

Macquarie Professional Series Global Alternatives Fund

Supplement – Information on Significant Underlying Funds

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Contents

Macquarie Professional Series Global Alternatives Fund	01
1. FORT Global Trend Fund	02
2. P/E Global FX Alpha Fund	06
3. Consents	10
Contact details	

Important information

This document is a supplement to the PDS (**Supplement**) for the Macquarie Professional Series Global Alternatives Fund (**Fund**). The Supplement sets out certain information relating to the Significant Underlying Funds in which the Fund can potentially invest 35% or more of its assets (**Significant Underlying Funds**). The Supplement forms part of the PDS and you should read this Supplement with the PDS before making a decision to invest in the Fund.

The information in the PDS and this Supplement may change from time to time. Where the information in the PDS and this Supplement changes, and such change is not materially adverse to you, we may update the information by publishing an update at macquarieim.com/pds. You can access a copy of the latest version of the PDS, this Supplement and any updated information free of charge from our website or by contacting us.

The information provided in the PDS and this Supplement is general information only, and does not take account of your personal financial situation or needs. You should obtain your own financial advice tailored to your personal circumstances.

Capitalised terms used and not defined in this Supplement have the meaning given to them in the PDS.

Investments in the Fund are subject to investment risk

Other than Macquarie Bank Limited ABN 46 008 583 542 (**Macquarie Bank**), any Macquarie Group entity noted in this material is not an authorised deposit-taking institution for the purposes of the *Banking Act 1959* (Commonwealth of Australia). The obligations of these other Macquarie Group entities do not represent deposits or other liabilities of Macquarie Bank. Macquarie Bank does not guarantee or otherwise provide assurance in respect of the obligations of these other Macquarie Group companies. In addition, (a) the investor is subject to investment risk including possible delays in repayment and loss of income and principal invested, and (b) none of Macquarie Bank or any other Macquarie Group company guarantees any particular rate of return on or the performance of the investment, nor do they guarantee repayment of capital in respect of the investment.

The offer

This offer is only open to persons receiving the PDS and this Supplement within Australia and New Zealand or any other jurisdiction approved by us. Unless otherwise stated all references to 'dollars' or '\$' herein refer to Australian dollars.

No offering to United States persons

Without limiting the above, the offer is only open to persons who are:

- not a 'U.S. person' for the purposes of Regulation S under the U.S. Securities Act of 1933, and
- a 'Non-United States person' as defined in Section 4.7(a)(1)(iv) of the rules of the U.S. Commodity Futures Trading Commission.

If you are not an eligible investor as defined above, we reserve the right to compulsorily redeem your unitholding in the Fund.

Warning statement for New Zealand investors

- The offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is Part 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
- The offer and the content of the PDS is principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 and regulations made under that Act set out how the offer must be made.
- There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
- The rights, remedies and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies and compensation arrangements for New Zealand financial products.
- Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.
- The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
- If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.
- The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
- If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.*
- The dispute resolution process described in the PDS is only available in Australia and is not available in New Zealand.
- If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

* Redemptions and distributions of income will only be paid in Australian dollars to an Australian bank account.

Macquarie Professional Series Global Alternatives Fund

The Macquarie Professional Series Global Alternatives Fund, a 'fund of hedge funds' for the purposes of Australian Securities and Investments Commission (**ASIC**) Regulatory Guide 240, provides exposure to a portfolio of hedge funds and absolute return funds (each an **Underlying Fund**). This Supplement sets out certain information relating to the Underlying Funds in which the Fund can potentially invest 35% or more of its assets (**Significant Underlying Funds**).

As at the date of this PDS, the Significant Underlying Funds are:

- FORT Global Trend Fund, and
- P/E Global FX Alpha Fund.

The PDS for the Fund and each Significant Underlying Fund are available at macquarieim.com/pds.

The following pages set out the disclosure that ASIC requires responsible entities of fund of hedge funds to provide on their significant underlying funds. A copy of ASIC Regulatory Guide 240 dated October 2013 (as may be amended, supplemented or replaced from time to time) is available from www.asic.gov.au.

1. FORT Global Trend Fund

Benchmarks

Valuation of non-exchange traded assets

This benchmark addresses whether valuations of the Significant Underlying Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.

The Significant Underlying Fund's non-exchange traded assets are its interests in cash funds, cash or cash equivalents. The Significant Underlying Fund does not meet this benchmark as we have not appointed an independent administrator or independent valuation service provider to value the Significant Underlying Fund's non-exchange traded assets.

However, for cash funds, cash and cash equivalents, Macquarie has expertise and experience in financial risk modelling and valuing financial products and other asset types, including non-exchange traded assets. Macquarie has

in place valuation methods and policies which describe how non-exchange traded assets and liabilities are to be classified and the methodology to be used to value those assets and liabilities. These methods and policies are consistent with acceptable industry standards.

Periodic reporting

This benchmark addresses whether the responsible entity of the Significant Underlying Fund provides periodic disclosure of certain key information on an annual and monthly basis.



Refer to the table in the 'Macquarie Professional Series Global Alternatives Fund at a glance' section of the PDS for the periodic disclosure of certain key information that will be provided on an annual and monthly basis for the Fund and the Significant Underlying Fund, and whether each meets the benchmark.

Disclosure Principle 1: Investment strategy

Investment strategy and typical asset classes

The Significant Underlying Fund aims to generate long-term total returns by investing in exchange-traded futures providing exposure to equities, bonds, interest rates, currencies and commodities. The Significant Underlying Fund holds both long and short positions in futures. The Significant Underlying Fund also holds cash, cash equivalents or investments in cash funds.

FORT's investment process is based on a proprietary systematic trading strategy that seeks to identify both positive and negative trends in market prices across a broad spectrum of futures contracts traded on recognised exchanges, allowing the Significant Underlying Fund to gain exposure to the underlying assets. This global and sector diversification provides the Significant Underlying Fund with opportunities to seek profit in a variety of market environments.

The Significant Underlying Fund's strategy is designed to trade in global markets and be diversified across geography (primarily in developed markets), asset classes (equities, bonds, interest rates, currencies and commodities futures contracts), and markets in order to reduce overall volatility and correlation across its positions and employs statistical methods to adaptively shift risk over time.



Refer to Section 2.2 of the Significant Underlying Fund's PDS for more information on the investment strategy and process.

Currency denomination and location of the assets

The Significant Underlying Fund may have exposure to markets globally across sectors such as equities, bonds, interest rates, currencies and commodities. The investments to which the Fund is exposed may be located in any jurisdiction worldwide and denominated in any currency.

The cash holdings of the Significant Underlying Fund, in excess of margin requirements, will generally be denominated in Australian dollars and held as cash, cash equivalent investments or investments in cash funds as determined by the cash manager of the Significant Underlying Fund from time to time. The margin for the Significant Underlying Fund's futures is held with the futures clearing broker or futures exchanges and may be denominated in currencies other than Australian dollars.

Key assumptions and dependencies of the investment strategy

The ability of the investment strategy to produce investment returns will depend on a number of factors, including without limitation, market momentum and the trends that develop, the success of the investment process and the strength of the models. There is no guarantee that the Significant Underlying Fund will achieve its performance objectives, or produce returns that are positive or compare favourably against its peers.

Investment limits and guidelines

The Significant Underlying Fund invests in exchange-traded derivatives (futures) that provide exposure to equities, bonds, interest rates, currencies and commodities. The Significant Underlying Fund also holds cash, cash equivalents and/or investments in cash funds.

The Significant Underlying Fund's investments may provide exposure to the following underlying assets:

- Australian listed equities
- international listed equities
- international government bonds
- Australian corporate bonds
- international corporate bonds
- global interest rates
- commodities, and
- currencies.

The Significant Underlying Fund does not have a minimum or maximum percentage allocation to futures or any of the underlying asset types. However, the maximum margin to equity ratio for the Significant Underlying Fund, that is the percentage of the Significant Underlying Fund's assets required to be set aside as margin for the Significant Underlying Fund's investments, is 9%.

The Significant Underlying Fund's excess cash will be held as cash, cash equivalent investments and/or invested in cash funds as determined by the cash manager of the Significant Underlying Fund from time to time. The margin on the Significant Underlying Fund's futures is held with the futures clearing broker or futures exchange.

These guidelines may be changed from time to time.

Risk management processes employed by FORT

FORT believes using a fully systematic strategy can potentially produce high quality risk-adjusted returns while mitigating the risk of significant drawdowns that can occur as a result of certain

types of market events. FORT's ongoing research seeks to develop quantitative trading systems. FORT's adaptive portfolio allocation process systematically allocates risk across these underlying models according to an assessment of risk-adjusted profitability. This dynamic process seeks to improve risk-adjusted returns, by allocating to models and markets which have shown better performance characteristics, and by allocating away from models and markets which have underperformed.

FORT generally attempts to manage risk for the Significant Underlying Fund, including the risks associated with leverage, through a combination of diversification and observing a maximum margin-to-equity ratio, which is the percentage of the Significant Underlying Fund's assets required to be set aside as margin for the Significant Underlying Fund's investments.

The Significant Underlying Fund's risk controls, including the Significant Underlying Fund's margin-to-equity ratio, are regularly and consistently monitored systematically as well as by FORT's portfolio management team, trade execution team and the heads of finance and compliance.

Disclosure Principle 2: Investment manager

The investment manager

FORT, L.P. (**FORT**) manages the Significant Underlying Fund's futures exposure on a discretionary basis.

FORT, founded in 1993, is an alternative investment firm based in the United States, and is exclusively committed to quantitative investment strategies. FORT manages funds on behalf of institutional investors globally, including pensions, endowments, foundations and sovereign wealth firms. FORT is registered as an investment adviser with the U.S. Securities and Exchange Commission, although this does not imply any particular level of skill or training.

The Investment Manager of the Fund, Macquarie Investment Management Global Limited, also acts as the cash manager of the Significant Underlying Fund, managing the cash investments held by the Significant Underlying Fund in excess of the margin requirements.

Key individuals

FORT's strategy is systematic. 'Systematic' in this context means that market information such as pricing and volume is used to create rule-based computerised trading signals. While the portfolio managers retain trading discretion, under normal market conditions, the strategy trades solely according to such systematic signals.

The following provides details of the identity, relevant qualifications and commercial experience of the key individuals of FORT. The individuals noted below are ultimately responsible for the oversight of FORT's investment activities for the Significant Underlying Fund and will devote as much time as FORT deems necessary or appropriate in order to manage the Significant Underlying Fund's futures exposure.

Dr. Yves Balcer – Founding Partner and Portfolio Manager

Dr. Yves Balcer has been a principal of FORT since its inception in 1993. From 1985 to 1987 and from 1988 to 1992, he was a Senior Manager of Investment at the World Bank. During his last two years at the World Bank, Dr. Balcer directed the research and implementation of system-based trading strategies in global bond markets. Prior to that, he served as Senior Manager for the North American, European, and Asian portfolios, where he managed professional traders overseeing a multi-billion dollar portfolio in fixed income assets. From 1977 to 1985, he was a tenured associate professor of economics at the University of Wisconsin. Dr. Balcer has published more than twenty-five articles on finance and economics in professional journals. He holds a PhD in Economics and Finance from Massachusetts Institute of Technology, a PhD in Operations Research, a Master of Science in Statistics from Stanford University, and a Master of Science in Mathematics from the Université de Montréal.

Dr. Sanjiv Kumar – Founding Partner and Portfolio Manager

Dr. Sanjiv Kumar has been a principal of FORT since its inception in 1993. From 1987 to 1992, he was a Senior Manager of Investment at the World Bank. During his tenure at the World Bank, Dr. Kumar managed large fixed income portfolios in all the major currencies. At the time of his departure, Dr. Kumar was responsible for investing a multi-billion dollar portfolio in US and Canadian dollar securities. From 1985 to 1986, Dr. Kumar was a Vice President of Free Market Inc., a Chicago-based economic and financial advisory firm for institutional money managers. Dr. Kumar has a PhD in Economics from the University of Chicago and a Bachelor of Arts in Mathematics from the University of Delhi.

As at the date of this Supplement, there have been no adverse regulatory findings against FORT or the key individuals responsible for the oversight of FORT's investment activities for the Significant Underlying Fund.

1. FORT Global Trend Fund

Investment management agreement between Macquarie and FORT

The rights and obligations of each of Macquarie and FORT are set out in an investment management agreement between the parties which has been negotiated on an arm's length basis. There are no unusual or materially onerous terms (from an investor's perspective) in the investment management agreement.

Under the investment management agreement between Macquarie and FORT, Macquarie may terminate the appointment of FORT as the investment manager of the Significant Underlying Fund in the following circumstances:

- three months' written notice to FORT, and
- upon the occurrence of certain 'default' events including, but not limited to, a change of control of FORT, liquidation or insolvency of FORT, FORT no longer being capable of providing the services under the investment management agreement, a key person event or a material breach of the agreement that has not been remedied within 15 Business Days of us asking FORT to do so.

On termination of the investment agreement between Macquarie and FORT, FORT will generally be entitled to receive any accrued fees and expenses incurred in respect of the period to termination. Other than any accrued fees and expenses payable, there are no other payment obligations on termination of the investment management agreement by Macquarie.

Disclosure Principle 3: Fund structure

The Significant Underlying Fund is an Australian unit trust registered under the Corporations Act as a managed investment scheme. Macquarie is the responsible entity of the Significant Underlying Fund and is responsible for operating the Significant Underlying Fund in accordance with the Significant Underlying Fund's constitution, and the Corporations Act.

The key service providers to the Significant Underlying Fund are:

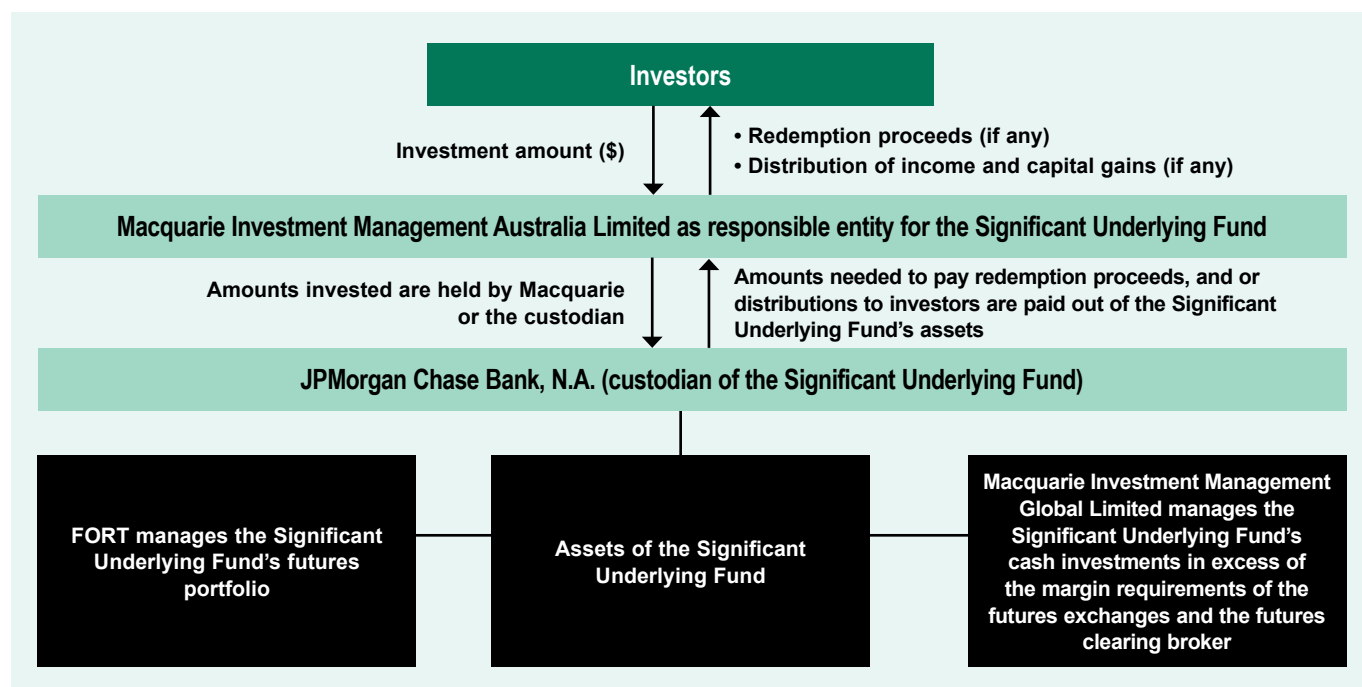
- FORT, L.P., the investment manager of the Significant Underlying Fund
- Macquarie Investment Management Global Limited, the cash manager of the Significant Underlying Fund

- JPMorgan Chase Bank, N.A. (**JPM**), the custodian and fund accounting services provider to the Significant Underlying Fund, and
- Ernst & Young Australia, the auditor of the Significant Underlying Fund.

For more information on the key service providers, please refer to Section 1 of the Significant Underlying Fund's PDS.

Macquarie and the cash manager of the Significant Underlying Fund, both part of Macquarie Group, are related corporations.

The diagram below shows the flow of investment money through the structure of the Significant Underlying Fund.



Disclosure Principle 4: Valuation, location and custody of assets

The Significant Underlying Fund's assets are normally valued at their most recent market value, using independent pricing sources where available for the particular asset type and in accordance with industry standards. Futures are generally valued by reference to the exchange settlement price, cash funds are valued using their most recent net asset value price and cash is valued at its face value plus accrued interest.

The Significant Underlying Fund's assets are held in the name of Macquarie as the responsible entity of the Significant Underlying Fund. JPM is the custodian of the Significant Underlying Fund. However, as the Significant Underlying Fund's assets are held in the name of Macquarie, JPM's role is limited to providing services to the Significant Underlying Fund in relation to some of the cash held by the Significant Underlying Fund for day-to-day operational purposes (which is generally a small percentage of the Significant Underlying Fund's total cash holdings).



Refer to Disclosure Principle 1 above for information on the location of the assets of the Significant Underlying Fund.

Disclosure Principle 5: Liquidity

As at the date of this Supplement, Macquarie reasonably expects to be able to realise at least 80% of the Significant Underlying Fund's assets, at the value ascribed to those assets in calculating the Significant Underlying Fund's net asset value, within ten days.

Disclosure Principle 6: Leverage

The Significant Underlying Fund uses leverage, which is inherent in the derivatives to which the Significant Underlying Fund is exposed, to implement the investment strategy although it does not physically borrow to leverage.

Leverage generally provides a much larger exposure to the underlying assets with a relatively small initial outlay. The Significant Underlying Fund, therefore, may have gross market exposure (on a look-through basis) in excess of 100% of the net asset value of the Significant Underlying Fund. While the use of leverage may increase the potential return on an investment in the Significant Underlying Fund, it also increases the level of risk and may also result in substantial losses being incurred by the Significant Underlying Fund.

The Significant Underlying Fund does not have any specific leverage (gross exposure) restrictions and does not have a maximum allowed level of leverage. As at the date of this Supplement, the maximum anticipated level of leverage, with fixed income exposures adjusted to a 10-year equivalent duration, is 650% of the net asset value of the Significant Underlying Fund. The Significant Underlying Fund's maximum anticipated level of leverage may change from time to time and we may not provide investors with notice of such a change.

Assets used as collateral

The initial margin and variation margin is collateral to cover the risk of default on the derivatives contract. If the Significant Underlying Fund's margin account goes below a certain value, then a margin call is made and the Significant Underlying Fund must replenish the margin account. Calls for margin are expected to be paid on the same day. If not, the clearing broker, exchange or counterparty (as relevant) may terminate such derivatives contracts. Cash deposited as margin with the clearing broker, exchange or counterparty (as relevant) may be encumbered or exposed to set off rights in certain circumstances.

For example, a counterparty may have rights to such collateral where an event of default occurs in relation to trading undertaken on behalf of the Significant Underlying Fund. Also, the claims against the collateral by third parties may be accelerated in the event of insolvency of Macquarie in certain circumstances.

Disclosure Principle 7: Derivatives

The use of derivatives is key to the investment strategy of the Significant Underlying Fund. The Significant Underlying Fund takes both long and short positions in futures, which provide returns linked to the movements in the assets underlying the futures contracts.

All of the Significant Underlying Fund's derivatives counterparties must, in FORT's reasonable opinion, have sufficient expertise and experience in trading such financial instruments.



Refer to Section 3 of the PDS for information on the risks associated with the use of derivatives.

Disclosure Principle 8: Short-selling

The Significant Underlying Fund may have exposure to short derivatives positions although it does not engage in short-selling physical assets. In taking short positions, the Significant Underlying Fund bears the risk of an increase in price of the underlying asset over which the short position is taken. The key difference between a long position and a short position is that a short position involves an unlimited risk of an increase in the market price of the asset underlying the short position. Such an increase could lead to a substantial loss.



Refer to Section 3 of the PDS for more information on the risks associated with short-selling and Disclosure Principle 1 above for how FORT manages the risks associated with the investment process generally (including short positions).

2. P/E Global FX Alpha Fund

Benchmarks

Valuation of non-exchange traded assets

This benchmark addresses whether valuations of the Significant Underlying Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider. This benchmark is not relevant to the Significant Underlying Fund as all of its assets are either exchanged traded or cash.

Periodic reporting

This benchmark addresses whether the responsible entity of the Significant Underlying Fund provides periodic disclosure of certain key information on an annual and monthly basis.



Refer to the table in the 'Macquarie Professional Series Global Alternatives Fund at a glance' section of the PDS for the periodic disclosure of certain key information that will be provided on an annual and monthly basis for the Fund and the Significant Underlying Fund, and whether each meets the benchmark.

Disclosure Principle 1: Investment strategy

Investment strategy and typical asset classes

The Significant Underlying Fund aims to generate long-term total returns by investing in exchange-traded futures providing exposure to currencies and gold. The Significant Underlying Fund holds both long and short positions in futures. The Significant Underlying Fund also holds cash and cash equivalents.

P/E Global's investment process combines new and existing information in an adaptive framework to predict future currency and gold price movements. The strategy is based on P/E Global's belief that:

- fundamental factors drive currency exchange rates and gold prices
- the importance of each factor varies over time, and
- statistical analysis can provide an adaptive framework for understanding price movements in these markets.

P/E Global's investment process involves the use of a disciplined and dynamic quantitative model to determine the positions held by the Significant Underlying Fund. The model relies on statistical analysis to forecast returns and volatilities for each position based on underlying fundamental factors identified by P/E Global. P/E Global defines fundamental factors as economic inputs which they believe drive price movements over time. These factors may include but are not limited to interest rates, inflation, credit spreads, and capital flows.



Refer to Section 2.2 of the Significant Underlying Fund's PDS for more information on the investment strategy and process.

Currency denomination and location of the assets

The Significant Underlying Fund may invest in any futures market globally and may have exposure to gold and/or any developed market currency or emerging market currency selected by P/E Global and approved by Macquarie. The futures held by the Significant Underlying Fund may be located in any jurisdiction worldwide and denominated in any currency. The futures are generally not denominated in Australian dollars.

The cash holdings of the Significant Underlying Fund, in excess of margin requirements, will generally be denominated in Australian dollars. The cash posted with counterparties or exchanges as margin against the Significant Underlying Fund may be denominated any currency.

Key assumptions and dependencies of the investment strategy

The ability of the investment strategy to produce investment returns will depend on a number of factors, including without limitation, the success of the investment process and the strength of the quantitative model. The Significant Underlying Fund is also likely to perform better in markets that have minimal intervention from central banks and governments. There is no guarantee that the Significant Underlying Fund will achieve its performance objectives, or produce returns that are positive or compare favourably against its peers.

Investment limits and guidelines

The Significant Underlying Fund invests in currency and gold futures. The Significant Underlying Fund also holds cash and cash equivalents.

The Significant Underlying Fund has indirect exposure to developed market currencies, emerging market currencies and gold through derivatives contracts.

There are no maximum or minimum percentage allocations to particular currencies or gold. The Significant Underlying Fund can have exposure to a concentrated number of positions. Generally, the fewer positions which the Significant Underlying Fund has exposure to, the greater the potential volatility of the Significant Underlying Fund. A concentrated portfolio may result in large movements in the unit price of the Significant Underlying Fund within a short period of time. The following limits apply to the Significant Underlying Fund's futures investments.

- The maximum gross market exposure of the futures contracts of the Significant Underlying Fund is 300% of the net asset value of the Significant Underlying Fund (or three times the Significant Underlying Fund's net asset value). There is no minimum gross market exposure to the futures contracts.
- A maximum of 10% of the Significant Underlying Fund's net asset value will be committed as initial margin at any time.

The Significant Underlying Fund's excess cash will be held in bank accounts with Australian authorised deposit-taking institutions, or such other cash or cash equivalent investments as determined by the cash manager of the Significant Underlying Fund. The margin is held with the futures clearing broker or futures exchange.

These guidelines may change from time to time.

Risk management processes employed by P/E Global

P/E Global manages the futures exposure of the Significant Underlying Fund to a predetermined target portfolio volatility, which is measured using standard deviation. In addition to standard deviation, P/E Global also manages portfolio market risk exposure by using a statistical technique to measure and to quantify the level of financial risk of the investment portfolio over a specific short timeframe. Other ways in which P/E Global may manage risk include:

- investing globally across liquid markets
- monitoring initial margin-to-equity and gross market exposures, and
- taking a mixture of long and short positions.

Disclosure Principle 2: Investment manager

The investment manager

P/E Global LLC (**P/E Global**) has been appointed to manage the Significant Underlying Fund's futures exposure on a discretionary basis. P/E Global is a limited liability company, based in Boston Massachusetts, which provides investment advisory and discretionary portfolio management services to clients. P/E Global is registered with the U.S. Commodity Futures Trading Commission as a commodity pool operator and a commodity trading adviser and is a member of the National Futures Association. P/E Global is also registered as an investment adviser with the U.S. Securities and Exchange Commission, which does not imply any certain level of skill or training.

The Investment Manager of the Fund, Macquarie Investment Management Global Limited, also acts as the cash manager of the Significant Underlying Fund, managing the cash investments held by the Significant Underlying Fund in excess of the margin requirements.

Key individual

P/E Global's strategy is systematic and does not have any one person who has discretionary decision-making responsibilities. 'Systematic' in this context means that the vast majority of the portfolio exposures are based on the forecasts generated by P/E Global's quantitative models, other than in rare instances where P/E Global deems the circumstances to be exceptional.

The following provides details of the identity, relevant qualifications and commercial experience of the key individual of P/E Global. The individual noted below is ultimately responsible for the oversight of P/E Global's investment activities for the Significant Underlying Fund and will devote as much time as P/E Global deems necessary or appropriate in order to manage the Significant Underlying Fund's futures exposure.

Warren Naphtal – Founder and Chief Investment Officer

Warren Naphtal is the co-founder of P/E Global LLC. Warren has served as Chief Investment Officer of P/E Global and its affiliated companies since 1995. He has extensive experience in the portfolio management and securities trading fields. From 1993 to 1995, Warren was a Senior Vice President and Head of Derivative Strategies at Putnam Investments. He was also responsible for Putnam's commodity investments and foreign exchange overlay areas working extensively with core clients in the U.S. and Japan. Warren served on Putnam's Capital Market Committee, setting the firm's overall investment strategy and was a founding member of Putnam's Risk Management Committee. From 1989 to 1993, he was a Managing Director of Continental Bank, where his responsibilities included Head of Global Risk Management, Head of Proprietary Trading and Managing Partner of Cardinal Capital Management. From 1987 to 1989, Warren was a Vice President of Continental Bank, where he was responsible for Derivatives Trading. From 1985 to 1986, he traded equity options for O'Connor & Associates, a leading options trading concern that was subsequently acquired by Swiss Bank. Warren graduated from the MIT Sloan School of Management in Massachusetts in 1985, and the University of California, Berkeley where he received a Bachelor of Science in Civil Engineering in 1983.

As at the date of this Supplement, there have been no adverse regulatory findings against P/E Global or the key individual responsible for the oversight of P/E Global's investment activities for the Significant Underlying Fund.

Investment management agreement between Macquarie and P/E Global

The rights and obligations of each of Macquarie and P/E Global are set out in the terms of an investment management agreement which has been negotiated on an arm's length basis. There are no unusual or materially onerous terms (from an investor's perspective) in the investment management agreement.

Under the investment management agreement between Macquarie and P/E Global, Macquarie may terminate the appointment of P/E Global as the investment manager of the Significant Underlying Fund in the following circumstances:

- three months' written notice to P/E Global, and
- upon the occurrence of certain 'default' events including, but not limited to, a change of control of P/E Global, liquidation or insolvency of P/E Global, P/E Global no longer being capable of providing the services under the investment management agreement, a key person event or a material breach of the agreement that has not been remedied within 15 days of us asking P/E Global to do so.

On termination, P/E Global will generally be entitled to receive any accrued fees and expenses incurred in respect of the period to termination. Other than any accrued fees and expenses payable, there are no other payment obligations on termination of the investment management agreement by Macquarie.

2. P/E Global FX Alpha Fund

Disclosure Principle 3: Fund structure

The Significant Underlying Fund is an Australian unit trust registered under the Corporations Act as a managed investment scheme. Macquarie is the responsible entity of the Significant Underlying Fund and is responsible for operating the Significant Underlying Fund in accordance with the Significant Underlying Fund's constitution, and the Corporations Act.

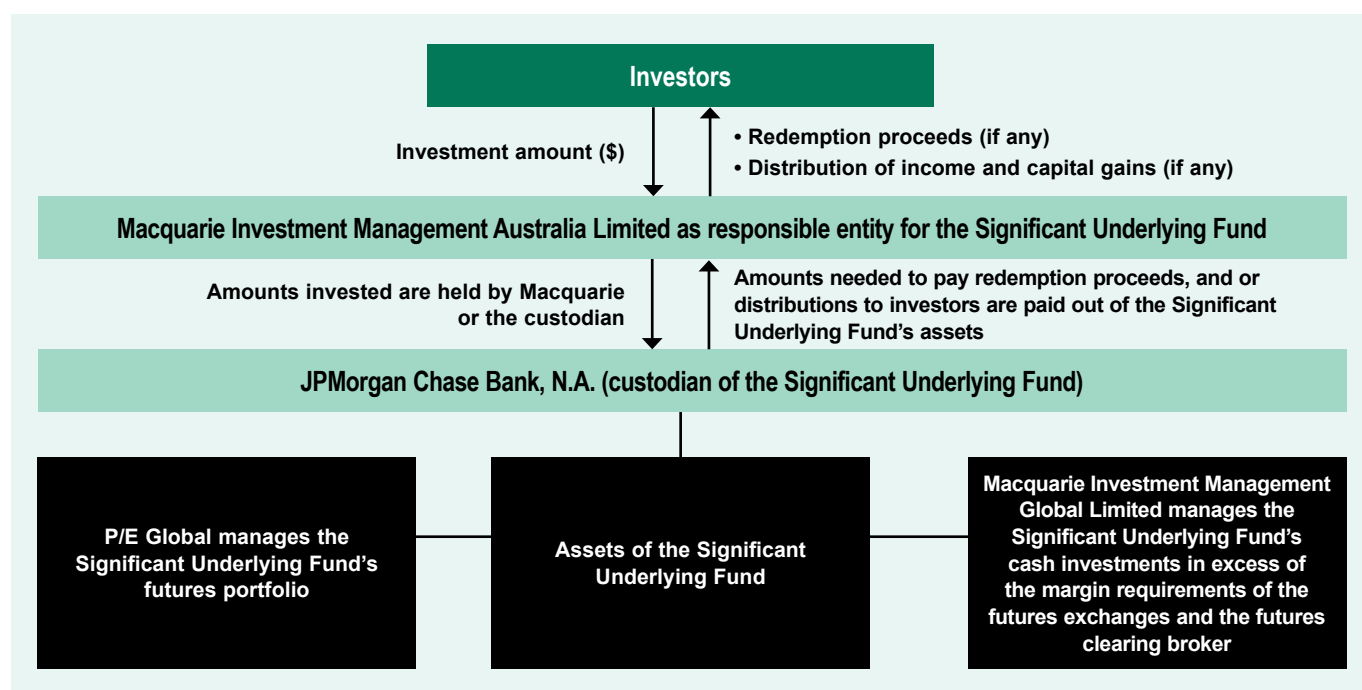
The key service providers to the Significant Underlying Fund are:

- the investment manager of the Significant Underlying Fund, P/E Global LLC
- the cash manager of the Significant Underlying Fund, Macquarie Investment Management Global Limited, a company incorporated under the laws of Australia
- the custodian of and fund accounting services provider to the Significant Underlying Fund, JPMorgan Chase Bank, N.A. (ABN 43 074 112 011, AFSL 238367) (**JPM**), a banking association organised under the law of the United States, and the auditor of the Significant Underlying Fund, Ernst & Young Australia.

For more information on the key service providers, please refer to Section 1 of the Significant Underlying Fund's PDS.

Macquarie and the cash manager of the Significant Underlying Fund, both part of Macquarie Group, are related corporations.

The diagram below shows the flow of investment money through the structure of the Significant Underlying Fund.



Disclosure Principle 4: Valuation, location and custody of assets

The Significant Underlying Fund's assets are normally valued at their most recent market value, using independent pricing sources where available for the particular asset type and in accordance with industry standards. Futures are generally valued by reference to the exchange settlement price. Cash is valued at its face value with the addition of accrued interest.

The Significant Underlying Fund's assets are held in the name of Macquarie as the responsible entity of the Fund. JPM is the custodian of the Significant Underlying Fund. However, as the Significant Underlying Fund's assets are held in the name of Macquarie, JPM's role is limited to providing services to the Significant Underlying Fund in relation to the cash that the Significant Underlying Fund holds for day-to-day operational purposes, which is generally a small percentage of the Significant Underlying Fund's total cash holdings.



Please refer to Disclosure Principle 1 above for information on the location of the assets of the Significant Underlying Fund.

Disclosure Principle 5: Liquidity

As at the date of this Supplement, Macquarie reasonably expects to be able to realise at least 80% of the Significant Underlying Fund's assets, at the value ascribed to those assets in calculating the Significant Underlying Fund's net asset value, within ten days.

Disclosure Principle 6: Leverage

The Significant Underlying Fund uses leverage, which is inherent in futures contracts, to implement the investment strategy although it does not physically borrow to leverage. Leverage generally provides a much larger exposure to the underlying assets with a relatively small initial outlay. The Significant Underlying Fund, therefore, may have gross market exposure (the sum of the combined market exposures of its long and short futures positions) in excess of 100% of the net asset value of the Significant Underlying Fund. While the use of leverage may increase the potential return on an investment in the Significant Underlying Fund, it also increases the level of risk and may also result in substantial losses being incurred by the Significant Underlying Fund.

The maximum allowable leverage, or maximum gross market exposure, of the Significant Underlying Fund is three (3) times the net asset value of the Significant Underlying Fund.

Assets used as collateral

The initial margin and variation margin is collateral to cover the risk of default on the futures contract. If the Significant Underlying Fund's margin account goes below a certain value, then a margin call is made and the Significant Underlying Fund must replenish the margin account. Calls for margin are expected to be paid on the same day. If not, the futures clearing broker or futures exchange may terminate such futures contracts. Cash deposited as margin with the futures clearing broker or futures exchange may be encumbered or exposed to set off rights in certain circumstances. For example, the futures clearing broker may have rights to such collateral where an event of default occurs in relation to futures trading undertaken on behalf of the Significant Underlying Fund. Also, the claims against the collateral by third parties may be accelerated in the event of insolvency of Macquarie in certain circumstances.

Disclosure Principle 7: Derivatives

The use of derivatives (in this case, limited to exchange-traded currency and gold futures) is key to the investment strategy of the Significant Underlying Fund. The Significant Underlying Fund takes both long and short positions in futures, which provide returns linked to the movements in the assets underlying the futures contracts.

All of the Significant Underlying Fund's derivatives counterparties, being futures exchanges and futures brokers, must have, in P/E Global's reasonable opinion, sufficient expertise and experience in trading such financial instruments.



Refer to Section 3 of the PDS for information on the risks associated with the use of derivatives.

Disclosure Principle 8: Short-selling

The Significant Underlying Fund may hold short futures positions although it does not engage in short-selling physical assets. In taking short positions, the Significant Underlying Fund bears the risk of an increase in price of the underlying asset over which the short position is taken.



Refer to Section 3 of the PDS for more information on the risks associated with short-selling and Disclosure Principle 1 above for how P/E Global manages the risks associated with the investment process generally (including short positions).

3. Consents

FORT, L.P.

FORT has given its written consent to the statements about it and its employees and officers appearing in this Supplement in the form and context in which they appear (and has not withdrawn that consent before the date of this Supplement). This offering has not been approved or disapproved by the U.S. Securities and Exchange Commission (**SEC**), the securities commission of any state or territory within the United States, nor the U.S. Commodity Futures Trading Commission (**CFTC**). None of the SEC, the securities commission of any State or Territory within the United States and the CFTC has passed upon the accuracy or adequacy of this Supplement. Any representation to the contrary is a criminal offence within the United States. The Significant Underlying Fund has consented to being treated as an exempt account under applicable CFTC rules. PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THE INVESTMENT MANAGEMENT AGREEMENT IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE COMMISSION. THE COMMODITY FUTURES TRADING COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN ANY TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THE TRADING PROGRAM OF THE INVESTMENT MANAGER OR THE INVESTMENT MANAGEMENT AGREEMENT.

P/E Global LLC

P/E Global has given its written consent to the statements about it and its employees and officers appearing in this Supplement in the form and context in which they appear (and has not withdrawn that consent before the date of this Supplement). This offering has not been approved or disapproved by the U.S. Securities and Exchange Commission (**SEC**), the securities commission of any state or territory within the United States, nor the U.S. Commodity Futures Trading Commission (**CFTC**). None of the SEC, the securities commission of any State or Territory within the United States and the CFTC has passed upon the accuracy or adequacy of this Supplement. Any representation to the contrary is a criminal offence within the United States. The Fund has consented to being treated as an exempt account under applicable CFTC rules. PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THE INVESTMENT MANAGEMENT AGREEMENT IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE COMMISSION. THE COMMODITY FUTURES TRADING COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN ANY TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THE TRADING PROGRAM OF THE INVESTMENT MANAGER OR THE INVESTMENT MANAGEMENT AGREEMENT.

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