

# Magellan Global Fund

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This Product Disclosure Statement ('PDS') provides a summary of significant information relating to the Magellan Global Fund ('Fund'). This PDS includes references to important additional information contained in the Additional Information Booklet, which forms part of this PDS. **You should consider both the information in this PDS and the Additional Information Booklet before making a decision to invest in the Fund.** A reference to "this PDS" or "the PDS" includes, unless the context requires otherwise, a reference to both the PDS and the Additional Information Booklet.

The Additional Information Booklet is available on our website or you can call us to request a copy free of charge. The information contained in the Additional Information Booklet may change between the day you receive this PDS and the day you sign the Application form. You must ensure that you have read the Additional Information Booklet, current at the date of your application.

The information in this PDS is general information only and does not take into account your personal financial situation or needs. Before making an investment decision based on this PDS, you should consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances.

The information in this PDS is subject to change from time-to-time. Information that is not materially adverse information can be updated by us. Updated information can be obtained by going to our website, by calling us, by contacting your licensed financial adviser or by contacting your master trust or wrap account operator (for indirect investors). You may request a paper copy of any updated information at any time, free of charge.

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

## 1. About Magellan Asset Management Limited

Magellan Asset Management Limited (“**Magellan**” or “**we**”) is the responsible entity and investment manager for the Magellan Global Fund (“**Fund**”). As responsible entity, we are responsible for overseeing the operations of the Fund. As the investment manager, we are responsible for selecting and managing the assets of the Fund.

Magellan is a wholly owned subsidiary of Magellan Financial Group Limited, which is listed on the Australian Securities Exchange.

## 2. How the Magellan Global Fund works

When you invest your money in the Fund, your money is pooled together with other investors’ money. Magellan uses this pool to buy investments and manage them on behalf of all investors in the Fund in accordance with the Fund’s investment strategy. By investing in the Fund you have access to investments you may not be able to access on your own and you also benefit from the insights of Magellan’s skilled investment team.

### Units and unit prices

The total value of the assets in the Fund is divided into units and a unit price is calculated for each Business Day. The unit price will change daily as the market value of assets in the Fund rises or falls. When you make an investment in the Fund we will allocate units to you based on the entry unit price for the Business Day on which we receive your application and cleared funds. When you withdraw some or all of your investment, we will redeem your units based on the exit unit price for the Business Day on which we receive your withdrawal request.



You should read the additional information about “Units and Unit Prices” in section 2 of the Additional Information Booklet before making a decision to invest in the Fund. The material relating to units and unit prices may change between the time you read this PDS and the day when you acquire the product.

### Investing in the Fund

You can make an investment in the Fund by sending us a correctly completed Application Form together with the required supporting identification documentation. The minimum initial investment is \$10,000. If you choose to participate in a regular monthly investment plan, the minimum regular monthly investment is \$200.

Additional investments can be made into an existing account at any time. The minimum amount for an additional investment is \$5,000.

We may accept initial and additional investment applications for smaller amounts at our discretion. The processing of applications for lower amounts may be delayed while approval is sought for the lower application amount. We may also reject applications at our discretion.

If you invest into the Fund indirectly through an Investor Directed Portfolio Service (“IDPS”), IDPS-like scheme or a nominee or custody service (collectively referred to as “master trusts” or “wrap accounts”), the minimum investment amount will be determined by the operator of the master trust or wrap account and may be higher or lower than if you invest in the Fund directly.



You should read the additional information about “Completing the Application Form”, “Additional investments”, “Payment of your application monies” and the “Regular monthly investment plan” in section 2 of the Additional Information Booklet before making a decision to invest in the Fund. The material relating to these matters may change between the time you read this PDS and the day when you acquire the product.

### Withdrawing your investment in the Fund

You can withdraw some or all of your investment at any time, as long as the withdrawal request is for at least \$5,000. To do this, please send to us a completed Withdrawal Form or written notice of withdrawal. You can request a specified dollar amount to be withdrawn, a specified number of units to be withdrawn, or a full redemption of your investment in the Fund. If your withdrawal request results in your remaining investment in the Fund falling below \$5,000, we may require you to withdraw your entire balance.

You can usually expect to receive payment into your nominated bank account within 7 Business Days after our receipt and acceptance of your withdrawal request. However, during July of each year, or at any other time when the Fund is processing a distribution, payment of your withdrawal may be delayed by up to 15 Business Days. There may be other circumstances, such as a freeze on withdrawals or where the Fund is illiquid (as defined in the Corporations Act 2001), where your ability to withdraw from the Fund is restricted and you may have to wait a period of time before you can withdraw some or all of your investment.



You should read the additional information about “Withdrawals”, “Switches” and “Restrictions on withdrawals and switches” in section 2 of the Additional Information Booklet before making a decision to invest in the Fund. The material relating to these matters may change between the time you read this PDS and the day when you acquire the product.

## How we process transactions

We will process your application and issue units to you when we have received:

- your completed Application Form or Additional Application Form, including any required identification documentation; and
- your cleared application monies into the Fund's application bank account.

If we receive your Application Form by 2.00pm (Sydney time) on a Business Day and your cleared funds by close of business on the same Business Day, you will receive the entry unit price applicable to that Business Day. Otherwise we will issue units to you using the entry unit price applicable to the Business Day on which we receive your complete documentation and cleared monies, subject to the applicable cut-off times.

If you invest by cheque or request us to process a direct debit, it may take up to two Business Days (in the case of a cheque) and three Business Days (in the case of a direct debit) for your application monies to clear from the date we bank the cheque or issue a direct debit request to your bank. If we receive your cheque or direct debit request before 2.00pm (Sydney time) on a Business Day we will action these on the day we receive them. If they are received after 2.00pm (Sydney time) on a Business Day we will action them the following Business Day. We will not issue units until your application monies have cleared.

If your cheque, direct debit or EFT is dishonoured by your financial institution, we will not process your application. We will not re-present a dishonoured payment unless you first contact us to discuss your application. We may deduct any fees incurred as a result of the dishonoured payment from your application amount before we issue you with units.

If we receive your withdrawal request before 2.00pm (Sydney time) on a Business Day, we will calculate the amount of your withdrawal using the exit unit price applicable to that Business Day. If we receive your request after 2.00pm we will use the following Business Day's exit unit price.

You are able to switch all or part of your investment to another fund managed by Magellan. A switch is a withdrawal from one Magellan fund and an application into another. If we receive your switch instruction before 2.00pm (Sydney time) on a Business Day, we will usually process the switch using the entry and exit prices applicable to that Business Day. If we receive your request after 2.00pm, we will usually process it using the following Business Day's unit prices. In circumstances where the calculation of unit prices is delayed for any reason, including while we are determining and processing distributions, we have the discretion to defer the processing of switches until unit pricing has resumed.

## Distributions

The Fund will generally make a distribution to investors annually (as at 30 June of each year) but it may do so more frequently at the discretion of Magellan. The distribution will comprise income earned by the Fund (such as dividends received from shares, interest and net foreign exchange gains) less expenses incurred by the Fund (such as management fees paid), plus net capital gains made on sale of shares or other investments held. If there is no net income or net capital gains earned in a particular year, the Fund may not pay a distribution in respect of that year. In some circumstances, the Fund may distribute a payment out of capital in addition to, or instead of, a distribution of net income or net capital gains.

When the total Fund distribution for a period has been determined, the distribution amount per unit is calculated by dividing the total Fund distribution by the number of units on issue at the distribution date. The distribution you receive will be based on the number of units you held at the end of the distribution period. It is not pro-rated according to the time that you have held your units. Distributions will be paid in Australian Dollars. You can choose to have your distributions directly credited to your Australian dollar bank account or automatically re-invested as additional units in the Fund, with no fees or transaction costs payable. Please be aware that distributions will be reinvested unless you instruct us otherwise on the Application Form.

The Fund's constitution permits us to require that your distributions be reinvested as additional units in the Fund. We will provide a notification on our website if, in relation to a particular distribution, we have elected to require the reinvestment of the distribution.

## Indirect Investors

We authorise the use of this PDS as disclosure to persons who wish to access the Fund indirectly through an IDPS, IDPS-like scheme or a nominee or custody service (collectively referred to as "**master trusts**" or "**wrap accounts**").



You should read the additional information about "Indirect investors" in section 2 of the Additional Information Booklet before making a decision to invest in the Fund. The material relating to indirect investors may change between the time you read this PDS and the day when you acquire the product.

## 3. Benefits of investing in the Magellan Global Fund

### Significant features

The primary objectives of the Fund are to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss. The Fund offers investors an opportunity to invest in a specialised and focused global equity fund.

We aim to invest in companies that have sustainable competitive advantages which translate into returns on capital in excess of their cost of capital for a sustained period of time. We endeavour to acquire these companies at discounts to their assessed intrinsic value. The Fund's portfolio will comprise 20 to 40 investments. We believe such a portfolio will achieve sufficient diversification to ensure the Fund is not overly correlated to a single company, or to industry specific or macroeconomic risks.

It is not our intention to hedge the foreign currency exposure of the Fund arising from investments in overseas markets.

## Significant benefits

Investing in the Fund offers investors a range of benefits, including:

- access to our investment expertise and a professionally managed global equity portfolio;
- access to attractive investment opportunities in offshore markets;
- prudent risk management; and
- participation in any capital appreciation and income distributions of the Fund.

## 4. Risks of managed investment schemes

All investments carry risk. The likely investment return and the risk of losing money is different for each investment strategy, as different strategies carry different levels of risk depending on the underlying mix of assets that make up each fund. Those assets with potentially the highest long term return (such as equities) may also have the highest risk of losing money in the shorter term.

Risks can be managed but they cannot be completely eliminated. It is important that you understand that:

- the value of your investment will rise and fall;
- investment returns will vary and future returns may differ from past returns;
- returns are not guaranteed and there is a risk that you may lose some money on any investment you make; and
- laws affecting your investment in a managed investment scheme may change over time.

The appropriate level of risk for you will depend on various factors and may include your age, investment timeframe, where other parts of your wealth are invested and your overall tolerance to risk. You may wish to consult a licensed financial adviser to better understand the risks involved in investing in this Fund.

The significant risks for the Fund are:

**Company specific risk:** Investments by the Fund in a company's securities will be subject to many of the risks to which that particular company is itself exposed. These risks may impact the value of the securities of that company. These risks include factors such as changes in management, actions of competitors and regulators, changes in technology and market trends.

**Concentration risk:** As the Fund will hold a concentrated portfolio of 20 to 40 investments, returns of the Fund may be dependent upon the performance of individual companies. The concentrated exposure may lead to increased volatility in the Fund's unit price, and also increases the risk of poor performance.

**Conflicts of interest risk:** Magellan and its various service providers may from time to time act as issuer, investment manager, custodian, unit registry, broker, administrator, distributor or dealer to other parties or funds that have similar objectives to those of the Fund. It is, therefore, possible that any of them may have potential conflicts of interest with the Fund. Magellan may invest in, directly or indirectly, or manage or advise other funds which invest in assets which may also be purchased by the Fund. Neither Magellan nor any of its affiliates nor any person connected with it is under any obligation to offer investment opportunities to the Fund. Magellan maintains a Conflicts of Interest Policy to ensure that it manages its obligations to the Fund such that all conflicts (if any) are resolved fairly.

**Counterparty risk:** There is a risk that the Fund may incur a loss arising from the failure of another party to a contract (the counterparty) to meet its obligations. Counterparty risk arises primarily from investments in cash, derivatives and currency transactions. Substantial losses can be incurred if a counterparty fails to deliver on its contractual obligations.

**Currency risk:** As the Fund's investments in international assets are unhedged, a rise in the Australian dollar relative to other currencies will negatively impact investment values and returns. Currency markets can be extremely volatile and are subject to a range of unpredictable forces. It is not our intention to hedge the foreign currency exposure of the Fund arising from investments in overseas markets.

**Derivatives risk:** The value of a derivative is derived from the value of an underlying asset and can be highly volatile. Changes in the value of derivatives may occur due to a range of factors that include rises or falls in the value of the derivative in line with movements in the value of the underlying asset, potential liquidity of the derivative and counterparty credit risk.

**Fund risk:** Fund risk refers to specific risks associated with the Fund, such as termination and changes to fees and expenses. The performance of the Fund or the security of an investor's capital is not guaranteed. There is no guarantee that the investment strategy of the Fund will be managed successfully, or will meet its objectives. Failure to do so could negatively impact the performance of the Fund. An investment in the Fund is governed by the terms of the Fund's Constitution and this PDS, each as amended from time to time. Magellan may elect, in accordance with the Fund's Constitution and the Corporations Act 2001, to terminate the Fund for any reason.

**Liquidity of investments risk:** Whilst the Fund is exposed to listed entities which are generally considered to be liquid investments, under extreme market conditions there is a risk that such investments cannot be readily converted into cash or at an appropriate price. In such circumstances, the Fund may be unable to liquidate sufficient assets to meet its obligations, including payment of withdrawals, within required timeframes or it may be required to sell assets at a substantial loss in order to do so.

**Market risk:** There is a risk that the market price of the Fund's assets will fluctuate. This may be as a result of factors such as economic conditions, government regulations, market sentiment, local and international political events, pandemic outbreaks, environmental and technological issues.

**Operational risk:** Operational risk includes those risks which arise from carrying on a funds management business. The operation of the Fund requires Magellan, the custodian, the unit registry, the administrator and other service providers to implement sophisticated systems and procedures. Some of these systems and procedures are specific to the operation of the Fund. Inadequacies with these systems and procedures or the people operating them could lead to a problem with the Fund's operation and result in a decrease in the value of units.

**Performance risk:** There is a risk that the Fund may not achieve its investment objectives.

**Personnel risk:** The skill and performance of Magellan as investment manager can have a significant impact (both directly and indirectly) on the investment returns of the Fund. Changes in key personnel and resources of Magellan may also have a material impact on investment returns on the Fund.

**Pooled investment scheme risk:** The market prices at which the Fund is able to invest inflows, or sell assets to fulfil outflows, may differ from the prices used to calculate entry and exit Unit prices. Investors in the Fund may therefore be impacted by other investors entering and exiting the Fund. The impact will depend on the size of inflows or outflows relative to the Fund, and on the price volatility of the securities in which the Fund invests. Inflows and outflows may also affect the taxable income distributed to an investor during a financial year.

**Regulatory risk:** There is a risk that a change in laws and regulations governing a security, sector or financial markets could have an adverse impact on the Fund or on the Fund's investments. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.

## 5. How we invest your money

An investment in the Fund may suit you if you are seeking a long-term investment exposure to international equities.

**Before deciding whether to invest in the Fund, you should consider:**

- **the likely investment return of the Fund;**
- **the risk involved in investing in the Fund; and**
- **your investment timeframe.**

Magellan Global Fund							
<b>Investment return objective</b>	The primary objectives of the Fund are to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.						
<b>Minimum suggested time frame for holding investment</b>	At least 7 to 10 years.						
<b>Asset classes and asset allocation ranges</b>	<table border="1"> <thead> <tr> <th>Asset Class</th> <th>Investment Range</th> </tr> </thead> <tbody> <tr> <td>Securities</td> <td>80% - 100%</td> </tr> <tr> <td>Cash</td> <td>0% - 20%</td> </tr> </tbody> </table>	Asset Class	Investment Range	Securities	80% - 100%	Cash	0% - 20%
Asset Class	Investment Range						
Securities	80% - 100%						
Cash	0% - 20%						
<b>Investments held</b>	The Fund primarily invests in the securities of companies listed on stock exchanges around the world, but will also have some exposure to cash. The Fund can use foreign exchange contracts to facilitate settlement of stock purchases and to mitigate currency risk on specific investments within the portfolio. It is not our intention to hedge the foreign currency exposure of the Fund arising from investments in overseas markets.						
<b>Risk level <sup>1</sup></b>	Medium to high.						
<b>Fund performance</b>	For up-to-date information on the performance of the Fund, including daily unit prices and performance history, please visit <a href="http://www.magellangroup.com.au">www.magellangroup.com.au</a> .						

<sup>1</sup> The risk level is not a complete assessment of all forms of investment risks. For instance, it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may require to meet their objectives.



You should read the additional information about "Permitted investments", "Borrowing restrictions", "Changes to a Fund" and "Labour standards and environmental, social or ethical considerations" in section 5 of the Additional Information Booklet before making a decision to invest in the Fund. The material relating to these matters may change between the time you read this 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 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](http://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.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your investment, from the returns on your investment or from the Fund's assets as a whole. You should read all the information about fees and costs because it is important to understand their impact on your investment. You can also use this information to compare the fees and costs with those of other investment funds.

Type of fee or cost	Amount
<b>Fees when your money moves in or out of the Fund</b>	
<b>Establishment fee</b> The fee to open your investment	Nil
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil
<b>Termination fee</b> The fee to close your investment	Nil

<b>Management Costs<sup>^</sup></b>	
<b>The fees and costs for managing your investment</b>	Management Costs are estimated to be 1.35%* per annum and consist of the following components: Management Fee: 1.25% per annum Administration Fee: 0.10% per annum
<b>Performance Fee</b>	Performance Fees are estimated to be 10%* of the excess return of the units of the Fund above the higher of the Index Relative Hurdle (the MSCI World Net Total Return Index (AUD)) and the Absolute Return Hurdle (the yield of 10-year Australian Government Bonds) over each 6 monthly period ending 31 December and 30 June (each a " <b>Calculation Period</b> ").

<sup>^</sup>These fees may be individually negotiated if you are a Wholesale Client (as defined in the Corporations Act 2001).

\* Management Costs described above are inclusive of the estimated net effect of Goods and Services Tax ("**GST**") (i.e. inclusive of 10% GST, less any reduced input tax credits). As the Fund predominantly invests in international securities, the GST impact on the Management Costs is currently estimated to be negligible. To the extent the GST impact changes (for example, if the Fund's exposure to Australian securities increases), the actual Management Costs may vary from the rates stated above.

### Example of annual fees and costs

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

Example <sup>1</sup>		Balance of \$50,000 with total contributions of \$5,000 during year <sup>2</sup>
<b>Contribution Fees</b>	Nil	For every \$5,000 you put in, you will be charged \$0.
<b>PLUS Management Costs</b>	1.35%	And, for every \$50,000 you have in the fund you will be charged \$675 per annum.
<b>EQUALS Cost of the Fund</b>		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 of: <b>\$675<sup>3</sup></b>

<sup>1</sup> This is an example only and does not take into account any movements in the value of an investor's units that may occur over the course of the year or any abnormal costs.

<sup>2</sup> This example assumes the \$5,000 contribution occurs at the end of the first year. Management costs are calculated using the \$50,000 balance only.

<sup>3</sup> Please note that this example does not capture all the fees and costs that may apply to you, such as performance fees and transaction costs.

## Additional Information about fees and costs

### Management Costs

Management Costs include our Management Fee and our Administration Fee. The Fund pays a Management Fee of 1.25% per annum to Magellan for managing the assets of the Fund and overseeing the operations of the Fund. The Administration Fee of 0.10% per annum is paid to Magellan to help cover all fees, costs, charges, expenses and outgoings that are incurred in connection with the Fund (such as administration and accounting costs, registry fees, audit and tax fees, and investor reporting expenses). Management Costs are calculated monthly based on the net asset value of the Fund at the end of each month. Estimated Management Costs are reflected in the daily unit price of the Fund and are payable at the end of each month.

### Performance Fees

In addition to the investment management fees which are part of the Management Costs, Magellan will also receive a performance fee of 10% of the excess return of the units of the Fund above the higher of the Index Relative Hurdle (the MSCI World Net Total Return Index (AUD)) and the Absolute Return Hurdle (the yield of 10-year Australian Government Bonds) over each Calculation Period ending 31 December and 30 June in each year. Performance Fees are paid subject to the dual performance Hurdles and the High Water Mark being met for the relevant Calculation Period. Estimated Performance Fees are reflected in the daily unit price of the Fund and are payable at the end of each Calculation Period.



You should read the additional information titled "Performance Fees" in section 6 of the Additional Information Booklet before making a decision to invest in the Fund. This additional information details how Performance Fees are calculated. The material relating to Performance Fees may change between the time you read this PDS and the day when you acquire the product.

### Transaction Costs

The Fund incurs certain transaction costs, including brokerage and transaction taxes, when it purchases or sells assets. New investments into the Fund or withdrawals from the Fund will typically cause the Fund to incur transaction costs. So that existing investors do not bear the transactions costs that arise from these investments and withdrawals from the Fund, the entry and exit unit prices include an allowance to cover these costs (sometimes called the buy spread and the sell spread). These represent an additional cost to you of investing in the Fund but it is not a fee paid to us.

The current buy spread is 0.10% of the Net Asset Value ("NAV") unit price, represented by the difference between the entry price and the NAV per unit. The current sell spread is 0.10% of the amount that you withdraw, represented as the difference between the exit price and the NAV per unit. For example, if you invested \$50,000 in the Fund the cost of your buy spread would be \$50, or if you withdrew \$50,000 from your investment the cost of the sell spread would be \$50. We may vary the buy and sell spreads from time to time and prior notice will not ordinarily be provided. Updated information on the buy and sell spreads will be posted on our website at [www.magellangroup.com.au](http://www.magellangroup.com.au).

### Changes in Fees

Fees may increase or decrease for a number of reasons including changes in the competitive, industry and regulatory environments or simply from changes in costs. We can change fees, without your consent, but will provide you with at least 30 days written notice of any fee increase.



You should read the additional information about "Fees for indirect investors", "Payments to platforms" and "Financial adviser fees" in section 6 of the Additional Information Booklet before making a decision to invest in the Fund. The material relating to these matters may change between the time you read this PDS and the day when you acquire the product.

## 7. How managed investment schemes are taxed

**Investing in the Fund is likely to have tax consequences. Before investing in the Fund you are strongly recommended to seek your own professional tax advice about the applicable Australian tax consequences and, if appropriate, foreign tax consequences that may apply to you based on your particular circumstances.**

The taxation information contained in this PDS reflects the income tax legislation in force, and the interpretation of the Australian Taxation Office and the courts, as at the date of issue of this PDS. Taxation laws are subject to continual change and there are reviews in progress that may impact the taxation of trusts and investors.

The Fund generally distributes all of its taxable income each financial year so that it is not subject to tax. The Fund does not pay the tax liability on behalf of investors. As an investor, you will be assessed for tax on your share of the net income and net capital gains generated by the Fund. Depending on your particular circumstances, you may also be liable to pay capital gains tax when you withdraw units in the Fund.

We will send you a tax statement after the end of each financial year that will provide you with details of the distributions you have received from the Fund to assist you in the preparation of your tax return.

### Taxation of non-resident investors

If a non-resident investor is entitled to taxable income of a Fund, the investor may be subject to Australian tax at the rates applicable to non-residents. If you are a non-resident, you may be entitled to a credit for Australian income tax paid by Magellan in respect of your tax liability.

### Taxation reforms

Legislation to establish a new tax system for managed investment trusts (MITs) was enacted in May 2016. Eligible MITs can elect to become an Attribution MIT (AMIT) by irrevocable choice. The new rules generally apply from 1 July 2016.

Reforms to the taxation of trusts are generally ongoing. Investors should seek their own advice and monitor the progress of announcements and proposed legislative changes on the potential impact.



You should read the additional information about the "Foreign Account Tax Compliance Act" in section 7 of the Additional Information Booklet before making a decision to invest in the Fund. The material relating to the Foreign Account Tax Compliance Act may change between the time you read this PDS and the day when you acquire the product.

## 8. How to apply

### Steps

Before completing the Application Form please ensure you have read this PDS together with the Additional Information Booklet available from [www.magellangroup.com.au](http://www.magellangroup.com.au)

If you already hold an investment in another Magellan fund, you do not need to complete the Application Form or provide further copies of supporting identification documents. You can instead complete the Additional Application Form, ensuring that you include your current investor number.

1. Complete all relevant sections of the Application Form, available from [www.magellangroup.com.au](http://www.magellangroup.com.au). If you have any questions regarding the completion of the Application Form speak to your licensed financial adviser or call us on +61 2 9235 4888. Payment details and methods are described on the Application Form.
2. Mail your completed Application Form together with supporting identification documents to our fund administrator:  
FundBPO – Unit Registry  
GPO Box 4968, Sydney NSW 2001

### Cooling-off period

If you are a retail investor, a 14-day 'cooling-off period' may apply to your initial investment in the Fund in certain circumstances. If, during the 14-day cooling-off period, you decide that the investment does not meet your needs, then you should immediately notify us. If you exercise your cooling-off rights we will return your money to you. However, the amount you receive will reflect any market movement up or down which means there may be taxation implications for you. We will also deduct any tax or duty incurred and a reasonable amount for transaction and administration costs. As a result, the amount returned to you may be less than your original investment.

The 14 day cooling-off period starts on the earlier of the date when you receive confirmation of your transaction or the end of the 5th calendar day after the day we issue the units to you. Please note that the cooling-off period will lapse if you transact on your account within the 14 days. Under normal circumstances refunds will be made within 7 business days of you notifying us. For more information, please call the Fund Administrator on 1300 133 451 (or +61 2 9247 3326).

### Complaints Resolution

If you have any concerns or complaints, as a first step please contact our Complaints Officer on +61 2 9235 4888 and we will do our best to resolve your concern quickly and fairly. If you believe that your matter has not been dealt with satisfactorily, you can contact the Financial Ombudsman Service ("FOS") by calling 1300 780 808 or by writing to FOS at GPO Box 3, Melbourne VIC 3001.

## 9. Other information

### Additional disclosure information

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 Fund's Annual Financial Report most recently lodged with ASIC;
- Any Half Year Financial Report lodged with ASIC after the lodgement of the Annual Report and before the date of this PDS;
- Any continuous disclosure notices we place online at [www.magellangroup.com.au](http://www.magellangroup.com.au) or lodge with ASIC.

### Further reading



You should read the additional information titled "Change of details", "Constitution", "Custodian", "Consents", "Anti-money laundering and counter terrorism financing" and "Your privacy" in section 9 of the Additional Information Booklet before making a decision to invest in the Fund. The material relating to these matters may change between the time you read this PDS and the day when you acquire the product.

### New Zealand Investors



New Zealand Investors should read the additional information titled "Additional information for New Zealand investors" in section 9 of the Additional Information Booklet before making a decision to invest in the Fund. The material relating to New Zealand Investors may change between the time you read this PDS and the day when you acquire the product.