

ASX / Media Release

8 February 2018

Notice of Proposal to Amend Constitution of Ingenia Communities Fund to allow adoption of Attribution Managed Investment Trust (AMIT) regime

Ingenia Communities RE Limited (“Responsible Entity”) as the responsible entity for Ingenia Communities Fund (“the Fund”) publishes this notice under subsection 601GCA (3) of the Corporations Act as modified by ASIC Instrument 2016/489 to inform securityholders that it proposes to amend the Fund’s constitution to allow the Fund to operate under the AMIT regime.

Reasons for proposing changes to the Constitution and adopting the AMIT Regime

The AMIT tax regime provides a new taxable income attribution mechanism whereby securityholders are taxed on taxable income allocated or attributed to them by the Responsible Entity on a “fair and reasonable” basis. This contrasts with the current tax regime whereby securityholders are subject to tax on their proportionate share of the taxable income of the Fund based on their present entitlement to the share of the income of the Fund according to trust law principles.

The AMIT regime provides greater clarity and certainty with the tax treatment of distributions.

The proposed changes to the Constitution are necessary to allow the Fund to operate under the AMIT regime. The changes allow the Fund to make the election to adopt the AMIT regime and provide for attribution of income on a fair and reasonable basis.

Proposed changes to the Constitution

An additional clause is to be added to the Constitution of the Fund.

Constitution clause	Description of amendment
Clause 39	Additional clause to insert AMIT regime definitions and to allow the responsible entity to elect to adopt AMIT, and to require the determination of distribution components for AMIT purposes in a fair and reasonable manner

Date of Effect

The proposed changes are intended to be effective in respect of the FY18 distributions.

AMIT Election

The Fund intends to elect into the AMIT regime, effective from 1 July 2017, and lodge an election to that effect in due course.

Next Steps

The Responsible Entity intends to amend the Constitution as proposed, unless it receives requests by 5pm (Sydney time) on 16 February 2018, from securityholders with at least 5% of the votes that may be cast, to call and to hold a meeting of securityholders to consider and vote on a special resolution to modify the Constitution as proposed.

You are not required to respond to this notice, however if you wish to request a meeting of securityholders, you must make a written request to Ingenia Communities RE Limited at investor@ingeniacommunities.com.au by 5pm (Sydney time) on 16 February 2018.

ENDS