



FIL Responsible Entity (Australia) Limited

# **Distribution Reinvestment Plan**

December 2021

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## **1. PURPOSE**

This Distribution Reinvestment Plan (“**DRP**”) has been established by FIL Responsible Entity (Australia) Ltd (“**FREAL**”) as the Responsible Entity of the Fund to enable Unitholders in the Fund to reinvest Distributions in additional Units in the Fund.

### **1.1 Key Features**

The key features of the **DRP** are as follows:

- No brokerage or other transaction costs payable in relation to the additional Units issued
- Participation in the **DRP** is optional and is not transferable
- Units issued under the **DRP** rank equally in all respects with existing Units from their date of issue
- A statement providing details of your participation will be sent to you following each Distribution payment

## **2. DRP PARTICIPATION**

### **2.1 General**

Participation in a **DRP**:

- is subject to these terms and conditions;
- is optional and is not transferable;
- is open to each Unitholder unless excluded under this **DRP**; and
- may be varied or terminated at any time in accordance with this **DRP**.

The **DRP** will be administered in accordance with the Fund’s Constitution. However, where there is any conflict between this **DRP** and the Constitution, the Constitution will prevail.

### **2.2 Eligibility**

Unitholders having a registered address on the Record Date in Australia or New Zealand are eligible to participate in the **DRP**. Unitholders whose registered address is outside Australia or New Zealand are not eligible to participate in a **DRP** where the Responsible Entity determines at its discretion that the making of the offer under the **DRP** is unreasonable taking into consideration:

- the number of Unitholders in the place where the registered address of the Unitholder is situated;
- the number and value of the Units that may be issued to Unitholders in the relevant place; and
- the cost of complying with legal requirements and the requirements of any regulatory authority applicable to the making of offers and the issue of Units in the relevant place.

### **2.3 Full versus partial participation**

Only full participation is permitted in this DRP. Unless the Responsible Entity determines that partial participation in a DRP is permitted, an application to participate will apply to all Units held by that Unitholder. Distributions reinvested in additional Units will be subject to clause 2.4 and 5.3 including any determination by the Responsible Entity having regard to the rules of the Securities Exchange and the non-issuance of fractional Units.

### **2.4 Discretion to refuse or reduce participation**

Notwithstanding Clause 2.2, the Responsible Entity has absolute discretion to reject any application made under this DRP or reduce, vary or suspend a Unitholder's participation under this DRP if the Responsible Entity determines that the offer, issue or transfer of Units may:

- be in breach of any relevant law;
- be in breach of a provision of the Constitution
- prejudice the effective operation of the DRP; or
- otherwise in the opinion of the Responsible Entity be undesirable or impractical.

## **3. APPLICATION TO PARTICIPATE**

### **3.1 Notice**

Unitholder may apply to participate in the DRP in writing or by making an election through the Responsible Entity appointed share registry. A separate election must be made for each participating Fund and for each separate Holding.

### **3.2 Election**

Subject to Clause 2.3, Unitholder must elect either full or partial participation, but not both. If the Notice of Participation/Variation does not clearly indicate the level of participation in the relevant DRP, the Responsible Entity may deem, without notice to the Unitholder, to be an application for full participation.

### **3.3 Full participation**

Where the number of Units registered in the name of a participant at a Record Date is less than the number of Units specified by the participant, all those Units registered in the name of the participant will be deemed to be subject to the DRP.

### **3.4 Partial and limited participation**

Subject to Clause 2.3, if a Unitholder elects partial participation in respect of a Holding:

- only the number of Units specified in the Notice of Participation/Variation in respect of that Holding will participate in the relevant DRP such that the balance of that Holding will receive cash distribution in the normal way;
- if on any Record Date the number of Units comprised in that Holding is less than the number of Units specified in the Notice of Participation/Variation, then all of the Units comprised in that Holding will participate in the relevant DRP;
- any Units comprised in that Holding in excess of the number specified in the Notice of Participation/Variation, whether acquired under the relevant DRP or otherwise, will not

participate in that DRP unless the Unitholder alters the participation level in respect of that Holding in accordance with Clause 4.1.

The Responsible Entity may by written notice to Unitholders limit participation in a DRP by limiting the amount of Distribution which may be reinvested under that DRP.

### **3.5 Joint investors**

If the Holding is jointly held by two or more eligible investors, all joint investors must make a single election to participate in the DRP for it to be valid. If one or more of the joint investors is not an eligible investor, none of the joint investors can apply to participate in the DRP with respect to the Holding. If election is in writing each joint investor must sign the election form. If election is electronic, one investor may elect on behalf of the joint investors.

### **3.6 Commencement**

A Unitholder's participation in a DRP will commence from the next Record Date following receipt by the Fund's share registry of a duly completed Notice of Participation/Variation in respect of that Holding.

## **4. VARIATION OR TERMINATION OF PARTICIPATION**

### **4.1 Notice of variation or termination**

Subject to Clause 2.3, a Unitholder may at any time give a Notice of Participation/Variation to the Responsible Entity:

- to increase or decrease the number of the Units which participate in the relevant DRP; or
- to terminate the Unitholder's participation in that DRP.

The alteration or termination takes effect from the next Record Date.

Subject to Clause 2.3, if a Unitholder increases the level of participation in a DRP to full participation, all Units comprised in that Holding as at the date of the notice and all Units subsequently comprised in that Holding, including Units issued or acquired pursuant to that DRP, will participate in that DRP.

### **4.2 Other changes to level of participation**

Subject to Clause 2.3, if a Unitholder increases or decreases the level of participation in a DRP to below full participation:

- only the number of Units specified in the Notice of Participation/Variation in respect of that Holding will participate in that DRP;
- if on any Record Date the number of Units entitled is less than the number of Units specified in the Notice of Participation/Variation, then all of the Units comprised in that Holding will participate in that DRP; and
- any Units in excess of the number specified in the Notice of Participation/Variation, whether acquired under that DRP or otherwise, will not participate in that DRP unless the Unitholder further alters the participation level in respect of that Holding in accordance with Clause 4.1.

### **4.3 Termination**

Where a participant dies, or becomes bankrupt or goes into liquidation, participation in the DRP, and the participation of any joint Unitholder, will be terminated upon receipt by the Responsible Entity of notice of death, termination, or liquidation as the case may be. The death, bankruptcy or winding up of one or more joint Unitholders will not automatically terminate participation.

### **4.4 Reduction or termination of participation where no notice is given**

Where:

- all of the Units in a Holding are participating in a DRP and the Unitholder disposes of some of those Units then, unless the Unitholder advises the Responsible Entity otherwise, the remaining Units will continue to participate in that DRP;
- subject to Clause 2.3, some of the Units in a Holding are participating in a DRP and the Unitholder disposes of some of those Units, then unless the Unitholder advises the Responsible Entity otherwise, the Units disposed of will be deemed to be Units not participating in that DRP. If the number of Units disposed of is more than the number of Units not participating in that DRP, the disposal will be deemed to include all the Holding not participating in that DRP; and
- a Unitholder disposes of all Units in a Holding, the Unitholder will be deemed to have terminated participation in the relevant DRP in respect of that Holding on the last date on which the Fund registered a transfer or instrument of disposal in relation to that Holding.

## **5. OPERATION OF THE DRP**

### **5.1 Application of Distributions**

Each Distribution which is payable to a Unitholder in respect of DRP Units and which is available for payment to the Unitholder will be applied by the Responsible Entity on the Unitholder's behalf in acquiring or subscribing for additional Units.

### **5.2 Issue or transfer of Units**

The Responsible Entity in its absolute discretion will determine with respect to the operation of a DRP for any Distribution whether to issue new Units or to cause the transfer of issued Units to a Unitholder, or to apply a combination of those alternatives, to satisfy the obligations of the Responsible Entity under these terms and conditions. If the Responsible Entity determines to cause the transfer of Units to Unitholders, the Units to be transferred may be acquired in the market in such manner as the Responsible Entity considers appropriate, including by appointment of a nominee or trustee to acquire those Units on behalf of the Unitholder.

### **5.3 DRP Accounts**

The Responsible Entity will establish and maintain a DRP account for each Holding in respect of which there are DRP Units. The Fund will, for each Distribution payable in respect of each such Holding:

- 5.3.1 determine the amount of the Distribution payable in respect of the DRP Units in that Holding;
- 5.3.2 determine the withholding payments, if any, deductible by the Responsible Entity and any other sum the Fund is entitled to retain in respect of those DRP Units;

- 5.3.3 credit the amount in Clause 5.3.1 to, and debit any amount in Clause 5.3.2 from, the relevant DRP account;
- 5.3.4 determine the maximum whole number of additional Units which may be acquired under the relevant DRP at the Price by dividing the amount standing to the credit of the relevant DRP account by the Price and rounding the resulting number down to the nearest whole number;
- 5.3.5 on behalf and in the name of the Unitholder subscribe for or cause the transfer of the number of additional Units determined under Clause 5.3.4 and debit the relevant DRP account with the total of the subscription or acquisition price payable for the additional Units issued or acquired;
- 5.3.6 issue the Units or cause the Units to be transferred to the Unitholder in respect of the relevant Holding and add the number of Units issued or acquired to the total number of Units;
- 5.3.7 any residual credit balance retained in the relevant DRP Account will be paid to the Unitholder in cash; and
- 5.3.8 no interest will accrue to a Unitholder in relation to any credit balance retained in the relevant DRP Account.

#### **5.4 Fractional entitlements and residual cash balance**

In acquiring such numbers of additional Units as are calculated pursuant to Clause 5.3.4, a Unitholder will receive a cash payment for the cash amount attributable to any fractional entitlement resulting from any Units rounded down pursuant to Clause 5.3.4 and remaining as a residual credit balance of the Unitholder.

#### **5.5 Price**

5.5.1 Units will be transferred or issued at the Price, which will be:

- the Net Asset Value per Unit on the last day of each Distribution Period; or
- such other value as determined by the Responsible Entity from time to time.

5.5.2 The Price will be determined by the Responsible Entity or some other person nominated by the Responsible Entity by reference to information the Responsible Entity approves for the purpose from time to time. Such determination by the Responsible Entity, or some other person nominated by the Responsible Entity, will be binding on all participating Unitholders.

### **6. ISSUE OR TRANSFER OF UNITS UNDER THE DRP**

#### **6.1 Issues in accordance with the DRP**

Units issued under a DRP will be issued in accordance with the relevant Constitution and, from the date of issue, will be credited as fully paid and rank equally in all respects with existing Units.

#### **6.2 Application for quotation**

The Responsible Entity will apply for Units issued under the DRP to be quoted on the Securities Exchange as soon as practicable after the date of issue.

#### **6.3 Timing of issue or transfer**



Units issued or acquired under a DRP will be issued or transferred on, or as soon as practicable after, the relevant Distribution payment date and will be registered on the register where the Unitholder's Holding of Units is currently registered.

## **7. DRP STATEMENTS**

After each Distribution payment date, the Responsible Entity will send to each Unitholder in respect of each Holding a statement setting out:

- the number of DRP Units in that Holding as at the relevant Record Date;
- the amount of the Distribution payable to the Unitholder (less any amounts referred to in Clause 5.3.2) in respect of those DRP Units;
- the number and Price of Units transferred or issued to the Unitholder under the DRP;
- the participant's total Holding of Units after the issue of additional Units; and
- the residual credit balance remaining, if any, to be paid to the Unitholder in cash.

## **8. VARIATION, SUSPENSION AND TERMINATION OF DRP**

### **8.1 Power to vary, suspend or terminate**

A DRP may be varied, suspended or terminated by the Responsible Entity at any time. The variation, suspension or termination will take effect upon the date specified by the Responsible Entity.

### **8.2 Notice**

The Responsible Entity may give notice of any variation, suspension or termination of a DRP as it considers appropriate. A variation, suspension or termination of a DRP will not be invalidated by accidental omission to give notice to a Unitholder or the non-receipt of any notice by any Unitholder and will not give rise to any liability against, the Responsible Entity or the relevant Fund.

### **8.3 Suspension**

Any suspension of a DRP will continue until such time as the Responsible Entity resolves either to recommence or terminate that DRP. If that DRP is recommenced then elections as to participation in respect of the previously suspended DRP will be valid and have full force and effect in accordance with these terms and conditions for the purposes of the recommenced DRP.

### **8.4 No Liability**

Any variation, suspension, recommencement or termination of a DRP will not give rise to any liability on the part of, or right of action against, the Responsible Entity nor its Board, officers, employees, representatives or agents.

## **9. APPLICATIONS AND NOTICES**

Applications and notices to the Responsible Entity must be in writing and in the form prescribed or otherwise accepted by the Responsible Entity from time to time. In relation to any applications or notices received by the Responsible Entity, the Responsible Entity may:

- accept or reject that application or notice where not properly completed or signed; and
- correct any error in, or omission from, that application or notice, prior to acceptance of that application or notice.

Applications and notices will be effective upon receipt by the Responsible Entity subject to:

- the terms and conditions outlined in this DRP; and
- receipt of the application or notice by the Responsible Entity by 5:00pm Sydney time on the relevant Record Date for determining entitlements to Distribution.

Applications or notices received on or after the relevant Record Date will not be effective in respect of that Distribution payment but will be effective from the next relevant Record Date.

## **10. GENERAL**

### **10.1 Commencement and implementation of the DRP**

A DRP will commence on the date determined by the Responsible Entity. Subject to the Constitution of the relevant Fund, the Responsible Entity may implement that DRP in such manner as the Responsible Entity thinks fit.

### **10.2 Disputes**

Without prejudice to the general powers of the Responsible Entity under the Constitution and these terms and conditions, the Responsible Entity may settle in such manner as the Responsible Entity in its absolute discretion determines, any problem or dispute which may arise in connection with, or by reason of, the operation of a DRP. The determination of the Responsible Entity will be final and binding.

### **10.3 Fund entitled to Distributions**

Any Distribution payable on DRP Units which a Unitholder has nominated as participating in a DRP and which Distribution the relevant Fund is entitled to retain as a result of any lien or charge in favour of that Fund in accordance with the Constitution or other requirement of law will not be available for the purpose of participating in that DRP.

### **10.4 Acknowledgements**

By applying to participate in the DRP, each Unitholder:

- acknowledges that neither the Responsible Entity nor the unit registry for that Fund has provided investment, financial product, taxation or other advice concerning its decision to apply to participate in that DRP and that neither the Responsible Entity nor the unit registry has any obligation to provide such advice;
- acknowledges that the Responsible Entity may in its absolute discretion reject any Notice of Participation/Variation, without being bound to give any reason for doing so;
- warrants that the offer, issue or transfer of the Units to the Unitholder will not breach any applicable law in a jurisdiction outside of Australia;
- acknowledges that neither the Fund nor the unit registry nor any of their respective officers or employees will be liable or responsible to any Unitholder for any loss or alleged loss or disadvantage suffered or incurred by a Unitholder as a result, directly or indirectly, of the

establishment or operation of that DRP or participation in that DRP falling or for any losses incurred on sale of Units issued or transferred under that DRP; and

- agrees to be bound by the terms and conditions outlined in this DRP.

### **10.5 Costs**

No brokerage, commission or other transaction costs will be payable by any Unitholder in respect of Units issued pursuant this DRP.

All administration costs will be met by the Responsible Entity or the Fund as determined by the Responsible Entity in accordance with the Constitution

### **10.6 Taxation**

Distribution reinvested under a DRP will be assessable for income tax in the same way as cash distributions. The Responsible Entity makes no representations or warrants in respect of, and accepts no liability for, the liability of participants to pay income tax in respect of any issue of Units, payment or other transaction pursuant to this DRP.

### **10.7 Governing law**

This DRP will be governed by and construed in accordance with the laws of New South Wales, Australia.

### **10.8 Change in law**

In the event of a change in the existing legislation so that at the date of any issue, stamp duty or other tax is payable in respect of the issue, the amount of such stamp duty or other tax shall be paid by the Unitholder to whom the Units under the DRP are issued and will be debited from the Unitholder's DRP account.

### **10.9 Severability**

If any provision of the DRP is illegal or invalid as it offends any applicable law:

- If the offending provision can be read down so as to give it a partially valid operation, it must be read down to the extent necessary to achieve that result; and
- In any other case, the offending provision must be severed in which event the remaining provisions will operate as if the severed provision had not been included.

## GLOSSARY

In this DRP, unless the context otherwise required:

“**ASX**” means ASX Limited ABN 98 008 624 691.

“**Board**” means the board of directors of the Responsible Entity.

“**Business Day**” means a day on which the Securities Exchange is open for trading.

“**Corporation Act**” means the Corporations Act 2001 (Cth).

“**Constitution**” means the constitution of a Fund as amended from time to time.

“**Distribution**” means amounts to be distributed by a Fund to Unitholders pursuant to the Constitution.

“**Distribution Period**” has the same meaning as in the Constitution.

“**DRP**” means the Distribution Reinvestment Plan for the relevant Fund established under these terms and conditions as amended from time to time.

“**DRP Election Date**” means the last day for elections under the DRP.

“**Fund**” means, the relevant registered managed investment schemes listed in Schedule 1.

“**Holding**” means a registered holding of Units.

“**Net Asset Value**” has the same meaning as in the Constitution.

“**Notice of Participation/Variation**” means an application to participate in a DRP, a notice to increase or decrease the number of Units in a Holding which are to be subject to the DRP or a notice to terminate a Unitholder’s participation in a DRP in respect of any Holding in the form approved by the Responsible Entity from time to time.

“**Payment Date**” means the date determined by the Responsible Entity for the payment of a Distribution by a Fund.

“**Price**” means the price at which Units will be issued or acquired under a DRP determined in accordance with Clause 5.5.

“**Record Date**” means any date and time specified by the Board for determining entitlements to a Distribution paid by a Fund.

“**Responsible Entity**” means FIL Responsible Entity (Australia) Limited ACN 148 059 009.

“**Securities Exchange**” means the financial market on which Units are traded operated by ASX.

“**Unitholder**” means a registered holder of Units within the meaning of the Constitution of the relevant Fund.

“**Units**” means units in the relevant Fund.

**SCHEDULE 1**

**FIL Responsible Entity (Australia) Limited  
Registered Managed Investment Schemes**

<b>Scheme Name</b>	<b>ARSN Code</b>
Fidelity Global Demographics Fund (Managed Fund)	160 557 353