



19 March 2021

**First Sentier Institutional Cash Fund (ARSN 612 392 944)  
(the "Fund")**

**Notice to Unitholders**

**Management fee reduction and income accruals**

Dear Unitholders,

We, The Trust Company (RE Services) Limited, are the responsible entity of the Fund ("we" or "Perpetual" or the "Responsible Entity").

We are writing to inform you of a change in management fee for the Fund.

The management fee for the Fund is 0.20% per annum (p.a.). On 7 September 2020, the management fee was temporarily reduced to 0.10% p.a. until 1 March 2021.

On and from 1 March 2021, the management fee of the Fund has been further reduced to 0.07%p.a. to mitigate the impact of any negative income being generated when the earning rate of the Fund is lower than the management fee. Accordingly, the rebate you receive may change as a result of this reduction.

Since the RBA reduced the official cash rate target in March 2020 to 0.25% and further reduced it in November 2020 to a record low of 0.10%, the yields offered on highly liquid money market securities in Australia have been delivering returns below the cash rate target. The low market return levels combined with the accrual of management fees has affected the Fund to the extent that it has not paid monthly income distributions in some months since March 2020 and has resulted in the Fund generating negative net monthly income in some months since March 2020.

As per the Fund's constitution, the Fund's unit price is fixed at \$1.00 with any negative net income accrued and offset against future positive income or against the value of a redemption.

**More information**

For more information, please contact your respective First Sentier Investors Relationship Manager.

Yours sincerely

**The Trust Company (RE Services) Limited**