



IFP Global Franchise Fund

Product Disclosure Statement
ARSN 111 759 712

Macquarie Professional Series



MACQUARIE

Preparation Date: 15 June 2009

Issued by: Macquarie Investment Management Limited
ABN 66 002 867 003 AFSL No. 237492

FORWARD thinking

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This is a Product Disclosure Statement (PDS) for the IFP Global Franchise Fund ARSN 111 759 712 APIR code MAQ0404AU

Investments in the IFP Global Franchise Fund (referred to in this PDS as 'the fund') are offered by Macquarie Investment Management Limited (referred to in this PDS as 'Macquarie', 'MIML', 'Responsible Entity', 'we', 'our', 'us').

Investments in the fund are not deposits with or other liabilities of MIML, Macquarie Bank Limited ABN 46 008 583 542 or of any Macquarie Group company and are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Neither Macquarie Bank Limited, MIML nor any other member company of the Macquarie Group guarantees the performance of the fund or the repayment of capital from the fund or any particular rate of return.

Independent Franchise Partners LLP ('the Manager') has given written consent to the issue of this PDS with the statements about the Manager appearing in the form and context in which they appear, and has not withdrawn that consent before the date of this PDS. Except for the statements in the PDS about the Manager and its Global Franchise strategy, the Manager has not independently verified the information contained in the PDS and takes no responsibility for the issue of this PDS, or for any statements contained in the PDS. The Manager does not guarantee the success or the performance of the fund nor the repayment of capital or any particular rate of capital or income return.

JPMorgan Chase Bank, N.A. (referred to as 'JPMorgan') has not independently verified the information contained in the Product Disclosure Statement, and accordingly, accepts no responsibility for the accuracy or completeness of this information except in respect of the information concerning it contained in the section headed 'Custody'. JPMorgan does not guarantee the success or the performance of the fund nor the repayment of capital or any particular rate of capital or income return.

On 12 December 2006, the Australian Parliament passed the Anti-Money Laundering (AML) and Counter Terrorism Financing (CTF) Act 2006. To meet our regulatory obligations as a reporting entity it will be necessary for Macquarie to collect and verify minimum customer identification information, which will vary by investor type. The data required to be collected has either been added to the application form in this PDS or will be collected via the IFSA/FPA customer identification forms.

Information relating to the fund that is not materially adverse may change from time to time. This information will be updated and made available to you on our website at www.macquarie.com.au/personal. A paper copy of any updated information is available free on request. We will notify you if there is a materially adverse change to information contained in this PDS.

The information in this PDS is general advice only and not personal advice. It does not take into account your individual objectives, financial situation or needs. You should read this PDS carefully and assess whether the information is appropriate for you in light of your objectives, financial situation and needs and consider talking to a financial adviser before making an investment decision.

The offer made in this PDS is only available to persons receiving this PDS in Australia. We authorise the use of this PDS by clients or prospective clients of any investor directed portfolio service (IDPS or IDPS-like scheme, commonly referred to as a master trust or wrap account) or a nominee or custody service (collectively referred to as master trusts or wrap accounts in this PDS).



Macquarie Investment Management Limited is a member of the Investment and Financial Services Association Limited (IFSA). IFSA member companies must comply with standards set by the association which are primarily designed to inform and assist investors.

In considering whether to invest in the fund it is important you consider the risk factors that could affect the financial performance of your investment. The main risk factors that the Responsible Entity thinks an investor should consider are referred to on page 4.

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IFP Global Franchise Fund

The IFP Global Franchise Fund (the 'fund') is a managed fund that invests primarily in a mix of international shares typically in Europe and North America. Macquarie Investment Management Limited is the Responsible Entity for the fund. We have appointed Independent Franchise Partners LLP (referred to in this PDS as 'IFP' or 'the Manager') as investment manager of the fund.

About the fund

The investment objective of the fund is to seek to achieve attractive long-term returns by investing in international shares. The strategy focuses on quality and value in absolute terms, which means that the Manager does not use a benchmark index for portfolio construction.

Like most managed funds, the fund is a unit trust. In exchange for your invested money you are issued interests in the fund called 'units'. Your units are your proportionate share of the fund and reflect the value of your investment, which will change over time as the market value of the assets of the fund rises and falls.

Certain rights (such as a right to any income and a right to vote) attach to your units. You may also have obligations in respect of your units.

We expect that as an investor in the fund, you would be seeking mainly growth in the value of your investment, but also accept that the fund has risks such as the value of your investment can go up or down. For more information please see pages 4 and 5. The fund is not a short term investment, so you should look to invest for at least five to seven years.

Please ensure that you consider the risks of investing in the fund, including those on page 4 and 5 of this PDS. As well as considering the risks, you should also consider how an investment in the fund fits into your overall investment portfolio. By diversifying your investment portfolio, you can reduce your exposure to failure or underperformance of any one investment, manager or asset class.

About Independent Franchise Partners LLP

Independent Franchise Partners LLP is an employee-owned, investment management firm established in June 2009. The firm specialises in a single investment strategy which aims to identify companies capable of compounding shareholder wealth at superior rates of return over the long-term. The strategy uses strict value and quality criteria to evaluate potential investments. The firm's founding partners previously managed a similar investment strategy at Morgan Stanley Investment Management.

The firm is based in London and is regulated by the UK's Financial Services Authority.

Investment strategy

The fund is managed in accordance with the Manager's 'Global Franchise' strategy (referred to in this PDS as 'the Manager's strategy'), which offers a concentrated portfolio of approximately 20–40 companies that the Manager considers demonstrate exceptional quality and value, and which the Manager believes warrant long term investment. Such companies will exhibit key strengths such as:

- possession or control of dominant intangible assets (successful brands, patents, licenses, copyrights and distribution networks), which can be difficult for competitors to replicate;
- financial strength and growth potential;
- a reliable and recurring revenue stream;
- high free cash flow generation; and
- capable management.

The companies that the Manager invests in are usually found in sectors such as branded consumer goods (e.g. food, cosmetics, beverages), pharmaceuticals, media and advertising (e.g. publishing, broadcasting, information services) and franchised services (e.g. automotive, business services). The Manager typically invests in developed countries with a strong culture of public share-ownership.

The fund is actively managed using a bottom-up investment approach driven by in-depth fundamental research[†], which aims to identify "great" franchise businesses.

The fund is constructed one stock at a time and does not use benchmarks as portfolio construction tools. Stringent quality and value criteria eliminate most businesses and result in a global investment universe of under 200 companies. The Manager supplements detailed fundamental analysis with one-on-one meetings with company management to evaluate and monitor these companies over time. Management is always interviewed before an investment is made. Throughout this process the Manager's aim is to identify companies with strong fundamentals that in its view are undervalued by the market.

The fund's exposure to international assets is not hedged back to Australian dollars. This means that investors will be exposed to currency risk – that is, the value of units in the fund will change not only on the basis of a change in asset values, but also because of movements in exchange rates. The Manager may seek to bring the fund's exposure to currencies, which arises from stock selection, closer to that of the MSCI World Index.

Ethical investment

Generally, and in normal circumstances, the fund's investment decisions do not take into account labour standards, environmental, social or ethical considerations. However, these considerations may be taken into account if they have the potential to materially affect the value of the investments but no specific methodology is applied.

What does the fund invest in?

The fund invests mostly in shares of companies that are listed on stock exchanges around the world other than in Australia, but may also have some exposure to cash and derivatives.

[†] Fundamental research or analysis refers to the analysis of a company's share values based on such factors such as sales, earnings and assets that are fundamental to the business of the company. These factors are considered in light of the company's current share prices to ascertain whether the shares are mispriced.

The table below shows the fund's investment range for each asset class. The fund may temporarily move outside these ranges due to certain factors such as when it receives significant cash flows into the fund. If this occurs the Manager will aim to bring the fund back to within these ranges as soon as possible. Where the Manager believes it is in the best interests of investors as a whole, it may change the investment ranges from time to time without prior notice to investors.

Asset class	Investment range*
International shares	90% – 100%
Cash	0 – 10%

* The fund's exposure to derivatives is not reflected in these ranges.

For the most recent asset allocation for the fund please see page 12 for contact details.

The fund may use derivatives such as forward foreign exchange contracts to manage risk. Derivatives will not be used to leverage or gear the fund.

What is the track record of the Manager's strategy?

The investment team at Independent Franchise Partners were previously responsible for managing similar Global Franchise portfolios whilst employed at Morgan Stanley Investment Management. In particular, the investment team at IFP managed the assets of the fund (previously known as the Morgan Stanley Global Franchise Fund) since its inception in November 2004.

For performance information on the fund, please contact us using the details provided on page 12 or refer to the website for the latest fund review at www.macquarie.com.au/professionalservices

In considering this information you should bear in mind we have the discretion to replace the manager of the fund with one or more investment managers. If we do so, we will generally inform you in advance. However, in certain circumstances we may replace the manager of the fund without notice to you if we think it is in the best interests of unitholders in the fund as a whole.

What are the benefits of investing in the fund?

The fund offers a focused approach to stock selection. The Manager's strategy focuses on companies that the Manager considers demonstrate exceptional quality and value and which the Manager believes warrant long term investment. The fund provides the potential for the following key benefits:

- attractive long-term returns;
- a low correlation with traditional benchmarks for international shares; and
- a bias towards capital preservation.

What are the differentiating features of the fund?

The Manager's Global Franchise investment philosophy and process clearly differentiates the fund from traditional international share offerings.

For investors seeking to diversify the risk and return in their international share portfolio the fund may be a solution.

The differentiating features of the fund include:

Concentrated portfolio of high quality companies

The Manager believes that while equities are better at creating wealth than bonds, relatively few companies can consistently compound shareholder wealth at superior rates of return over the long term.

The Manager believes that a concentrated portfolio (20–40 stocks) of exceptionally high quality companies, whose primary competitive advantage is supported by a dominant intangible asset, should earn attractive returns with less than average volatility.

A focus on companies with significant intangible assets

The Manager's research and experience has led it to believe that high quality companies whose decisive assets are intangible (e.g. brands, patents, licences) compound shareholders' wealth over time more effectively than those companies that rely on physical assets.

Dominant intangible assets can be difficult to create and replicate by competitors. In contrast, physical assets such as real estate, factories and machinery can be more readily duplicated. The ease of replication eventually leads to excess capacity, price competition and erosion of returns on capital.

A strong business franchise with intangible assets that cannot be easily replicated is therefore one of the most important attributes the Manager seeks in a company. Longevity is also important as the Manager believes it is a key measure of the resilience of a franchise. If a product or service has resisted competitors and met the needs of its customers for years or generations, it has demonstrated resilience.

The Manager believes companies with strong franchises are superior creators of shareholder wealth. They generally have a low correlation to most traditional equity investments potentially enabling the fund to perform well in strong and weak markets.

An approach which constructs portfolios without adhering to benchmark indices

While traditional benchmark indices may be helpful in benchmarking investment returns, the Manager believes that indices are not a reliable tool for active portfolio construction.

Unlike a top-down investment approach that allocates funds to country or industry sectors, the Manager does not view stocks as tools for carrying out regional or sector strategies. Portfolio decisions are not made relative to the benchmark. The Manager will not pursue diversification at the expense of quality nor attempt to control volatility against the benchmark.

The bottom-up investment approach treats each security as a long term investment in a company. The Manager constructs the fund one stock at a time. Consequently the Manager devotes its research efforts to analysing and interviewing companies and their management teams, competitors, suppliers and customers.

Investment decisions based on primary sources of information

Traditional international share managers run portfolios with hundreds of stocks in them and by necessity rely heavily on secondary information (e.g. stockbroker research) to make both buy and sell decisions.

The Manager believes there are less than 200 companies that possess the exceptional quality characteristics they seek. With a smaller universe of potential investment opportunities the Manager is able to maintain close contact with many of them. The Manager will always meet the management of investment candidates, often many times before making a decision to invest.

Furthermore the Manager cross-checks what it learns from a company's management with the company's customers, suppliers, competitors and independent industry consultants. The Manager patiently monitors prospective opportunities over the long term but will only invest when the valuation is compelling.

The Manager produces sophisticated financial models based on meetings with company management and uses these as a tool in its evaluation methodology allowing it to have up to date views on company valuations.

Low turnover, buy and hold approach

The Manager believes that its patient approach allows the companies in which they invest to leverage their intangible assets and compound shareholder wealth over the long term. Portfolio turnover associated with the Manager's strategy averages approximately 15% per year. This implies a typical investment holding period of approximately six years, consistent with the Manager's long term buy and hold approach.

A strong value bias to help enable capital preservation

The Manager believes in managing equity portfolios with a strong value bias in order to reduce the risk of overpaying for investments.

The Manager expects that the fund's value bias and the financial strength of the companies selected should help preserve capital in falling markets.

What are the significant risks of the fund?

The significant investment risks for the fund are discussed below. These risks described below are not exhaustive. We cannot eliminate all risks and cannot promise that the way in which we manage them will always be successful. A financial adviser can explain these risks in detail as well as tailor advice to suit your needs and objectives. If these risks eventuate, your income distributions may be lower than expected or there may be none, and the capital value of your investment could significantly fall. In addition, there is no assurance that the level of distributions if any, will be sufficient to service your debt if you borrow to invest.

The significant investment risks for the fund are:

Concentration risk: Is the risk that poor performance in a group of stocks common to a particular region, industry, or other grouping to which the fund has material exposure, will significantly affect the performance of the fund. The risk is higher for this fund than for more diversified funds. This is because it generally invests in 20–40 different stocks and therefore significant concentrations will arise. This may also mean that fluctuations in the unit price of this fund within short periods of time are larger than for more diversified funds.

Company specific risk: Risk is inherent in a particular company's performance due to factors that are pertinent to that company, the sector of the market to which the stock belongs, or the share market generally. These factors may cause a stock to perform adversely and where the fund has exposure to that stock, may reduce the value of the fund.

Share market risk: Refers to changes in prices of securities in which the fund invests that may result in loss of principal or large fluctuations in the unit price of this fund within short periods of time. Factors that drive changes in share prices include changing profitability of companies and industries, economic cycles, volume of share issuance, investor demand levels, business confidence and government and central bank policies.

Volatility risk: Generally the higher the potential return for your portfolio the higher the risk, and the greater the chance of substantial fluctuations in returns (including the possibility of losses) that may occur over time (especially over shorter periods of time). For example, between July 2007 and the date of this PDS, equity markets experienced sharp declines and heightened volatility, with some markets experiencing volatility at very high levels. Investing in periods where highly volatile conditions exist implies a greater level of risk for investors than an investment made in a more stable market. You should carefully consider this additional volatility risk before making any investment in the fund.

Country risk: Refers to potential adverse political, economic or social developments affecting the return on an investment in that country. Examples are political instability, recession and war. This could impact on the companies in which the fund invests. This risk is minimised to some degree by the fund's focus on investing in developed countries, typically in Europe and North America. Any investment in emerging market countries is likely to carry a higher country risk than developed countries.

Currency risk: Is the risk that fluctuations in exchange rates between the Australian Dollar and foreign currencies may cause the value of the fund's investments to decline. The fund's exposure to international assets will not be hedged back to Australian Dollars and therefore your investment is fully exposed to currency risk.

Derivative risk: Derivatives are financial instruments that are used to obtain or reduce market exposures. They can potentially be used to create leveraged positions, where exposures are obtained that are greater than the value of assets required to support them. As the market value of derivatives positions are variable, gains or losses can be incurred, and can be greater than unleveraged positions.

Manager risk: Refers to the risk that the Manager and/ or the Manager's investment strategy will not achieve its performance objectives or not produce returns that compare favourably against its peers. Many factors can negatively impact the Manager's ability to generate acceptable returns from its stock selection process e.g. loss of key staff.

New business risk: Given IFP is a newly established firm they will be exposed to some additional risks including low initial revenues and the need to establish new operational procedures and business support. We have carefully assessed these risks in our due diligence process and believe IFP to be sufficiently capitalised and well managed. We will continue to evaluate these risks during the transition and start up phase of IFP.

Liquidity risk: Exists when particular investments are difficult to purchase or sell, preventing the fund from closing out its position or rebalancing within a timely period and at a fair price. While every effort is made for the fund to be able to satisfy all redemption requests within 30 days, the nature of the underlying securities means that in certain circumstances (for example if trading in a particular security has been restricted or suspended in the market), we may not be able to fully meet all redemption requests when they are received. This may lead to satisfaction of the redemption requests and payment of the redemption proceeds to unitholders being deferred until the Responsible Entity forms the view that it is in the best interests of all unitholders to meet the outstanding redemption requests and pay out the redemption proceeds.

Counterparty risk: Is the risk of loss due to counterparty default. Counterparties include stockbrokers, clearing brokers and counterparties to derivative contracts.

Fund risk: This is the risk that the fund could terminate, the fees and expenses could change, or key investment professionals could change. There is also the risk that investing in the fund may give different results than investing individually because of the income or capital gains accrued in the fund and the consequences of investment and withdrawal by other investors.

Change of law and other statutory and trading restrictions: Changes in laws or their interpretations including taxation and corporate regulatory laws, practice and policy could have a negative impact on the returns of investors.

In certain circumstances, statutory or internal Macquarie Group imposed restrictions may preclude the acquisition or disposal of securities by the fund. Without limitation, this includes where the acquisition would cause the Macquarie Group's aggregated holdings in a company (including holdings that the Macquarie Group is required to aggregate) to exceed applicable takeover thresholds. In addition, where, due to such restrictions, there is limited capacity to acquire particular securities, the fund will not have priority over any member of, or any other fund associated with, the Macquarie Group to acquire those securities. Such restrictions may result in an adverse effect on the value of the fund's investments due to the fund being unable to enter into positions or exit positions as and when desired.

Fees and other costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your trust balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether investment features such as superior investment performance, or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of these fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.fido.asic.gov.au) has a Managed Investment Fee Calculator to help you check out different fee options.

This table shows fees and other costs you may be charged. These fees and costs may be deducted from your money or from the returns on your investment or from the fund assets as a whole. For information on tax, see page 9. You should read all of the information about fees and costs, as it is important to understand their impact on your investment. All amounts shown in this table include the net effect of GST.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the fund		
You may incur a buy/sell spread when your money moves in or out of the fund. ¹		
Establishment fee The fee to open your investment	Nil	Not applicable.
Contribution fee² The fee on each amount contributed to your investment – either by you or your employer	Nil	Not applicable.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable.
Termination fee The fee to close your investment	Nil	Not applicable.
Management costs		
The fees and costs for managing your investment	1.38% p.a. of the net asset value of the fund and is comprised of the management fee and recoverable expenses.	The management fee and recoverable expenses are calculated daily and paid monthly from the assets of the fund.
Service fees		
Investment switching fee The fee when you switch between investment options.	Nil	Not applicable.

¹ For further information on the buy/sell spreads please refer to the 'Transaction costs and buy/sell spread' item in the section on 'Additional Explanation of fees and costs' on page 6.

² Under the constitution we have the right to charge a contribution fee of up to 5% of the application amount. We do not currently charge this fee.

Example of annual fees and costs

This table gives an example of how fees and charges in the fund can affect your investment over a one year period. You should use this table to compare the fund with other managed investment products.

Example		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	Nil	For every additional \$5,000 you put in you will be charged \$0.
PLUS Management costs	1.38% p.a.	And , for every \$50,000 you have in the fund you will be charged \$690 each year.
EQUALS Cost of fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year you would be charged fees of \$690* .

* This amount assumes the \$50,000 balance remains constant over a one year period and excludes additional management costs of \$69 (i.e. 1.38% x \$5,000) in respect of an additional contribution of \$5,000 (assuming this additional amount was contributed at the end of the year).

The actual cost of investing depends on how much you invest, your investment balance in the fund (as this varies over time) and the number and types of transactions you make.

Additional explanation of fees and costs

Transaction costs and buy/sell spread

Transaction costs are paid from the fund's assets. When you invest or withdraw all or part of your investment, we use what is called a 'buy/sell' spread to recover transaction costs associated with buying and selling the fund's assets. We use the buy/sell spread to direct these costs to transacting unitholders rather than unitholders remaining in the fund. The amount recovered from transacting unitholders via buy/sell spreads remain in the fund and are not fees paid to Macquarie. The current buy/sell spread that applies to the fund is 0.31% of the application amount (\$155 for every \$50,000 you invest) on entry and 0.13% of the withdrawal amount on exit (\$65 for every \$50,000 you withdraw).

The transaction costs reflected in the above spreads comprise brokerage paid on share transactions, stamp duty and other taxes and the differential between the bid/offer price of the shares transacted. Estimates of these costs were arrived at by analysing broker quotes, taxes, duties and levies, and the difference between the market bid and offer prices of securities held for a portfolio with the same investment strategy as that of the fund. We review the buy/sell spread at least annually and may vary them at any time, taking into account changes in transaction costs.

Alternative Remuneration

We do not pay any commissions to your financial adviser. However, the dealer group to which your adviser belongs and your investor directed portfolio service ('IDPS') operator may receive certain payments or other non-monetary benefits from us, such as business and technical support, professional development and entertainment. These payments and benefits are not an additional cost to you.

We also maintain a register in compliance with the Industry Code of Practice on Alternative Forms of Remuneration summarising alternative forms of remuneration that are paid or provided to advisers. If you would like to review this register, please contact us via the contact details provided on page 12.

Government charges

Government taxes such as stamp duties and GST will be applied to your account as appropriate.

See page 9 for more information concerning the application of tax to your investment.

Maximum fees

Under the fund's constitution, we are entitled to a management fee of up to 5% (exclusive of GST) per annum of the net asset value of the fund and we also have the right, subject to the Corporations Act, to be reimbursed from the fund's assets for all expenses which we incur in the proper performance of our duties as a Responsible Entity. Our current management fees and expense recovery (other than extraordinary expenses) are included in the management costs stated in the table on page 5.

The fund's constitution also allows us to charge persons applying for units in the fund an application fee of up to 5% of the application money. We do not currently charge this fee. In addition, the constitution allows us to charge any user pay fees that are specified in the most recent PDS or other offering document for the fund. No such fees are currently charged.

Changes to fees

The fees are current as at the preparation date of this PDS and include the net effects of GST. This means that fees stated in this PDS represent the fee charged plus applicable GST, less any reduced input tax credits that may be claimed by the fund. We reserve the right to increase fees and to introduce additional fees. Factors which may lead us to vary fees include legal, economic, policy and procedural changes. The right to vary fees is at our discretion, subject to any restrictions under the Constitution and the law, and this is not an exhaustive list of circumstances which would lead us to vary the fees of the fund. We will give you prior notice of any change to the current fee and/or the introduction of any additional fee.

Differential fees

In line with ASIC Policy on differential fee arrangements, fees may be negotiated on an individual basis with wholesale clients (within the meaning of the Corporations Act) e.g. institutional investors and the operators of master trusts and wrap accounts. This is generally because they invest very large amounts of money in the fund. We cannot negotiate individual fee arrangements with investors who are not wholesale clients within the meaning of the Corporations Act.

How we calculate performance

For comparison purposes only, the fund's performance will be measured against the MSCI World ex Australia Index (unhedged) in AUD.

To calculate the performance of the fund, we will adhere to the standards set by the Investment and Financial Services Association (IFSA). All returns and performance will be historical and will be quoted net of fees but before taxes and will assume that the income is reinvested and that the investment is held for the full period.

To find out performance information on the fund, please contact us using the details provided on page 12 or go to the website at www.macquarie.com.au/professionalservices

How to invest

Investing in the fund can be done in one of two ways, depending on whether you are an indirect or a direct investor.

Indirect investors

You are known as an indirect investor if you invest through a master trust, wrap account, a nominee or custody service or an investor directed portfolio service (all referred to in this PDS as 'Wrap').

Indirect investors gaining exposure to the fund through a Wrap do not themselves become investors in the fund. Instead it is the operator of the Wrap (or its custodian) that invests for you that has the rights of a direct investor, and they may choose to exercise these rights in accordance with their arrangements with you. To invest in the fund, indirect investors need to follow the instructions of the Wrap operator, and will receive reports and other information from that operator. Any enquiries should be directed to them. Additional investments are also to be made through this operator.

Direct investors

To invest directly, you need to complete the application form that accompanies this PDS and send it to us with your initial payment. Initial investments made directly must be for a minimum of \$20,000. Payments can be made by cheque, bank transfer or by real time gross settlement (RTGS). Cheque payments should be made out to:

MIML – IFPGFF a/c [applicant's name]

We will confirm with you when we accept your application.

If for any reason, Macquarie is unable to process your application (for example if your application is incorrectly completed), we may delay your application for up to 30 days in which case your application monies will be held in an interest bearing trust account pursuant to section 1017E of the Corporations Act. Any interest earned on monies in the account will be invested in the fund. If your application is not processed by the end of the 30 day period, your application monies will be returned to you.

Additional investments (minimum \$10,000) can be made at any time by sending us a cheque with your account details, or via bank transfer or RTGS. Further investment is made on the basis of the PDS current as at the time of the investment.

Generally you need to maintain a minimum account balance of \$20,000.

The minimum amount requirement may be waived at our discretion. We may also, at our discretion, establish higher minimum investment amounts or reject applications for investment in the fund.

Investors must contact us (contact details on page 12) for instructions before investing via bank transfer or RTGS.

Where Macquarie receives and accepts your completed application together with the application money before 1 pm (Sydney time) on a business day, you will be issued with units at the entry price calculated for that business day. For applications and application money received and accepted after 1 pm (Sydney time) on a business day, units will be issued at the entry price calculated for the next business day.

Important additional information

Cooling-off

Indirect investors

If you have invested through a Wrap, you should consult the operator of that service about any cooling-off rights you may have.

Direct investors

If you invest an initial amount of \$500,000 or more in the fund, or otherwise meet the criteria for a wholesale client under the Corporations Act, then cooling-off rights are not available to you.

If you invest less than \$500,000 and do not otherwise meet the criteria for a wholesale client under the Corporations Act and decide that your investment in the fund does not meet your needs, you can request in writing to have it cancelled within the 14-day 'cooling-off period'. The cooling-off period begins when your transaction confirmation is received by you or five days after your units are issued, whichever is earlier. When calculating the amount to be returned to you, you will bear any fluctuation in the market and we may deduct costs and taxes that relate to your investment and the exercise of your cooling-off right to the extent permitted by the Corporations Regulations.

Making a withdrawal

Indirect investors

Indirect investors need to follow the instructions of the Wrap operator to make a withdrawal from the fund.

Direct investors

You may request to withdraw part or all of your investment in the fund at any time, subject to a minimum withdrawal amount of \$10,000 and maintaining a minimum account balance of \$20,000. Funds will be paid by cheque or by electronic transfer to an Australian bank account. To make a withdrawal, write to us or fax us (subject to the facsimile instruction on page 12) providing your account name, the fund name, and the amount to be withdrawn, and your bank details if you require the funds to be transferred to your bank account.

We generally process withdrawal requests on each business day. If we receive your request (or in the case of an indirect investor, a request from the operator) before 1pm Sydney time on a business day, proceeds will usually be available within 5 business days and will be based on the exit price calculated for that day. If we receive a withdrawal request after 1pm Sydney time on a business day, or on a non-business day for us, units will be redeemed at the exit price calculated for the next business day. The fund's constitution generally allows for up to 30 days to pay withdrawals.

While the fund is liquid we may refuse a withdrawal request from you where:

- the value of the units remaining after the withdrawal request is less than the minimum holding amount (in the case of partial withdrawal); or
- the fund is being wound up.

While the fund is liquid we can delay withdrawal of your money in some circumstances such as:

- if something outside our control impacts on our ability to calculate a withdrawal price or fairly determine the fund's Net Asset Value (NAV) (for example, restricted or suspended trading in the market for an asset) then we can delay payment for as long as this goes on;
- if we have taken all reasonable steps to realise sufficient assets to satisfy withdrawal requests but we are unable to;
- if on a particular day we receive a quantity of withdrawal requests representing more than 10% of the units on issue, or which have an aggregate withdrawal price of more than 10% of the value of the fund's assets, then we can stagger processing of withdrawal requests over a number of days. This means that you may receive different prices for portions of your withdrawal request in which case you would be exposed to market movement over a number of days; or
- if we believe it is not in the best interests of unitholders as a whole to realise assets.

In some circumstances, we can redeem some or all of your units without the need for a withdrawal request from you, for example:

- if we have reasonable grounds to believe that you are not, or are likely not to be, eligible as an investor in the fund (for example, if the value of your investment falls below \$20,000 or such other minimum investment which we have determined);
- to prevent the fund being subject to income tax as if it were a company under tax legislation;
- for the fund to avoid other consequences which are detrimental to investors in the fund as a whole;
- if we request information from you in order to determine whether to redeem your units in accordance with the above provisions and we do not receive such information from you within 14 days of our request; or
- to recover any fees which we charge for any services provided to you at your request and which we have indicated in the PDS will be payable by you.

The Responsible Entity considers that it is unlikely that the fund will become illiquid (as defined in the Corporations Act) but if it did, the law says we can, if we wish, make some money available, and requires us to allocate it on a pro rata basis amongst those wanting to withdraw. When the fund is illiquid, withdrawals may only be made in accordance with a withdrawal offer made in accordance with the Corporations Act.

How are unit prices calculated?

The unit price is calculated by taking the total value of all of the fund's assets on a particular day, adjusting for any liabilities and then dividing the net value by the total number of units held by investors on that day. Adjustments to the unit price are then made for transaction costs. We add transaction costs to determine the entry price and subtract transaction costs to determine the exit price thereby creating a 'buy/sell spread'. Although a unitholder's unit balance in the fund will stay constant (unless there is a transaction), the unit price will change according to changes in the market value of the fund's investments.

We generally determine the market value of the fund each business day based on the most recently available information. Typically, listed securities are valued at the last sale price of their primary exchange; foreign exchange rates are valued at the WM Reuters London 4pm rate; cash is valued at face value with interest accrued daily. Security prices are obtained from independent pricing sources.

The valuation methods and policies applied by us to value the fund's assets and liabilities are consistent with applicable industry standards and result in unit price calculations that are independently verifiable. Under the constitution for the fund, Macquarie has certain discretions in determining application and redemption prices. We have documented our policy regarding the exercise of these discretions. A copy of the policy, together with the related documents, is available free of charge from our client service team.

Indirect investors can contact the Wrap operator to find out the unit price. Direct investors please refer to page 12 for contact details. Unit prices are also published on our website.

Income distributions

From the underlying investments, the fund is expected to receive or generate distributions consisting of dividends, interest, gains or losses from futures trading, foreign exchange gains or losses, foreign tax credits, tax deferred income and return of capital and realised capital gains.

The fund generally distributes income and capital gains, if any, annually in proportion to your unit holdings. You may elect to have your distributions paid directly into a nominated Australian bank account or have them reinvested in the fund by completing the relevant section of the application form.

If you do not nominate how you wish to receive your income distributions, your distributions will be automatically reinvested as additional units in the fund. Such units will be issued at the net asset value price at the close of business at the end of the distribution period to which the entitlement relates. However, Macquarie may at any time notify unitholders that subsequent distributions will be paid in cash and not be reinvested and subsequently withdraw any such notification.

Unit prices fall at the end of the distribution period to reflect the distributions. If you invest towards the end of a distribution period, you may find that you receive some of your capital as income. However, if your application price is calculated as at the last business day of the period, your application price will not include an income component for that period. Similarly, if you withdraw your investment towards the end of the distribution period, you will receive your share of any accrued income as capital. However, if your redemption price is calculated as at the last business day of the period, your redemption price will not include an income component for that period but you will also receive the income as part of your distribution.

Keeping you informed

Indirect investors

The Wrap account operator provides indirect investors with reports on the progress of the fund.

Direct investors

For direct investors into the fund, we will provide:

- confirmation of all investments and withdrawals;
- periodic statements summarising all transactions (including any distributions) during the reporting period;
- an annual tax statement, or annual distribution statement for foreign investors, discussed in more detail in the 'Taxation' section on this page;
- access to an annual report which shows the financial position and performance of the fund over the last financial year (you can elect to receive this on the application form); and
- notification of any material changes to this PDS and any other significant event.

Regular information on the performance of the fund can be viewed at our website www.macquarie.com.au/professionalservices

The fund is a disclosing entity under the Corporations Act and is therefore subject to regular reporting and continuous disclosure obligations. Copies of documents we lodge with ASIC to fulfil these obligations may be obtained from, or inspected at, an ASIC office.

You have a right to request a copy of the annual financial report most recently lodged with ASIC and, if available, any half-yearly financial report and continuous disclosure notices that have been lodged after the annual report but before the date of this PDS. We are required to send you a copy (free of charge) within five days of receiving your request.

Taxation

The following is a general discussion of the key Australian taxation issues relevant to investing in the fund. It only applies to Australian resident unitholders who hold their units on capital account. This discussion is not relevant for those unitholders who hold units in the fund as trading stock or otherwise as a revenue asset.

The discussion is based on Australian taxation laws, announcements and practices currently operative at the date of this PDS. Given the complex and changeable nature of the Australian taxation system, and the fact that different unitholders have different taxation circumstances, unitholders should seek the advice of a professional taxation adviser. We do not give tax advice.

Taxation of Responsible Entity of the fund

Based on current tax law and the proposed activities of the fund, MIML (as the Responsible Entity of the fund) should not be liable for income tax as it is intended that unitholders will be presently entitled to all of the income of the fund.

Taxation of Unitholders

As it is intended that unitholders will be presently entitled to all of the net income of the fund for a financial year (whether distributed in that or the following year), they will need to return as assessable income their proportionate share of the net taxable income of the fund for that year. Any distribution a unitholder receives will retain its character as it passes through the fund.

Following the fund's tax year end, an annual tax statement will be sent to each unitholder to assist in the completion of the unitholder's income tax return. This tax statement will include details of any assessable income, capital gains, tax credits and any other relevant tax information.

Foreign income and foreign tax credits

Distributions from the fund to the unitholders may include dividend and trust income from the foreign companies and trusts in which the fund invests. Australian residents are required to include in their assessable income their share of any foreign income derived by the fund and an amount equal to the foreign tax paid on that income. Unitholders will generally be entitled to a tax credit for the foreign taxes paid by the fund.

Foreign investment fund tax regime

The fund's investment in certain overseas companies or trusts should generally be exempt from the accruals taxation rules under the Foreign Investment Fund (FIF) regime. However, to the extent that no FIF exemption is available, the assessable income of the fund may include amounts deemed to be derived on an accruals basis under the FIF rules. In such circumstances, unitholders may need to include their share of any such accrued income of the fund in their assessable income. Any FIF income which may arise will be included in unitholders' annual tax statements.

Capital gains

Distributions from the fund may also include a capital gains component. Generally, capital gains that have been realised throughout the financial year from the disposal of the fund's investments will be distributed to unitholders. Distributions by the fund that include a capital gains component should be included in each unitholder's calculation of their total net capital gains. Where foreign taxes have been paid in respect of such gains, unitholders will be required to include in their assessable income an amount equal to the foreign tax paid, and should be entitled to foreign tax credits in the manner discussed above.

If certain conditions are satisfied by the fund, the capital gains tax (CGT) provisions of the income tax legislation provide that a discount capital gains concession may be available to reduce by 50% any capital gains made by the fund and distributed to unitholders. The annual tax statement will separately disclose such capital gains, along with any other capital gains distributed by the fund.

Where a unitholder receives a discount capital gain from the fund, the unitholder will be required to gross up the capital gain by the amount of the discount and to offset any available capital losses against this grossed-up amount. Certain unitholders, including individuals, trustees and superannuation funds, may then be entitled to reduce the resultant net capital gain by the relevant capital gains discount.

Unitholders should seek their own professional tax advice in relation to the availability of any discount.

Disposal of Units

Units in the fund are CGT assets. Consequently, any gain on the disposal of a unit by a unitholder may also be assessable under the CGT provisions of the income tax legislation. Any capital loss that arises from such a disposal, if not used in the current tax year, may be carried forward to be offset against future capital gains.

Some unitholders may be eligible for the discount capital gains treatment discussed above where they have held their units in the fund for 12 months or more.

Unitholders should consult their tax advisers about the availability of the discount and any other CGT issues that may arise on the disposal of units in the fund.

Other Issues

Non-resident taxation

Where required under the income tax legislation, deductions of Australian withholding tax and non-resident income tax will be made from distributions of Australian sourced taxable income for investors with an overseas address, or for non-resident investors temporarily residing in Australia.

Goods and Services Tax (GST)

The fund has registered for GST. Generally, GST is payable on the fund's management fees, reimbursement of expenses and other services provided to the fund. Where the fund is entitled to input tax credits for GST paid in respect of the services provided to it, the GST expense of the fund will be reduced proportionately.

Tax File Number (TFN) and Australian Business Number (ABN)

It is not compulsory for a unitholder to quote their TFN or ABN when applying for units in the fund nor is it an offence to decline to do so. However, tax will be deducted from the income distributions made to a unitholder at the highest marginal tax rate plus Medicare levy if a unitholder does not provide a TFN or claim an exemption.

Borrowing

The fund can borrow but we have no current intention to do so.

Voting policy

We are supportive of IFSA's corporate governance principles and disclosure of voting standards. You can obtain a copy of the Manager's voting policy and an annual voting record from our office.

Responsible Entity

Our role as the Responsible Entity of the fund includes:

- holding the fund's property on trust for the unitholders in the fund;
- managing and investing the fund's property;
- ensuring scheme property is managed and dealt with in accordance the fund's constitution and the Corporations Act; and

We may delegate these roles but remain responsible to unitholders when we do so.

Custody

We have appointed JPMorgan Chase Bank, N.A. ABN 43 074 112 011 AFSL 238367 to hold the fund's assets. We will pay JPMorgan a fee for acting as the fund's custodian. This fee is not an additional fee to you and is included in the management costs described on page 5.

Constitution

Our relationship with you is governed by this PDS, the fund's constitution, the Corporations Act and other laws such as the general law relating to trusts and legislation about the duties of trustees.

When you want to know your rights, the first place to look is the fund's constitution. You can inspect a copy of the constitution at ASIC or our head office or request a copy by contacting us as per the contact details on page 12. This PDS sets out some of the material provisions of the constitution.

Your rights and obligations

Generally the constitution:

- defines the nature of units: each unit confers an equal undivided interest in the assets of the fund;
- sets out your rights to receive distributions of any income of the fund;
- defines your rights to withdraw from the fund;
- defines what you are entitled to receive when you withdraw from the fund;

- defines when the fund may be wound up and what you are entitled to receive on winding up;
- states that your liability is generally limited to the amount, if any, which remains unpaid on your units. However, higher courts are yet to determine the effectiveness of these type of provisions;
- states the quorum required for unitholder meetings. Your rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act; and
- contains procedures for how we deal with complaints.

Our rights and obligations as Responsible Entity

In relation to our powers, duties and liabilities as Responsible Entity of the fund, the constitution:

- allows us to refuse applications for units, in whole or in part, at our discretion and without giving reasons;
- allows us to set a minimum investment to be made in the fund;
- allows us to extend the period for redemption of units in circumstances which are outside our control;
- provides that, unless the Corporations Act imposes liability, we are not liable in contract, tort or otherwise to unitholders for any loss suffered in any way relating to the fund;
- allows us to change the constitution, but only with unitholders' approval if the change would adversely affect the rights of unitholders;
- allows us to charge fees (described on page 5) and recover all expenses we incur in the proper performance of our duties in respect of the fund; and
- gives us the right to terminate the fund by notice to unitholders and then sell the fund's investments, pay expenses and pay unitholders their share of net proceeds if any.

Please note this is not an exhaustive list of our rights under the constitution.

Compliance plan

The fund's compliance plan describes the procedures we apply in operating the fund to ensure compliance with the Corporations Act and the fund's constitution. A compliance committee oversees our procedures for complying with the compliance plan, the constitution and the Corporations Act.

Anti-Money Laundering (AML) / Counter Terrorism Financing (CTF)

As part of our commitment to Australian and international AML/CTF standards, we will fulfil our legal obligations as required. If your application form is incomplete and does not allow us to fulfil these legal obligations, the processing of your application may not proceed until it has been completed in full. Please see page 14 for further details.

If you have a complaint

Indirect investors

If you are investing through a master trust or Wrap account, please contact the operator.

Direct investors

We have procedures in place to properly consider and deal with any enquiries and complaints.

If you have a complaint, it should be made in writing to:

The Complaints Officer
Macquarie Investment Management Limited
GPO Box 1459, Brisbane QLD 4001

We will always acknowledge any complaint in writing and respond within 45 days. MIML is a member of the Financial Ombudsman Service (FOS). FOS is an independent external complaints resolution scheme. If you are not satisfied with the response from us, you can contact FOS on 1300 780 808 and quote our membership number 10635, or write to FOS at:

Financial Ombudsman Service (FOS)
GPO Box 3
MELBOURNE, Victoria, 3001

Telephone recording policy

You should be aware that we may record all of our telephone conversations with you relating to your investment in the fund. In applying for this fund, you consent to the recording of our telephone conversations with you. The application form includes an acknowledgement to this effect.

Disclosure of personal information

Indirect investors

We do not collect or hold your personal information in connection with your investments in the fund.

Direct investors

By completing the application form accompanying this offer document you agree to us collecting, holding and using personal information about you to process your application, and administer and manage the products and services we provide to you. This includes monitoring, auditing and evaluating those products and services, modelling data, data testing, communicating with you and dealing with any complaints or enquiries.

You need not give us any personal information requested in the application form or in any other document or communication relating to the products or services we supply you. However, without this information, we may not be able to process your application or provide you with an appropriate level of service.

You agree to allow us to provide access to your personal information to other companies in the Macquarie Group as well as external service providers, which provide services in connection with our products and services, for example mailhouses or professional advisers. If a financial adviser's stamp appears on the application form we will supply that financial adviser with information about your investments.

We may also disclose your personal information:

- if, acting in good faith, we believe that the law requires or permits us to do so;
- if you consent; or
- to any person proposing to acquire an interest in our business.

We and other companies in the Macquarie Group may use your personal information to offer products or services that may be of interest to you unless you request us not to.

Under the Privacy Act 1988, you may request access to your personal information that we hold. You can contact us to make such a request or for any other reason relating to the privacy of your personal information by telephoning us on 1800 806 310 or writing to:

The Privacy Officer
Macquarie Investment Management Limited
GPO Box 1459, Brisbane QLD 4001

Macquarie's privacy statement and details on how you may access or update your personal information can also be found at www.macquarie.com.au/personal

Facsimile and email instruction conditions for direct investors

Macquarie offers a facsimile instruction service to direct investors, which allows you to fax us instructions about your account. With respect to email instructions for redemptions, we will only accept emails that include a scanned instruction bearing your signature, name and account details. Only the original document of the application form will be accepted. This service will save you time and allow you to use your account more effectively. By using our facsimile or email instruction service you release us from, and indemnify us against, all losses and liabilities arising from any payment or action we make based on any instruction (even if not genuine) that we receive by email and facsimile bearing your account number, a signature apparently yours or that of an authorized signatory on the account. You also agree that neither you nor anyone claiming through you has any claim against us, the fund, or any member of the Macquarie Group in relation to these payments or actions.

If you do not want the facsimile and email instructions service to apply to your account you must notify us in writing. Please be careful! There is a risk that fraudulent facsimile and email withdrawal requests can be made by someone who has access to your account number and a copy of your signature. We reserve the right to add further requirements at any time.

Dealing with other Macquarie entities

When the Manager invests for the fund it deals with professional organisations in the execution of transactions which may include Macquarie Group companies. We and the Manager can trade the fund's investments with Macquarie Group companies unless we believe the investments are not in the best interest of the investors. These professional organisations may receive commissions at prevailing market rates for the execution of transactions. All transactions are conducted at arm's length terms.

About this document

If you received this document electronically we will provide a paper copy free if you ask us. This document can only be used by investors receiving it (electronically or otherwise) in Australia.

Online access – transact@macquarie

Indirect investors

If you are investing through a Wrap account, please contact the operator.

Direct investors

transact@macquarie offers online access to your investment information including your account balance, a summary of your transactions, and income received. You can view and print a full list of your transactions and view details of pending transactions. You will receive a Macquarie Access Code (MAC) and password when you make your initial investment, so that you can enjoy the convenience of this online service. The transact@macquarie terms and conditions are available at www.macquarie.com.au

Please make sure you complete section 24 of the application form if you already have a MAC, so that your existing accounts can be linked.

If you are the registered adviser of a direct investor, and do not already have access to view your clients accounts online, please contact 1800 808 508 if you would like to organise online access.

How to contact Macquarie

Financial Advisers



Phone 1800 214 616



www.macquarie.com.au/professionalservices

Institutional investors



Phone 02 8232 3505

Master trusts and wrap operators



Phone 1800 214 616

Prospective investors



Call your financial adviser
or Macquarie on 1800 214 616

Macquarie Professional Series



Fax 1800 219 334



GPO Box 2912, Brisbane QLD 4001



professionalservices@macquarie.com



www.macquarie.com.au/professionalservices

How to complete the application form

The application form is attached on pages 19 – 24. This needs to be completed in full and returned as per the contact details at the top of the application form in order to invest in the fund. Please refer to page 7 for further details about 'How to invest' in the fund.

Who can invest in the fund?

- individuals 18 years old and over;
- companies;
- incorporated bodies (e.g. strata bodies corporate, trade union); or
- trustees of other entities (e.g. superannuation funds).

For applications with three or more applicants, please complete and attach a copy of the application form with the additional applicants' details.

Addresses

We have included a space for you to complete your address on the application form. Please note we are also required to collect your residential address. If your mailing address is care of a third party such as your adviser, please be aware that all correspondence will be sent to this address.

Who should sign?

The individual(s) in whose name the investment is held should sign. Joint applicants will be deemed to be holding units in the fund as joint tenants. Company, incorporated association or body corporate applications must be signed by:

- two officers (e.g. two directors or a director and secretary);
- as required by the constitution or rules of the company or body (e.g. under seal witnessed by two officers); or
- signed by one director for a single director company.

Additional documentation may also be required for applications in the name of a company, incorporated association or body. Please see page 16 for further details.

Financial advisers' stamps

If a licensed or appropriately authorised financial adviser's stamp appears on the application form we will supply them with information about your investment unless you instruct us not to do so. When you complete this form, please:

- use a black or blue pen
- write in BLOCK LETTERS
- answer all sections
- sign the back page

- make cheque payable to:

'MIML – IFPGFF A/C <Full account name>'

e.g. 'MIML – IFPGFF A/C John Citizen and Sample Citizen ATF Citizen Super Fund.'

- mail your cheque and application form to:

**Macquarie Professional Series
GPO Box 2912, Brisbane QLD 4001**

If you make an error please do not use correction fluid. Instead cross out your mistakes and initial your amendments.

If paying by bank cheque please ensure the applicants name is in the cheque payee or that proof of purchase is attached.

Signing under Power of Attorney

If you are signing under power of attorney, please provide identification (e.g. driver's licence) with an attached original certified copy of the power of attorney and specimen signature(s) of the attorney(s) if not displayed in the document.

A certified copy is a copy which is certified as being a true and accurate copy of the original by a Justice of the Peace or a professional such as, a lawyer or doctor. Please see page 15 for further details.

Opening an account for a minor

If you are opening an account on behalf of a minor (i.e. acting as trustee) you are required to quote your Tax File Number (TFN) or exemption reason to prevent TFN withholding tax being deducted from the investment income. A minor's TFN will not be accepted.

If it is a formal trust that includes a minor, only the trusts TFN is required, or the exemption reason to prevent TFN withholding tax being deducted from the investment income.

If you are making an investment on behalf of a minor or another entity, you are required to provide supporting documentation.

Non-resident clients

All non-resident clients must complete the Non-resident Power of Attorney form, available from us. Please contact us as per the contact details on page 12.

What if not all sections are completed

We will endeavour to open your account as soon as possible. In some circumstances, where questions are not completed, we will not be able to open your portfolio until such time as this information is provided/completed. If we do not receive completed documentation within 30 days, money will be returned. If your application form is incomplete and does not allow us to fulfil our AML/CTF legal obligations as below, the processing of your application may not proceed until it has been completed in full.

Anti-Money Laundering (AML) / Counter Terrorism Financing (CTF) and Identification Forms

As part of our commitment to Australian and international AML/CTF standards, we will fulfil our legal obligations as required. This includes collecting additional information from investors to facilitate our compliance with AML/CTF Laws.

Identification forms

The 'Account types and application requirements table' on page 16 provides an overview of the Identification Forms specific to each entity applying for a product/service. To help ensure the correct documentation is supplied, please find further information regarding these forms and supporting documentation required prior to your account being opened.

When do I need to provide an identification form?

You must supply an identification form unless:

- you were an existing MIML account holder (for example, a Macquarie Professional Series or Macquarie CMT Account) on 12 December 2007 and your account is still open; or
- you have already supplied an IFSA/FPA identification form since 12 December 2007 for a Macquarie Professional Series or Macquarie CMT account.

This also applies to individuals who are authorised third party signatories on your account.

Why do I need to provide identification?

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 requires the collection and verification of specific information from clients.

Which identification form should I use and what do I need to do?

This will depend on the type of account you are opening and whether or not you are being identified through an authorised Financial Adviser. Please see following.

Identification through an authorised Financial Adviser

If you are being identified by your Financial Adviser, then your adviser will need to:

- Complete the relevant IFSA/FPA Identification form for the type of account you are opening (see the 'Application types and application requirements table' on page 16 for details of the form you will need to complete). The IFSA/FPA Identification form for Individuals & Sole Traders can be found on pages 27–28. All other IFSA/FPA forms are available from www.macquarie.com.au/idforms
- Verify certain identification documents, such as your passport or driver's licence. Each form has different requirements which are specified on the form.
- Send a copy of the completed form to us with your application form.

Can I be identified without an adviser?

If you are not being identified by an authorised Financial Adviser, then you will need to:

- Use the relevant Identification Verification Form for the type of account you are opening. All Identification Verification forms are available from www.macquarie.com.au/idforms. The required identification form for Individuals and Sole Traders can be found on page 25.
- Provide original or certified copies of the supporting identification documentation, such as passport or driver's licence, to the checking officer who will complete the form. Details of the supporting identification documentation required for each form are specified on the form.
- If you are an individual or sole trader you can take the form found at page 25 with the supporting identification documentation to an Australia Post office or Macquarie office, where the form can be completed and the supporting identification documentation verified. Alternatively, mail the form and certified copies of the supporting identification documentation to us.
- If the account is for another type of entity, such as a company, visit a Macquarie office or mail the form and certified copies of the supporting identification documents to us.

Guidance notes for certification

1. What is a certified copy?

A certified copy is a document that has been certified as a true and accurate copy of the original document by one of the following persons listed below. The authorised person should also print their name and position and if possible affix an official stamp.

- An officer with, or authorised representative of, a holder of an Australian Financial Services Licence (AFSL), having 2 or more continuous years of service with one or more licensees.
- Finance company officer with 2 or more continuous years of service with one or more finance companies (for the purposes of the Statutory Declaration Regulations 1993).
- An officer with 2 or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993).
- A permanent employee of the Australian Postal Corporation with 2 or more years of continuous service who is employed in an office supplying postal services to the public.
- An agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public.
- A Justice of the Peace.
- A person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described).
- A judge of a court.
- A magistrate.
- A chief executive officer of a Commonwealth court.
- A registrar or deputy registrar of a court.
- An Australian police officer.
- An Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular Fees Act 1955).
- A member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership.
- A notary public officer (for the purposes of the Statutory Declaration Regulations 1993).

2. Offshore certification

In the case of individuals and companies based offshore who cannot have documents certified by an Australian person as listed above, it is acceptable to accept certification completed by the international equivalent of the above listed person.

However, where the applicant is based in a jurisdiction of extreme/high risk, we will request additional information and identification to ensure we are reasonably satisfied that an applicant is who they claim to be.

Anti-Money Laundering and Counter-Terrorism Financing Act 2006 – terms and conditions

- (a) You must not knowingly do anything to put MIML in breach of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, rules and other subordinate instruments (AML/CTF Laws). You agree to notify MIML if you are aware of anything that would put MIML in breach of AML/CTF Laws.
- (b) If requested, you agree to provide additional information and assistance and comply with all reasonable requests to facilitate MIML's compliance with AML/CTF Laws in Australia or an equivalent overseas jurisdiction.
- (c) You represent and warrant that you are not aware and have no reason to suspect that:
 - the money used to fund the investment is derived from or related to money laundering, terrorism financing or similar Illegal Activities; and
 - proceeds of investment made in connection with this product will fund illegal activities.
- (d) MIML are subject to AML/CTF Laws. In making an application pursuant to these terms and conditions, you consent to us disclosing in connection with AML/CTF Laws any of your Personal Information (as defined in the Privacy Act 1988 (Cth)) we have.
- (e) In certain circumstances we may be obliged to freeze or block an account where it is used in connection with Illegal Activities or suspected Illegal Activities. Freezing or blocking can arise as a result of the account monitoring that is required by AML/CTF Laws. If this occurs, we are not liable to you for any consequences or losses whatsoever and you agree to indemnify us if we are found liable to a third party in connection with the freezing or blocking of your account.
- (f) MIML retain the right not to provide services/issue products to any applicant that MIML decides, in their sole discretion, that they do not wish to supply.

Account types and application requirements table¹

Account Type	Whose name must the account be in	Who signs	Which Identification form do I need to provide? ²	What additional documentation do I need to provide? ³	Complete application form sections (names are used as examples only)
Individual	The individual	The individual investor	Individuals & Sole Traders Identification Form ⁴	Supporting Identification Documentation.	2(a) John Citizen
Joint	Each individual investor	All investors	Individuals & Sole Traders Identification Form ⁴	Supporting Identification Documentation.	2(a) John Citizen 2(b) Mary Citizen
Sole Trader	The individual trading as the business name	The Sole Trader	Individuals & Sole Traders Identification Form ⁴	Supporting Identification Documentation. Copy of Registration of Business Name.	2(a) John Citizen 4 John Citizen Cleaning Services
Deceased Estate (Executor)	The executors of the estate	All executors	Individuals & Sole Traders Identification Form ⁴	Supporting Identification Documentation. A certified copy ⁵ of the grant of probate or Letters of Administration.	2(a) John Citizen 4 Estate of the late Agnes Citizen
Trusts (including Superannuation funds)	The trustees and the name of the trust ⁵	All trustees (refer to Company account type where a corporate trustee)	Trust Identification Form	Supporting Identification Documentation Copy of an up to date extract ⁷ of the trust deed. The extract should include pages which: – Show the trust name – Show the trustee's name(s) – Show the trustee's signature(s) with witness' signatures. Please note that if the trustee is a Company, the Company Identification form will also be required. Each signatory on the account must provide an Individual/Sole Trader Identification Form. This is not required for signatories who have already provided this or for those signatories who have a Macquarie CMT account which was held on 12 December 2007 and is still open.	<i>Individual trustees</i> 2(a) John Citizen 2(b) Mary Citizen 4 Citizen Superannuation Fund <i>Corporate Trustee Directors</i> 2(a) John Citizen 2(b) Mary Citizen 3 John Citizen Pty Limited 4 Citizen Family Trust
Custodian accounts (including Margin Lending)	The name of the custodian/margin lender on account.	The Margin Lender	Not applicable, unless otherwise advised by MIML	Supporting Identification Documentation. A copy of the POA or lending agreement.	MML Custodian account – John Citizen Pty Ltd
Company (Incorporated)	The name of the company	Two officers (e.g. directors, or a director and secretary) As required by the constitution/rules of the company or body, or By one director for a sole director company	Company Identification Form	Supporting Identification Documentation. Copy of Certificate of Incorporation. Each signatory on the account must provide an Individual/Sole Trader Identification Form. This is not required for signatories who have already provided this or for those signatories who have a Macquarie CMT account which was held on 12 December 2007 and is still open.	Directors 2(a) John Citizen 2(b) Mary Citizen 3 ABC Pty Limited

Account types and application requirements table¹ (continued)

Account Type	Whose name must the account be in	Who signs	Which Identification form do I need to provide? ²	What additional documentation do I need to provide? ³	Complete application form sections (names are used as examples only)
Business (Unincorporated)	The proprietor trading as a business name	Two officers (e.g. directors, or a director and secretary) As required by the constitution/rules of the company or body, or By one director for a sole director company	Company Identification Form	Supporting Identification Documentation. Copy of Certificate of Business Registration, listing the Proprietors. Each signatory on the account must provide an Individual/Sole Trader Identification Form. This is not required for signatories who have already provided this or for those signatories who have a Macquarie CMT account which was held on 12 December 2007 and is still open.	<i>Directors</i> 2(a) John Citizen 2(b) Mary Citizen 4 Citizen Garden Equipment
Incorporated Body or Registered Co-operatives	The name of the incorporated body	Appointed officers Applications must be completed under common seal and witnessed by two officers of the incorporated associations (Officers must specify their corporate title)	Either an Association or a Registered Co-operative Identification Form	Supporting Identification Documentation. Copy of the Certificate of Registration. Copy of signed meeting minutes that show which officers can open and operate the portfolio. Each signatory on the account must provide an Individual/Sole Trader Identification Form. This is not required for signatories who have already provided this or for those signatories who have a Macquarie CMT account which was held on 12 December 2007 and is still open.	Appointed Officer(s) 2(a) John Citizen 2(b) Mary Citizen 3 XYZ Sample Inc.
Unincorporated Body or Association or Registered Co-operatives	Appointed officers on behalf of the unincorporated body	Appointed officers (officers must specify their title)	Either an Association or a Registered Co-operative Identification Form	Supporting Identification Documentation. Copy of signed meeting minutes that show which officers can open and operate the portfolio. Each signatory on the account must provide an Individual/Sole Trader Identification Form. This is not required for signatories who have already provided this or for those signatories who have a Macquarie CMT account which was held on 12 December 2007 and is still open.	2(a) John Citizen 4 Sample Under 10 Soccer Club
Investing for a child under the age of 18	The trustees ⁶ of the trust (the parent or guardian) as trustee for the child	Parent/Guardian	Individuals & Sole Traders Identification Form ⁴	Supporting Identification Documentation. Copy of minor's birth certificate.	2(a) John Citizen 2(b) Mary Citizen 4 Baby Citizen
Partnership	The principals of the partnership	The partners	Partnership Identification Form	Supporting Identification Documentation. Copy of an extract ⁷ of the partnership deed, showing the names of the partners or Certificate of Partnership Registration or Business Name Certificate. Each signatory on the account must provide an Individual/Sole Trader Identification Form. This is not required for signatories who have already provided this or for those signatories who have a Macquarie CMT account which was held on 12 December 2007 and is still open.	2(a) John Citizen 2(b) Mary Citizen 4 Sample & Associates

¹ Foreign documentation: Where any document relied on as part of the procedure is in a language that is not English, it must be accompanied by an English translation prepared by an accredited translator.

² If you are not using the IFSA/FPA Identification forms, you will be required to provide additional identification documentation. Please refer to www.macquarie.com.au/idforms for further information. Additional documentation may be required in some circumstances. We reserve the right to vary these requirements.

³ Additional documentation may be required in some circumstances. We reserve the right to vary these requirements. For 'Supporting Identification Documentation' requirements refer to the relevant identification form.

⁴ Identification forms for individuals and sole traders are included in this PDS. If you are being identified by a Financial Adviser please use the 'IFSA/FPA Identification Form' attached on pages 27–28. If you are not being identified by a Financial Adviser please use the 'Individual Identity Verification Form' attached on pages 25–26.

⁵ A certified copy is a copy which has been certified as being a true and accurate copy of the original by an authorised person. A list of authorised persons can be found on page 26.

⁶ Applications in the name of the trust, and not including trustee(s), will not be accepted.

⁷ Please note that we only require an extract and not the full document.

How to contact Macquarie

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Phone 1800 214 616



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Institutional investors



Phone 02 8232 3505

Master trusts and wrap operators



Phone 1800 214 616

Prospective investors



Call your financial adviser or Macquarie on 1800 214 616



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