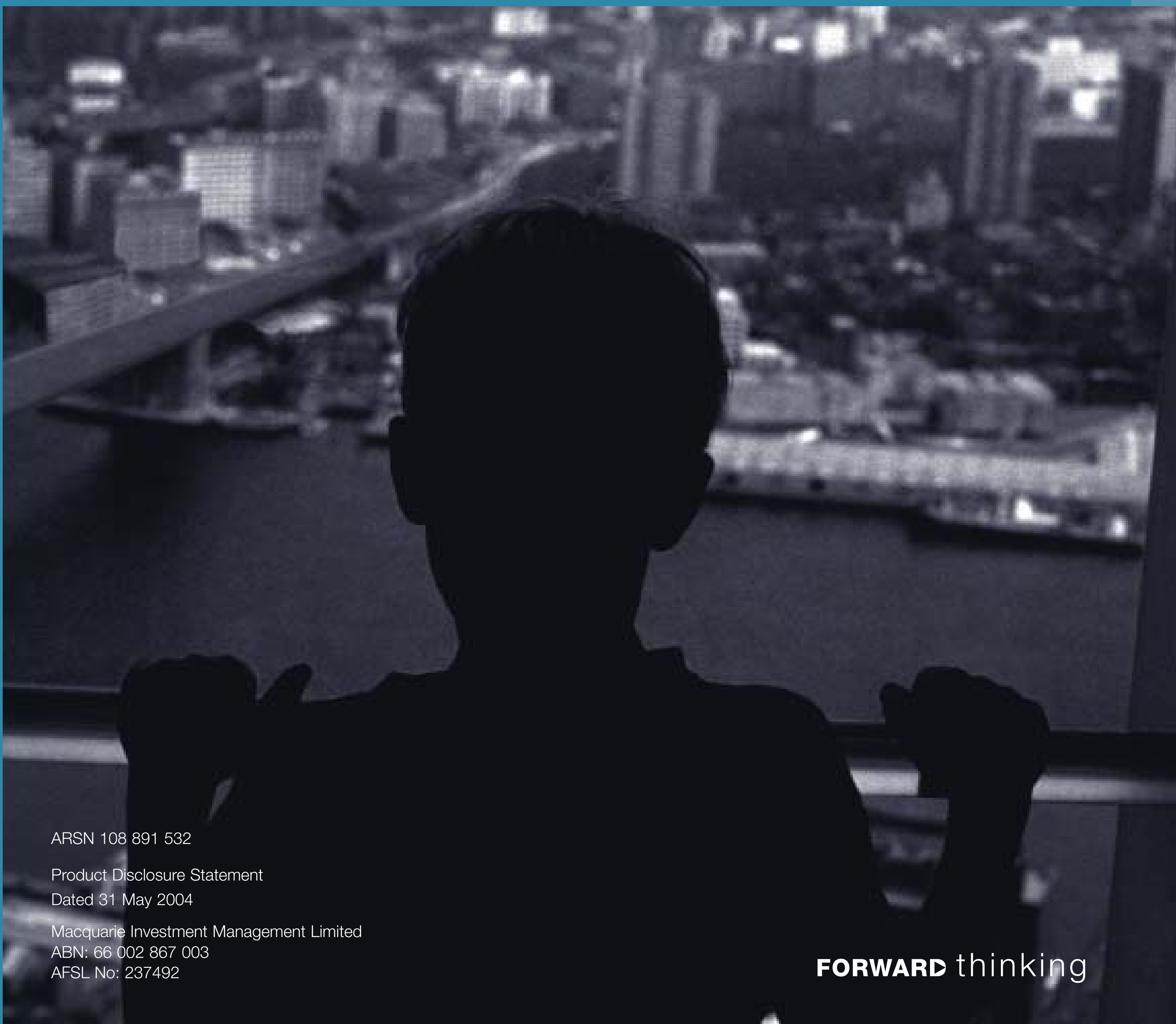
Macquarie Global Infrastructure Trust II

Grow your investments, build the future

Macquarie Global Infrastructure Trust II

MACQUARIE



ARSN 108 891 532

Product Disclosure Statement
Dated 31 May 2004

Macquarie Investment Management Limited
ABN: 66 002 867 003
AFSL No: 237492

FORWARD thinking

Disclaimers

Investments in the Macquarie Global Infrastructure Trust II (the "Trust") are not deposits with or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL) or of any Macquarie Bank Group company and are subject to investment risk, including possible delays in repayment and loss of income or principal invested. None of Macquarie Bank Limited, Macquarie Investment Management Limited ABN 66 002 867 003 (the Responsible Entity, we, us, MIML) or any other member company of the Macquarie Bank Group guarantees the performance of the Trust or the repayment of capital from the Trust or any particular rate of return.

PLEASE MAKE SURE YOU READ THIS PRODUCT DISCLOSURE STATEMENT IN FULL BEFORE DECIDING TO INVEST.

The preparation date of this Product Disclosure Statement (PDS) is 31 May 2004. This PDS is issued by MIML who holds Australian Financial Services Licence No. 237492.

This offer is only available to persons who receive this PDS in Australia. Applications from outside Australia will not be accepted.

Important information

This PDS describes the main features of the Macquarie Global Infrastructure Trust II (MGIFT II). It is important you read it carefully.

It is designed to help you:

- decide whether this product will meet your needs; and
- compare this product to others you may be considering.

The information in this PDS is general information only and does not take into account your individual objectives, financial situation or needs. Accordingly, before acting on the information, you should consider whether the information in this PDS is appropriate for you in light of your objectives, financial situation or needs. To obtain advice or more information about the units in MGIFT II offered in this PDS, you should speak to an Australian Financial Services Licensee or an authorised representative of an Australian Financial Services Licensee who is a financial, investment or tax adviser.

If you receive this PDS in electronic form you are entitled to obtain a paper copy (including the application form) free of charge by contacting us on 1800 806 310.

In considering whether to invest in this Trust it is important you consider the risk factors that could affect the financial performance of your investment. The main risk factors that MIML thinks an investor should consider are referred in the section titled "Risks" starting on page 18 of this PDS.

Updated information: The information contained in this PDS is up to date at the date of its preparation. However, information relating to MGIFT II such as investment performance, may change from time to time. To the extent that the information is not materially adverse, it will be updated and made available to you on our website at www.macquarie.com.au/personal or by contacting us on 1800 806 310. A paper copy of any updated information is available free on request. If there is a materially adverse change to the information in this PDS or a materially adverse omission from the PDS, we will issue a replacement or supplementary product disclosure statement.

Continuous Disclosure: The Trust is or is expected to become a 'disclosing entity' and is subject to regular reporting and disclosure obligations under the Corporations Act (Cth) 2001 (Corporations Act). Copies of documents lodged with Australian Securities and Investments Commission (ASIC) may be obtained from, or inspected at, an ASIC office.

This PDS is not required to be lodged with ASIC.

If you wish to obtain:

- the Trust's annual financial report most recently lodged with ASIC (once the first report is lodged);
- any half yearly report lodged with ASIC after the lodgement of the annual report and before the date of this PDS; or
- any continuous disclosure notices given by the Trust after lodgement of the annual report and before the date of this PDS,

please contact us on 1800 806 310.

MIML authorises the use of this PDS for investors who wish to access the Trust through an Investor Directed Portfolio Service (IDPS or IDPS-like scheme commonly referred to as a master trust or wrap account) or a nominee or custody service (collectively referred to as master trusts or wrap accounts in this PDS).

IFSA

Macquarie Investment Management Limited ABN 66 002 867 003 is a member of the Investment and Financial Services Association Limited. IFSA member companies must comply with standards set by the Association, which are primarily designed to inform and assist investors.

Contents

Definitions

GIF IIA refers to the wholesale Macquarie Global Infrastructure Fund IIA, ARSN 106 465 114.

GIF IIB refers to the wholesale Macquarie Global Infrastructure Fund IIB, ARSN 106 465 249.

ISF refers to the Infrastructure and Specialised Funds division, a division of Macquarie's Investment Banking Group (IBG).

Macquarie refers to the Macquarie Bank Group.

Macquarie Bank Group refers to MBL and its related bodies corporate (as that term is defined in the Corporations Act).

Managers refers to either or both of Macquarie Specialised Asset Management Limited (**MSAM**), ABN 71 087 382 965 and Macquarie Specialised Asset Management 2 Limited (**MSAM2**), ABN 50 075 295 608, the responsible entities of GIF IIA and GIF IIB respectively.

MBL refers to Macquarie Bank Limited, ABN 46 008 583 542.

MGIFT II, or the **Trust**, refers to the retail Macquarie Global Infrastructure Trust II, ARSN 108 891 532.

MIML refers to Macquarie Investment Management Limited ABN 66 002 867 003, the responsible entity of MGIFT II. MIML is a wholly owned subsidiary of MBL.

MTF refers to the Macquarie Treasury Fund, ARSN 091 491 084, a AAA rated wholesale cash management trust.

Subscription Period refers to the period between 31 May 2004 and 31 August 2004 which may be extended by MIML, without prior notice at its discretion.

We, Us or the Responsible Entity refers to MIML.

Wholesale Fund refers to the Macquarie Global Infrastructure Fund II comprising of two wholesale managed investment schemes, GIF IIA and GIF IIB.

you refers to the investor in the Trust.

Macquarie Global Infrastructure Trust II – invest in infrastructure across the globe

Macquarie Global Infrastructure Trust II (MGIFT II) is a unit trust established to give individual investors the opportunity to invest alongside institutional investors in global infrastructure, managed by one of the world's leading infrastructure specialists, Macquarie.

MGIFT II pools the money of retail investors and acquires units in the Wholesale Fund. It will also hold some cash investments. This Wholesale Fund is a specialist investment vehicle established for the acquisition of infrastructure assets managed by the Managers. Further details relating to the structure of MGIFT II appear on page 16.

The following section of the PDS outlines the benefits associated with investing in infrastructure, and specifically those associated with investing with Macquarie in MGIFT II. Investors should also consider the section on risks commencing on page 18 of this PDS.

Why it pays to invest in infrastructure

Over the long term, investment in infrastructure can offer a level of return that, in itself, may be attractive. The three most prominent unlisted diversified vehicles investing in Australian infrastructure assets returned an average pre-tax return of 13.6%pa (net of fees) over the 7 years to 30 June 2003[1]. These returns have been achieved in a period in which the Australian S&P ASX 200 Accumulation index returned 8.7%pa.

The majority of the assets that the vehicles referred to above hold are Australian infrastructure assets. The Wholesale Fund does not intend to invest in Australian infrastructure assets, it aims to invest in infrastructure assets and businesses that support infrastructure located in OECD countries (except Australia) as well as Hong Kong and Singapore.

Despite private sector infrastructure investing in Australia being relatively mature in comparison to the rest of the world, there are only a small number of Australian funds with a substantial performance history. The performance history of the three most prominent unlisted Australian diversified infrastructure vehicles[1] is included in this PDS to provide potential investors with an indication of how investments in unlisted infrastructure funds have performed. You should note that these vehicles do not represent the total market and these figures provide only some insight into the nature of the returns achieved by investors holding diversified exposures to Australian infrastructure.

Private sector infrastructure investing across the rest of the world is less mature than it is in Australia, however, as outlined on page 4, the number of private sector infrastructure investment opportunities throughout the developed world is growing rapidly. This is similar to the situation which existed in Australia prior to the development of private sector infrastructure investment in this country.

The graph on page 3 shows the value of $10,000 invested on 30 June 1996 in the three most prominent Australian wholesale unlisted infrastructure funds[1] and the S&P ASX 200 Accumulation Index. You should note that the returns of these vehicles are not the returns of the Trust or the Wholesale Fund and as such, should not be taken as being indicative of the actual returns that may be achieved by the Trust or the Wholesale Fund.

As can be seen in the graph on page 3 the returns from the three most prominent Australian unlisted diversified vehicles[1] have been more stable than those of Australian equities over the seven years to 30 June 2003. This is due in large part to the relatively predictable cash flows that infrastructure assets can provide. This means that over the long term we would not expect infrastructure returns to be as volatile as those of equities but equities may outperform infrastructure and vice versa over any given period.

[1] Source: Raw data – Mercers.

Macquarie has combined the 3 trusts, Development Australia Fund – Infrastructure Unit (advised by IFS), Infrastructure Equity Fund (AMP) and Utilities Trust of Australia (Hastings) and weighted them according to their size as at 30 June 2003.

Macquarie has grossed up the returns of the Development Australia Fund – Infrastructure Unit by 10% to reflect pre-tax performance. This fund is a Pooled Superannuation Trust (PST) therefore its raw returns are post tax. The returns are quoted net of fees. The Infrastructure Equity Fund and Utilities Trust of Australia returns are pre-tax and net of fees.

Investments can go up and down. Past performance is not necessarily indicative of future performance.

Why have investment returns of Australian unlisted wholesale infrastructure funds differed to those of equity markets over this period? Because the dynamics of infrastructure investment returns are fundamentally different to those of traditional assets, like equities.

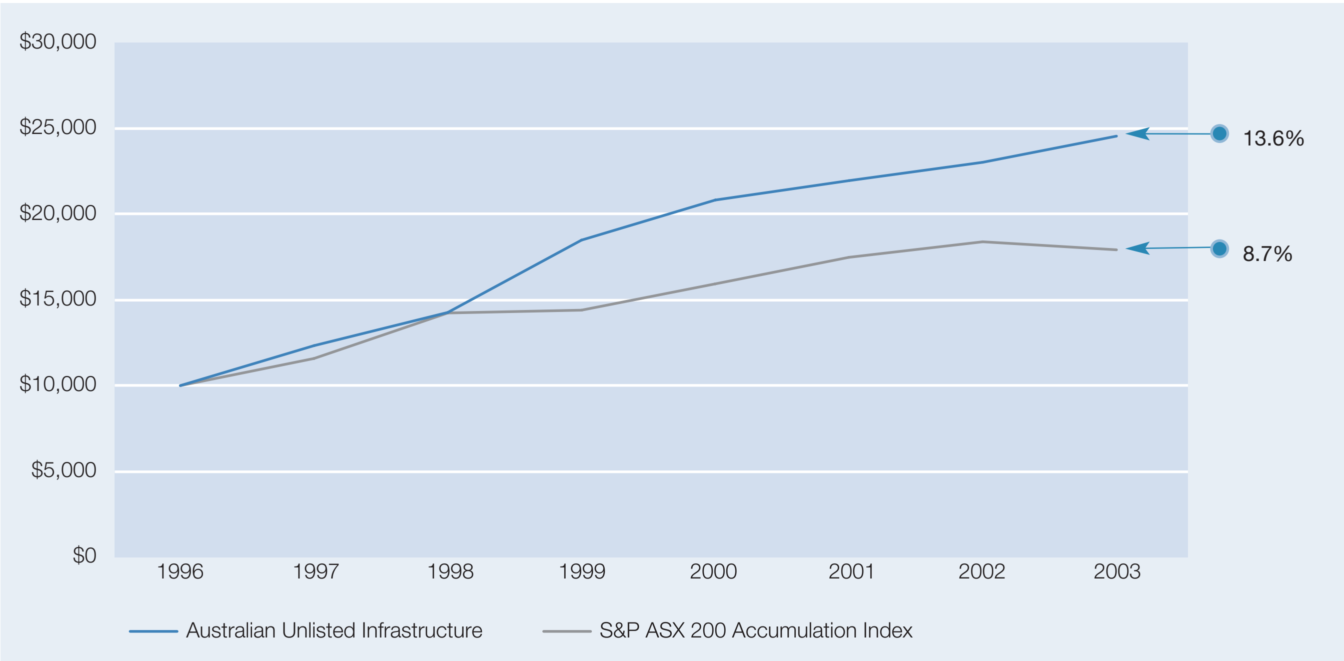
Pricing power

As many consumers are well aware, and some investors have recently learned, one of the dominant economic trends of the past few years has been a decline in pricing power. The vastly increased use of technology such as the Internet has made producing goods and services much cheaper, however, it has also made markets more transparent and reduced the barriers to entry that once protected dominant players in some markets.

Globalisation has meant that manufactured goods can be produced in developing Asian countries for a fraction of the cost of production in developed countries, hence the fall in prices of computers, TVs and other consumer goods.

Contrast this with infrastructure assets. Highways and airports cannot be bought over the Internet, nor can they be bought from other countries where they may be far cheaper to build or produce. Infrastructure is unique in this regard.

Additionally, the legislative protection that many major infrastructure assets receive from regional or national governments assists in protecting their pricing power. Once a toll road or a cross-city tunnel is built, it is unlikely to be replicated for many decades. This can make infrastructure assets attractive investments at any time – and even more attractive in a low-inflation, low-return environment.



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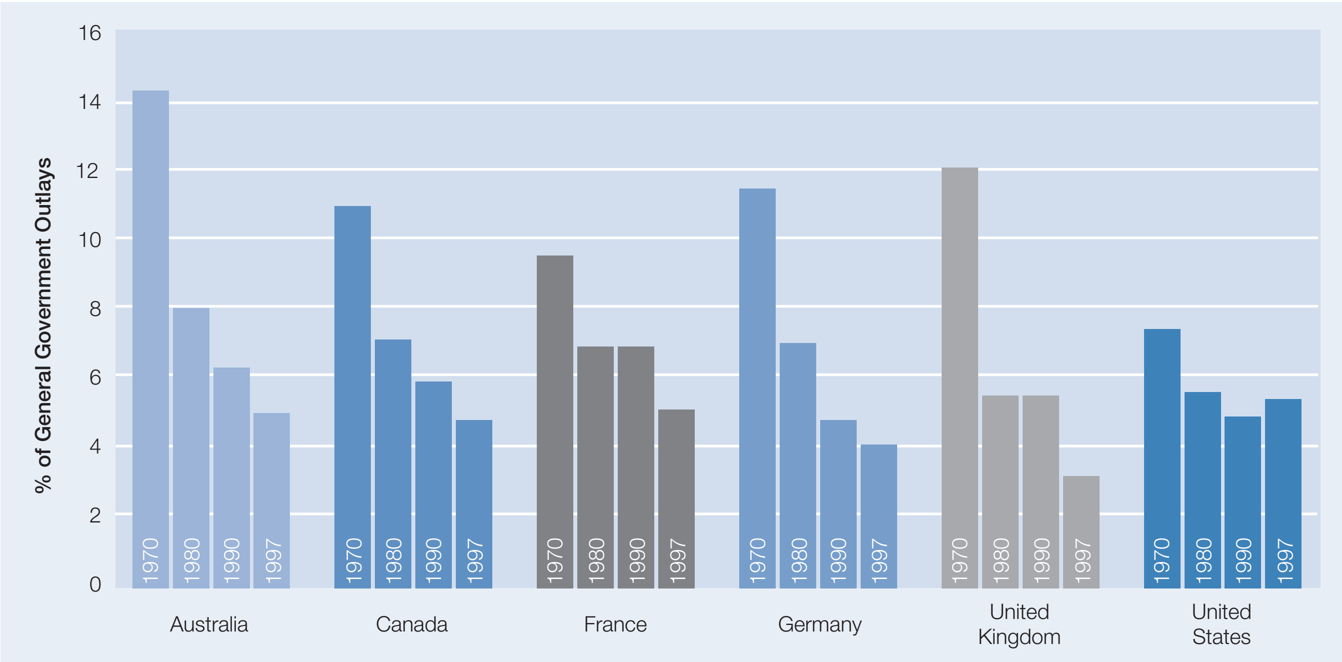
General government outlays on investments



Source: National accounts, OECD 1997

Early mover advantage

The world's governments have reduced infrastructure spending gradually as a percentage of general government outlays over the past 30 years. This has led to a massive 'infrastructure deficit'. In California alone, this deficit is estimated at US$100 billion[2]. For the US as a whole, it is estimated at US$400 billion[3]. Globally, Macquarie currently estimates the figure to be up to A$2,200 billion. That is just to catch up with what, in the past, would have been publicly-funded and publicly-owned investments.

Governments are under increasing pressure to keep budget deficits under control and taxes down. The baby boomer bulge exacerbates this problem further – there will be more people relying upon government support, but fewer paying taxes.

The answer? Turn to the private sector. The UK has plans for more than A$200 billion[4] in private sector financing projects. Asia's economic growth is fuelling huge demand for infrastructure, including $A140 billion[5] in new project spending in South Korea.

Canada, US, Italy and a host of other OECD countries have recently joined Australia in the push to develop infrastructure using private sector finance and expertise.

Private sector infrastructure is a developing asset class. The world's governments clearly need the private sector, however with few truly specialised infrastructure finance providers, there is a considerable potential 'early mover advantage' to those investing in infrastructure now.

[2] Centre for the Continuing Study of the California Economy – 'Californians and the Land' 1999.

[3] Associated General Contractors of America – 'Erasing the infrastructure deficit' 2003.

[4] Henderson Global Investors – 'The Attraction of Public to Private Partnerships' November 2002.

[5] Jaebong Ro – 'Infrastructure Development in Korea' September 2002.

Other appealing characteristics of infrastructure investment

As well as the potential for attractive long-term returns, infrastructure has other characteristics which may appeal to many investors.

One is relatively **predictable cashflows**. Privatised airports, for example, often have 'concession' periods of 50 years or more attached to their ownership and management rights. This, together with the natural limitations on direct competition, means their patronage and cashflows can be forecast with a degree of confidence barring any significant external shocks. The same is true for toll roads, where demographics and pricing power combine to produce a growing income stream.

Infrastructure also exhibits some valuable **defensive attributes**. Generally speaking, compared with listed securities, infrastructure assets are less susceptible to market sentiment and cyclical swings. Their performance is less volatile, the capital risks are generally lower and the income flows are generally more reliable.

Infrastructure projects typically deliver **long-term capital growth** which stems from various factors. One is the value placed on a growing income stream. Another is the increase in valuation which typically occurs once the upfront development and construction risks of the project have passed. Also, skilful management of the asset – and its financing – can increase net revenues over and above the levels originally anticipated which may attract greater values.

Infrastructure also offers **diversification benefits**. These apply to an investor's overall portfolio and, importantly, within an allocation to 'alternative assets'. Infrastructure exhibits very low correlation to traditional asset classes, and with other alternative sectors such as private equity, hedge funds and commodities. It is appropriate, therefore, to think of infrastructure as the core of an alternative assets allocation.

A study conducted by UBS Global Asset Management published in the Spring 2003 *Journal of Portfolio Management*[6] found that a conventional asset allocation focussing on traditional investments such as bonds and equities was inferior to one including alternative assets such as infrastructure. The study showed that with an allocation of 10% of a portfolio in 'real assets' such as infrastructure, it is possible to improve returns while lowering risk i.e. the dynamics of infrastructure investing are vastly different to those of traditional assets.

Macquarie is regularly presented with infrastructure investment opportunities as a result of its prominent global position and access to deal flow within this asset class (refer to the map on pages 6 and 7 for further detail on the current infrastructure assets being managed by Macquarie). It is the quality and potential of these investment opportunities which leads Macquarie to believe that infrastructure can continue to offer the potential for high returns, via capital growth and/or high yields over the long term, and provide diversification benefits for investment portfolios. The Australian experience demonstrates global infrastructure's potential as world governments continue to turn to the private sector to catch up on years of underspending on infrastructure.

To maximise the potential of your returns on this opportunity it is essential to invest with a global specialist in infrastructure. The following section of this PDS outlines Macquarie's global experience and position as one of the world's true infrastructure specialists.

[6] Titled *'Appropriate policy allocation for alternative investments'*.

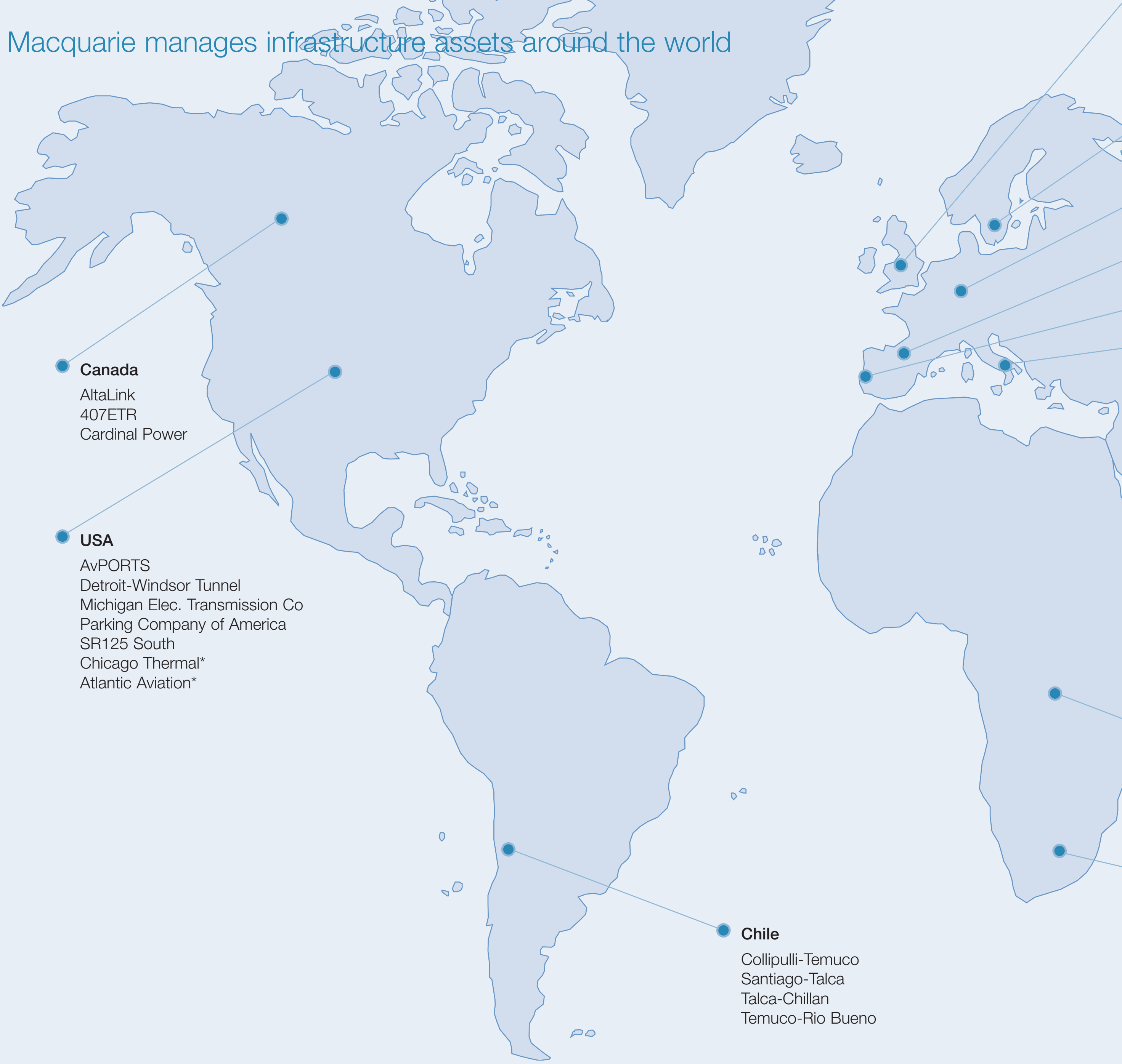
Macquarie – a global infrastructure specialist

High demand for private funding, but a low supply of global specialists in infrastructure investing – invest with a true global specialist

The opportunities created by high government demand for private sector infrastructure investment can be amplified for the small number of true global infrastructure specialists. Macquarie is one of these specialists and MGIFT II represents an opportunity to invest with Macquarie and capitalise on this exciting growth opportunity.

The map below shows infrastructure assets that Macquarie manages across the globe. MGIFT II and the Wholesale Fund have not yet made any infrastructure investments.

Macquarie manages infrastructure assets around the world



Source: Macquarie – as at 27 May 2004.

* Subject to final close.


UK
Birmingham Airport
Bristol Airport
M6 Toll
Yorkshire Link
South East Water
Sweden
Arlanda Express
Germany
Warnow Tunnel
Spain
Artxanda Tunnel
Ausol I
Ausol II
Autema (Terassa-Manressa)
Europistas (Burgon-Arminon)
M-45 Autopista Trados
R4 – Autopista Madrid
Portugal
Algarve
Norte Litoral
Lusoponte
Italy
Rome Airport
Genoa Airport
Lamezia Terme Airport
South Korea
Daegu-Busan Expressway
Kwangju 2nd Beltway
Soojungsan Tunnel
Baekyang Tunnel
Machang Bridge
Woomyunsan Tunnel*
Incheon Expressway*
Japan
Hakone Turnpike
Tanzania
Kilimanjaro Airport
Australia
Adelaide Airport
Airtrain Citilink
Asia Pacific Transport
Broadcast Australia
Eastern Distributor
Electranet SA
Gorodok Ethane Pipeline
M2 Motorway
M4 Motorway
M5 Motorway
Prospect Water
Reef Networks
Sydney Airport
Transcore
Westlink M7
South Africa
Bakwena Platinum Corridor
ICO Global Communications
N3 Toll
N4 Maputo Toll
Airports Company of South Africa (10 Airports)

About Macquarie

Macquarie is an Australian full service investment bank with total assets in excess of A$43.7 billion, with a further A$62.4 billion in assets under management and administration as at 31 March 2004.

Macquarie was originally established as the Australian arm of the UK based Hill Samuel merchant bank in 1969. It expanded rapidly and was listed on the ASX on 29 July 1996 and now ranks as one of Australia's largest companies by market capitalisation, which was $7.7 billion as at 31 March 2004. Macquarie achieved a record net profit after tax attributable to ordinary equity holders of A$494 million for the 12 months to 31 March 2004.

Today, Macquarie operates in a range of investment banking, commercial banking and selected retail financial services markets both in Australia and overseas. It is the only substantial, majority Australian owned investment bank. Macquarie has over 5,700 staff located in 20 countries around the world.

Macquarie's growth strategy is to expand selectively, seeking only to enter markets where it perceives there is a genuine opportunity to add real value.

Macquarie Investment Management Limited (MIML) offers MGIFT II. MIML, part of Macquarie, is one of Australia's most successful fund managers with more than A$30.9 billion under management for more than 575,000 investors as at 31 March 2004.

Infrastructure and Specialised Funds

MGIFT II will invest into the Wholesale Fund, which is managed by MSAM and MSAM2 (Managers). The companies comprising the Managers are contained within the Infrastructure and Specialised Funds (ISF) division of Macquarie. ISF manages a number of funds and investment vehicles, which invest in infrastructure projects around the world. ISF was formed in 1996 with the establishment of Macquarie Infrastructure Group (MIG), then known as the Infrastructure Trust of Australia (ITA). MIG is listed on the ASX and specialises in making equity investments in toll roads around the world. MIG was listed in December 1996 and has grown to have a market capitalisation of approximately $5.75 billion as at 31 March 2004.

MIG currently has investments in toll roads in Australia, UK, Canada, Spain, Portugal, Germany, USA and Chile.

During 2000 to 2002, ISF's business expanded further through the establishment of other funds.

During 2000, Macquarie was appointed as manager of the South African Infrastructure Fund. This was followed by the establishment of the following funds:

- Macquarie Airports Group in 2001;
- Macquarie Airports (ASX listed) in 2002;
- Macquarie Communications Infrastructure Group (ASX listed) in 2002;
- The Korean Roads Infrastructure Fund in 2002;
- Macquarie Essential Asset Partnership in 2003;
- Macquarie European Infrastructure Fund in 2004; and
- Macquarie Power Income Fund in 2004.

Additionally, since its inception, ISF, through its special purpose funds management subsidiaries, has obtained management roles with a number of project-specific vehicles. ISF managed in excess of $12 billion in assets at 31 March 2004 on behalf of several thousand investors, in a range of investment vehicles. The map on pages 6 and 7 outlines some of the assets invested in by various ISF managed funds, and illustrates the diversity of infrastructure assets managed by ISF executives, both in terms of asset class and location. In order to effectively manage all its investments, ISF has expanded its team of executives from four in 1996 to over 100 currently.

Macquarie Global Infrastructure Fund

The wholesale Macquarie Global Infrastructure Fund (GIF) was launched in 2000 and the retail fund that invests into it, Macquarie Global Infrastructure Trust (MGIFT) was launched in 2001. MGIFT II is Macquarie's second retail global infrastructure fund and in the same way as MGIFT does with GIF, acts as a "feeder fund" investing into the Wholesale Fund.

MGIFT II and the Wholesale Fund are both new funds and as such have no performance history. For this reason we have included the performance of the assets in Macquarie's first wholesale global infrastructure fund GIF, to provide some insight into how the underlying fund of MGIFT has performed over recent years.

The future performance of both the Wholesale Fund and MGIFT II may be markedly different to that of GIF. GIF's performance figures are outlined in this PDS to give an indication only of how an infrastructure fund may perform.

This section of the PDS outlines the assets invested in by GIF and their performance to date since GIF's establishment in 2000. The analysis of GIF's historical performance is drawn from GIF's latest valuations, which were prepared by the Managers as at 31 March 2004.

GIF portfolio snapshot

Please note, the assets listed below in the GIF portfolio do not represent the assets which will be included in the Wholesale Fund portfolio.

Asset	Investment cost (millions)	Value as at 31 Mar 2004 (millions)	Variation from cost (local currency)	Investment cost (A$ millions)	Value as at 31 Mar 2004 (A$ millions)
AvPORTS	US$23.29	US$37.04	59%	41.91	48.37
Parking Company of America Airports	US$19.00	US$28.70	51%	33.83	37.48
Detroit Windsor Tunnel	US$19.74	US$24.30	23%	34.31	31.74
Soojungsan Tunnel	KRW21,764	KRW48,839	124%	31.47	55.81
Nextgen Networks	A$31.25	0	-100%	31.25	0
Reef Networks	A$11.48	A$15.89	38%	11.48	15.89
Sydney Airport	A$24.16	A$31.35	30%	24.16	31.35
Aeroporti di Roma	€ 27.47	€ 29.87	9%	49.72	48.00
Total	**–**	**–**	**–**	**258.13**	**268.64**
Cash					3.62
Other assets					0.53
Liabilities					-1.03
GIF net asset value					**271.76**

Investments can go up and down. Past performance is not a reliable indicator of future performance. No performance fees have been deducted from these returns as no assets have yet been realised.

More details on the assets in the above table can be found on the Macquarie website www.macquarie.com.au/personal

The effect of currency fluctuations

As the above table shows, GIF has invested in assets in a number of different currencies. The exchange rate at any point in time therefore has an effect on the Australian Dollar value of the GIF portfolio.

The Australian Dollar has performed particularly strongly against the US Dollar and the Korean Won since the assets held in these currencies were purchased. This has had a negative impact on the performance of GIF detracting from the overall positive return of the assets themselves.

Since the last valuation on 31 March 2004, the Australian Dollar has fallen as can be seen in the table below. GIF is a 10-year fund and the overall impact of currency will not be known until the assets are sold. See page 20 for more information on foreign exchange risk.

A$ Currency movements

Asset	Investment date	Currency	Purchase AUD	31/03/2004 AUD	28/05/2004 AUD
AvPORTS	Nov-02	USD	0.5608	0.7589	0.7189
Parking Company of America Airports	Dec-02	USD	0.5662	0.7589	0.7189
Detroit Windsor Tunnel	Jan-01	USD	0.5466	0.7589	0.7189
Soojungsan Tunnel	Jun-01	KRW	660.23	872.01	837.71
Aeroporti di Roma	Mar-03	EUR	0.5576	0.6203	0.5847

Source: Macquarie.

The rates used for purchase are the mid-point rates at 4pm Eastern Australian time on the last day of the month in which the investment was made. These investments do not generally happen on one day but rather over a number of days.

The rates used for 31/3/2004 and 28/5/2004 are the mid-point rates at 4pm Eastern Australian time on those dates.

Macquarie's investment approach for the Wholesale Fund

Types of infrastructure assets Macquarie will invest in

The following investment approach relates to the Wholesale Fund, the principal underlying investment of MGIFT II. The only other investment held by MGIFT II will be the AAA rated MTF or another AAA rated wholesale cash management trust (see page 16 for further details).

Many infrastructure assets provide unique services to a segment of the population, and often retain these characteristics for an extended period of time.

For instance, privatised airports generally have long "concession" periods, during which the private sector can own and operate the airport.

During the concession period, the owners can normally expect the airport to retain its strategic advantage, being the only airport servicing a particular community. This strategic position is usually protected due to natural barriers to entry such as the high cost of development and construction of an alternative airport, the difficulty in obtaining suitable land on which to develop the airport, and by various environmental and legal impediments.

The ability of an infrastructure asset to retain such a strategic advantage, and therefore its attractiveness as an investment, depends on which of the three categories, as listed in the table below, the infrastructure asset falls into.

Targeting assets for potential capital growth

Infrastructure assets typically have a predictable life cycle, with the majority of the risks and potential rewards arising from development risk, construction risk and (for patronage-related assets) patronage ramp-up risk. See page 18 for more detail on risks.

If these risks are reduced through time, then an appreciation in the value of the asset is likely to occur, resulting in capital gains. The ability to predict and manage these risks with more certainty than other asset classes has the potential to provide superior returns to investors. The Wholesale Fund will focus on assets in early stages of development, with the expectation of realising its investments once they reach maturity.

Category of infrastructure asset	Investment approach
Patronage-related assets depend on a form of patronage as their main revenue source. Assets which fall into this category include tollroads, airports, railways, ports and water treatment facilities. Patronage-related assets are usually highly dependent on demographic factors.	The focus will predominantly be on patronage-related assets, as with proper demographic and other analysis the cashflows from these assets can be more reliably predicted than those from other asset classes. This in turn reduces the risks inherent in an investment in these assets, and provides the investment with the potential for capital growth.
Competitive assets compete in a market for the sale of product and are therefore exposed to market risks. Certain electricity generation and gas transmission assets fall into this category. The returns on competitive assets tend to be more volatile than those on other types of infrastructure assets. Where there is an expectation that competitive pressures will lead to price becoming the main competitive differentiator of participants, "commoditisation" will occur.	Competitive assets are ones where the service has become commoditised and where the price of the service supplied is the main differentiator between suppliers. For this reason the Managers will not make investments in competitive assets.
Regulated assets are natural monopolies and are regulated in the level of revenue earned or charges imposed. Certain electricity and gas transmission assets fall into this category. The returns on regulated assets are often low but stable.	Regulated assets will normally not meet the investment criteria (see Investment evaluation on page 12). Therefore, the Managers expect that investments in such assets will be unlikely.

There are also likely to be attractive opportunities for investment in infrastructure assets at later stages of development, and the Wholesale Fund will invest in these assets if the Managers believe there are significant opportunities for future outperformance. Later stage assets may be of value where refinancing and restructuring opportunities arise, or where the Managers believe the unique circumstances of the particular asset provide opportunities to add value.

Macquarie's investment management process

Sourcing investments

Access to deal flow is one of the keys to successful infrastructure investing. Only by gaining access to a wide range of possible investments can an investor ensure exposure to a diversified portfolio of investments.

Macquarie is one of the world's leading infrastructure specialists (see map on pages 6 and 7 for further detail on the infrastructure assets that Macquarie manages around the world). Macquarie anticipates that its infrastructure advisory capabilities will provide the Managers with a continuing source of investment opportunities from which to select potential investments. ISF's reputation as a manager of infrastructure investments means it is increasingly the case that potential investments are brought to the attention of ISF's executives by industry participants and sources outside Macquarie.

Investment protocol

ISF manages other infrastructure funds which may compete with the Wholesale Fund for investments. An investment protocol has therefore been established to determine how investment opportunities will be offered to ISF managed funds.

The track record of the ISF managed funds, and the activities of Macquarie, have resulted in a significant amount of proprietary transactions being presented to ISF in recent years. GIF has been a beneficiary of this in the case of the Soojungsan Tunnel and Rome Airport investments where the opportunities arose either because of the vendor's knowledge of another ISF managed fund or the involvement of other ISF managed funds in the transaction.

Macquarie expects that these situations will arise in the future and that the Wholesale Fund will continue to receive the benefits. However, the Managers have considered that it is important to formalise the relationship between various ISF funds to ensure that the Wholesale Fund has access to appropriate and suitable investments.

The allocation of investment opportunities identified by ISF to each of these funds is a particularly important issue for the Wholesale Fund, given its likely small size (relative to other ISF managed funds) and investment mandate.

In summary, the Wholesale Fund will have priority for investment over other active ISF funds in all sectors for amounts up to A$40 million, except:

- in the case of existing country-specific funds in Korea, South Africa and Canada, where these funds will have priority;
- in the case of future country-specific funds, these funds will have priority;
- where the proposed investment is an asset owned or managed by, or related to an asset owned or managed by, an existing ISF managed fund, that fund will have priority;
- where the Wholesale Fund has co-investment rights, its rights will exist only to the extent there is a co-investment opportunity (i.e. if the fund with first priority exercises its full entitlement, the Wholesale Fund will have no co-investment right);
- where the investment is less than the $40m threshold but is strategic to an existing fund in that sector, then that fund will have first priority; and
- where a fund is offered an opportunity to participate in an investment opportunity and the party providing the opportunity is not prepared to make that offer to any other ISF managed fund, the fund to which the offer is first made shall, notwithstanding that the protocol requires another ISF managed fund to receive first priority, be entitled to make that investment.

The Wholesale Fund will focus on small to medium size projects but will retain the ability to participate in larger transactions. Subject to the availability and suitability of investment opportunities which are greater than $40 million, the Wholesale Fund may choose to co-invest with other ISF managed funds. As with all Wholesale Fund investments, each Manager's investment committee will approve co-investments with other ISF managed funds.

Wholesale Fund investment committee

The management of the Wholesale Fund will be undertaken by the Managers, in conjunction with each Manager's investment committee. For an investment to be made, it must be approved by the Manager's investment committee and the board of directors of the relevant Manager.

The investment committee will comprise at least four members, half of whom will be Manager representatives and half of whom will be representatives of investors in the Wholesale Fund. MGIFT II will not have an investor representative on this committee. The role of the Manager's investment committee is to advise on and approve the purchase and realisation of infrastructure investments.

Investment evaluation

Potential investments are assessed by each Manager according to a number of criteria, including:

- portfolio suitability;
- size;
- industry suitability;
- competitive position within both the industry and economy in which the project operates;
- management competence and adequacy of personnel;
- likely timing of cash yields;
- potential to achieve capital gains from changes in the project's risk profile;
- country, legal and political risk;
- risk relative to alternative investments;
- investments already in the Wholesale Fund; and
- exit alternatives.

In deciding whether an investment meets these criteria, the Manager applies a rigorous analytical process to ensure that only investments with the greatest potential are included in the portfolio. This includes detailed financial analysis to test the financial viability of the investment under various scenarios and assumptions.

The final part of the investment evaluation process is negotiating and completing the transaction itself. In the negotiation phase, the Manager will seek to align the interests of all the stakeholders and maximise the interests of the investors.

How Macquarie added value to investors' M5 equity

One of the key ways that Macquarie seeks to add value to its infrastructure investments is through innovative capital structuring. An example of this is Macquarie's involvement with the M5 motorway in Sydney.

Macquarie Infrastructure Group ("MIG")[7] purchased 50% of Interlink Roads Pty Ltd ("Interlink") in August 1996. Interlink has the concession to operate the M5 Motorway in Sydney until 2023. To maximise the value of its investment, MIG successfully pursued the refinancing of Interlink's debt structure in June 1998. The refinancing involved introducing additional debt, reducing Interlink's cost of debt and deferring the timing for the repayment of the debt.

The refinancing brought forward equity distributions by approximately ten years, increasing the value of MIG's investment in Interlink. The other 50% of the equity in Interlink was sold in October 1998 for a substantial premium over the price at which MIG's holding was purchased.

[7] At the time of its investment in Interlink, MIG was known as the Infrastructure Trust of Australia (ITA).

Active management

The Managers' investment philosophy is to actively manage the Wholesale Fund's investments, constantly seeking opportunities to add value. This includes seeking board representation on investment assets where possible, advising on and implementing measures to maximise the value of performing investments, and assisting with the management of investments in difficult times. The Managers' team includes specialists in financial management of infrastructure investments, who will be assigned to manage particular investments held by the Wholesale Fund. Generally, the Wholesale Fund will seek to gain an investment stake that will provide the collective ability to control or significantly influence the operations of an asset. This influence may be achieved via co-investment with other ISF managed funds in some circumstances.

Diversification

The Wholesale Fund will seek to reduce investment specific risk by acquiring a diverse spread of investments. Individual investments will not exceed the greater of $40 million or 20% of the capital committed by its wholesale investors and investment into any one country will be limited to 33% of this amount. The Wholesale Fund aims to raise around A$300 million which will allow it to create a well diversified portfolio of investments.

Borrowing policy

The Wholesale Fund may have a borrowing facility that will allow it to borrow funds over short periods. The borrowing facility would permit investments to be purchased at short notice. However, it is unlikely that the Wholesale Fund will utilise this borrowing facility.

In any event, the Wholesale Fund will not be geared in the long term, with uncalled capital being called to repay any borrowed funds. Pending receipt of subscription proceeds, MBL, the Managers' parent company, may provide short-term finance to facilitate the purchase of assets. The Managers intend that any such loan together with capitalised interest at market rates will be repayable once sufficient funds have been called by the Wholesale Fund.

It should be noted that the underlying assets of the Wholesale Fund are likely to have significant borrowings.

Realising investments

In order to maximise returns to investors and ensure capital is efficiently utilised, the Wholesale Fund will seek to realise investments once they have reached maturity, and/or they no longer suit its investment profile. This will typically occur when the potential for future capital gains appears to be limited.

For example, once the start-up risks of an infrastructure project (usually construction risk and patronage ramp-up risk, see page 18 for more detail on these risks) have reduced and the potential for further capital gains is limited, the Wholesale Fund will look to either realise or refinance the investment so as to return capital and profit to investors.

As investments in infrastructure assets tend to be illiquid, realising investments often requires considerable financial structuring, so as to repackage the investment into a form appropriate for the market into which it is to be sold. Macquarie's experience as a financial adviser plays an important role in this process, not only because of its expertise in financial structuring but also because of its detailed knowledge of the participants in the infrastructure sector.

Realisation strategies which may be employed will include:

- **listing** a project or investment on an appropriate stock exchange;
- **selling** an asset or investment to other investors or funds; and/or
- **refinancing** the project and returning capital to investors.

Currency hedging

It is possible that the Wholesale Fund will have a concentrated exposure to three or four currencies.
It is anticipated that foreign currency exposures will not be hedged.

Key features of Macquarie Global Infrastructure Trust II

Minimum investment	$10,000.
Term of investment	Anticipated to be around 12 years, but may be longer (see page 17 for more detail).
Adviser commissions*	Your adviser may receive an upfront commission (representing the contribution fee) of up to 3.3% of your initial investment and the Trust will pay a trail commission of 0.495%pa on the balance of your investment. These fees are inclusive of GST.
Management fee*	Ongoing Fee Measure of 2.30%pa inclusive of GST.
Performance fee*	There will be a performance fee at the Wholesale Fund level payable to the Managers linked to the performance of the infrastructure assets.
Distributions	Distributions may be made on a quarterly basis. The size of distributions may decline as the MTF or other wholesale cash management trust holdings in the Trust fall but are likely to increase again when disposals of infrastructure assets occur (see page 17 for more details).
Liquidity facility	A limited liquidity facility of up to $2 million may be available to investors who want to sell all or part of their investment in the Trust (see pages 16 and 17 for more details).
Level of risk	High. The capital invested may be lost or may not produce income. Notwithstanding the liquidity facility described above, investments in the Trust should not be considered liquid (see page 18 for more details).
Tax	All income and gains of the Trust in each year will be fully allocated, and assessable, to unitholders, in accordance with their unit entitlements. We recommend that you obtain independent tax advice as to the taxation consequences of an investment in the Trust (see page 24 for more details).
Availability	The Trust can be accessed by direct investors and it may also be available on wrap and master trust platforms.

* See the section titled "Fees and Charges" starting on page 21 for a detailed breakdown of fees.

Important information about the offer

MGIFT II is open to subscriptions for a limited period only until **31 August 2004**, unless extended by MIML, and may close before **31 August 2004** should the Trust be oversubscribed.

MGIFT II is a closed-end trust with an objective of raising $40 million. The opportunity to subscribe for units is limited to the Subscription Period.

Early applicants will be given preference in the allocation of units. MIML may accept or reject applications in its absolute discretion. In the event the Trust is oversubscribed or we reject your application in whole or part, we have the right to return funds to you without interest. The same right may be exercised should less than $10 million be raised in the Subscription Period.

Any applications received before 2pm on a Sydney business day will have units allocated on that day at the price calculated for the close of that business day. Any applications received after 2pm will be deemed to have been received on the following Sydney business day and will have units allocated at the price calculated for the close of that business day.

The Trust will begin making investments initially in the MTF or a wholesale cash management trust of equivalent rating as funds are received (see page 16 for more details). Investors will begin receiving a return on their investment as soon as units are allocated to them and this will be reflected in the unit price of the Trust.

As the Subscription Period runs over tax year end, the Trust will distribute the income that it has earned up to 30 June 2004 during the Subscription Period. Investors who are allocated units before 30 June 2004 will receive this distribution. Any investors who are allocated units after 30 June 2004 will not receive this distribution but the unit price at which their units are allocated will be reduced by the amount of income that was paid out in the distribution. The Trust will then distribute any income that it had accrued at 30 September.

Macquarie Global Infrastructure Trust II – details

MGIFT II is a unit trust which pools the money of retail investors and acquires units in the Wholesale Fund. This Wholesale Fund is a specialist investment vehicle established for the acquisition of infrastructure assets. Prior to purchasing units in the Wholesale Fund, the Trust will hold its assets in the MTF or a wholesale cash management trust with a AAA rating.

The Wholesale Fund consists of GIF IIA and GIF IIB, each of which are wholesale managed investment schemes. GIF IIA and GIF IIB will invest in infrastructure assets, and are managed by MSAM and MSAM2 respectively. If appropriate opportunities arise, the Managers may also establish Global Infrastructure Fund IIC and Global Infrastructure Fund IID which will invest in subordinated debt or similar instruments issued in relation to the infrastructure assets of the Wholesale Fund. Both these trusts will also be managed by MSAM and MSAM2 respectively.

The Wholesale Fund aims to invest in infrastructure assets and businesses that support infrastructure located in OECD countries (except Australia) as well as Hong Kong and Singapore. In some cases, non-resident taxation of foreign investments may apply (see notes on taxation on page 24).

Investing in the Trust is simple

One upfront investment

Unlike a number of other infrastructure funds, with MGIFT II, you make one upfront investment rather than having a multi-stage investment process that requires a number of investments over a period of time. This makes investing very simple as no plans have to be made to ensure cash is available for any future investments in the Trust.

The cash which is invested in MGIFT II will initially be used to purchase units in the AAA rated MTF or a wholesale cash management trust with a AAA rating, which will provide a wholesale cash return until the cash is required for investment in the Wholesale Fund. As the Wholesale Fund makes calls to fund purchases of infrastructure assets, the MTF or wholesale cash management trust units will be sold and the proceeds used to fund these calls.

MGIFT II's holdings of MTF or wholesale cash management trust units will reduce as the Wholesale Fund makes calls. As the Wholesale Fund may not call the entire capital commitment from its wholesale investors this could result in MGIFT II holding an amount of MTF or wholesale cash management trust units for its entire term.

Liquidity facility

A limited liquidity facility of $2 million may be available to investors who want to sell all or part of their investment in the Trust. Investors may also purchase units in the Trust via this facility subject to the availability set out below. As this facility is capped at $2 million investors should not rely on this facility being available.

MIML may contact investors from time to time, in order to provide them with information about the operation of the liquidity facility.

MGIFT II product structure

If an investor elects to sell or purchase units in the Trust they must advise MIML in writing of their intention at least 30 days before the end of each relevant quarter. This written notification is irrevocable (except at MIML's discretion) and if MIML is able to proceed with the transaction the investor is bound by their written notification. The relevant quarter end dates for the purposes of this facility will be the end of March, June, September and December.

For investors wishing to **sell** units in the Trust, investors may offer to sell their units to MIML, by notification in writing, at the net asset value of the Trust less a 1.5% transaction charge on the value of the units being sold. This transaction will take place at the unit price calculated as at the close of business of the first Sydney business day of the following quarter. This unit price may be calculated several days after quarter end and the time taken to calculate this price may vary from quarter to quarter.

MIML is purchasing and selling these units on its own account and will bear all costs and risks, and benefit from all gains, resulting from this facility.

MIML may accept or reject such an offer in its absolute discretion. Under this liquidity facility MIML does not intend to hold more than $2 million of units in the Trust at any point in time.

For investors who wish to **purchase** units in the Trust after the closing of this offer, MIML will at each relevant quarter end seek to sell Trust units that it holds to these investors by reference to the net asset value of the Trust. This transaction will take place at the unit price calculated as at the close of business of the first Sydney business day of the following quarter. This unit price may be calculated several days after quarter end and the time taken to calculate this price may vary from quarter to quarter.

The first investor who elects to sell units in the Trust or purchase units in the Trust after the end of a quarter, will be next in line for the next quarterly transaction period. However, their transactions will take place after any investors who were unable to complete their transactions at the previous quarter end.

If two or more investors elect to sell units in the Trust or purchase units in the Trust on the same day and their transactions cannot be completed in their entirety at the end of the quarter, then these transactions will be pro-rated according to their size. The balance of these transactions will be first in line at the end of the following quarter.

Distributions

The Trust may make distributions on a quarterly basis at the end of March, June, September and December. In the first few years of the life of the Trust, these distributions are expected to be regular as the income from the MTF or wholesale cash management trust units that the Trust holds is distributed. As these MTF or wholesale cash management trust units are sold to meet the calls of the Wholesale Fund the distributions from the Trust may become less frequent and their nature may change. The possibility exists that in some years the Trust may not distribute any income.

Earnings from the Wholesale Fund will be distributed to investors when infrastructure investments either pay income to the Wholesale Fund or are sold. These sales will result in a return of capital and any realised gains from those infrastructure investments.

MIML retains the discretion to change the timing of distributions. Earlier payments made prior to the quarter end date may be warranted when large distributions are received from the Wholesale Fund, or held over to the next period if the payments are small. Distributions from the Trust that are subject to tax are taxable in the hands of unitholders in the year to which they relate.

Distributions can only be paid to an Australian bank account or a Macquarie cash management trust (CMT) account and **cannot be paid by cheque**.

A long-term capital investment

The investment life of the Trust is anticipated to be around 12 years which is 10 years from the date that MIML expects MGIFT II to be substantially invested in the Wholesale Fund. However, this may be extended in order to exit investments effectively. The investment term reflects the long-term nature of the underlying investments, and enables the Managers to take a strategic view to maximise earnings. The term of the investment may be less than 12 years if all of the investments that the Wholesale Fund holds are realised before that time.

Risks

Owning units in MGIFT II involves a number of risks that may adversely affect the returns you will receive from the investment or have other negative consequences.

The Trust's principal investment, the Wholesale Fund, is not managed or controlled by MIML. All investment and management decisions in relation to the Wholesale Fund are made by the Managers. MIML does not seek to manage or reduce the risks in relation to the Wholesale Fund. For a description of how the Managers aim to reduce these risks please refer to page 19.

Because of the diversity of the Wholesale Fund's underlying infrastructure investments which it will ultimately acquire, these risks cannot be exhaustively categorised. We encourage you to obtain independent financial and taxation advice before investing in the Trust.

This section of the PDS outlines the main risks associated with investing in infrastructure, and specifically, those associated with investing with Macquarie in MGIFT II.

1. Infrastructure related risks

Construction risk

Where investments are in new infrastructure projects, there is a risk the project will not be completed within budget, within the agreed timeframe or to the agreed specification.

This risk is often reduced by provisions in the construction contract for payment of liquidated damages by the construction contractor. However, investors may be exposed to any losses not covered by such provisions or the financial failure of the contractor.

Operation risk

The long-term profitability of infrastructure assets, once constructed, is partly dependent upon the efficient operation and maintenance of the project. Inefficient operations and maintenance may reduce the level of returns.

Business related risks

Business related risks vary between projects, and impact on a project's ability to generate revenue and profits. Examples of business related risks include patronage risk (such as the risk that fewer motorists than anticipated will use toll roads), market and competition risk (for market driven assets). This competition risk includes the risk of substitute infrastructure being developed. Other risks relate to economic conditions and user sentiment. In addition, operating costs can be influenced by a wide range of factors that may not be under the control of the owner/operator.

Regulatory risks

In many instances, the acquisition of infrastructure assets involves an ongoing relationship with a government agency. The nature of the arrangements can expose owners to a higher level of regulatory control than typically imposed on other businesses (particularly for regulated assets described on page 10). The cost of such regulatory control may be more than expected and may reduce returns.

Change of law/government action risk

The repealing, amending or enacting of a new law/regulation (or a new interpretation of the law/regulation) can substantially affect an infrastructure project and as such may adversely impact investor returns.

Environmental risks

Infrastructure projects can have an environmental impact. Community and environmental groups may oppose the construction/existence of certain infrastructure projects due to pollution, visual and noise impact and effects on the environment. Any unexpected costs relating to complying with any applicable environment regulations may have an adverse impact on investor returns.

Interest rate risk

Because infrastructure assets are typically highly geared, they are potentially exposed to adverse interest rate movements, increasing the cost of debt. Movements in interest rates may also affect the appropriate discount rate to be used to value investments.

Whilst this risk may be reduced through interest rate hedging, such as interest rate swaps or other mechanisms, there is often residual exposure.

Discount rate risks

The Wholesale Fund's investments are expected to be predominantly unlisted assets. The valuation of these assets is undertaken using a variety of methods, including discounted cash flows. The valuation of assets will be sensitive to the choice of discount rate used. In performing valuations, the Managers will use discount rates which appropriately account for both the long-term risk free rate and the level of risk associated with each asset. Given discount rates comprise a risk free rate (i.e. a threshold return that is earned with certainty and without risk) and risk premium, an increase in the risk free rate (or risk premium) will increase the discount rate and reduce the valuation of an asset.

Inflation risk

Depending on the anticipated cash flows and structure of infrastructure projects as well as their escalation factors, returns from infrastructure investments can be affected by changes in the rate of inflation.

Force majeure risk

Force majeure is the term generally used to refer to an event beyond the control of a party claiming that the event has occurred, including acts of God, fire, flood, earthquake, war, acts of terrorism and strike. Some force majeure risks are generally uninsurable. A force majeure event may adversely affect a party's ability to perform its obligations until it is able to remedy the force majeure event. In some cases, the project agreements can be terminated if the force majeure event is so catastrophic as to render it incapable of remedy within a reasonable time period.

Documentation and other legal risks

Infrastructure investments are usually governed by a complex series of legal documents and contracts. As a result the risk of dispute over interpretation or enforceability of the legal documents or contracts may be higher than for other equity investments. Other legal risks relate to environmental issues, native title claims, industrial action and actions by special interest groups. These risks may increase costs and potentially reduce returns.

Institutional risk

Where there is a reliance on an entity to perform any obligation including each Manager, contractor, counterparty and/or co-investor, there is the risk that the entity will fail to perform the particular obligation.

How do the Managers aim to reduce risks?

The Managers evaluate potential investments according to a number of criteria, including:

- portfolio suitability;
- size;
- industry suitability;
- competitive position within both industry and economy in which the project operates;
- management competence and adequacy of personnel;
- likely timing of cash yields;
- potential to achieve gains from changes in the project's risk profile;
- country, legal and political risk;
- risk relative to alternative investments;
- investments already in the Wholesale Fund; and
- exit alternatives.

In deciding whether an investment meets these criteria, the Managers apply a rigorous analytical process to ensure that only investments with the greatest potential are included in the portfolio. This includes:

- detailed financial analysis to test the financial viability of the investment under various scenarios and assumptions;
- approval by the respective boards of directors of the Managers; and
- approval by each Manager's investment committee.

The final part of the investment evaluation process is negotiating and completing the transaction itself. In the negotiation phase, the Managers will seek to align the interests of all the stakeholders and maximise the interests of the investors.

2. Manager related risks

Performance risk

Macquarie does not guarantee any level of return to investors or the repayment of capital from the Trust. Past performance of previous infrastructure funds cannot be taken as an indication of future performance of this Trust as investments can go up and down. Given the expected timeframe on realisation of investments, the Trust may operate at a loss with no distributions to investors in the initial year of the investment or possibly longer.

In order to reduce performance risk, the Managers' aims will be to invest in assets that exhibit a sustainable competitive advantage, add value to investments through active management and return funds to investors once investments have been successfully divested.

Investment risk

MGIFT II is an investment that offers you the potential for high returns. Commensurate with this potential for high returns is a high level of risk and a low level of liquidity. By their very nature, development capital style investments are speculative and infrastructure may underperform other asset classes.

The Managers will seek to reduce investment specific risk by acquiring a diverse spread of investments. The Manager's investment philosophy is to actively manage its investments, constantly seeking opportunities to add value. This includes seeking board representation on investment assets where possible, advising on and implementing measures to maximise the value of well-performing investments, and assisting with the management of investments in difficult times.

3. Trust specific risks

Foreign exchange risk

Substantial currency risk exists in the Trust as investments are invested in assets outside Australia and it is anticipated that foreign currency exposure will not be hedged. The value in Australian dollars of the investment will vary with movements in exchange rates.

Liquidity risk

Notwithstanding the limited liquidity facility that may be available with MGIFT II, the Trust should be considered an illiquid investment – your capital is committed for the long term and there is a risk that your investment may not be easily converted into cash with little or no loss of capital and minimum delay. The Trust's principal underlying investments are investments which are not listed on a stock exchange or for which there may be only a limited number of potential investors. As a consequence, the realisable value of an investment may be less than its apparent value.

The risk also exists that the Trust will sell all its assets and return the proceeds to investors before the expiry of the investment term of the Trust.

General market risk

General movements in local and international stock markets, prevailing economic conditions, investor sentiment and interest rates could all affect the market price of the securities in entities in which the Wholesale Fund holds interests. As a consequence, valuations of interests held in those entities could be adversely affected and this can impact returns to investors.

Tax risk

The distributions received from the Wholesale Fund's investments may be affected by changes in taxation law, including its interpretation, in Australia and overseas. In addition, other circumstances may also result in the trusts within the Wholesale Fund, GIF IIA and GIF IIB, being taxed as companies.

Credit risk

Investors are exposed to the creditworthiness of Macquarie. This is because the Managers invest funds of the Wholesale Fund that are not invested in infrastructure in cash, deposits, bills of exchange or other short term liquid investments with Macquarie.

Fees and charges

This table shows the fees that you may be charged from the Trust. These fees may be deducted from your account balance or from the returns on your investment or from the Trust as a whole. Information in relation to taxation is set out in another section of this document on page 24. You should read all of the information about fees and charges, as it is important to understand their impact on your investment in this Trust.

Fees	Amount	How & when paid
Establishment fee: This is the fee to set up your account in the Trust.	Nil	Not applicable
Contribution fee: This is the fee for the initial investment you make to the Trust (or that may be made on your behalf). The amount of this fee is payable to, and can be negotiated by you, with your adviser. See the "Important additional fee disclosure items" section on page 22 of this PDS for further details.	Up to 3.30% of your initial investment (inclusive of GST). For example, for an investment of $10,000 the contribution fee could be up to $330.	This fee is deducted from the initial amount invested prior to the amount being invested in the Trust.
Withdrawal fee: This is the fee charged for each withdrawal you make from the Trust (including any instalment payments and your final payment).	Nil	Not applicable
Termination fee: This is the fee when you close your account with the Trust.	Nil	Not applicable
Ongoing Fee Measure: This is the total of all ongoing administration, investment management, expense recovery and other fees charged by the Trust. This fee includes an amount payable to your adviser. See the "Important additional fee disclosure items" section of this PDS for further details and for information in relation to performance fees.	2.30% pa of the net asset value of the Trust (inclusive of GST). For example, for an investment of $10,000 (assuming that this amount does not change due to movements in the value of the Trust) ongoing fees would be $230 per annum.	Ongoing fees accrue daily and are reflected in the unit price. These fees are paid out of the Trust to MIML in arrears at the end of each March, June, September and December quarter. All ongoing administration, investment, management and issuer fees are charged to the Trust as the one fee. It is therefore not practical to unbundle the ongoing fees.
Performance fee: This is a fee payable to the Managers in certain circumstances.	See 'Important additional fee disclosure items' section on page 22 of this PDS for more information.	
Switching fee: This is the fee charged when you switch between investment options offered by the Trust.	Nil	Not applicable
Adviser service fee: This is the fee charged by your adviser for advice about your investment(s) in the Trust.	See "Contribution fee" above. In addition, your adviser may also receive other amounts as commission. See the "Important additional fee disclosure items" section of this PDS for further details.	

Important additional fee disclosure items

Financial advisers

If a licensed or appropriately authorised financial adviser or registered broker introduces you to the Trust, they may be entitled to receive an upfront commission (representing the contribution fee) of up to 3.30% inclusive of GST of your initial investment in the Trust. Advisers may forgo this fee in whole or in part by indicating appropriately on the application form. They may also be entitled to an on-going commission of 0.495% per annum inclusive of GST of the net asset value of your investment in the Trust paid monthly in arrears which is not rebateable. The on-going commission is paid out of MIML's ongoing fees for the Trust and is not an additional cost to you. If you do not have a financial adviser these fees will be retained by Macquarie.

Performance fee

The Managers will be entitled to receive a performance fee of 10% of any outperformance over an internal rate of return (IRR) of 10% per annum on invested funds and a further 10% per annum of any out performance over an IRR of 15% per annum. The IRR is the rate of discount which needs to be applied to make the net present value of an investment equal to the price paid. Any performance fee paid to the Managers will be paid out of the returns of the Wholesale Fund.

This performance fee, if applicable, will be paid on realisation of assets. The payment of performance fees will be subject to a "clawback" at both an asset and a portfolio level. At the time of realisation of an investment, the total return to investors from that investment will be calculated (in calculating total return from an investment, both gains and distributions of income will be taken into account). If the total return on a realised investment is greater than 10% per annum, then a performance fee will be payable to the Managers. The performance fee will not be paid until the IRR of the overall portfolio is greater than 10% per annum, based on the valuation of all investments held by the Wholesale Fund at the time of calculation and any prior disposals.

If on realisation or distribution of all of the investments of the Wholesale Fund, the IRR achieved based on capital investments made, together with distributions received from investments and proceeds from sale of investments, is less than 10% per annum, the excess of performance fees previously paid will be repaid by the Managers into the Wholesale Fund within three months of the date of the final realisation or distribution, provided that these payment obligations shall be limited to and not exceed the amount of performance fees previously paid.

The performance fees referred to above are exclusive of GST.

Maximum fees

The following fees represent the maximum fees that MIML may charge under the Constitution for the Trust:

- contribution fee of 3.30% of your initial investment in the Trust; and
- An ongoing fee at the rate of 3.00% per annum of the net asset value of the Trust. MIML has elected to forego this maximum fee for the ongoing fee measure as shown in the table on page 21. Any future increase to this fee, which may arise from a change in economic conditions or government regulations, will not exceed the maximum fee. We will advise you if we intend to increase the ongoing fee listed in the table on page 21.

Ongoing Fee Measure (OGFM)

The OGFM is a useful measure of the ongoing fees and expenses of investing in a fund and helps you compare the cost of different investments. Expressed as a percentage of the net asset value of the fund, it includes the investment management fee plus recoverable expenses and certain other expenses incurred by investors but not transaction costs such as brokerage.

Expense recovery

The Constitution allows MIML to recover from the Trust any normal, ongoing expenses incurred in its administration, for example statement production. These expenses, which may fluctuate from time to time, will be paid by MIML out of its fees at no additional cost to you.

However, MIML reserves the right to recover expenses from the Trust in the future on providing 30 days written notice to you. This may include certain expenses such as audit and registry costs, litigation expenses, as well as certain extraordinary expenses such as those in relation to unitholder meetings. MIML is also entitled to be indemnified from the Trust for any liability we properly incur in relation to the Trust.

Other fees

In the event that the cash held by the Trust is invested in the MTF of which MIML is also the responsible entity, a negotiated market related fee would be charged within the MTF.

If the cash held by the Trust is invested in another wholesale cash management trust, then a negotiated market related fee will be charged within the wholesale cash management trust.

We have appointed Bond Street Custodians Limited (BSCL), ABN 57 008 607 065, to hold the Trust's assets. BSCL is a Macquarie Company. We will pay BSCL a fee for acting as the Trust's custodian. This fee is not an additional fee to you.

Under the limited liquidity facility referred to on pages 16 and 17, a 1.5% transaction charge is applicable (on the value of units sold).

Fee negotiation

Differential fee arrangements may be negotiated with investors who are defined to be professional or wholesale for the purposes of the Corporations Act.

Additional information

Reporting – Confirmation of transactions and how we keep you informed

It is important that you know exactly what is happening with your investment. To help keep you informed we send you:

- **Transaction confirmations** – you will receive confirmation of your initial investment as well as any sales or purchases which may be conducted under the liquidity facility referred to on pages 16 and 17;
- **Quarterly Reports** – you will receive a quarterly valuation statement and a report at the end of each quarter giving an update on the Trust and its investments;
- **Tax statements** – you will receive a tax statement at the end of the financial year; and
- **Annual report** – you will receive an annual report which shows the financial position and performance of the Trust over the last financial year.

If you would like more information on the Trust please talk to your financial adviser. Alternatively, 'Ask Macquarie' on 1800 806 310, or visit our website at www.macquarie.com.au/personal

Ethical policy

Neither MIML nor the Managers take into account labour standards, environmental, social or ethical considerations for the purpose of selection, retention or realisation of investments.

Taxation

Investments in the Trust, and income paid to you from the Trust, are likely to have taxation consequences. Historically, returns from sale of businesses or assets have been largely treated as capital gains for taxation purposes, and we anticipate the same will apply for the Wholesale Fund. The nature of the income or gains of the Wholesale Fund will ordinarily continue to apply, upon distribution to MGIFT II, to the income and gains of MGIFT II which are in turn distributed to investors in MGIFT II, where both trusts are taxed as trusts and not as companies. It is intended that the income and gains of the MGIFT II unit trust in each year will be fully distributed such that investors will be presently entitled to those amounts, in accordance with their unit entitlements. However, we cannot provide potential investors with tax advice. Given the complex nature of the Australian taxation system, and the fact that different investors have different taxation circumstances, investors should seek the advice of a professional tax adviser before investing in MGIFT II.

The general kinds of taxes which may apply are:

- income tax – you will need to declare the income you earn from the Trust in your tax return;
- capital gains tax – distributions of capital gains are subject to special rules;
- transaction taxes may apply on application or transfer of ownership;
- you may receive a foreign tax credit for foreign taxes paid by the Trust;
- part of your income may include franked dividends, which may entitle you to a tax rebate; and
- unrealised gains in foreign investee companies may be taxed under foreign investment fund (FIF) legislation.

Any transactions in foreign currencies will be translated into Australian currency for tax purposes and reported in accordance with Australian tax requirements.

You will receive an annual statement setting out the components of each distribution by MGIFT II to enable you to account for the components that have different taxation treatments.

Tax File Number (TFN)

You are not required to give us your TFN. However if you do not provide us with your TFN (or, as applicable, Australian Business Number (ABN)), we are required to withhold tax (at the highest marginal rate plus Medicare levy) from income paid to you from the Trust.

Australian Goods and Services Tax

You will not pay GST on the issue of units or on the receipt of distributions.

Valuation of the Wholesale Fund and MGIFT II

The Managers will value the investments of the Wholesale Fund at least half-yearly, in accordance with ASIC policy requirements and the Wholesale Fund's compliance plan. In valuing the investments of the Wholesale Fund, it is intended that the Managers may seek independent valuations of the Wholesale Fund's assets.

The Managers will consider the impact of international accounting standards when valuing the investments of the Wholesale Fund and will consider all ASIC policy requirements.

The Managers will determine the value of the Wholesale Fund on a quarterly basis taking into account the currency position at the end of the quarter.

The valuation of MGIFT II will be based on the valuation of the Wholesale Fund. The MTF or wholesale cash management trust units that MGIFT II may hold will accrue interest daily and this in turn will affect the unit price of MGIFT II.

MIML will consider the impact of international accounting standards when valuing the investments of the Trust and will consider all ASIC policy requirements.

The Australian Accounting Standards Board (AASB) intends to make operable all Australian Standards that are equivalent to International Financial Reporting Standards (IFRS's) sometime before the end of June 2004. Until then, the AASB has approved a number of pending standards to assist entities. While the AASB intends the contents of an ultimate Australian standard will be the same as its pending version, there is uncertainty as to the final requirements due to limited amendments being proposed by the International Accounting Standards Board.

Quantifying the impacts of the pending changes referred to above is not possible at this time due to policy determination outstanding in certain areas.

Managed investment schemes

MGIFT II is a registered managed investment scheme within the meaning of section 9 of the Corporations Act. As such, the scheme and its Responsible Entity, MIML, must comply with the requirements of Chapter 5C of the Corporations Act.

Responsible Entity

A Responsible Entity must be a public company holding an Australian Financial Services Licence (AFSL) authorising it to operate a managed investment scheme. The Responsible Entity for MGIFT II will be MIML which holds an AFSL authorising it to act as a Responsible Entity.

The role of the Responsible Entity includes:

- holding scheme property on trust for the unitholders;
- managing and investing scheme property; and
- ensuring scheme property is managed and dealt with in accordance with the scheme's Constitution and the Corporations Act.

Cooling off period

If you decide that your initial investment in MGIFT II does not suit your needs you can request in writing to have it cancelled within a 14 day cooling off period. The cooling off period begins when you receive your transaction confirmation or 5 days after your units are issued, whichever is earlier. When calculating the amount to be returned to you, contribution fees are not charged. However you will bear any fluctuations in the market and we may deduct costs and taxes that relate to the exercise of your cooling off right as the Corporations Act Regulations allow.

The Constitution

When you want to know your rights as a unitholder, the first place to look is the Constitution of the Trust.

The Constitution is affected by the Corporations Act, exemptions and declarations issued by the ASIC and the general law relating to trusts.

As the Responsible Entity of the Trust, MIML decides which investments are bought and sold (within the limits set by the Constitution), and holds the Trust's assets (including investments), either directly or through custodians or registry systems.

The provisions of the Constitution:

- allow us or unitholders to call meetings of unitholders;
- provide for us to retire or be removed in certain circumstances;
- give us the right to terminate the Trust by notice to unitholders and then to sell the Trust investments, pay expenses and pay unitholders their share of net proceeds if any;
- allow us to vary the Constitution subject to unitholders' approval by resolution if the amendment may affect unitholders' rights adversely; and
- subject to law, limit our liability for acts or omissions in performing our duties or functions as Responsible Entity of the Trust if we act properly and in good faith.

The Constitution does not contain all the matters which may affect unitholders, as these are provided for in the Corporations Act. Some of the matters affecting unitholders which are not set out in the Constitution but are contained in the Corporations Act include:

- procedures for running meetings of unitholders;
- maintenance of the Trust's register of unitholders;
- specific duties of the Responsible Entity and its officers;
- auditing of the Trust; and
- the keeping of accounting and other financial records of the Trust.

The Wholesale Fund's Constitution is in a similar form to the Trust's Constitution. In addition to those matters addressed in the Trust's Constitution, the Wholesale Fund's Constitution contains those matters listed above which are prescribed in the Corporations Act.

Copies of the Constitution of the Trust and of the Wholesale Fund are available free of charge on request. To obtain a copy, please phone us on 1800 806 310.

To the extent of any inconsistency between the PDS and the Constitution for the Trust, the Constitution will prevail.

Your liability

The Constitution for the Trust limits your liability to the value of your investment in the Trust so that you will not, by reason of being a unitholder alone, be personally liable to indemnify the Responsible Entity and/or any creditor in the event that the liabilities of the Trust exceed the assets of the Trust. However, we cannot give you an absolute assurance about your liability because the issue has not been finally determined by the superior courts.

Compliance plan

We have prepared and lodged with the ASIC a compliance plan which must be audited annually. The compliance plan describes procedures that we apply in operating the Trust to ensure compliance with the Corporations Act and the scheme's Constitution. The minimum procedures which are incorporated in the compliance plan include:

- ensuring Trust property is clearly identified and held separately from other assets of the custodian and MIML;
- the proper operation of the compliance committee;
- the valuation of Trust property;
- the annual auditing of the compliance plan; and
- keeping adequate records of the operation of the Trust.

The Wholesale Fund's compliance plans also deal with the matters set out above.

Copies of the compliance plan of the Trust and the Wholesale Fund are available free of charge on request. To obtain a copy please phone us on 1800 806 310.

Compliance committee

A compliance committee with a majority of independent members has been established to oversee our procedures for complying with the Trust's compliance plan, the Trust's Constitution and the Corporations Act. Where the compliance committee is of the view that we have not taken appropriate action to deal with a matter reported to it, the compliance committee may report that matter to ASIC.

The custodian

We have appointed Bond Street Custodians Limited (BSCL), a Macquarie company, to hold the assets of the Trust. BSCL meets the requirements prescribed by ASIC for custodians of managed investment scheme property.

BSCL places a strong emphasis on providing high quality services that are backed by comprehensive systems for transactions and reporting. We will monitor and review BSCL's procedures and systems to ensure that custodial functions are carried out efficiently and properly.

Investing for the Trust

When we invest for the Trust we deal with professional organisations in the execution of transactions which may include MBL or its associated companies. Any dealings with MBL or its associated companies must be at arm's length and in all other respects in accordance with the Corporations Act. Examples of transactions which may involve MBL or its associated companies include:

- trading the Trust's investments with MBL or its associated companies, unless we believe that the investments are not in the best interest of the unitholders;
- MBL and its associated companies may receive commissions from the Trust's funds at prevailing market rates for the execution of transactions; and
- MBL dealing as principal or as agent on behalf of other portfolios which are under MBL's management.

Declarations of interests in the Trust

The only interest that MIML (including our directors) have in the Trust, is in the fees to be received as Responsible Entity. However, it is open to any of the directors and the Responsible Entity itself to become unitholders in the Trust.

Consents

Written consents to the issue of this PDS have been given by the following parties and have not been withdrawn as at the date of this PDS. None of the parties have authorised or caused the issue of the PDS.

Macquarie Specialised Asset Management Limited (MSAM) and Macquarie Specialised Asset Management 2 Limited (MSAM2)

MSAM and MSAM2 have given written consent to be named in the PDS as the Managers of the trusts into which MGIFT II proposes to invest. They do not make or purport to make any statement in this PDS.

Infrastructure and Specialised Funds (ISF)

ISF has given its consent to being named in this PDS where its name and statements about MIG are included in this PDS on page 8. ISF has, at the request of MIML, provided information for inclusion in this PDS.

Bond Street Custodians Limited (BSCL)

BSCL has given its written consent to being named in this PDS with the statements appearing under the sections headed "Other Fees" on page 23 and "The custodian" on page 27 and to this paragraph in the form and context in which those statements and this paragraph are included in this PDS.

Macquarie Bank Limited (MBL)

MBL has given its written consent to being named in this PDS where its name and statements about MBL are included in this PDS.

Financial report

As MGIFT II is a new trust, it has no assets or liabilities, nor profit or losses, as at the date of the PDS, therefore no financial reports are available.

MIML will consider the impact of international accounting standards when preparing financial reports for the Trust and will consider all ASIC policy requirements.

Enquiries and complaints

We have procedures in place to properly consider and deal with any enquiries and complaints within 30 days after we receive them. Investors who have any enquiries are invited to call 1800 806 310, or if you have a complaint you may write to:

The Complaints Officer
Macquarie Investment Management Limited
PO Box H192, Australia Square NSW 1209

We are a member of the Financial Industry Complaints Service Limited (FICS) ABN 64 068 901 904, an independent external industry complaints resolution scheme. If you are not satisfied with the response from us, you can contact FICS:

Financial Industry Complaints Service
PO Box 579 Collins Street West Melbourne VIC 8007

Phone: 1800 335 405

Email: fics@fics.asn.au

We respect your personal details – privacy

By completing the application form accompanying this PDS you agree to MIML collecting, holding and using personal information about you to process your application, and administer and manage the products and services we provide to you. This includes monitoring, auditing and evaluating those products and services, modelling data, data testing, communicating with you and dealing with any complaints or enquiries.

You need not give us any personal information requested in the application form or in any other document or communication relating to the products or services we supply you. However, without this information, we may not be able to process your application or provide you with an appropriate level of service.

You agree to allow us to provide access to your personal information to other Macquarie companies as well as external service providers, which provide services in connection with our products and services for example mailhouses and professional advisers.

If a financial adviser's stamp appears on the application form we will supply that financial adviser with information about your investments. We may also disclose your personal information:

- if, acting in good faith, we believe that the law requires or permits us to do so;
- if you consent; or
- to any person proposing to acquire an interest in our business.

We and other Macquarie companies may use your personal information to offer products or services that may be of interest to you unless you request us not to.

Under the Privacy Act 1988 (Cth), you may request access to your personal information that we hold.

You can contact us to make such a request or for any other reason relating to the privacy of your personal information by telephoning us on 1800 806 310 or writing to us at:

Macquarie Investment Management Limited
PO Box 192, Australia Square, NSW 1215

Macquarie's privacy statement and details on how you may access or update your personal information can also be found at www.macquarie.com.au/personal

How to complete the application form

Who can invest in MGIFT II?

- individuals 18 years old and over;
- companies;
- incorporated bodies (eg. Strata bodies corporate, trade union); or
- trustees of other entities (eg. Superannuation funds).

For applications with three or more applicants, please complete and attach a copy of the application form with the additional applicants' details.

If you are making an investment on behalf of a child (i.e. acting as a trustee) you are required to quote a tax file number or exemption reason to prevent tax being deducted from the investment income.

If you are making an investment on behalf of a minor or another entity, we require you to provide supporting documentation.

Addresses

We have included a space for you to complete your address on the application form. Please note we are also required to collect a residential address for you.

If your mailing address is care of a third party such as your adviser, please be aware that all correspondence will be sent to this address.

Who should sign?

The individual(s) in whose name the investment is held should sign. Joint applicants will be deemed to be holding units in MGIFT II as joint tenants.

Company, Incorporated Association or Body Corporate applications must be signed by:

- two officers (e.g. two directors or a director and secretary) or;
- as required by the Constitution or rules of the Company or Body (e.g. under seal witnessed by two officers), or;
- signed by one director for a single director company.

Additional documentation may also be required for applications in the name of a Company, Incorporated Association or Body. Please see page 30 for further details.

If you are signing under power of attorney please provide identification and attach a certified copy of the power of attorney and specimen signature(s) of the attorney(s) if not displayed on the document. A certified copy is a copy which is certified as being a true and accurate copy of the original by a Justice of the Peace or a professional such as, a lawyer or doctor.

Financial advisers' stamps

If a licensed or appropriately authorised financial adviser's stamp appears on the application form we may pay them commission (see pages 21 and 22 for more detail). We will also supply them with information about your investment unless you instruct us not to do so.

When you complete this form, please:

- use a black pen
- write in BLOCK LETTERS
- answer all sections
- sign the back page
- Make cheque payable to:

  'MIML – Macquarie Global Infrastructure Trust II A/C <Full account name>'

  eg 'MIML – Macquarie Global Infrastructure Trust II A/C John Citizen and Sample Citizen ATF Citizen Super Fund.'
- mail your cheque and application form to:

  Macquarie Investment Management Limited
  PO Box 192, Australia Square, NSW 1215

If you make an error please do not use correction fluid. Instead cross out your mistakes and initial your amendments.

Making an investment on behalf of others

If you are investing for…	Documentation required†: *(to accompany the application form)*	Your account must be in the name of	Complete application form sections: *(names are used as examples only)*
A superannuation fund	Copy of an extract of the trust deed identifying the parties to the trust	The trustees of the superannuation fund*	*Individuals:* 1. Mary Citizen and 2. John Sample Citizen 4. Citizen Superannuation Fund *Companies:* 3. John Citizen Pty Ltd 4. Citizen Pty Ltd Superannuation Fund
A deceased estate	A certified† copy of the grant of probate or Letters of Administration	The executors of the estate	1. Mary Citizen 4. Estate of the late Agnes Sample
A trust	Copy of an extract of the trust deed identifying the parties to the trust	The trustees of the trust*	1. Mary Citizen and 2. John Sample Citizen 4. Citizen Family Trust
A minor *(less than 18 years old)*	Copy of the minor's birth certificate	The trustees of the trust*	1. Mary Citizen and 2. John Sample Citizen 4. Baby Citizen
A partnership	Investment operating instructions which indicate how partners are to sign	The principals of the partnership	1. Mary Citizen 2. Jesse Sample 4. Citizen, Sample & Associates
An unincorporated body	Meeting minutes that show which officers can make and operate the investment	Officers on behalf of the unincorporated body	1. John Sample Citizen 4. Sample Town Under 10 Soccer Club
A business	Certificate of Business Registration listing the proprietors and 100 Point Check for each proprietor	The proprietor (individuals or a company) trading as the Business Name	1. John Sample Citizen 4. Citizen's Garden Equipment
A company	Copy of the Certificate of Registration	The name of the company	3. ABC Company Pty Ltd
An incorporated body	Copy of the Certificate of Registration and meeting minutes that show which officers can make and operate the investment.	The name of the incorporated body	3. XYZ Sample Inc.

* Applications in the name of a trust, rather than the trustee, will not be accepted.
† A certified copy which is certified as being a true and accurate copy of the original by a Justice of the Peace, a lawyer or doctor.

Macquarie Global Infrastructure Trust II Application

Enquiries
1800 806 310

*Complete this form using BLACK INK and print well within the boxes in CAPITAL LETTERS. Mark appropriate answer boxes with a cross (**X**).*

Do not use this form unless it is attached to, or accompanies, the Product Disclosure Statement dated 31 May 2004 *and issued by Macquarie Investment Management Limited (MIML) ABN 66 002 867 003 and AFSL No. 237492.*

MACQUARIE

1. INDIVIDUAL AND JOINT APPLICANTS ONLY – APPLICANT A

Title
Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Given name(s)

Surname

Tax file number OR reason for exemption (*Refer to page 24)*

Work phone number

Home phone number

Fax number

Mobile phone number

Date of birth
D D / M M / Y Y Y Y

Occupation

E-mail address

2. JOINT APPLICANTS ONLY – APPLICANT B

Title
Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Given name(s)

Surname

Tax file number OR reason for exemption (*Refer to page 24)*

Work phone number

Home phone number

Fax number

Mobile phone number

Date of birth
D D / M M / Y Y Y Y

Occupation

E-mail address

3. COMPANY, INCORPORATED ASSOCIATION OR BODY

Name of company, incorporated association, or incorporated body

ABN if applicable (*Refer to page 24)*

Tax file number OR reason for exemption (*Refer to page 24)*

Name of contact person

Phone number

4. TRUST OR OTHER ENTITY

Name of superannuation fund, trust beneficiaries, deceased estate or unincorporated association

Tax file number, ABN OR reason for exemption (*Refer to page 24)*

5. CONTACT DETAILS

Mailing address *(all correspondence will be sent to this address)*

Street no. & name OR P.O. Box

Suburb

State *Postcode*

Your residential address, leave blank if the same as your mailing address

Street number and name

Suburb

State *Postcode*

Do you have any other Macquarie accounts?
No ☐ Yes ☐ ▶ Specify a/c no.

6. INVESTMENT DETAILS

Please specify the amount you wish to invest in the Trust. This amount is inclusive of fees.

Total **$** , , .

*Note: Cash is not accepted. Please make cheques payable to: "MIML – Macquarie Global Infrastructure Trust II A/c **<Full account name>**"*

7. WHERE WOULD YOU LIKE YOUR DISTRIBUTION PAID

Distributions can only be paid to an Australian bank account or to your Macquarie Cash Management Trust. ***Distributions cannot be paid by cheque.***

Name of financial institution

Branch name

BSB number – Account number

Account name

8. TAX INVOICES

Will you require tax invoices in order to claim a tax credit? *Only relevant to account holders using the trust as part of a business enterprise.*

No ☐ Yes ☐

9. ANNUAL REPORT

Would you like to receive a paper copy of the trust annual report each year? *An electronic copy is available from www.macquarie.com.au/personal*

No ☐ Yes ☐

10. ACCOUNT OPERATING INSTRUCTIONS

Joint accounts – *If you do not cross a box we will assume "Both to sign"*

Either to sign ☐ Both to sign together ☐

Company, Incorporated Association or Body

These accounts must be signed by two officers (e.g. two Directors or a Director and Secretary), or as required by the Constitution or rules of the company or body (e.g. under seal witnessed by two officers), or signed by one director for a single director company. If you do not cross a box, all future written instructions must be executed in the same way as this application.

Common seal

Any one of us to sign ☐ All of us to sign ☐

Other

11. DECLARATION AND SIGNATURE

This application accompanies the Macquarie Global Infrastructure Trust II Product Disclosure Statement (PDS) dated 31 May 2004 which contains information about investing in the Trust and which should be read before applying for units in the Trust.

I/We acknowledge and declare that:

1. I/We agree to be bound by the PDS and the Constitution for the Trust.
2. I/We have received and accepted this offer in Australia.
3. MIML may contact me/us, from time to time, in order to provide me/us with information concerning the operations of the liquidity facility as detailed on pages 16 and 17 of the PDS.
4. I/we are not acquiring units in MGIFT II with the intention of selling or transferring them.
5. All the information in this application form is true and correct.
6. MIML can provide information on the status of my/our investment to my/our nominated financial adviser/broker or any associated Macquarie company.
7. I/We agree to MIML and Macquarie collecting, using and disclosing my/our personal information as set out on page 28 of this PDS.
8. The responsible entity of MGIFT II is required to comply with the anti-money laundering laws in force in a number of jurisdictions including the Financial Transactions Reports Act 1988 (Cth) and I/we undertake to provide the responsible entity with such additional information or documentation as the responsible entity may request of me, from time to time, to ensure its compliance with such requirements.
9. Should I/we fail to provide the responsible entity with any information or documentation requested of me, my application for Units may be refused and any Units I/we hold may be compulsorily redeemed, and disposal request by me/us may be delayed or refused and the responsible entity will not be liable for any loss arising thereof.
10. Macquarie (other than MIML) has not authorised or caused the issue of the PDS.
11. Macquarie (other than MIML) takes no responsibility for any part of the PDS other than the reference to its name in the Application Form.
12. Macquarie (other than MIML) does not endorse or recommend investments under the PDS.
13. I/we understand the risks associated with an investment in the Trust as they are outlined in the PDS.
14. The responsible entity reserves the right to reject any application or to allocate to any applicant a lesser number of units than that applied for.
15. I/we am/are not aware of any liquidation or bankruptcy proceedings that have been commenced or are intended to be commenced by any person against me/us or which are intended or anticipated by me/us.
16. Investments in the Trust are not deposits with, or other liabilities of, Macquarie Bank Limited ABN 46 008 583 542 or of any Macquarie Bank Group company and are subject to investment risk, including possible delays in repayment and loss of income or principal invested.
17. None of Macquarie Bank Limited, Macquarie Investment Management Limited ABN 66 002 867 003 (the Responsible Entity, we, us, MIML) or any other member company of the Macquarie Bank Group guarantees the performance of the Trust or its underlying investments, the repayment of capital from the Trust or any particular rate of return.
18. I/we understand that the value of interests in the Trust may rise and fall, from time to time.

PLEASE READ THE PRODUCT DISCLOSURE STATEMENT BEFORE SIGNING THIS FORM

Note: Company accounts usually require 2 signatures.
(See page 29 for further details)

Authorisation of Applicant A or Company Officer

✗ SIGN HERE / /

Name

If a company officer, you **must** specify your corporate title

Director ☐ Sole Director or Sole Secretary ☐ Trustee ☐

Other

Authorisation of Applicant B or Company Officer

✗ SIGN HERE / /

Name

If a company officer, you **must** specify your corporate title

Director ☐ Secretary ☐ Trustee ☐

Other

ADVISER USE ONLY

By stamping this application you are confirming that you hold a current AFS Licence and are authorised to deal in and advise on these managed investment products.

Dealer name

Dealer code

Adviser name

Adviser code

Marketing

ILGN

Adviser stamp

ILAN

ILCN

Contribution fee to be paid to adviser %.

Contact details

Responsible Entity

Macquarie Investment Management Limited
ABN 66 002 867 003

Level 15, No.1 Martin Place,
Sydney NSW 2000
AFSL No. 237492

Custodian

Bond Street Custodians Limited
ABN 57 008 607 065

Level 15, No.1 Martin Place,
Sydney NSW 2000
AFSL No. 237489

For more information – how to contact Macquarie

Prospective investors

1800 808 001

Financial Advisers

1800 808 508

Internet Address

www.macquarie.com.au/personal

If you would like to know more about
Macquarie Global Infrastructure Trust II,
talk to your financial adviser or
Ask Macquarie

1800 808 001

www.macquarie.com.au/personal

Macquarie Investment Management Limited
PO Box 192
Australia Square NSW 1215

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