

Macquarie Investment Management Limited

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30 November 2016

The Trust Company (PTAL) Limited A/C Ausmaq (MS - Cash)
Post Office Box N774
GROSVENOR PLACE NSW 1220



Dear Sir/Madam

Macquarie Diversified Private Equity Fund 2004 Accumulation Series – Sale of remaining holdings in underlying investment

| | |
|------------------------|--|
| Account Name: | The Trust Company (PTAL) Limited A/C Ausmaq (MS - Cash) |
| Account Number: | 925001197 |

Macquarie Investment Management Limited is the trustee of the Macquarie Diversified Private Equity Fund 2004 Accumulation Series (**Fund**), a pooled superannuation trust, which was terminated effective 2 September 2016. We are writing to provide you with an update on your investment in the Fund.

We determined at the time of termination that it was in the best interests of investors as a whole for proceeds to be paid as and when they are received from the Fund's investment in the ROC Alternative investment Trust III (formerly called the Macquarie Alternative Investment Trust III) (**RAIT III**), rather than accept the substantial discount (then estimated at 40% to 50% of carrying value) required in order to sell the Fund's holding in RAIT III on the secondary market.

Since this time, the manager of the Fund, ROC Capital Pty Limited (**Manager**), has been investigating options to exit the underlying portfolio and recently received an offer from an independent party, through a broker, to purchase the Fund's remaining holdings in RAIT III at a discount of 27% to the 31 March carrying value of this investment (such discount representing 26% of the Fund's 30 September 2016 net asset value).

Taking into consideration the materially more favourable price than was previously available and the best interests of investors (as a whole) in the Fund, we have decided to accept the offer. This will allow us to distribute the termination proceeds of the Fund to investors by way of a final redemption.

This will result in an estimated final payment of \$0.3333 per unit, which is in addition to distributions totalling \$0.9316 per unit that have already been paid.

Considerations for the sale

In deciding to accept the secondary market sale offer, we considered the following factors.

- **Liquidity**

The sale of the RAIT III investment will enable the Fund to be liquidated and for all proceeds to be passed onto investors. We believe providing liquidity to investors is in the best interests of investors (as a whole) in the Fund.

- **Certainty**

Whilst the Manager expects the underlying assets of RAIT III to take at least two years to be fully realised, the timing of the exit path is uncertain. Liquidating the RAIT III investment through a secondary market sale will provide certainty over the liquidity timeframe. In addition, we also considered the risk that the value the investment, and the amount ultimately realised, may fall materially if the RAIT III investment is not sold at this time.

- **Ongoing fees and costs**

We also considered the impact of additional fees and costs on investors. Fully liquidating the Fund will avoid future ongoing fees and costs paid by the Fund including management fees to the Manager (0.97% per annum) as well as fees paid to the managers of the underlying funds (typically 1.5% to 2% per annum).

- **Limited number of interested buyers**

Due to the relatively small size of the remaining holding in RAIT III, there are very few interested buyers in the secondary market. This is likely to become more of an issue as the size of the holding decreases due to future distributions.

- **The interests of investors**

Although different investors will have different circumstances, we took into consideration the best interests of investors as a whole.

Estimated liquidation value

The sale of the Fund's investment in RAIT III will result in an estimated final payment of \$0.3333 per unit. This is in addition to two redemption offers (in 2010 and 2012) and distributions made previously to investors (totalling \$0.9316 per unit).

Steps and expected timing

The steps that will be taken to sell the RAIT III investment and fully liquidate the Fund are:

- execute a sale agreement with the buyer for the Fund's holding in RAIT III
- arrange settlement of the sale and realise any other non-cash assets of the Fund
- pay final termination proceeds to investors

We expect to complete these steps by, or around, 9 December 2016 but there may be delays in finalising the sale of the RAIT III holding or the sale may not proceed. We will notify investors if there are any significant issues or delays in this process.

What do you need to do now?

You do not need to do anything. We have your banking details and will arrange for the payment of the final redemption amount to the nominated bank account on file.

If your nominated bank account has changed, visit macquarie.com/personal/managed-funds to download, complete and submit a 'Change of details form'. You will find the form by scrolling to 'Documents and forms' and clicking on 'Other forms'. Please contact Macquarie Investment Management Client Service on 1800 814 523 or email mim.clientservice@macquarie.com if you have any questions about this form.

Will your redemption payment be taxable?

As the Fund is a tax paid entity, redemption payments will not form part of your taxable income. As long as the entity invested in the Fund remains a complying superannuation entity, any profit or loss generated from the receipt of redemption payments will not give rise to any taxable income or loss.

You should seek independent tax advice if you have any questions or concerns regarding the tax treatment of your investment.

More information

Please contact Macquarie Investment Management Client Service on 1800 814 523 or email mim.clientservice@macquarie.com if you have any further queries in relation to your investment.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Grant Stephens', with a stylized flourish at the end.

Grant Stephens
Division Director
Macquarie Investment Management