

**Amendment to the Trust  
Constitution to Allow for  
Adoption of the Attribution  
Managed Investment  
Trust (“AMIT”) Regime  
for the Trust Notice Under  
Section 601GCA(3) of the  
Corporations Act 2001 (Cth)**

## Amendment to the Trust Constitution to Allow for Adoption of the Attribution Managed Investment Trust (“AMIT”) Regime for the Trust Notice Under Section 601GCA(3) of the Corporations Act 2001 (Cth)

This notice is published by State Street Global Advisors, Australia Services Limited (ACN 108 671 441) (“SSGA”) under section 601GCA(3) of the *Corporations Act 2001* (Cth) as modified by ASIC Instrument 2016/489 to inform members of the trusts (“Trusts”) that SSGA proposes to amend the constitution for the Trusts (“Constitution”). The amendments are in connection with the new tax regime applying to managed investment trusts which satisfy the requirements to be AMITs, which was introduced by the *Tax Laws Amendment (A New Tax System for Managed Investment Trusts) Act 2016* (Cth) (“AMIT Regime”).

SSGA would like to notify members of the changes impacting the Trusts as set out below as a result of the Directors’ decision to opt into the AMIT regime.

Trust Name	ARSN
State Street Australian Cash Trust	089 590 358
State Street Australian Equities Index Trust	089 590 312
State Street Australian Equity Fund	139 341 978
State Street Australian Fixed Income Index Trust	089 590 643
State Street Australian Listed Property Index Trust	089 590 134
State Street Builder Fund	164 842 577
State Street Floating Rate Fund	618 268 821
State Street Global Equity Fund	162 547 784
State Street Global Fixed Income Index Trust	089 590 545
State Street Global Index Plus (Hedged) Trust	089 593 251
State Street Global Index Plus Trust	093 637 122
State Street International Equities Index (Hedged) Trust	089 590 170
State Street International Equities Index Trust	089 590 232
State Street International Equities Index Trust Ex Tobacco Ex Controversial Weapons Trust	611 640 361
State Street Passive Balanced Trust	089 590 189
State Street Provider Fund	164 842 308
State Street Sustainer Fund	164 842 451

### What is the AMIT Regime?

The AMIT Regime is a new set of rules for the taxation of managed investment trusts and their members. One of the aims of the AMIT Regime is to provide greater certainty than the current rules in relation to the taxation position for managed investment trusts and their members.

One key aspect under the AMIT Regime is that SSGA must allocate or “attribute” the taxable income of the Trust to members on a fair and reasonable basis. Currently, members are subject to tax on their proportionate share of the taxable income of the Trust based on the share of the income of the Trust to which they are presently entitled according to trust law principles.

The AMIT Regime may provide the following potential benefits for members of an AMIT:

- Greater clarity and certainty associated with the tax treatment of distributions and the character of income and capital of the AMIT, in contrast to the current “present entitlement” regime. In particular, a removal of the potential for double taxation that may arise for members where there are mismatches between the amount distributed and the taxable income of the AMIT;
- If a variance is discovered between the amounts actually attributed to members for an income year, and the amounts that should have been attributed, the variance can be attributed in the income year in which it is discovered by the responsible entity, rather than amending previous years’ tax returns and notifying members of those amendments.
- An AMIT will be deemed to be a “fixed trust” and members will be treated as having vested and indefeasible interests in the income and capital of the AMIT throughout the income year, which can be relevant for:
  - utilising trust losses; and
  - applying the franking credit provisions.
- Where a member receives a distribution of cash that is less than their allocated share of the taxable trust components, members will be entitled to make upward adjustments to the cost base of their units in the AMIT.

### Why is SSGA electing to opt-in to the AMIT Regime and proposing to change the Constitutions?

SSGA has decided to elect for the AMIT Regime to apply to each of the Trusts commencing from 29 December 2017. In making this decision, SSGA considered a range of factors, including the following benefits:

**Certainty as to the status of the Trusts.** The AMIT Regime deems each Trust to be a ‘fixed trust’, which provides important certainty for the Trust to be eligible for certain tax concessions such as offsetting trust losses.

**Flexibility.** The AMIT Regime provides greater flexibility in attributing, on a fair and reasonable basis, taxable income between members.

**Administrative efficiency.** The AMIT Regime offers administrative efficiency for reconciling under or over-distributions of taxable income of a Trust (“unders” or “overs”). For example, under the AMIT Regime adjustments to member distributions can be made in the year of discovery, rather than requiring amendments to member’s tax returns previously lodged (as otherwise would be required). If the Trusts do not elect to opt-in to the AMIT Regime, members can reasonably expect annual tax statements to be reissued from time to time due to unders or overs.

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**Prevention of double taxation.** The AMIT Regime provides the ability to make upward cost base adjustments to Trust units where cash distributions are less than the taxable income attributed to members. In the absence of this, members may be taxed twice on certain amounts attributed to them.

### What is the effect of the proposed amendments to the Constitutions?

The proposed amendments will amend the Trusts’ Constitution so as to permit SSGA to:

- elect for the Trusts to operate as AMITs;
- determine the taxable income of the Trust and allocate the taxable income to members on a fair and reasonable basis;
- make amended allocations of taxable income to members; and
- do all things necessary to operate the Trusts as AMITs.

The proposed amendments also:

- provide limitations to SSGA’s powers to ensure as far as possible that the members continue to have “clearly defined rights”, a necessary requirement for the Trust to be able to apply the AMIT Regime;
- confirm that the exercise of SSGA’s powers under the AMIT Regime is subject to the same limitation of liabilities as provided for generally under the Constitution of the Trust;
- provide the machinery for the exercise of the rights afforded to members under the AMIT Regime to object to any attribution. It also requires members to indemnify

SSGA against costs and liabilities incurred in that process and to acknowledge that their rights may be impacted by the exercise of other members’ objection rights; and

- provide for each member to indemnify SSGA in relation to any tax and any other costs, expenses or liabilities incurred as a result of being liable to such tax, that may become payable by SSGA under the AMIT Regime, which SSGA reasonably determines relates to the member or units held by the member.

Various associated definitions and ancillary provisions are also included in the Constitution amendments to facilitate the application of the AMIT Regime to the Trusts.

### How to contact us if you wish to respond to this notice?

Pursuant to the terms of ASIC Instrument 2016/489, SSGA will proceed to amend the Constitution as proposed on or after the day which is **7 days from the date of this notice**, unless it receives requests to call and arrange a meeting of members of the Trust to consider and vote on a special resolution to modify the Constitution as proposed, from members with at least 5% of the votes that may be cast on the resolution.

**You are not required to respond to this notice**, but if you wish to request a meeting of members to vote on the amendments, this request must be made in writing, and may be sent to **Sydney\_RE@ssga.com** by 21 December 2017.

If you have questions about this notice or the proposed amendments, please contact:

- Your financial advisor; or
- Our client services team on (02) 9240 7877 or 1300 382 689

ssga.com

**Issued by State Street Global Advisors, Australia Services Limited** (AFSL Number 274900, ABN 16 108 671 441) (“SSGA, ASL”). Registered office: Level 17, 420 George Street, Sydney, NSW 2000, Australia · Telephone: +612 9240-7600 · Web: ssga.com. State Street Global Advisors, Australia, Limited (AFSL Number 238276, ABN 42 003 914 225) (“SSGA Australia”) is the Investment Manager.

References to a “Trust” in this communication are references to a managed investment scheme domiciled in Australia, promoted by SSGA Australia, in respect of which SSGA, ASL is the Responsible Entity.

This notice is general information only and does not constitute legal, tax, or investment advice and it should not be relied on as such. It does not take into account an investor’s particular investment objectives, strategies, tax status or investment

horizon. We encourage you to consult with your legal, tax or financial advisor before making any financial decisions.

Investing involves risk including the risk of loss of principal.

Investors should seek professional advice and read and consider the Product Disclosure Statement (PDS) for the relevant managed investment scheme carefully before making an investment decision. A copy of the PDS is available at ssga.com. This material should not be considered a solicitation to apply for interests in the Trusts.

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