

OUTLINE OF THE DISTRIBUTION REINVESTMENT PLAN

The Distribution Reinvestment Plan (**DRP**) is a convenient way for you to increase your holding of fully paid ordinary units (**Units**) in Qualitas Real Estate Income Fund (**QRI**) by allowing you to automatically reinvest all or part of your cash distributions in additional Units.

The DRP is not available to holders of Units in QRI (**Unitholders**) with a registered address outside Australia or New Zealand.

If you wish to participate in the DRP, Unitholders may apply to the Unit Registry by completing and submitting a DRP Electronic Election Form either online or by post.

A Participant may at any time vary the level of participation (but not the Terms and Conditions of the participation) in the DRP by completing and returning to the Unit Registry a further Change of Distribution Election Form or making a further Electronic Election specifying the variation to be made in the level of participation. The variation in the level of participation will take effect from the date of receipt of the further Change of Distribution Election Form by the Unit Registry or date of lodgment of the further Electronic Election.

Change of Distribution Election Form

1.1 A Change of Distribution Election Form must be in a form approved by the Responsible Entity or in a form otherwise acceptable to the Responsible Entity.

1.2 If a Change of Distribution Election Form is completed by an individual or a body corporate under a power of attorney, the power of attorney under which it is signed or a certified copy of that power of attorney must accompany the Change of Distribution Election Form unless the power of attorney has previously been noted by the Responsible Entity.

1.3 A completed Change of Distribution Election Form received by the Unit Registry to participate in the DRP or to vary the level of participation or to terminate participation in the DRP is not effective in respect of a Distribution unless it is received prior to the DRP Election Date for that Distribution.

1.4 Formal notice by way of a Change of Distribution Election Form remains in force until:

(a) the Participant formally varies or terminates the Participant's participation in the DRP in accordance with these Terms and Conditions; or

(b) the Responsible Entity terminates the DRP,

whichever occurs earlier.

Electronic Elections

2.1 An Electronic Election may be lodged electronically by logging into your online account with the Unit Registry.

2.2 An Electronic Election lodged with the Unit Registry to participate in the DRP, to vary the level of participation or to terminate participation in the DRP is not effective in respect of a Distribution unless it is received prior to the DRP Election Date for that Distribution.

2.3 An Electronic Election will:

(a) not be taken to have been lodged unless it is validly completed;

(b) be taken to be signed by the relevant Unitholder or, if applicable, joint holders of Units; and

(c) be taken to be received by the Unit Registry at the time of its electronic lodgment.

Completed DRP Application Forms must be received by the Unit Registry, or DRP Electronic Elections must be lodged by the relevant DRP Election Date.

You may nominate part or all of your Unitholding for participation in the DRP. Your nominated participation will apply to all subsequent distributions until varied by you.

If you do not wish to participate in the DRP, you are not required to take any action and will continue to receive your distributions in the form of cash only.

While this document outlines the main features of the DRP, it is not intended to provide financial, taxation or legal advice. As Unitholders have different financial needs and taxation circumstances, you should choose your form of distribution carefully. A cooling-off period does not apply to your acquisition of Units.

If you are not sure which distribution option is best for your needs, you should consult your own financial, taxation or legal advisers.

Important notices

In deciding whether or not to participate in the DRP, you should note the following:

- (a) the market price of financial products, including Units, is subject to change from time to time;
- (b) you may obtain up-to-date information on the market price of Units by contacting your broker or by visiting the ASX website, www.asx.com.au and using the ASX code QRI;
- (c) the only expenses relating to the purchase of any Units that are to be delivered to you by way of transfer if you participate in the DRP will be brokerage that will be levied at the rate of 0.15% (exclusive of GST) of the aggregate purchase price of all Units acquired for transfer to you and every other participant in the DRP. Brokerage will be paid on behalf of you and the other participants out of your respective distribution entitlements; and
- (d) any Units purchased for the purpose of delivery to you in satisfaction of your entitlements under the DRP will be allocated among you and the other participants in the DRP on a pro rata basis based on the level of your participation.

Enquiries

If you have any enquiries about the DRP and how you can participate, please contact the Unit Registry.

A copy of the rules of the DRP is available for inspection on the QRI website:
www.qualitas.com.au/listed-investments/QRI

QUESTIONS AND ANSWERS

Defined terms in this section have the same meanings as the terms in the DRP Terms and Conditions which accompanies this document.

Who can participate?

All Unitholders may participate in the DRP unless a Unitholder has a registered address outside of Australia and New Zealand.

Is participation optional?

Yes. Participation is optional.

How can I participate in the DRP?

If you wish to participate in the DRP, you must either:

- (a) complete and lodge the DRP Electronic Election Form by logging into your holding on Unit Registry investor website; or
- (b) complete the DRP Application Form which is available from the Unit Registry and return it to the Unit Registry.

Completed Application Forms must be received by the Registrar and Electronic Election Forms must be lodged by the relevant DRP Election Date for the relevant Distribution to be effective for that and future Distributions. The Responsible Entity has an overriding discretion to refuse to accept Units for participation in the DRP and to suspend or withdraw Units from participation.

Do I have to reinvest all of my Units?

If you decide to participate, you have two choices for your level of participation:

1. **Full participation:** Additional Units will be delivered instead of the Cash Distribution otherwise payable on all the Units you hold; or
2. **Partial participation:** Additional Units will be delivered instead of the Cash Distribution otherwise payable based on the number of Units you have elected to participate in the DRP. The Cash Distribution on the remaining (Non-Participating) Units will be paid to you by electronic transfer.

Delivery of the additional Units will be by way of issue or by way of transfer, or a combination, as determined by the Responsible Entity in its sole and absolute discretion.

If a DRP Application Form or DRP Electronic Election does not specify the number of fully paid Units that are to be Participating Units in the DRP, you will be deemed to have applied to become a Full Participant in the DRP.

You will be bound by the Terms and Conditions of the DRP as they exist from time to time.

Do I have an alternative to participating in the DRP?

If you are thinking of acquiring additional Units, then you can do this through participating in the DRP or through a broker on ASX. Some different features of each method are outlined below:

Acquiring Units through the DRP	Buying Units through your broker on ASX
You can acquire Units only out of your Cash Distribution to the extent of your participation in the	You can acquire any number of additional Units. You are not confined to the amount of your Cash

DRP	Distribution and the extent of your participation
To participate, complete and return the relevant Form through any of the methods outlined above	If you have never used a broker then you must first appoint one to represent you and establish an account
You will pay out of your Cash Distribution the weighted average price of the Units bought on ASX for the purpose of delivery under the DRP (in the case of Units delivered by transfer) or Last Reported NAV (in the case of Units delivered by issue)	You will pay the market price at the time of the transaction – that price may be higher or lower than the acquisition price you will pay through participation in the DRP
You may acquire Units by way of issue or by way of transfer or a combination	You will only acquire Units by way of purchase and transfer
The date on which your participation is acted upon depends on the operation of the DRP	You can control the date on which your transaction request is acted upon through your specific instructions given to your broker
If and to the extent your entitlements to participate in the DRP are satisfied by way of transfer of Units acquired on-market, brokerage will be charged at 15 basis points (0.15%) (exclusive of GST) of aggregate purchase price of Units acquired to satisfy those entitlements and the entitlements of all other participants	You must pay all brokerage that are agreed with your broker, plus any applicable GST

Do new Units acquired by me or delivered under the DRP automatically participate?

This will depend on your level of participation in the DRP.

If you have elected full participation, then new Units acquired by you and delivered under the DRP will automatically participate.

If you have elected partial participation, then any new Units acquired by you and delivered to you will not participate unless you complete a new DRP Application Form or new DRP Electronic Election Form.

What happens if I have more than one unitholding?

You will need to lodge a separate DRP Application Form or separate DRP Electronic Election for each separate unitholding and correctly identify the unitholding.

How can I vary my participation in the DRP?

If you wish to change the level of your participation in the DRP, or to withdraw from the DRP, you must complete the variation or withdrawal sections (as the case may be) of the DRP Application Form and send it to the Unit Registry or lodge the DRP Electronic Election by logging into your holding on the Unit Registry investor website.

The DRP Application Form notifying the variation or withdrawal must be received by the Unit Registry, or DRP Electronic Election must be lodged by, 5:00 pm (Melbourne time) on the DRP Election Date if a change in your level of participation is to be recorded for that Distribution and subsequent Distributions.

How are Units delivered under the DRP?

Under the DRP, the Responsible Entity will determine in its sole and absolute discretion whether participating Unitholders are to be issued with new Units or transferred existing Units following the on-market acquisition of Units arranged by or on behalf of the Responsible Entity on behalf of participating Unitholders. Delivery of the Units may also occur by a combination of the issue of new Units and the transfer of existing Units.

At what price will the Units under the DRP be delivered?

Units to be delivered to participating Unitholders in respect of a monthly distribution by the Fund will be delivered at the following price (**Delivery Price**) per Unit:

- (a) to the extent the Units are to be delivered by way of transfer, the lesser of:
 - (i) Last Reported NAV; and
 - (ii) the volume weighted average purchase price of Units purchased on behalf of the Responsible Entity for the purpose of delivery to participating Unitholders in respect of that monthly distribution plus applicable brokerage; and
- (b) to the extent the Units are to be delivered by way of issue, Last Reported NAV or another amount determined by the Responsible Entity subject to the Listing Rules and any applicable ASIC legislative instrument or class order,

where **Last Reported NAV** means the net asset value (**NAV**) of the Fund as at the last day of the calendar month for the Distribution period in respect of the relevant Distribution. The Delivery Price will be calculated by the Responsible Entity in its sole and absolute discretion and may not be challenged in the absence of manifest error.

Applicable brokerage will be levied at 15 basis points (exclusive of GST) on transaction value (as determined by the volume weighted average purchase price of Units acquired for the purposes of delivery).

All Units acquired for the purpose of delivery to participating Unitholders will be acquired in the ordinary course of trading on ASX or another prescribed financial market.

How are distributions reinvested and what number of Units are to be Delivered?

The DRP has been structured to take account of the relationship between the market price of the Units and the NAV at the relevant time when distributions are being reinvested. Participating Unitholders will only receive a whole number of Units under the DRP. The number of new Units to be delivered to a Unitholder under the DRP in respect of a particular monthly distribution will depend on the amount of the monthly distribution and the Delivery Price of the Units to be delivered.

How are the number of Units calculated?

The exact number of new Units to be delivered to a participating Unitholder will be the value of the distribution entitlement (net of withholdings, if any) divided by the Delivery Price, rounded down to the nearest whole

number of Units.

Any balance remaining after such rounding down will be retained by or on behalf of the Responsible Entity on behalf of the relevant participating Unitholder and used to apply for Units under the DRP with the next monthly distribution. If a Unitholder ceases to participate in the DRP before the Record Date for a monthly distribution but continues to hold Units under their participating unitholder registration number at the Record Date for the next monthly distribution, the balance will be remitted to that Unitholder at the end of the financial year. If a Unitholder ceases to hold Units under their participating unitholder registration number before the Record Date for the next monthly distribution, the balance will be donated to a charity chosen by the Responsible Entity in its sole and absolute discretion.

Unitholders will not receive any tax deduction for the amount donated to charity.

How is the Delivery Price determined for each DRP distribution?

If the Market Price of Units is greater than or equal to Last Reported NAV as at the Ex Date for a monthly distribution, Units will be delivered to participating Unitholders by way of issue at an issue price equal to the Last Reported NAV or another amount determined by the Responsible Entity subject to the Listing Rules and any applicable ASIC legislative instrument or class order. The Responsible Entity will promptly apply for quotation of the newly issued Units on ASX.

If the Market Price of Units is less than Last Reported NAV as at the Record Date for a monthly distribution, then, if the Responsible Entity so determines, the monthly distribution in respect of Units participating in the DRP will be used to acquire Units in the ordinary course of trading on ASX or on another prescribed financial market (on-market).

By agreeing to participate in the DRP (by completing and returning an Application Form) a participating Unitholder appoints the Responsible Entity to arrange the purchase in the ordinary course of trading on ASX or another prescribed financial market of Units for delivery to the participating Unitholder in accordance with the terms and conditions of the DRP. The price at which Units will be purchased by participating Unitholders for the purposes of the DRP and a particular monthly distribution will be the volume weighted average price achieved in respect of that monthly distribution for the purposes of the DRP plus applicable brokerage but must not exceed Last Reported NAV. Such price will be calculated by the Responsible Entity in its sole and absolute discretion and may not be challenged in the absence of manifest error.

All brokerage costs incurred in connection with the purchase of Units will be paid from the distribution entitlements of participating Unitholders.

What fees will be charged on the issue of Units under the DRP?

You will not be charged commission, stamp duty or any other costs for any issue of Units under the DRP. Brokerage charges of 15 basis points of transaction value (exclusive of GST) will be deducted from the entitlements of participating Unitholders to a monthly distribution, to the extent the entitlements to Units of those participating Unitholders are to be satisfied by the delivery of Units purchased on-market. No brokerage charges will be payable to the extent participating Unitholders receive their entitlement to Units by way of issue.

How do Units under the DRP rank?

All Units delivered to you under the DRP will rank equally in every respect with the existing fully paid Units then on issue, including in respect of all subsequent monthly distributions.

Can I sell my Units when I choose?

You may sell your Units participating in the DRP or acquired under the DRP at any time but when the Units are sold they will be automatically withdrawn from the DRP on registration of the transfer. If you sell your Units then your right to participate in the DRP cannot be transferred on sale.

If you have elected partial participation, and you sell some or all of your Units, the Units you sell will reduce, first, the number of your Non-Participating Units and, secondly, the number of your Participating Units unless you have varied your participation in the DRP by notice to the Registrar.

How does taxation apply?

If you are an Australian resident, then Distributions reinvested under the DRP will, under current Australian income tax laws, continue to be assessable for income tax in the same manner as if you had received those Distributions in cash.

The Responsible Entity does not take any responsibility for any taxation liabilities of Unitholders. The Responsible Entity strongly recommends that you obtain professional advice with respect to your taxation position.

Can the DRP be modified, suspended, terminated or reinstated?

The Responsible Entity may, at its discretion at any time, resolve to:

- (a) vary the DRP and any agreement concerning the DRP;
- (b) suspend the operation of the DRP; or
- (c) terminate the DRP.

The Responsible Entity will give written notice to ASX if the DRP is at any time varied, suspended or terminated. Additionally, if the Responsible Entity decides to terminate the DRP, termination will not be effective until one month after notice of that decision is forwarded to ASX.

How do I keep track of my participation in the DRP?

If you participate in the DRP, the Responsible Entity will send to you after each Distribution Payment Date a statement detailing all relevant information concerning your involvement in the DRP, which includes the following:

- (a) the number of Units participating in the DRP;
- (b) your entitlement to the Cash Distribution;
- (c) the number and price of Units delivered under the DRP; and
- (d) the amount and extent to which the Distribution is taxable (if known at that time).

This statement is also available electronically by logging into your holding on Unit Registry investor website.

Terms and Conditions of the Distribution Reinvestment Plan

1. Defined terms

1.1 In this DRP, the following words and expressions have the meanings indicated unless the contrary intention appears.

Application Form means a form (as approved by the Responsible Entity) by which:

- (a) a Unitholder may apply to join the DRP; or
- (b) a Participant may apply to vary the level of, or withdraw from, participation in the DRP.

ASIC Relief has the meaning given in the Constitution.

ASX means ASX Limited or the financial market known as the Australian Securities Exchange conducted by it, as the context requires.

Business Day has the meaning given to it in the ASX Listing Rules.

Cash Distribution means a Distribution payable to a Participant in respect of its Participating Units wholly in cash and, in the case of a Distribution payable only partly in cash, that part of the Distribution which is payable in cash.

Constitution means the constitution of the Fund, as amended or repealed and replaced from time to time.

Deliver in relation to a Unit means to issue or to procure the transfer of the Unit.

Distribution means a distribution declared or otherwise to be paid in respect of Units by the Responsible Entity.

Distribution Calculation Date has the meaning given in the Constitution.

Distribution Payment Date means the date on which a Distribution is paid by the Responsible Entity.

DRP means the Fund Distribution Reinvestment Plan, as amended, modified or substituted from time to time.

DRP Election Date means 5:00 pm (Melbourne time) on the date that the Responsible Entity determines to be the last date for a Participant to apply to participate in the DRP.

DRP Statement means the statement referred to in clause 9.

Electronic Election means an electronic DRP election (as approved by the Responsible Entity) by which:

- (a) a Unitholder may apply to join the DRP; or
- (b) a Participant may apply to vary the level of, or withdraw from, participation in the DRP.

Ex Date means one business day before the Record Date.

Full Participant means a Participant who, for the time being, participates in the DRP in respect of all the Units of which the Participant is registered as the holder, including Units subsequently acquired by the Unitholder whether under the DRP or otherwise.

Fund means the Qualitas Real Estate Income Fund ARSN 627 917 971.

Last Reported NAV in respect of Distribution means the NAV as at the last day of the calendar month for the Distribution period in respect of that Distribution.

Limited Participant means a Participant who, for the time being, participates in the DRP in respect of some, but not all, of the Units of which the Participant is registered as the Unitholder.

Listing Rules means the listing rules for the time being of ASX.

Manager means QRI Manager Pty Ltd ACN 625 857 070.

Market Price in relation to a Distribution and Units means the market price of Units as at the close of trading on ASX on the Business Day before the Ex Date for the Distribution.

NAV means, in respect of a Unit for a Trading Day, the Net Asset Value as at the relevant Trading Day (as defined in the Constitution) divided by the number of Units which are on issue or are to be issued as at 5:00pm (Melbourne time) on that Trading Day.

Non-Participating Units means any Units of which a Participant is registered as the Unitholder which are not subject to the DRP.

Participant means a Unitholder who is accepted as a participant in the DRP.

Participating Distribution means in respect of a Participant, the total Cash Distribution payable to that Participant reduced by any amount, including withholding tax, where appropriate, which the Fund is required to or may deduct for any reason from the Cash Distribution payable to that Participant.

Participating Units means Units of which a Participant is registered as the Unitholder that are subject to the DRP.

Record Date means, in relation to a Distribution, the time and date determined by the Responsible Entity for the purpose of determining entitlements to that Distribution.

Responsible Entity means The Trust Company (RE Services) Limited ABN 45 003 278 831.

Terms and Conditions means the terms and conditions of the DRP, as amended, modified, or substituted from time to time.

Trading Day means a business day as defined in the Listing Rules.

Unit means a fully paid unit in the Fund.

Unit Price means, in relation to a Distribution, subject to the Listing Rules and any applicable ASIC Relief, the price calculated or determined in accordance with clause 8.

Unit Registry means unit registry service provider selected by the Manager.

Unitholder means a person registered as the holder of one or more Units.

VWAP means volume weighted average price.

- 1.2 Words importing gender include the masculine, feminine and neuter genders and the singular includes the plural and vice versa.
- 1.3 Headings are included for convenience only and will not affect the construction or interpretation of the DRP.

2. The DRP

- 2.1 The DRP is a method by which Unitholders may elect to receive additional Units in substitution for Cash Distributions declared or authorised for payment by the Responsible Entity in respect of all or part of the Units of which the Unitholders are registered.
- 2.2 Participation by Unitholders in the DRP is optional and is not transferable.
- 2.3 Unitholders who have not provided bank account details for the payment of Cash Distributions by 5.00pm (Melbourne time) on the first business day after the record date will be deemed to have elected to reinvest all their Cash Distributions in additional Units in the Fund in accordance with the DRP.
- 2.4 To the extent Units to be Delivered under the DRP are to be Delivered by way of transfer, each Participating Unitholder authorizes the Responsible Entity to arrange the purchase of the Units in the ordinary course of trading on ASX with the purchase price of the Units and the Units to be Delivered by way of transfer to the other Participating Unitholders and any applicable brokerage charges to be paid (and to be paid only) from the respective DRP accounts of the Participating Unitholders.

3. Eligibility

- 3.1 Subject to clauses 3.2 and 3.3, all Unitholders whose registered address is in Australia or New

Zealand are eligible to participate in the DRP.

- 3.2 A Unitholder will not be able to participate in the DRP until receipt by the Responsible Entity from the Unitholder of an Application Form or Electronic Election.
- 3.3 The Responsible Entity may in its absolute discretion accept or refuse to accept in whole or in part any Application Form or Electronic Election. Without limiting the generality of the above, the Responsible Entity may from time to time determine that the right to participate in the DRP is not available to Unitholders:
 - (a) who have registered addresses in a country or place where participation in the DRP would or may be unlawful or if any other formality under the laws of that country or place cannot reasonably or practicably be complied with by the Responsible Entity at a cost that is acceptable to the Responsible Entity; or
 - (b) whose participation in the DRP might lead to foreign persons or associates of foreign persons acquiring a substantial interest or an aggregate substantial interest in the Fund in breach of the *Foreign Acquisitions and Takeovers Act 1975* (Cth).
- 3.4 If the Responsible Entity refuses an Application Form or Electronic Election, the Responsible Entity must notify the relevant Unitholder of the refusal as soon as practical afterwards. The Responsible Entity will not be obliged to state reasons for the refusal of an Application Form or Electronic Election.
- 3.5 A Unitholder is solely responsible for obtaining any government or regulatory approvals and consents necessary for that Unitholder to participate legally in the DRP.

4. Levels of Participation

- 4.1 Unitholders may, in their Application Form or Electronic Election, nominate one of the following levels of participation:
 - (a) **Full participation**

A Unitholder may nominate all Units registered in the name of that Unitholder, including Units subsequently acquired by the Unitholder whether under the DRP or otherwise, to participate in the DRP. If a Unitholder's Application Form or Electronic Election is accepted, that Unitholder will be admitted as a Full Participant.
 - (b) **Limited participation**

A Unitholder may nominate a specific number of Units held in the name of that Unitholder to participate in the DRP. If a Unitholder's Application Form or Electronic Election is accepted, that Unitholder will be admitted as a Limited Participant in respect of the nominated Units only.
- 4.2 Unitholders will on acceptance of their Application Form or Electronic Election by the Responsible Entity participate in the DRP only to the extent they have elected to participate under clause 4.1.
- 4.3 If the Responsible Entity receives a completed Application Form or Electronic Election from a Unitholder where the level of participation is not clearly specified, the DRP election will be deemed to be a request that all Units held by the Unitholder participate in the DRP.
- 4.4 A Participant may at any time vary the level of participation (but not the Terms and Conditions of the participation) in the DRP by completing and returning to the Unit Registry a further Application Form or making a further Electronic Election specifying the variation to be made in the level of participation. The variation in the level of participation will take effect from the date of receipt of that further Application Form or further Electronic Election.

5. Application Form

- 5.1 An Application Form must be in a form approved by the Responsible Entity or in a form otherwise acceptable to the Responsible Entity.
- 5.2 If an Application Form is completed by an individual or a body corporate under a power of attorney, the power of attorney under which it is signed or a certified copy of that power of attorney must accompany the Application Form unless the power of attorney has previously been noted by the Responsible Entity.

- 5.3 A completed Application Form received by the Unit Registry to participate in the DRP or to vary the level of participation or to terminate participation in the DRP is not effective in respect of a Distribution unless it is received prior to the DRP Election Date for that Distribution.
- 5.4 Formal notice by way of an Application Form remains in force until:
- (a) the Participant formally varies or terminates the Participant's participation in the DRP in accordance with these Terms and Conditions; or
 - (b) the Responsible Entity terminates the DRP, whichever occurs earlier.

6. Electronic Elections

- 6.1 An Electronic Election may be lodged electronically on the Unit Registry investor website.
- 6.2 An Electronic Election lodged with the Unit Registry to participate in the DRP or to vary the level of participation or to terminate participation in the DRP is not effective in respect of a Distribution unless it is received prior to the DRP Election Date for that Distribution.
- 6.3 An Electronic Election will:
- (a) not be taken to have been lodged unless it is validly completed;
 - (b) be taken to be signed by the relevant Unitholder or, if applicable, joint holders of Units; and
 - (c) be taken to be received by the Unit Registry at the time of its electronic lodgment.

7. Operation of the DRP

- 7.1 The Participating Distribution must be applied by the Responsible Entity on the Participant's behalf in applying for additional Units in accordance with clause 7.3.
- 7.2 The price at which each Unit is Delivered under the DRP in respect of a Participating Distribution is the Unit Price.
- 7.3 The Responsible Entity will establish and maintain a DRP account for each unitholding account of each Participant. At the time of each Distribution Payment Date, the Responsible Entity will for each Participant:
- (a) determine the Participating Distribution payable in respect of the Participating Units which may be reinvested under the DRP;
 - (b) credit the amount in paragraph 7.3(a) above to the Participant's DRP account;
 - (c) determine the maximum whole number of Units, priced in accordance with clause 7.2, which can be acquired under this DRP by using the amount in the Participant's DRP account (if a fraction results from the application of this clause, the result will be rounded down to the nearest whole number); and
 - (d) on behalf of and in the name of the Participant, subscribe for or arrange the purchase and transfer of the number of Units determined under paragraph 7.3(c) above and debit the aggregate price of those Units against the balance in the Participant's DRP account. To the extent the balance exceeds the aggregate price, the excess will be carried forward to the next Participating Distribution to which the Participant is entitled or if the Participant is no longer a holder of Units, donated to a charity determined by the Responsible Entity in its sole and absolute discretion.

8. Units Delivered under the DRP

- 8.1 Subject to the Constitution, all Units to be Delivered under the DRP:
- (a) will be Delivered no later than 5 Business Days (or such longer period as the Listing Rules allow) after the Distribution Payment Date to which the Distribution relates; and
 - (b) rank equally in every respect with the then existing issued Units.

- 8.2 Units Delivered under the DRP in respect of a Cash Distribution must be Delivered at a price (**Unit Price**) which is equal to the lesser of:
- (a) the Unit Acquisition Price plus Brokerage per Unit; and
 - (b) Last Reported NAV.
- 8.3 For the purposes of this clause 8:
- (a) **Brokerage** means brokerage charged or chargeable by the ASX Market Participant in connection with the purchase of Units for Delivery to Participating Unitholders in respect of that Cash Distribution;
 - (b) **Pricing Period** means the period beginning on the Ex Date of that Cash Distribution and ending at the close of trading on ASX on the date that is 3 Business Days before the Distribution Payment Date; and
 - (c) **Unit Acquisition Price** means the VWAP of Units purchased for Delivery to Participating Unitholders in respect of that Cash Distribution during the Pricing Period.
- 8.4 Units may only be Delivered by way of transfer to Participating Unitholders in respect of a Cash Distribution where the sum of Market Price and Brokerage per Unit in relation to the Cash Distribution is less than Last Reported NAV.
- 8.5 Where clause 8.4 applies and the Responsible Entity determines in its sole and absolute discretion that some or all of the Units to be Delivered to the Participating Unitholders are to be Delivered by way of transfer:
- (a) the Responsible Entity will arrange for Units to be purchased in the ordinary course of trading on ASX or another prescribed financial market up to the amount that can be expended so as not to exceed the amount available in all DRP Accounts for the relevant Distribution excluding Brokerage; and
 - (b) the Responsible Entity will calculate the Unit Acquisition Price of the Units purchased under clause 8.5(a).
- 8.6 The Responsible Entity's calculation of the Unit Acquisition Price will be conclusive in the absence of manifest error.
- 8.7 Units may only be purchased as provided in clause 8.5(a) at a price such that the acquisition cost per Unit of the Units plus average Brokerage per Unit does not exceed Last Reported NAV.
- 8.8 To the extent:
- (a) sufficient Units cannot be acquired as provided in clauses 8.5 and 8.7 to satisfy the Unit entitlements of Participating Unitholders in respect of a Cash Distribution; or
 - (b) the Responsible Entity so determines,
- Units or sufficient Units (as the case may be) will be issued to Participating Unitholders on account of that Cash Distribution of a number calculated in accordance with clause 7.3 at a price, subject to the Listing Rules and any applicable ASIC relief:
- (c) subject to paragraph (d) below, the amount determined by the Responsible Entity in respect of the relevant Distribution; and
 - (d) if the Responsible Entity has not determined such an amount, Last Reported NAV.
- 8.9 The Responsible Entity will make the application and take all steps necessary for official quotation of any new Units issued under the DRP on the ASX promptly after they are issued.

9. DRP Statements

The Responsible Entity will send to each Participant as soon as practical following each Distribution Payment Date a DRP Statement detailing the following information:

- (a) the number of Units of the Participant in the DRP as at the relevant DRP Election Date;
- (b) the amount of the Distribution and Cash Distribution payable on each Participating Unit;
- (c) if applicable, the amount of withholding tax and any other amount which has been deducted from the Cash Distribution payable on the Participating Units;

- (d) the total available Participating Distribution payable on the Participating Units;
- (e) the number of Units to be Delivered to the Participant under the DRP and the date of Delivery of those Units;
- (f) whether the Units have been Delivered by way of issue or by way of transfer or a combination;
- (g) to the extent Units have been Delivered by way of transfer, the applicable brokerage charges;
- (h) in the case of Units Delivered by way of issue, the price of each Unit to be issued to the Participant under the DRP;
- (i) the amount and extent to which the Distribution is taxable (if known at the time);
- (j) subject to any unit transactions in the intervening period, the total number of Units of the Participant participating in the DRP after the Distribution; and
- (k) such other information as the Responsible Entity may at any time and from time to time determine.

10. Costs to Participating Unitholders

- 10.1 No commission or other transaction costs (other than brokerage charges) will be payable by Participants on Units acquired under the DRP.
- 10.2 Brokerage charges will be deducted from the entitlements of Participating Unitholders to a Cash Distribution, to the extent the entitlements to Units of those Participating Unitholders are to be satisfied by way of transfer. No brokerage charges will be payable to the extent Participating Unitholders receive their entitlement to Units by way of issue..
- 10.3 If the existing legislation changes so that at the date of any issue, any stamp duty is payable in respect of the issue, the amount of such stamp duty will be paid by the Participant to whom the Units are issued and will be debited to that Participant's DRP account.

11. Variation to Participation in the DRP

Subject to clause 5.3, a Participant may at any time vary participation (but not the Terms and Conditions of the participation) in the DRP by completing and returning to the Unit Registry a further Application Form or making a further Electronic Election specifying the variation the Participant wishes to make.

12. Acquisition and Sale of Units by Participants

- 12.1 Where a Participant is a Full Participant:
 - (a) all Units Delivered to a Full Participant under the DRP will be added to the number of Participating Units unless a further Application Form notifying the Responsible Entity to the contrary has been delivered to the Unit Registry or a further Electronic Election has been made; and
 - (b) any further Units acquired (by whatever means) by a Full Participant automatically become Participating Units on being registered in the Full Participant's name.
- 12.2 Where a Participant is a Limited Participant:
 - (a) unless advised by the Limited Participant to the contrary, if a Limited Participant sells or transfers, the Units sold or transferred will, first, reduce the number of Non-Participating Units and, secondly, the number of Participating Units; and
 - (b) if by the acquisition of any further Units (by whatever means), the number of Units held by a Limited Participant increases to a number greater than the original nominated number of Participating Units held, the excess of Units over the original nominated number of Participating Units are taken to be Non-Participating Units unless otherwise notified by a further Application Form delivered to the Unit Registry or a further Electronic Election has been made by the Limited

Participant.

13. Termination of Participation

- 13.1 Subject to clause 5.3, a Participant may at any time terminate participation in the DRP by completing and returning to the Unit Registry a further Application Form, or making a further Electronic Election indicating the Participant's wish to terminate participation in the DRP.
- 13.2 Subject to clause 5.3, a Participant will be deemed to have terminated their participation in the DRP:
- (a) on receipt by the Unit Registry of an Application Form or an Electronic Election in accordance with clause 13.1;
 - (b) on registration of a transfer or disposal of all of their Participating Units;
 - (c) on termination of the DRP by the Responsible Entity in accordance with clause 14;
 - (d) on receipt by the Responsible Entity of the notice of death, bankruptcy or liquidation of the Participant; or
 - (e) on the Participant ceasing to be eligible for participation in the DRP, for example by changing their registered address to an ineligible country.
- 13.3 For the purposes of clause 13.2, the death of any one of two or more joint Unitholders will automatically terminate the participation of the remaining Unitholder or joint Unitholders. The remaining Unitholder or Unitholders may recommence their participation in the DRP by completing and returning to the Unit Registry an Application Form or making an Electronic Election to do so.
- 13.4 A Unit which has ceased to be a Participating Unit is not prohibited from subsequently becoming a Participating Unit again subject to the DRP.
- 13.5 Where a Participant ceases to participate in the DRP for any reason, the Responsible Entity must pay to the Participant (at a time and in a manner determined by the Responsible Entity) any positive balance in the Participant's DRP account.

14. Modification and Termination by the Responsible Entity

- 14.1 The Responsible Entity may at its discretion at any time resolve to:
- (a) vary the DRP and any agreement relating to the DRP;
 - (b) suspend the operation of the DRP; or
 - (c) terminate the DRP.
- 14.2 Any variation, suspension or termination made in accordance with clause 14.1:
- (a) subject only to clause 14.4, is effective from the date of resolution or otherwise from the date determined by the Responsible Entity; and
 - (b) does not give rise to any liability on the part of or right of action against the Fund or the Responsible Entity.
- 14.3 The Responsible Entity must give written notification to the ASX of any variation, termination or suspension of the DRP.
- 14.4 Termination of the DRP is not effective prior to a date at least one month after the date on which notice is given by the Responsible Entity to the ASX of its intention to terminate the DRP.
- 14.5 If the Responsible Entity varies these Terms and Conditions, the Participants continue to participate under the modified DRP unless the Responsible Entity is notified by a Participant to the contrary by a further Application Form or by a further Electronic Election.
- 14.6 The accidental omission to give notice of any variation, suspension or termination of the DRP to any Participant or the non-receipt of any notice by any Participant does not invalidate the variation, suspension or termination of the DRP.

15. Disputes

The Responsible Entity has absolute discretion to resolve any dispute concerning the DRP in the manner it sees fit or to adopt any administrative procedures as it deems appropriate. The decision of the Responsible Entity will be final and binding on the Participants.

16. Taxation

Neither the Fund nor the Responsible Entity, its officers, employees, representatives or agents take any responsibility or assume any liability for the taxation liabilities of Participants. Specific taxation advice from professional advisers should be obtained by the Participants.

17. Notices

- 17.1 Notices to the Responsible Entity are only effective if in writing and in such form as the Responsible Entity directs or accepts from time to time and sent to the Unit Registry at the address listed on the QRI website <https://www.qualitas.com.au/listed-investments/qri-overview/> under Unit Registry.

18. General

- 18.1 The DRP will not apply in any case where, in accordance with the Constitution or otherwise by law, the Responsible Entity is entitled by law to retain all or part of a Distribution payable in respect of Units which a Participant has nominated as participating in the DRP or where the Responsible Entity is entitled to a charge over those Units or over any relevant Distribution payable.

19. Governing Law

The DRP, the Terms and Conditions and the operation of the DRP are governed by the laws of New South Wales, Australia.

20. Application Forms

- 20.1 By signing and returning an Application Form, a Participating Unitholder:
- (a) acknowledges that the Participating Unitholder has read, and agrees to, the terms and conditions of the DRP;
 - (b) irrevocably authorizes the Responsible Entity to do all things (including to engage third parties (including brokers)) and execute all documents, including to effect any holding adjustment, securities transformation, securities transfer or other transmission or transaction in relation to Units to be Delivered by way of transfer to the Participating Unitholder and to arrange for the purchase of those Units under the DRP;
 - (c) authorises the Responsible Entity to correct any error in or omission from the Participating Unitholder's Application Form;
 - (d) acknowledges that the Responsible Entity may in its sole and absolute discretion at any time determine that the Participating Unitholder's Application Form is a valid document in accordance with the terms and conditions of the DRP, even if the Application Form contains errors or has omissions;
 - (e) acknowledges that none of the Responsible Entity, the Manager nor any party involved in the DRP (including any third party engaged by the Responsible Entity or the Manager) has provided the Participating Unitholder with any financial product advice, nor has any obligation to provide such advice concerning the Participating Unitholder's decision to

participate in the DRP, and that the Participating Unitholder has made their own decision to participate based on its consideration of their own objectives, financial situation and needs and its own investigations of the Fund and its own analysis of the terms and conditions of the DRP; and

- (f) agrees to appoint the Manager as the Participating Unitholder's agent to receive any notices including the Financial Services Guide (and any update of that document) of any relevant entity that is required to be provided under the Corporations Act.

Directory

Fund

Qualitas Real Estate Income Fund

ARSN 627 917 971

Responsible Entity

The Trust Company (RE Services) Limited

ACN 003 278 831

Level 18

123 Pitt Street

Sydney NSW 2000

AFS Licence No 235 150

Manager

QRI Manager Pty Ltd

ACN 625 857 070

Level 38, 120 Collins Street

Melbourne VIC 3000