

# BLUEPRINT

van Eyk Blueprint Balanced Fund

## Product Disclosure Statement

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Issuer: Macquarie Investment Management Limited  
ABN 66 002 867 003  
AFS Licence Number 237492  
ARSN 103 446 877  
APIR code MAQ0290AU  
Dated 17 October 2008

**Investments in the van Eyk Blueprint Balanced Fund (the Fund) are not deposits with or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 or any Macquarie Group company and are subject to investment risk, including possible delays in repayment and loss of income and principal invested. Neither Macquarie Bank Limited 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.**

Macquarie Investment Management Limited (Macquarie) is the issuer of this Product Disclosure Statement (PDS). This offer is only open to persons receiving this PDS as a hard copy or electronically within Australia.

This PDS contains general advice only and has been prepared without taking into account any investor's personal objectives, financial situation or needs. Investors should read the PDS carefully and assess whether the information is appropriate for them in respect of their personal objectives, financial situation and needs. It is encouraged that investors talk to a financial adviser before making an investment decision.

In this PDS, an administration service or an investor directed portfolio service such as a master trust, wrap account or nominee service is referred to as an 'IDPS'. The trustee or operator of the IDPS is referred to as an 'IDPS operator'.

Macquarie consent to the use of this PDS by IDPS operators that include the Fund on their investment menus.

If you are printing an electronic copy of this PDS, you must print all pages including the application form. If you make this PDS available to another person, you must provide them with the entire electronic file or print out, including the application form. Where information changes and a supplementary PDS is not required to be provided to investors, this information will be updated by publishing changes on the website [www.blueprint.vaneyk.com.au](http://www.blueprint.vaneyk.com.au). A paper copy of this PDS (and any supplementary documents) can also be obtained free of charge on request by calling Macquarie Funds Group Client Service 1800 814 523 or contacting your IDPS operator or financial adviser.

# van Eyk Blueprint Balanced Fund

## Supplementary Product Disclosure Statement (SPDS)

Dated 4 December 2008

ARSN 103 446 877

APIR code MAQ0290AU

**Issuer: Macquarie Investment Management Limited**

**ABN 66 002 867 003**

**AFS Licence Number 237497**

This SPDS, dated 4 December 2008, is supplemental to the Product Disclosure Statement dated 17 October 2008 for the van Eyk Blueprint Balanced Fund (PDS). The PDS and this SPDS should be read together.

**On page 2, under the section entitled 'Fees', the row entitled 'Management fee' is replaced with the following:**

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Management fee	0.85% to 1.28% pa of net asset value of the Fund (inclusive of the net impact of Goods and Services Tax (GST)). The estimated average management fee is 0.98% pa of net asset value of the Fund (inclusive of the net impact of GST). This deduction reduces the Fund's assets and is reflected in the Fund's unit price.	10
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**On page 3, under the section entitled 'Fees', the row entitled 'Buy/sell spread estimate' is replaced with the following:**

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Buy/sell spread estimate	+ 0.22% of unit price for applications and – 0.24% of unit price for redemptions.	12
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**On page 7, the following wording is now included underneath the diagram illustrating what the Fund invests in:**

**Note:** The above diagram illustrates what the Fund invests in and is indicative only. In addition to gaining exposure via underlying van Eyk Blueprint Series funds, the Fund may invest in other underlying funds or appoint investment managers directly.

On page 10 and 11, the table outlining 'Type of fee or cost' is replaced in its entirety with the following:

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the Fund</b>		
You may also incur a buy/sell spread <sup>1</sup> when your money moves in or out of the Fund.		
<b>Establishment fee</b> The fee to open your investment.	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment.	Nil	Not applicable
<b>Redemption fee</b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Termination fee</b> The fee to close your investment.	Nil	Not applicable
<b>Management costs</b>		
<b>The fees and costs for managing your investment<sup>2,3</sup></b>	<p><b>Management fee<sup>4</sup></b> 0.85% to 1.28% pa of net asset value of the Fund (inclusive of the net impact of GST). The estimated average management fee is 0.98% pa of net asset value of the Fund (inclusive of the net impact of GST).</p> <p><b>PLUS</b></p> <p><b>Normal expense recovery</b> Neither Macquarie nor van Eyk charges normal expenses. However, the Underlying Managers may charge expenses that are not included in the management fee. It is not possible to estimate these expenses. See page 12 for further information.</p> <p><b>PLUS</b></p> <p><b>Performance fee</b> For certain Underlying Funds, the relevant Underlying Manager may charge a performance fee. However, it is not possible to estimate what the performance fee will be.</p>	<p>Part of the management fee is payable to Macquarie, as Responsible Entity and to van Eyk, as Investment Manager. Macquarie and van Eyk's component accrues daily and is payable quarterly in arrears to Macquarie and monthly in arrears to van Eyk. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.</p> <p>The balance of the management fee is payable to each of the Underlying Managers. This component is accrued and payable in accordance with the constitution of each Underlying Fund. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.</p> <p>Where applicable, these costs are generally paid when incurred. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.</p> <p>For each Underlying Fund which charges a performance fee, this fee will accrue and is payable in accordance with the applicable investment terms. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.</p>
<b>Service fees<sup>5</sup></b>		
<b>Switching fee</b> This is the fee for when you switch between investment options. You may also incur a buy/sell spread when switching between investment options.	Nil	Not applicable

On page 11, the table outlining 'Example of annual fees and costs for the Fund' is replaced in its entirety with the following:

<b>Example</b>		<b>Balance of \$100,000 with total contributions of \$5,000<sup>1</sup> during year</b>
<b>Contribution fees<sup>2</sup></b>	Nil	For every additional \$5,000 you put in, you will not be charged a contribution fee.
<b>PLUS</b> management costs (management fee but not including performance fees or normal expense recovery) <sup>3</sup>	0.98% pa of net asset value of the Fund.	<b>And</b> , for every \$100,000 you have in the Fund, you will be charged \$980 each year.
<b>EQUALS cost of Fund</b>		If you had an investment of \$100,000 at the beginning of the year and you put in an additional \$5,000 during that year, you will be charged fees of \$980. <sup>3</sup>  <b>What it costs you will depend on the fees you may be able to negotiate with us.</b>

On page 12, under the section entitled 'Buy/sell spread estimate', the 4th paragraph is replaced in its entirety with the following:

The estimated buy spread is + 0.22% of the unit price for applications and the sell spread is - 0.24% of the unit price for redemptions (for example, \$220 for an application or \$240 for a redemption of \$100,000).

The information in this SPDS, dated 4 December 2008 is general information only and does not take into account your individual objectives, financial situation or needs. You should consider whether the Fund is appropriate for you in light of your objectives and circumstances.

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## Fund features at a glance

The table below is a summary of the key features of the van Eyk Blueprint Balanced Fund and a guide to where more detailed information can be found in this PDS.

About the Fund		Page
What type of investment is this?	A registered managed investment scheme.	04
Who is the Responsible Entity of the Fund?	Macquarie Investment Management Limited (Macquarie).	04
Who is the Investment Manager of the Fund?	van Eyk Research Limited (ABN 99 010 664 632 AFSL No. 237917) (van Eyk).	04
Who manages the Fund?	External underlying managers (Underlying Manager(s)) which are selected by van Eyk during the term of the Fund. At times van Eyk may also implement foreign currency management strategies if considered appropriate. For a description on how van Eyk selects Underlying Managers, please refer to the 'About the Underlying Managers' section.	04
What is the Fund's objective?	The Fund aims to provide investors with exposure to a diversified portfolio of cash, alternative assets, fixed interest securities, shares and property investments, both in Australia and internationally.	04
Commencement date of the Fund	21 February 2003.	
What is the suggested minimum investment timeframe?	5 years.	
What does the Fund invest in?	The Fund predominantly invests in a range of externally managed underlying funds (Underlying Fund(s)). These Underlying Funds provide exposure to cash, fixed interest, Australian shares, international shares, property investments and alternative assets predominately via underlying van Eyk Blueprint funds. The Fund may also invest in listed managed investments and derivatives. The allocation to each sector and each Underlying Manager is actively managed.	07
Minimum transaction and balance requirements		
<b>Direct investors</b>		16
Minimum initial investment	\$50,000	
Minimum additional investment	\$10,000	
Minimum balance	\$10,000	
<b>Indirect investors</b>	You should contact your IDPS operator for minimum transaction and balance requirements.	16
Fees		
Entry fee (referred to as a 'contribution fee')	No entry fee is payable.	10
Management fee	0.98% to 1.28% pa of net asset value of the Fund (inclusive of the net impact of Goods and Services Tax (GST)). The estimated average management fee is 1.13% pa of net asset value of the Fund (inclusive of the net impact of GST). This deduction reduces the Fund's assets and is reflected in the Fund's unit price.	10
Performance fee	For certain Underlying Funds, the relevant Underlying Manager may charge a performance fee. However, it is not possible to estimate what the performance fee will be. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.	11
Normal expense recovery	Underlying Managers may incur additional costs that are not included in the management fees. However, it is not possible to estimate these expenses. Where applicable, these costs are generally paid when incurred. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.	11
Exit fee (redemptions fee)	No exit fee is payable.	10

Fees (continued)		Page
Switching fee	No switching fee is payable.	11
Buy/sell spread estimate	+ 0.20% of unit price for applications and – 0.20% of unit price for redemptions.	12

Risks		Page
There are a number of risks that may affect the value of your investment. At the date of this PDS, some of the key risks include, but are not limited to, the following:	<p><b>Volatility risk.</b> The price of the Fund's investments or the unit price of the Fund itself may go up and down by a marked amount, even over a short period of time. Since July 2007 equity markets have generally fallen and have become more volatile; indeed volatility in some markets is at very high levels. Investing in such highly volatile conditions implies a greater level of risk for investors than an investment in a more stable market. Historically volatility in emerging markets has been higher than in developed markets. You should carefully consider this additional volatility risk before making any investment in the Fund.</p> <p><b>Fixed income sector risk</b> exists for this fund as it may gain exposure to fixed income securities issued by various organisations, including corporate and Government entities.</p> <p><b>Share market risk</b> broadly refers to the potential for changes in share prices to result in the loss in the value of your investment in the Fund.</p> <p>For a full description of these and some other significant risks please see section entitled 'The Risks' which begins on page 8. You should read the risks section in full and seek your own professional advice in relation to an investment in the Fund.</p>	8

Distributions		Page
Frequency	6 monthly.	18

Unit pricing		Page
Frequency	Daily.	18

Cooling off period		Page
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<b>Direct investors</b>	<p>If you are a Retail Client (as defined in the Corporations Act 2001 (Cth) (Corporations Act)) and invest directly into the Fund but decide the Fund is not suitable, you may request a redemption of your units during the 14 day cooling off period.</p> <p>The cooling off period commences when you receive your transaction confirmation or 5 business days after your units are issued, whichever is earlier.</p>	17
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<b>Indirect investors</b>	You should consult your IDPS operator about any cooling off rights you may have.	
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van Eyk Blueprint contact details	
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Macquarie Funds Group website	www.macquarie.com.au/mfg
van Eyk Blueprint website	www.blueprint.vaneyk.com.au
Mail	PO Box R1723 Royal Exchange NSW 1225

## About the Fund

The Fund aims to provide access to a diversified portfolio of growth assets, including alternative assets, with moderate exposure to income-based investments, predominantly by investing in a range of specialist Underlying Managers which are highly regarded by van Eyk. The Fund aims to return a balanced level of income and capital growth. It is not a suitable short term investment.

## About Macquarie



Macquarie Investment Management Limited (Macquarie) is part of the Macquarie Funds Group, a division within Macquarie Group. As a full service fund manager with over 25 years experience, Macquarie Funds Group offers a diverse range of products including managed funds across a wide range of asset classes, funds-based structured products, hedge funds and funds of funds.

The Macquarie Group is a global provider of banking, financial, advisory, investment and funds management services. Headquartered in Australia, the Macquarie Group operates in more than 60 office locations in 25 countries and employs more than 13,000 people, as at the date of this PDS.

## About van Eyk



van Eyk, established in 1989, is a leading provider of investment research to the Australian financial planning industry.

As well as Underlying Manager selection, van Eyk specialises in investment research relating to portfolio construction and management, asset allocation and direct share research. van Eyk is independently owned and receives no payment from fund managers for their ratings.

Macquarie has appointed van Eyk as Investment Manager to advise in the construction of the Fund's portfolio and the selection of the Underlying Managers. van Eyk provides direction on the proportion of the Fund allocated to each asset class and to each Underlying Manager, in accordance with their research views.

## About the Underlying Managers

For an Underlying Manager to be selected by van Eyk, it must first be considered as highly regarded under one of the following categories:

1. the Underlying Manager must be rated A or AA<sup>1</sup> by van Eyk; or
2. in a sector where A or AA rated Underlying Managers do not exist, the Underlying Manager must be rated BB<sup>2</sup> by van Eyk. However, van Eyk must also consider that the investment environment is favourable to that sector for the Underlying Manager to be selected; or
3. if an Underlying Manager in the Portfolio has been downgraded to a BB, van Eyk may elect to hold interests in that Underlying Manager if, in van Eyk's opinion, that Underlying Manager may benefit from the investment environment or to manage portfolio turnover; or
4. where the investment research has been undertaken by one of van Eyk's Alliance Partners, the Underlying Manager must be 'Endorsed'<sup>3</sup> by van Eyk; or
5. a 'high conviction' candidate that falls outside of the review process, referred to as 'Analyst Expression'<sup>4</sup>; or
6. index strategies.

The Fund may include well known Underlying Managers as well as boutique strategies not normally available to retail investors.

## Investment strategy

The Fund aims to provide investors with a diversified portfolio with access to multiple asset classes and Underlying Managers which are highly regarded by van Eyk through 1 investment.

van Eyk is responsible for the Fund's selection of Underlying Managers, asset allocation and currency and commodities management. The Fund is constructed to provide exposure to a blend of highly regarded Underlying Managers with complementary styles. In certain circumstances (such as those where a suitable Underlying Manager cannot be identified), van Eyk may obtain direct market exposure to a sector on behalf of the Fund by investing in financial instruments including, but not limited to, index products.

- 1 An Underlying Manager rated A or AA above has identifiable strengths in their people, process and business management and the ability to outperform the applicable benchmark (in comparison to other van Eyk rated managers) over a 3 year horizon.
- 2 An Underlying Manager rated BB above has some identifiable strengths with regard to people, process and business management.
- 3 An Underlying Manager which is 'Endorsed' has been rated highly enough by one of van Eyk's alliance research partners and van Eyk endorses it as a highly regarded investment vehicle.
- 4 Where an Underlying Manager is included under the 'Analyst Expression' category, van Eyk may make a tactical allocation to a maximum of 25% within the Fund. This category allows candidates in whom van Eyk's analysts have a high level of conviction, that fall outside the normal review process, to be included in the Fund.

Additionally, van Eyk's input to this Fund includes an emphasis on industry-trained analysts, a focus on qualitative factors in Underlying Manager assessment and incorporation of active style management into the portfolio construction process. van Eyk defines active style management as the blending of Underlying Managers with different investment styles to suit, in van Eyk's opinion, different market conditions.

## Portfolio construction

The Fund's portfolio is constructed in line with van Eyk's research views, which can be summarised as:

- > Investing through Underlying Managers who van Eyk consider to be highly regarded and are expected to outperform, relative to other rated managers, over the next 3 years.
- > Blending quality Underlying Managers that have different investment approaches, as different styles perform better at different times.
- > Focusing on asset classes where Underlying Managers can add value, and indexing the efficient asset classes to reduce costs and indexing uniform asset classes.

An efficient asset class is one where van Eyk expects a small difference in return between the best and worst performing manager, for example cash. In an inefficient asset class van Eyk expects a large difference in return between the best and worst performing manager, for example Australian equities.

## Asset allocation

van Eyk adopts a unique and structured approach to strategic asset allocation. Strategic asset allocation is determined within a framework of 4 scenarios which are defined by different inflation environments. van Eyk assigns a probability to each scenario and this in turn, defines an expected risk and return profile for each asset class.

van Eyk is responsible for active asset allocation within and between asset classes, via active management of the Fund's overall investment style. While the Fund aims to be 'style neutral' over a cycle, at times it may exhibit 'value' or 'growth' biases, as well as capitalisation biases. Any biases within the Fund reflect van Eyk's investment outlook and current relative market valuations, as published in its subscription-based research for financial planners.

### van Eyk defines style neutral, value and growth as the following:

- > **Style neutral** managers are those that attempt to manage their portfolio with a balance of, or a flexible approach to, growth and value styles. Hence their portfolio will typically display more than 1 stock selection approach.
- > **Value** describes investment opportunities which arise when the price of an asset falls below an appraised value. Value investors tend to be counter-cyclical or contrarian as they tend to maintain their strategy until the value of the appraised value is recognised. Value may be measured by a number of indicators such as price earnings ratios or discounted cashflows.
- > **Growth**. This style favours investment in quality companies that have recorded, or are expected to record, strong growth. van Eyk measures quality in terms of historical growth of sales, earnings, book value, dividends, share price, balance sheet strength and competitive advantage. These criteria are assessed via analysis of a number of ratios for each company.

Asset sector	Minimum %	Maximum %	Neutral %
Australian equities	17	39	27
International equities	9	30	16
Listed Property and infrastructure <sup>1</sup>	5	17	10
Fixed interest	10	35	21
Alternative assets <sup>2</sup>	0	37	20
Cash	2	15	6

<sup>1</sup> Property may include investments in, but not limited to, listed property securities, global REITS, hybrid offerings, direct property exposure or combined diversified products.

<sup>2</sup> Potential for exposure to 4 core strategies: fund of hedge funds, alternate yield, commodities and gold.

## Underlying Manager selection

van Eyk's manager review process aims to be extensive, with a dedicated experienced Investment Research team that assesses the merits of the investment skill set of the Underlying Managers.

Where applicable, van Eyk reviews an Underlying Manager's people, processes and business management to arrive at a qualitative assessment of the Underlying Manager. van Eyk also makes an assessment of whether an Underlying Manager's style will be, what they consider, suitable to market conditions. This involves numerous on-site reviews of Underlying Managers, with van Eyk meeting with senior management, portfolio managers and those analysts considered crucial to the investment process.

Formal ratings are assigned at the end of the process and published on van Eyk's subscription-based website, iRate, for financial planners except for Underlying Managers selected for the portfolio under the Analyst Expression component. Only Underlying Managers considered as highly regarded in one of the categories detailed in the 'About the Underlying Managers' section can be eligible for appointment to the Fund.

van Eyk focuses its own research effort on areas of the market where it believes its research adds most value for its clients. van Eyk uses alliance partners to research investments that van Eyk itself does not cover but which are still of interest to some clients. van Eyk marks some of the products that have been researched by its alliance partners as 'Endorsed'.

The van Eyk endorsement process leading to an Underlying Manager which has been researched by an alliance partner being marked as 'Endorsed' by van Eyk is separate to the due diligence and ratings processes applied by van Eyk's own Investment Research team. The endorsement process is not comparable to the van Eyk manager review process. The endorsement process is based on endorsing only the Underlying Managers which only achieve high scores awarded by van Eyk's alliance partners. It relies almost entirely on these scores and research provided and performed by these alliance partners. van Eyk does not attempt to replicate or overlay this research.

van Eyk reviews the suitability of its alliance partners on a regular basis and also carries out periodic due diligence on each alliance partner. The van Eyk alliance partnerships are decided upon and chosen by van Eyk's directors to best meet the needs of van Eyk's business and its clients.

Within the Fund, van Eyk blends highly regarded Underlying Managers that have complementary investment styles. van Eyk aims to add value to the Fund by using, what they consider to be, an optimal number of Australian shares Underlying Managers and strategies.

The number of Underlying Managers per asset class varies depending on, in van Eyk's view, the efficiency of the asset class. van Eyk aims to add value to the Fund by using, what they believe to be, an optimal number of 'active' Underlying Managers within inefficient asset classes and a 'passive' Underlying Manager in efficient asset classes to save costs.

van Eyk has a process for Underlying Manager termination within the Fund. Underlying Managers that are downgraded are automatically reviewed for replacement. However, if an Underlying Manager in the portfolio has been downgraded, van Eyk may elect to hold interests in that Underlying Manager if, in van Eyk's opinion, that Underlying Manager may benefit from the investment environment or to manage portfolio turnover.

van Eyk defines 'active' and 'passive' management as the following:

- > **Active.** A style of investment management which seeks to attain returns above a set benchmark by asset allocation and stock selection.
- > **Passive.** A style of investment management where the manager seeks to mirror the composition of a given market or sector to match its return and risk characteristics.

## Currency management

van Eyk's currency hedging strategy for the Fund is aimed at preserving capital. van Eyk believes that there is scope to add value when the currency (Australian dollar relative to an MSCI weighted basket<sup>1</sup>) is significantly undervalued or overvalued against conventional valuation methodologies such as purchasing power parity.

Purchasing power parity is an economic theory which says that over the long term the price of a good in 1 country should equal the price of the same good in another country, exchanged at the current spot rate.

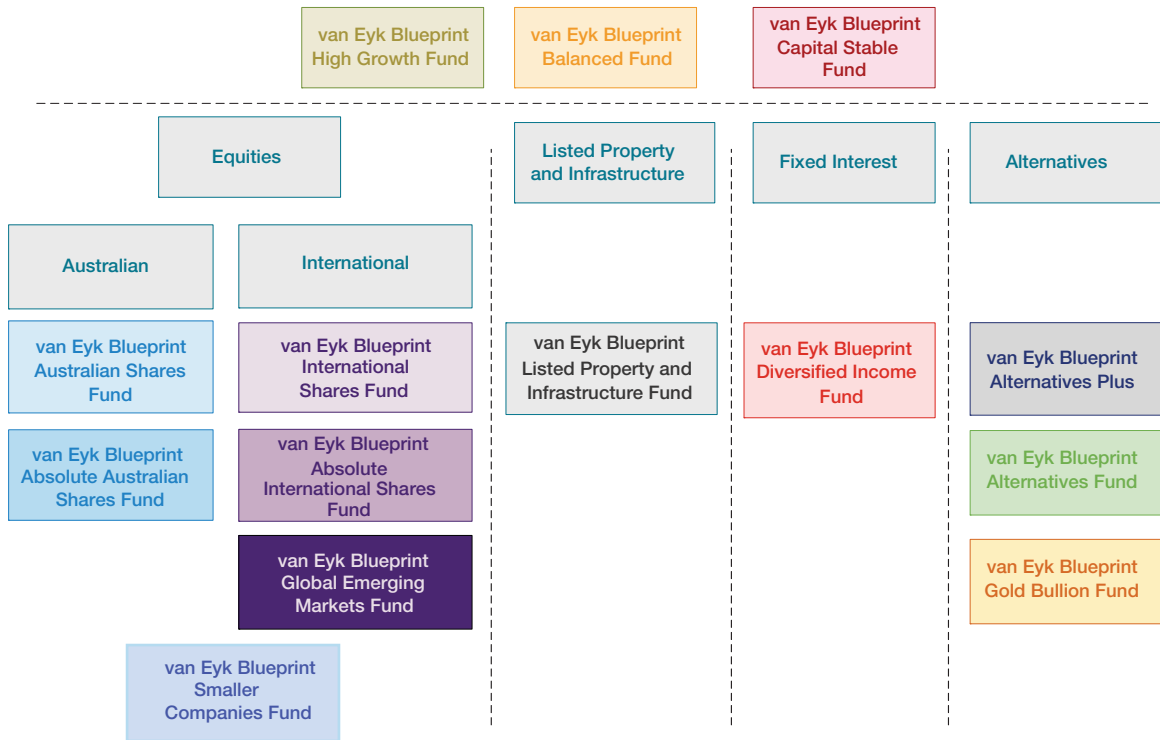
The default position for the Fund is an unhedged currency exposure. At times van Eyk may also implement foreign currency management strategies if considered appropriate. This is often called hedging. From time to time van Eyk may hedge the Fund's underlying currency exposures.

## Ethical investments

van Eyk's investment decisions are primarily based on economic factors and they do not specifically take into account labour standards or 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 investment, but no specific methodology is applied.

<sup>1</sup> van Eyk use a Morgan Stanley Capital International (MSCI) weighted basket as a proxy for the foreign currency exposure of the portfolio where the individual currency allocations match the composition of the MSCI World Ex Aust Accumulation Index (In \$A) or the MSCI World Small Cap Index.

The below diagram illustrates what the Fund invests in:



## What the Fund invests in

The Fund provides exposure to cash, fixed interest, Australian shares, international shares, property investments and alternative assets via underlying van Eyk Blueprint funds. The Fund may also invest in listed managed investments. The allocation to each sector and each manager is actively managed. The table below provides the strategic allocation and ranges for the asset allocation in the Fund.

### Use of derivatives

The Fund may use derivative securities such as forwards, futures, options and index-linked products:

- > as a hedge;
- > as an alternative to buying and selling the physical security;
- > to take advantage of opportunities for profit.

If van Eyk decide to use derivatives, they will ensure that the Fund can always meet its commitments without having to borrow.

## Fund performance

Performance history and Fund size information can be obtained from:

- > [www.blueprint.vaneyk.com.au](http://www.blueprint.vaneyk.com.au);
- > Macquarie Funds Group Client Service on 1800 814 523, 8.30am to 6.00pm Sydney time, Monday to Friday;
- > email at [vaneykblueprint@macquarie.com](mailto:vaneykblueprint@macquarie.com);
- > your IDPS operator and financial adviser.

To calculate the performance of the Fund, Macquarie complies with the standards set by the Investment and Financial Services Association (IFSA). Performance figures are calculated before tax and after deducting ongoing fees and expenses, using redemption prices, assuming that income is reinvested and that the investment is held for the full period. The performance figures are historical and past performance is not necessarily an indication of future performance. Returns can be volatile, reflecting rises and falls in the value of the underlying investments.

If you are investing through an IDPS, the net performance of your investment in the Fund may be different from the information Macquarie publishes, due to cash flows specific to your portfolio and any fees charged by the IDPS operator.

## The benefits

This Fund offers investors:

- > access to a diversified portfolio of assets including both growth securities and income securities;
- > active management of asset allocation according to van Eyk's views on the relative risk and returns of each asset sector; and
- > exposure to specialist Underlying Managers selected using van Eyk's research.

In general, managed funds (including this Fund) have certain advantages. They can:

- > allow access to investment opportunities, markets and diversity that are not accessible to all investors;
- > usually invest for less cost; and
- > have access to investment techniques that may not be available to all investors.

## The risks

There are risks associated with any investment. Generally, the higher the expected return of an investment, the higher the risk and the greater the variability of returns and the risk of loss of capital. No assurances or guarantees on future profitability and Fund returns, distributions and return of capital are provided.

The most common risks are described below, but there could be other risks that affect the performance of the Fund. You should seek your own professional advice on the appropriateness of this investment to your circumstances.

Please ensure that you consider the risks of investing in the Fund, including those set out below. As well as considering the risks, you should also consider how an investment in this product fits into your overall investment portfolio. By diversifying your investment portfolio, you may reduce your exposure to failure or underperformance of any one investment, manager or asset class.

**Volatility risk.** The price of the Fund's investments or the unit price of the Fund itself may go up and down by a marked amount, even over a short period of time. Since July 2007 equity markets have generally fallen and have become more volatile; indeed volatility in some markets is at very high levels. Investing in such highly volatile conditions implies a greater level of risk for investors than an investment in a more stable market. You should carefully consider this additional volatility risk before making any investment in the Fund.

**Fixed income sector risk** exists for this Fund as it may gain exposure to fixed income securities issued by various organisations, including corporate and Government entities. This sector exposes the Fund to the risk that changes in market yields will affect the value of its investments – an increase in interest rates leads to a reduction in the value of a fixed income investment, and vice versa. This risk

is usually greater for fixed interest investments that have longer maturities. Further to this, there is the risk that where the credit worthiness of particular borrowers (or within sectors as a whole) is perceived to have declined the value of securities issued by entity/sector may decline, potentially by a substantial amount.

**Share market risk** broadly refers to the potential for changes in share prices to result in the loss in the value of your investment in the Fund. This Fund primarily invests in securities that provide exposure to companies listed on share markets around the world and as a result is exposed to movements in their share prices. Factors that drive changes in share prices may include changing profitability of companies and the sectors and markets in which they operate, economic cycles, volume of share issuance, investor demand levels, business confidence and government and central bank policies.

**Property sector risk** arises from exposure to property related securities, such as domestic property stocks and global REITS, or direct property exposure. Such exposures have general equity market risk and security specific risks and may also be sensitive to other factors affecting the property sector. Economic variables such as the level of interest rates, occupancy rates and rental yields may affect property values and the value of property related securities. The Fund may seek to gain exposure to this risk with the aim of meeting its performance objectives, but this exposure may also lead to underperformance relative to other asset classes, or to the market.

**Alternative assets risk** arises through the Fund's allocation to alternative assets, such as commodities, fund of hedge funds and alternate yield. Alternative Underlying Managers may utilise leverage and other speculative investment practices that can increase the risk of investment loss. Investments may also be illiquid, with the consequence that the Fund may not be able to acquire or realise investments in Underlying Funds when required. Alternative asset sectors may also demonstrate high levels of price volatility and as such are generally regarded as having greater risk than traditional asset classes.

**Leverage risk** refers to this Fund being able to invest in Underlying Managers which can obtain a leveraged exposure to the market. Such investments generally involve a higher degree of risk than unleveraged investments as the return of the Underlying Managers are magnified. This may increase the risk of investment loss.

**Foreign investment risk** exists for those securities which are listed on foreign stock exchanges, as well as investments in Australian securities which have international operations. This risk exposes the investments of the Fund to a range of macroeconomic factors which are unique to the country of investment/operation, and may include factors such as political instability, differing tax or legal rulings and potentially rapid changes in asset prices (particularly for emerging economies).

**Currency risk** is the risk that fluctuations in exchange rates between the domestic and foreign currencies may impact the value of a fund's investments. The Fund may invest in Underlying Managers which return distributions and/or capital in currencies other than Australian Dollars. Such distributions and/or capital returns may be significantly affected due to movements in the exchange rate between the local currency and the Australian Dollar. Currency risk will aim to be reduced for this Fund as it will generally hedge any potential currency exposure.

**Manager risk** refers to the risk that this Fund will not achieve its performance objectives or not produce returns that compare favourably against its peers as a result of van Eyk's investment decisions. This may occur in situations where prevailing market conditions are not conducive to the investment style(s) of the selected Underlying Managers, or where van Eyk's allocations across Underlying Managers do not provide the returns expected.

**Underlying Manager risk** is present within this Fund as a range of external managers will be engaged to provide exposure to targeted asset classes or investment strategies. Neither van Eyk nor Macquarie will have input in to the investment decisions of the Underlying Manager. There is no guarantee that the returns of the Underlying Manager will be positive.

**Liquidity risk** exists when particular investments are difficult to purchase or sell, preventing a fund from closing out its position or rebalancing within a timely period and at a fair price. This could also include redeeming holdings with Underlying Managers who may impose liquidity provisions on the Fund's investment. While every effort is made for the Fund to be able to meet all redemptions, prevailing market conditions may result in the Fund not being able to meet all redemption requests when they are received.

**Derivatives risk.** Derivatives are leveraged instruments that are used to obtain or reduce market exposures. As the market value of derivatives is variable, gains or losses can be incurred and can be greater than unleveraged positions. The Fund may utilise derivatives in order to achieve its investment objectives. To reduce the risks of leverage, we ensure that short derivatives positions are backed by a matched amount of similar physical assets and long derivatives positions are backed by a matched amount of liquid assets such as cash equivalents.

**Counterparty default risk** is the risk of loss due to a counterparty not honouring a financial commitment. Counterparties to this Fund may include brokers of exchange traded derivatives, clearing brokers for exchange traded futures, foreign exchange counterparties, and money-market issuers.

**Investment objective risk** is the risk that an investor's objectives will not be met by their choice of investments. One measure of risk in an investment is the volatility of returns; the greater the volatility, the more likely that returns will differ from those expected over a given time period. Investments in equity securities are traditionally towards the higher end of the risk-return spectrum and resultantly may lead to fluctuations in the unit price and/or amounts distributed to unit holders, including fluctuation over the period between a redemption request being made and the time of redemption.

## Fees and other costs

The information in the tables below is required by law and is designed to help you better understand the fees and costs associated with the Fund.

### Did you know?

Small differences in both investment performance and fees and costs can have substantial impact on your long-term returns.

**For example, total annual fees and costs of 2% of your fund 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 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 Macquarie or your financial adviser.**

### To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website ([www.fido.asic.gov.au](http://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 that you may be charged. These fees and costs may be deducted from the returns on your investment or from the Fund's assets as a whole. Taxes are set out in the 'Tax' section of this PDS. You should read all of the information about fees and other costs, as it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the Fund</b>		
You may also incur a buy/sell spread <sup>1</sup> when your money moves in or out of the Fund.		
<b>Establishment fee</b> The fee to open your investment.	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment.	Nil	Not applicable
<b>Redemption fee</b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Termination fee</b> The fee to close your investment.	Nil	Not applicable
<b>Management costs</b>		
<b>The fees and costs for managing your investment<sup>2,3</sup></b>	<b>Management fee<sup>4</sup></b> 0.98% to 1.28% pa of net asset value of the Fund (inclusive of the net impact of GST). The estimated average management fee is 1.13% pa of net asset value of the Fund (inclusive of the net impact of GST).	Part of the management fee is payable to Macquarie, as Responsible Entity and to van Eyk, as Investment Manager. Macquarie and van Eyk's component accrues daily and is payable quarterly in arrears to Macquarie and monthly in arrears to van Eyk. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.  The balance of the management fee is payable to each of the Underlying Managers. This component is accrued and payable in accordance with the constitution of each Underlying Fund. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.

Management costs continued		
	<p><b>PLUS</b></p> <p><b>Normal expense recovery</b></p> <p>Neither Macquarie nor van Eyk charges normal expenses. However, the Underlying Managers may charge expenses that are not included in the management fee. It is not possible to estimate these expenses. See page 12 for further information.</p>	Where applicable, these costs are generally paid when incurred. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.
	<p><b>PLUS</b></p> <p><b>Performance fee</b></p> <p>For certain Underlying Funds, the relevant Underlying Manager may charge a performance fee. However, it is not possible to estimate what the performance fee will be.</p>	For each Underlying Fund which charges a performance fee, this fee will accrue and is payable in accordance with the applicable investment terms. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.
Service fees <sup>5</sup>		
<p><b>Switching fee</b></p> <p>This is the fee for when you switch between investment options. You may also incur a buy/sell spread when switching between investment options.</p>	Nil	Not applicable

<sup>1</sup> See 'Buy/sell spread' under section 'Additional explanation of fees and costs'.

<sup>2</sup> Additional fees may apply, as well as the abnormal expense recovery. See section 'Additional explanation of fees and costs'.

<sup>3</sup> This includes an amount payable to dealer groups, see 'Commissions' under section 'Additional explanation of fees and costs'.

<sup>4</sup> For sophisticated and professional investors these fees may be negotiated. See 'Differential fees' under section 'Additional explanation of fees and costs'.

<sup>5</sup> See 'Adviser service fee' under section 'Additional explanation of fees and costs'.

All fees in the table above are shown inclusive of GST, net of Reduced Input Tax Credits (RITCs).

## Example of annual fees and costs for the Fund

This table provides an example of how the fees and costs in the Fund can affect your investment over a 1 year period. You should use this table to compare the Fund with other managed investment products. The example assumes an account balance of \$100,000 invested in the Fund, assuming no variation in the value of your investment over this period. In practice:

- > the actual fee that is charged is based on the value of your investment;
- > your investment balance and the value of the Fund will vary daily;
- > the management fee is included in the Fund's return and is not an additional charge to you.

Example		Balance of \$100,000 with total contributions of \$5,000 <sup>1</sup> during year
<b>Contribution fees<sup>2</sup></b>	Nil	For every additional \$5,000 you put in, you will not be charged a contribution fee.
<b>PLUS</b> management costs (management fee but not including performance fees or normal expense recovery) <sup>3</sup>	Estimated at 1.13% pa of net asset value of the Fund.	<b>And</b> , for every \$100,000 you have in the Fund, you will be charged \$1,130 each year.
<b>EQUALS cost of Fund</b>		If you had an investment of \$100,000 at the beginning of the year and you put in an additional \$5,000 during that year, you will be charged fees of \$1,130. <sup>3</sup>  <b>What it costs you will depend on the fees you may be able to negotiate with us.</b>

<sup>1</sup> Macquarie is required to use examples based on an additional contribution of \$5,000. However, please note that the minimal additional investment amount for the Fund is \$10,000.

<sup>2</sup> You may also incur a buy/sell spread when your money moves in or out of the Fund. See 'Buy/sell spread' under section 'Additional explanation of fees and costs'.

<sup>3</sup> Additional fees may apply, as well as the abnormal expense recovery and borrowing costs.

## Additional explanation of fees and costs

### Management fee

The investment mix of the Fund can change between various Underlying Managers. As a result, there may be higher or lower investment management costs and the management fees will vary accordingly. Macquarie has therefore provided the management fee range, which shows the minimum and maximum management fees for the Fund.

Part of the management fee is payable to Macquarie, as Responsible Entity and to van Eyk, as Investment Manager. Macquarie and van Eyk's component accrues daily and is payable quarterly in arrears to Macquarie and monthly in arrears to van Eyk. The balance of the management fee is payable to the Underlying Managers. This component is accrued and payable in accordance with the relevant constitution and offer document of each Underlying Fund. This deduction reduces the Fund's assets and is reflected in the Fund's unit price.

### Performance Fee for Underlying Funds

For certain Underlying Funds, the relevant Underlying Manager may charge a performance fee. It is not possible to estimate what the performance fee of an Underlying Fund will be for the following reasons:

- > the Underlying Funds and the amount invested in those Underlying Funds may vary each year during the life of the Fund;
- > the methodology employed by each Underlying Manager in calculating the performance fee may differ;
- > neither Macquarie nor van Eyk can accurately forecast what the performance of the Underlying Funds will be in any given period and hence forecast what the performance fee will be.

### Additional information for Underlying Funds

As stated previously, the investment mix can change between Underlying Managers but may include other managed funds of which van Eyk is a manager. Further, if the Underlying Manager's fund is listed on the Australian Stock Exchange, any management fee and performance fees are not taken into consideration in determining the fee ranges listed on page 10 because the market will price the listed units, taking into account any fees payable to the Underlying Manager.

### Buy/sell spread estimate

There is a difference between the entry and exit unit price quoted on any business day. This difference relates to the Fund's transaction costs on acquiring the underlying investments (when purchasing units), and disposing of the

underlying investments (when making a redemption). It is referred to as the 'buy/sell spread' and is an additional cost to you.

To ensure that existing investors do not continually bear the transaction costs resulting from the applications or redemptions made by other investors, Macquarie charges investors the buy/sell spread when they transact, except in certain circumstances (see below). Transaction costs are not a payment to Macquarie and may be substantially lower than an individual investor would incur if constructing a similar portfolio.

The buy/sell spread represents Macquarie's estimate of the transaction expenses in acquiring or disposing of the underlying assets of the Fund. These transaction costs comprise the average of the Underlying managers' buy/sell spreads, weighted proportionately by the Fund's percentage holding in the underlying investments.

The estimated buy spread is + 0.20% of the unit price for applications and the sell spread is - 0.20% of the unit price for redemptions (for example, \$200 for an application or \$200 for a redemption of \$100,000).

Reinvested distributions do not incur the buy spread. As the investment mix of the Fund can change between various Underlying Managers, the buy/sell spreads may vary accordingly.

In arriving at these estimates, Macquarie takes into account the brokerage paid on buying and selling the securities and the average buy/sell spreads in normal conditions. However, Macquarie may vary the adjustment to unit prices from the buy/sell spread from time to time, for example, Macquarie may apply a different estimate when brokerage costs change.

Where conditions are not considered to be normal, Macquarie may at its discretion increase the spreads, for example, to reflect the increased buying or selling costs incurred when there are liquidity constraints in the market.

Further, Macquarie may at its discretion reduce the buy/sell spread where:

- > there is a simultaneous purchase and redemption of units of equivalent value by different investors; or
- > an investor subscribes assets (rather than cash) on an application or receives assets (rather than cash) on a redemption.

### Indirect Cost Ratio (ICR)

The ICR illustrates the costs of investing through a managed fund, compared with investing directly in the underlying assets of the Fund.

The ICR is calculated by dividing the total ongoing fees and expenses (but not transaction costs) by the Fund size over a financial year and expressing the figure as a percentage of the average net asset value of the Fund.

The Fund's ICR comprises the management fees and abnormal expenses of Macquarie and van Eyk as well as the management fees, performance fees (if applicable) and expenses of the Underlying Managers. The Fund's ICRs to 30 June are shown in the table below. Historical ICRs are not indicative of future ICRs.

#### Historical ICRs to 30 June (%)

2008	2007
0.81	0.89

### Maximum fees Macquarie is allowed to charge

The constitution of the Fund provides for the following maximum fees (exclusive of the net effect of GST):

- > a maximum entry fee (referred to in this PDS as a 'contribution fee') of 5.0% of the application amount;
- > a maximum exit fee (referred to in this PDS as a 'redemption fee') of 5.0% of the amount withdrawn;
- > a maximum management fee of 5.0% pa of the value of the investment;
- > a maximum switching fee of 5.0% of the value of the investment switched.

### Expense recoveries

#### Macquarie and van Eyk

The constitution of the Fund allows all properly incurred expenses to be recovered directly from the Fund and does not place any limit on the amount of such expenses that Macquarie and van Eyk can recover from the Fund.

Normal expenses include equity borrowing expenses, custody fees, registry costs, compliance committee costs, audit, accounting fees, tax consulting fees, postage and printing costs. However Macquarie and van Eyk currently choose to pay these expenses out of their portion of the management fee and do not seek reimbursement from the Fund.

Macquarie and van Eyk are also entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of unitholder meetings, defending legal proceedings, special valuation of assets and the costs of terminating the Fund. These abnormal expenses are not generally incurred during the day-to-day operation of the Fund and are not necessarily incurred in any year. However, Macquarie and van Eyk do not pay these abnormal expenses out of the management fee. If they arise, Macquarie and van Eyk reserve their right to deduct these expenses from the Fund.

#### Underlying Managers

For each Underlying Fund, the Underlying Manager may deduct both normal and abnormal expenses (as described above) from that Underlying Fund. It is not possible for Macquarie to estimate what these expenses will be because the identity of and amount invested in each

Underlying Fund may vary during the term of the Fund. If expenses are deducted from an Underlying Fund, this will reduce the assets of the Fund and be reflected in a lower unit price of the Fund.

### Borrowing costs

While borrowing costs do not currently apply, from time to time Underlying Funds in the alternative asset sector may employ gearing as part of their investment strategy. For each of those Underlying Funds, the borrowing costs are calculated based on the level of gearing and interest rate payable for that borrowing. However, it is not possible to estimate what the borrowing costs of those Underlying Funds will be (and hence the cost to investors in the Fund) because Macquarie cannot determine:

- > which Underlying Funds will affect gearing and how much the Fund will invest in each of those Underlying Funds;
- > what the level of gearing and the interest rate payable for that borrowing will be (this may vary over the course of your investment in the Fund).

### Additional services and charges

Macquarie can recover from you certain 'user pays' costs for additional services provided at your request or incurred in connection with your particular investment, such as paying redemption proceeds by bank cheque, telegraphic transfer or real time gross settlement (RTGS), and dealing with overseas bank drafts. You agree that Macquarie can redeem your units as required to recover the costs they incur on your behalf. These costs represent the standard bank charges Macquarie incurs and are not a fee paid to them. Currently, these costs are as follows. They may change without notice to you.

Service	Charge (includes GST if applicable)
Bank cheque	\$7.50
Telegraphic transfer	\$35.00
RTGS	\$5.00 for transactions up to \$500,000 and free for transactions of \$500,000 and above
Overseas bank draft	\$20.00

#### Adviser service fee

You may agree to pay your adviser a fee for any financial advice that they provide to you. However, these are separate to any fees Macquarie charges in respect of your investment in the Fund, as set out in the table on page 11.

#### Commissions

At the instruction of van Eyk, Macquarie as the Responsible Entity may pay up to 0.15% pa of the net asset value of the Fund as commission to your dealer group or IDPS operator. This fee is included in the management costs disclosed in

the fee table on page 10. van Eyk negotiates the amount of commission payable with your dealer group or IDPS operator, based on commercial factors such as the amount of business referred by your dealer group or IDPS operator to the van Eyk Blueprint Series. Commissions are not negotiated with individual retail investors.

#### **Soft dollar payments**

Macquarie may also pay other non-monetary benefits to your dealer group or an IDPS operator such as business and technical support, professional development and entertainment. Macquarie's Soft Dollar Policy governs the provision of such benefits. These benefits are not an additional cost to you.

Macquarie maintains 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 Macquarie Funds Group Client Service on 1800 814 523, 8.30am to 6.00pm Sydney time, Monday to Friday.

#### **Differential fees**

Macquarie may negotiate reduced management fees and performance fees as permitted by the Corporations Act and ASIC relief, for example, Macquarie negotiate reduced fees with sophisticated and professional investors, as defined in the Corporations Act, including IDPS operators. There is no set manner or method of negotiating fees. For further information please contact Macquarie Funds Group Client Service.

#### **Related party transactions**

Macquarie deals with professional organisations that may include Macquarie Group or its associated companies. All transactions are conducted on arm's length terms. Macquarie can also trade the Fund's investments with Macquarie Group or associated companies where it believes the investments are in the best interest of investors. These organisations may receive commissions at prevailing market rates for the execution of transactions. Any conflict of interest or potential conflict of interest is managed in accordance with Macquarie's Conflict of Interest Policy.

#### *Other related party issues*

Macquarie Group is a global provider of banking, financial, advisory, investment and funds management services. Macquarie Group's main business focus is making returns by providing a diversified range of services to clients. Macquarie Group acts on behalf of institutional, corporate and retail clients and counterparties around the world. Macquarie, as Responsible Entity of the Fund, generally has no control over the activities of Macquarie Group. As a result, from time to time the Fund's activities may be restricted, for example due to regulatory constraints applicable to the Macquarie Group, and/or its internal policies designed to comply with such constraints. In addition, where, due to such constraints there is limited capacity to acquire particular securities, the Fund will not have priority over any member of, or any Fund associated with, the Macquarie Group to acquire those securities.

The Responsible Entity may use its related parties (Macquarie Bank Limited (MBL) and its subsidiaries) to provide banking and other services. However, all services are provided on arm's length terms.

## **Change to fees and expenses**

Macquarie may increase the fees and expenses referred to above or introduce new fees, for example, if economic conditions or the law changes.

Macquarie will provide at least 30 days' notice to you of any proposed increase in fees and expenses or introduction of new fees. This notice period should give you sufficient time to withdraw from the Fund if so desired. Macquarie cannot charge more than the constitution allows, unless they obtain investors' approval to do so.

## **Tax**

### **Income tax**

As all taxable income of the Fund (including any assessable capital gains) is distributed, no tax is payable by the Fund under present income tax legislation.

Taxable income distributed, including reinvested distributions, forms part of the assessable income of investors in the year of entitlement.

### **Tax position of resident investors**

#### **Capital Gains Tax (CGT)**

An investor's assessable income for each year includes any net capital gains (ie, after offsetting capital losses). There are 2 sources of CGT on an investment in units:

1. CGT may be payable on part of the distribution made in respect of units from the Fund on the basis that the assets in the Fund are held on capital account. The Fund does not make allowance in the unit price for any tax on unrealised net gains accruing when investments are re-valued. As a result, investors should be aware that they may be liable for CGT arising from the sale of assets where unrealised gains arose before they bought their units.

The distribution by the Fund of non taxable amounts (if any) may give rise to cost base adjustments to an investor's units for CGT purposes. Such cost base adjustments may result in either increased capital gain or reduced capital loss on the subsequent disposal of units in the Fund.

2. CGT may be payable when units are redeemed from the Fund (assuming the investor holds the units on capital account). Concessions may be available depending on how long the units have been held. Where the units have been held continuously for more than 12 months, individuals and trusts may be entitled to a CGT discount of 50% and superannuation entities may be entitled to a discount of 33 1/3% in relation to the disposal of units. Companies are not entitled to this discount.

At the time of writing this PDS, the Australian Taxation Office proposes to issue a tax ruling expressing the ATO's view as to whether assets held by trusts should be

characterised as being held on capital or revenue account. In the event that assets held on capital account are later regarded as being held on revenue account, additional taxation may arise to investors in respect of the distribution of such gains. Once the final ruling is released, the Fund will review the tax treatment of its asset holdings and advise investors of any change.

Capital gains arising from securities sold to meet a substantial investor's redemption can be distributed to the redeeming investor. A substantial redemption is one that is 5% or more of the Fund's net asset value. In these circumstances the object would be for remaining investors not to be affected by the capital gains resulting from a disposal of the assets where both the Fund and the redeeming investors make a capital gain in the relevant financial year. The 5% threshold may be varied by Macquarie with advance notice to investors.

### **Foreign investment fund (FIF) tax regime**

The Fund may be subject to the FIF tax regime and distributions from the Fund may include FIF amounts attributable to unrealised gains. However, we will seek to manage the Fund's FIF position to minimise the adverse effects of FIF to investors. Any FIF income which may arise will be included in investors' annual tax statements.

### **Franked dividends**

The Fund may generate franking credits through investment in Australian companies. Franking credits attached to distributions will be shown in investors' annual tax statements.

### **Foreign tax credits**

Australian residents are required to include in their assessable income their share of any foreign taxes paid by the Fund. Investors will normally be entitled to a tax credit in respect of the foreign taxes paid by the Fund.

### **Tax file number (TFN) and Australian business number (ABN)**

It is not compulsory for investors to provide their TFN or ABN, and it is not an offence if they decline to provide them. However, unless exempted, if the TFN or ABN is not provided, tax will be deducted from income at the highest marginal rate plus the Medicare levy. These numbers can be provided on the application form when making an initial investment.

### **Goods and Services Tax (GST)**

The Fund has registered for GST. The issue and redemption of units in the Fund and receipt of distributions will not be subject to GST. However, GST is payable on Macquarie's fees and reimbursement of expenses. The Fund will generally be able to claim input tax credits and/or reduced input tax credits of at least 75%.

## **Tax position of non-resident investors**

### **Non-resident withholding tax**

Appropriate deductions of Australian tax will be made from distributions of Australian sourced income to non-resident investors. The amounts will be withheld at the rates of tax applicable to non-resident investors and will depend on the type of income. Distributions to non-resident investors from sources wholly out of Australia and of most capital gains from any source will generally be exempt from Australian income tax. Non-resident investors may also be subject to tax laws in the country in which they reside, but may be entitled to a credit for some or all of the tax deducted in Australia.

## **General Information**

### **Transaction taxes**

Normal transaction taxes and stamp duties (if any) also apply.

### **Tax statement**

An annual tax statement will be sent to each investor to assist in completing tax returns.

### **Tax advice**

If you have any questions regarding the application of income tax or CGT to an investment in the Fund, you should consult your tax advisor. Investors should seek their own professional advice, including as to taxation, before investing. Please note that any discussion of tax in this Information Memorandum refers to Australian tax law as at the date of this Information Memorandum, and that these laws may change at any time.

### **How to invest**

Investing in this Fund can be done in one of two ways, depending on whether you are an indirect or direct investor. Macquarie reserves the right to establish higher minimum investment amounts or to refuse any applications without reason. You should retain a copy of this PDS and any supplementary documents for future reference and if you wish to make additional investments in the Fund. PDSs are available free of charge.

Macquarie is required under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF) to establish a program to identify, manage and mitigate money laundering and terrorism financing risks faced by Macquarie. As part of those obligations, Macquarie cannot accept an application to invest until it is satisfied that the identity of the investor has been verified in accordance with the requirements of the AML/CTF. The processing of applications may not proceed until the requested information is received in a satisfactory form and the identity of the investor is verified.

### Direct investors

To invest directly, please complete the application form that accompanies this PDS. Please ensure that you provide all the required verification material, as described in the application form. Initial investments made directly must be for a minimum of \$50,000.

Once your application form has been received, Macquarie Funds Group Client Service will contact you to confirm the bank account where your investment funds should be credited. This bank account will be unique to your investment in this Fund and should not be used for any other investment with Macquarie. Macquarie will not be responsible for any losses incurred as a result of an investor placing investment funds in the incorrect bank account. Payments can be made by real time gross settlement (RTGS), Exigo or bank transfer. Additional investments of at least \$10,000 can be made at any time by RTGS or bank transfer.

Please contact Macquarie Funds Group Client Service if you intend to make payment by Exigo. Please note that a payment made by RTGS, Exigo or bank transfer will not necessarily be received by Macquarie prior to the Fund cut-off time. In this case, provided that your application is completed to Macquarie's satisfaction, units will be issued at the application price as at the following business day.

### Returning the completed application form

The completed application form can be returned by:

#### 1. Mail

##### Macquarie Funds Group - Client Service

PO Box R1723  
Royal Exchange  
NSW 1225

#### 2. Facsimile

Fax this application form to (02) 8232 4730.

The original must follow in the mail.

### Important note

Redemption requests can not be processed until the original application form has been received in Macquarie's Sydney office.

Please ensure that applications are sent to the address or fax number referred to in this document. Alternatively, if Macquarie has notified you of any change in its details, please ensure that you send your application to the updated address or fax number.

Macquarie accepts no responsibility for applications that have been sent to an incorrect address or fax number, including addresses and fax numbers of other parts of the Macquarie Group that are not referred to in this document. You are responsible for ensuring that you use the correct contact details and accept that if incorrect contact details are used, your application may be delayed or not processed. Please call Macquarie Funds Group Client Services on 1800 814 523 if you would like to confirm the address or fax number.

### Delays when an application form is incomplete

Where an application is not finalised for AML/CTF purposes or is otherwise incomplete, Macquarie will seek to contact you to obtain the missing or additional information. Your application will not be accepted by Macquarie, nor units issued to you, unless Macquarie's AML/CTF verification can be completed or other issues addressed.

If you have paid your application money, the money will be held in a non-interest bearing trust account whilst Macquarie completes the AML/CTF verification or addresses the outstanding issues.

On the day that your application is completed to Macquarie's satisfaction, it will be accepted and units issued to you. If the AML/CTF verification or other issues are not finalised to Macquarie's satisfaction within 30 days of the original application date, your application (and application money you have already paid) will be returned to you.

Macquarie will not be liable for any losses, including for market movements, that may be incurred by a prospective investor if an application is delayed or rejected due to Macquarie's AML/CTF obligations or other delays caused by the application being incomplete.

### Indirect investors

You may invest indirectly in the Fund as an 'indirect investor' through an IDPS by directing the IDPS operator to acquire units in the Fund on your behalf.

An indirect investor does not become a unitholder in the Fund. Accordingly, an indirect investor does not acquire the rights of a unitholder of the Fund or acquire any direct interest in the Fund. The IDPS operator acquires these rights and can exercise, or decline to exercise, them on your behalf according to the arrangements governing the IDPS.

If you invest in the Fund through an IDPS, you should ignore information in this PDS that is relevant only to direct investors. This includes information relating to:

- > minimum initial investment and additional investment;
- > applications and application forms;
- > redemptions and switches; and
- > transferring units.

Fees and expenses applicable to the IDPS (and set out in the IDPS offer document or client agreement) are payable in addition to the fees and expenses stated in this PDS.

### Cut-off times for applications

#### Investments made via Exigo and RTGS

Where Macquarie receives investments via these methods, and it receives the application form and investment funds before 12.00pm Sydney time on a business day in Macquarie's Sydney office, Macquarie will consider your application for acceptance. On the day the application is accepted, units are issued and investors receive the

application price based on the valuation of assets at the close of business on that day.

Investment amounts and application forms received after 12.00pm Sydney time will be considered for acceptance on the following business day. On the day the application is accepted, units are issued and investors receive the application price based on the valuation of assets at the close of business on that day.

### **Investments made via bank transfer**

Where Macquarie receives investments via this method on any business day, the application will be considered for acceptance on the following business day, and only after receipt of your investment funds. On the day the application is accepted, units are issued and investors receive the application price based on the valuation of assets at the close of business on that day.

Investors are not required to provide notification of additional investments less than \$500,000 that are paid by RTGS or bank transfer. For amounts greater than \$500,000, notification should be sent by facsimile prior to the Fund's cut-off time of 12.00pm.

## **Cooling off period**

### **Direct investors**

If you qualify as a Retail Client under the Corporations Act, the 14 day cooling off period applies to your investment in the Fund. If, during the cooling-off period, you decide that the investment does not meet your needs, then simply advise Macquarie in writing to the address shown at the back of this document.

The 14 day period starts when you receive your transaction confirmation or 5 business days after units are issued to you, whichever is earlier.

Your refund will be processed as a redemption and the redemption value will be reduced or increased for market movements. Macquarie will also deduct any tax or duty incurred as well as the sell spread. As a result, the amount returned to you may be less than your original investment.

### **Indirect investors**

You should consult your IDPS operator about any cooling off rights you may have.

## **Accessing your money**

Macquarie will generally process and pay redemptions daily where the request is received before 12.00pm Sydney time on any business day in Sydney, being Monday to Friday with the exception of government gazetted public holidays. If Macquarie receives a redemption request after this, or on a non-business day for them, they treat it as having been received before 12.00pm Sydney time on the next business day in Sydney. Units will be redeemed at the redemption unit price based on the valuation of assets at the close of business on the day the request is accepted. The Fund's constitution allows Macquarie 30 days to pay redemptions.

### **Direct investors**

Macquarie is allowed to deduct from the redemption amount any monies due to them from you and any applicable amount of tax.

Direct investors can make a redemption request by:

- > sending a facsimile to Macquarie Funds Group Client Service on: 61 2 8232 4730; or
- > writing to the address shown at the back of this document.

Please ensure that redemptions are sent to the address and fax number referred to in this document. Alternatively, if Macquarie has notified you of any change in its details, please ensure that you send your redemption to the updated address or fax number.

Macquarie accepts no responsibility for redemptions that have been sent to an incorrect address or fax number, including addresses and fax numbers of other parts of the Macquarie Group that are not referred to in this document. You are responsible for ensuring you use the correct contact details and accept that if incorrect contact details are used, your redemption may be delayed or not processed. Please call Macquarie Funds Group Client Services on 1800 814 523 if you would like to confirm Macquarie's address or fax number.

## **Confirmation of instructions**

Macquarie has a procedure to confirm the following instructions with you:

- > a redemption greater than or equal to \$1,000,000;
- > a redemption to an account which is not the pre-nominated bank account, even if it has the same account name as the redeeming account;
- > change of bank account details;
- > change of distribution method from reinvestment to direct credit to a new bank account;
- > change of authorised signatory / signatories;
- > change of postal address.

Macquarie Funds Group Client Service staff will call an authorised signatory on the contact phone number provided on the application form. The purpose of the call is to confirm that the instruction that has been received by Macquarie is valid. The aim is to protect Macquarie's clients from unauthorised transactions and unauthorised changes to their account details. Please note that if Macquarie is unable to contact an authorised signatory, they may postpone the processing of the instruction until they have been able to make contact. Your instruction will not be treated as having been received until Macquarie is able to contact the authorised signatory and confirm the instruction, unless Macquarie otherwise determines.

## Appointing an agent

You can appoint an agent to transact on your behalf using Macquarie's 'Appointment of Agent form'. By completing the form you and your agent will indemnify Macquarie against any liability Macquarie incurs in respect of that appointment. The form can be accessed via:

- > [www.macquarie.com.au/forms](http://www.macquarie.com.au/forms);
- > [mfg.clientservice@macquarie.com](mailto:mfg.clientservice@macquarie.com)
- > Macquarie Funds Group Client Service on 1800 814 523.

### Indirect investors

You can only withdraw through your IDPS operator in accordance with their terms and conditions.

## Suspension of redemptions

Macquarie can suspend the processing of all redemptions for the Fund, for example, in the following circumstances:

- > in certain emergency situations which impact on the effective and efficient operation of a market for an asset in the Fund;
- > if the Fund is no longer 'liquid', as defined in the Corporations Act, Macquarie can make money available only on a periodic basis and allocate it on a pro rata basis amongst those investors wishing to withdraw;
- > when Macquarie receives redemption requests representing more than 5% of the Fund's value in any 30 day period, in which case they can stagger processing redemption requests and redemption payments.

If this occurs, in determining the unit price, Macquarie will use the asset values determined after the suspension is lifted.

## Distributions

### Income distributions and reinvestment

From the underlying investments, the Fund is expected to receive or generate distributions consisting of dividends, interest, gains or losses from sales of fixed interest and discount securities, gains or losses from futures trading, franking credits, foreign exchange gains or losses, foreign tax credits, tax deferred income and return of capital and realised capital gains. Macquarie will distribute income, except for capital gains, 6 monthly after fees at the end of June and December. Net capital gains will be distributed at least once a year.

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 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.

## Unit pricing

Macquarie calculates application prices and redemption prices daily. The unit price is equal to the value of the Fund's assets, less liabilities, divided by the number of units on issue. Application and redemption unit prices take into account transaction costs (the buy/sell spread) as applicable. Assets are normally valued at their most recent market value, using independent pricing sources where available for the particular asset type. Any units held in unlisted funds are valued at their most recent mid unit prices (the net asset value per unit) as supplied by the fund operator. Overseas assets are valued as at the close of business in each of the relevant overseas markets. Macquarie may use model values or fair values if market quotations are not available or are deemed unreliable.

The valuation methods and policies applied by Macquarie, 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. Macquarie has documented their policy regarding the exercise of these discretions. A copy of the policy, together with the related documents, is available free of charge from Macquarie Funds Group Client Service.

As discussed above, unit prices fall at the end of each distribution period because the allocation of the distributions reduces the Fund's assets.

### Direct investors

You can contact Macquarie Funds Group Client Service directly. The unit prices are also published on Macquarie's website at:

[www.macquarie.com.au/unit\\_prices](http://www.macquarie.com.au/unit_prices)

### Indirect investors

Your IDPS operator can provide you with the unit prices for your investment.

### Timing changes

You will be notified if Macquarie changes the frequency of distributions or valuing the Fund, or the frequency or timing of unit pricing.

### Transferring units

You may transfer units in the Fund to another person by providing Macquarie with a signed and completed standard transfer form and a completed application form from the current PDS for the Fund at that time. Macquarie reserves the right to decline transfer requests at their discretion.

A transfer of units involves a disposal of units, which may have tax implications. Stamp duty may also be payable on the transfer unless an exemption applies. You should obtain tax and stamp duty advice before requesting a transfer.

## Keeping in touch with you

### Direct investors

Macquarie provides:

- > confirmation of your transactions;
- > transaction statements at least annually;
- > quarterly reports on the performance of the Fund, an economic and market overview, and Fund highlights;
- > a tax report to help with your tax return at financial year-end;
- > the annual financial statements of the Fund by end of September each year.

### Indirect investors

Your IDPS operator can provide you with reports on the progress of the Fund.

## MFM Online - Macquarie Managed Investments

Investors are now able to access some account information online by visiting Macquarie's website – [www.macquarie.com.au/mfm](http://www.macquarie.com.au/mfm). Investors will need an access code and this can be requested on the application form.

### Updated information

Where information changes and a supplementary PDS is not required to be provided to investors, this information will be updated by publishing changes on the website:

[www.blueprint.vaneyk.com.au](http://www.blueprint.vaneyk.com.au)

## Continuous disclosure documents

The Fund may be subject to certain regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. As an investor in the Fund, you have the right to obtain the following documents from Macquarie:

- > the annual financial report (including financial statements) most recently lodged with ASIC by Macquarie in respect of the Fund;
- > any half-year financial report (including financial statements) lodged with ASIC in respect of the Fund after the lodgement of the annual financial report and before the date of this PDS;
- > any continuous disclosure notices provided by Macquarie in respect of the Fund after the lodgement of the annual financial report and before the date of this PDS.

If requested, Macquarie will send you a printed or electronic copy of any of the above documents, free of charge, as soon as possible or within 5 days of receiving your request.

## Macquarie's legal relationship with you

### Macquarie as the Responsible Entity

As the Responsible Entity of the Fund, Macquarie is solely responsible for the management and administration of the Fund. Macquarie holds an Australian Financial Services Licence (AFSL), authorising them to act as the responsible entity of the Fund. Details of Macquarie's AFSL can be found on ASIC's website at [www.asic.gov.au](http://www.asic.gov.au)

Macquarie's powers and duties are set out in the constitution relating to the Fund, the Corporations Act and general trust law.

### Corporations Act

Macquarie's duties as the responsible entity under the Corporations Act include:

- > acting in the best interest of investors and, if there is a conflict between investors' interests and Macquarie's own interests, giving priority to investors' interests;
- > ensuring that Fund property is clearly identified as Fund property, is valued at regular intervals and is held separately from Macquarie's property and the property of any other fund; and
- > reporting to the ASIC any breach of the Corporations Act in relation to the Fund, which has had, or is likely to have, a materially adverse effect on the interests of investors.

Macquarie is liable for their agents engaged in connection with the Fund.

## Constitution

The Fund is established by a constitution, as amended from time to time. The terms and conditions of the constitution are binding on each investor and persons claiming through them, as if the investor or person were a party to the constitution.

This PDS summarises some key features of the constitution, such as issue and redemption of units, calculation of unit prices and fees. However, the constitution covers a number of additional matters, including:

- > the nature of units (subject to any special terms of issue, identical rights attach to all units);
- > how and when redemptions are paid;
- > unitholder meetings (a resolution may bind you, regardless of how or whether you voted);
- > the circumstances in which Macquarie is and is not liable to you;
- > Macquarie's indemnification out of assets of the Fund for all costs incurred by them in relation to the administration or management of the Fund (subject to the proper performance of their duties);
- > redemption procedures where the Fund is no longer 'liquid' within the meaning of the Corporations Act (the procedures described in this PDS apply where the Fund is liquid);
- > your rights to share any Fund income, and how Macquarie calculates it; and
- > when Macquarie can retire as Responsible Entity of the Fund.

Macquarie can amend the constitution from time to time, subject to the provisions of the constitution and the Corporations Act, including if Macquarie reasonably consider that the amendments will not adversely affect investors' rights. Otherwise, Macquarie must obtain investors' approval at a meeting of unitholders.

## The compliance plan

Macquarie has prepared and lodged a compliance plan for the Fund with ASIC. The compliance plan sets out the compliance procedures that Macquarie will follow to ensure that they are complying with the Corporations Act and the Fund constitution. Each year the compliance plan is independently audited, as required by the Corporations Act and the auditor's report is lodged with ASIC.

## The compliance committee

As required, Macquarie has established a compliance committee with a majority of independent members. The compliance committee's functions include:

- > monitoring Macquarie's compliance with the compliance plan and reporting its findings to them;
- > reporting breaches of the Corporations Act or the constitution to Macquarie; and
- > assessing the adequacy of the compliance plan and recommending any changes.

## Rights and liabilities of an investor

A unit confers a beneficial interest on an investor in the assets of the Fund but not an entitlement or interest in any particular part of the Fund or any asset.

The constitution also provides that the liability of each unitholder is limited to its investment in the Fund. Therefore, a unitholder is not required to indemnify Macquarie or their creditors against their liabilities in respect of the Fund. However, no complete assurance can be given in this regard as the ultimate liability of unitholders has not been finally determined by the courts.

## The custodian

Macquarie has appointed Bond Street Custodians Limited (BSCL) to hold the assets of the Fund. BSCL is part of the Macquarie Group. However, the arrangements between Macquarie and BSCL are on arm's length terms. Macquarie will monitor and review BSCL's procedures and systems to ensure that custodial functions are carried out with efficiency and accuracy.

## Enquiries and complaints

### Direct investors

Macquarie has arrangements in place for handling enquiries or complaints. For enquiries, you may contact your financial adviser or Macquarie Funds Group Client Service on 1800 814 523, 8.30am to 6.00pm Sydney time, Monday to Friday.

Complaints can be sent to:

### The Complaints Officer

**Macquarie Investment Management Limited**

**PO Box R1723**

**Royal Exchange NSW 1225**

Macquarie's procedures ensure that they deal with complaints within 45 days of receipt.

If Macquarie is unable to resolve the complaint or you are dissatisfied with the outcome, then you have the right to refer the complaint to the Financial Ombudsman Service (FOS), of which Macquarie is a member (membership number 869). FOS is an external dispute resolution body that has been approved by ASIC. FOS is an independent body that assists customers in the resolution of complaints relating to members of the financial services industry. The contact details are:

Financial Ombudsman Service  
GPO Box 3  
MELBOURNE, Victoria, 3001  
Telephone: 1300 780 808  
Fax: (03) 9613 6399

#### **Indirect investors**

Please contact your IDPS operator.

## **Macquarie respects your personal details**

#### **Direct investors**

Macquarie collects certain personal information from you, in order to administer your investment in the Fund. As required by law, Macquarie has adopted a Privacy Policy that governs the collection, storage, use and disclosure of personal information. A copy of Macquarie's Privacy Policy is available from their website at [www.macquarie.com.au/au/privacy\\_policy.htm](http://www.macquarie.com.au/au/privacy_policy.htm).

By signing the application form, you agree to Macquarie collecting, storing, using and disclosing your personal information in accordance with their Privacy Policy. This includes using your personal information for:

- > providing or marketing products and services to you;
- > administration purposes, including monitoring, auditing and evaluating the products and services;
- > determining future product and business strategies and to develop services, including the modelling of data and data testing;
- > ensuring compliance with all applicable regulatory or legal requirements. This includes the requirements of ASIC, ATO, AUSTRAC and other regulatory bodies or relevant exchanges including the requirements of the superannuation law;
- > communicating with you in relation to your holding and all transactions relating to the holding;
- > providing products and services to you through other entities in the Macquarie Group, Macquarie's agents, contractors or third parties whether or not located in Australia.

Macquarie aims to ensure that their record of your personal information is accurate, complete and up to date. If your personal information changes, please inform Macquarie as soon as possible. You may correct or update this information by notifying Macquarie in writing.

Macquarie will provide you with access to your personal information at no charge.

## **For more information**

If you have any questions in regard to your privacy, please contact the Privacy Officer by:

- > phone on 61 2 8232 0337; or
- > email to [privacy@macquarie.com.au](mailto:privacy@macquarie.com.au)

## **Access to your information**

Macquarie may provide access to your information to:

- > their agents, contractors or third party service providers who provide services in connection with their product and services;
- > a licensed financial adviser if their stamp appears on the application form, unless you instruct Macquarie not to do so.

If you do not provide the information Macquarie asks you to supply on the application form they may not be able to process or accept your application.

**Note:** By signing an application form to invest in the Fund, you consent to the use and disclosure of your personal information in the manner set out above.

#### **Indirect investors**

Macquarie does not collect or hold any personal information about you, in connection with your investment in the Fund. You should contact your adviser or IDPS operator for details on the collection, storage, use and disclosure of personal information.

## **About this PDS**

The terms and features of the Fund were current at the date of this PDS. However, Macquarie reserves the right to change the terms and features of the Fund in accordance with the Fund's constitution and other relevant legislation.

You should keep a copy of the current PDS and any other supplementary material updating the PDS for future reference. You can obtain a copy of the current PDS, free of charge, by contacting Macquarie Funds Group - Client Service on 1800 814 523, 8.30am to 6.00pm Sydney time, Monday to Friday.

## **Consent from external parties**

van Eyk Research Limited has given written consent to the issue of this PDS with the statements about van Eyk Research Limited appearing in the form and context in which they appear, and has not withdrawn that consent before the date of this PDS.

## CONTACT

### **Macquarie Funds Group**

#### **Mail**

PO Box R1723  
Royal Exchange  
New South Wales 1225

### **Macquarie Funds Group Client Service**

#### **Telephone**

1800 814 523 or 61 2 8232 6491

8.30am to 6.00pm (Sydney time)

Monday to Friday.

Facsimile: 61 2 8232 4730

Email: [vaneykblueprint@macquarie.com](mailto:vaneykblueprint@macquarie.com)

### **Macquarie Funds Group website**

[www.macquarie.com.au/mfg](http://www.macquarie.com.au/mfg)

### **van Eyk Blueprint website**

[www.blueprint.vaneyk.com.au](http://www.blueprint.vaneyk.com.au)

