



The Public Trustee of Queensland Growth Trust

Investor update

The Public Trustee of Queensland would like to notify investors that a review was recently undertaken of the Growth Trust's investment strategy, in consultation with an independent external advisor and QIC Limited (QIC).

The Growth Trust's investment strategy is currently implemented by investing in ten QIC sub-funds. Following the review, the Public Trustee of Queensland is implementing a change of investment strategy with the Growth Trust investing into only one fund, namely the QIC Growth Fund.

The QIC Growth Fund provides for greater diversification of asset classes and investments, which the Public Trustee considers will deliver a better risk/return outcome. The range of asset classes has been expanded to include real estate, infrastructure, private equity and alternative assets, as well as cash, fixed interest and shares.

As a result of the change in the range of assets in the Growth Trust, the Buy-Sell Spread, which represents the transaction costs associated with buying or selling assets when investors enter or exit the Growth Trust and are passed on to investors in the issue price or redemption price of units of the Growth Trust, will increase. The Buy Spread will increase from +0.11% to +0.25% and the Sell Spread will increase from -0.10% to -0.25%.

Associated with the change in the investment strategy the investment objective for the Growth Trust has been revised to generating average returns of CPI + 2.4% p.a. over rolling five year periods from CPI + 1.9% p.a. over rolling ten year periods as is presently the case.

Transition

The transition to the new investment strategy will be completed following the March 2017 quarter distribution, and is expected to occur in the first two weeks of April 2017. The unit holders at the time of the transition will remain invested in the Growth Trust.

Distributions

The distribution for the March 2017 quarter is expected to be paid on 12 April 2017. Investors who hold units in the Growth Trust as at 31 March 2017 will be entitled to receive the distribution.

Instructions

All external investors in the Growth Trust will have received a letter dated 3 March 2017, providing notification and instructions. An excerpt of that letter is provided below:



What to do

The transition to the new investment strategy will be completed following the March 2017 quarterly distribution, and is expected to occur in the first two weeks of April 2017. During the transition period, investors will not be able to withdraw from the Growth Trust, and unit holders at the time of the transition will remain invested in the Growth Trust. Investors who hold units in the Growth Trust as at 31 March 2017 will be entitled to receive the March 2017 quarterly distribution.

You have until 3 April 2017 to lodge a withdrawal form, should you choose to do so, in order to redeem your investment from the Growth Trust prior to implementation of the new investment strategy and temporary cessation of processing of withdrawal forms. A withdrawal form is enclosed with this letter. On receipt of the withdrawal form we will redeem your investment in the Growth Trust and deposit the proceeds into your nominated bank account.

On 4 April 2017, the Growth Trust will temporarily stop processing withdrawal forms and will commence the transition process to the QIC Growth Fund. The transition process requires the transfer and sale of the Growth Trust investments in the QIC sub-funds, the payment of any outstanding liabilities, and the Growth Trust investment into the QIC Growth Fund. After the transition process is complete, the Growth Trust will resume processing withdrawal forms.

Growth Trust information

It is expected the 2016/2017 financial statements of the Growth Trust will be available from the office of the Public Trustee and on the Public Trustee of Queensland website at www.pt.qld.gov.au from November 2017.

The publication of the Annual Fund tax statements for all investors for the period 1 July 2016 to 30 June 2017 is expected to occur in September 2017.

Act now

It is important that you lodge your withdrawal form, should you choose to, with us before 31 March 2017, otherwise it will be up to another two weeks before you receive the return of your investment funds.

Advice relating to taxation matters should be obtained from your Taxation Professional or the Australian Taxation Office.

If you have any queries or require any assistance please contact your investment adviser or the Public Trustee of Queensland on 07 3213 9359.

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