



# GMI SUPERANNUATION SCHEME

# PRODUCT DISCLOSURE STATEMENT

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OFFER OF MEMBERSHIP OF THE GMI SUPERANNUATION SCHEME

2 SEPTEMBER 2016

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 [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose). Gareth Morgan Investments Limited Partnership has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.

**ISSUED BY GARETH MORGAN INVESTMENTS LIMITED PARTNERSHIP**



# KEY INFORMATION SUMMARY

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## WHAT IS THIS?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Gareth Morgan Investments Limited Partnership will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of Gareth Morgan Investments Limited Partnership 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.

## WHAT WILL YOUR MONEY BE INVESTED IN?

The GMI Superannuation Scheme (Scheme) offers three funds for you to invest in. You can choose one investment fund or a combination of investment funds.

These investment options are summarised below. More information about the investment objectives and strategy for each investment option is provided at section 3, 'Description of your investment options'.

See section 4, 'What are the risks of investing?' 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.sorted.org.nz/tools/investor-kickstarter](http://www.sorted.org.nz/tools/investor-kickstarter).

## OUR INVESTMENT FUNDS

### CONSERVATIVE

### BALANCED

### GROWTH

#### BRIEF DESCRIPTION AND INVESTMENT OBJECTIVES

Invested up to 20% in shares and other growth assets with the remainder invested in cash and fixed interest assets.

Its objective is to exceed the returns you would receive from investing 85% of your funds in New Zealand fixed interest assets and cash, and 15% in global shares.

Invested up to 70% in shares and other growth assets, with the remainder in cash and fixed interest assets.

Its objective is to exceed the returns you would receive from investing 45% of your funds in New Zealand fixed interest assets and cash, and 55% in global shares.

Invested up to 100% in shares and other growth assets, but will usually have some invested in fixed interest and cash assets.

Its objective is to exceed the returns you would receive from investing 85% of your funds in global shares and 15% of your funds in New Zealand fixed interest assets and cash.

#### RISK INDICATOR

LOWER RISK | HIGHER RISK



Potentially Lower Return | Potentially Higher Return

ESTIMATED ANNUAL FUND CHARGES:

**1.53% P.A.\*^**

LOWER RISK | HIGHER RISK



Potentially Lower Return | Potentially Higher Return

ESTIMATED ANNUAL FUND CHARGES:

**1.58% P.A.\*^**

LOWER RISK | HIGHER RISK



Potentially Lower Return | Potentially Higher Return

ESTIMATED ANNUAL FUND CHARGES:

**1.63% P.A.\*^**

\* A minimum fee of \$120 per year for each fund applies to the annual management fee component of the annual fund charges. If you invest in more than one investment fund, this minimum applies pro-rata across those investment funds. The minimum fee means that if you have a small account balance your charges will be higher than shown above.

^ Different fees may also apply if you join a plan established by your employer within the Scheme (Plan). Any different fees are set out in the supplement for your Plan (Supplement) which would have been given to you with this PDS.

## WHO MANAGES THE GMI SUPERANNUATION SCHEME?

Gareth Morgan Investments Limited Partnership ('we', 'our', or 'us') is the manager of the Scheme. See section 7, 'Who is involved?' for more information.

## HOW CAN YOU GET YOUR MONEY OUT?

When you can get your money out of the Scheme will depend on whether you are an Employer Member or a Personal Member – see pages 8-13.

EMPLOYER MEMBERS	PERSONAL MEMBERS
<p>You can get your money out when you reach:</p> <ul style="list-style-type: none"><li>• 55, as long as you've been a member of the Scheme for at least five years; or</li><li>• any other date after your 55th birthday set out in your Supplement or that we agree to.</li></ul> <p>If we agree, you may be able to withdraw part or all of your savings from age 55 even if you don't qualify for a withdrawal as set out above.</p> <p>You may also be able to withdraw some or all of your money earlier in other limited circumstances, including redundancy, resignation, significant financial hardship, and total or permanent disablement.</p> <p>Different conditions for withdrawals may apply to your Plan, as set out in any Supplement given to you with this Product Disclosure Statement (PDS).</p>	<p>You can generally get your money out when you are 65, or when you are 60 if Public Trust is satisfied that you have permanently retired.</p> <p>You might be able to withdraw some or all of your money earlier in limited circumstances, including on transition to retirement from age 55, significant financial hardship, and serious illness.</p>

Your money is also payable to your estate if you die.

Minimum amounts apply to partial withdrawals. Withdrawals will be processed in accordance with our monthly investment cycle, although they can be suspended or partially restricted in some circumstances.

See section 2, 'How does this investment work?' for more information about how you can withdraw your investment.

## HOW WILL YOUR INVESTMENT BE TAXED?

The Scheme 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). This can be 10.5%, 17.5%, or 28%. See section 6 of the PDS (**What taxes will you pay?**) on page 18 for more information.

## WHERE CAN YOU FIND MORE KEY INFORMATION?

We are required to publish quarterly updates for each fund. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation). We will also give you copies of those documents on request.



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Gareth Morgan Investments Limited Partnership is the issuer and manager of the Scheme and a related entity of Kiwibank Limited (Kiwibank). Kiwibank is a distributor but not an issuer of the Scheme. Investments made in the Scheme do not represent bank deposits or other liabilities of Kiwibank or any of its related parties. Investments made in the Scheme are subject to investment and other risks, including possible delays in payment of withdrawal amounts in some circumstances, and loss of investment value. No person guarantees the repayment of members' interests in the Scheme or the payment of any earnings or returns on the investments of the Scheme.

## HOW DOES THIS INVESTMENT WORK?

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This Product Disclosure Statement (PDS) is for membership of the Scheme. The Scheme is registered under the Financial Markets Conduct Act 2013.

You may be eligible to join the Scheme as a member of the:

- a employer section of the Scheme (an Employer Member)
- b personal section of the Scheme (a Personal Member).

The personal section of the Scheme is designed to provide retirement benefits to individuals, while the employer section is designed to provide employees and contractors of certain employers with both retirement benefits and benefits on ceasing employment or engagement.

An employer can set up a Plan within the employer section of the Scheme by entering into a participation agreement (Participation Agreement) with us. The employer is referred to in this PDS as a 'Participating Employer'. The Participation Agreement sets out specific terms and conditions that apply to that Plan. If you are eligible to join as an Employer Member, you will have been given a Supplement with this PDS.

### STRUCTURE OF THE SCHEME

The Scheme is governed by a trust deed between us and Public Trust, the Scheme's supervisor. It is divided into three sections – the employer section, the personal section, and a third section that is closed to new members.

The Scheme is a managed fund. This means that your money is pooled with other members' money and invested by us. A managed fund can give you access to investments that you may not be able to access as an individual.

Members are not assigned units in the Scheme. Instead, your contributions are invested into the investment fund(s) that you have chosen and you have an interest in your share of the assets held in those investment fund(s). Each investment fund's assets are held on trust by Public Trust's appointed custodian.

Each fund is treated as a separate portfolio. This generally means all profits and losses of a fund belong to that fund. However, if the assets of a fund are insufficient to meet its liabilities then the assets of the other funds may be applied to meet those liabilities.

The Scheme is a 'defined contribution' scheme. This means that the benefits you receive depend on the contributions paid to your account, investment gains or losses, and the money deducted from your account (for example, for fees and taxes). The value of your member account will change during the lifetime of your membership.

We charge an Annual Management Fee for each investment fund, which is based on the amount you have invested in the particular fund. See page 17 for more information.



## RELATED PARTY TRANSACTIONS

We intend to invest the Scheme's funds within a managed investment scheme provided by GMI Wealth Limited, a related party of ours. For more information, see the Statement of Investment Policy and Objectives (SIPO) on the Scheme's register entry at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## JOINING THE SCHEME

### Who can join

You can join the Scheme as an Employer Member if you are an individual who:

- a is an employee or director of a Participating Employer, or who provides personal services (other than as an employee) principally to a Participating Employer; and
- b meets any additional conditions of eligibility contained in the relevant Participation Agreement. See any Supplement given to you with this PDS for any conditions of eligibility.

Any individual can join the Scheme as a Personal Member, as long as they make an initial contribution (by direct debit, cheque, or transfer from another scheme) of at least \$50.

To join the Scheme, please complete the application form at the back of this PDS or apply online at [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation). You will need to provide information that allows us to verify your identity before joining. You may seek financial advice to assist with your decision. Please visit [www.kiwiwealth.co.nz](http://www.kiwiwealth.co.nz) to find out more.

### Choosing a fund

You can choose one or a combination of the investment funds to suit your own timeframe, goals, and attitude to risk. This is called your 'investment direction'. If you choose more than one option your choice must be in multiples of 5% and must add up to 100%.

If you do not provide your investment direction you will be 100% invested in the Balanced Fund. If the investment direction you request does not add up to 100%, any unallocated portion will be invested in the Balanced Fund.



## MAKING INVESTMENTS

THE TABLE BELOW SHOWS THE WAYS YOU CAN CONTRIBUTE TO THE SCHEME:

EMPLOYER MEMBERS	PERSONAL MEMBERS	ALL MEMBERS
<p>The amount and frequency of contributions will be determined by your employer and detailed in the Supplement given to you with this PDS.</p> <p>Unless your employer's Participation Agreement provides otherwise, your employer can at any time stop, reduce, or increase contributions, or make additional contributions. Your employer may stop contributing on your behalf if you are no longer an employee or your employer ceases participating in the Scheme.</p> <p>Your contributions are paid directly to the Scheme by your employer.</p>	<p>After your initial contribution, you choose how much and how often to contribute. The minimum contribution amount per payment is \$50.</p> <p>If you and your employer agree, your employer can make contributions of any amount to your member account (even if they are not a Participating Employer).</p>	<p>You can also make additional voluntary contributions by direct debit or cheque.</p> <p>You are not required to make any voluntary contributions.</p> <p>Direct debit payments and cheques must be for at least \$50 each, unless we agree to another amount.</p> <p>The direct debit form is included at the end of this PDS. Cheques must be made out to the 'GMI Superannuation Scheme Trust' and include your full name and member number.</p>

Tax is deducted from employer contributions. Your employer may also deduct any other amounts required to be paid to any regulatory authority.

We can change the minimum and other requirements relating to Personal Member contributions and voluntary contributions from time to time. We will notify you if we make a change that affects you.

### Processing contributions

We currently operate on a monthly investment cycle. Contributions received during the month are put into the Scheme's transaction account and linked to your member account where they earn interest. The money held on your behalf in the transaction account at the end of each month is transferred to your chosen fund(s). Some cash is kept in your member account to pay your fees and taxes. Your contributions are normally invested within two weeks of the end of the month we receive them.

See 'Other material information - Contributions and transfers' on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) for more information about contributions.

## WITHDRAWING YOUR INVESTMENTS

When you can withdraw your money will depend on your membership type.

### Employer Members

Employer Members can withdraw their savings as follows, unless their employer's Participation Agreement contains different conditions. These conditions will be set out in any Supplement given to you with this PDS.

**THE TABLE BELOW SHOWS THE MAIN TYPES OF WITHDRAWALS AVAILABLE AND WHAT YOU CAN WITHDRAW, UNLESS YOUR SUPPLEMENT SPECIFIES OTHERWISE:**

WITHDRAWAL TYPE	WHAT CAN I WITHDRAW?
<p><b>Normal retirement date</b></p> <p>You reach:</p> <ul style="list-style-type: none"> <li>• age 55, as long as you've been a member of the Scheme for at least five years; or</li> <li>• any other date after your 55th birthday set out in your Supplement or that we agree to.</li> </ul> <p>You are not required to cash in your investment when you reach your normal retirement date.</p>	<p>The full value of your member account.</p>
<p><b>Early withdrawal</b></p> <p>You are 55 or older, but have not yet reached your normal retirement date, and we approve a withdrawal in our absolute discretion.</p>	<p>Up to 20% of your total member account every 12 months.</p> <p>You cannot make a withdrawal where:</p> <ul style="list-style-type: none"> <li>• we consider payment of the withdrawal may be prejudicial to any member, any contribution made, or the status or treatment of the Scheme under any law; or</li> <li>• the total amount withdrawn during a 12 month period will exceed 20% of the total value of your member account at the beginning of the period, measured as at the start of the 12 month period immediately before the withdrawal.</li> </ul>
<p><b>Redundancy or Resignation</b></p> <p>You can also remain a member and make voluntary contributions to your member account (although your employer will not be required to continue contributing).</p>	<p>The full value of your member account.</p>
<p><b>Significant financial hardship</b></p> <p>You suffer 'hardship' as defined in the trust deed.</p>	<p>Up to the full value of your member account.</p>
<p><b>Total and permanent disablement</b></p> <p>You suffer total and permanent disablement, as defined in the trust deed or Participation Agreement.</p>	<p>The full value of your member account.</p>
<p><b>Death</b></p>	<p>The full value of your member account (which will be paid to your estate).</p>

You may also withdraw if your employer changes their workplace plan to another superannuation scheme, or if they are put into liquidation or bankruptcy. If you cease to participate under your employer's Participation Agreement, but remain an employer member, different benefits will apply.

## Personal Members

Personal Members can make a withdrawal in accordance with the superannuation scheme rules set out in the Financial Markets Conduct Regulations 2014 and the trust deed.

### THE TABLE BELOW SHOWS THE MAIN TYPES OF WITHDRAWALS AVAILABLE AND WHAT YOU CAN WITHDRAW

WITHDRAWAL TYPE	WHAT CAN I WITHDRAW?
<b>End payment date</b> You reach the earlier of: <ul style="list-style-type: none"><li>• New Zealand Superannuation qualification age (currently age 65)</li><li>• age 60, as long as Public Trust is reasonably satisfied that you have permanently retired from business or employment.</li></ul>	The full value of your member account.
<b>Transition to retirement</b> Public Trust is reasonably satisfied that you have reached an age that is 10 years before the New Zealand superannuation qualification age and the withdrawals are to be made through periodic payments that relate to each other and are made over an identifiable period of time in accordance with the trust deed.	Periodic withdrawals over up to a 10 year period which are calculated in accordance with the formula set out in the superannuation scheme rules, and which should result in you having some money in your account when you reach the New Zealand superannuation qualification age.
<b>Significant financial hardship</b> You suffer 'significant financial hardship', as defined in the superannuation scheme rules.	Up to the full value of your member account.
<b>Serious illness</b> You suffer serious illness, as defined in the superannuation scheme rules.	Up to the full value of your member account.
<b>Death</b>	The full value of your member account (which will be paid to your estate).

We may also have to release some or all of your money under a Court order.

## All members

Once you reach your end payment date (for Personal Members) or normal retirement date (for Employer Members) you can withdraw all your money or you can keep your account open and set up regular withdrawals or make occasional withdrawals. A \$100 minimum applies to each regular withdrawal and a \$500 minimum applies to a one-off partial withdrawal. In addition, all withdrawals must be in \$10 multiples. We can change these amounts in the future.

You may not be able to withdraw, as a lump sum, funds that you have transferred from another superannuation scheme to the Scheme, as the withdrawal conditions from the other scheme may apply.

We operate on a monthly investment cycle. All withdrawal requests received during the month are processed as part of the next monthly investment cycle. This means that you would normally receive a payment within 35 working days of the receipt of your completed request.

You may be able to transfer your savings to another superannuation or other retirement savings scheme (such as a KiwiSaver scheme).

Subject to relevant law, we can suspend withdrawals or transfers from the Scheme or a particular investment fund for up to 90 days (or longer, if Public Trust agrees) in some circumstances, including if we in good faith determine that giving effect to withdrawals or transfers is not practicable. We will consult with the Supervisor before putting in place a suspension.

We can also, with the prior written approval of Public Trust, create a 'side-pocket' of assets of an investment fund. Side-pocketing is designed to separate a fund's illiquid assets from more liquid assets (for example, in situations where withdrawals might otherwise need to be suspended). This usually involves restricting your ability to access the part of your interest in the fund that relates to those assets (without affecting your ability to access the non-quarantined assets).

You will be informed if we ever exercise either of these powers.

See the '**Other Material Information – Withdrawals**' document on the Scheme's register entry for more information about withdrawals. See [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation) or contact us for the required forms. You will need to satisfy legal requirements and our processes before you can make a withdrawal.

## HOW TO SWITCH BETWEEN FUNDS

You can switch between investment funds at any time. If you choose more than one investment fund your choice must be in multiples of 5% and must add up to 100%. If they do not add up to 100%, the remaining percentage will be invested in the Balanced Fund.

If we determine in good faith that giving effect to switches is not practicable, we can defer giving effect to those switches.

To make a change contact us or log on at [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation). We don't charge you any fees for switches.

## DESCRIPTION OF YOUR INVESTMENT OPTIONS

This table shows details of each investment fund:

### CONSERVATIVE

### BALANCED

### GROWTH

#### SUMMARY OF INVESTMENT OBJECTIVES AND STRATEGY

Invested up to 20% in shares and other growth assets with the remainder invested in cash and fixed interest assets.

Its objective is to exceed the returns you would receive from investing 85% of your funds in New Zealand fixed interest assets and cash, and 15% in global shares.

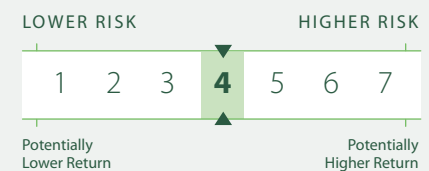
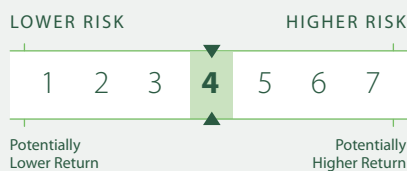
Invested up to 70% in shares and other growth assets, with the remainder in cash and fixed interest assets.

Its objective is to exceed the returns you would receive from investing 45% of your funds in New Zealand fixed interest assets and cash, and 55% in global shares.

Invested up to 100% in shares and other growth assets, but will usually have some invested in fixed interest and cash assets.

Its objective is to exceed the returns you would receive from investing 85% of your funds in global shares and 15% of your funds in New Zealand fixed interest assets and cash.

#### RISK INDICATOR



#### MINIMUM SUGGESTED INVESTMENT TIMEFRAME

##### Short (1 to 5 years)

Generally suitable for members with a short-term investment timeframe – one to five years – or those who are risk averse but can tolerate the occasional decline in the value of their member account.

##### Medium (5 to 10 years)

Generally suitable for members with a medium-term investment timeframe – five to ten years – or those who have a moderate appetite for risk and tolerance for declines in the value of their member account.

##### Long (More than 10 years)

Generally suitable for members with a longer investment timeframe – more than ten years – and who have a greater tolerance for declines in the value of their member account.

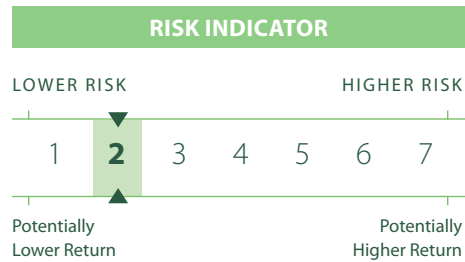
We may change the SIPO for the Scheme with the approval of Public Trust. If we change the asset allocation ranges of the funds as set out in the SIPO, we will notify you a minimum of two weeks in advance. See the Scheme's register entry or [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation) for a copy of the current SIPO. A summary of material changes to the SIPO will also be included in the Scheme's annual report.

Further information about the assets in the funds can be found in the fund updates at [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation).

## 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.



See the table on page 14 for the filled-in risk indicator for each fund.

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.sorted.org.nz/tools/investor-kickstarter](http://www.sorted.org.nz/tools/investor-kickstarter).

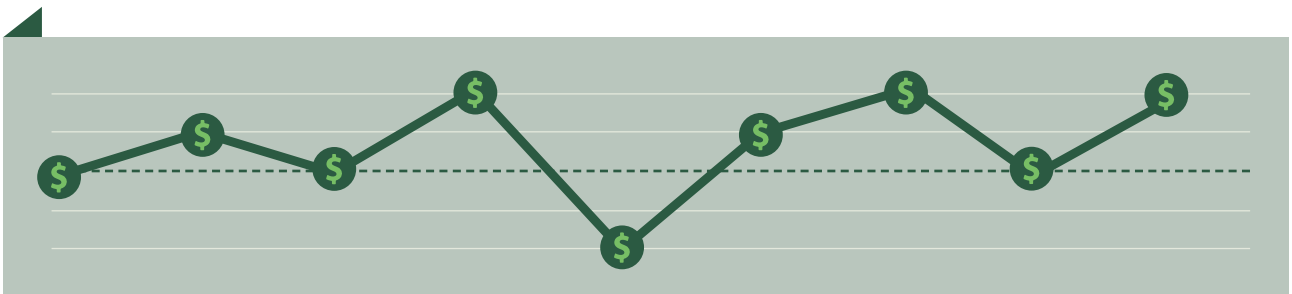
Note that even the lowest category does not mean a risk-free investment, and there are other risks (described under the heading 'Other specific risks') that are not captured by this rating.

This 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 June 2016. 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 fund update for each fund.

The period of returns used to calculate the risk category in this PDS represents a five year period for the funds and the output might be different if calculated using a longer timeframe. If the period of returns data that a risk indicator is based on was one of unusually low or high volatility the risk category presented in a PDS (or any fund update) may not reflect the fund's future volatility.

### GENERAL INVESTMENT RISKS

Some of the things that may cause a fund's value to move up and down, which affect the risk indicator, are investment return risk, market risk, company risk, credit risk, and currency risk.



## INVESTMENT RISK

## DESCRIPTION

<b>Investment return risk</b>	The possibility of your investment either losing value or not gaining value and therefore not meeting your return expectations. That is, the uncertainty that an investment will deliver its expected return.
<b>Market risk</b>	Financial markets can fluctuate significantly, affecting returns in most asset classes. You should be prepared for declines in your member account balance, especially in the short term, and particularly if you're invested in an investment fund with exposure to shares and other growth assets.
<b>Company risk</b>	The financial uncertainty faced by an investor who holds securities of a specific company and is therefore exposed to fluctuations in that company's performance.
<b>Credit risk</b>	The risk of any investment becoming insolvent and being placed into receivership, liquidation or statutory management or being otherwise unable to meet its financial obligations.
<b>Currency risk</b>	International shares and some fixed interest and cash investments are denominated in foreign currencies. Returns can be affected by movements in the value of the New Zealand dollar and the relevant foreign currencies.

## OTHER SPECIFIC RISKS

There are other factors that may impact members' returns that are not reflected in the risk indicator.

### The risks associated with active investment management

An active investment management style is used for all funds in the Scheme. Active investment management means you may get better returns than a passive approach because it can take advantage of market movements, rather than just following them, as a passive approach does. However, day-to-day decisions made about what assets to buy and sell, and the asset allocation to hold, may not work in your favour. We take steps to reduce this risk, but it cannot be eliminated.

See the 'Other material information - Risks' document on the Scheme's offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) for more information about risk.



## WHAT ARE THE FEES?

You will be charged fees for investing in the Scheme. Fees are deducted from your investment and will reduce your returns. If we invest 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 (for example, termination charges).

The Scheme's fees are as follows:

INVESTMENT FUND	ANNUAL MANAGEMENT FEE (ESTIMATE)*^	OTHER FEES (ESTIMATE)	TOTAL ESTIMATED ANNUAL FUND CHARGES*^ (AS A % OF YOUR FUND(S) BALANCE)
Conservative	1.50%	0.03%	1.53%
Balanced	1.50%	0.08%	1.58%
Growth	1.50%	0.13%	1.63%

\* Subject to the minimum described below. Actual fees will vary based on your account balance and investment direction, as set out below.

^ Different fees may apply if you join a Plan. Any different fees are set out in any Supplement given to you with this PDS.

We don't charge performance-based fees.

The fees outlined above cover the following:

FEE	WHAT IT COVERS
<b>Total Estimated Annual Fund Charges</b>	<p>This charge includes an estimated Annual Management Fee covering ongoing costs of managing and administering the Scheme including Public Trust's services, administration services, investment management services, registry and custody costs, marketing, auditing, legal, printing, and postage. The estimate is based on the fees paid by a member with a fund balance of \$10,000. The actual Annual Management Fee you are charged will depend on your account balance and the proportion of your account balance in each fund. Fees range from 0.50% to 1.50%. See the Scheme's 'Other material information – Fees' document on the offer register at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> for more information about fees. You can also calculate your estimated annual management fees at <a href="http://www.kiwiwealth.co.nz/superannuation">www.kiwiwealth.co.nz/superannuation</a>.</p> <p>The Other Fees (Estimate) is an estimate of fees charged to the investment funds by underlying funds which the Scheme invests in.</p> <p>The minimum charge for the estimated Annual Management Fee component of the annual fund charge (described above) is \$120 for all investment funds. If you invest in more than one investment fund, this minimum applies pro-rata across those investment funds. The minimum fee means that if you have a small account balance your charges will be higher than shown above.</p> <p>The estimated annual fund charges do not include trading expenses (these are the actual costs incurred in the buying and selling of assets in an investment fund, such as brokerage). These are a separate cost for each investment fund in addition to the annual fund charges.</p> <p>The Annual Management Fee is calculated and deducted from your member account monthly in arrears. Other fees are deducted from each relevant investment fund as and when they are incurred. If they relate to a particular member or group of members they will be deducted instead from their member account(s).</p>

All fees are disclosed on a before-tax basis. GST may be added to fees and may be included in some expenses, where applicable.

## EXAMPLE OF HOW FEES APPLY TO AN INVESTOR

Joe invests \$10,000 in the Balanced Fund. The starting value of his investment is \$10,000. He is charged management and administration fees, which work out to about \$158 (1.58% of \$10,000). These fees might be more or less if his account balance has increased or decreased over the year.

### Estimated total fees for the first year

Individual action fees: \$0

Fund charges: \$158

Other charges: \$0

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 an investment of \$10,000 in the Balanced Fund. If you are considering investing in other funds in the Scheme, or your investment in the Fund will be more or less than \$10,000, this example may not be representative of the actual fees you may be charged. See the table on the previous page for more information.

It may also not be representative if your Plan involves different fees. See any Supplement given to you with this PDS for details.

## INDIVIDUAL ACTION FEES

We do not currently charge contribution, withdrawal, establishment, switching, or transfer fees, but we could charge these or other fees in the future.

See the Scheme's **'Other Material Information - Fees'** document on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) for more information about fees.

## THE FEES CAN BE CHANGED

We can change the annual management fee with Public Trust's agreement, subject to the limitations in the trust deed.

Other components of the annual fund charges (for example, third-party charges relating to any other funds that a fund invests in) are variable and may change from time to time.

We can charge any member or group of members fees at a lower rate, or waive or rebate fees for any member or group of members.

We must publish a fund update for each fund showing the fees actually charged during the most recent year. Fund updates, including past updates, are available at [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation).

## 06

# WHAT TAXES WILL YOU PAY?

The Scheme is a portfolio investment entity. The amount of tax you pay is based on your prescribed investor rate (PIR). To determine your PIR, go to [www.ird.govt.nz/toii/pir](http://www.ird.govt.nz/toii/pir). If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department. It is your responsibility to tell us your PIR when you invest or if your PIR changes. If you do not tell us, a default rate may be applied. If the advised PIR is lower than the correct PIR, you will need to complete a personal tax return and pay any tax shortfall, interest, and penalties. If the default rate or the advised PIR is higher than the correct PIR, you will not get a refund of any overpaid tax.

See the **'Other material information – Tax'** document on the Disclose register for more information about the tax consequences of an investment in the Scheme.

## WHO IS INVOLVED?

### ABOUT GARETH MORGAN INVESTMENTS LIMITED PARTNERSHIP

The manager of the Scheme is Gareth Morgan Investments Limited Partnership. We are responsible for managing and administering the Scheme.

**Call:** 0800 427 384 during normal business hours

**Email:** [questions@gmisuper.co.nz](mailto:questions@gmisuper.co.nz)

**Write to:**

GMI Super Customer Services  
FreePost 210729  
Gareth Morgan Investments  
PO Box 10068  
Wellington 6143

**Street address:**

Gareth Morgan Investments  
Level 4  
109 Featherston Street  
Wellington 6011

### WHO ELSE IS INVOLVED?

	NAME	ROLE
Supervisor	Public Trust	Public Trust is responsible for supervising the performance of our functions, acting on behalf of investors, and ensuring the funds' assets are appropriately held.
Custodian	JBWere (NZ) Nominees Limited	Appointed by Public Trust to hold each investment fund's assets on behalf of investors.

## HOW TO COMPLAIN

You can lodge a complaint with us:

**Online:** [www.kiwiwealth.co.nz/complaints](http://www.kiwiwealth.co.nz/complaints)

**Call:** 0800 427 384 during normal business hours

**Email:** [complaints@gmisuper.co.nz](mailto:complaints@gmisuper.co.nz)

**Write to:**

GMI Super Customer Services  
C/- Gareth Morgan Investments  
Freepost 210729  
PO Box 10068  
Wellington 6143

**Street address:**

Level 4  
109 Featherston Street  
Wellington 6011

We are a member of the Insurance & Financial Services Ombudsman Scheme (IFSO), an approved dispute resolution scheme. If you have complained to us and you have reached the end of our internal complaints process without your complaint being resolved to your satisfaction, and certain other criteria are met, the IFSO may be able to consider your complaint.

**Call:** 0800 888 202

**Email:** [info@ifso.nz](mailto:info@ifso.nz)

**Write to:**

Insurance & Financial Services Ombudsman Scheme  
PO Box 10-845  
Wellington 6143

The IFSO will not charge a fee to any complainant to investigate or resolve a complaint.

You can also make a complaint to Public Trust:

**Call:** 0800 371 471 during normal business hours

**Write to:**

General Manager  
Corporate Trustee Services  
Public Trust  
PO Box 5067  
Wellington 6145

Public Trust is a member of an approved dispute resolution scheme operated by Financial Services Complaints Limited (FSCL). If your complaint to Public Trust has not been resolved you can refer it to FSCL.

**Call:** 0800 347 257

**Write to:**

Financial Services Complaints Limited  
4th Floor, 101 Lambton Quay  
PO Box 5967  
Wellington 6145

FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

## WHERE YOU CAN FIND MORE INFORMATION

Further information relating to the Scheme, including financial statements, annual reports, quarterly fund updates, the Scheme's trust deed, and SIPO, is available on the offer register and the scheme register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose). A copy of the information on the offer register or scheme register is available on request from the Registrar of Financial Service Providers.

The above information is also available free of charge on our website at [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation) or by contacting us.

If you are an Employer Member, a copy of your employer's Participation Agreement and all amendments, and Supplement, will be available to you, free of charge, from your employer.

Once the processing of your application has been completed, you can view monthly online reports and other information about your investment by logging on through [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation).

You will also be sent annual tax certificates which will include the amount of PIE income attributed to you and the amount of PIE tax paid at your PIR. You will also be asked to confirm your IRD number and PIR.

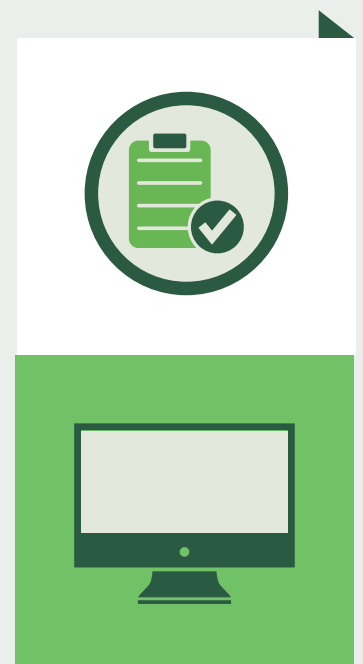
You can obtain general information about us and the Scheme on our website at [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation).

## HOW TO APPLY

To become a member of the Scheme, please complete the application form at the back of this PDS or apply online at [www.kiwiwealth.co.nz/superannuation](http://www.kiwiwealth.co.nz/superannuation)

You will need to provide:

- Your IRD number
- Certified photocopy of your personal identification and residential address or, if applying online, personal identification details.
- Your prescribed investor rate (PIR)
- Your Investment Direction





## PERSONAL DETAILS

Title	Given name(s)	Preferred name	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Surname	Date of birth		
<input type="text"/>	<input type="text"/> D <input type="text"/> D <input type="text"/> M <input type="text"/> M <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y		<input type="checkbox"/> Male <input type="checkbox"/> Female
Occupation	Residential address		
<input type="text"/>	<input type="text"/>		
Suburb	City		
<input type="text"/>	<input type="text"/>		
Postcode	Country		
<input type="text"/>	<input type="text"/>		
Home phone number	Work phone number	Mobile phone number	
( <input type="text"/> ) <input type="text"/>	( <input type="text"/> ) <input type="text"/>	( <input type="text"/> ) <input type="text"/>	
Email	Secondary email (if any)		
<input type="text"/>	<input type="text"/>		

### I am joining:

- As a Personal Member     Under an Employer Participation Agreement (an Employer Member)
- I consent to receiving communications relating to the GMI Superannuation Scheme and additional services that may be of interest to you by email.

IRD number *This must be your personal IRD number.*

Your prescribed investor rate (the rate at which your investment income is taxed)

- 10.5%     17.5%     28%

You need to advise us of your prescribed investor rate otherwise we will apply the top rate by default. You also need to tell us if your rate changes. For more information see [www.ird.govt.nz](http://www.ird.govt.nz).

## EMPLOYER DETAILS

Only applicable if your employer is deducting contributions from your salary.

Name of your employer	HR contact
<input type="text"/>	<input type="text"/>
HR email address	Employee number
<input type="text"/>	<input type="text"/>
Street address/PO Box	Suburb
<input type="text"/>	<input type="text"/>
City	Postcode
<input type="text"/>	<input type="text"/>

I authorise my employer to make deductions from my gross wage/salary at the following rate:  %

See your Supplement for any required Contribution amounts.

Date contributions to commence:

 D  D  M  M  Y  Y  Y  Y

## INVESTMENT DIRECTION

Your Investment Direction determines which investment fund/s you are invested in. There are three funds for you to choose from (Growth, Balanced or Conservative). You can choose one fund or spread your investment across them.

I direct the Manager to invest my contributions as follows:

Growth investment fund

Balanced investment fund

Conservative investment fund

100%



Please enter how you would like your investment allocated. Your allocation **must** total 100% and be in 5% increments if you are spreading your investment.

*It is in your best interests to give us an Investment Direction.*

*If you do not give us an Investment Direction you will be invested in the Balanced Fund.*

*If the Investment Direction you give us does not add up to 100%, any unallocated portion will be invested in the Balanced Fund.*

*If you need help making a choice you should speak to an authorised financial adviser.*

## CONTRIBUTIONS OTHER THAN FROM SALARY OR WAGES

The minimum contribution to the Scheme is \$50 per payment unless otherwise agreed with us. There is no maximum. Minimum contribution applies to the initial contribution, regular contributions and any lump sum contributions.

To join the Scheme as a Personal Member, you must make an initial contribution of at least \$50 by direct debit, cheque, or by way of a transfer from another superannuation scheme.

You may thereafter contribute in two ways:

1. To make regular contributions, please complete and enclose the direct debit form when sending this application. Direct debit payments may be weekly, fortnightly, monthly, bi-monthly,

quarterly, six-monthly or annually. We need an original signature for the bank so you must sign this form. Please don't fax us direct debit forms; we won't be able to process them. It can take up to two weeks for banks to process direct debit forms.

2. You may also make lump sum payments at any time by sending a cheque made out to the GMI Superannuation Scheme Trust.

For further information please refer to the section entitled 'Making Investments' in the Product Disclosure Statement.

## TRANSFER FROM ANOTHER SCHEME

Current scheme name

Scheme administrator address

Current scheme number

## IDENTITY VERIFICATION

### Proof of identity

To verify your identity, we need a **certified copy** of a document from option 1 in the table below. Please attach copies of the requested document (please tick which document you are providing). If you cannot provide a document from option 1, then provide documents from option 2 or 3.

#### OPTION 1: EITHER

Your current passport (showing NZ residency if applicable) **OR**  Your current Firearms Licence

#### OPTION 2: Your birth certificate **AND** one of the following

Both sides of your 18+ card; **OR**  Both sides of your current New Zealand Driver Licence

#### OPTION 3: Both sides of your current New Zealand Driver Licence **AND** one of the following:

Both sides of a bank credit, debit or Eftpos card containing your name; **OR**  A recent bank statement; **OR**  
 A recent statement from a government agency (i.e. dated within the past 12 months)

**PLEASE DO NOT POST ORIGINAL IDENTITY DOCUMENTS.**

### Proof of residential address

To verify your address, we need a certified copy of a:

Recent bank statement (i.e. dated within the past 12 months) **OR**  Recent utility bill showing your name and residential address.





If you are unable to provide a certified copy of your identification or residential address as outlined above, contact us on **0800 427 384** to discuss other options.

If you are posting us a copy of your identification, the copy must be recently certified (in the previous three months) as a true copy of the original which represents your identity by a Solicitor, a Justice of the Peace or a Notary Public.

For more information on who can certify your identification go to [www.kiwiwealth.co.nz/id](http://www.kiwiwealth.co.nz/id)

## MEMBER DECLARATION AND AUTHORISATION

By signing this application you confirm that:

1. You are eligible to join the GMI Superannuation Scheme.
2. All information in this form is true and correct.
3. You have been given, read and understand the GMI Superannuation Scheme Product Disclosure Statement dated **2 September 2016** and understand that additional information about the GMI Superannuation Scheme is available on the GMI Superannuation Scheme's online register entry.
4. You are bound by GMI Superannuation Scheme trust deed.
5. You acknowledge that no person guarantees any investment returns from the GMI Superannuation Scheme or the repayment of your investment.
6. You understand that the capital value of your investment in the GMI Superannuation Scheme can rise or fall depending on market conditions and the investment decisions of the manager, and that it is therefore possible that you may receive less back than you have invested.
7. You acknowledge that making an Investment Direction is your responsibility, and that neither Gareth Morgan Investments Limited Partnership nor Public Trust is to be regarded as representing or implying that your choice is appropriate for your circumstances. Your choice is a binding direction to Gareth Morgan Investments Limited Partnership.
8. You acknowledge that, subject to the Financial Markets Conduct Act 2013, you will be unable to make any withdrawal from the GMI Superannuation Scheme until Gareth Morgan Investments Limited Partnership has received your signed withdrawal request and any supporting or identification information required.
9. You acknowledge that the Privacy Act 1993 gives you the right to access and request correction of personal information held by Gareth Morgan Investments Limited Partnership, Public Trust and their associated entities and agents. You acknowledge that the information in this application form, and any information provided by you at later dates, will be used and may be shared as outlined in our privacy statement on our website at [www.kiwiwealth.co.nz/privacy](http://www.kiwiwealth.co.nz/privacy).
10. You authorise Gareth Morgan Investments Limited Partnership to disclose member 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.
11. If you are a member of another superannuation or other retirement savings scheme (and have chosen to transfer your benefit from that scheme to the GMI Superannuation Scheme), you agree to the transfer of your interest in the other scheme to the GMI Superannuation Scheme and authorise the manager and/or the supervisor of your current scheme to provide Gareth Morgan Investments Limited Partnership and Public Trust with any personal information needed to complete the transfer. You understand that, depending on the terms of the other scheme, you may cease to be a member of that other scheme.

12. If you have provided your email address, or if you provide it at any later date, you consent to receiving electronic communications (including email or via the secure login at [www.kiwiwealth.co.nz](http://www.kiwiwealth.co.nz)) from Gareth Morgan Investments Limited Partnership, Kiwibank Limited and all other members of the New Zealand Post Group relating to the GMI Superannuation Scheme and additional services that may be of interest to you. You may elect to not receive electronic communications at any time.
13. If signed under a power of attorney, the attorney certifies that he/she has not received notice of a revocation of that power.
14. You agree that Gareth Morgan Investments Limited Partnership may:
  - Collect, use and store the information you've provided in this application, any information you provide at a later date, and information collected from selected external agencies and entities to verify your identity and address in accordance with the requirements of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (the "purpose"), and
  - Disclose to, and receive from, such selected external and independent agencies and entities, such information about me as it considers appropriate for the purpose.

Signature

Date

If you are joining as an Employer Member, please also ensure that you have read, understand, and have signed the Product Disclosure Statement supplement relating to your employer's plan within the GMI Superannuation Scheme.

## CHECKLIST



Please ensure you have:

- attached certified ID required
- attached certified address documentation
- signed and dated this form
- enclosed the direct debit form and/or any scheme transfer form (if applicable)
- enclosed a cheque (or arranged a direct debit) for your initial contribution (if applicable).
- returned all pages of the application form (numbered 1 – 3).

## MAIL TO:

FreePost 210729  
Gareth Morgan Investments  
PO Box 10068  
Wellington 6143



# DIRECT DEBIT FORM

QUESTIONS? CALL 0800 427 384

## PERSONAL DETAILS

Title/Given name(s)

Surname

IRD number

Daytime phone number

Email

I consent to electronic mail being used by the Gareth Morgan Investments Limited Partnership to provide me with written notices related to direct debits.

I want to (please tick)

Set up a new direct debit  Change my existing direct debit

Payment frequency (please tick)

Weekly     Fortnightly     Monthly  
 Quarterly     Annually     Bi-monthly  
 Six-monthly

Amount (minimum \$50)

First Payment date

## YOUR ACCOUNT DETAILS

Name of account to be debited

Bank account number

## AUTHORITY TO ACCEPT DIRECT DEBITS

(Not to operate as an assignment or agreement)

Authorisation Code

## TO: THE BANK MANAGER

Bank

Branch

Street address/PO Box

Suburb

City

Postcode

I/We authorise you until further notice in writing to debit my/our account with you all amounts which

## THE GMI SUPERANNUATION SCHEME TRUST

(hereafter referred to as the Initiator)

the registered Initiator of the above Authorisation Code may initiate by direct debit. I/We acknowledge and accept that the bank accepts this authority only upon the conditions listed on the reverse of this form.

## INFORMATION TO APPEAR IN MY/OUR BANK STATEMENT

Payer code

Payer reference

Authorised signature/s

Date

Authorised signature/s

Date



Please complete all fields. This will take up to 10 working days to load and will replace any existing direct debit you may have in place. Only one direct debit can be in place at one time.

## DIRECT DEBIT FORM *CONTINUED*

### Conditions of this Authority

#### 1. The Initiator:

- 1.1 Will provide notice either:
  - 1.1.1 in writing; or
  - 1.1.2 by electronic mail where the Customer has provided prior written consent to the Initiator.
- 1.2 Has agreed to give advance notice of the net amount of each direct debit and the due date of the debiting at least 10 calendar days (but not more than two calendar months) before the date when the direct debit will be initiated.
  - 1.2.1 The advance notice will include the following message:  
**"Unless advice to the contrary is received from you by (date\*), the amount of \$..... will be directly debited from your Bank account on (initiating date\*)."**  
\*This date will be at least two days prior to the initiating date to allow for amendment of direct debits.
- 1.3 May, upon the relationship which gave rise to this Instruction being terminated, give notice to the Bank that no further direct debits are to be initiated under the Instruction. Upon receipt of such notice the Bank may terminate this Instruction as to future payments by notice in writing to me/us.
- 1.4 May rely on this authority to debit a different bank account upon receipt of instructions from the Customer via a bank to which their account has been transferred.

#### 2. The Customer may:

- 2.1 At any time, terminate this Instruction as to future payments by giving written (or by the means previously agreed in writing) notice of termination to the Bank and to the Initiator.
- 2.2 Stop payment of any direct debit to be initiated under this Instruction by the Initiator by giving written notice to the Bank prior to the direct debit being paid by the Bank

#### 3. The Customer acknowledges that:

- 3.1 This Instruction will remain in full force and effect in respect of all direct debits passed to my/our account in good faith notwithstanding my/our death, bankruptcy or other revocation of this Instruction until actual notice of such event is received by the Bank.
- 3.2 In any event this Instruction is subject to any arrangement now or hereafter existing between me/us and the Bank in relation to my/our account.
- 3.3 Any dispute as to the correctness or validity of an amount debited to my/our account shall not be the concern of the Bank except in so far as the direct debit has not been paid in accordance with this Instruction. Any other disputes lie between me/us and the Initiator.
- 3.4 Where the Bank has used reasonable care and skill in acting in accordance with this Instruction, the Bank accepts no responsibility or liability in respect of:
  - 3.4.1 the accuracy of information about direct debits on Bank statements; and
  - 3.4.2 any variations between notices given by the Initiator and the amounts of direct debits.
- 3.5 The Bank is not responsible for, or under any liability in respect of the Initiator's failure to give notice in accordance with clause 1.1, nor for the non-receipt or late receipt of notice by me/us for any reason whatsoever. In any such situation the dispute lies between me/us and the Initiator.

#### 4. The Bank may:

- 4.1 In its absolute discretion conclusively determine the order of priority of payment by it of any monies pursuant to this or any other Instruction, cheque or draft properly signed by me/us and given to or drawn on the Bank.
- 4.2 At any time terminate this Instruction as to future payments by notice in writing to me/us.
- 4.3 Charge its current fees for this service in force from time to time.
- 4.4 Upon receipt of an 'authority to transfer form' signed by me/us from a bank to which my/our account has been transferred, transfer to that bank this Authority to Accept direct debits.



### MAIL TO:

FreePost 210729  
Gareth Morgan Investments PO  
Box 10068  
Wellington 6143

### For Bank use only

Approved 1012 04   09	Date Received	Recorded By
Checked By	Bank Stamp	

## GMI Superannuation Scheme

Level 4 | 109 Featherston Street | FreePost 210729 | PO Box 10068 | Wellington 6143 | New Zealand  
Tel: 0800 427 384 | Fax: 64 4 473 0643 | [questions@gmisuper.co.nz](mailto:questions@gmisuper.co.nz)