

## **Email subject: Notice of Termination – Macquarie Investment Series**

Dear Adviser,

We are writing to inform you about an important announcement that has been made by Macquarie Investment Management Limited ('MIML'), the issuer and responsible entity of each of the funds below:

Macquarie Income Advantage Fund  
(NEF) Macquarie Balanced Fund No.1  
(NEF) Macquarie Small Companies Growth Trust  
Macquarie Small Companies Growth Trust  
Macquarie Balanced Fund  
Macquarie Managed Growth Fund  
Macquarie Active Aust Equities Trust  
Macquarie International Share Trust  
Macquarie Emerging Markets Share Trust  
(NEF) Macquarie Property Securities Trust  
Macquarie Property Securities Trust

MIML has recently undertaken a review of each of the funds and has identified that, over time, the funds have become less competitive than other products that can offer greater growth potential and greater accessibility to retail investors. Due to increasing investor redemptions, the reduced size of each fund is expected to lead to increased costs and potentially lower returns for unit holders of the relevant fund.

MIML has therefore formed the view that it is in the best interests of unit holders of each of these funds to terminate the funds.

### **What does this mean for your clients?**

All unit holders were sent<sup>1</sup> a letter from MIML notifying them of the termination on 21 May 2012. Unit holders were provided with different letters according to whether they have invested in one or multiple funds, and whether they have a margin loan. You can view a copy of these letters [here](#).

In addition to the letter, unit holders were provided with a form, which outlines the options available to redeem their funds.

Each fund will terminate on the date set out below ('Termination Date').

### **Key dates**

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<sup>1</sup> South African clients were emailed the letter from MIML.

Fund Code	Fund Name	Termination Date	Cut off for change of bank account	Cheque/Payment Date
EQA	Macquarie Income Advantage Fund	21 May 2012	1 June 2012	20 June 2012
FIB	(NEF) Macquarie Balanced Fund No.1	21 May 2012	1 June 2012	20 June 2012
SC1	(NEF) Macquarie Small Companies Growth Trust	4 June 2012	1 June 2012	27 June 2012
SC2	Macquarie Small Companies Growth Trust	4 June 2012	1 June 2012	27 June 2012
EQB	Macquarie Balanced Fund	20 August 2012	10 August 2012	10 September 2012
EQG	Macquarie Managed Growth Fund	20 August 2012	10 August 2012	10 September 2012
MAS	Macquarie Active Aust Equities Trust	20 August 2012	10 August 2012	10 September 2012
MIS	Macquarie International Share Trust	20 August 2012	10 August 2012	10 September 2012
MEM	Macquarie Emerging Markets Share Trust	20 August 2012	10 August 2012	10 September 2012
PT1	(NEF) Macquarie Property Securities Trust <sup>2</sup>	30 September 2012	21 September 2012	As soon as the net proceeds from realising the assets of the fund are available, which will occur within 180 days of the termination date if practical, and in any event as soon as possible after that
PT2	Macquarie Property Securities Trust <sup>2</sup>	30 September 2012	21 September 2012	As soon as the net proceeds from realising the assets of the fund are available, which will occur within 180 days of the termination date if practical, and in any event as soon as possible after that

### Payment to unit holders

If unit holders have previously provided MIML with details of their nominated redemption bank account (or their nominated distribution bank account if they have not provided a redemption bank account) we expect to deposit the net proceeds to their account through electronic funds transfer (EFT) on or before the payment date applicable to their fund(s).

If unit holders do not have details of a nominated bank account recorded with MIML, or would like to nominate a different bank account, they can provide their bank details by completing the change of bank account form enclosed with their letter and returning it to MIML by the cut-off date provided. Please refer to the key dates above for the relevant dates. Unit holders invested in multiple funds will be required to return the form by the earliest cut-off date outlined in the key dates above, which is explained in their letter.

Those unit holders who do not have a nominated bank account recorded with MIML and do not submit the form by this time, will have their proceeds mailed to them by cheque on or before the payment date applicable to their fund(s)<sup>2</sup>.

If unit holders invested in the fund(s) are using a margin lending account and the margin lender is the power of attorney for the account(s), the payment of redemption proceeds will be made to the margin lender.

### Clients who are affected

A list of the clients you have invested in these funds is included below:

Account Number	Client Name	Fund name

<sup>2</sup> Note: South African clients are required to provide a nominated bank account to receive net proceeds.


**Further information**

If you have any questions regarding the termination of these funds, please contact our client service team on 1800 808 508. For further information about what alternative investment solutions we can provide, please contact your BDM.

Yours sincerely,

**Adrian Stewart**

**Head of Product, Macquarie Investment Series**

Macquarie Investment Management Limited ABN 66 002 867 003, AFSL 237492 ('MIML') is not an authorised deposit-taking institution for the purposes of the Banking Act (Cth) 1959, and MIML's obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of MIML.

This information has been prepared by MIML does not take into account your objectives, financial situation or needs. Before acting on this information you should consider whether it is appropriate to your situation. We recommend you obtain financial, legal and taxation advice before making any financial investment decision.