

Five Oceans World Fund Class A


ARSN 117 060 769 APiR Code HOW0061AU

Product Disclosure Statement

Dated 27 April 2012

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 This Product Disclosure Statement (PDS) is a summary of significant information and contains a number of references to additional important information which forms part of this PDS. You should consider that information before making a decision about the Fund. The information provided in this PDS is general information only and does not take account of your personal financial situation or needs. You should obtain financial advice tailored to your own personal circumstances.

Fidante Partners Limited (ABN 94 002 835 592, AFSL 234668) (**Fidante Partners, we, our, us**) is the responsible entity of the Five Oceans World Fund (ARSN 117 060 769) and the issuer of this PDS. References in this PDS to the **Five Oceans World Fund Class A** or the **Fund** are to the Class A units in the Five Oceans World Fund. No other class of units in the Five Oceans World Fund is offered in this PDS. Our ultimate parent is Challenger Limited (ABN 85 106 842 371). We have appointed Five Oceans Asset Management Limited (ABN 90 113 453 160, AFSL 290540) (**Five Oceans** or the **investment manager**) as the investment manager of the Fund. The offer or invitation to subscribe for units in the Fund under this PDS is only available to persons receiving this PDS in Australia. Fidante Partners authorises the use of this PDS as disclosure to investors and potential investors who wish to access the Fund through an IDPS operator (**indirect investors, you or your**). This PDS may also be used for direct investment by IDPS operators (**direct investors or unitholders**).

The information in this PDS is up-to-date at the time of preparation. However, some information can change from time to time. If a change is considered materially adverse we will issue a replacement PDS. For updated or other information about the Fund (such as performance), please contact your IDPS operator, financial adviser or visit our website using the details provided below. We will send unitholders a copy of the updated information free of charge upon request.

Five Oceans has provided its consent to the statements about it in the form and context in which they are included. Five Oceans was not involved in the preparation and distribution of this PDS and is not responsible for the issue of this PDS, nor is it responsible for any particular part of this PDS, other than those parts that refer to it. Five Oceans has not withdrawn its consent before the date of this PDS.

Contact details

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1. About Fidante Partners

Fidante Partners – the responsible entity

We are the responsible entity of the Fund. As responsible entity, we issue units in the Fund and are legally responsible to the unitholders of the Fund for its operation.

We have appointed Five Oceans as the investment manager of the Fund. We provide back office, marketing, distribution, administration and compliance support services to Five Oceans, giving it the freedom to focus on investing and managing the assets of the Fund.

A related entity of Fidante Partners has a partial equity stake in Five Oceans. Neither we, nor any of our related entities, nor Five Oceans, guarantees the repayment of a unitholder's capital or the performance of their investment or any particular taxation consequences of investing.

Five Oceans – the investment manager

Five Oceans is an international equities fund manager which brings a strong, internationally experienced group of investment professionals to its investment process, with a focus on managing concentrated portfolios of international shares.

The Five Oceans investment approach is based on the belief that investment opportunities are generated by change. As change can be generated from a variety of areas, Five Oceans seeks to tap into as wide a variety of knowledge and thought as possible, from both inside and outside the investment community.

2. How the Five Oceans World Fund Class A works

The Fund is a registered managed investment scheme (also known as a **managed fund**) that is an unlisted Australian unit trust governed by a constitution together with the Corporations Act 2001 and other laws. Managed funds pool individual investors' monies which are then used to purchase assets in line with the Fund's investment objective.

If you decide to invest in the Fund, the unitholder will purchase 'units' in the Fund (rather than purchasing the assets directly) which represent a share of the value of the managed fund's collective asset pool. Certain rights are attached to the units and these rights are exercisable by the person who owns these units (referred to as the **direct investor** or **unitholder** throughout this PDS).

For specific information relating to indirect investors, please refer to 'Indirect investors' on pages 7 and 8 of this PDS.

The number of units a unitholder can purchase will depend on the amount being invested and the investment unit price calculated for the day we receive a valid application form from your IDPS operator.

Investing

You will need to comply with any minimum transaction and balance requirements of your IDPS operator.

For more information on how to make an investment, refer to '8. How to apply' on page 7 of this PDS.

Withdrawing

Once invested in the Fund, you can generally withdraw your investment at any time by making a withdrawal (subject to any requirements set by your IDPS operator). The number of units a unitholder can withdraw will depend on the amount being withdrawn and the withdrawal unit price calculated for the day we receive a unitholder's withdrawal request. In some circumstances, such as when there is a freeze on withdrawals, a unitholder may not be able to withdraw their funds within the usual period upon a request. Refer to 'Withdrawal risk' on page 4 of this PDS for more information.

Unit prices

As the market value of the assets invested in by the Fund rises and falls, so does the unit price. Unit prices are determined in accordance with the Fund's constitution and are usually calculated each New South Wales business day. We have a Unit Pricing Permitted Discretions Policy which sets out how we will exercise any discretion in relation to the unit pricing. Unitholders can request a copy of this policy by calling our Investor Services team.

Processing

Generally, if we have received a valid investment or withdrawal request from your IDPS operator in our Sydney office before 3.00pm Sydney time on a New South Wales business day (referred to as the **transaction cut-off time**), it will usually be processed using the unit price determined as at the close of business on that day.

If the valid investment or withdrawal request is received after the transaction cut-off time, or on a non-business day, it will usually be processed using the applicable unit price calculated as at the close of business on the next business day.

We will provide notice if we are to change the transaction cut-off time.

Frequency of distributions

The Fund generally pays distribution yearly; however, there may be periods in which no distributions are made, or we may make interim distributions. We do not guarantee any particular level of distribution. Distributions will generally be paid to your IDPS operator as soon as practicable after the end of the Fund's distribution period.

How distributions are calculated

Distributions received will generally represent a unitholder's share of the estimated taxable income of the Fund and can be made up of both income and realised capital gains. A unitholder's share of any distribution depends on how many units the unitholder held at the end of the distribution period as a proportion of the total number of units on issue in the Fund at that time.



You should read the important information about 'Additional information about investing', 'Additional information about withdrawing', 'How unit prices are calculated' and 'Additional information about distributions' before making a decision. Go to www.fidante.com.au/FWFA_AIB.pdf. The material relating to 'Additional information about investing', 'Additional information about withdrawing', 'How unit prices are calculated' and 'Additional information about distributions' may change between the time when you read this PDS and the day when you acquire the product.

3. Benefits of investing in the Five Oceans World Fund Class A

Significant features

- The Fund will generally invest in a concentrated portfolio of up to 80 global companies.
- Five Oceans uses valuation analysis with an emphasis on high conviction stock selection and an attention to capital protection to help achieve risk-adjusted returns.
- Five Oceans' investment process is structured in a way that leverages the unique skills of the Five Oceans' investment team (and global contact network) through rigorously applied investment guidelines.
- An objective to achieve capital growth over the long term (at least five years) through investing primarily in a concentrated portfolio of global equities.

Refer to '5. How we invest your money' on pages 4 and 5 of this PDS for more information on the Fund's investments.

Significant benefits

- The Fund allows access to investment opportunities and diversification that individual investors usually cannot achieve on their own.
- The Fund offers access to investment professionals who specialise in global equities and offer concentrated portfolios of listed global companies.
- The Fund generally pays distributions yearly.
- Access to up-to-date information on the account 24 hours a day, seven days a week through InvestorOnline, a secure online service. InvestorOnline provides the unitholder with access to regular information about an investment, including

quarterly statements and annual tax statements. Transaction statements showing all transactions for a specific period can be requested at any time.

- The way in which the Fund operates, including the rights, responsibilities and duties of the responsible entity and unitholders, is governed by a constitution together with the Corporations Act 2001 and other laws.



You should read the important information about 'Monitoring your investment' and 'How the Fund is governed' before making a decision. Go to www.fidante.com.au/FWFA_AIB.pdf. The material relating to 'Monitoring your investment' and 'How the Fund is governed' may change between the time when you read this PDS and the day when you acquire the product.

4. Risks of managed investment schemes

All investments carry risk. Different strategies carry different levels of risk depending on the assets that make up the strategy. Generally, assets with the potential for the highest long-term returns may also carry the highest level of short-term risk.

When investing in a managed investment scheme, it is important to note that the value of assets in the managed investment scheme and the level of returns will vary. No return is guaranteed. Future returns may differ from past returns and investors may lose some of their money invested. Additionally, laws (including tax laws) that affect registered managed investment schemes may change in the future, which may have an adverse effect on the returns of managed investment schemes.

Your level of acceptable risk will vary compared to other investors' risk appetites and depends on a range of factors such as your age, your investment timeframe, how comfortable you feel about exposing your investment to risk, the nature and size of other investments you hold and the extent to which the Fund fits into your overall financial plan.

The significant risks of investing in the Fund are:

• Concentration risk

The value of a concentrated fund tends to be more volatile than the value of a more diversified fund. This is because a concentrated fund is generally exposed to a smaller range of assets and is therefore more sensitive to fluctuations in the value of those assets.

• Counterparty risk

The risk that the other party to a contract (such as a derivative contract, physical security trade or foreign exchange contract) fails to perform its contractual obligations either in whole or in part.

- **Currency risk**

As some of the securities domiciled outside Australia have different currencies, the value of such securities will fluctuate due to changes in those currencies relative to the Australian dollar.

- **Derivative risk**

The value of a derivative is linked to the value of an underlying asset and can be highly volatile. Risks associated with using derivatives may include, but are not limited to, the value of the derivative failing to move in line with that of the underlying asset and the potential illiquidity of the derivative. While the use of derivatives can offer the Fund the opportunity for higher returns, it can also magnify losses to the Fund.

- **Fund risk**

The risk that changes to the Fund, such termination, changes to fees or changes in government policies (including taxation), regulations and laws that may affect the Fund can have an impact on the potential investment return.

- **Liquidity risk**

The risk that the securities in which the Fund is invested, or the Fund itself, may become illiquid. This could have a detrimental effect on the value of the investments, or may impact an investor's ability to withdraw from the Fund.

- **Market risk**

The return on a particular security may be influenced by the return of other securities in investment markets (e.g. share markets and bond markets), similar regions or other asset classes.

- **Securities lending risk**

Securities lending exposes both the lender and the borrower to risks outlined in this section such as increased counterparty risk and short position risk, which may cause losses to the Fund.

- **Security risk**

The value of securities (also known as shares) is affected by market sentiment and other factors that may impact the performance of the actual company over short or extended periods of time. Shares in companies may also be impacted by many of the risks that the individual company is itself exposed to, such as changes in management or changes in technology and market trends.

- **Service provider/prime broker risk**

The risk that a service provider may default in the performance of its obligations or seek to terminate the services it provides, which may have a detrimental effect on the Fund.

- **Short position risk**

There is no limit on the maximum loss that can be incurred when short selling. Short selling may also expose the Fund to other risks such as additional liquidity risk and counterparty risk.

- **Withdrawal risk**

The risk that we may not meet the generally applicable timeframe for withdrawal requests, may suspend withdrawals or may deem the Fund illiquid.



You should read the important information about 'Additional information about significant risks' before making a decision. Go to www.fidante.com.au/FWFA_AIB.pdf. The material relating to 'Additional information about significant risks' may change between the time when you read this PDS and the day when you acquire the product.

5. How we invest your money



When choosing what to invest in, you should consider the likely investment return of the Fund, the risks associated with investing in the Fund and your own personal objectives, risk preference and investment timeframe.

Investment return objective	The Fund aims to achieve capital growth over the long term (at least five years) by investing primarily in a concentrated portfolio of global equities. The Fund is not managed in a way that attempts to track any particular index. Five Oceans does not target any particular level of realised capital gains within the Fund's returns.
Minimum suggested investment timeframe	At least five years
Benchmark	Not applicable
Risk level	High risk – the Fund offers the potential for favourable levels of return over the long term, but may exhibit high levels of volatility with the potential for some capital loss over the short to medium term.
Description of the Fund	The Fund is managed by Five Oceans, which implements its investment philosophy using a 'bottom-up', valuation-focused investment approach. The Fund is intended to be suitable for investors who are happy to invest for at least five years, are seeking high levels of return and are comfortable with high volatility, including the possibility of periods of negative returns. To help you understand the following information relating to the Fund's investments, definitions of the important investment terms are provided on page 10 of the Additional Information booklet available on our website.

Description of the Fund (continued)	<p>Investment approach</p> <p>Five Oceans' investment approach involves applying valuation measures, underpinned by strict investment guidelines.</p> <p>Leveraging off Five Oceans' rigorous research platform, short selling expands the range of available investment opportunities, enabling Five Oceans to harvest potential returns in both directions (that is, benefiting from outperforming and underperforming stocks), through all market cycles.</p> <p>Investment universe and portfolio construction</p> <p>The Fund will primarily invest in shares of global companies but may also invest in hybrid securities (for example, convertible notes, redeemable preference shares and partly-paid shares) and shares in unlisted companies provided they are expected to list within 18 months.</p> <p>It can also enter into underwriting agreements relating to shares able to be held by the Fund provided there are sufficient liquid assets in the Fund to cover such obligations. The Fund may short sell a security where it believes that a security is overvalued or for hedging purposes. The Fund may also use options, futures and other derivatives to achieve its performance objective. Derivatives may also be used within the Fund as a means to reduce risk or gain exposure to other types of investments.</p> <p>The final portfolio reflects the output of the investment manager's fundamental stock selection process. Up to 10% of the Fund can be invested in unlisted companies that intend to list within 18 months. Portfolio construction guidelines are applied to ensure that the final portfolio meets the Fund's investment objective and is managed in a risk-controlled manner.</p> <p>Currency strategy</p> <p>Five Oceans manages the currency exposure with the aim of reducing currency risk and protecting capital within the Fund. In managing currency exposure, Five Oceans can hedge the full gross exposure of the Fund either back into Australian dollars or into other currencies that it believes offer better value. Five Oceans may use forward contracts and derivative instruments as part of its currency approach.</p>						
Strategic asset allocation ranges¹	<table border="0"> <tr> <td>Global securities</td> <td>0-100%</td> </tr> <tr> <td>Cash</td> <td>0-100%</td> </tr> <tr> <td>Gross market exposure</td> <td>Up to 130% of the Fund's net asset value (the combination of long and short equity exposure, including derivatives)</td> </tr> </table>	Global securities	0-100%	Cash	0-100%	Gross market exposure	Up to 130% of the Fund's net asset value (the combination of long and short equity exposure, including derivatives)
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Cash	0-100%						
Gross market exposure	Up to 130% of the Fund's net asset value (the combination of long and short equity exposure, including derivatives)						
Labour standards or environmental, social or ethical considerations	<p>While Five Oceans takes into account labour standards or environmental, social or ethical considerations when buying, retaining or selling underlying investments, it does not adhere to any particular set of standards. Five Oceans will consider general factors such as, but not limited to, labour relations, potential environmental impacts and whether a target company has clearly defined code of conduct and ethics policies. Five Oceans' consideration of these factors is detailed further in the Additional Information booklet.</p>						
Changes to investment policy	<p>The constitution of the Fund permits a wide range of investments and gives us, as responsible entity, broad investment powers. We may change the investment manager and/or vary the investment objectives, strategies, benchmarks, asset allocation ranges and processes of the Fund. We will give unitholders written notice of any material variation which we believe they would not have reasonably expected.</p>						

¹ These are indicative asset allocation ranges for the Fund. If market movements, investments into or withdrawals from the Fund, or changes in the nature of an investment, cause the Fund to move outside these indicative ranges, or a limit set out in this PDS, this will be addressed by us or Five Oceans as soon as reasonably practicable.



You should read the important information about 'Additional information about the Fund's investments' before making a decision. Go to www.fidante.com.au/FWFA_AIB.pdf. The material relating to 'Additional information about the Fund's investments' may change between the time when you read this PDS and the day when you acquire the product.

6. Fees and costs

Consumer advisory warning

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 fund 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 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 contribution fees and management costs where applicable. 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) has a managed investment fee calculator to help you check out different fee options and which can also be used to calculate the effect of fees and costs on account balances.

Because you are investing in this Fund via an IDPS, you will need to consider the fees and other costs of your IDPS operator when calculating the total cost of your investment. This table shows fees and other costs that a unitholder may be charged in the Fund and can be used to compare costs between different funds. These fees and costs may be deducted from their money, from the returns on their investment or in the case of the Fund, from the Fund assets as a whole.

Type of fee or cost	Amount
Fees when your money moves in or out of the Fund	
Establishment fee	Nil
Contribution fee	Nil
Withdrawal fee	Nil
Termination fee	Nil
Management costs^{1,2,3}	
The fees and costs for managing your investment	Management costs are the total of the following components: Management fee 0.50% p.a. of the net asset value of the Fund. Performance fee 20% of the Fund's net performance above the Performance Benchmark (refer to page 7 of this PDS).

Example of annual fees and costs for the Fund

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

Example	Amount	Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	0.00%	For every additional \$5,000 you put in, you will be charged \$0.
Plus Management costs ^{1,2,3}	0.50%	And , for every \$50,000 you have in the Fund, you will be charged \$250 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 that year, you would be charged fees from: \$250 to \$275⁴ What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.

Please note that this is just an example. In practice, actual investment balances will vary daily and the actual fees and expenses we charge are based on the value of the Fund, which also fluctuates daily.

¹ For certain wholesale clients (as defined in the Corporations Act 2001) we may, at our discretion, negotiate, rebate or waive all or part of our fees. Please refer to 'Can fees be different for different investors?' on page 13 of the Additional Information booklet.

² Unless otherwise stated, all fees and costs are quoted inclusive of any Goods and Services Tax (GST) and net of any reduced input tax credits (RITCs) at the prescribed rate, which is currently 75%. However, the Government proposes to reduce the RITC rate to 55% for certain services from 1 July 2012, which may result in a minor increase in the net cost of some fees from that date. Please refer to 'Government charges and GST' on page 13 of the Additional Information booklet for more information. Fees stated may be rounded to two decimal places.

³ Management costs are made up of a management fee and a performance fee calculated as shown above (if payable). The example is based on the current management fee of 0.50% p.a. If the Fund's net performance exceeds the Fund's Performance Benchmark, a performance fee may also apply and may increase management costs in that year. Please refer to 'Additional explanation of fees and costs' in this PDS and on page 12 of the Additional Information booklet for more information on management costs.

⁴ An allowance for transaction costs will apply to investments into, and withdrawals from, the Fund (refer to 'Buy/sell spreads' on page 7 of this PDS).

Additional explanation of fees and costs

Management costs – Management costs comprise the additional fees or costs that an investor incurs by investing in the Fund rather than investing directly in the underlying assets. These include the management fee, normal operating expenses, abnormal expenses, investment expenses and a performance fee (if payable). They do not include transaction costs (i.e. buy/sell spreads) or other costs that an investor would ordinarily incur when investing directly in the underlying assets. Management costs are payable from the Fund's assets and are not paid directly from your investment.

If the Fund exceeds its defined Performance Benchmark, a performance fee may be payable. The Performance Benchmark is 5% p.a. Please refer to 'Performance fee' on page 12 of the Additional Information booklet for more information on the performance fee.

Buy/sell spreads – The buy/sell spread is the difference between the investment unit price and the withdrawal unit price and is stated as a percentage of the net asset value of the Fund. The buy/sell spread is not a fee paid to us. It is reflected in the unit price and is an additional cost to you. The current buy/sell spread for the Fund is +0.40%/–0.40%. This may vary from time to time and we will provide notification of any changes on our website.

Commissions and other payments – We may pay fees from our resources to some IDPS operators because they offer the Fund on their investment menus.



Additional fees may be paid to a financial adviser if one is consulted. You should refer to the financial adviser's statement of advice which provides details of the fees payable.

Can the fees change?

All fees can change. Reasons for this might include changing economic conditions and changes in regulation. We will give unitholders 30 days' written notice of any proposed increase in fees. We cannot charge more than the Fund's constitution allows. If we wish to raise fees above the amount allowed for in the Fund's constitution, we would need the approval of unitholders. We also reserve the right to waive or reduce any of the fees and costs described in this PDS without prior notice.



You should read the important information about 'Fees and other costs' before making a decision. Go to www.fidante.com.au/FWFA_AIB.pdf. The material relating to 'Fees and other costs' may change between the time when you read this PDS and the day when you acquire the product.

7. How managed investment schemes are taxed



Investing in a registered managed investment scheme is likely to have tax consequences and you are strongly advised to seek professional tax advice.

The Fund generally distributes all of its income each year so that the Fund itself is not subject to tax. As an investor you will be assessed for tax on your share of the taxable income generated by the Fund, including any net capital gains. The Fund does not pay tax on behalf of Australian investors. We strongly advise that you obtain your own professional advice regarding your position, as tax and social security laws are complex and subject to change, and investors' individual circumstances vary.



You should read the important information about 'Taxation considerations' before making a decision. Go to www.fidante.com.au/FWFA_AIB.pdf. The material relating to 'Taxation considerations' may change between the time when you read this PDS and the day when you acquire the product.

8. How to apply

To invest please complete the documentation which your IDPS operator requires.

Under the Fund's constitution we can accept or reject investments into the Fund at any time and are not required to give any reason or grounds for such a refusal.

Cooling-off rights

No cooling off period applies to an investment placed through an IDPS operator.

You should seek advice from your financial adviser or IDPS operator about the cooling-off rights (if any) that might apply to your investment in your IDPS. Refer to 'Indirect investors' below.

Complaints

For indirect investors, your first point of contact should be your IDPS operator. Any complaints should be sent in writing to your IDPS operator and if any issues remain unresolved, then you can contact the complaints scheme of which they are a member.

9. Additional information

Indirect investors

Investors accessing the Fund through an investor directed portfolio service (IDPS) or IDPS-like scheme (known commonly as a master trust or wrap account) may use, or be given this PDS when deciding to invest in the Fund. These investors are referred to as **indirect investors**.

Indirect investors do not become unitholders in the Fund nor do they acquire the rights of a unitholder. The operator of the IDPS (**IDPS operator**) acquires those rights and can exercise or decline to exercise them on behalf of indirect investors. Indirect investors do not receive distributions or reports directly from us, nor do they directly participate in investor meetings or the winding up of the Fund if this were to occur. Indirect investors should direct all their enquiries and complaints to their financial adviser or the IDPS operator, not to us.

In addition to reading this PDS, indirect investors should carefully read the IDPS operator's offer document, which explains the service and the fees payable by the indirect investor to the IDPS operator. To invest, indirect investors need to complete the documentation which their IDPS operator requires.

Privacy

We do not normally receive any personal information about you when you invest in the Fund through an IDPS operator. For details on the collection, storage and use of personal information you should contact your IDPS operator.

The information we collect and store from IDPS operators is used to establish and administer its investments. If we do not receive any personal information we will deal with it in accordance with our privacy policy.

For more information regarding the collection and use of personal information, please refer to our 'Privacy Policy' available on our website or by contacting our Investor Services team.

Related parties

We may enter into transactions with, and use the services of, any of our related entities. Such arrangements will be based on arm's length commercial terms.

We, or any of our related entities, or any director, officer or employee of any of them may invest in the Fund.