

# Wingate Wholesale Plus Global Equity Fund

## Product Disclosure Statement ('PDS')

Issued 10 August 2015  
ARSN 602 190 474  
APIR BTA0563AU

## Contents

	<b>1.</b> About BT Funds Management Limited	2
	<b>2.</b> How the Fund works	2
	<b>3.</b> Benefits of investing in the Fund	3
	<b>4.</b> Risks of managed investment schemes	3
	<b>5.</b> How we invest your money	5
	<b>6.</b> Fees and costs	6
	<b>7.</b> How managed investment schemes are taxed	7
	<b>8.</b> How to apply	8
	<b>9.</b> Other information	8

### How to read this document

This PDS provides a summary of the key information you need to make a decision. The  symbol indicates you can read more about this section in the Additional Information Booklet and Additional Information – buy-sell spreads, which also form part of this PDS.

This is important information you should consider before making a decision to invest in the Wingate Wholesale Plus Global Equity Fund ('the Fund').

The information in this document is general information only and does not take into account your personal financial situation or needs. You should consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances.

Investments in the Fund can only be made by someone receiving this PDS (including an electronic version) in Australia. If you are in possession of this PDS outside Australia, you should seek advice regarding restrictions on investing. Failure to comply with relevant restrictions may violate laws.

## 1. About BT Funds Management Limited

BT Funds Management Limited ABN 63 002 916 458 AFSL 233724 ('BTFM', 'we', 'us', 'our') is the responsible entity of the Fund, which is a registered managed investment scheme. We are responsible for the day-to-day administration and operation of the Fund. We are the issuer of units in the Fund offered in this PDS and have prepared this PDS.

We are a subsidiary of Westpac Banking Corporation ABN 33 007 457 141 AFSL 233714 ('Westpac'). An investment in the Fund is not an investment in, deposit with, or other liability of Westpac or any other company in the Westpac Group. An investment in the Fund is subject to investment risk, including possible delays in the payment of withdrawals and loss of income and principal invested. No member of the Westpac Group, including BTFM, stands behind or otherwise guarantees the capital value or investment performance of the Fund.

The Fund will invest in the Wingate Global Equity Fund – Wholesale Units ARSN 132 393 705. The responsible entity of the Wingate Global Equity Fund – Wholesale Units is Australian Unity Funds Management Limited ABN 60 071 497 115 AFSL 234454 and the investment manager is Wingate Asset Management Pty Limited ABN 67 130 534 342 AFSL 333732 ('Manager'). Australian Unity Funds Management Limited and the Manager have consented to statements about them in this PDS, in the form and context in which they appear and have not withdrawn their consent before the date of this PDS. A reference to the 'Underlying Fund' in this PDS refers to the Wingate Global Equity Fund – Wholesale Units APIR AUS0035AU. The Underlying Fund is a registered managed investment scheme under the Corporations Act 2001.

## 2. How the Fund works

When you invest your money in the Fund, your money is pooled together with other investors' money. We use this pooled money to buy investments, and those investments are managed on behalf of all investors in the Fund. By investing this way you acquire an interest in the Fund and can access skilled investment management as well as investments you may otherwise not be able to access. However, we have day-to-day control over the operation of the Fund.

So that you know what your interest in the Fund is worth, we divide the total value of the assets in the Fund into 'units', and issue these units to investors. We will calculate a price for each unit and keep a record of the number of units you have acquired.

Generally, the Fund is not open to direct investors. The Fund is only accessible through an Investor Directed Portfolio Service ('IDPS'), IDPS-like scheme or a nominee or custody service, a managed account or any other service or platform approved by us (collectively referred to as an 'investment service') or through a superannuation fund. This means the rights that apply to someone who invests directly in the Fund are not available to you, but rather to the operator or custodian of the investment service or the trustee of the superannuation fund (each referred to as the 'Operator').

The Operator will be recorded in the register as the investor and will be the person who exercises the rights and receives the benefits of an investor.

You will need to instruct your adviser or Operator to increase your investment in the Fund by reinvesting distributions or making an additional investment or to decrease your units by making a withdrawal.

### **Unit prices** 2.1

Generally, unit prices are calculated each Business Day for the preceding Business Day. A Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for business in Sydney. The unit price will change as the market value of assets in the Fund rises or falls.

Entry prices are generally higher than exit prices due to the costs of buying and selling the underlying assets in the Fund. The difference is called the 'buy-sell spread'. There is no buy-sell spread on distributions that are reinvested.

### **Minimum initial investment**

Generally, the Fund is not open to investment by direct investors. You should refer to the offer document for the investment service or superannuation fund that you invest in as you may be subject to minimum balance requirements.

### **How to withdraw** 2.2 2.3

Investors should refer to the relevant offer document for the investment service or superannuation fund, or contact their financial adviser or the Operator, for information regarding processing of transactions relevant to them. In certain circumstances, such as a freeze on withdrawals or where the Fund is illiquid (as defined in the Corporations Act 2001), you may have to wait a longer period of time before you can redeem your investment.

## How we process transactions

We will act on instructions from your Operator. Where we receive a correctly completed application and monies or a correctly completed withdrawal request before 10am (Sydney time) on a Business Day, it will be processed with the unit price calculated for that day. Where we receive correctly completed documentation and monies (where applicable) after 10am (Sydney time) on a Business Day, it will be processed using the unit price determined for the following Business Day.

### Distributions 2.4 2.5

The Fund generally pays distributions quarterly and under special circumstances may pay special distributions.

Distributions are generally calculated based on the Fund's net income at the end of the distribution period divided by the number of units on issue. We distribute all taxable income to investors each year, including the net capital gains of the Fund. Net realised capital gains are generally distributed in the final distribution of the financial year.

Distribution payments are typically paid to you (or your Operator) as soon as practicable after the end of the distribution period of the Underlying Fund.

You should check the offer document for your investment service or superannuation fund to see when the Operator will pass distributions on to you.

### Indirect investors

We authorise the use of this PDS as disclosure only to people who wish to access the Fund indirectly through an investment service or superannuation fund.

 You should read the following important information in the Additional Information Booklet before making a decision.

 **2.1 Valuing your investment**

 **2.2 How to withdraw**

 **2.3 Restrictions on withdrawals**

 **2.4 Distribution payment details**

 **2.5 Reinvesting distributions**

Go to page 3 of the Additional Information Booklet at [bt.com.au/WholesalePlus](http://bt.com.au/WholesalePlus). The material relating to these matters may change between the time when you read the PDS and the day when you acquire the product.

## 3. Benefits of investing in the Fund

### Key features

The Fund invests into the Underlying Fund, which gains exposure to international equities, primarily through the purchase of shares through derivatives.

### Key benefits

Some of the benefits that may arise from an investment in the Fund include the following.

- ▶ Access to an experienced team of global equities managers who apply in-depth research and analysis to select stocks with potential for better returns.
- ▶ Exposure to investment opportunities in global share markets that may otherwise not be readily accessible to individuals.
- ▶ Participation in any capital appreciation and income distributions of the Fund.

## 4. Risks of managed investment schemes

 4.1  4.2  4.3  4.4  4.5

All investments carry risk.

The likely investment return and the risk of losing money is different for each managed fund, as different strategies carry different levels of risk based on the underlying mix of assets. Generally, the higher the level of risk you are prepared to accept, the higher the potential returns or losses. Assets with the highest long-term returns may also carry the highest level of short-term risk. Growth assets, such as shares and property, are generally considered the most volatile assets, ie they are likely to experience greater fluctuations in value than defensive assets, such as fixed interest and cash.

The significant risks for the Fund are as follows.

### Asset class risk

This is the risk associated with a particular asset class. For example, shares are generally more volatile than fixed interest investments, while investing in international shares adds additional risks because of currency movements, differing tax structures and social, economic and political factors affecting a country or region.

### Market risk

These are factors that can influence the direction and volatility of the overall market as opposed to stock specific risks. These factors can be specific to one country or affect a number of countries. Macroeconomic, technological, geopolitical or regulatory conditions and even market sentiment changes can mean the value of investment markets change. These factors include shocks to an economy, such as a spike in the price of oil, terrorist threats, political elections, environmental catastrophes, or changes to monetary or fiscal policy.

### **Specific security risk**

This is the risk associated with an individual asset. The price of securities in a company may be affected by unexpected changes in that company's operations, such as changes in management or the loss of a significant customer.

### **Liquidity/transparency risk**

This is the risk that a security or asset cannot be traded quickly enough in the market to prevent a loss or to realise a gain.

The liquidity of the Fund will depend on the liquidity of the Underlying Fund and the ability of the Underlying Fund to satisfy withdrawal requests.

### **Fund performance risk**

As a result of different levels of cash being held by this Fund and the Underlying Fund it invests in and the timing of applications and redemptions, there is potential for the performance of the two stated funds to be different.

### **Currency risk**

The Underlying Fund may invest across many countries. If there is a change in the relative value of the Australian dollar to other currencies, the unhedged assets of the Underlying Fund can decrease or increase in value.

### **Derivatives risk**

The Underlying Fund may use derivatives (typically options) to buy and sell stocks, gain market exposure and manage market risk. Risks associated with derivatives include the value of the derivatives failing to move in line with the underlying asset, issues associated with the management of the assets backing a derivative so the Underlying Fund may not be able to meet payment obligations as they arise, and counterparty risk in the case of over-the-counter derivatives where no clearing house acts as an intermediary party (where the counterparty to the derivative contract cannot meet its obligations under the contract).

### **Emerging markets risk**

The Underlying Fund may make investments that provide exposure to emerging markets. Emerging markets are generally considered riskier than developed markets due to factors such as lower liquidity, the potential for political unrest, the increased likelihood of sovereign intervention (including default and currency intervention), currency volatility and increased legal risk. Emerging market investments therefore may experience increased asset price volatility and face higher currency, default and liquidity risk.

### **Interest rate risk**

Changes in interest rates can have a positive or negative impact directly or indirectly on the investment value or returns of the assets held by the Underlying Fund. For example, the cost of a company's borrowings can decrease or increase, whilst capital returns on a fixed interest security can become more or less favourable.

### **Concentration risk**

The Underlying Fund may have exposure to a small number of key investments. This may result in the returns of the Underlying Fund being dependent on the returns of individual companies and industry sectors. This concentration of exposures may increase the volatility of the Underlying Fund's unit price, and increase the risk of poor performance. It may also result in the Underlying Fund's returns differing significantly from its benchmark.

### **International investments risk**

International investments may be affected by movements in foreign currency exchange rates, interest rates, political and economic uncertainties, lower regulatory supervision and more volatile, less liquid markets compared with Australian investments.

Risk can be managed but it cannot be completely eliminated. It is important to understand the following.

- ▶ The value of your investment will go up and down.
- ▶ Past performance is not an indicator of future performance.
- ▶ The level of returns will vary and future returns may differ from past returns.
- ▶ Returns are not guaranteed and there is always the chance you may lose money on any investment you make in the Fund.
- ▶ Laws affecting your investment in a registered managed investment scheme may change over time.

The level of risk appropriate for you will depend on your age, investment timeframe, where other parts of your wealth are invested and how comfortable you are with fluctuations in the value of your investment over your investment timeframe.

**!** You should read the following important information in the Additional Information Booklet before making a decision.

**! 4.1** What is investment risk?

**! 4.2** Reducing your investment risk

**! 4.3** Choosing the right investment for your risk level

**! 4.4** Additional potential risks

**! 4.5** Asset classes

Go to page 4 of the Additional Information Booklet at [bt.com.au/WholesalePlus](http://bt.com.au/WholesalePlus). The material relating to these matters may change between the time when you read the PDS and the day when you acquire the product.

## 5. How we invest your money ! 5.1 ! 5.2 ! 5.3

You should consider the Fund's likely investment return, risk level, your individual circumstances and your timeframe to invest, before choosing to invest in the Fund.

Wingate Wholesale Plus Global Equity Fund	
Investment objective	Aims to achieve a strong return in the medium to long-term (before fees and expenses) that exceeds the MSCI World Index (Ex-Australia) \$A Net Dividends Reinvested by 2% per annum over a rolling 3 year period.
Minimum suggested timeframe	5–7 years
Investment strategy	<p>The investment strategy of the Underlying Fund is to gain exposure to international equities, primarily through the purchase of shares using derivatives. The Underlying Fund aims to generate returns comprising capital growth, option premiums, dividends and interest earned on cash. The Manager only uses exchange-traded derivatives (put and call options). Further, all put options are 100% cash backed and all call options are 100% stock backed.</p> <p>The Underlying Fund investment approach:</p> <ul style="list-style-type: none"> <li>▶ Typically has between 15 and 45 holdings (comprising stocks and options) but the Manager can invest up to 100% of its assets in either international equities, exchanged traded derivatives or cash equivalents.</li> <li>▶ Investment limits applied by the Manager limit exposure to an individual stock holding to a maximum of 10% of the net asset value of the Underlying Fund.</li> <li>▶ Invests in equities traded on regulated, developed market stock exchanges.</li> <li>▶ Does not have individual country exposure limits.</li> <li>▶ May also hold Australian and foreign cash investments.</li> </ul> <p>The Manager's investment strategy aims to produce investment returns through a combination of capital appreciation and income generation. The Manager generally invests in equities it believes are trading below their intrinsic value. The Manager adopts a 'high conviction' approach meaning it invests in fewer international equities, with a larger proportion of assets invested in each stock. The Manager seeks to create a concentrated portfolio of very large, high quality companies from around the world with strong cash flows, robust balance sheets and large market capitalisations.</p> <p>The Manager's implementation process sells options as a mechanism to buy and sell shares. This process generates option premiums which add to the Underlying Fund's return. The receipt of option premiums may allow the Underlying Fund to achieve a positive return even when markets are flat.</p> <p>Being unhedged against currency movements, the Fund and Underlying Fund may benefit from weakness in the Australian dollar versus major currencies. The Fund's and Underlying Fund's returns may be negatively impacted by the strength of the Australian dollar versus major currencies.</p>
Risk level	High – High risk of short-term loss.
Changes to Fund details and investments	We have the right to make changes to the Fund at any time, and in some cases without prior notice. This could include closing or terminating the Fund, amending its investment parameters, including the investment objective and strategy, investment manager, buy-sell spread or asset class allocation ranges and currency strategy (if applicable). Changes to the Underlying Fund may also impact the Fund. We will inform you about any material change to the Fund's details in your next regular communication or as otherwise required by law. Details of any change will be available on <a href="http://bt.com.au/pdsupdates">bt.com.au/pdsupdates</a> .

! You should read the following important information in the Additional Information Booklet before making a decision.

! 5.1 **Labour standards or environmental, social or ethical considerations**

! 5.2 **Important investment information**

! 5.3 **Risk levels**

Go to page 7 of the Additional Information Booklet at [bt.com.au/WholesalePlus](http://bt.com.au/WholesalePlus). The material relating to these matters may change between the time when you read the PDS and the day when you acquire the product.

## \$ 6. Fees and costs

### DID YOU KNOW?

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

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether the features, such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower management costs. Ask the Fund or your financial adviser.

### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission ('ASIC') website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed investment fee calculator to help you check out the different fee options.

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

Taxes are set out in another part of this document and section 7 of the Additional Information Booklet.

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

You should also use this information to compare the costs between different simple managed investment products.

Type of fee or cost <sup>1,2</sup>	Amount
<b>Fees when your money moves in or out of the Fund</b>	
Establishment fee	Not applicable
Contribution fee	Not applicable
Withdrawal fee	Not applicable
Exit fee	Not applicable
<b>Management costs</b>	
The fees and costs for managing your investment <sup>3</sup>	0.90% of the net asset value of the Fund per year

1\_ Unless otherwise stated, all fees are quoted on a GST inclusive basis and net of any applicable Reduced Input Tax Credits.

2\_ Fees in this PDS can be individually negotiated if you are a wholesale client under the Corporations Act.

3\_ The management fees are paid from the assets of the Fund and are reflected in the unit price of your investment.

To see how fees and costs may affect your account balance, use the calculator on the ASIC website at [www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/managed-funds-fee-calculator](http://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/managed-funds-fee-calculator).

### Example of annual fees and costs for the Fund

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

Example:		Balance of \$50,000 <sup>4</sup> with a contribution of \$5,000 <sup>4</sup> during the year
Contribution fees	\$0	For every \$5,000 you put in, you will be charged \$0.
PLUS		
Management costs	0.90%	And, for every \$50,000 you have in the Fund you will be charged \$450 each year.
EQUALS		
Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during the year, you would be charged fees of: \$450 <sup>5</sup> What it costs you will depend on the fees you negotiate.

4\_ This amount is prescribed by legislation. The example above assumes that the \$50,000 is invested for the entire year, the value of the investment is constant over the year and that the additional \$5,000 is invested at the end of the year.

5\_ Additional fees may apply. Please note this example does not capture all the fees and costs that may apply to you, such as the buy-sell spread.

## Additional explanation of fees and costs

**6.1** **6.2** **6.3** **6.4** **6.5**

### Changes in fees and costs

The management fee is the fee charged by us for managing the assets of the Fund and overseeing the operations of the Fund. The management fee is charged as a percentage of the net asset value of the Fund. It is accrued daily and paid from the Fund monthly. The constitution for the Fund allows us to charge a management fee of up to 4% pa (excluding GST) of the value of the Fund.

We may change the amount of fees and costs without investor consent. If we increase fees or costs (such as the management fee), we will provide investors with written notice at least 30 days prior to the change becoming effective.

### Transaction costs

In managing the assets of the Fund, we may incur transaction costs such as brokerage, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold. This generally happens when the assets of the Fund are changed or when there are net cash flows into or out of the Fund.

Transaction costs will be charged in the form of a 'buy-sell spread'. These costs are determined after the daily unit price is calculated and are applied in addition to the daily unit price (applied when you invest). The buy-sell spread is an additional cost to you and is paid to the Fund to ensure other unit holders are not disadvantaged by the trading activity.

The current buy-sell spread for the Fund is available in 'Additional Information – buy-sell spreads'. We may vary the buy-sell spread from time-to-time and we will not ordinarily provide prior notice.

**!** You should read the following important information in the Additional Information Booklet before making a decision.

- 6.1** Further information on fees
- 6.2** Fees and costs for the Funds
- 6.3** Contribution (or entry) fees
- 6.4** Management costs
- 6.5** Payments to platforms

Go to page 8 of the Additional Information Booklet at [bt.com.au/WholesalePlus](http://bt.com.au/WholesalePlus).

You should also read the important information about 'buy-sell spreads' before making a decision. Go to 'Additional Information – buy-sell spreads' at [bt.com.au/WholesalePlus](http://bt.com.au/WholesalePlus).

The material relating to these matters may change between the time when you read the PDS and the day when you acquire the product.



## 7. How managed investment schemes are taxed

**7.1** **7.2** **7.3** **7.4** **7.5**

You should note that investing in the Fund is likely to have tax consequences. We strongly advise that you seek independent professional tax advice before investing in the Fund.

The Fund generally distributes all of its taxable income, including realised net capital gains and tax credits, if any, to investors each year. As such, the Fund should not be subject to income tax and the investors should be subject to tax on their share of distributions made by the Fund.

You may also be subject to Capital Gains Tax on the disposal of your investment in the Fund.

Investing in the Fund may also affect your entitlement to pension or other social security benefits. We suggest you seek advice from your financial adviser or Centrelink.

**!** You should read the following important information in the Additional Information Booklet before making a decision.

- 7.1** Tax position of the Fund
- 7.2** Taxation of unit holders
- 7.3** Capital gains tax ('CGT')
- 7.4** Non-resident investors
- 7.5** Quoting your tax file number

Go to page 11 of the Additional Information Booklet at [bt.com.au/WholesalePlus](http://bt.com.au/WholesalePlus). The material relating to these matters may change between the time when you read the PDS and the day when you acquire the product.

## 8. How to apply

Generally, the Fund is not open to applications by direct investors. Investors are only able to access the Fund indirectly through an investment service or superannuation fund. The Operator will be recorded in the register as the investor and will be the person who exercises the rights and receives the benefits of an investor.

Indirect investors are subject to different conditions from those that would apply if investing directly in the Fund. You should refer to the offer document for the investment service or superannuation fund, or contact your financial adviser or Operator for any investor queries.

Cooling-off rights do not apply to any investments in the Fund acquired through an investment service or superannuation fund. Indirect investors should contact their Operator and read the Operator's offer document for more information on any cooling-off rights that may apply in relation to the relevant investment service or superannuation fund.

If you wish to raise a complaint please contact your investment service or superannuation fund Operator. BT Customer Relations can assist you in this regard on 1300 657 010. If your complaint is not resolved to your satisfaction, you can refer the complaint to the independent Financial Ombudsman Service ('FOS') by calling 1300 780 808, or write to FOS at: GPO Box 3 Melbourne VIC 3001.

## 9. Other information

-  **9.1**  **9.2**  **9.3**  **9.4**  **9.5**
-  **9.6**  **9.7**  **9.8**  **9.9**

The Fund is subject to regular reporting and continuous disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. You can also call us to obtain copies of the following documents, free of charge:

- ▶ the most recent annual financial report lodged with ASIC for the Fund
- ▶ any half year financial reports for the Fund lodged with ASIC after the lodgement of the above annual financial report and before the date of the PDS (if applicable)
- ▶ any continuous disclosure notices we place online at [bt.com.au/pdsupdates](http://bt.com.au/pdsupdates) or have lodged with ASIC.

### Updated information

Information in this PDS is subject to change from time-to-time. For information that is not materially adverse, such as minor changes to asset allocation for the Fund, we may update such information by placing it on our website. You can also obtain a paper copy of any updated information, free of charge, in several ways.

- ▶ Contact your Operator.
- ▶ Contact your financial adviser.
- ▶ Call BT Customer Relations on 1300 657 010.

 You should read the following important information in the Additional Information Booklet before making a decision.

-  **9.1** Unit holder rights
-  **9.2** The constitution
-  **9.3** Related party transactions
-  **9.4** Conflicts of interest
-  **9.5** Our relationship with Westpac
-  **9.6** Custodian of the Fund
-  **9.7** Reporting on your investments
-  **9.8** Protecting your privacy
-  **9.9** Anti-money laundering and counter-terrorism financing

Go to page 12 of the Additional Information Booklet at [bt.com.au/WholesalePlus](http://bt.com.au/WholesalePlus). The material relating to these matters may change between the time when you read the PDS and the day when you acquire the product.

## Like to know more?

If you have any questions or would like more information:

 **Call** ▶ 1300 657 010

 **Mail** ▶ BT Funds Management Limited  
GPO Box 2337, Adelaide, SA 5001

 **Visit** ▶ [bt.com.au](http://bt.com.au)

