

GRYPHON

CAPITAL INCOME TRUST

ARSN 623 308 850

Guide to your Attribution Managed Investment Trust Member Annual Statement

Gryphon Capital Income Trust (“GCI” or “Trust”) is an Attribution Managed Investment Trust (AMIT) for the year ended 30 June 2020. All income attributed to you relates to the distributions you have received during the 30 June 2020 financial year. The AMIT Member Annual (AMMA) statement issued to you provides a summary of the amounts distributed and components attributed to you by GCI as well as cost base adjustment information.

About this guide:

This guide has been prepared to help individual taxpayers understand their AMMA statement and to assist in completing their 2020 Tax Return. It contains general information about the treatment of your income distributions as shown in your AMMA statement.

This guide assumes you:

- are an individual taxpayer and an Australian resident for tax purposes
- understand the information in this guide is not tax advice or investment advice
- understand the information only pertains to your investment in GCI – if you have any other investments, you will need to combine the information from your other investments with the information provided by the Trust to complete your tax return.

To complete your 2020 Tax Return, you will need a copy of the 2020 Tax Return for individuals (supplementary section). Please also refer to the instructions for completing the 2020 Tax Return individuals (supplementary section) available on the Australian Taxation Office website.

We recommend you seek professional assistance when completing your tax return. If you have any questions about your tax return, please consult your tax adviser or the Australian Taxation Office.

Your AMMA statement consists of two sections:

1. Summary of Tax Return (supplementary section) Items
2. Components of Distribution

1. Summary of Tax Return (supplementary section) Items

The amounts reported in this section of your AMMA statement correspond to the questions and labels on the 2020 Tax Return for individuals (supplementary section). This section provides a summary of the total income attributed to you by the Trust that needs to be included in your tax return.

Item	Tax Return Label	Description
Share of non-primary production (NPP) income	13U	This figure represents the income attributed to you by the Trust, excluding net capital gains, foreign income and franked distributions. This amount needs to be entered into Section 13: Partnerships and trusts – Label 13U.
Share of credit for TFN amounts withheld	13R	If applicable, this field will disclose any tax withheld from your distribution payments. Tax will have been withheld if you have failed to provide your tax file number (TFN) or Australian business number (ABN). This amount needs to be entered into Section 13: Partnerships and trusts – Label 13R and can be claimed as an offset against your tax payable.
Share of credit for non-resident withholding amounts withheld	13A	If applicable, this field will disclose any tax withheld from your distribution payments in respect of Australian income you have received as a foreign resident, or credits arising from tax withheld under the MIT withholding tax regime from your investment in GCI. This amount needs to be entered into Section 13: Partnerships and trusts – Label 13A and can be claimed as an offset against your tax payable.

2. Components of Distribution

This section provides a detailed breakdown of the total income attributed to you by the Trust as well as cost base adjustment information. The amounts that you will be assessed on and which are required to complete your tax return are based on the attributed amounts.

Component	Description
Australian Income	<p>This is represented by interest income earned on cash and Australian Fixed Income investments. The Interest amount is reported as follows:</p> <ol style="list-style-type: none">1. Cash distribution (\$) This represents the total cash distribution paid to you in respect of the financial year2. Attribution Amount (\$) This represents the total income attributed to you and will be equal to the figure disclosed in “Share of non-primary production (NPP) income” in the previous section.

Capital Gains	<p>This relates to capital gains made by the Trust and distributed / attributed to unitholders. This does not represent or include any capital gains and losses you as an investor may have made from the disposal of units in GCI. You will need to separately calculate any gains and losses you may have made and include these in your tax return, taking into account any AMIT cost base adjustments disclosed in AMMA statements from the Trust (refer below).</p> <p>Generally not applicable for GCI unitholders given the Trust primarily invests in underlying financial instruments and debt arrangements held on revenue account, though refer to the comment below in relation to AMIT cost base adjustments.</p>
Foreign Income	<p>This relates to foreign income earned by the Trust and distributed / attributed to unitholders.</p> <p>Generally not applicable for GCI unitholders given GCI's income is all Australian sourced.</p>
Attribution Managed Investment Trust (AMIT) cost base adjustments	<p>Under the AMIT regime, the cost base of your GCI units may increase or decrease in an income year if the taxable income attributed to you by the Trust is different to the cash distributions paid to you by the Trust. Whenever you dispose of any units in GCI, when calculating any capital gain or loss you will need to adjust the cost base of your units as follows:</p> <p>AMIT cost base net amount – excess (decrease) Where the sum of gross cash distributions is more than the total amount attributed to you for a financial year, you should decrease the cost base of your units by the amount of AMIT cost base net decrease as shown on your AMMA statement. To the extent the decrease is greater than the cost base of your units, a discountable capital gain is made.</p> <p>AMIT cost base net amount – shortfall (increase) Where the sum of gross cash distributions is less than the total amount attributed to you for a financial year, you should increase the cost base of your units by the amount of AMIT cost base net increase as shown on your AMMA statement.</p>
Gross Cash Distribution (G)	<p>This is the total cash distributions paid to you for the financial year, before any tax withheld (if applicable).</p>
Net Cash Distribution	<p>This is the total cash distributions paid to you for the financial year, after any tax withheld (if applicable).</p>

Disclaimer

This tax guide is not intended to provide advice for investors and does not address the circumstances of any particular individual. Consequently, investors should not rely on this information but should undertake their own analysis and seek independent tax advice as to the appropriateness of the assumptions and tax treatments adopted within the tax statement (AMMA Statement) as set out in this document.