



2021 ANNUAL TAX STATEMENT GUIDE

1. THIS GUIDE APPLIES TO YOU IF:

- You are a resident individual investor in the Orca Global Disruption Fund (**Fund**) for the whole income year.
- You are using the *Individual Tax Return 2021* and the *Supplementary section* of the Individual Tax Return 2021 (**Individual Supplement 2021**) to complete your income tax return for the income year ended 30 June 2021 (**2021 Tax Return**).
- You are not a company, trust or superannuation fund.
- You hold your units for the purpose of investment, rather than for resale at a profit, and the capital gains tax (**CGT**) provisions apply to you.

2. ORCA GLOBAL DISRUPTION FUND 2021 AMIT ANNUAL TAX STATEMENT (AMIT Annual Tax Statement)

Your AMIT Annual Tax Statement shows the income tax components for the year ended 30 June 2021. Some of the income shown on your AMIT Annual Tax Statement might have been received after 30 June 2021 but should still be included in your 2021 Tax Return. The total amounts shown on your distribution statements for the year ended 30 June 2021 may not equal the amounts shown on your AMIT Annual Tax Statement. Only your AMIT Annual Tax Statement should be used to complete your 2021 Tax Return.

Your AMIT Annual Tax Statement is separated into three parts:

- Summary of 2021 tax return (supplementary section) items
- Capital gains tax information
- Other amounts deducted from distributions

For the purposes of completing your income tax return, you must include income received from other sources together with income received from your investment in the Orca Global Disruption Fund (the **Fund**).

If you received no distributions in relation to the year ending 30 June 2021, you will not receive an AMIT Annual Tax Statement.

Summary of 2021 tax return (supplementary section) items

This section provides the information required for completing the 'Supplementary Section' of the 2021 Tax Return.

There are three items you may need to complete in the 'Supplementary section' of the 2021 Tax Return in relation to the distributions you have received from your investments in the Fund. They are:

- Item 13: Partnerships and Trusts
- Item 18: Capital gains
- Item 20: Foreign source income and foreign assets or property.



Your AMIT Annual Tax Statement has been designed so that the amounts in the AMIT Annual Tax Statement correspond to the amounts you are required to enter in the 'Supplementary section' of the 2021 Tax Return. Please note that if you have received any distributions from other sources you will also need to add the additional amounts to the amount entered in at the relevant label.

Your AMIT Annual Tax Statement only shows the items that are applicable to your account.

Non-primary production income

This shows the Australian interest and other Australian income attributed to you. It excludes foreign income, foreign income tax offsets and net capital gains.

Credit for TFN amounts withheld

Where you have not provided your TFN or claimed a relevant exemption, income tax has been withheld from the income distributed to you by the Fund at the highest marginal tax rate (including Medicare Levy). The tax withheld should be claimed as a credit in your return. No tax will be withheld where you have provided your TFN or claimed a relevant exemption.

Total current year capital gains

The components of this item are set out below.

This item shows the total capital gains attributed to you resulting from the disposal of assets by the Fund, before applying any CGT concession or discount. This amount includes both domestic and foreign sourced capital gains.

If you have more than one investment and your total current year capital gains are from more than one source you will need to use the amount at 18H on your AMIT Annual Tax Statement to calculate your net capital gain for 18A.

Net capital gain

This item shows the capital gains that were made by the Fund attributed to you, after applying the applicable discount or concession, which is 50% for trusts.

If you have incurred capital losses, you will not simply be able to transfer the net capital gain amount from above to your tax return. Please refer to the '*Personal investors guide to capital gains tax 2021*' publication available from the ATO.

Assessable foreign source income & Other net foreign source income

The amounts shown at these items generally shows the foreign dividend and interest income received from the Fund attributed to you. It does not include capital gains made from a foreign source. Please refer to the capital gains sections for information on any foreign capital gains.

The amounts shown at these items will be the same unless the Fund has expenses that are applied against the assessable foreign income.



Foreign income tax offsets

This item shows any foreign income tax offsets received from assessable foreign source income attributed to you.

If your total foreign income tax offsets from all sources for the year is \$1,000 or less, then you can claim the total amount in full. To help you determine whether you are entitled to a foreign income tax offset please refer to the 'Guide to foreign income tax offset rules 2021' publication available from the ATO.

Capital gains tax information

The information in your AMIT Annual Tax Statement will assist you in working out your net capital gain or loss and provides the CGT concession amount. It also includes amounts required to adjust the cost base and reduced cost base of your units.

Capital gains can arise from the sale of assets within the Fund. Foreign sourced capital gains are included in this section.

Capital gains – discount method

Investments disposed of that have been held for 12 months that have had the 50% discount applied to the gross capital gain.¹ This is the discounted capital gain attributed to you. If you have any capital losses, these must be offset against the gross capital gain (i.e., double the discounted capital gain) attributed to you before the 50% discount is applied.

Capital gains – other method

This includes capital gains attributed to you that are not discounted capital gains, for example, where assets have been held for less than 12 months.

CGT concession amount

This amount represents the non-assessable component of a discounted capital gain attributed to you. This should not form part of your tax return.

TAP and NTAP

The designation of TAP (Taxable Australian Property) and non-TAP is only relevant for non-resident investor as non-resident investors may be entitled to an exemption from capital gains tax on capital gains that are classified as non-TAP.

AMIT cost base adjustment amounts

This arises where the sum of gross cash distributed and tax offsets is different to the total amounts attributed.

¹ Note that the 50% discount is also available for trusts and a 33¹/₃% discount is available for complying superannuation funds.



AMIT cost base amount – excess (decrease)

Where the sum of the gross cash distributed and tax offsets attributed is more than the total amount attributed, the capital gains tax cost base and reduced cost base of your units should be reduced by this amount.

Once the sum of these amounts reduce your CGT cost base in those units to nil, any additional tax deferred distributions will give rise to an immediate capital gain. However, this gain may be reduced on account of the CGT 50% discount if you have held your units in the Fund for 12 months or more.

AMIT cost base amount – shortfall (increase)

Where the sum of the gross cash distributed and tax offsets attributed is less than the total amount attributed (including the CGT concession amounts attributed as part of the total current year capital gains), the capital gains tax cost base and reduced cost base of your units should be increased by this amount.

Other amounts deducted from distributions

This section includes the amount of TFN withholding tax that has been withheld from your distributions. TFN amounts withheld may be refunded by the ATO when you lodge your tax return.

3. LEGISLATIVE CHANGES FOR MANAGED INVESTMENTS TRUSTS

The Australian Government introduced a new regime for the taxation of managed investment trusts (referred to as AMIT Regime). Eligible MITs may choose to apply the new regime.

The Fund has made a choice to have the AMIT Regime apply and your AMIT Annual Tax Statement reflects this.

4. ATO PUBLICATIONS

Various publications are issued by the ATO to assist individual taxpayers prepare their tax returns and these include:

- *Individual Tax Return Instructions 2021 and Individual Tax Return Instructions Supplement 2021; and*
- *Personal Investors Guide to Capital Gains Tax 2021 or Guide to Capital Gains Tax 2021.*

You can obtain any of the publications detailed above by calling the ATO's Publication Distribution Service on 1300 720 092, visiting an ATO office (*refer Individual Tax Return Instructions 2021 for details*) or downloading them at www.ato.gov.au.

Disclaimer

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