



# NZ Funds Managed Superannuation Service

## Product Disclosure Statement

**Issued by New Zealand Funds Management Limited 3 December 2021**

This document replaces the Product Disclosure Statement dated 30 June 2021.

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz). New Zealand Funds Management Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you to make an investment decision.

# NZFunds

Transforming Wealth



## 1. Key information summary

### What is this?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments.

New Zealand Funds Management Limited (NZ Funds, we, us or our) will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of NZ Funds and the performance of the investments.

The value of those investments may go up or down. The types of investments and the fees you will be charged are described in this document.

The NZ Funds Managed Superannuation Service (the Service) is a Qualifying Recognised Overseas Pension Scheme (QROPS) which means it can accept money transferred from UK pension schemes or other current or former QROPS.

### What will your money be invested in?

The Service offers six investment options: five actively managed funds (Income Strategy - British Pounds, Growth Strategy - British Pounds, Income Strategy, Inflation Strategy and Growth Strategy) and a life cycle investment option (Life Cycle).

These investment options are summarised in the table on page 4. More information about the investment target and strategy for each investment option is provided on pages 10 and 11.

There are two membership classes. The Superannuation class has been established for retirement savings and to receive money transferred from other New Zealand superannuation schemes. In the Superannuation class, you can invest in three of the Strategies – the Income Strategy, the Inflation Strategy and the Growth Strategy.

The ROPS class has been established to receive money transferred from UK pension schemes or other current or former QROPS. In the ROPS class, you can invest in all five Strategies.

### Who manages the service?

NZ Funds is the manager of the Service. See section 7 of this Product Disclosure Statement (PDS) 'Who is involved?' on page 15 for more information.

### How can you get your money out?

The Service is designed to help you save for retirement. If you are invested in the Superannuation class, you generally cannot withdraw your money until you reach the age of eligibility for New Zealand Superannuation (currently age 65). If you are invested in the ROPS class, you generally cannot withdraw your money until you reach the UK minimum pension age (currently age 55).

Early withdrawals are permitted in limited circumstances.

In certain circumstances, NZ Funds may defer or suspend withdrawals. See section 2 of this PDS 'How does this investment work?' on page 6 for more information.

### How will your investment be taxed?

The Service is a Portfolio Investment Entity (PIE). The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (PIR).

To determine your PIR go to [www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates](http://www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates). See section 6 of this PDS 'What taxes will you pay?' on page 15 for more information.

### Where can you find more key information?

NZ Funds publishes quarterly updates for each investment option.

The updates show the returns, and the total fees actually charged to investors, during the previous year.

The latest Quarterly Fund Updates are available at [www.nzfunds.co.nz](http://www.nzfunds.co.nz). NZ Funds will also give you copies of those documents on request.

## Comparing our investment options

Name	Objective	Description	Risk indicator <sup>2</sup>	Estimated annual fund charges <sup>3,4</sup>	Estimated annual fund charges after fee rebate <sup>3,4,5</sup> Total invested > \$1 million	
<b>Self Select</b>						
Income Strategy - British Pounds	To generate income by investing in a range of income producing assets and other assets in a way that seeks to mitigate the downside and to provide exposure to the British Pound through active management.	Anticipated to mainly own and trade New Zealand, Australian and international bonds and other authorised asset classes <sup>6</sup> over the minimum suggested investment timeframe. The Strategy is exposed to the British Pound.		1.12%	1.12%	
Growth Strategy - British Pounds	To grow your investment over the long term and to provide exposure to the British Pound through active management.	Anticipated to mainly own and trade New Zealand, Australian and international shares, and/or hedge funds and other authorised asset classes <sup>6</sup> over the minimum suggested investment timeframe. The Strategy is exposed to the British Pound.		1.65%	1.25%	
Income Strategy	To generate income by investing in a range of income producing assets and other assets in a way that seeks to mitigate the downside through active management.	Anticipated to mainly own and trade New Zealand, Australian and international bonds and other authorised asset classes <sup>6</sup> over the minimum suggested investment timeframe.		1.12%	1.12%	
Inflation Strategy	To mitigate the impact of inflation on your investment over the medium and/or long term through active management.	Anticipated to mainly own and trade New Zealand, Australian and international bonds and shares and other authorised asset classes <sup>6</sup> over the minimum suggested investment timeframe.		1.42%	1.25%	
Growth Strategy	To grow your investment over the long term through active management.	Anticipated to mainly own and trade New Zealand, Australian and international shares and/or hedge funds and other authorised asset classes <sup>6</sup> over the minimum suggested investment timeframe.		1.65%	1.25%	
<b>Life Cycle<sup>1</sup></b>						
Life Cycle Age 0-54		Income Strategy	5%		1.60%	1.24%
		Inflation Strategy	10%			
		Growth Strategy	85%			
Life Cycle At age 65	To allocate your investment across the Income, Inflation, and Growth Strategies based on your age.	Income Strategy	27%		1.43%	1.21%
		Inflation Strategy	34%			
		Growth Strategy	39%			
Life Cycle At age 75		Income Strategy	35%		1.39%	1.20%
		Inflation Strategy	34%			
		Growth Strategy	31%			

See page 11 for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator. To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [www.nzfunds.co.nz/AdviceSolutions/RiskProfile/](http://www.nzfunds.co.nz/AdviceSolutions/RiskProfile/).

1. Life Cycle automatically allocates your investment across the Income, Inflation, and Growth Strategies each year based on your age. We have selected three examples (age 0-54, at age 65 and at age 75) to provide information on Life Cycle in this PDS. More information on Life Cycle can be found on page 7. 2. As the investment options have not been in existence for a full five years to 30 September 2021, their risk indicators have been prepared using market index returns as well as actual returns. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the investment option. For the Growth Strategy - British Pounds, market index returns have been used for the period prior to 3 December 2019. For the Income Strategy - British Pounds, market index returns have been used for the period prior to 11 August 2017. For the other investment options, market index returns have been used for the period prior to 25 January 2017. 3. As a percentage of the net asset value of each Strategy. 4. Includes estimated performance fees. See page 13 for more information. 5. If you have \$1 million or more invested in managed funds offered by NZ Funds, a fee rebate will apply. The fund charges shown are after this fee rebate. See page 14 for more information. 6. The authorised asset classes for each Strategy are set out in the tables on pages 10 and 11.

## Contents

1. Key information summary .....	03
2. How does this investment work? .....	06
3. Description of your investment options .....	09
4. What are the risks of investing? .....	11
5. What are the fees? .....	13
6. What taxes will you pay? .....	15
7. Who is involved? .....	15
8. How to complain .....	15
9. Where you can find more information .....	15
10. How to apply .....	15

## 2. How does this investment work?

### Legal structure

The Service is registered under the Financial Markets Conduct Act 2013 (FMC Act) as a superannuation scheme and is governed by a trust deed (Trust Deed) between NZ Funds and The New Zealand Guardian Trust Company Limited (Supervisor).

The Service is designed to help you save for your retirement. You contribute to the Service over time and the benefits payable depend on how much you contribute and the investment returns on those contributions after fees and tax.

The Service is made up of five Strategies. The money you invest into a Strategy is pooled with other investors' money to purchase assets. You will receive units in each Strategy you invest in which represent your interest in the Strategy. The units do not give you legal ownership of the Strategy's assets but they give you the right to a share of any returns from those assets.

The number of units you receive is based on the Strategy's unit price. The performance of your investment will be measured by the rise or fall of the unit price. The assets of a Strategy are not available to meet the liabilities of any other Strategy in the Service.

### Features and benefits

Some of the features of this offer, including the use of derivatives and leverage, may mean an investment in the Service is not appropriate for you. We recommend you discuss the features of this offer with a financial advice provider before deciding whether to invest.

### QROPS status

The Service is a Qualifying Recognised Overseas Pension Scheme (QROPS) which means it can accept money transferred from UK pension schemes or other current or former QROPS. The ROPS class has been established to receive money transferred from these schemes. Members who are invested in the ROPS class are subject to the UK Pension Rules applying to QROPS (UK Pension Rules).

### Life Cycle

Life Cycle automatically allocates your investment across the Income, Inflation, and Growth Strategies each year based on your age (the Income Strategy - British Pounds and the Growth Strategy - British Pounds are not part of Life Cycle). Regularly reallocating your investment can significantly impact the long-term success of your investment.

### Active management

We use an active investment management approach when managing the Strategies. This approach seeks to maintain a balance between preserving your capital and growing your wealth in a manner that is consistent with each Strategy's objective. This is different from a passive investment approach.

Our active management approach means that we make ongoing investment decisions, search for emerging opportunities, buy or sell securities as appropriate, and use sophisticated investment instruments and techniques (used by other managers who manage money in similar ways to us) in seeking to achieve the investment objective of each Strategy.

In managing the Strategies, we take a wide variety of actions including: altering the proportion invested in each security (e.g. shares, bonds, or other investment instruments) or asset class (different investment categories); altering the manner in which a Strategy is exposed to each security or authorised asset class; investing directly or indirectly; using derivatives and leverage; using collective investment vehicles; using specialist investment managers (including hedge funds); using commodities and alternative securities (including digital assets, such as cryptocurrencies); taking foreign currency positions; applying hedging; and/or taking short positions (which can create gains when investments decline). Some of these authorised asset classes or investment categories may be difficult for individual investors to access.

### Wholesale trusts

The Strategies may invest directly, or indirectly via wholesale trusts. A wholesale trust is a wholesale fund managed by us which holds investments. Those investments may include directly held securities and/or investments in funds, managed by us or external specialist investment managers. The wholesale trust investment structure provides operational and administrative efficiencies.

In addition to the Strategies, the wholesale trusts may also be invested in by other wholesale investors including directors and employees of NZ Funds and its related entities.

### Specialist managers

As part of our active management approach, we use a range of specialist external investment managers (external managers), specialising in different asset classes and investment approaches.

External managers may be selected where we consider their investment approach will help meet the Strategies' objectives.

Some of the external managers we use may not offer their services to individual investors or may have high threshold amounts for investment.

### Use of derivatives

We use derivatives in managing the Strategies.

A derivative is a specialised financial instrument that gets (derives) its value from another asset (the underlying asset). Derivatives are based on a wide variety of assets, including individual shares, share market indices, interest rates, commodities (like gold) and currencies and cryptocurrencies. Examples of derivatives include futures, options, forwards and swaps.

Derivatives are useful because they are financially equivalent to buying, selling, or trading the underlying asset itself.

Derivative markets are generally very liquid because of the volume of transactions traded daily. Therefore, the use of derivatives can help us achieve better outcomes by enabling us to implement changes rapidly. The transaction costs associated with trading derivatives are also minimal when compared to the costs of buying, selling, or trading the underlying assets.

Derivatives can be considered to be 'leveraged' investments, which means that a relatively small investment in derivatives can produce the same gain or loss as a much larger investment in the underlying asset itself. The use of derivatives and the leverage their use creates may increase or decrease investment risk. NZ Funds uses derivatives in a selective manner and makes decisions on the amount of leverage that the individual Strategies may use.

The use of derivatives is somewhat like an individual investor borrowing money to buy an investment. For example, an investor might borrow money to purchase a property or share investment. As a result, gains or losses may be increased compared to an investment that has no borrowing.

The use of derivatives is managed through NZ Funds' active management approach and through the processes and policies surrounding our investment guidelines. The guidelines are not limits on the amount of leverage that the use of derivatives may create in each authorised asset class and the guidelines do not impose a limit on how we may invest. However, derivatives are only used in seeking to achieve each Strategy's investment objective and are an essential aspect of our active investment approach.

NZ Funds is expected to regularly use leverage (via derivatives) to change the exposure to an authorised asset class. The actual amount of leverage used by the Strategies for the preceding three years is set out in the Other Material Information document.

The use of derivatives can also substantially alter the returns and risks of a Strategy and may result in higher or lower returns than a fund that does not use derivatives.

Our ability to use derivatives in managing the Strategies is unlimited and may be potentially extensive. Our use of derivatives may also lead to the Strategies being leveraged.

### **Borrowing**

The Strategies do not borrow to invest.

### **Joining the Service**

The Service has two classes of membership to reflect that the rules that apply to New Zealand superannuation schemes generally are not the same as the rules that apply to UK pension transfers.

You can join the Service by investing in the Superannuation class and/or the ROPS class by completing an application form at the back of this PDS.

### **Superannuation class**

You can invest in the Superannuation class if you are an individual, or a person who is the trustee or manager of a retirement scheme.

### **ROPS class**

You can invest in the ROPS class if you are an individual who is tax resident in New Zealand and are looking to transfer money to the Service from a UK pension scheme or from another current or former QROPS. Other than these transfers, you cannot make contributions to the ROPS class.

### **Investment choices**

You can invest in the Service in one of two ways: using either Self Select or Life Cycle.

#### **Self Select**

If you wish to actively manage your own asset allocation you can invest using Self Select. Under Self Select, you choose which of the Income, Inflation and Growth Strategies your contributions will be invested in and how much is invested in each Strategy.

If you choose Self Select we recommend that you talk to a financial advice provider to help you work out how much to invest in each Strategy.

#### **Life Cycle**

The Life Cycle approach is designed to manage the risk of your investment, by automatically allocating your investment across the Income, Inflation and Growth Strategies based on your age, so it aligns with your stage in life and future needs.

Older investors have a shorter time left before they begin to withdraw funds. This shorter investment time horizon means that an older investor has less time to recoup any losses if a downturn occurs.

For investors under 55 years old, the Life Cycle approach places 85% of your investments into the Growth Strategy that has a higher level of volatility. Beginning at age 55 the Life Cycle approach steadily reduces your exposure to the Growth Strategy and increases the proportion of your investments allocated to the Income and Inflation Strategies. Moving into lower-volatility strategies may reduce potential rewards, but it offers less risk. The chart on page 8 shows the current Strategy allocations under Life Cycle. These allocations may change from time to time.

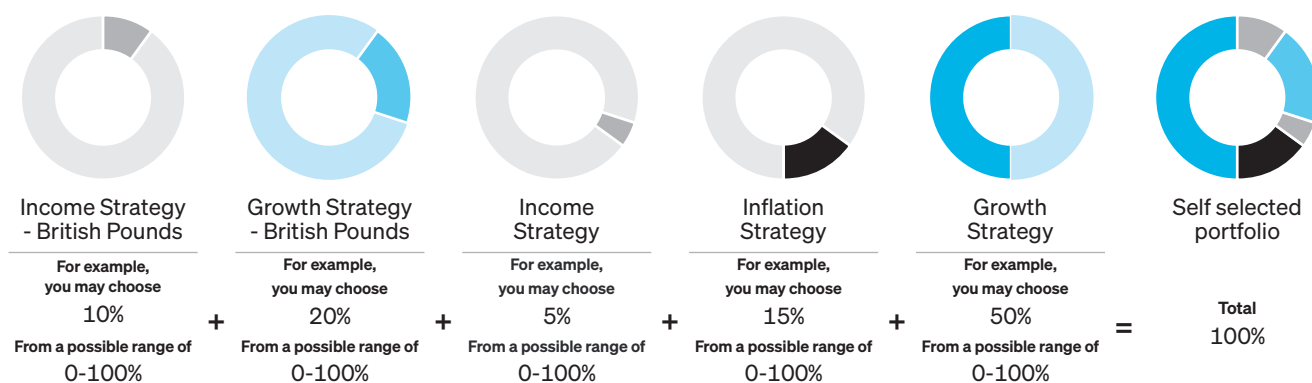
Life Cycle is designed for members who want to remain invested through their retirement years and draw down on their savings regularly. It may not be appropriate for members who plan to withdraw all or a significant portion of their investment when they reach age 65 or early into their retirement years, or members who are planning to withdraw in the short to medium term.

You can switch between Self Select and Life Cycle at any time, subject to NZ Funds' ability to suspend switches.

More information on how to switch can be found on page 9.

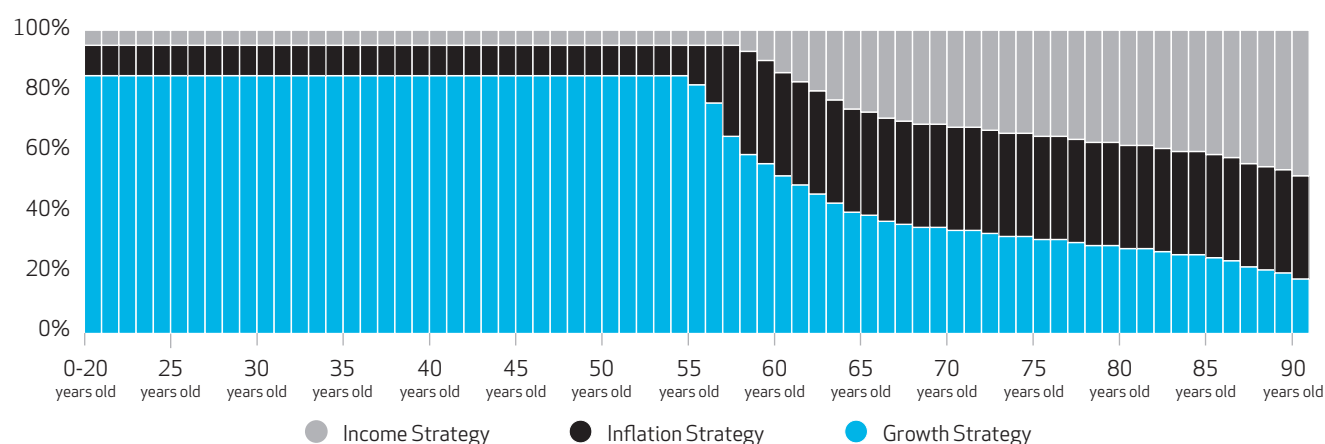
## Self Select

If you choose the Self Select option, you decide how much to invest in each Strategy.



## Life Cycle

If you choose the Life Cycle option, your Strategy allocations as you age are shown below.



## Making investments

### Superannuation class

You can contribute to the Superannuation class of a Strategy by making regular or lump sum payments.

To make regular contributions, you will need to complete a direct debit form available on our website. To make a lump sum payment, you will need to complete a lump sum contribution form available on our website.

### ROPS class

Other than transfers from UK pension schemes or other QROPS, you cannot make contributions to the ROPS class of a Strategy.

NZ Funds does not charge a contribution fee.

### UK overseas transfer charge

If you requested a transfer from a UK pension scheme to the Service after 9 March 2017, and at the time of the transfer you are not a New Zealand tax resident (or you cease to be a New Zealand tax resident after you transfer), you may be subject to a UK overseas transfer charge equal to 25% of the UK pension amount transferred.

For more information on the UK overseas transfer charge, see the Other Material Information document on the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

## Withdrawing your investments

You can withdraw your investment if you satisfy the requirements of the superannuation scheme rules set out in the Financial Markets Conduct Regulations 2014 (the Superannuation Scheme Rules) and the Trust Deed. If you are invested in the ROPS class, your withdrawal must also comply with the UK Pension Rules.

### Superannuation class

If you are invested in the Superannuation class, you can withdraw your investment in the following circumstances:

#### Retirement

You can withdraw the full value of your investment when you reach the earlier of the age of eligibility for New Zealand Superannuation (currently age 65) or, the date you turn age 60 if the Supervisor is satisfied that you have permanently retired from business or employment.

#### Transition to retirement

Where the Supervisor is satisfied that you have reached the age that is 10 years before you qualify for New Zealand Superannuation (currently age 55) you may make periodic withdrawals from the Service calculated in accordance with the formula set out in the Superannuation Scheme Rules.



### Significant financial hardship

If you are suffering or are likely to suffer significant financial hardship you may apply to the Supervisor to withdraw some or all of your investment.

### Serious illness

If you are suffering from a serious illness, you may apply to the Supervisor to withdraw some or all of your investment.

### ROPS class

If you are invested in the ROPS class, you will only be able to withdraw your investment in accordance with the UK Pension Rules which allow you to withdraw when you reach the UK normal minimum pension age (currently age 55), or if you meet the ill health or serious ill health conditions under UK law. If you transfer to the Service, we may also be required to comply with any withdrawal requirements imposed by the transferring scheme.

We may impose other terms and conditions on UK pension amounts held in the Service if we determine it to be necessary or desirable or in the best interests of the transferring member specifically, or the Service generally.

If you meet the withdrawal criteria, you may withdraw your entire investment in the ROPS class. Based on our understanding of current law, if you are a New Zealand tax resident at the time of the withdrawal you should not be liable to pay any tax on the withdrawal. For more information on the withdrawal rules applying to the ROPS class, see the Other Material Information document.

### Ill health or serious ill health

For a withdrawal under the ill health or serious ill health provisions, you will need to provide medical evidence to the Supervisor to support your application to withdraw.

### UK tax

If you are invested in the ROPS class and make a withdrawal or transfer that does not meet the withdrawal criteria, you may be subject to an unauthorised payments charge and unauthorised payments surcharge under UK law. As a QROPS, we may be required to report withdrawals and transfers by a member from the ROPS class to HMRC.

The UK tax rules applying to the transfer and withdrawal of UK pension amounts are complex. We recommend you obtain professional tax advice before making any decision to withdraw or transfer any UK pension amounts. For more information on UK tax see the Other Material Information document.

## Withdrawals generally

### Other withdrawals

NZ Funds will comply with any law or Court order that requires it to release some or all of your investment from the Service.

If you die while a member of the Service, your personal representatives can apply to withdraw the balance of your investment in the Service which will be paid to your estate.

### Transfers

You may apply at any time to transfer your investment in the Service to another superannuation scheme, KiwiSaver scheme or equivalent overseas retirement scheme. However, if you are invested in the ROPS class, you can only transfer your investment to another QROPS or UK registered pension scheme.

### Suspension of withdrawals, transfers or switches

In certain circumstances, NZ Funds may suspend withdrawals, transfers or switches where it considers it is not practicable or would prejudice the interests of members.

For more information on withdrawals, see the Other Material Information document. Withdrawal forms are available from your adviser or by contacting NZ Funds.

NZ Funds does not charge a withdrawal fee.

### How to switch between funds

If you invest using Self Select and wish to change the allocation of your investment, or if you wish to switch between Life Cycle and Self Select, you will need to complete a switch form and send it to NZ Funds. This form is available from your adviser or on our website. You cannot switch between the ROPS class and Superannuation class.

NZ Funds does not charge a switch fee.

## 3. Description of your investment options

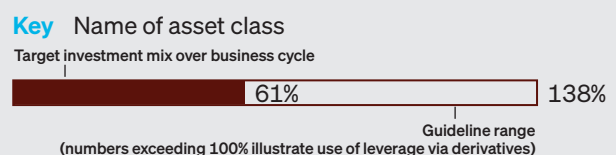
We use an active investment management approach when managing the Strategies. This approach seeks to maintain a balance between preserving your capital and growing your wealth in a manner that is consistent with each Strategy's objective.

Our active investment management approach allows the Strategies to be invested in authorised asset classes in any proportion. It also includes the ability for the Strategies to use derivatives to create leverage. We also actively manage the foreign currency exposure of the Strategies.

### Investment guidelines

Our internal investment guidelines set out indicative ranges for authorised asset classes within which a Strategy will usually (but not always) invest. The authorised asset classes and the guideline ranges for each Strategy at the date of this PDS are shown in the tables on pages 10 and 11.

The target investment mix shown for each Strategy at the date of this PDS (being the dark coloured portion of the band for each asset class) is anticipated only and the actual asset allocation is expected to vary significantly within the indicated band over the course of an economic cycle.



More information on our internal investment guidelines, how we manage foreign currency, and the historical investment mix and historical leverage range for the Strategies is set out in the Other Material Information document.

## Investment policy and objectives

Further information on NZ Funds' investment approach can be found in the Statement of Investment Policy and Objectives (SIPO). The SIPO is available on the scheme register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz). We may make changes to the SIPO at any time after consulting with the Supervisor.

A description of any material changes will be included in the Service's annual report. Where required by the Trust Deed or law, you will receive notice of material changes before they occur. Further information about the assets in each Strategy can be found in the quarterly fund updates at [www.nzfunds.co.nz](http://www.nzfunds.co.nz).

## Responsible investing

Responsible investment, including environmental, social, and governance considerations, is taken into account in the investment policies and procedures of the Service as at the date of this PDS. You can obtain an explanation of the extent to which responsible investment is taken into account in those policies and procedures at [nzfunds.co.nz/responsible-investment-policy.pdf](http://nzfunds.co.nz/responsible-investment-policy.pdf).

NZ Funds' internal investment guidelines include estimates of the amount of leverage that may be used in each authorised asset class. Investors should be aware that NZ Funds' use of derivatives and/or other instruments may result in the proportion invested in an authorised asset class exceeding the guidelines shown in the table below from time to time.

Where the upper percentage of a guideline range exceeds 100% this indicates that NZ Funds is expected to regularly use derivatives and/or other instruments to create leverage to increase the exposure to an authorised asset class beyond 100%. Showing a target investment mix of 100% or less for an authorised asset class does not mean derivatives will not be used.

Name	Objective	Strategy summary & target investment mix <sup>1</sup>	Risk indicator <sup>2</sup>	Minimum suggested timeframe
<b>Self Select</b>				
Income Strategy - British Pounds	To generate income by investing in a range of income producing assets and other assets in a way that seeks to mitigate the downside and to provide exposure to the British Pound through active management.	<p>Anticipated to mainly own and trade New Zealand, Australian and international bonds and other authorised asset classes over the minimum suggested investment timeframe. The Strategy is exposed to the British Pound.</p> <p>Cash and cash equivalents 8% 50%</p> <p>New Zealand fixed interest 45% 100%</p> <p>International fixed interest 47% 100%</p> <p>Alternative securities* 0% 50%</p>	4	2 years+
Growth Strategy - British Pounds	To grow your investment over the long term through active management and to provide exposure to the British Pound.	<p>Anticipated to mainly own and trade New Zealand, Australian and international shares, and/or hedge funds and other authorised asset classes over the minimum suggested investment timeframe. The Strategy is exposed to the British Pound.</p> <p>Cash and cash equivalents 5% 50%</p> <p>Australasian equities 25% 100%</p> <p>International equities 67% 150%</p> <p>Listed property 3% 50%</p> <p>New Zealand fixed interest 0% 50%</p> <p>International fixed interest 0% 100%</p> <p>Commodities 0% 100%</p> <p>Alternative securities* 0% 50%</p>	6	10 years+
Income Strategy	To generate income by investing in a range of income producing assets and other assets in a way that seeks to mitigate the downside through active management.	<p>Anticipated to mainly own and trade New Zealand, Australian and international bonds and other authorised asset classes over the minimum suggested investment timeframe.</p> <p>Cash and cash equivalents 8% 50%</p> <p>New Zealand fixed interest 45% 100%</p> <p>International fixed interest 47% 100%</p> <p>Alternative securities* 0% 50%</p>	3	2 years+
Inflation Strategy	To mitigate the impact of inflation on your investment over the medium and/or long term through active management.	<p>Anticipated to mainly own and trade New Zealand, Australian and international bonds and shares and other authorised asset classes over the minimum suggested investment timeframe.</p> <p>Cash and cash equivalents 5% 50%</p> <p>New Zealand fixed interest 12% 50%</p> <p>International fixed interest 13% 50%</p> <p>Australasian equities 29% 100%</p> <p>International equities 38% 100%</p> <p>Listed property 3% 50%</p> <p>Commodities 0% 50%</p> <p>Alternative securities* 0% 50%</p>	5	5 years+
Growth Strategy	To grow your investment over the long term through active management.	<p>Anticipated to mainly own and trade New Zealand, Australian and international shares, and/or hedge funds and other authorised asset classes over the minimum suggested investment timeframe.</p> <p>Cash and cash equivalents 5% 50%</p> <p>Australasian equities 25% 100%</p> <p>International equities 67% 150%</p> <p>Listed property 3% 50%</p> <p>New Zealand fixed interest 0% 50%</p> <p>International fixed interest 0% 100%</p> <p>Commodities 0% 100%</p> <p>Alternative securities* 0% 50%</p>	6	10 years+

Name	Objective	Strategy summary & target investment mix <sup>1</sup>		Risk indicator <sup>2</sup>	Minimum suggested timeframe
<b>Life Cycle<sup>3</sup></b>					
Life Cycle Age 0-54		Cash and cash equivalents 5% 50% New Zealand fixed interest 3% 53% International fixed interest 4% 95% Australasian equities 24% 95%	International equities 61% 138% Listed property 3% 48% Commodities 0% 90% Alternative securities <sup>4</sup> 0% 50%	6	10 years+
Life Cycle At age 65	To allocate your investment across the Income, Inflation, and Growth Strategies based on your age.	Cash and cash equivalents 6% 50% New Zealand fixed interest 16% 64% International fixed interest 17% 83% Australasian equities 20% 73%	International equities 39% 93% Listed property 2% 37% Commodities 0% 56% Alternative securities <sup>4</sup> 0% 50%	5	5 years+
Life Cycle At age 75		Cash and cash equivalents 6% 50% New Zealand fixed interest 20% 68% International fixed interest 21% 83% Australasian equities 18% 65%	International equities 33% 85% Listed property 2% 33% Commodities 0% 31% Alternative securities <sup>4</sup> 0% 50%	4	5 years+

## 4. What are the risks of investing?

### Understanding the risk indicator

Managed funds in New Zealand must have a standard risk indicator. The risk indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment. You can compare funds using the risk indicator.

The risk indicators for the investment options offered under this PDS can be found on pages 4, 10 and 11.



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [www.nzfunds.co.nz/AdviceSolutions/RiskProfile/](http://www.nzfunds.co.nz/AdviceSolutions/RiskProfile/).

Note that even the lowest category does not mean a risk-free investment, and there are other risks (described under the heading 'Other specific risks') that are not captured by this rating.

The risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years to 30 September 2021. While risk indicators are

usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest Quarterly Fund Update for each investment option.

The Strategies do not have a five year return history. Accordingly the risk indicators were prepared using market index returns as well as actual returns.

The risk indicators are calculated using historical or market index returns only. If the period of returns used in calculating the risk indicators reflected a time of unusually low or high volatility, the risk indicator may not reflect the future volatility of a Strategy.

NZ Funds is not a traditional fund manager. Our active investment approach tries to anticipate future events and this leads to changes in our asset allocations. Changing our asset allocation may lead to material changes to expected future risk or expected returns.

### General investment risks

Some of the things that may cause a Strategy's value to move up and down, which affect the risk indicator, are:

#### Market risk

Market risk is the risk of volatility or loss caused by a change in the value of the investments held by a Strategy. Market risk arises from uncertainty about the future value of investments held by a Strategy. Changes in value may be caused by factors specific to an investment, or as a result of factors affecting financial markets generally.

1. For more information on what is included in each asset class see the SIPO. Monthly updates of the actual investments held by each Strategy are available on the Performance page of our website at [www.nzfunds.co.nz](http://www.nzfunds.co.nz). 2. As the investment options have not been in existence for a full five years to 30 September 2021, their risk indicators have been prepared using market index returns as well as actual returns. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the investment option. For the Growth Strategy - British Pounds, market index returns have been used for the period prior to 3 December 2019. For the Income Strategy - British Pounds, market index returns have been used for the period prior to 11 August 2017. For the other investment options, market index returns have been used for the period prior to 25 January 2017. 3. See page 4 for Strategy allocations. 4. Alternative securities are investments not usually accessed by retail investors, for example hedge funds and digital assets.

### **Illiquid securities**

The Strategies may hold illiquid securities. Illiquid securities are assets that cannot be quickly converted or exchanged for cash (or not without a significant loss in value). Illiquid securities generally carry a greater risk than liquid securities, particularly during times of market volatility. Investment illiquidity may make it difficult to value, acquire or dispose of assets.

### **Asset concentration**

The Strategies can hold authorised asset classes and securities in any proportion or concentration, meaning that the Strategies may not always be diversified. For example, a Strategy may be predominantly invested in a specific security, external manager, authorised asset class, country or sector and may be particularly exposed to any adverse circumstances affecting them.

### **Currency**

The Strategies' unit prices are denominated in New Zealand dollars but the Strategies may be exposed directly or indirectly to foreign currencies. There is a risk that the Strategies' returns may be adversely affected by foreign currency volatility.

### **Other specific risks**

Other circumstances that can significantly increase the risk to returns for investors and that may not be reflected in the risk indicator include:

#### **Life Cycle**

There is a risk that the predefined age-based asset allocation used in Life Cycle may not be suitable for you as it does not take into account your personal circumstances, such as your attitude to risk or your financial circumstances.

#### **Emerging investment instruments and techniques**

In managing the Strategies, NZ Funds and its external managers are able to use certain sophisticated and emerging investment instruments and techniques (including hedge funds and derivatives) which are used by other managers who manage money in similar ways to us. This may result in the returns on your investment fluctuating more than in some other funds. The risk of sophisticated and emerging investments may be higher than the risk rating for the Strategies shown by its current risk indicator.

#### **Higher risk investments**

The Strategies are different from some other funds in that they can invest in a wide range of investments, including investments which may be, or which may have traditionally been, considered to be speculative (e.g. hedge funds, derivatives and cryptocurrencies). This may result in the returns on your investment fluctuating more than in other funds. The risk of those investments may be higher than the risk rating for the Strategies shown by their current risk indicator.

### **Active management**

NZ Funds uses an active management approach. Active management is subject to different risks (which may be considered higher risks) than non-active (or passive) management. As a result, our active management approach may cause the returns and capital stability of the Strategies to significantly differ from the returns and capital stability of other managers and the underlying asset classes used.

### **What we invest in can change rapidly and significantly**

In implementing our active investment management approach we invest in a wide range of assets and emerging investments and change assets quickly. We can do this without notice to Members. The potential for rapid changes in the nature and extent of assets invested in and the potential for emerging investments may significantly increase losses in the Strategies. As part of our investment management process, we maintain internal investment guidelines which assist in the oversight of the Strategies. For more information on our internal investment guidelines see the Other Material Information document.

### **Unlimited (and potentially extensive) use of leverage via derivatives**

In managing the Strategies, NZ Funds uses derivatives to create leverage to seek to both increase returns (by taking active positions) and reduce risk (by taking hedge positions). There is no limit on our use of derivatives or the amount of leverage their use may create. The use of derivatives and the leverage their use may create can increase or decrease the risk of a Strategy materially and is an essential aspect of our active investment approach.

### **Specialist managers**

We may use external managers in the management of the Strategies. There are a number of risks associated with investing with these managers. These include wide mandates, redemption restrictions, and the risk that a manager selected underperforms or generates a loss. We have a due diligence process for appointing external managers and all managers are monitored and reviewed.

### **Key person**

The Strategies may be dependent on the services of one or more key persons, either inside or outside NZ Funds, and may be adversely affected by the departure or poor performance of one or more of those individuals.

### **UK Pension Rule changes**

Changes to the UK Pension Rules and the QROPS requirements may have an adverse impact for Member invested in the ROPS class.

### **Loss of QROPS status**

The Service could lose its QROPS status at any time. For members invested in the ROPS class, the Service losing QROPS status may have an adverse impact on a member's UK tax position in relation to their investment in the Service.

## UK tax

A withdrawal or transfer of UK pension amounts from the Service may result in a member having an unauthorised payments charge and an unauthorised payments surcharge under UK law on the amount withdrawn or transferred.

For more information on the risks of investing in the Service, see the Other Material Information document.

## 5. What are the fees?

You will be charged fees for investing in the Service. Fees are deducted from your investment and will reduce your returns. If NZ Funds invests in other funds, those funds may also charge fees. The fees you pay will be charged in two ways:

- regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term.
- one-off fees. NZ Funds does not charge any establishment, contribution, termination, withdrawal, switch or transfer fees.

Name	Estimated annual fund charges <sup>1,2</sup>	Estimated annual fund charges after fee rebate <sup>1,2,3</sup> Total invested > \$1m <sup>1</sup>
Income Strategy – British Pounds	1.12%	1.12%
Growth Strategy – British Pounds	1.65%	1.25%
Income Strategy	1.12%	1.12%
Inflation Strategy	1.42%	1.25%
Growth Strategy	1.65%	1.25%
Life Cycle	Age 0-54	1.60%
	At age 65	1.43%
	At age 75	1.39%

### Annual fund charges

Annual fund charges are made up of a management fee, estimated service fee, external management fee and performance fee. These fees are deducted directly or indirectly from each Strategy and are reflected in the unit price of that Strategy.

In addition to annual fund charges, transaction costs of buying and selling assets (e.g. brokerage) are paid directly or indirectly by the Strategies and reflected in the unit price.

The estimated annual fund charges set out above represent the total estimated amount of all of the fees set out in this section.

Wholesale trust	What is performance assessed against?	Specific market indices used as performance benchmark (hurdle rate) <sup>4</sup>	Performance fee amount
Private Core Income Trust	New Zealand bonds	S&P/NZX Investment Grade Corporate Bond Total Return Index.	10% of the wholesale trust's returns above the hurdle rate.
Private Global Income Trust	International bonds	Bloomberg Barclays Global Aggregate Corporate Total Return Index Hedged USD.	
Private Absolute Return Trust	New Zealand bonds	S&P/NZX Investment Grade Corporate Bond Total Return Index.	
Private Global Inflation Trust	New Zealand bonds	S&P/NZX Investment Grade Corporate Bond Total Return Index.	
Private Dividend Yield Trust	New Zealand and Australian shares	70% S&P/NZX 50 Portfolio Index Gross with Imputation 30% S&P/ASX 200 Index Total Return.	15% of the wholesale trust's returns above the hurdle rate.
Private Global Macro Trust	International shares	MSCI All Countries World Index ex Fossil Fuels Net Total Return Local Index.	

1. As a percentage of the net asset value of each Strategy. 2. The estimated annual fund charges include estimated performance fees ranging from 0.03% to 0.04% of the net asset value of each Strategy. Actual performance fees received by NZ Funds are set out in the Other Material Information document. 3. A fee rebate will apply where the total amount you have invested in the Service and other managed funds offered by NZ Funds is \$1 million or more. See page 14 for more information. 4. As the hurdle rate is based on the performance of the relevant wholesale trust, you may pay a performance fee even if the Strategy's overall performance is below the market index as reported in the Quarterly Fund Updates.

For more details on the basis of estimation, see the Other Material Information document.

### Management fee

Each Strategy is charged an annual management fee by NZ Funds for managing the Strategy. The management fee is fixed as a percentage of the gross asset value of each Strategy. It is calculated daily and paid monthly.

### Estimated service fee

This covers estimated charges for services provided to the Strategies and related wholesale trusts that the Strategies invest in, such as fund administration, custody, audit and legal fees, and the Supervisor's fees.

### External management fee

NZ Funds may employ third party investment experts to help manage the Strategy's investments. Where it does, this fee covers the estimated management and performance fees charged by these investment experts.

### Performance fee

NZ Funds may charge a performance fee in certain wholesale trusts that the Strategies invest in.

All performance fees are based on a hurdle rate of return. The hurdle rate is the minimum return the wholesale trust must achieve before a performance fee is charged. A performance fee is only charged (accrued) if the returns of the wholesale trust (before tax, but including imputation credits, if applicable) exceed the performance of the relevant specific market index (hurdle rate) set out in the table below.

When we calculate the performance fee, we include a notional management fee which has the effect of increasing the level of return the wholesale trust must achieve before a performance fee is charged.

All performance fees are calculated and accrued daily, and subject to the high-water mark being exceeded (see below), are payable on or after 31 March each year. There is no maximum limit on any performance fee.

The table below sets out the wholesale trusts where a performance fee may be charged and the criteria that needs to be met for a performance fee to be charged. Further details on which wholesale trust each Strategy invests in is available in the Other Material Information document.

## High-water mark

A performance fee is accrued if the wholesale trust's return exceeds the hurdle rate but is only paid for a performance year if the wholesale trust's unit price exceeds the high-water mark (being the unit price the last time performance fee was paid or in the case of the first performance fee, the unit price on the date the performance fee came in to effect).

If the high-water mark is not exceeded at 31 March, any accrued performance fee is carried forward and will be paid when the high-water mark is exceeded. The high-water mark ensures that any accrued performance fee is not paid to NZ Funds until the unit price is above the last high-water mark.

## Changing the performance fee

NZ Funds may change the rate and basis of calculation of a performance fee at any time by giving one month's notice to investors.

For more information on the performance fee, including an example of how it is calculated, see the Other Material Information document.

## Fee rebate

A fee rebate will apply if the total amount you have invested in the Service and other managed funds offered by NZ Funds is \$1 million or more. The fee rebate is calculated daily based on the balance of your investment and paid monthly. The effect of the fee rebate is illustrated in the table on page 13.

In addition to the fee rebate, we may in our discretion and from our own funds, pay or rebate some or all of the fees and expenses described in this section.

For more information on fees and the fee rebate, see the Other Material Information document.

## Individual action fees

NZ Funds does not charge any establishment, contribution, termination, withdrawal, switch or transfer fees. This is a key feature of the Service.

With your agreement, your financial advice provider may charge a fee for ongoing financial advice. If charged, this will be deducted from your account balance and paid to your financial advice provider.

NZ Funds' Private Wealth financial advice providers will not charge an ongoing advice fee that exceeds 1.00% per annum (0.70% per annum for accounts over \$1,000,000) of the value of your investment. NZ Funds will not facilitate the deduction of an ongoing advice fee that exceeds these amounts for other financial advice providers.

NZ Funds' Private Wealth financial advice providers do not charge a transfer advice fee.

Other financial advice providers may, with your agreement, charge a transfer advice fee. NZ Funds will not facilitate the deduction of a transfer advice fee for other financial advice providers.

If you are transferring from a UK defined benefit pension scheme where the transfer value is more than £30,000, you are required to obtain UK financial advice before you transfer. The fee for this UK advice should be agreed between you and your financial advice provider before your pension is transferred and will be deducted from your transfer amount before your money is invested in the Service.

## Example of how fees apply to an investor

*Sarah invests \$10,000 in the Growth Strategy. She is not charged an establishment fee or a contribution fee. This means the starting value of her investment is \$10,000.*

*She is charged management and administration fees (comprising management fee, service fee and external management fee) which work out to about \$161 (1.61% of \$10,000). These fees might be more or less if her account balance has increased or decreased over the year.*

*Sarah may also be indirectly charged a performance fee if the Private Dividend Yield Trust and Private Global Macro Trust (wholesale trusts in which the Growth Strategy is invested) earned more than their target.*

*Estimated total fees for the first year: Fund charges \$165\*  
\*Includes an estimated performance fee of \$4.*

*See the latest fund update for an example of the actual returns and fees investors were charged over the past year.*

*This example applies only to the Growth Strategy. If you are considering investing in other investment options in the Service, this example may not be representative of the actual fees you may be charged.*

## Onboarding and service payments

NZ Funds may pay an external financial advice provider an onboarding and ongoing service payment in recognition of the effort and costs associated with providing services to you. These payments are made out of the revenue earned by NZ Funds for managing the Scheme and are not deducted from the Strategies directly.

## Additional information

### GST

Fees do not include GST or other similar tax. This means that if any GST, or other similar tax, is payable on any fee, that tax will be an additional cost.

### The fees can be changed

Under the terms of the Trust Deed, existing fees may be changed or new fees introduced. For more information, see the Other Material Information document.

NZ Funds must publish a Quarterly Fund Update for each investment option showing the fees actually charged during the most recent year. Quarterly Fund Updates including past updates, are available at [www.nzfunds.co.nz](http://www.nzfunds.co.nz).

## 6. What taxes will you pay?

The Service is a Portfolio Investment Entity (PIE). The amount of tax you pay is based on your prescribed investor rate (PIR). To determine your PIR, go to [www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates](http://www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates). If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue.

It is your responsibility to tell NZ Funds your PIR when you invest or if your PIR changes. If you do not tell NZ Funds, a default rate may be applied.

If the rate applied to your PIE income is lower than your correct PIR you will be required to pay any tax shortfall as part of the income tax year-end process. If the rate applied to your PIE income is higher than your PIR any tax over-withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount may be refunded to you. For more information on tax see the Other Material Information document.

## 7. Who is involved?

### About NZ Funds

NZ Funds is the manager of the Service. NZ Funds makes decisions about what assets the Strategies invest in and may appoint external managers. NZ Funds is also responsible for the design of Life Cycle. Our contact details are:

Attention: Client Services  
New Zealand Funds Management Limited

Level 16, 21 Queen Street  
Private Bag 92163  
Auckland 1142

T. 09 377 2277 or 0800 377 2277  
E. [info@nzfunds.co.nz](mailto:info@nzfunds.co.nz)  
W. [www.nzfunds.co.nz](http://www.nzfunds.co.nz)

### Who else is involved?

Title	Name	Role
Supervisor and Custodian	The New Zealand Guardian Trust Company Limited	Supervisor and Custodian of the Service under the Financial Markets Conduct Act 2013, responsible for supervising NZ Funds as manager of the Service and holding scheme property on trust for the Service.

## 8. How to complain

### NZ Funds

If you have any concerns about your investment please contact NZ Funds. Our contact details are:

Attention: Client Services  
New Zealand Funds Management Limited

Level 16, 21 Queen Street  
Private Bag 92163  
Auckland 1142

T. 09 377 2277 or 0800 377 2277  
E. [info@nzfunds.co.nz](mailto:info@nzfunds.co.nz)  
W. [www.nzfunds.co.nz](http://www.nzfunds.co.nz)

### Guardian Trust

Complaints can also be made to the Supervisor. The Supervisor's contact details are:

Attention: NZ Funds Relationship Manager  
The New Zealand Guardian Trust Company Limited

Level 14, 191 Queen Street  
PO Box 274  
Auckland 1140

T. 09 909 5100  
E. [ct-auckland@nzgt.co.nz](mailto:ct-auckland@nzgt.co.nz)  
W. [www.guardiantrust.co.nz](http://www.guardiantrust.co.nz)

### Dispute resolution

NZ Funds and the Supervisor are both members of an approved dispute resolution scheme run by Financial Services Complaints Limited (FSCL). If your complaint has not been resolved to your satisfaction, you can contact FSCL. FSCL will not charge you a fee to investigate or resolve a complaint.

Attention: New Zealand Funds Management Limited  
Financial Services Complaints Limited

PO Box 5967  
Wellington 6140

T. 04 472 3725 or 0800 347 257  
E. [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)  
W. [www.fscl.org.nz](http://www.fscl.org.nz)

## 9. Where you can find more information

More information about the Service and the Strategies, such as financial statements, annual reports, Quarterly Fund Updates, the Other Material Information document, the Trust Deed and the SIPO is available on the offer register and the scheme register at [disclose-register.companiesoffice.govt.nz](http://disclose-register.companiesoffice.govt.nz).

A copy of information on the offer register and the scheme register is available on request from the Registrar of Financial Service Providers.

Quarterly Fund Updates and other information relating to the Strategies (including the Other Material Information document and the SIPO) are also available on our website.

You may request a copy of this information from NZ Funds free of charge. Our contact details are set out in section 7 of this PDS 'Who is involved?'

## 10. How to apply

You can apply to join the Service by completing an application form at the back of this PDS or by applying online at [www.nzfunds.co.nz](http://www.nzfunds.co.nz).

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# Application Form - Superannuation Class

NZ Funds Managed Superannuation Service Product Disclosure Statement dated 3 December 2021.

Use this application form if you wish to join the Service and transfer funds from another New Zealand superannuation scheme or make lump-sum or regular contributions to the Service. If you wish to transfer UK pension funds, you will need to complete the ROPS Class application form.

Return to Freepost NZ Funds Managed Superannuation Service, Private Bag 92226, Victoria Street West, Auckland 1142, or by email to [registry@nzfunds.co.nz](mailto:registry@nzfunds.co.nz).

## 1 | Applicant details

**Name**

Title	First name	Middle name(s)	Surname
[Input field]			

**Date of birth**

Day	Month	Year	Country of birth
[Input]	[Input]	[Input]	[Input]

**Occupation**

[Input field]

**Residential address (not PO box)**

Street  
[Input field]

Suburb	Town / City	Postcode
[Input]	[Input]	[Input]

**Postal address (if different)**

Street/PO box  
[Input field]

Suburb	Town / City	Postcode
[Input]	[Input]	[Input]

**Phone number(s)**

Mobile	Home	Business
[Input]	( )	( )

**Email**

If you supply an email address, we will send you information relating to your investment by electronic means. We suggest using your personal rather than work email address as this is less likely to change over time.  No email

[Input field]

[Input field]

**Are you a New Zealand tax resident?**

Yes  No If Yes, please provide your IRD number.

Your IRD number must be provided before we can accept your investment.

**Are you a tax resident of any other country?**

Yes  No If Yes, please provide the country and Tax Identification Number (TIN)\*.

Countries of tax residence	Tax Identification Number (TIN)*	Reason
[Input]	[Input]	[Input]
[Input]	[Input]	[Input]

\* If a TIN is unavailable, please provide the appropriate reason A, B or C.

**A** – Country does not issue TINs. **B** – I have not been issued with a TIN. **C** – Country does not require TIN collection.

Continued over...

### Prescribed Investor Rate (PIR)

You must select a PIR for this investment. The amount of tax you pay on your NZ Funds Managed Superannuation Service investment is based on your PIR.

To determine your PIR, go to [www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates](http://www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates). If a rate is not selected, the default rate of 28% will apply. See section 6 of the Product Disclosure Statement 'What taxes will you pay?' for more information.

PIR (select one)

- 10.5%    17.5%    28%

## 2 | Payment options (Please select one or more)

I wish to make a lump sum contribution of  by direct credit.

Please make any direct credits to **NZ Guardian Trust - NZ Funds Managed Superannuation Service (03-0104-0122344-000)**. Please include your surname in the payee particulars.

I wish to make regular contributions (please complete the Direct Debit Form at the back of this PDS).

I wish to transfer from another superannuation scheme (please complete an 'Authority to transfer' form available from our website at [www.nzfunds.co.nz](http://www.nzfunds.co.nz)).

Name of the superannuation provider

Name of the superannuation scheme

Current scheme member number

Transfer entire balance of my superannuation scheme account **OR** Transfer amount

## 3 | Investment options (Please select one only)

LifeCycle - Under the LifeCycle option, your investment is automatically allocated across the Income, Inflation and Growth Strategies each year based on your age.

**OR**

SelfSelect - I wish to choose my own Strategy allocations as follows:

	% allocation
Income Strategy	<input type="text"/>
Inflation Strategy	<input type="text"/>
Growth Strategy	<input type="text"/>
<b>Total</b>	100%

Any additional lump sum or regular contributions will be allocated per LifeCycle or SelfSelect as selected above. If you wish to change your allocation or switch between LifeCycle and SelfSelect, you may do so by completing a Switch Form available from our website at [www.nzfunds.co.nz](http://www.nzfunds.co.nz).

Continued over...

### Nature and purpose of this investment

Nature of the investment  Initial lump sum only  Lump sums  Regular contributions  Lump sums and regular contributions

Purpose of the investment  Pre-retirement, saving for retirement  Post-retirement, income in retirement  Wealth accumulation

Other (please explain)

## 4 | Terms and Conditions

By signing this Application Form, I confirm that:

- All details provided in this Application Form are correct.
- I have received, read and understood the Product Disclosure Statement (PDS) dated 3 December 2021 to which this Application Form was attached. I understand that additional information about the NZ Funds Managed Superannuation Service is available on the online register entry at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).
- I agree to be bound by the terms and conditions contained in the PDS (including this Application Form), the Trust Deed (as amended from time to time) and the online register entry.
- I understand that personal information provided in this Application Form and any personal information provided by me in the future will be used by NZ Funds and the Supervisor, and any related companies of these parties, together with my financial adviser, for administering the investment, including satisfying the requirements of the AML/CFT Act (this may include using my personal information for the purpose of electronic identity verification using various third party databases including the Department of Internal Affairs database). I understand my personal information may also be shared with relevant authorities including Inland Revenue. NZ Funds may also use my personal information to provide me with information about other products and services. I acknowledge that I have the right to access and correct this information.
- I authorise NZ Funds to disclose personal information to the Financial Markets Authority as may be required from time to time under the Financial Markets Conduct Act 2013 or any other law.
- I agree to inform NZ Funds of any changes of tax residency status that apply to me within 30 days of the change.
- If I am a member of another superannuation or other retirement savings scheme (and have chosen to transfer my benefit from that scheme to the Service), I agree to the transfer of my interest in the other scheme to the Service and authorise the manager and/or the supervisor of my current scheme to provide NZ Funds and the Supervisor with any personal information needed to complete the transfer.
- I consent to NZ Funds communicating with me, and providing me with information, by electronic means (i.e. by email or SMS/txt messages, as provided by me, and/or by providing me with a URL link, or with information through an electronic facility). These communications may include, but not be limited to, general correspondence, investment updates, and legally required communications or documents (including annual reports, annual member statements (confirmation information), and annual tax statements).
- I authorise NZ Funds to deduct units from my holding in the Service to fund any advice fees as agreed with my financial adviser.
- I confirm my selected PIR is correct.
- **I understand the value of my investment in the Service can rise and fall depending on market conditions and other circumstances prevailing at the time, and that there is no promise or guarantee made by any person as to the performance of any investment or the return of any funds invested.**

### Applicant signature

Signature

Day

Month

Year

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### Important

- The AML/CFT Act 2009 requires verification of identity of the applicant. Please ensure the relevant identity information on the following pages is completed in full.

Continued over...

## 5 | Identity verification

NZ Funds is required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act) to collect identity and address information on its clients.

All new clients must complete identity and address verification and provide the appropriate documents.

Existing clients may be required to complete identity and address verification or update their identity documents. NZ Funds or your financial adviser will advise if this is required.

### There are **three options** to complete identity verification:

Please tick option selected.

#### Option 1

##### Electronic identity verification by your financial adviser

- You do not need to complete section 5.
- Your financial adviser will need to attach a completed Electronic Verification Certificate.

#### Option 2

##### Documents verified face-to-face by your financial adviser or an NZ Funds employee\*

- Please complete section 5A and take your original documents along to your financial adviser or an NZ Funds office to have section 5C(i) completed.

#### Option 3

##### Documents certified face-to-face by a Trusted Referee\*\*

AND

##### Verified by your financial adviser or an NZ Funds employee\*

- Please complete section 5A and take your original documents along to a Trusted Referee to certify your documents and complete section 5B.
- Please send the original certified copies to your financial adviser who will verify these and complete section 5C(ii). If you do not have a financial adviser, please send your form and original certified copies to: New Zealand Funds Management Limited, Private Bag 92226, Auckland, 1142.

\* To complete verification, the adviser, employee or other authorised person must be listed on the NZ Funds 'Register of Individuals Authorised to Perform CDD'.

\*\* A **Trusted Referee** must be either a Justice of the Peace, a Lawyer, a Notary Public, a Chartered Accountant, a Registered medical doctor or a Registered teacher. A Trustee Referee cannot:

- Be your spouse or partner;
- Be related to you;
- Live at the same address as you; **or**
- Be involved in the transaction or business requiring certification.

Where documents are being certified outside of New Zealand, your Trusted Referee must be a person who is authorised to take statutory declarations under the laws of the country, state or territory where the documents are being certified.

#### Important

- Document certification by a Trusted Referee must occur no earlier than three months prior to the date of presentation.
- Please ensure certified copies of the original documents are attached to this form.
- Where an individual is unable to supply documents as required, please contact NZ Funds on **0508 733 337** or via email at [clientservices@nzfunds.co.nz](mailto:clientservices@nzfunds.co.nz).

Continued over...

## 5A | Documentary identity verification

### Identity verification

To verify your identity, select ONE of the ID combinations and tick which document(s) you are providing below:

#### ID Combination 1

- Passport **OR**  
 NZ firearms licence

#### ID Combination 2

- NZ driver licence  
 And **ONE** of the documents listed below:  
 Credit, debit or eftpos card  
 (including name and signature)  
 Bank statement  
 Government agency document  
 (e.g. IRD correspondence)

#### ID Combination 3

- NZ driver licence **OR**  
 18+ /Kiwi Access card  
 And **ONE** of the documents listed below:  
 Full birth certificate  
 Citizenship certificate

### Residential address verification

To verify your residential address, select ONE of the options below. This document must be no more than six months old.

- Bank or financial institution statement  
 Utility document (e.g. electricity, gas, water, landline telephone or Sky TV)  
 Rates or house insurance document  
 Government agency document (e.g. IRD correspondence)

Digital (PDF) versions of utility and house insurance documents are acceptable if they show you to be responsible for a fixed non-movable service at the address. Digital (PDF) versions of bank statements and Government agency documents can be used for both identity and address verification.

## 5B | Certification by a Trusted Referee

This section is to be completed if documents are not being verified face-to-face by your financial adviser or an NZ Funds employee.

Name  
 I  confirm that

- I have seen the original documents selected above, each of which represents the identity (i.e. name, date of birth and residential address) of the applicant.
- I have signed copies of those documents and attached these to this form.
- The copies of those documents attached are true copies of the original documents of the applicant seen by me today.
- I am a (tick **ONE** of the following):

- Justice of the Peace  
 Lawyer  
 Notary Public  
 Chartered Accountant  
 Registered medical doctor  
 Registered teacher

Signature of Trusted Referee

Day Month Year

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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## 5C | Verification by your financial adviser or an NZ Funds employee\*

This section must be completed.

### 5C(i) Documents verified face-to-face

- I have met the applicant face-to-face and have seen the original documents selected, each of which represents the identity (i.e. name, date of birth and residential address) of the applicant, in accordance with the AML/CFT Act. Copies of the selected documents are attached to this form.  
**OR**

### 5C(ii) Documents certified by Trusted Referee

- I have verified the documents which have been certified by a Trusted Referee and have verified the identity information of the applicant in accordance with the AML/CFT Act. Copies of the certified documents are attached to this form.

### Signature

Name of financial adviser / NZ Funds employee\*

Signature of financial adviser / NZ Funds employee\*

Day Month Year

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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\*To complete verification, the adviser, employee or other authorised person must be listed on NZ Funds 'Register of Individuals Authorised to Perform CDD'.

Continued over...

## Adviser use only

### Adviser fees (in accordance with written client agreement)

Ongoing advice fee of  % p.a. of the aggregate amount that the Client has invested in the Strategies paid either monthly or fortnightly in arrears and deducted proportionately across the Strategies invested in.

OR

Ongoing advice fee of \$  p.a. paid in either monthly or fortnightly instalments and deducted proportionately across the Strategies invested in.

Note: Ongoing advice fee must not exceed 1.00% p.a. (0.70% p.a. for accounts over \$1,000,000) of the aggregate amount that the Client has invested in the Strategies.

### Adviser declaration

I confirm I am a financial adviser authorised to provide financial advice services in relation to this transaction and that any transfer advice fee and/or ongoing advice fee is: authorised for deduction under a written agreement with the Client; and

- The amount of the fee or fees does not exceed the amount(s) specified in the agreement with the Client; and
- I have advised the Client of these fees.

Adviser name

Adviser FSP number

Adviser company

Adviser code

Adviser signature

Day	Month	Year
<input type="text"/>	<input type="text"/>	<input type="text"/>



# Application Form - ROPS Class

NZ Funds Managed Superannuation Service Product Disclosure Statement dated 3 December 2021.

Use this application form if you wish to join the Service and transfer funds from a UK pension scheme, or UK pension funds from another QROPS or former QROPS, to the Service.

Return to Freepost NZ Funds Managed Superannuation Service, Private Bag 92226, Victoria Street West, Auckland 1142, or by email to registry@nzfunds.co.nz.

## 1 | Applicant details

**Name**

Title	First name	Middle name(s)	Surname
[Input field]			

**Date of birth**

Day	Month	Year	Country of birth
[Input]	[Input]	[Input]	[Input]

**Occupation**

[Input field]

**Residential address (not PO box)**

Street  
[Input field]

Suburb	Town / City	Postcode
[Input]	[Input]	[Input]

**Postal address (if different)**

Street/PO box  
[Input field]

Suburb	Town / City	Postcode
[Input]	[Input]	[Input]

**Phone number(s)**

Mobile	Home	Business
[Input]	( )	( )

**Email**

If you supply an email address, we will send you information relating to your investment by electronic means. We suggest using your personal rather than work email address as this is less likely to change over time.

No email

[Input field]

[Input field]

**Are you a New Zealand tax resident?**

Yes  No If Yes, please provide your IRD number.

Your IRD number must be provided before we can accept your investment.

IRD number [Input field]

**Are you a tax resident of any other country?**

Yes  No If Yes, please provide the country and Tax Identification Number (TIN)\*.

Countries of tax residence	Tax Identification Number (TIN)*	Reason
[Input field]	[Input field]	[Input field]
[Input field]	[Input field]	[Input field]

\* If a TIN is unavailable, please provide the appropriate reason A, B or C.

**A** – Country does not issue TINs. **B** – I have not been issued with a TIN. **C** – Country does not require TIN collection.

Continued over...

### Prescribed Investor Rate (PIR)

You must select a PIR for this investment. The amount of tax you pay on your NZ Funds Managed Superannuation Service investment is based on your PIR.

To determine your PIR, go to [www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates](http://www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates). If a rate is not selected, the default rate of 28% will apply. See section 6 of the Product Disclosure Statement 'What taxes will you pay?' for more information.

#### PIR (select one)

10.5%    17.5%    28%

#### UK tax details

Date ceased to be a UK tax resident

Day	Month	Year
<input type="text"/>	<input type="text"/>	<input type="text"/>

UK National Insurance number

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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## 2 | Transfer details

If you wish to transfer funds from a **UK pension scheme**, please complete **Section 2A** below.

If you wish to transfer funds from a current or former **Qualifying Recognised Overseas Pension Scheme (QROPS)**, please complete **Section 2B** below.

### 2A | Transferring from a UK pension scheme

Please complete the details of your current UK pension scheme(s) below.

If you have more than one UK pension scheme that you wish to transfer funds from, please complete for all pensions.

#### Pension one

Name of the UK pension provider

Name of the UK pension scheme

Address of the UK pension scheme

Street / PO box
<input type="text"/>

Suburb	Town / city	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>

UK pension scheme ID number

Current scheme member number

Transfer entire balance of UK scheme account\*

Estimated transfer amount\* £

\* The Service is denominated in New Zealand dollars and therefore the transfer amount will be converted from GBP into New Zealand dollars at the prevailing exchange rate.

#### Pension two (if applicable)

Name of the UK pension provider

Name of the UK pension scheme

Address of the UK pension scheme

Street / PO box
<input type="text"/>

Suburb	Town / city	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>

Continued over...



UK pension scheme ID number

Current scheme member number

Transfer entire balance of UK scheme account\*

Estimated transfer amount\*

\* The Service is denominated in New Zealand dollars and therefore the transfer amount will be converted from GBP into New Zealand dollars at the prevailing exchange rate.

## 2B | Transferring from a QROPS

Please complete details of your current QROPS provider and transfer amount.

Name of the QROPS provider

Name of the QROPS

Address of the QROPS

Suburb  City  Postcode

QROPS number 

Q	R	O	P	S										
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Current scheme member number

Transfer entire balance of QROPS account  Estimated transfer amount

## 3 | Investment options (Please select one only)

LifeCycle - Under the LifeCycle option, your investment is automatically allocated across the Income Strategy, Inflation Strategy and Growth Strategy each year based on your age.

OR

SelfSelect - I wish to choose my own Strategy allocations as follows:

	% allocation
Income Strategy - British Pounds	<input type="text"/>
Growth Strategy - British Pounds	<input type="text"/>
Income Strategy	<input type="text"/>
Inflation Strategy	<input type="text"/>
Growth Strategy	<input type="text"/>
<b>Total</b>	100%

Any transfers will be allocated per LifeCycle or SelfSelect as selected above.

If you wish to change your allocation or switch between LifeCycle and SelfSelect, please complete a Switch Form available from our website at [www.nzfunds.co.nz](http://www.nzfunds.co.nz).

### Purpose of this investment

Pre-retirement, saving for retirement  Post-retirement, income in retirement  Wealth accumulation

Other (please explain)

Continued over...

## 4 | Terms and Conditions

By signing this Application Form, I confirm that:

- All details provided in this Application Form are correct.
- I have received, read and understood the Product Disclosure Statement (PDS) dated 3 December 2021 to which this Application Form was attached. I understand that additional information about the NZ Funds Managed Superannuation Service (Service) is available on the online register entry at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).
- I agree to be bound by the terms and conditions contained in the PDS (including this Application Form), the Trust Deed (as amended from time to time) and the online register entry.
- I understand that personal information provided in this Application Form and any personal information provided by me in the future will be used by NZ Funds and the Supervisor, and any related companies of these parties, together with my financial adviser, for administering the investment, including satisfying the requirements of the AML/CFT Act (this may include using my personal information for the purpose of electronic identity verification using various third party databases including the Department of Internal Affairs database). I understand my personal information may also be shared with relevant authorities including Inland Revenue. NZ Funds may also use my personal information to provide me with information about other products and services. I acknowledge that I have the right to access and correct this information.
- I authorise NZ Funds to disclose personal information to the Financial Markets Authority as may be required from time to time under the Financial Markets Conduct Act 2013 or any other law.
- I agree to inform NZ Funds of any changes of tax residency status that apply to me within 30 days of the change.
- I consent to NZ Funds communicating with me, and providing me with information, by electronic means (i.e. by email or SMS/txt messages, as provided by me, and/or by providing me with a URL link, or with information through an electronic facility). These communications may include, but not be limited to, general correspondence, investment updates, and legally required communications or documents (including annual reports, annual member statements (confirmation information), and annual tax statements).
- I acknowledge that NZ Funds has recommended I seek professional tax advice if I intend transferring funds directly from a UK pension scheme to the Service.
- I acknowledge that if I am transferring funds direct from a UK pension scheme or any other foreign superannuation scheme to the Service, I may be liable to pay tax in New Zealand or the UK and that neither NZ Funds nor the Supervisor takes any responsibility for any tax consequences that may arise as a result of a transfer to, or withdrawal or transfer from, the Service.
- I understand that any UK pension funds transferred to the Service will be invested in the ROPS Class and will only be available for withdrawal in accordance with the UK Pension Rules.
- Where my interest in any UK pension scheme contains a guaranteed minimum entitlement or other protected rights, I understand that the Service does not provide the same degree of protection that would have applied to my investment had it remained in the UK pension scheme and that I will forfeit all protection associated with any protected rights funds that are transferred.
- I understand that my UK pension scheme provider or existing QROPS (as applicable) may charge me a fee for the transfer of my UK pension funds to the Service, and that this fee may be deducted by such provider from the funds being transferred. I understand that if I am transferring funds direct from a UK pension scheme (or from another QROPS denominated in GBP) then my funds will be converted from GBP to NZ dollars and the currency risk of this conversion is entirely my own.
- I acknowledge I may be liable to pay a UK overseas transfer charge if my circumstances change within the first five complete UK tax years following receipt of the transfer amount from the UK pension scheme. I agree to indemnify NZ Funds from any such charge. I acknowledge that NZ Funds may be required to deduct the charge from my investment in the Service and pay it to HMRC on my behalf.
- I agree to provide all information requested by NZ Funds in relation to any subsequent transfer or payment of my UK pension funds out of the Service and acknowledge that a failure to provide such information could result in the UK overseas transfer charge applying to the transfer.
- I understand that any withdrawals or transfers of UK pension funds from the Service may result in an unauthorised payment charge and an unauthorised payments surcharge under UK law. These unauthorised payment charges may be significant.
- I irrevocably agree to provide NZ Funds and/or the Supervisor with all information it requests to enable it to report to HMRC and I irrevocably authorise NZ Funds to provide any personal and other information about me and my membership in the Service to HMRC.
- I authorise NZ Funds to deduct units from my holding in the Service to fund any advice fees as agreed with my financial adviser.
- I confirm my selected PIR is correct.
- **I understand the value of my investment in the Service can rise and fall depending on market conditions and other circumstances prevailing at the time, and that there is no promise or guarantee made by any person as to the performance of any investment or the return of any funds invested.**

### Applicant signature

Signature

Day

Month

Year

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### Important

- The AML/CFT Act 2009 requires verification of identity of the applicant. Please ensure the relevant identity information on the following pages is completed in full.

Continued over...

## 5 | Identity verification

NZ Funds is required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act) to collect identity and address information on its clients.

All new clients must complete identity and address verification and provide the appropriate documents.

Existing clients may be required to complete identity and address verification or update their identity documents. NZ Funds or your financial adviser will advise if this is required.

### There are **three options** to complete identity verification:

Please tick option selected.

#### Option 1

##### **Electronic identity verification by your financial adviser**

- You do not need to complete section 5.
- Your financial adviser will need to attach a completed Electronic Verification Certificate.

#### Option 2

##### **Documents verified face-to-face by your financial adviser or an NZ Funds employee\***

- Please complete section 5A and take your original documents along to your financial adviser or an NZ Funds office to have section 5C(i) completed.

#### Option 3

##### **Documents certified face-to-face by a Trusted Referee\*\***

**AND**

##### **Verified by your financial adviser or an NZ Funds employee\***

- Please complete section 5A and take your original documents along to a Trusted Referee to certify your documents and complete section 5B.
- Please send the original certified copies to your financial adviser who will verify these and complete section 5C(ii). If you do not have a financial adviser, please send your form and original certified copies to: New Zealand Funds Management Limited, Private Bag 92226, Auckland, 1142.

\* To complete verification, the adviser, employee or other authorised person must be listed on the NZ Funds 'Register of Individuals Authorised to Perform CDD'.

\*\* A **Trusted Referee** must be either a Justice of the Peace, a Lawyer, a Notary Public, a Chartered Accountant, a Registered medical doctor or a Registered teacher. A Trustee Referee cannot:

- Be your spouse or partner;
- Be related to you;
- Live at the same address as you; or
- Be involved in the transaction or business requiring certification.

Where documents are being certified outside of New Zealand, your Trusted Referee must be a person who is authorised to take statutory declarations under the laws of the country, state or territory where the documents are being certified.

#### **Important**

Document certification by a Trusted Referee must occur no earlier than three months prior to the date of presentation.

Please ensure certified copies of the original documents are attached to this form.

Where an individual is unable to supply documents as required, please contact NZ Funds on **0508 733 337** or via email at [clientservices@nzfunds.co.nz](mailto:clientservices@nzfunds.co.nz).

Continued over...

## 5A | Documentary identity verification

### Identity verification

To verify your identity, select ONE of the ID combinations and tick which document(s) you are providing below:

#### ID Combination 1

- Passport **OR**  
 NZ firearms licence

#### ID Combination 2

- NZ driver licence  
And **ONE** of the documents listed below:  
 Credit, debit or eftpos card  
(including name and signature)  
 Bank statement  
 Government agency document  
(e.g. IRD correspondence)

#### ID Combination 3

- NZ driver licence **OR**  
 18+ /Kiwi Access card  
And **ONE** of the documents listed below:  
 Full birth certificate  
 Citizenship certificate

### Residential address verification

To verify your residential address, select ONE of the options below. This document must be no more than six months old.

- Bank or financial institution statement  
 Rates or house insurance document  
 Utility document (e.g. electricity, gas, water, landline telephone or Sky TV)  
 Government agency document (e.g. IRD correspondence)

Digital (PDF) versions of utility and house insurance documents are acceptable if they show you to be responsible for a fixed non-movable service at the address. Digital (PDF) versions of bank statements and Government agency documents can be used for both identity and address verification.

## 5B | Certification by a Trusted Referee

This section is to be completed if documents are not being verified face-to-face by your financial adviser or an NZ Funds employee.

Name

I  confirm that

- I have seen the original documents selected above, each of which represents the identity (i.e. name, date of birth and residential address) of the applicant.
- I have signed copies of those documents and attached these to this form.
- The copies of those documents attached are true copies of the original documents of the applicant seen by me today.
- I am a (tick **ONE** of the following):

- Justice of the Peace  
 Notary Public  
 Registered medical doctor  
 Lawyer  
 Chartered Accountant  
 Registered teacher

Signature of Trusted Referee

Day      Month      Year

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## 5C | Verification by your financial adviser or an NZ Funds employee\*

This section must be completed.

### 5C(i) Documents verified face-to-face

- I have met the applicant face-to-face and have seen the original documents selected, each of which represents the identity (i.e. name, date of birth and residential address) of the applicant, in accordance with the AML/CFT Act. Copies of the selected documents are attached to this form.  
**OR**

### 5C(ii) Documents certified by Trusted Referee

- I have verified the documents which have been certified by a Trusted Referee and have verified the identity information of the applicant in accordance with the AML/CFT Act. Copies of the certified documents are attached to this form.

### Signature

Name of financial adviser / NZ Funds employee\*

Signature of financial adviser / NZ Funds employee\*

Day      Month      Year

--	--	--	--	--	--	--	--	--	--

\*To complete verification, the adviser, employee or other authorised person must be listed on NZ Funds 'Register of Individuals Authorised to Perform CDD'.

Continued over...

## Adviser use only

### Adviser fees (in accordance with written client agreement)

Ongoing advice fee of  % p.a. of the aggregate amount that the Client has invested in the Strategies paid either monthly or fortnightly in arrears and deducted proportionately across the Strategies invested in.

OR

Ongoing advice fee of \$  p.a. paid in either monthly or fortnightly instalments and deducted proportionately across the Strategies invested in.

Note: Ongoing advice fee must not exceed 1.00% p.a. (0.70% p.a. for accounts over \$1,000,000) of the aggregate amount that the Client has invested in the Strategies.

### Adviser declaration

I confirm I am a financial adviser authorised to provide financial advice services in relation to this transaction and that any transfer advice fee and/or ongoing advice fee is: authorised for deduction under a written agreement with the Client; and

- The amount of the fee or fees does not exceed the amount(s) specified in the agreement with the Client; and
- I have advised the Client of these fees.

Adviser name

Adviser FSP number

Adviser company

Adviser code

Adviser signature

Day

Month

Year

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# Direct Debit Form

Return to Freepost NZ Funds Managed Superannuation Service, Private Bag 92226, Victoria Street West, Auckland 1142, or by email to registry@nzfunds.co.nz.

## NZ Funds Client Details

### NZ Funds Managed Superannuation Service member name

Title	First name	Middle name(s)	Surname
[Empty text box]			

NZ Funds client number	IRD number
[Empty boxes]	[Empty boxes]

I/we authorise you until further notice in writing to debit my/our account with \$ [Empty box] to be deducted

Weekly
  Fortnightly
  Monthly
  Quarterly
  Annually

## Bank Details

Bank account name to be debited

[Empty text box]

Name of my/our bank

[Empty text box]

Bank	Branch	Account number	Suffix
[Empty boxes]	[Empty boxes]	[Empty boxes]	[Empty boxes]

**Authority to accept direct debits**  
(Not to operate as an assignment or agreement)

**Authorisation code**

0	3	1	8	0	0	8
---	---	---	---	---	---	---

Approved	
2227	06/16

From the acceptor to [Empty box] (my/our bank):

Name of acceptor's bank

I/we authorise you to debit my/our account with the amounts of direct debits from NZ Funds Management Limited with the authorisation code specified on this authority in accordance with this authority until further notice.

I/we agree that this authority is subject to:

- The bank's terms and conditions that relate to my/our account, and
- The specific terms and conditions listed over.

### Information to appear on my/our bank statement

Payer Particulars

N	Z	F	M	N	G	D	S	U	P	E	R
---	---	---	---	---	---	---	---	---	---	---	---

## Signature(s)

Signature

[Empty text box]

Day	Month	Year
[Empty boxes]	[Empty boxes]	[Empty boxes]

Signature

[Empty text box]

Day	Month	Year
[Empty boxes]	[Empty boxes]	[Empty boxes]

Continued over...

## Specific conditions relating to notices and disputes

I may ask my bank to reverse a direct debit up to 120 calendar days after the debit if:

- I don't receive a written notice of the amount and date of each direct debit from the initiator, or
- I receive a written notice but the amount or the date of debiting is different from the amount or the date specified on the notice.

The initiator is required to give a written notice of the amount and date of each direct debit in a series of direct debits no less than 10 calendar days before the date of the first direct debit in the series. The notice is to include:

- the dates of the debits, and
- the amount of each direct debit.

If the bank dishonours a direct debit but the initiator sends the direct debit again within 5 business days of the dishonour, the initiator is not required to give you a second notice of the amount and date of the direct debit.

If the initiator proposes to change an amount or date of a direct debit specified in the notice, the initiator is required to give you notice:

- no less than 30 calendar days before the change, or
- if the initiator's bank agrees, no less than 10 calendar days before the change.



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## Our investment approach

The NZ Funds Managed Superannuation Service is designed to enable members to accumulate wealth for their retirement.

The Service aims to maximise the growth of members' balances over the long term. To achieve this goal, we use a unique active investment approach.

We build portfolios with significant allocations to shares and bonds (like other managers do) but then add, at times significant, exposures to additional asset classes such as derivatives, options, commodities, hedge funds, digital assets and other alternative assets, to seek to enhance gains or limit losses.

Our use of derivatives and options also creates 'leverage' by effectively allowing us to invest more money than has been invested with us (like borrowing).

This means any gains on your investment are increased by the gains on those derivatives and options, and any losses on your investment are also increased by the losses on those derivatives and options.

As a result, an investment in the NZ Funds Managed Superannuation Service has particular risks associated with NZ Funds active investment approach. Members have the potential for greater gains – and losses – than members of other schemes.

We have developed internal investment guidelines which assist in the oversight of each Strategy. These guidelines are designed to help ensure that each Strategy invests in accordance with its investment objective and timeframe. The internal investment guidelines set out indicative ranges within which a Strategy will usually (but not always) invest in each authorised asset class.

Before you join, NZ Funds recommends you speak to your financial advice provider about whether the NZ Funds Managed Superannuation Service is right for you.



**New Zealand Funds  
Management Limited**

Level 16, 21 Queen Street  
Private Bag 92163, Auckland 1142  
New Zealand

T. 09 377 2277  
E. [info@nzfunds.co.nz](mailto:info@nzfunds.co.nz)  
W. [www.nzfunds.co.nz](http://www.nzfunds.co.nz)

**Auckland  
Wellington  
Christchurch  
Timaru  
Dunedin  
Invercargill**