



PMG Property Funds
Management Limited
(PMG)

Reinvestment Plan (RP)

Offer Document
August 2020

This document contains a description of the PMG Property Funds Management Limited Reinvestment Plan (the “Plan”) and the Plan’s terms and conditions.

The Reinvestment Plan allows participants to use their future distribution payments and accumulate cash contributions to automatically purchase Units in PMG Generation Fund. It is a convenient way for participants to increase their investment with PMG.



Key Features/ Synopsis of Plan

How the Reinvestment Plan works

The PMG Property Funds Management Limited Reinvestment Plan provides participants with an opportunity to invest the net proceeds of the cash distributions payable on their existing investments, managed by PMG, in fully paid units in the PMG Generation Fund.

The Plan also provides participants with an opportunity to accumulate regular or one-off cash contributions to purchase fully paid units in the PMG Generation Fund.

The units in which the Manager will acquire for the investors are currently being sourced from various underwriters of PMG Generation Fund. No new units are currently being created or issued for the purpose of the Reinvestment Plan.

PMG Generation Fund is managed by PMG Property Funds Management Limited. For more information about the fund, please contact the PMG team by emailing invest@pmgfunds.co.nz or phoning the office on 07 578 3494.

Who can participate in the Plan?

Participation in the Plan is optional. If investors wish to continue to receive cash distributions from their investments in PMG Funds, they should not take up this offer. Normal cash distribution payments will be made on units/shares not participating in the Plan.

All of our New Zealand resident investors are eligible to participate in the Plan. Due to potential compliance issues with overseas securities legislation, PMG does not offer the Plan to overseas resident investors.

How do you enroll in the Plan?

Participants should read the enclosed information carefully and consult the PMG Investor Relationships Team if they have any questions.

In order to enroll in the Plan, investors should complete and send a Participation Notice to invest@pmgfunds.co.nz. Please find a copy of the Participation Notice attached to this document.

If the participant does not have existing units in the PMG Generation Fund, he/she will be required to purchase a minimum unit subscription of 1,000 units. They will also be required to complete an application form for the PMG Generation Fund.

For more information, please contact the PMG Team on invest@pmgfunds.co.nz or 07 578 3494.

Terms and Conditions

1. Introduction

The Plan enables holders of Participating Units or Shares (see point three below) to use their net proceeds of distribution payments, regular cash contributions and one-off cash contributions to acquire existing fully paid units in the PMG Generation Fund.

2. Participation

Subject to these Terms and Conditions, PMG offers to all New Zealand resident investors the right to elect to participate in the Plan.

Due to potential issues with compliance with overseas securities legislation, PMG does not offer participation under the Plan to Shareholders and Unitholders who are overseas residents.

3. Degree of Participation

Investors can participate in three different ways:

I. Participants can accumulate and reinvest the net cash distribution of their Participating Units/Shares.

The Participating Units/Shares need to be based on full investment in each fund. For instance, if the participant has 100,000 shares invested in Pacific Property Fund and 50,000 units in the PMG Generation Fund, they can select the following options as his/her Participating Units/Shares:

Option 1 – Only 100,000 shares in Pacific Property Fund

Option 2 – Only 50,000 units in PMG Generation Fund

Option 3 – 100,000 shares in Pacific Property Fund and 50,000 units in PMG Generation Fund

II. Participants can make/accumulate regular cash contributions into their Cash Wallet Account.

III. Participants can make/accumulate one off cash contributions into their Cash Wallet Account.

4. Joining Arrangements

Holders of shares and units in PMG funds can join the Plan at any time by completing and forwarding a Participation Notice to invest@pmgfunds.co.nz. If the participant does not have existing units in PMG Generation Fund, he/she will be required to purchase a minimum unit subscription of 1,000 units. He/she will also be required to complete an application form for PMG Generation Fund.

Notices received at least three business days prior to the distribution day will apply to the distribution due for the current month/quarter and any future cash distributions. Any notices received after three business days prior to the distribution day will apply to cash distributions commencing with the payment in the following month/quarter.

Participation Notices received while the unit register is closed will not take effect until the day upon which the unit register is re-opened.

5. Operation of the Reinvestment Plan

Once the participant decides to participate in the Plan, a cash wallet account will be set up. The participant will be able to view this account in the PMG Investor Portal.

On the day that the participant would have otherwise been paid a cash distribution on his/her Participating Units/Shares, the manager will pay the net cash distribution into his/her Cash Wallet Account.

The participant will also be able to make regular and one-off cash contributions to his or her Cash Wallet account with the flexibility to contribute when he or she chooses.

The net cash distributions and the additional cash contributions will be aggregated in the Cash Wallet. The Cash Wallet facility will not attract fees or interest.

On the 1st business day of each month, the Manager will then automatically acquire the number of new fully paid units on behalf of the participant in PMG Generation Fund.

The Manager will be acquiring the units from various underwriters who hold units in PMG Generation Fund.

Funds will be taken from the Cash Wallet in multiples equal to the minimum threshold (currently one unit) in order to purchase units. Any remaining funds will be left in the Cash Wallet account to continue accumulating for future use.

6. Calculation of Entitlements

The number of additional units of the PMG Generation Fund credited as fully paid to be acquired by the participant under the Plan will be calculated in accordance with the following formulas:

1. $\text{Opening balance in Cash Wallet} + \text{Net cash distributions} + \text{Regular and one-off cash contributions} = \text{Funds in Cash Wallet account}$
2. $\frac{\text{Funds in Cash Wallet account}}{\text{Unit Price}} = \text{Units available for reinvestment}$
3. $\frac{\text{Units available for reinvestment}}{\text{Minimum threshold}} = \text{Units available to be purchased}$
4. $\text{Units available to be purchased rounded down to nearest whole number} = \text{Total units to be acquired}$

Any remaining amount not converted into additional units will remain in the Cash Wallet account and be added to any future net distributions and/or cash contributions which can then be converted into Units.

Unit Price is the Unit Price at the start of the relevant month in which the distributions are made. Unit prices are determined in accordance with the Establishment Deed of the PMG Generation Fund.

7. Tracking Funds in the Cash Wallet Account

The Distribution Statements will state if funds have been directed to the participant's Cash Wallet account.

PMG will not confirm once we have received one-off cash contributions or regular cash contributions. The participants are able to view their funds accumulated in the Cash Wallet account at any time by logging in to the PMG Investor Portal.

8. Confirmation of the Purchase of Units

If in the first business day of the month the amount accumulated in the participant's Cash Wallet account has reached the threshold of one unit, the reinvestment will be issued and a statement with the details below will be sent to the participant:

- i. The number and issue price of the units in the PMG Generation Fund allotted to the participant on 1st of the month.
- ii. The new unit holding balance in the PMG Generation Fund
- iii. Other information (if any) as the Manager considers necessary.

9. Units Acquired

The number of units allocated in respect of the Plan will be allocated at current PMG Generation Fund unit price at the start of the relevant month.

Units acquired under the Plan will all be subject to the same rights and will rank equally in all respects with existing fully paid units in PMG Generation Fund. Fully paid units issued under the Plan can be redeemed in the same manner as the existing units.

10. Variation or Termination of Participation

A participant may, at any time, by giving written notice to the Manager and subject to any additional requirement determined by the Manager in its discretions:

- i. Change the Participating Units/Shares
- ii. Terminate participation in the Plan

Any such termination or variation received at least three business days prior to the distribution day will apply to the distribution due for the current month/quarter and any future cash distributions. Any written notices received after three business days prior to the distribution day will apply to cash distributions commencing in the following month/quarter.

If the participant terminates the Plan, she or he is able to withdraw the cash that has not yet been utilised to purchase units from the Cash Wallet. A written notice should be sent to PMG at least one business day prior the first day of the month.

If a participant who is an individual dies, his or her participation will be terminated upon receipt by PMG of notice from an authorised party. Receipt of the Registrar of notice of the death of one, joint unitholder, will not terminate participation in the Plan for the surviving unitholder(s).

11. Sale of Participating Shares/Units

A participant who sells all of their Participating Shares/Units will be deemed to have terminated their participation in the Plan on the date the sale of their shares/units is registered.

12. Transfer of Participating Shares/Units

A participant who transfers all of their Participating Securities will be deemed to have terminated their participation in the Plan on the date the transfer of their holdings is registered. The Manager will, upon registration of the transfer of securities or the allotment of new securities to a new security holder, provide the new security holder with a copy of the Reinvestment Plan Offer Document and Participation Notice.

Where a participant disposes of part of their holdings without giving the Manager notice of termination of participation, the participant will be deemed to have terminated their participation in the Plan in respect of those holdings disposed of, on the date the relevant transfer is registered.

13. Cost to Participants

No brokerage, commission or other transaction costs will be payable by participants in respect of a distribution of units to them under the Plan.

14. Manager's Discretion

The Manager may at any time in its sole discretion:

- i. Terminate or modify the Plan. If this Plan is modified, then a Participant Notice will still be deemed to be the Participant Notice under the Plan, as modified unless that Participant Notice is withdrawn by the investor.
- ii. Suspend the operation of the Plan so that it will not apply to the whole or part of any distributions, and that the distribution or the balance of the distribution will be paid in cash.
- iii. Determine that in the event of the subdivision, consolidation or reclassification of the securities into one or more new classes of securities, that a Participation Notice will still be deemed to be the Participation Notice in respect of the securities as subdivided, consolidated or reclassified unless such Participation Notice is subsequently changed or withdrawn by the Participating Securities.
- iv. Determine that a Participation Notice will cease to be of any effect.
- v. Where any termination, suspension or modification is made to the Plan pursuant to this paragraph, notice of such suspension, modification or termination will be given to all participants.

Notwithstanding this paragraph, the Manager may at any time, without the need of any notice:

- a. Modify or terminate the Plan to comply with any applicable law, or any provision of the Trust Deed of the PMG Generation Fund; and
 - b. Make minor amendments to the Plan where such amendments are of an administrative, procedural or clarifying nature.
- vi. As disclosed in the Product Disclosure Statement dated 21 February 2020 for the initial offer of PMG Generation Fund Units, related parties of PMG including PMG Capital Fund subscribed for units as underwriters to the initial offer. These underwriters may sell these units down through the Manager's secondary market matching facility including this Reinvestment Plan.

16. Taxation

As at the date of this Offer Document for New Zealand income tax purposes, investors who reinvest the net proceeds of their cash distributions in the acquisition of further Units of the PMG Generation Fund will be treated in the same way with respect to their distributions as if they had not reinvested.

The cash distributions net of PIE tax will be available for reinvestment. This tax summary is, of necessity, general. It does not take account of the participant's individual circumstances and the specific tax consequences of his or her participation or non-participation in the Plan, which may vary considerably.

The participant should not rely on this general summary but should seek his or her own tax advice. The Manager does not accept any responsibility for the financial or taxation effects of your participation or non-participation in the Plan.

17. Governing Law

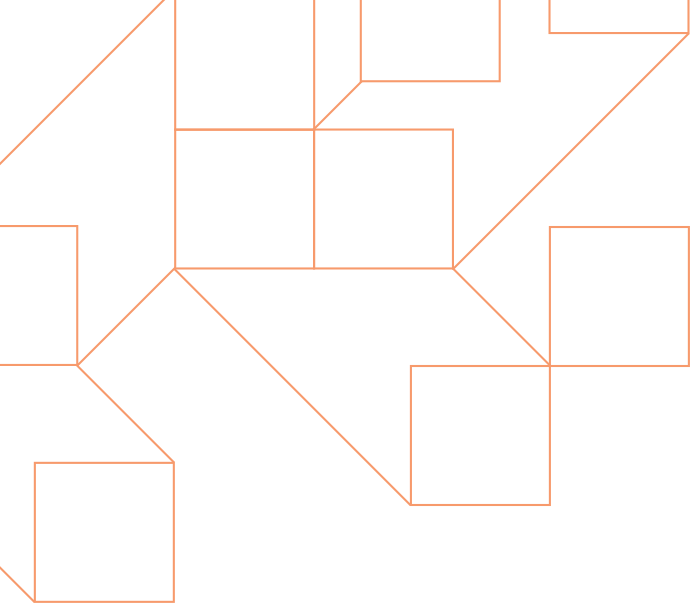
The Plan and its operation and these terms and conditions will be governed by the laws of New Zealand.

18. Available Information

Copies of the most recent annual report, the Trust Deed, the current Product Disclosure Statement, and financial statements of the PMG Generation Fund are available free of charge on request by contacting the Manager at the address below.

Alternatively, if you would an electronic copy of these documents please contact the Manager.

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Reinvestment Plan Participation Notice

PMG GENERATION FUND

Do NOT complete this form if you wish to receive in cash all distributions declared.

REGISTERED HOLDER(S)

PMG INVESTOR NUMBER

The Reinvestment Plan (the Plan) allows you, as a holder of units or shares managed by PMG Fund Property Funds Management, to invest the net proceeds of the cash distributions payable on your Participating Units/Shares in additional, fully paid Units in PMG Generation Fund. It also allows you to increase the amount reinvested by accumulating regular or one-off cash contributions in your Cash Wallet account.

Full details of the Plan are set out in the accompanying Reinvestment Plan Offer Document August 2020 (Offer Document).

If you wish to participate in the Plan, please complete this Participation Notice, and email or post to the Manager (PMG Property Funds Management Limited) at the address below:

PMG Property Funds Management Limited
invest@pmgfunds.co.nz
PO Box 2034, Tauranga 3140

I/We elect to participate in the Plan and therefore distributions declared in respect of our Participating Shares and Units will be reinvested in the Fund.

My/Our Participating Units/Shares include (please tick):

- All PMG Generation Fund units registered in my/our name(s).
- All PMG Direct Office Fund units registered in my/our name(s).
- All PMG Direct Childcare Fund units registered in my/our name(s).
- All Pacific Property Fund Ltd shares registered in my/our name(s).
- All PMG Capital Fund Ltd shares registered in my/our name(s).

Note: If you do not complete the above in relation to full participation you will be deemed to have elected not to participate in the Plan.

I/We acknowledge that I/we have received and read a copy of the Offer Document.

I/We agree to be bound by the terms and conditions of the Plan as set out in the Offer Document.

I/We acknowledge that this election will continue to apply in respect of any distribution from my/our Participating Shares/Units, until varied or terminated by written notice in accordance with the terms and conditions of the Plan.

SIGNATURE(S) OF UNIT/SHARE HOLDER

DATED

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DATED

This Participation Notice is not valid unless duly completed and signed. Joint holders must each sign. Companies must execute by an authorised officer or attorney. In case of a trust, all trustees must sign. If signed by an attorney, the relevant authority must either have been exhibited previously to the Manager or must accompany this Notice.

The personal information you have supplied will be handled by us, PMG (and our related entities) in accordance with our Private Policy, which is available on our website at: www.Pmgfunds.co.nz/privacy

Payment Instructions - Regular/One off Cash Contributions

Participants are also able to make regular and one-off cash contributions to their Cash Wallet account with the flexibility to contribute when they choose.

If you would like to take advantage of the opportunity to accumulate additional funds in your Cash Wallet account, you can make cash contributions to the bank account below:

Bank account name: **PMG GEN Regular Contribution**
Bank account number: **12-3221-0112472-06**
Particulars: **[Investment Entity/Full name of investor]**
Code: **CashWallet**
Reference: **[Investor's PMG Number]**

The Participants can view their funds accumulated in the Cash Wallet account at any time by logging into the PMG Investor Portal.

Please note that cash contributions received at least three business days prior to the reinvestment date (first business day of each month) will apply to this reinvestment date.