

Macquarie Wrap

Shield Master Fund investment update

Dear client,

We're writing with an important update about the Shield Master Fund, which you invested in via the Macquarie Wrap platform.

Account name

Account number

Appointment of receivers and managers, and administrators

On 27 August 2024, the Federal Court appointed two Deloitte partners as receivers and managers of the property of Keystone Asset Management (Keystone), the responsible entity of the Shield Master Fund.

ASIC applied for these court orders, because it had concerns about Keystone's conduct and believed appointing receivers and managers was necessary to protect the interests of the investors in the Shield Master Fund. Macquarie supported ASIC's application and its position that this action is in the best interests of the investors in the Shield Master Fund.

Under the Court's orders, the Deloitte partners have four weeks to prepare a confidential report for the Court about the various aspects of the Shield Master Fund, including the likely financial return to investors if the Shield Master Fund were to be wound up.

On 5 September 2024, the Court also appointed these Deloitte partners as voluntary administrators in addition to their role as receivers. As administrators, they take temporary control of the company to investigate its position, debts and assets. They will report findings to the company's creditors and make recommendations on how best to proceed.

ASIC published a [media release](#) on 6 September, which provides further information. We've added a link to this media release to our webpage, to keep you informed about the Shield Master Fund. We'll continue to keep this webpage up to date. You can [access that webpage here](#).

It's important to note that, at this stage, the Shield Master Fund continues to be frozen for redemptions, which means you can't withdraw your money from the fund.

Redemption and rollover requests

In April and May 2024, we wrote to you about Keystone's decision to suspend redemptions from the Shield Master Fund. As part of those communications, we let you know that the Australian Prudential Regulation Authority (APRA) had granted us temporary relief from the obligation to process rollover requests that relate to an investment in Shield.

We sought this relief given the concerns we had about the Shield Master Fund's redemption processing delays, and APRA provided this relief in the interests of all Macquarie Superannuation Plan members.

APRA have recently extended this relief, given the current uncertainty in relation to the Shield Master Fund. This continues to mean that, if you'd like to change the investments within your account and these changes include redeeming some or all of your investment in the Shield Master Fund, we'll be unable to process that request, to the extent that it relates to your investment in the fund, until Keystone begins making redemption payments again.

For further information, refer to the [Significant Event Notice](#) we sent to clients on 13 May 2024.

Unit price

We publish unit prices for the Shield Master Fund (and all investments we offer) via the Portfolio Valuation page in Macquarie Online.

The last unit price Macquarie received from Keystone was priced as at 3 April 2024. We haven't received any further pricing information from the Shield Master Fund since this date.

The last unit price is not a reliable measure of what an investment in the Shield Master Fund is now worth.

We're waiting for reliable information about the value of units and will update the pricing we publish as soon as reasonably practicable.

Postponing of Macquarie administration fees and adviser service fees

Administration fees and adviser service fees are calculated as a percentage of the value of your account. Given the uncertainty surrounding the financial position of the Shield Master Fund and having considered the information made available to the Federal Court, we're of the view that the stated asset value of the Shield Master Fund is incorrect.

Given this, Macquarie has made the decision to postpone the collection of administration fees and adviser service fees we deduct from your account as they relate to the portion of your investments in the Shield Master Fund. We've decided to take this position until an accurate value of the fund is made available, at which point, we'll confirm our approach regarding fees.

In making this decision, Macquarie has considered its duties to act in members' best financial interests and to ensure that all expenses paid out of the superannuation fund, including fees, are a proper expense of the fund.

Need help?

You can email us at wrapkeycontact@macquarie.com or call us on **1800 095 568** (Sydney time), Monday to Friday, 9am to 5pm.

Investors can contact the receivers and voluntary administrators with any queries by emailing shieldinvestors@deloitte.com.au.

Alternatively, please speak to a registered financial adviser.

Managing your Wrap account

Macquarie Wrap accounts are designed for investors who have a financial adviser to help them manage their investments. Without an adviser linked to your account, you may make decisions that could have a negative impact on your financial outcomes and retirement objectives. You'll also experience restricted access and limitations to how you can manage your investments and potentially pay higher fees.

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