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Product Notice

Important information

CONQUISTADOR Securities

Wednesday, 19 November 2008

Permal Funds

ABN AMRO Australia Pty Ltd ("***the Issuer***") has received notice from Permal Multi-Manager Funds (including Permal Fixed Income Holdings N.V. and Permal Macro Holdings N.V. (formerly Permal FX, Financials and Futures Ltd), together the "***Permal Funds***") dated 28 October 2008 (the "***Permal Notice***") announcing that it will increase with immediate effect the notice period with respect to redemption requests for interests in the Permal Funds from 20 to 95 days. This means that the Issuer is unable to redeem the Permal Fund interests until after the expiry of 95 days. The Permal Funds are a component of the Conquistador Securities ("***the Product***"). Accordingly the Issuer has formed the view that an Adjustment Event (as defined in paragraph (b)(v) of the definition of "Adjustment Event "of the Product Disclosure Statement dated 1 May 2008 ("***PDS***")) and Market Disruption Event (as defined in paragraph (d) of the definition of "Market Disruption Event" of the PDS) has occurred.

The Issuer intends to substitute the Permal Funds with appropriate funds as contemplated in clause 15.5.2(b) of the PDS. To effect this substitution the Issuer has requested a redemption from the Permal Funds. The redemption date is scheduled for 28 February 2009 as per the Permal Notice. Investors will continue to have a notional exposure to the Permal Funds up until this time. The proceeds will then be invested in a replacement fund. The Issuer will continue to analyse appropriate replacement funds of a similar risk profile and will inform investors of the substitution in accordance with the Terms of the PDS. The Issuer may also decide that the Permal Funds are the most appropriate funds and therefore reinvest in them.

Liquidity and redemptions
The Issuer will not process any redemption requests from investors so long as an Adjustment Event or Market Disruption Event is continuing. The Issuer expects to resume the secondary market in the Product once the Market Disruption Event ceases in accordance with clause 15.4 of the Terms.

Coupon
The Issuer anticipates it will not pay a coupon on 10 December 2008 being a scheduled Coupon Payment Date for the Product. This is because the Market Disruption Event will be continuing on the first Coupon Determination Date, being 30 November 2008. The non payment of coupons due to a Market Disruption Event is contemplated in section 5.8 of the PDS.

The Permal Notice is attached.*

For further information, please contact ABN AMRO on 1800 306 467.

***Disclaimer**
The attached notice was provided to the Issuer in relation to the Permal Multi-Manager Funds. The Issuer did not prepare the Permal Notice. Although the Issuer attempts to provide accurate, complete and up-to-date information which has been obtained from sources that are considered reliable, the Issuer makes no warranties or representations, express or implied, as to whether information provided in the Permal Notice is accurate, complete or up-to-date.

Investors in the Product may not rely on the Permal Notice for any reason including but not limited to the pursuit of any entity within the Permal Group for any claim, legal action or otherwise. No Permal Group entity endorses this notice or the issue of the Product. No Permal Group entity has authorised, been involved in the preparation of, or caused the issue of this notice.

A wholly owned subsidiary of
ABN AMRO Holding N.V.

PERMAL

October 29, 2008

Permal Update - New Terms

Faced with the abrupt acceleration of well-publicised credit and liquidity issues plaguing world financial markets and the hedge fund industry, the Permal Fund Boards, in consultation with Permal management, proactively moved to prevent the intensifying conditions from compromising the normal management and balance of their Fund portfolios or unnecessarily stressing their Net Asset Values.

After extended consideration, the Boards decided to take actions to temporarily increase the Multi-Manager Funds' (non-Luxembourg) monthly redemption notice period to 95-days and to permanently provide a minimum of 15 days notice for the Single Manager Funds. All Funds remain open for subscriptions and redemptions on a monthly basis subject to the new notice periods. These changes provide appropriate time to maintain active management of our portfolios and prudently accommodate our investors' liquidity needs.

Permal Chairman and Chief Executive Officer, Isaac R. Souede, said "To assume these portfolios will be immune from the unprecedented realities of the current financial environment and leave them unprotected would be a great disservice to our investors." We are heartened by the general support to date. One of our largest and most sophisticated clients said, "I am not concerned about Permal, nor am I concerned about the longer notice period; I see it as protecting us."

Permal Continues to Perform

The Permal Funds have continued to perform admirably in this unprecedented financial crisis. Our three largest Funds have outperformed most of the major indexes this year and since 2007, the year the crisis began, as shown below:

Index vs. Permal	Cumulative Return (1/1/2007 – 10/15/2008)
MSCI World (Local) Index	-33.5%
Nikkei 225 (Yen)	-44.6%
MSCI Europe (USD) Index	-34.4%
S&P 500 w/Dividends Re Invested	-33.6%
High Yield Bonds	-21.3%
AAA Investment Grade Corporate Bonds	-8.9%
Dow Jones AIG Commodity Index	-16.7%
Permal Fixed Income Holdings N.V.	**-4.2%**
Permal Investment Holdings N.V.	**-12.7%**
Permal Macro Holdings Ltd.	**0.1%**

Moving Forward

Over the next few months, we expect to see further changes in the hedge fund industry with fewer funds, lower assets under management and more liquid strategies. This has been the most difficult and volatile environment that Permal has experienced in its 35 years, but with these changes, we believe Permal is exceptionally well positioned for the target-rich market that is evolving. Our investment teams are starting to see signs of liquidity returning to the financial system. This environment is where the more established, experienced and liquid managers like Permal will show their mettle. We firmly believe that the Permal Funds have the potential to once again generate above normal returns as they have following previous difficult markets.

As we look to the future, we are making changes to the portfolios to take advantage of the new reality. We believe that the market is becoming opportunistic as rewarding investment opportunities are beginning to emerge. In the current Permal Funds, this may include attractively priced fixed income spreads, currency arbitrage, distressed credit markets and selected equities. Additionally, we are looking to add new funds that can take advantage of some of the less liquid investment opportunities that are becoming increasingly abundant in dislocated markets. We firmly believe that this is the time to be in the market, not out of it.

We are fully confident in, and remain firmly committed to our multi-manager investment model which has continued to keep us in good stead with Permal directional and absolute funds outperforming their comparative indices. We will, as always, strive for excellence. Thank you for your continued trust and confidence.

In the chart, High Yield Bond is Merrill Lynch High Yield Master II and AAA Investment Grade Corporate Bonds is ML Master Fund, 10yr+. The indexes listed do not represent benchmarks for the Funds, but allow for comparison of a Fund's performance to that of an index. An investor cannot invest directly in an index. Index performance does not reflect fees and expenses of investing. Past performance is not a guide to future performance. Performance figures are for Class A shares, reflect the reinvestment of dividends, distributions and other earnings, and are net of Fund level expenses but not sales charges or taxes. Performance may be volatile and the Fund's NAV will fluctuate. This report does not include Permal Global Opportunities Ltd. and Permal Fixed Income Special Opportunities Ltd., which are not currently open to subscriptions or redemptions. Hedge Funds are speculative and involve risks, which may include (without limitation) those related to the use of leverage, options, derivative instruments, distressed securities, futures, illiquid investments and short sales, timing of initial investment and asset diversification. Multi-manager funds are dependent not only on the investment performance of individual managers but also on the ability to effectively allocate the fund's assets. Investors may not receive the full amount invested upon redemption. Exchange rate fluctuations may affect Fund returns. Fund allocations and holdings are subject to change. There is no assurance that the Fund's objective will be attained. This material is not an offer or solicitation to subscribe for shares in any Fund, and does not constitute investment advice. Sales of shares are made on the basis of the offering circular only and cannot be offered in any jurisdiction in which such offer is not authorized. The Fund is not for public sale in the US or to US persons and its sale is restricted in certain other jurisdictions. There are restrictions on transferring Fund shares. Investment in the Fund may not be suitable for all investors and prospective investors should consult their professional advisers as to suitability, legal, tax and economic consequences of an investment in the Fund. **To UK investors**: This material has been prepared by Permal Group Inc. ("PGI") and (i) if issued in the UK by Permal Investment Management Services Limited ("PIMS"), which is authorized and regulated by the Financial Services Authority, may be transmitted only to persons reasonably believed by PIMS to be of a kind to whom PIMS is permitted to communicate financial promotions related to the Fund or otherwise promote the Fund under the Financial Services and Markets Act 2000 (Promotions of Collective Investment Schemes)(Exemptions) Order 2001, as amended or (ii) if communicated by PGI into the UK may only be transmitted to persons reasonably believed by PGI to be of the kind to whom PGI is permitted to communicate financial promotions pursuant to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended. The Fund is not regulated under the Financial Services and Markets Act 2000, and is not available to retail investors. No protection is provided by the UK regulatory system and benefits available under the UK Financial Services Compensation Scheme do not apply. **To Singapore investors**: This material is distributed in Singapore by Permal (Singapore) Pte. Limited, which is regulated by the Monetary Authority of Singapore. **To Dubai investors**: This information has been distributed by Permal Investment Management Services Limited, DIFC Branch which is regulated by the Dubai Financial Services Authority ("DFSA"). This information is only intended for Professional Clients as defined in the Rulebook of the DFSA, if you do not meet the DFSA's definition of a Professional Client you must not act upon this information. **To Hong Kong investors**: Permal (Hong Kong) Limited is licensed by the SFC for dealing in, and advising on, securities.