Treasury Regulations. The Fund intends to comply with FATCA requirements as reflected in the Australia IGA and Australia local legislation and/or guidance and is unlikely to be subject to 30% withholding tax on US sourced income paid to the Fund. However, this cannot be assured given the complexity of such FATCA requirements. The Responsible Entity, or appointed parties, may therefore request that investors and prospective investors provide certain information in order to comply with the requirements.

Prospective investors should consult their own advisors regarding the possible implications of FATCA on their investment in the Fund and the information that may be required to be provided and disclosed to us, the Manager and distributors. The application of the FATCA rules are subject to change.

Any discussion of US federal income tax considerations set forth in this Reference Guide was written in connection with the promotion and marketing of the Units by the Fund and Manager. Such discussion is not intended or written to be tax advice to any person and is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any United States federal tax penalties that may be imposed on such person. Prospective investors should seek advice from their own tax advisor with respect to their FATCA status and the effect of implementation of FATCA based on their particular circumstances.

How the Underlying Sub-Fund is taxed

The Underlying Sub-Fund is not subject to any taxes in Luxembourg on income or capital gains. The only tax to which the Underlying Sub-Fund in Luxembourg is subject is the subscription tax, (“taxe d’abonnement”) up to a rate of 0.09% per annum based on the net asset value attributed to each share class of the Underlying Sub-Fund at the end of the relevant quarter, calculated and paid quarterly. No stamp duty or other tax is...
payable in Luxembourg on the issue of shares in the Underlying Sub-Fund except a tax, payable once only, which was paid upon incorporation of the Underlying Sub-Fund.

Interest income, dividend income and capital gains received by the Underlying Sub-Fund in respect of some of its securities and cash deposits may be subject to non-recoverable withholding taxes at varying rates in the countries of origin. A reduced tax rate of 0.01% per annum of the net assets will be applicable to share classes which are only sold to and held by Institutional Investors as defined under Luxembourg law. The 0.01% and 0.059% rates described above, as applicable, are not applicable for the portion of the assets of the Underlying Sub-Fund invested in other Luxembourg collective investment undertakings which are themselves subject to the tax d'abonnement.

No tax is payable in Luxembourg on realised or unrealised capital appreciation of the assets of the Underlying Sub-Fund. Although the Underlying Sub-Fund may be subject to taxes in other countries on realised capital gains.

**How the Fund is taxed**

The Fund is a trust that is an Australian resident for income tax purposes. On the basis that investors will be made presently entitled to the income of the Fund for each financial year, the Fund should not be subject to income tax and, in essence, should be treated as a “flow through” entity.

Tax losses incurred by the Fund remain within the Fund and cannot be distributed to investors. Provided the Fund satisfies the relevant loss testing requirements, it may be able to offset its carry forward tax losses against the assessable income it derives in a future income year.

Where the Fund satisfies the requirements of a Managed Investment Trust (“MIT”), the Fund can make an irrevocable election (“MIT Capital Election”) to apply a deemed “capital” treatment for gains and losses on “covered assets” such as shares. The Responsible Entity will assess the merits of making the MIT Capital Election and if appropriate will make the MIT Capital Election. The Fund is unlikely to make capital gains from its investments in the Underlying Sub-Fund. Where this election is made and the Fund redeems its shares in the Underlying Sub-Fund, any resulting capital loss will not be available for set-off against any other income including “dividends” made from the redemption of shares in the Underlying Sub-Fund. The Fund can only offset such capital losses against capital gains.

**How investors are taxed**

**Australian resident investors**

As the Fund is a flow through entity, the taxable income distributed by the Fund should retain its character in the hands of the investors.

Australian resident investors will need to include their share of the Fund’s taxable income in their assessable income for the relevant income year regardless of whether the investor receives the distribution following the end of the income year or the distribution is reinvested.

In the event the Fund pays foreign tax, the distribution from the Fund may include a foreign income tax offset (“FITO”), which investors need to take into account in determining their taxable income. Furthermore, investors may be able to utilise the FITOs to reduce their tax liability. Any excess or unused FITOs, for a particular income year cannot be carried forward by investors and will be lost.

The Fund is unlikely to make capital gains from its investments in the Underlying Sub-Fund and therefore is unlikely to distribute capital gains.

If the Fund redeems its investment in the Underlying Sub-Fund to meet net outflows in the Fund or uses the redemption proceeds to acquire other investments, the redemption of the investment in the Underlying Sub-Fund may result in the Fund realising assessable income in the form of foreign dividends. On the basis that these dividends would be included in the Fund’s taxable income, this amount would be distributed to investors.

Where an investor has disposed of their Units in the Fund, the investor may be subject to capital gains tax (“CGT”), depending on their particular circumstances and consequently, the investor may realise a capital gain or a capital loss. Where investors realise a capital gain on Units that have been held for at least 12 months, certain investors may be able to apply the relevant CGT discount (after reducing the gross capital gains by realised capital losses including carry forward capital losses) to such gains. The applicable CGT discount is 50% for resident individuals and qualifying trusts and 33.33% for complying superannuation funds and pooled superannuation trusts.

Where the Fund has made a return of capital or has distributed a tax deferred amount, generally, these amounts are not included in the investor’s assessable income. However, these amounts will reduce the cost base and reduced cost base of the Units in the Fund and consequently the investor may realise a higher capital gain or a lower capital loss on the subsequent disposal of their Units. Where the cost base has been reduced to nil, the investor may realise an immediate capital gain.

**Non-resident investors**

Distributions to non-resident investors may be subject to withholding tax. The rate of withholding tax will depend on the income distributed by the Fund and the country in which the investor is a resident. As a general rule, distribution of foreign income to non-resident investors is not subject to tax in Australia. Also, unless the non-resident investor meets certain conditions, the non-resident investor should not be subject to tax on the disposal of their Units in the Fund.

**U.S. investors**

The Fund is a passive foreign investment company (“PFIC”) within the meaning of the US Inland Revenue Code (“IRC”), the US tax treatment to U.S. investors (directly or indirectly through their custodian or financial intermediary) under the PFIC provisions of the IRC can be disadvantageous and that the Fund is unlikely to qualify U.S. investors to either elect to mark-to-market their investment in the Fund under IRC § 1296 or elect to treat the Fund as a Qualified Electing Fund under IRC § 1294.

**Taxation reform**

The Australian tax system is in a continuing state of reform. Some of the proposed reforms include introducing specific tax rules for MITs as well as proposals to review and amend the tax rules that apply more generally to trusts. In addition, there is a review of the anti tax deferral regimes (i.e. controlled foreign company and foreign accumulation fund rules). The proposed changes may impact both the Fund and investors. Hence, we recommend you monitor the progress of these reforms.