

Maple-Brown Abbott Diversified Investment Trust

ARSN 091 137 638

Product Disclosure Statement

Dated 19 November 2009

Maple-Brown Abbott Limited

Responsible Entity

ABN 73 001 208 564

AFSL Number 237 296

References to 'Maple-Brown Abbott', 'RE', 'we', 'us', 'our' and 'ourselves' in this Product Disclosure Statement are references to Maple-Brown Abbott Limited.

Maple-Brown Abbott Diversified Investment Trust



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In relation to the use of the Morningstar Multisector Growth Market Index as the Benchmark for the DIT, Morningstar has requested that the following disclaimer be included in this PDS.

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About this Fund

“Fund” means the Maple-Brown Abbott Diversified Investment Trust. This diversified fund invests in Australian-listed equities and property trusts, international equities, Australian fixed interest and cash and also may invest in alternative assets. It does not intend to borrow, though it has the power to do so.

Our investment objective for the Fund is to outperform, over rolling four year periods, the average of similar balanced funds managed by other investment managers. This ‘average’ is represented by the Morningstar Multisector Growth Market Index (“Benchmark”). Prospective investors should plan to invest for at least four years. It is expected that a typical investor would focus predominantly on exposure to growth investments together with receiving income.

The Fund is a moderate to high risk investment. Note that neither income nor your capital is guaranteed.

The Responsible Entity

The Fund is a registered managed investment scheme under Chapter 5C of the Corporations Act 2001 (Cth), of which the responsible entity (“RE”) is Maple-Brown Abbott Limited.

This product disclosure statement dated 19 November 2009 (“PDS”) has been issued by Maple-Brown Abbott as the RE. The RE has an Australian Financial Services Licence and is responsible for the operation of the Fund.

The Fund commenced on 31 May 1988.

Maple-Brown Abbott

Maple-Brown Abbott was formed in July 1984 to provide investment management services to both private and institutional investors. Our services cover Australian and Asian equity markets and the management of balanced funds which include the specialist sectors of listed property trusts, Australian fixed interest and international equities. As at 30 September 2009 we managed over \$12 billion of investor funds.

We are solely engaged in investment management. We believe that this (and the fact that we are wholly owned by the founders, directors and staff, or entities closely associated with them) means that we are unlikely to have significant conflicts of interest. The staff ownership position also helps us to provide investors with long-term continuity of personnel.

Investment style for the Fund

The key element to our investment philosophy is *value investing*. By this we mean that we seek to buy investments that are priced at an attractive discount to our assessment of their underlying value. Our value-oriented philosophy applies both at the asset allocation level and at the specific share selection level.

For all stocks (including listed property trusts) in, or being considered for, this Fund we conduct our own proprietary research. This research is based on an objective examination of financial information for that stock and, normally, discussions with management of the companies and listed property trusts concerned. We rank companies and listed property trusts on selected value criteria and on their estimated four year investment returns. This process clearly identifies those stocks we consider to be cheap or expensive. Any stock that is then to be added requires a written investment report, as well as a financial model with at least four years of financial forecasts. These reports are then subject to critical peer review at our regular research meetings.

In line with our longer term investment objective we tend to be long term holders of stocks, not traders. If a share price rises to a level where it begins to become relatively unattractive, our response will usually be to reduce our weighting, continuing to do so until the stock is so overvalued that we quit the holding and replace it with a better value stock. Similarly, when a stock falls in price and we believe that the relative value has improved, we may add to our holdings (or initiate a holding if not already held), but generally this will be done on a gradual basis.

In Australian equities we currently monitor more than 220 stocks, representing about 95% of the S&P/ASX 300 Accumulation Index by market weight.

Within the international equity sector, we seek to select managers with an investment philosophy similar to our own.

For Australian fixed interest securities we conduct fundamental analysis of economic criteria including economic growth and inflation, in order to estimate the fair value of fixed interest instruments. Relative valuations, in addition to absolute valuations, are monitored and considered for the purpose of portfolio construction.

Maple-Brown Abbott is a signatory to the United Nations Principles for Responsible Investment (“UN PRI”). The UN PRI are a voluntary, aspirational initiative developed in association with some of the world’s leading asset owners and investment managers. The UN PRI provide a framework for integrating environmental, social and corporate governance (“ESG”) considerations into investment decision-making. Whilst we do not explicitly take labour standards or environmental, social or ethical considerations into account when making investment decisions nor, where relevant, when appointing external managers, valuations of companies we analyse may well be negatively affected by poor labour standards or activities considered environmentally, socially or ethically harmful and this in turn may lead us not to invest in such companies. Therefore, these considerations may be implicitly taken into account when investment decisions are made.

Our implementation of the UNPRI policy will be considered progressively and could take some time. At appropriate times we will report to our clients and key stakeholders. We will also manage our business in keeping with ESG standards.

A copy of our policy ‘Maple-Brown Abbott’s Approach to Responsible Investment and the UN Principles for Responsible Investment’ is available free of charge upon request. Our contact details are set out on page 15 in this PDS. This policy may also be accessed via our website www.maple-brownabbott.com.au/Public/NEWS/UNPri.pdf.

Investments of the Fund

The Fund invests in various asset classes, in accordance with the following asset allocation ranges and guidelines:

	Minimum	Maximum	Neutral	Actual as at 30 Sep 2009
Australian equities	25%	65%	45%	47%
International equities	10%	30%	20%	20%
Property trusts	0%	15%	5%	7%
Fixed interest	10%	50%	22%	16%
Alternative Assets	0%	5%	3%	0%
Cash	0%	25%	5%	10%
			<u>100%</u>	<u>100%</u>

The actual asset allocation at 30 September 2009 reflects both direct and indirect investments. Indirect investments are held via other unit trusts. Note that the asset allocation can change significantly and quickly, primarily because of market movements. However, we are not aggressive asset allocators. We will only change asset allocations (within the minimum-maximum range stated above) when, based on value or other considerations, we have a strong view that they should be changed.

The majority of the Fund's Australian equity and property trust exposure is achieved directly through investment in Australian-listed securities. We may also invest in unlisted equities, provided that they are expected to be listed within 3 months from the date of investment. The main guideline in relation to the Australian equity portfolio composition is that generally the exposure to a single entity will not be greater than 5% above that entity's weighting in the S&P/ASX 300 Accumulation Index.

The Fund gains investment exposure to Australian equities having a relatively small market capitalisation (generally less than \$2 billion) through the Maple-Brown Abbott Small Companies Trust ("SCT"), which we manage. As at 30 September 2009, the investment in the SCT represented approximately 9% of the Fund's exposure to Australian equities.

Our investment in property is through the Australian-listed property trust market. The main guideline in relation to portfolio construction is that generally the total market value held in any one property trust shall not exceed by more than 10% the weighting of that property trust in the S&P/ASX 300 Property Trust Accumulation Index (GICS) ("Property Trust Benchmark"). For Westfield Group, the limit is 20% above the weighting in the Property Trust Benchmark.

The Fund's exposure to international equities is achieved through the Maple-Brown Abbott International Equity Trust ("IET"). International equities investment by the IET is effected through independently managed unit trusts, mutual funds, investment companies and individually managed portfolios, using a number of different managers. The IET also invests part of its assets in the Maple-Brown Abbott Asian Investment Trust ("AIT"). The AIT invests directly in Asian stocks. We manage both the IET and the AIT. Our normal position with regard to foreign exchange exposure is to remain unhedged. Within the IET and AIT we may hedge against the Australian dollar rising if we feel it is significantly mispriced.

The Fund's exposure to fixed interest is normally Government or semi-Government securities, or highly rated corporate bonds, but we may from time to time buy other paper, including listed floating rate notes and redeemable preference shares.

Alternative assets can add value to the portfolio from time to time. The selection of these assets is subject to our due diligence and approval at the asset allocation meetings.

We may use options, futures and other derivatives to reduce risk or gain exposure to physical investments when we think it is appropriate. We never use derivatives speculatively, and never to gear the Fund (this means we can always pay for the Fund's obligations from its assets). In practice we seldom use derivatives for this Fund. There was no direct exposure to derivatives as at 30 September 2009. 'Derivative' is a financial contract whose value depends on, or is derived from, assets, liabilities or indices (the underlying asset). Derivatives transactions include a wide assortment of instruments, such as forwards, futures, options and warrants.

Fund performance and size

Performance figures

The Total return is based on the movement in net asset value per unit plus distributions and is before tax and after all fees and charges. Imputation and foreign tax credits are not included in the performance figures. Inflation is not taken into account.

The Growth return is based on the net movement in net asset value per unit, excluding distributions.

The Distribution return, which includes realised capital gains, is the Total return less the Growth return.

Net asset value is the difference between the value of assets and liabilities.

Assets consist of investments and accrued income. Investments such as listed securities, including derivatives, are stated at market value, which is based on the last quoted sales price on the relevant exchange. Unlisted unit trusts are valued at the latest available net asset value of the units in the trusts. Fixed interest securities are valued using the latest market yield. Liabilities, which are principally accrued fees and charges, are valued at cost.

Net Fund size information is drawn from the audited accounts.

	Periods ended 30 September 2009			
	1 year %	3 years % p.a.	5 years % p.a.	Since inception 31 May '88 % p.a.
Distribution return	5.6	7.9	8.8	6.9
Growth return	1.4	-6.4	-2.3	3.3
Total return after fees	7.0	1.5	6.5	10.2
Benchmark *	-0.1	-2.2	4.8	N/A

* The Benchmark to 31 May 2008 is the S&P Multisector 80 Wholesale Index and from 1 June 2008 is the Morningstar Multisector Growth Market Index. Please refer disclaimer on inside front cover.

	Years ended 30 June		
	2009	2008	2007
Franked level **	31.0%	15.0%	16.0%
Net Fund size (million) (audited)	\$473	\$610	\$685
Management costs	1.01%	0.99%	0.98%

** Percentage of the distribution that is franked

Please note that the above figures represent past performance, and past performance is not a reliable indicator of future performance. Returns are volatile and may fluctuate significantly and quickly.

Maple-Brown Abbott does not make any representation or give any guarantee as to the future performance or success of, or the rate of income or capital return from, the recovery of money invested in, or the income tax or other taxation consequences of, any investment in the Fund, whether made on the basis of this PDS or otherwise.

Fees and other costs

The warning below is required by law.

DID YOU KNOW?

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

For example, total annual fees and costs of 2% of your 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 the fund 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) has a managed investment fee calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the fund assets as a whole.

Taxes are set out in another part of this PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of Fee or Cost	Amount	How and when paid
Fees when your money moves in or out of the fund		
<i>Establishment fee</i> The fee to open your investment	\$0	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	\$0	Not applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	\$0	Not applicable
<i>Termination fee</i> The fee to close your investment	\$0	Not applicable
Management costs The fees and costs for managing your investment.	Management costs may vary between 0.94% and 1.04% p.a. of the net asset value of the Fund. This range reflects possible changes in the mix of overseas investment managers which can cause the fees paid to those managers to vary between 0.04% and 0.14% p.a. of the net asset value of the	Accrued daily, reflected in the unit price and deducted monthly in arrears or when paid from the assets of the Fund.

	Fund. Other components of management costs are our management fees of 0.89% p.a. and audit costs of between 0.01% and 0.02% p.a. of the net asset value of the Fund.	
Service fees		
<i>Investment Switching fee</i> The fee for changing investment options	\$0	Not applicable

All fees and charges shown in the above table, are **inclusive of GST** and stamp duty, where applicable, and are net of any applicable Reduced Input Tax Credits.

Additional explanation of fees and costs

Establishment, contribution, withdrawal and termination fees

The constitution does not allow for an establishment fee to be charged to open an investment in the Fund, for a contribution fee to be charged on contributions to the Fund, for a withdrawal fee to be charged on a partial redemption from the Fund, or for a termination fee to be charged upon a full redemption from the Fund. Unitholders may be subject to tax on redemption of their units – see the information under the heading “Disposal of Units”.

Whilst there are no establishment, contribution, withdrawal or termination fees, an allowance for transaction costs incurred by the Fund is reflected in the application and redemption prices – see below under the heading “Transaction Costs (Spread)”.

Management costs

Management costs, inclusive of GST, expressed as a percentage per annum of the net asset value of the Fund are 1.01% for the year ended 30 September 2009. This amount is made up of the following items:

- Our management fee of 0.89% representing the fee for our services as investment manager and RE of the Fund, accrued daily, reflected in the unit price and deducted monthly from the assets of the Fund;
- Management fee of 0.11% paid to other investment managers, representing the proportional fee paid to external managers of the individually managed portfolios in the IET, reflected in the unit price of the IET; and
- Audit costs of 0.01% payable to auditors for audit services in relation to the Fund, accrued daily, reflected in the unit price and deducted from the assets of the Fund when paid.

Management costs may also include:

- Reimbursement of any out of pocket expenses that the RE is entitled to recover from the Fund, which may include any proper and reasonable expenses incurred in relation to the Fund and/or any expenses incurred in acting as RE of the Fund; and
- Bank charges and other costs.

For the year ended 30 September 2009, these costs have been met from our management fee. We intend such costs to continue to be met from our management fee.

Management costs may vary between 0.94% and 1.04% p.a. of the net asset value of the Fund. This range reflects possible changes in the mix of overseas investment managers which can cause the fees paid to those managers to vary between 0.04% and 0.14% p.a. of the net asset value of the Fund, and changes to the amount of audit costs. Current management costs are available on our website www.maple-brownabbott.com.au.

The maximum management fee permitted under the Fund's constitution is 0.87% (exclusive of GST) per annum of the net asset value of the Fund. This equates to 0.89% (inclusive of GST) per annum of the net asset value of the Fund.

Fees charged by managers of overseas equities trusts, and listed property trusts in which the Fund invests are not charged directly to the Fund, but are reflected in the value of those investments (see below). Offshore custodian charges for individually managed portfolios in the IET and for the AIT are borne by us as the responsible entity of the IET and AIT, respectively.

The proportion of the management fee charged by us as responsible entity of the AIT that is applicable to the IET's holding in the AIT is rebated back to the IET by way of a payment by us to the IET. The proportion of the management fee charged by us as the responsible entity of the SCT and the IET that is applicable to the Fund's holding in those trusts is rebated back to the Fund by way of a reduction in the responsible entity fee charged to the Fund. As a result, there is no double-counting of fees in respect of the SCT or the IET.

Fees charged by the external managers of the individually managed portfolios in the IET range from 0.40% to 1.00%. These fees are reflected in the unit price of the IET. The proportion of these fees that relates to the Fund's holding in the IET is expressed as a percentage and is used in calculating the Management costs for the Fund. This percentage will vary depending on the proportion of the Fund's investment with these external managers via the IET.

We have appointed an external custodian of the assets of the Fund. The custodian costs are met from our management fee.

Investment switching fee

Whilst there are no switching fees, an allowance for transaction costs incurred by the Fund is reflected in the application and redemption prices – see below under the heading “Transaction Costs (Spread)”.

Tax costs

Tax costs are explained in the sections including and following the section “Income Distributions and Taxation” on page 12.

Transaction Costs (Spread)

An allowance for transaction costs incurred by the Fund is reflected in the application and redemption prices. The difference between the application price and redemption price of a unit is called the “spread”. The current spread between the application price and redemption price is 0.40%. That is, the application price is the net asset value unit price plus 0.20% and the redemption price is the net asset value unit price less 0.20%. The spread reflects an allowance for estimated brokerage and other transaction costs, including, but not limited to, stamp duties, taxes and other charges and expenses from buying or selling Fund investments, based on the neutral asset allocation. The purpose of the spread is to ensure existing unitholders are not disadvantaged by the cost of buying or selling securities as a result of applications and redemptions. The spread is recalculated each year or if there is a significant change in the costs of buying and selling Fund investments.

In dollar terms, the transaction costs allowance is \$20 for each of an application of \$10,000 and a redemption of \$10,000.

Where the consideration for an application or redemption is represented by an in-specie transfer of assets, the Constitutions give the RE discretion to waive some or all of the spread.

The costs represented by the spread are recovered each time an investor applies for or redeems units (except if an in-specie transfer is involved). The spread is an additional cost to Management costs. No part of it is paid to the RE or an external manager.

Fee changes

Within the limits set by the constitution, the RE reserves the right to change the amount of fees without unitholders' consent, provided reasonable prior notice (not less than thirty days) of any material increase has been given to unitholders. Changes in government fees and charges payable out of the Fund that are not materially adverse may occur at any time and do not require notification to unitholders.

Negotiated fees or costs

The RE does not enter into individual fee arrangements with investors who access this Fund through an investor directed portfolio service.

Commissions and other payments

We have entered into arrangements to pay an annual product access payment ("Payment") to certain investor directed portfolio service ("IDPS") operators in connection with the listing of this Fund on their investment menus. The aggregate amount of these Payments is less than \$50,000 per annum. This Payment is paid by us and not by the Fund. We may enter into similar types of arrangements in the future with other IDPS operators.

We do not rebate our fees (or issue additional units in the Fund) to any IDPS operator. Rebates of our management fee may be negotiated with other investors in this Fund who are wholesale clients (as defined in the Corporations Act 2001 (Cth)) who invest amounts over \$20 million.

Example of annual fees and costs

This table gives an example of how the fees and costs for this product can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

EXAMPLE		BALANCE OF \$500,000 WITH TOTAL CONTRIBUTIONS OF \$10,000 DURING YEAR
Contribution fees	\$0	\$0
PLUS Management costs	1.01%*	And , for every \$500,000 you have in the fund you will be charged \$5,050 each year.
EQUALS Cost of fund		If you put in \$10,000 during a year and your opening balance was \$500,000, then for that year you will be charged fees from \$5,050 up to \$5151 **depending on the timing of the application.

*Based on the actual Management costs for the year ended 30 September 2009.

** An allowance for transaction costs will apply for applications and redemptions from the Fund (please see page 7 for more information on transaction costs).

If management costs increase to the maximum indicated in the range, the following example indicates the annual fees and costs that would apply.

EXAMPLE		BALANCE OF \$500,000 WITH TOTAL CONTRIBUTIONS OF \$10,000 DURING YEAR
Contribution fees	\$0	\$0
PLUS Management costs	1.04%*	And , for every \$500,000 you have in the fund you will be charged \$5,200 each year.
EQUALS Cost of fund		If you put in \$10,000 during a year and your opening balance was \$500,000, then for that year you will be

		charged fees from \$5,200 up to \$5,304 **depending on the timing of the application.
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*Based on the Management costs at the upper end of the indicated range.

** An allowance for transaction costs will apply for applications and redemptions from the Fund (please see page 7 for more information on transaction costs).

Historical Management Costs

Based on the average monthly net asset value of the Fund, Management costs for the last three financial years ended 30 June are as follows:

2007	0.98%
2008	0.99%
2009	1.01%

The expenses in Management costs are the responsible entity and investment management fees, fees charged by managers of individually managed overseas equities portfolios and audit costs. Fees charged by managers of overseas equity trusts and listed property trusts in which the Fund invests are not included in these fees and are therefore not in Management costs. Brokerage and other costs of buying and selling investments are not included in Management costs.

Members of the Investment & Financial Services Association (“IFSA”) and the Financial Planning Association are required, if applicable, to maintain an Alternative Forms of Remuneration Register (“Register”). The types of members covered include fund managers, platform providers (such as master trusts and wrap accounts) and financial advisers. The Register is a record of Alternative Forms of Remuneration which are paid and received, such as sponsorship by fund managers for financial planners to attend a conference, gifts, accommodation and entertainment. As Maple-Brown Abbott (a member of IFSA) neither gives nor receives Alternative Forms of Remuneration, we are not required to maintain the Register.

Benefits of investing

The main benefit we aim to achieve on behalf of investors is medium to long term growth in, and income from, investments in-line with the Fund's investment objective.

Generally you can withdraw your investment at any time in accordance with the procedures described on page 13.

By investing in the Maple-Brown Abbott Diversified Investment Trust you have access to investments managed by a team of investment professionals using a well-established investment process based on rigorous research. The relatively large amount of money in the Fund allows access to investment opportunities, markets and diversification which may not be available to non-professional investors.

Managed funds can also often access investment and risk management techniques not available to non-professional investors.

Investing in Australian shares provides access to franking credits. Refer to page 13 for an explanation of how these franking credits are treated.

The IDPS operator has the right to receive any distributions (including realised capital gains) paid from the Fund each quarter.

You can also have the benefit of capital gains (or suffer losses) when you dispose of your investment.

Risks of investing

All investing involves risk. Generally investments with a higher expected return are of higher risk and volatility.

Shares are generally more risky than property trusts, followed by fixed interest securities and then cash, and so this Fund is a moderate to high risk investment.

As with most investing, it is not guaranteed that you will make money from this Fund. The value of your investment can fluctuate with the value of investments of the Fund. The risks may result in loss of income or loss of capital invested and possible delays in repayment. On redemption you could receive less than you invested and there is no guarantee that you will receive a distribution.

An investment is not a deposit with or liability of Maple-Brown Abbott and we do not guarantee the return of capital, performance of the Fund or any specific rate of return.

Before investing, you may consider obtaining professional advice to determine if the Fund is suitable for your investment objectives, financial situation and particular needs. You should have at least a three year investment perspective when you invest in this Fund, however there is no guarantee that you will achieve positive returns in that period.

The significant risks for this Fund, and the ways we aim to manage them are as follows:

- ✓ **Specific investment risk:** individual investments we buy can (and do) fall in value for many reasons such as changes in the underlying companies' operations, management, or business environment.

We aim to reduce this risk with careful analysis and research. This may include information from discussions with the management of the companies in which we invest, financial statements analysis and economic indicators. We also limit the exposure to individual investments and attempt to construct a portfolio of diversified investments.

- ✓ **Market risk:** economic, technological, political or legal conditions, and market sentiment, can (and do) change, and this can mean the investments we buy in those markets can change in value.

We use research and analysis to form a view on these matters as best we can and manage the asset allocation of the Fund to reduce the impact of market risk over time.

- ✓ **Liquidity risk:** arises because unitholders may request redemption of their units in the Fund from time to time. Liquidity risk is minimised through the Fund maintaining sufficient cash and selecting highly liquid investments on recognised reputable stock exchanges.
- ✓ **Interest rate risk:** changes in interest rates can have a positive or negative impact directly or indirectly on investment value or returns - for example if rates rise, a company's borrowing costs can increase causing its profit to decline, or if long term interest rates rises, the price of fixed interest securities will fall.

We aim to reduce this risk with careful analysis and research. We monitor interest rate movements in the market and assess the likelihood of changes in interest rates over various time periods. We use this analysis to form a view on these matters as best we can and manage the asset allocation of the Fund to reduce the impact of interest rate risk over time.

- ✓ **Currency risk:** we invest in other countries, and if their currencies change in value relative to our dollar, the value of the investment can change.

We find currencies very hard to predict but attempt to minimise currency risk by taking our currency forecasts into account when making investments. We also manage this risk through managing the asset allocation of the Fund. Our normal position with regard to foreign exchange exposure is to remain unhedged.

- ✓ **Inflation risk:** the real value of investments may fall due to inflation.

We aim to reduce this risk by investing in a diverse range of assets with potential to outperform inflation over the longer term.

- ✓ **Fund risk:** other risks particular to the Fund include that it could terminate, the fees and expenses could change, and that our investment professionals could change. There is also a risk that investing in the Fund may give different results than investing directly in securities because of income or capital gains accrued in the Fund and the consequences of investment and redemption by other investors.

We aim to keep the fund risk to a minimum by seeking to maintain staff continuity, a strong internal control environment and acting in your best interests at all times.

- ✓ **Derivatives risk:** we may use derivatives to reduce risk or gain exposure to other types of investments when we think it appropriate. Risks associated with using derivatives might include the values of the derivatives failing to move in line with the underlying asset, potential illiquidity of the derivatives, the Fund may not be able to meet payment obligations as they arise, and counterparty risk (this is where the counterparty to the derivatives contract cannot meet its obligations under the contract).

We seldom invest in derivatives. We aim to keep derivatives risk to a minimum by constantly monitoring the Fund's use of derivatives, by making sure we can meet all our obligations with respect to the derivatives contracts and by entering into derivatives contracts with reputable counterparties.

Investing through an IDPS

What is an IDPS?

This stands for “investor directed portfolio service”.

An IDPS or an IDPS-like scheme (collectively “IDPS”) is an investment and reporting service run by an operator, where investors can direct how their money is invested. Such services are often called a **master trust or wrap account**, or a nominee or custody service.

What is an indirect investor?

People who invest through an IDPS are indirect investors.

Investors gaining exposure to this Fund through an **IDPS** do not themselves become direct investors in the Fund.

Instead it is the operator of the IDPS, or its custodian, which invests on your behalf and so has the rights of a direct investor. They exercise those rights in accordance with their arrangements with you.

In addition to the fees referred to in this PDS (which are reflected in the unit price of the Fund), as an indirect investor you will also pay fees to the IDPS operator. Indirect investors should read all the information about fees as well as the other information in the operator’s offer document as it is important to understand their impact on an investment.

As an indirect investor you complete application forms for the IDPS, and you may direct the operator if you wish some of your investments to be in this Fund. You receive reports on your investment from the operator, not from us.

The Fund’s audited annual financial report is lodged with ASIC. Copies of these documents can be obtained from us free of charge upon request. Our contact details are set out on page 15.

Maple-Brown Abbott is not involved in the operation of the IDPS and does not have responsibility for the arrangements between indirect investors and the operator or custodian. As such, we will not have any personal information on indirect investors. **All enquiries about your investment in the Fund should be directed to the operator of the IDPS through which you invested.**

Some provisions of the Fund’s constitution relating to rights of investors are not relevant for indirect investors. For example, indirect investors cannot attend meetings or transfer units.

Income distributions and taxation

Distributions

Distributions, if any, are usually paid by the Fund to direct investors (e.g. master trusts) within fifteen business days after the end of June, September, December and March each year, in proportion to the number of units held at the end of the quarter. Note that the IDPS operator may pay income to you on a basis and at times which differ from those applying to direct investors. Unit prices fall after the end of each of these months because of the distribution. As the Fund will normally have undistributed income, including realised capital gains, you may find you will subsequently receive some of your investment as taxable distributions. In addition, unrealised capital gains existing in the Fund at the time of your investment may subsequently be realised and distributed to you as taxable distributions.

Taxation

Investing, and dealing with investments, has tax and often social security implications which can be complex, and which are invariably particular to your circumstances.

It is important that you seek professional advice before you direct an IDPS operator to buy or sell units in this Fund. The tax related information set out below constitutes general guidelines only.

Income is distributed to direct investors quarterly so that the tax net income of the Fund for each financial year is fully distributed as at year end. As such the Fund, under present legislation, does not pay tax. The franked

level of distributions will depend upon the extent to which income earned other than franked dividends is offset by expenses and the amount of realised taxable capital gains included in the distributions.

Franking credits

The tax net income of the Fund includes franked dividends and related franking credits. A rebate or credit for these amounts may be available in calculating your tax liability, depending on your specific circumstances and subject to various anti-avoidance rules, including the 45 day holding period rule. Excess franking credits may be refundable to resident individuals and complying superannuation entities and in certain cases may generate tax losses for corporate entities.

Under current law, franking benefits may be denied where the Fund has not held the shares at risk for a continuous period of 45 days (ignoring the day of acquisition and the day of disposal). In determining whether the 45 day rule period is satisfied a “last in first out” basis is adopted.

Foreign income and foreign tax credits

Where foreign tax has been paid by the Fund in respect of international equities, the Fund will generally pass on the corresponding foreign tax credits to the direct investor.

Disposal of units

You must include any realised capital gain or loss on disposal of your units (together with any capital gain distributed by the Fund) in the calculation of your net capital gain or loss. Certain non-assessable distributions from the Fund may reduce the cost base of units for the purpose of calculating the capital gain or loss on disposal of units.

A net capital gain will be included in assessable income. A net capital loss may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

In calculating the taxable amount of a capital gain, a discount of one-half for individuals and trusts or one-third for superannuation entities may be allowed where the units have been held for 12 months or more.

Where units are held as part of a business of investing or for the purpose of profit making by sale, gains realised may constitute ordinary income.

Accessing your money and unit prices

To withdraw, complete the documents which the IDPS operator requires.

We generally process applications and withdrawal requests at the prices determined on the latest valuation date. The application and redemption prices are calculated using the net asset value per unit plus and minus respectively 0.20% (half the spread – refer to page 7 for details). The net asset value per unit is calculated by dividing the net asset value of the Fund by the number of units on issue. The prices are calculated to 4 decimal places as at the close of business each business day (any day other than a Saturday, Sunday or a public holiday (but not the August Bank Holiday) recognised as such in NSW) and at month-end.

Proceeds from withdrawal requests are normally available to direct investors within four business days after receipt of the request. Note that the IDPS operator may process applications and withdrawals differently to these arrangements. For instance, the operator needs time to forward the withdrawal proceeds to you.

The Fund's constitution

The constitution provides the framework for the operation of the Fund, and in conjunction with the Corporations Act 2001 and some other laws, sets out the RE's relationship with those investors who invest directly in the Fund, such as the IDPS operator. We will provide a copy free of charge if requested.

Some of the provisions of the constitution are discussed elsewhere in this PDS. Others relate to:

- ✓ the nature of units - identical rights attach to all units;
- ✓ how we calculate unit prices;
- ✓ the times when the RE can delay access to money invested in the Fund or suspend unit pricing (such as if trading on a market in which the Fund invests is suspended);
- ✓ the right for investors to share any Fund income, and how we calculate it;
- ✓ the RE's powers - practically they are unrestricted (for example the Fund can borrow) - and how and when the RE exercises them;
- ✓ the times when the RE is not liable to investors, for example, when it relies in good faith on professional advice;
- ✓ the limit on investors' liability in relation to the Fund;
- ✓ changing the constitution; and
- ✓ when the RE can terminate the Fund or retire, and what then happens (e.g. if the Fund is terminated, the investors share the net proceeds from the sale of the Fund's investments).

Generally the RE is not liable for any loss unless it fails to comply with its duties under the Corporations Act 2001 or is negligent or fraudulent.

No cooling off rights apply in respect of any investment acquired through this PDS. However, indirect investors should contact their operator and read the operator's offer document for more information on any cooling off rights that may apply in relation to their investment.

About this PDS

Investors who access or wish to access the Fund through an IDPS may rely on this PDS. This PDS can only be used by investors receiving it (electronically or otherwise) in Australia. If you make this PDS available to another person, you must give them the entire electronic file or print out. A paper copy of this PDS can also be obtained free of charge on request by contacting us.

The information contained in this PDS is general information only. This PDS has not been prepared taking into account any particular investor's or class of investors' particular investment objectives, financial situation or needs. Before investing, you should assess whether the Fund is appropriate for you. You should also assess and consider the tax implications of investing in the Fund. Your financial adviser or taxation adviser will be able to assist you in this assessment.

Maple-Brown Abbott Limited reserves the right to change any of the terms and conditions as set out in this PDS without prior notice to you, provided reasonable notice of any material changes has been given to the IDPS operator and to all other direct investors in the Fund. If there is an increase in fees, prior notice of not less than thirty days will be given. Changes in government fees and charges payable out of the Fund that are not materially adverse to direct investors may occur at any time and do not require notification to direct investors. Any direct investor who withdraws their entire investment before the expiry of the notice is not bound by the change.

Updating the PDS

The information in this PDS can change from time to time. If the change is not materially adverse to direct investors, the updated information will be available on our website www.maple-brownabbott.com.au and a paper copy of any update will be available free of charge on request. If the change is materially adverse to

direct investors, the information will be updated by the issue of a supplementary or replacement product disclosure statement.

Contact details and complaints handling

Your first point of contact is your IDPS operator. In turn, we will deal directly with any complaint from the operator.

If your issue remains unresolved, you should then follow the complaints handling procedure for the IDPS.

The latest unit price and performance data for the Fund is available on our web-site at maple-brownabbott.com.au, or call Mrs Haide Guanzon, Client Services Executive, on (02) 8226 6200 or email hguanzon@maple-brownabbott.com.au. Callers from outside Sydney can request reverse charges.