



# High Yield Fixed Return Emerging Market Fund

Prospectus 2022



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# Statement From The CEO



We understand that last year was not the greatest year to achieve financial freedom and a lot of clients focused on capital preservation, with low-risk strategies a favourite to maintain their capital.

We have been working hard on creating this fixed income managed fund to ensure safety and security, but also address the situation of a healthy market beating rate of return.

This fund has been created with both of these key factors in mind. It comes with the highest level of corporate governance and security, being asset backed and insured to a government level and has the latest technology and emerging sectors to maximise growth in a secure manner.

Let's ensure 2022 is a year in which we beat inflation and get our savings working harder for us.

David McLean

A handwritten signature in blue ink, appearing to read 'D McLean', written over a light blue horizontal line.

*Chief Executive Officer*  
**Westpac**

# Explanation and breakdown of this High Yield Fixed Return Emerging Market Fund

## What is a High Yield Fixed Return Emerging Market Fund?

An investment fund is a supply of capital belonging to numerous investors used to collectively purchase securities while each investor retains ownership and control of his own shares. An investment fund provides a broader selection of investment opportunities, greater management expertise, and lower investment risk than investors might be able to obtain on their own.

## What is the Investment objective?

To deliver high yield fixed income return for our clients, from the best emerging markets across New Zealand and the rest of the world, while combining it with more traditional asset backed investments like property and blue-chip shares to ensure safety and security.

## What is the Investment strategy?

The portfolio has exposure to a diverse mix of assets with a majority (about 70%) in the defensive assets of cash and fixed interest and a modest investment (about 30%) in growth assets, such as shares, listed property securities and emerging markets. The portfolio's exposure to these asset classes will be obtained primarily by investing directly into index funds or exchange traded funds. Designed for investors who seek a transparent, cost-effective diversified portfolio with safety and security at its heart.



# Investment Timeframes, Returns & Securities

## YEAR 1

Fixed Return Per Annum

**3.6%**

- No fees or commission
- Minimum Investment per person is \$50,000
- Capital is securely protected in its entirety so will never decrease in value
- Insured by Westpac up to \$250,000 per investment on any defaults
- Insured up to \$250,000 per investment by the New Zealand Government Guarantee scheme

## YEAR 2

Fixed Return Per Annum

**4.1%**

- No fees or commission
- Minimum Investment per person is \$100,000
- Capital is securely protected in its entirety so will never decrease in value
- Insured by Westpac up to \$250,000 per investment on any defaults
- Insured up to \$250,000 per investment by the New Zealand Government Guarantee scheme

## YEAR 3

Fixed Return Per Annum

**4.8%**

- No fees or commission
- Minimum Investment per person is \$150,000
- Capital is securely protected in its entirety so will never decrease in value
- Insured by Westpac up to \$250,000 per investment on any defaults
- Insured up to \$250,000 per investment by the New Zealand Government Guarantee scheme

# Investment Timeframes, Returns & Securities

## YEAR 4

Fixed Return Per Annum

**5.7%**

- No fees or commission
- Minimum Investment per person is \$200,000
- Capital is securely protected in its entirety so will never decrease in value
- Insured by Westpac up to \$250,000 per investment on any defaults
- Insured up to \$250,000 per investment by the New Zealand Government Guarantee scheme

## YEAR 5

Fixed Return Per Annum

**6.9%**

- No fees or commission
- Minimum Investment per person is \$250,000
- Capital is securely protected in its entirety so will never decrease in value
- Insured by Westpac up to \$250,000 per investment on any defaults
- Insured up to \$250,000 per investment by the New Zealand Government Guarantee scheme

# Fund Holdings, Facts & Performance

Investment Manager: . . . Westpac Financial Services Group NZ

Asset Class: . . . Fixed Diversified

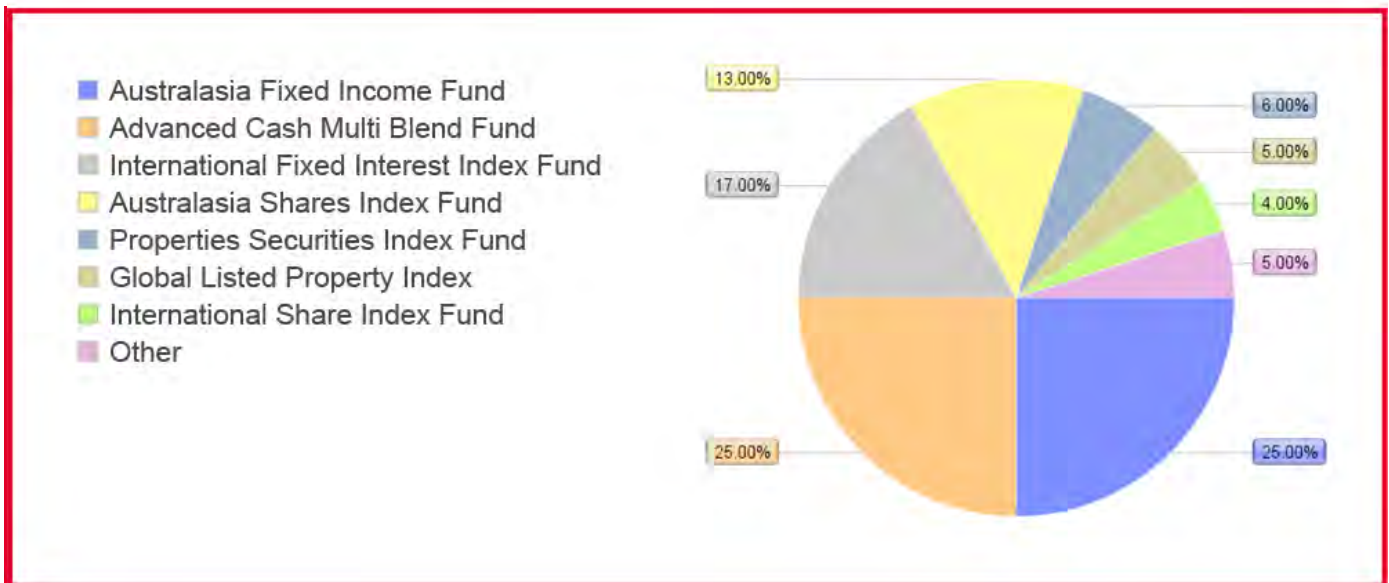
Current Number of assets: . . . 8

Inception date: . . . 1/1/2022

Minimum investment term: . . . 1 year

Minimum Investment: . . . \$50,000

Investment Management fee: . . . There is no management fee for this investment. As an asset management company any profits over and above the fixed rate of return will be kept by Westpac.



## Fund Breakdown and Performance

Please note; each year funds are fixed and do not compound unless you take a return yearly or at the end of your fixed term.

Term / Amount	1 Year 3.6% p/a	2 Year 4.1% p/a	3 Year 4.8% p/a	4 Year 5.7% p/a	5 Year 6.9% p/a
\$50,000	\$1,800				
\$100,000	\$3,600	\$4,100			
\$150,000	\$5,400	\$6,150	\$7,200		
\$200,000	\$7,200	\$8,200	\$9,600	\$11,400	
\$250,000	\$9,000	\$10,250	\$12,000	\$14,250	\$17,250

# Questions around this High Yield Fixed Return Emerging Market Fund



## **Why chose a High Yield Fixed Return Emerging Market Fund?**

This is a fully managed fund with handpicked assets. Regardless of how the fund performs the client will get a fixed return along with the safety and security of their capital being asset backed and government protected. It's a perfect choice for a risk adverse investor, who are still looking to get a fair rate of return for investing their funds.

## **Is the return Guaranteed?**

Yes, it is fixed, so regardless of market conditions or economic situations like COVID-19 or a recession you will still get the rate of return outlined in the brochure regardless of what happens. Westpac will take the funds and invest them into the emerging sectors. Your funds are more of a loan with a fixed rate of return than an investment.

## **Is my capital safe?**

Yes, your capital is protected in its entirety by Westpac up to the value of \$250,000 per investment as this is an FMA regulated company.

You also have the government protection of \$250,000 per investment as this is a New Zealand government backed project to encourage investment into New Zealand.

## **Is there any fees or charges?**

There is no management fee for this investment. As an asset management company any profits over and above the fixed rate of return will be kept by Westpac.

## **How is my profit paid?**

You have Three options; your profit can be paid quarterly, at the end of each year, or it can be paid in full at the end of the term. If you decide to leave it for the full term then the interest will be compounded and you will make more than the fixed rate return.

## **How do I set up an account and invest?**

Please get in touch with your advisor and request the application form and we will send a list of the "know your client" documentation required. They will also be happy to answer any further questions you may have.



# Terms and Conditions

## Terms and conditions - Refined

The Applicant or applicants are the people or persons outlined in the main application form completed by the client. These terms and conditions are final and legally binding under New Zealand law. These are between the client and Westpac referred to as the company in this agreement.

Privacy policy and data protection are the same throughout the group and details of these agreements can be found on our website. However, all data taken and stored on behalf of our clients is strictly confidential and will not be shared with any other third parties or organisations outside of the company.

Fixed income refers to the guarantee that regardless of the fund performance the client will get the fixed rate of return. Historically the fund has outperformed the dividend given to the clients and this excess, over and above the fixed rate of return is kept in its entirety by the bank.

The company protect the investment up to \$250,000 per investment. This is because the bank is a regulated entity. Complying in full to the terms of the New Zealand Financial Markets Authority (FMA). The funds within this investment are also covered by the New Zealand government up to \$250,000 per investment. Should the managed fund default, the bank will be required to pay the client back within 60 working days their total capital up to a value of \$250,000 per investment. The profit on this investment is not covered in the event of liquidation or default.

Cancellation is allowed after the first 30 days and will take 60 days to process and return the funds back to the client from the company. In this instance the client will forfeit any fixed rate return that is due and will receive back their initial deposit only.

To cancel the managed fund, the client will need to email in the request with a valid reason. Once accepted and processed the client will be sent an email confirming the amount and day the funds will be returned to them.

The fund is picked by a specialist team of investment professionals based on past performance and future potential. The client will not have any say as to what is specifically chosen to go into the fund.

There is no risk of capital loss to the client regardless of the funds' performance. It is capital protected and regulated in its entirety by the bank and the government.

Updates and Statements will be provided every year and the account balance and frequency of the profit will be determined by the client on the application and adhered to by the bank. If you wish to change this date and payment frequency you will be required to do so 60 days before the specified repayment date. Please contact the bank to arrange this and complete the necessary documentation.

## Regulation

Westpac is fully authorised and regulated by the New Zealand Financial Markets Authority (FMA). Our customers deposits are covered by the New Zealand Governments Guarantee on Fixed Income Deposit Investments.

## Company Registration Details and Numbers

© Westpac (NZ) Investments Limited  
Company No: 16690 / NZBN: 9429040915357

Westpac is a certified corporation and a member of Climate Active network of members. Please only print this document if it is necessary as we try and encourage an environmentally friendly approach.

## Making a compliant

If you are not happy with any of the information in this document or have any issues you would like to raise, please do so in writing to the address at the bottom of the next page



# High Yield Fixed Return Emerging Market Fund Prospectus 2022

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