

Wholesale Mortgage Income Trust Supplementary Product Disclosure Statement Dated 23 October 2008



Important notice

This is a Supplementary Product Disclosure Statement ('SPDS') to the Australian Unity Wholesale Mortgage Income Trust Product Disclosure Statement ('PDS') dated 7 December 2007.

You should read this SPDS together with the PDS.

This SPDS covers the following investment product:

- Australian Unity Wholesale Mortgage Income Trust ARSN 102 713 824 ('Fund')

This SPDS is issued by Australian Unity Funds Management Limited ('Australian Unity Funds Management', 'we', 'us', 'our') ABN 60 071 497 115, AFS Licence No. 234454, as the Responsible Entity for the Fund.

Amendment to the withdrawal procedures

Australian Unity Funds Management advises that, effective 23 October 2008, the withdrawal procedures for the Fund have been amended.

This affects one-off withdrawals and regular withdrawals.

As a result of these amendments, you will only be able to withdraw from the Fund if we make a withdrawal offer.

When we make a withdrawal offer, we will send to you all the information you need to request a withdrawal.

We currently intend to make withdrawal offers for the Fund on a quarterly basis; however this is at our discretion and subject to the availability of sufficient liquidity to support withdrawal offers.

The withdrawal offer will be made in writing to all investors. The withdrawal offer will specify the period during which the offer will remain open (at least 21 days after the offer is made); the assets to be used to satisfy withdrawal requests (generally cash); the amount of money available to meet withdrawal requests; and the method for dealing with withdrawal requests if the money available is insufficient to satisfy all requests.

If an investor wishes to take up the withdrawal offer, the investor must notify us in writing by making a withdrawal request by the closing date of the offer. We will not make any payments to investors until after the closing date of the offer. The unit price investors will receive will be the effective unit price on the closing date of the offer.

Withdrawal requests must be satisfied within 21 days of the closing date of the offer, however we will endeavour to make payments as soon as possible after the withdrawal offer closes. If the total amount of withdrawal requests exceeds the amount of money available, requests will be met using a formula that is substantially based on a pro-rata allocation, and that is fair and equitable to all investors.

Under a withdrawal offer, investors may request to withdraw part or all of their investment in the Fund. The minimum withdrawal amount is \$5,000 subject to the requirement that investors maintain a minimum balance of \$20,000 or their request may be treated as a full withdrawal. We reserve the right to vary these minimums at any time at our discretion.

Changes to the PDS

The PDS has been changed to reflect the amended withdrawal procedures for the Fund.

Please replace the section titled 'Investing with us' on page 4 of the PDS with the section titled 'Investing with us' in this SPDS.

Investing with us

When investing in or withdrawing from the Fund through an IDPS, certain features of the Fund will not apply to your investment. Examples are minimums for investments and withdrawals, and processing times. You should ensure that you understand these differences before you invest.

Your application or withdrawal from the Fund is processed upon instructions from your IDPS operator. The product brochure for the IDPS will set out how your IDPS operator will undertake these for you and the time frames that apply.

Instructions to invest or withdraw received after 3:00pm (Melbourne time) on a business day* mean that the unit price effective for the next business day* is applied.

If you wish to withdraw part, or all of your investment, this may be achieved through a withdrawal offer made by us. On a periodic basis, at least quarterly, we will assess the liquid assets of the Fund. We may make a withdrawal offer for the Fund if sufficient liquid assets are available to support a withdrawal offer. We may make additional withdrawal offers at any time during the year.

In exceptional circumstances, where it is considered to be in the best interest of investors, the processing of all applications, and/or withdrawals can be suspended.

Changing your mind

As you are investing through an IDPS, you should consult the IDPS operator in relation to cooling off rights that may apply to your investment in the IDPS (if any).

Contact us

Address	114 Albert Road South Melbourne, VIC 3205
Investor Services	13 29 39
Adviser Services	1800 649 033
Website	www.australianunityinvestments.com.au
Email	investments@australianunity.com.au



Wholesale Mortgage Income Trust

Product Disclosure Statement – 7 December 2007



The Australian Unity Wholesale Mortgage Income Trust ARSN 102 713 824 (the 'Fund' or 'AUI Wholesale Mortgage Income Trust') offered under this Product Disclosure Statement ('PDS') is issued by Australian Unity Funds Management Limited ('Australian Unity Funds Management') ABN 60 071 497 115 AFS Licence No. 234454 in its capacity as Responsible Entity of the Fund. Australian Unity Funds Management takes full responsibility for this PDS.

Australian Unity Funds Management is a wholly owned subsidiary of Australian Unity Limited ABN 23 087 648 888 and is a member of the Australian Unity Group of companies. The product offered under this PDS is not guaranteed or otherwise supported by Australian Unity Funds Management, Australian Unity Limited, or any member of the Australian Unity Group.

You should consider this when assessing the suitability of the investment, and particular aspects of risk.

In this document, the description 'we', 'us' or 'our' refers to Australian Unity Funds Management. A reference to 'Australian Unity Investments' is a general description, which includes those entities within the Australian Unity Group undertaking investment activities. This document can only be used by investors receiving it (electronically or otherwise) in Australia. No investments will be accepted on the basis of this document once it is replaced with a later PDS.

The Australian Unity Mortgage Income Trust ARSN 090 082 803 ('AUI Mortgage Income Trust') is referred to in this PDS, but is not available for offer under this PDS.

This PDS is made available by Australian Unity Funds Management which has authorised its use only for investors considering placing an investment through a masterfund, wrap or similar platform product (which are collectively known and referred to as 'investor directed portfolio service' or 'IDPS') in this document. In this PDS, the operator of that IDPS product will be referred to as your IDPS operator.

Obtaining other information before making a decision

Visit our website www.australianunityinvestments.com.au for further information about the Fund, including:

- Unit prices, performance and asset allocations;
- Fund updates; and
- Fund fact sheets.

We recommend that you obtain and review such information before you invest. Alternatively, you can call us on 13 29 39 and we will send you the requested information free of charge.

Issued by:

Australian Unity Funds Management Limited

ABN 60 071 497 115, AFS Licence No. 234454

Our investment expertise

Who we are

At Australian Unity Investments ('AUI') we focus on improving the financial wellbeing of our investors and creating investments that are genuinely different to the rest of the market.

Following this basic principle, we have created a number of successful funds across all major asset classes including mortgages, fixed interest, property and equities.

We also understand that it's the smaller things that often have the biggest impact on your financial wellbeing so we are always looking for better ways to manage money.

Our mortgage funds are managed by our own experienced mortgage team. They are extremely popular because we recognise that the security of your capital is critical but it's also important to receive a consistent income – our mortgage products aim to provide just that.

About the Fund

The Fund is a traditional style mortgage trust, which pools investors' money together to lend to borrowers. It has a portfolio of loans, each secured by first registered mortgages over the properties of the borrowers.

The Fund aims to provide investors with regular and stable income, together with a high level of capital stability. The mortgage portfolio is designed to spread exposure and reduce risk through diversification by geographic location, loan size, interest rate type, and loan maturity profile.

Managed by our award-winning team, the Fund has consistently achieved high ratings by independent research houses. The team has a reputation for well-defined risk constraints, an excellent arrears record, and sound management of cash levels.

The Fund has been operating since December 2002.

Who should invest in the Fund?

This Fund is typically suited to investors who:

- want regular monthly income payments at a relatively consistent level;
- seek a comparatively low risk investment;
- have at least a two-year investment outlook; and
- are looking to diversify the conservative part of their portfolio.

Who is the investment manager?

The Fund's investment manager is Australian Unity Funds Management.

What does the Fund invest in?

The Fund gains its mortgages exposure by investing in the AUI Mortgage Income Trust, which primarily invests in a portfolio of loans secured by first registered mortgages over quality retail, commercial, investment residential, and industrial property.

The Fund typically has a 60-90% exposure to first registered mortgages. The balance of the Fund's assets is held in cash and similar investments.

Benefits of the Fund

- Stable income returns paid monthly.
- Capital stability.
- Access to investment in first registered mortgages, which are typically not accessible to you as an individual investor.
- Disciplined lending criteria, which reduces the risk of capital losses.
- Managed by specialist mortgage asset managers.

Indicative risk profile

High
Medium – High
Medium
Low – Medium
Low

It is important that you consider the risks of investing which are explained on page 3.

For more information about this Fund, visit:
www.australianunityinvestments.com.au/wmit
or contact us on 13 29 39.

Investing with us

When investing in or withdrawing from the Fund through an IDPS certain features of the Fund will not apply to your investment. Examples are minimums for investments and withdrawals and processing times. You should ensure that you understand these differences before you invest.

Your application or withdrawal from the Fund is processed upon instructions from your IDPS operator. The product brochure for the IDPS will set out how your IDPS operator will undertake these for you and the time frames that apply.

Instructions to invest or withdraw received after 3.00pm Melbourne time on a business day* mean that the unit price effective for the next business day* is applied.

Withdrawals are generally paid out within five business days*. The Fund's Constitution allows up to 30 days to meet withdrawal requests or a longer period, depending on the ability to realise the Fund's assets.

In exceptional circumstances, where it is considered to be in the best interest of investors, the processing of all applications, and/or withdrawals can be suspended.

Changing your mind

As you are investing through an IDPS, you should consult the IDPS operator in relation to cooling off rights that may apply to your investment in the IDPS (if any).

Unit prices and investment income

How we calculate unit prices

Unit prices are generally calculated daily. The unit price is calculated by taking the value of the Fund's assets, and deducting the liabilities. The resulting value is then divided by the total number of units held in the Fund.

Both the application and the withdrawal price are calculated taking into account any applicable buy/sell spread. The buy/sell spread is a percentage amount applied to the unit price. It ensures that there is an equitable application of the costs of buying and selling assets to investors entering and exiting the Fund. Refer to page 6 for more information on the buy/sell spreads of the Fund.

Where the Responsible Entity applies its discretion to the unit price using its powers under the Fund's Constitution (e.g. in determining an appropriate level for the buy/sell spread, based on estimates of underlying transaction costs being incurred by the Fund), the Responsible Entity acts in accordance with its set policies. Investors may inspect a copy of these policies at our registered office at any time between 9:00am and 5:00pm (Melbourne time) on a business day*.

For daily unit price updates please visit our website www.australianunityinvestments.com.au or call us on 13 29 39.

Distributions

Generally, net investment income is paid to your IDPS operator after the end of the Fund's distribution period. Distributions are generally paid within 21 business days of the end of the distribution period. Any net realised gains earned by the Fund are generally not paid until the end of the financial year. This Fund distributes on a monthly basis.

Interest in the Fund

Each unit entitles you to an equal and proportionate interest in the total investments of the Fund but does not give you an interest in any particular asset the Fund holds.

The Responsible Entity has the right to create additional classes of units. These may be issued with any preferred, deferred or other special rights, obligations or restrictions, relating to such things as distributions, voting, return of capital, or payment of calls.

Tax information

The Fund does not generally incur an income tax liability. The Fund is a resident of Australia for taxation purposes. The Fund's net taxable income is assessable in the hands of Australian investors who receive distributions. Please note, as you are investing through an IDPS, you should refer to the taxation information in your IDPS operator's product brochure and seek professional taxation advice before making an investment decision.

* A business day is a Melbourne business day on which Australian banks are open for business in Melbourne excluding Saturday and Sunday and public holidays.

Fees and other costs

Government regulations require the inclusion of the following consumer advice warning in all product disclosure statements:

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.fido.asic.gov.au) has a managed investment fee calculator to help you check out 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 Fund assets as a whole. Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of Fee or Cost	Amount	How and When Paid
Fees when your money moves in or out of the Fund		
<i>Establishment fee</i> The fee to open your investment	Nil	We do not apply an establishment fee.
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	We do not apply contribution fees.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	We do not apply withdrawal fees.
<i>Termination fee</i> The fee to close your investment	Nil	We do not apply a termination fee.
Management costs		
The fees and costs for managing your investment	0.80% p.a. of the Fund's net assets	The management cost is accrued daily but paid monthly from the Fund.
Service fees		
<i>Investment switching fee</i> The fee for changing investment options	Nil	We do not apply a switching fee.

Example of annual fees and costs for the AUI Wholesale Mortgage Income Trust

This table gives an example of how the fees and costs in 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.

Balance of \$50,000 with total contributions of \$5,000 during the year		
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	0.80% p.a.	And , for every \$50,000 you have in the Fund you will be charged \$400 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 of \$400. ^{(1) (2)}

(1) It is assumed that the contribution of \$5,000 is made at the end of the year.

(2) A buy/sell spread may be applicable to investments in and out of the Fund. (See 'buy/sell spread' under the heading 'additional explanation of fees and costs')

Additional explanation of fees and costs

Other expenses and costs

The 'Management costs' detailed on page 5 include the usual expenses incurred in the day-to-day operation of the Fund except for the following:

- expenses that would normally be incurred by a direct investor that relate to the buying and selling of assets;
- abnormal operating expenses which are due to abnormal events such as the cost of running investor meetings. These expenses are infrequent and are paid out of the Fund; and
- costs of borrowing (if any), including the interest expense.

Additional costs can be incurred for government taxes, stamp duty and bank fees.

Buy/Sell spread

The buy and the sell spread aim to ensure that an investor shares the transaction cost associated with an investment decision to either enter or exit the Fund. The amount is:

- in the case of a buy spread, an extra cost charged to enter the Fund and the sell spread is a cost charged to exit the Fund;
- an estimate to cover the costs incurred when buying or selling assets, such as brokerage and taxes;
- not an additional fee paid to the Responsible Entity but is retained in the Fund to cover those transaction costs; and
- not applied to the reinvestment of distributions.

The following buy/sell spreads currently apply, although they may change from time to time.

Buy Spread	Sell Spread
Nil	Nil

Goods and Services Tax

All fees and charges shown are inclusive of the impact of Goods and Services Tax (GST) and any Input Tax Credits (including Reduced Input Tax Credits) available.

Sophisticated or professional investors

From time to time, we may rebate some of our fees (or issue units in the Fund) to what the Corporations Act 2001 calls 'sophisticated' or 'professional' investors or 'wholesale clients' or to employees of the Responsible Entity and related entities so that they pay reduced fees. We do not enter into individual fee arrangements with other investors.

Indirect cost ratio (ICR)

The ICR is a useful measure of the ongoing fees and expenses of investing in the Fund. It is expressed as a percentage of the average size of the Fund over a financial year. The ICR for year to 30 June 2007 is 0.80%.

The ICR shows the cost of investing in the Fund compared to investing directly in assets. It is calculated by dividing the total ongoing fees and expenses by the average fund size over the period. The ICR does not include transaction costs or buy/sell spreads, brokerage, borrowing costs and Government charges incurred by the Fund as these costs would generally also be incurred by an investor investing directly.

Where the Fund invests in other funds managed by us

The Fund may invest in other funds or investment companies including those managed by our associates or us, but management fees are not taken from both funds. Instead, our management fees will be adjusted to reflect the Fund fees described on page 5.

Fee changes and maximum fees

Fees may increase or decrease for many reasons, including changes in the competitive, industry and regulatory environments or simply from changes in costs. We can change fees, without unitholder consent, but will provide at least 30 days written notice. If you withdraw within this notice period, the increased fees will not apply to you.

The maximum fees we are allowed to charge the Fund (excluding any GST) is stated in the Fund's Constitution and is as follows:

- Management costs: 3.00% p.a.
- Contribution fees: 6.00%

There is no limit in the Fund's Constitution on the amount that we can charge for expense recoveries.

For the actual fees currently charged, refer to page 5.

The fees and charges outlined in this PDS do not include any IDPS operator fees and charges that may apply.

Payments to financial advisers and intermediaries

From time to time, we may offer incentives to your financial adviser or other intermediaries, which we determine and pay out of our own money.

Alternative remuneration register

As the Responsible Entity, we maintain an Alternative Remuneration Register in accordance with the IFSA/FPA Industry Code of Practice on alternative forms of remuneration in the wealth management industry. The register outlines alternative forms of remuneration that are paid and received by us. You may inspect a copy of the register at our registered office at any time between 9:00am and 5:00pm on a business day*.

* A business day is a Melbourne business day on which Australian banks are open for business in Melbourne excluding Saturday and Sunday and public holidays.

Additional information

Constitution

The Fund is a registered managed investment scheme and is governed both by a Constitution and a Compliance Plan.

The statements in this PDS only provide a summary of some of the provisions of the Constitution. You can inspect a copy of the Constitution at our Melbourne office at any time between 9:00am and 5:00pm on a business day*.

The Responsible Entity

Australian Unity Funds Management in its capacity as a Responsible Entity, is subject to the provisions of the Constitution and the Corporations Act 2001. The Responsible Entity is responsible for administration and management of the Fund, and sets the investment policy and objectives.

Any investment managers appointed by the Responsible Entity will be entitled to receive fees for investment management functions.

The Responsible Entity is entitled to the benefit of various indemnities under the Fund's Constitution, which means that it has limited its liability for acting as the Responsible Entity.

Labour standards or environmental, social or ethical considerations

We do not take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of investments in the Fund offered under this PDS.

Authorised investments

A broad range of investments is permitted in the Fund. The typical range of investments for the Fund is set out on page 2.

The Fund may gain exposure to certain assets by investing through other investment vehicles including those managed by a related entity. These investment vehicles may include investment companies, registered managed investments schemes and other un-registered schemes.

The investment managers may use derivatives in the management of the Fund, but will generally not use derivatives for gearing purposes or speculative activities.

Borrowing

The Responsible Entity is permitted to borrow money for the purposes of the Fund and to grant security over the Fund's assets. The Responsible Entity only intends to borrow to meet short-term needs.

Related party transactions

All transactions, including those with related parties, are conducted on commercial terms and conditions, and on an arms length basis.

Entities of the Australian Unity Group may provide investment management, accounting and registry services, project services and other services to the Fund for fees charged at a commercial rate.

Up to date information on your investment

Your IDPS operator will provide you with regular reporting on your investment. You can access up to date information about the performance of the Fund and the annual financial report at our website: www.australianunityinvestments.com.au.

Personal information

We do not collect or hold your personal information in relation to your investment in the Fund. You should contact your IDPS operator for information about the collection, storage and use of your personal information.

Dispute resolution

If you have a complaint, this should be directed to your IDPS operator.

If you are not satisfied with the handling of the complaint, you may contact:

Financial Industry Complaints Service Limited

PO Box 579
Collins Street West
Melbourne VIC 3007

Phone: 1300 780 808

Fax: (03) 9621 2291

Website: www.fics.asn.au

This service operates as an independent body for the industry, to determine unresolved complaints. There is no cost to you for using this service.

* A business day is a Melbourne business day on which Australian banks are open for business in Melbourne excluding Saturday and Sunday and public holidays.

Contact Us

Address	114 Albert Road South Melbourne, VIC 3205
Investor Services	13 29 39
Adviser Services	1800 649 033
Web	www.australianunityinvestments.com.au
Email	investments@australianunity.com.au
