

The GMI Superannuation Scheme

Investment Statement

Dated 14 September 2012

Important Information

(The information in this section is required under the Securities Act 1978.)

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

CHOOSING AN INVESTMENT

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below and under the corresponding headings in the supplement (if applicable):

| | |
|---|----|
| <i>What sort of investment is this?</i> | 3 |
| <i>Who is involved in providing it for me?</i> | 5 |
| <i>How much do I pay?</i> | 6 |
| <i>What are the charges?</i> | 7 |
| <i>What returns will I get?</i> | 9 |
| <i>What are my risks?</i> | 13 |
| <i>Can the investment be altered?</i> | 15 |
| <i>How do I cash in my investment?</i> | 16 |
| <i>Who do I contact with inquiries about my investment?</i> | 18 |
| <i>Is there anyone to whom I can complain if I have problems with the investment?</i> | 18 |
| <i>What other information can I obtain about this investment?</i> | 18 |

In addition to the information in this document, important information can be found in the current registered prospectus for the investment. You are entitled to a copy of that prospectus on request.

The Financial Markets Authority regulates conduct in financial markets.

The Financial Markets Authority regulates conduct in New Zealand's financial markets. The Financial Markets Authority's main objective is to promote and facilitate the development of fair, efficient, and transparent financial markets.

For more information about investing, go to <http://www.fma.govt.nz>

Financial advisers can help you make investment decisions

Using a financial adviser cannot prevent you from losing money, but it should be able to help you make better investment decisions.

Financial advisers are regulated by the Financial Markets Authority to varying levels, depending on the type of adviser and the nature of the services they provide. Some financial advisers are only allowed to provide advice on a limited range of products.

When seeking or receiving financial advice, you should check-

- the type of adviser you are dealing with:
- the services the adviser can provide you with:
- the products the adviser can advise you on.

A financial adviser who provides you with personalised financial adviser services may be required to give you a disclosure statement covering these and other matters. You should ask your adviser about how he or she is paid and any conflicts of interest he or she may have.

Financial advisers must have a complaints process in place and they, or the financial service provider they work for, must belong to a dispute resolution scheme if they provide services to retail clients. So if there is a dispute over an investment, you can ask someone independent to resolve it.

Most financial advisers, or the financial service provider they work for, must also be registered on the financial service providers register. You can search for information about registered financial service providers at <http://www.fspr.govt.nz>

You can also complain to the Financial Markets Authority if you have concerns about the behaviour of a financial adviser.

Gareth Morgan Investments Limited Partnership (**GMILP**), the manager of the GMI Superannuation Scheme (**Manager, we, us or our**), is a related entity of Kiwibank Limited.

Investments made in the GMI Superannuation Scheme (**GMI Super**) do not represent bank deposits or other liabilities of Kiwibank Limited, New Zealand Post Limited or any other member of the New Zealand Post Group. They 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, including Kiwibank Limited, New Zealand Post Limited or any other member of the New Zealand Post Group, GMILP, GMI General Partner Limited, Public Trust as the trustee of GMI Super (**Trustee**) or the Crown, or any of their respective directors, guarantees the repayment of members' interests in GMI Super or the payment of any earnings or returns on investment in GMI Super.

This document is an investment statement for the purposes of the Securities Act 1978 (**Investment Statement**).

This Investment Statement is prepared in accordance with the requirements of the Securities Act (Multiple Participants Superannuation Schemes) Exemption Notice 1998.

Prospectus

A prospectus has been registered under the Securities Act 1978 and contains an offer of securities to which this Investment Statement relates and is available on request and from our website: www.gmisuper.co.nz.

Acquisition of Gareth Morgan Investments Limited Partnership

Earlier this year, GMILP, Gareth Morgan KiwiSaver Limited and Portfolio Custodial Nominees Limited became owned by Kiwi Wealth Management Limited. Kiwi Wealth Management Limited is a wholly owned subsidiary of Kiwi Group Holdings Limited (the ultimate holding company of which is New Zealand Post Limited). Kiwi Group Holdings Limited also owns Kiwibank Limited.

At that time, Paul Robert Brock and Stuart Lindsay Bremner became directors of GMI General Partner Limited (the general partner of GMILP) and promoters of GMI Super in place of Charles Andrea Purcell and Samuel Gareth Morgan.

If you want to know more about the sale, please contact us.

What sort of investment is this?

The securities offered in this Investment Statement are an interest in GMI Super, a registered superannuation scheme designed for long-term savings which enables you and other members to attain the benefits of professional investment management.

You are entitled to make withdrawals from GMI Super in certain circumstances (as set out in the section entitled "What returns will I get?") and the amount of these withdrawals that GMI Super pays are based on the contributions you (and, if applicable, your employer) make to GMI Super, together with any investment earnings.

Membership of the Scheme

You can apply to join GMI Super as an individual member by filling out the application form included with this Investment Statement or available on request and from our website: www.gmisuper.co.nz.

GMI Super is also open to employers who want to set up their own workplace plan to provide employees with the opportunity to save for their retirement through membership of GMI Super, and who we invite to join GMI Super.

If your employer has set up a workplace plan it will have entered into a participation agreement with the trustee of GMI Super (**Participation Agreement**) to become a participating employer in GMI Super (**Participating Employer**). This agreement will set out the specific provisions of GMI Super that are applicable to you, including any eligibility criteria, as set out in the supplement accompanying this Investment Statement. The supplement will also detail the date of the Participation Agreement and any amendments to it. If you are a member of GMI Super via your employer's workplace plan you must ensure you read the supplement in conjunction with this Investment Statement prior to investing.¹ You can then apply to join GMI Super by filling out the application form included with this Investment Statement or available through our website: www.gmisuper.co.nz.

If you are an employee of a Participating Employer it is a condition of offering you membership of GMI Super that the employer's Participation Agreement executed by your employer has been registered or filed with the

¹ The supplement is the supplemental document to this Investment Statement which will detail the specific terms applicable to a Participating Employer's employees, in accordance with the employer's participation agreement.

Registrar of Companies and is available for public inspection.

Contributions

The contributions that you make, along with any employer contributions, are credited to a member account in your name.

You will make contributions in the manner specified in your application to join GMI Super, subject to any minimums set by the Trustee from time to time, unless you are an employee of a participating employer, in which case you must make contributions as required under your employer's Participation Agreement and as detailed in the supplement as amended from time to time.

Investment mandates

You can choose one or more of the investment portfolios described below to invest your contributions in (**investment mandate**) when you complete the application form.

Conservative

The Conservative investment portfolio invests up to 20% in shares with the balance invested in a combination of cash and fixed interest assets. It is designed for people with a short investment timeframe (one to five years) or those who are risk averse and who can tolerate the occasional decline in the value of their member account.

Balanced

The Balanced investment portfolio invests up to 70% in shares, with the balance in cash and fixed interest assets. It is designed for people 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.

Growth

The Growth investment portfolio invests up to 100% in shares (but will usually invest in some fixed interest and cash assets). It is designed for people with a longer investment timeframe (in excess of ten years) and who have a greater tolerance for declines in the value of their member account.

The Balanced investment portfolio is the default investment portfolio (**Default Investment Portfolio**).

You may choose a combination of investment portfolios in your investment mandate. You need to state on the application form what percentage of your contributions you want invested in each

investment portfolio in increments of 5%, and your total investment mandate must add up to 100%. If you don't give us your investment mandate, or provide an incomplete investment mandate when you apply to join GMI Super, your contributions (or any unallocated percentage) will be invested in the Default Investment Portfolio. For example if your investment mandate only adds up to 95%, the remaining 5% will be allocated to the Default Investment Portfolio. In other cases, where your investment mandate is not clear, we will invest all of your contributions in the Default Investment Portfolio until you give us a correct investment mandate.

The investment portfolios consist of asset groups that are within the investment guidelines agreed by us and the Trustee.

Further details on investment guidelines are available on our website: www.gmisuper.co.nz.

More information about the investment portfolios is contained in GMI Super's prospectus.

We may, as permitted by the investment guidelines agreed between us and the Trustee, use derivatives in any (or all) of GMI Super's investment portfolios. See the heading "What are my risks" for information about derivatives and the associated risks. More information about derivatives is also contained in GMI Super's prospectus.

Investment objective

We aim to deliver returns in GMI Super that, over the medium term and after taking account of all fees and taxes, exceed an appropriate benchmark. We also aim to deliver returns with lower volatility (i.e. less risk) than the benchmark. For detail on benchmarks please see our website: www.gmisuper.co.nz or refer to the GMI Super prospectus.

Investment strategy

We set asset allocation ranges for each investment portfolio that determine the proportion of each asset group in each investment portfolio. The asset allocation ranges for each investment portfolio reflect the risk profile of that investment portfolio – so the Conservative investment portfolio has a lower allocation to shares than the Growth investment portfolio, for example.

We determine how much weighting to give to different asset groups within the asset allocation ranges, factoring in the investment objectives, investment philosophy and the investment style.

Investment philosophy

We see our role as aiming to protect and enhance your savings. We consider diversification and liquidity as essential to achieving this.

Diversification means your contributions are invested across a large number of assets, sectors, countries and industries to limit your investment risk.

Liquidity means that assets can be sold quickly without having an adverse effect on the price of those assets. We take reasonable care to ensure we can enter and exit securities within a reasonable timeframe.

Investment style

We are an active investment manager. We believe that asset allocation is the biggest factor influencing investment returns over the long term. To protect and enhance wealth, we may significantly adjust asset allocation within the asset allocation ranges of each investment portfolio.

We are a global investor. We choose to invest the share component of the investment portfolios predominantly in global companies on world share markets.

Investment selection

We are responsible for making decisions about the asset allocation for each investment portfolio, and selecting the individual assets in each asset group. When selecting investments, we consider, among other things, liquidity, tax efficiency, transparency, cost, potential returns and risks.

For more information on our investment objectives, investment strategy, investment philosophy and investment style you can refer to GMI Super's prospectus or you can visit the GMI Super website: www.gmisuper.co.nz.

The GMI Superannuation Scheme investment cycle

Your contributions are paid into GMI Super's bank account and are linked to your member account. These contributions remain in GMI Super's bank account, earning interest until the end of the month in which they were received. At the end of each month, your contributions are transferred into the investment portfolios to be invested in accordance with your investment mandate, subject to a residual amount being retained in GMI Super's bank account to pay your fees and taxes.

Investing contributions according to your investment mandate will normally be completed by the middle of the month following receipt of the contributions, but we have complete discretion over the timing of the investments within each month and the proportion of contributions that will continue to be held in cash.

Requests to withdraw funds from GMI Super or to switch investment mandates are also processed in accordance with GMI Super's investment cycle.

Illiquid Assets and Impaired Assets

It is possible at some point in the future your member account may hold a security that becomes illiquid or impaired. The guiding principle for us in dealing with illiquid or impaired assets is to be as fair as possible to all investors, and to provide transparency around our actions and intentions in respect of such assets.

An asset is classified as illiquid or impaired if there is no market value for re-sale of the asset. The decision to classify an asset as illiquid or impaired is made by us with the agreement of the Trustee.

When an asset is classified as illiquid or impaired at the time you are seeking to withdraw that asset from GMI Super, the Trustee may transfer that asset to you, your personal representative, or a person nominated by you, as may be applicable.

Reporting

As a member of GMI Super, you have access to online reporting. Your online reports show contributions to your member account, how your interest in GMI Super relates to the underlying assets of GMI Super, investment performance for your member account, the fee and any taxes you pay and an investment strategy review and commentary.

Who is involved in providing it for me?

The Scheme

The name of the Scheme is the GMI Superannuation Scheme. The Scheme is a registered superannuation scheme established by a trust deed between Public Trust, as trustee of the Scheme, and GMILP, as Sponsor of the Scheme dated 18 December 2008, as amended and consolidated by deed dated 4 April 2012 (**Trust Deed**). When acting in that capacity, GMILP will be referred to as the **Sponsor**. The Scheme was registered as a superannuation scheme under the Superannuation Schemes Act 1989 on 19 December 2008 and began accepting contributions on 1 April 2009.

The Trustee

The Trustee is Public Trust. As at the date of this Investment Statement, the Trustee has a temporary licence, pursuant to s54 of the Securities Trustees and Statutory Supervisors Act 2011. The Trustee's application for a full licence under that Act is being considered by the Financial Markets Authority (**FMA**). The latest any FMA decision can be made on a licence application is 30 September 2012. The outcome of that licensing decision will be publicly available on the FMA website.

The Trustee can be contacted at the following address:

Postal address:
Public Trust
PO Box 5067
Wellington 6145
Physical address:
Public Trust
Level 10, 141 Willis Street
Wellington 6011

The Manager

GMILP has been appointed as the administration and investment manager, custodian and registrar of GMI Super under a Management Agreement entered between itself and, the Trustee. GMILP has appointed Portfolio Custodial Nominees Limited, a related company of GMILP, as its nominee to hold the assets of GMI Super.

You can contact us at the following address:

Postal address:
Gareth Morgan Investments Limited Partnership
PO Box 10068
Wellington 6143

Physical address:
Gareth Morgan Investments Limited Partnership
Level 10
109 Featherston Street
Wellington 6011

The Promoters

As at the date of this Investment Statement, GMILP and the general partner of GMILP, GMI General Partner Limited, and each of its directors, namely, Andrew Masters Gawith, Gareth Huw Thomas Morgan, and Paul Robert Brock, all of Wellington, and Stuart Lindsay Bremner of Auckland are the promoters of GMI Super. The promoters can be contacted at our address detailed above.

GMLP is also the Sponsor of GMI Super.

Directors and address details, as referred to above, can change at any time. Please contact us for current details.

How much do I pay?

How much do I contribute?

Individual member

On joining as an individual member you choose how much you contribute and how often you will make contributions in the manner specified in your application.

After your initial contribution there is no obligation to make further contributions, however, you may make additional contributions on the basis prescribed from time to time by the Trustee.

The Trustee may set minimum contribution amounts. As at the date of this Investment Statement, the current minimum contribution amount per payment from an individual member is \$500, unless agreed otherwise.

Member of a workplace plan

If you are joining GMI Super as part of a workplace plan, your employer will have determined what your contributions will be, as detailed in the supplement. These contributions are paid to GMI Super directly by your employer's payroll system every payday or in intervals agreed between your employer and us.

You may make contributions to GMI Super in excess of any required contributions, whether you are an individual member or a member of a workplace plan, as direct debit payments or lump sum contributions as described below.

Employer contributions

Your employer may contribute to your member account as agreed with you, or if your employer has set up a workplace plan, as provided for in your employer's Participation Agreement. Details of your employer's contributions will be set out in the supplement.

If your employer is contributing to GMI Super for you, no minimum contribution amount will apply to your employer's contributions.

Before paying any contributions to GMI Super your employer shall deduct any withholding or other taxes or deductions required to be paid to any regulatory or Government authority.

Unless your employer's Participation Agreement provides otherwise your employer may at any time:

- stop contributions;
- reduce contributions;
- increase contributions; or
- make additional contributions.

If a Participating Employer is entitled to alter contribution amounts the Participating Employer must give prior notice in writing to both the Trustee and its employees who are participating members before changing the contribution amounts.

A Participating Employer may cease contributing to GMI Super on your behalf if you cease to be an officer or employee of that Participating Employer.

Any Participating Employer may contribute to GMI Super on your behalf.

Any contributions paid to GMI Super on your behalf by your employer vest immediately in your member account. This means you obtain the benefit of any contributions made by your employer on your behalf immediately.

If your employer is contributing to GMI Super on your behalf under the State Sector Act the contributions to be made to GMI Super by you and your employer shall be set out in the Trust Deed.

Direct debit payment

To make a direct debit payment to your member account in GMI Super you need to fill out the direct debit form included with this Investment Statement and send it in with your application form to us at PO Box 10068, Wellington 6143. Alternatively, you can contact us for a direct debit form. Any direct debit payment must be at least \$500 per payment, unless otherwise agreed with us, and be in New Zealand dollars. If you would like to alter, stop or recommence your direct debit payment, you may do so at any time by providing written notice to us and your bank (subject to 10 business days notice). If you alter your direct debit payment you need to ensure the minimum contribution amount of \$500 is met, unless an alternate arrangement has been agreed with us.

Lump sum contributions

Anyone (including you) may contribute additional lump sums on your behalf by cheque at any time, subject to a minimum lump sum payment of \$500, unless otherwise agreed with us.

Payments by cheque must be made out to the GMI Superannuation Scheme Trust and forwarded to the Trustee at the address below:

GMI Superannuation Scheme
C/- Gareth Morgan Investments Limited
Partnership
Freepost 210729
PO Box 10068
Wellington 6143

Transfer of entitlements under a UK pension plan to GMI Super (UK Transfer)

This summary of the implications of making a UK Transfer to GMI Super is based on our and the Trustee's understanding of UK pension rules as at the date of this Investment Statement. Future changes to those rules could subsequently and adversely affect the treatment of UK Transfers and payments of those UK Transfers from GMI Super.

GMI Super is a qualifying recognised overseas pension scheme (**QROPS**), accepted by Her Majesty's Revenue and Customs (**HMRC**) as such. You may apply to the Trustee to accept a transfer of funds from a UK Pension plan to GMI Super (**UK Transfers**). UK Transfers will not incur HMRC tax charges if the amount transferred is within your remaining UK 'lifetime allowance'. The total UK lifetime allowance is £1.5 million for the 2012/2013 tax year.

If your UK Pension plan contains any guaranteed minimum benefits such as those contained in a defined benefit scheme or a final salary scheme, such guarantees will not apply to any UK Transfers.

The legislation outlining the requirements for a QROPS was amended by the UK Government from 6 April 2012. Those amendments changed the eligibility requirements for New Zealand based superannuation schemes to become or remain a QROPS, requiring that GMI Super rules set out the new benefit payment requirements. In this regard at least 70% of the UK Transfer must be designated as locked-in and used to provide the member with an income for life. In addition, GMI Super's reporting requirements have been changed. GMI Super's Trust Deed has been amended to incorporate those legislative changes. Important information regarding withdrawals or transfers of UK Transfers from GMI Super are located under the heading entitled "What returns will I get?".

Legislation governing QROPS may be amended at any time, which may affect GMI Super's QROPS status. Information about charges

associated with UK Transfers are located under the heading entitled "What are the charges?".

Making a UK Transfer is an important decision. You should discuss proposed UK Transfers with your financial adviser, as well as your UK and New Zealand tax advisers and your UK pension provider.

We may impose conditions on acceptance of any UK Transfers, subject to compliance with legislation and the Trust Deed. We do not guarantee that GMI Super will retain QROPS status at all times. If the QROPS status of GMI Super is lost, your UK tax implications may change in relation to transfers into GMI Super.

Neither we, nor the Trustee nor any other person involved in providing GMI Super to you takes any responsibility for any HMRC tax charges that arise as a result of you making a UK Transfer, or of GMI Super losing its QROPS status.

Transferring from another superannuation scheme

You may transfer any amount accepted by the Trustee into GMI Super from any other superannuation scheme. The amount that you transfer will be credited to your member account. The Trustee must have regard to any restrictions or limitations or conditions imposed on the Trustee by the trustees of the transferor scheme. You may be required to pay any fees the transferor scheme charge prior to the transfer of the funds. However, we will not charge a fee for processing any transfers from another superannuation scheme to GMI Super.

What are the charges?

If you are contributing to GMI Super as an employee of a Participating Employer, different fees may apply. These fees will be set out in the supplement accompanying this Investment Statement under the heading "What are the charges?".

Fees

A fee covering our and the Trustee's services to GMI Super (which includes investment management services, administration management services, trustee services, registry and custody service charges) will be deducted from your member account at the end of each month. Subject to the minimum annual amount per member as set out in this section, the fee will be up to 1.5% per annum of the aggregate value of your member account balance, calculated on a monthly basis.

Lower fees may apply, subject to the minimum fee detailed below, depending on your investment mandate and size of your member account balance. Please contact us for more details or refer to the fee calculator on our website www.gmisuper.co.nz.

Under the terms of GMI Super's Trust Deed, a minimum fee of \$500 per annum may be charged. Up until 1 April 2013 (at the earliest) we and the Trustee have made a commitment that the minimum annual fee charged will be no greater than \$120 (\$10 per month).

The annual fee paid to the Trustee may change, subject to the maximum stated and undertaking given by us and the Trustee as detailed above.

Alteration of fees

The minimum annual fee detailed above may be indexed by the Trustee, on our recommendation, at the end of every third Scheme Year using the movement over that three year period in Statistics New Zealand's Consumers Price Index,² subject to the undertaking given by us and the Trustee as detailed above.

Trustee

Out of the fee deducted from your member account described above, the Trustee will be paid up to 0.05% per annum of the value of funds in GMI Super.

Manager

We will be paid the remaining balance after the Trustee has been paid out of the fee deducted from your member account. Our portion of the fee comprises payment for all the services that we have assumed responsibility for under the Management Agreement entered into with the Trustee. This includes investment management services, administration management services, registry and custody services. Costs reasonably incurred by GMI Super that are not related to the services described above may be authorised by the Trustee for payment, reimbursement or deduction from either GMI Super's assets or the member account of each member in respect of whom those charges were incurred, as described below under "Other costs, charges and expenses".

Ability to change fees

Other than as stated above we and the Trustee have no ability to increase the fee stated above, without obtaining the consent of all affected members.

² Under the terms of the Trust Deed, a scheme year means a period commencing on 1 April of one year and ending on 31 March of the next year (**Scheme Year**).

GST

All fees are stated on a GST exclusive basis. Under current law some fees are wholly or partially exempt from GST. If GST is payable on any of the fees then the GST component is payable in addition to the fee stated. We have agreed with the Trustee that, until further notice, we will pay any required GST on the fee we receive from the Trustee. This may change in the future.

Tax

The fee stated above is charged to your member account. We may claim tax deductions in respect of that fee to the extent permitted at law. This means that you may get the indirect benefit of such tax deductions.

Other costs, charges and expenses

The Trustee shall be entitled to be reimbursed, in addition to the fee stated above, for all other costs, charges and expenses properly incurred by it in connection with or in relation to GMI Super where the following apply:

- the Trustee has consulted with us prior to incurring such costs, charges or expenses; and
- a prudent professional trustee would consider it reasonable to incur such costs, charges or expenses in order to assist the Trustee or GMI Super to comply with its obligations and duties under GMI Super's Trust Deed and at law.

Third party costs incurred in the buying and selling of investments in an investment portfolio, such as brokerage and any third party charges related to GMI Super investing in other funds are a cost of investment and are not included in the annual fee payable to the Trustee. For more information refer to the subheading "Investment Costs" under the heading "Factors that may affect returns".

The Trustee may authorise the payment, reimbursement or deduction of costs, charges and expenses as described above from either GMI Super's assets or directly from a member's member account. If such costs, charges or expenses are incurred in respect of two or more members then the costs, charges or expenses will be apportioned between those members on an equitable basis.

Notwithstanding anything else in this Investment Statement, we are only entitled to receive the fee stated above in this section of the Investment Statement. This means that neither we nor the Trustee will be reimbursed from GMI Super or from any member's member account for any regular ongoing costs, charges and expenses that

are incurred in the management and administration of GMI Super, over and above the fees described above. For the avoidance of doubt, regular ongoing costs, charges and expenses incurred in the management and administration of GMI Super include trustee services, administration services, investment management services, registry and custody costs, marketing, auditing, legal, printing and posting but do not include third party costs incurred in the buying and selling of investments in an investment portfolio, such as brokerage; or any third party charges related to GMI Super investing in other funds.

You may incur bank charges associated with a UK Transfer, and may be required to pay fees the relevant UK Pension plan charge prior to the transfer of the funds. However, we will not charge a fee for processing any UK Transfers to GMI Super.

What returns will I get?

Returns from GMI Super are paid to you in the form of benefits. Your benefit will be the full value of your member account held by GMI Super on the date of withdrawal.

If you are an employee of a Participating Employer please refer to the supplement accompanying this Investment Statement to confirm what benefits will be payable to you. Those benefits may differ from the benefits described as follows.

Factors that may affect returns:

The amount that is in your member account and that you get when making a withdrawal will depend on such factors as:

- the amount you, other persons and your employer (if any) have contributed;
- the amount of any UK Transfer including the impact of currency exchange rates on the funds transferred;
- the investment returns on GMI Super's investments (which may vary);
- the mix of investment portfolios that you choose to invest your contributions in;
- fees, costs and expenses (including investment costs);
- taxation; and
- withdrawals and transfers.

The amount of your returns, therefore, is not quantifiable as at the date of this Investment Statement. Because the payment of your withdrawal depends on when you become eligible for the withdrawal the dates on which the returns will be paid to you are unknown as at the date of this Investment Statement.

The investment returns you receive will depend on the factors set out in the list above. The returns from each investment portfolio are not guaranteed and may vary significantly from year to year. There may be times when the investment portfolios you have chosen do not perform as expected or could even be negative, despite the skill and care we exercise in choosing the underlying assets. This could be due to the state of the economy (international and domestic), world markets, interest rate movements, the performance of individual companies contained in your investment portfolio, or Government policy. All profits and losses of any investment portfolio will belong to members who invested in that investment portfolio.

The Trustee is legally liable to pay any returns to you.

Investment costs

We select the underlying investments that comprise the investment portfolios that you choose to invest in, and the costs associated with those investments will affect your returns. We may choose to directly purchase single shares, or to invest in funds. In the same way that you would pay brokerage or fees for purchasing shares or investing in funds personally, GMI Super is also charged when purchasing these assets for its investment portfolios. The main cost associated with purchasing single shares is brokerage. The main costs associated with investing in funds are management fees and entry/exit charges. We will invest in funds when we believe the fund will offer a better relative net return than direct investment.

These investment costs are generally included in the purchase price or valuation of the asset and so affect the reported return for the investment portfolio, as GMI Super reports returns after the deduction of all costs and expenses, including investment costs. Investment costs are an indirect cost (not generally charged directly to the your member account) of investing in GMI Super,³ in addition to the fee of up to 1.5%

³ One fund we invest in (at the date of this Investment Statement) invoices us for some of its charges, which are then deducted directly from the member's member accounts rather than being incorporated in returns to GMI Super. This is the Blackrock Wholesale Indexed International Equity Fund ("Blackrock Fund"). As at 31 July 2012, the charge for Blackrock Fund that is invoiced directly to us is 0.05%pa. The remaining management charge of 0.04%pa is included in the valuation of the Blackrock Fund. As at 31 July 2012 the Blackrock Fund comprises 2% of the Conservative portfolio, 7% of the Balanced Portfolio and 14% of the Growth portfolio

described in the section entitled “What are the charges?”.

The underlying investments we choose to invest in may change regularly, which could alter the amount of investment costs. These costs will vary depending on the investment decisions that we make, the transaction size, the broker or fund manager used and the nature of the asset. For this reason, it is not possible to quantify future investment costs for a particular member or investment portfolio at the date of this Investment Statement. For more information about the actual investment costs for the last quarter for each of the investment portfolios, please contact us.

An indicative range of brokerage rates and charges for funds (including listed and unlisted unit trusts) we invest in as at 31 July 2012 is shown in the table below:

| Brokerage ⁴ | Fund charges | Spread ⁵ |
|------------------------|--------------|---------------------|
| 0.10% - 0.9% | 0.1% – 1.5% | 0%-0.5% |

The extent to which we invest in funds, may also affect investment costs and therefore returns.

The extent of investment in underlying funds for each investment portfolio as at 31 July 2012 is shown in the table below.

| Conservative | Balanced | Growth |
|--------------|----------|--------|
| 18% | 31% | 48% |

We anticipate that funds or unit trusts could comprise between 10% and 70% of the assets in an investment portfolio over the next year. Note the ranges shown above are indicative only, and we may purchase or sell assets at any time.

None of the Trustee, GMILP (as the Sponsor, the Manager and investment manager), the promoters, the New Zealand Government, Kiwibank Limited, New Zealand Post Limited, any other member of New Zealand Post Group, nor any other person guarantees or promises the return of capital or income from GMI Super, or any investment portfolio.

Taxation

The information in this section is intended as general guidance only and is an indication of the relevant legislation in effect as at 1 September 2012. We recommend that you seek professional

⁴ Includes stamp duty, where applicable.

⁵ A “spread” is the difference between the buy and sell prices for the units in that fund.

tax advice regarding your individual circumstances prior to investing or withdrawing from an investment so that you clearly understand the taxation implications. You should also periodically monitor the tax implications of investing in GMI Super and you should not assume that the position will remain the same as it is when you start investing. Neither we nor the Trustee accept any responsibility for the taxation consequences of your investment in GMI Super.

GMI Super is a registered portfolio investment entity, more specifically a “multi-rate PIE” (**PIE**). The following comments are based on GMI Super remaining a PIE.

In GMI Super – PIE Tax

As GMI Super is a PIE, income earned by GMI Super will be attributed to all members in accordance with the proportion of their interest in GMI Super. The income attributed to you will be taxed at your prescribed investor rate (**PIR**) as notified to us. We, as the Trustee’s agent, will pay tax on your behalf and undertake any adjustments to your interest in GMI Super in order to comply with the PIE tax requirements.

When you apply to become a member of GMI Super you need to advise us of your PIR. The PIRs are set by legislation - the maximum rate (as at the date of this Investment Statement) is 28%. For information on determining your PIR, please visit the Inland Revenue website at www.ird.govt.nz/toii/pir/workout/ or call them on 0800 227 774.

You can advise us of your current PIR at any time, including when your PIR changes, by contacting us using the contact details provided in the section entitled “Who do I contact with inquiries about my investment?”. If you do not provide a PIR to us, the income attributed to you in GMI Super will be taxed at the maximum allowable rate (the default rate).

Generally, provided that you advise us of the correct PIR, tax paid by a PIE on income attributed to you will be a final tax. Therefore, in most circumstances you will not have an obligation to file a return in respect of PIE income attributed to you by GMI Super.

If your PIE income is taxed at a higher PIR and you are eligible for a lower PIR, but you have not advised us of this, you will not be able to receive a refund of the overpayment (but may get a tax credit, subject to limitations). Additionally, if you have advised us that you are eligible for a lower PIR, and this is incorrect and you are only eligible for a higher PIR, you may be liable to Inland Revenue for further tax and penalties, and have to file a tax return.

You should note that the Commissioner of Inland Revenue will be able to require the Trustee to disregard a PIR notified by you if the Commissioner considers the rate to be incorrect. In that situation, the Commissioner would notify us of the rate that would apply in respect of you.

GMI Super pays PIE tax to Inland Revenue on a quarterly basis.

If GMI Super (as a PIE) makes a tax loss, or there are more New Zealand tax credits attributed to GMI Super than are required to meet GMI Super's tax liability in a tax period, generally GMI Super will claim a tax credit based on each member's PIR. When the tax credit is received, each member's proportionate share of that rebate will be paid to that member's member account.

As GMI Super is a PIE, any capital gains made by GMI Super in respect of shares in New Zealand resident companies and certain Australian resident listed companies will be excluded from the calculation of taxable income.

Most overseas shares and interests in managed funds held by GMI Super will be taxed pursuant to either the fair dividend rate method (**FDR**) or the comparative value method (**CV**) depending on the particulars of the investment and any determinations by the Commissioner of Inland Revenue. Under FDR, GMI Super will be deemed to have derived income equal to 5% of the opening market value of the relevant overseas shares and interests in managed funds at the start of a valuation period. This is proportioned over the year and adjusted for any quick sales. Any dividends or other returns flowing from overseas shares and interests in managed funds will not be separately taxed in New Zealand. Also under FDR, tax deductions may not be made for any losses in respect of holdings in overseas shares and interests in managed funds.

Under CV, GMI Super will derive income equal to the difference between the value of the relevant overseas shares and interests in managed funds at the end of a valuation period and the value of those shares and interests at the start of that valuation period, with adjustments made for certain gains (which includes any relevant dividends and tax credits and any proceeds from disposing of the relevant shares and interests) and costs (which includes any relevant foreign income tax which is paid or payable and any costs in relation to purchasing the relevant shares and interests).

At the date of this Investment Statement, most overseas shares and interests in managed funds held by GMI Super are taxed pursuant to FDR.

Other income of GMI Super (e.g. interest on bank deposits) will be calculated according to the relevant normal tax rules. Tax may be imposed in overseas jurisdictions in relation to overseas investments (although this may give rise to a tax credit in New Zealand).

Contributions to GMI Super

If you are contributing as an employee, your contributions are deducted from your tax-paid wages and salaries (although the level of your contribution will be calculated on gross (pre-tax) wages and salaries).

Employer contributions to GMI Super are subject to Employer Superannuation Contribution Tax (**ESCT**) being deducted before they are credited to the employer account in your name (except to the extent that you and your employer have agreed to treat these as salary and wages and tax them under the PAYE rules). The rate of ESCT depends on your marginal tax rate.

Benefits

The benefits you are entitled to, as at the date of this Investment Statement, are as set out below. If you are an employee of a Participating Employer please refer to the supplement to confirm what benefits will be payable to you. Those benefits may differ from the benefits described as follows.

It is possible that under the terms of the Trust Deed, the Trustee may require certain information from you, in order to ensure that you are eligible for the withdrawal.

If the Trustee accepted a UK Transfer on or after 6 April 2012, those funds may only be withdrawn as outlined under the heading "Withdrawal benefit" below.

Payment on normal retirement date

You will be entitled to elect to receive any remaining value in your member account, excluding any UK Transfer received by GMI Super on or after 6 April 2012, on the normal retirement date, being the later of:

- (1) your 55th birthday; or
- (2) the date on which you have been a member of GMI Super for five years; or
- (3) any other later date specified in your employer's Participation Agreement and supplement (if applicable) or agreed to by the Trustee.

You are not required to withdraw from GMI Super when you reach your normal retirement date.

Payment on redundancy

You may withdraw the full value of your member account, excluding any UK Transfer received by GMI Super on or after 6 April 2012, if you are an employee of a Participating Employer or your employer is contributing to GMI Super on your behalf and you are made redundant. Your employer will have to provide a certificate to the Trustee should you wish to take advantage of this.

Death withdrawal

If you die while you are a member of this Scheme, on acceptance of the application to GMI Super by your personal representatives, your estate will be paid an amount equal to the balance of your member account.

Hardship benefit

You may withdraw all or part of your member account, excluding any UK Transfer received by GMI Super on or after 6 April 2012, on the grounds of significant financial hardship as determined by the Trustee.

Hardship includes significant financial difficulties that arise because of:

- your inability to meet minimum living expenses; or
- your inability to meet your mortgage repayments on your principal family residence resulting in the mortgagee seeking to enforce the mortgage on the residence; or
- the cost of modifying a residence to meet special needs arising from your disability or a disability of any of your dependants; or
- the cost of medical treatment for an illness or injury suffered by you or any of your dependants; or
- the cost of palliative care for you or any of your dependants; or
- the cost of a funeral for any of your dependants; or
- if you suffer from a serious illness.

Payment on total or permanent disablement

Where the Trustee is of the opinion you, as an employee of either a Participating Employer or of an employer who is contributing to GMI Super on your behalf have ceased to be employed as a result of total and permanent disablement, you will be entitled to elect to receive the full value of your member account, excluding any UK Transfer received by GMI Super on or after 6 April 2012.

Total or permanent disablement means, unless an alternative definition is contained in your employer's Participation Agreement and detailed in the accompanying supplement (if applicable):

- if you suffer the total and permanent loss of the use of two limbs, or the total and permanent loss of sight of both eyes, or the total and permanent loss of the use of one limb and the total and permanent loss of sight of one eye, where 'limb' means the whole hand or foot; or
- if you are wholly disabled by bodily injury, illness or disease (including a mental condition) and are because of it permanently unable to follow your own or any other occupation for which you are reasonably suited by education, training or experience.

Resignation

If you are an employee of a Participating Employer and your employment ends in circumstances where none of the above benefits are payable and you elect to leave GMI Super you shall be entitled to receive any benefit specified in your employer's Participation Agreement (and detailed in the supplement, if applicable), excluding any proceeds from a UK Transfer received by GMI Super on or after 6 April 2012.

Withdrawal benefit

If you are aged 55 years or over but have not yet reached your Normal Retirement Date you may apply to the Trustee to withdraw part or all of the value of your member account, excluding any UK Transfer received by GMI Super on or after 6 April 2012, by payment of a lump sum. Approval of any application will be determined by the Trustee at its absolute discretion. The minimum monthly lump sum withdrawal that may be made under this provision is \$5,000 as at the date of this Investment Statement.

You may not make a withdrawal where:

- the Trustee considers that payment of such a withdrawal may be prejudicial to the status or treatment of GMI Super, or to any member of GMI Super or to any contribution made by or in respect of a member under GMI Super under any law (including without limitation tax status or treatment); or
- 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.

Where it is a requirement of any transfer, the Trustee shall, instead of paying to you all or part of the value of your member account payable, arrange for any annuity to be purchased on such terms and conditions as shall be agreed between the Trustee and the provider of the annuity in consultation with you.

Where the Trustee has accepted a UK Transfer to GMI Super on or after 6 April 2012, any withdrawal benefits, to the extent they relate to the UK Transfer, shall be paid to you in accordance with the terms and conditions of the Trust Deed, i.e.:

- (a) at least 70% of the UK Transfer is designated by the Trustee for the purposes of providing you with an Income for Life;
- (b) the pension benefits and any lump sum associated with those pension benefits payable to you, to the extent that they relate to the UK Transfer, will be payable no earlier than the time at which you turn 55 (unless certain ill health conditions in terms of the Finance Act are met); and
- (c) any other terms and conditions as are agreed between the scheme manager of the registered pension scheme from which the UK Transfer is to be transferred and the Trustee and/or such other terms and conditions (including the purchasing of an annuity) as the Trustee may determine as being necessary or desirable or in your interests or the interests of GMI Super, having regard to applicable laws and HMRC requirements.

Members are advised to contact us for further details about how an Income for Life may be payable.

See the section entitled "How much do I pay" under the subheading "Transfer of entitlements under a UK pension plan (UK Transfer)" for more information about UK Transfers.

Transfer to another superannuation scheme

In the event that you apply to join another registered superannuation scheme, we shall transfer an amount equal to the value of your member account to the other superannuation scheme upon receipt of written acceptance of terms from the transferee scheme trustees. On transferring, you will cease to be a member of GMI Super and will be entitled to no further benefits from GMI Super.

Withdrawal of UK Transfers

This summary of the implications of withdrawing or transferring a previous UK Transfer from GMI Super is based on our and the Trustee's understanding of UK pension rules as at the date

of this Investment Statement. Future changes to those rules could subsequently and adversely affect payments from GMI Super of all or part of any UK Transfer amount in your member account.

You may be subject to UK tax charges if you withdraw or transfer a previous UK Transfer and have been a UK tax resident in the last five UK Tax years (the UK tax year runs from 6 April to 5 April). These may be significant; up to 55% of the withdrawal or transfer amount.

The imposition of these tax charges depends on the application of the complex rules applying to UK pension plans. We recommend you take professional tax advice if you wish to make a withdrawal or transfer from GMI Super within this five year period.

UK Transfers received by GMI Super on or after 6 April 2012 may only be withdrawn as set out under the sub heading "Withdrawal benefit".

As a condition of GMI Super's QROPS status, we must report to HMRC about the withdrawals or transfers you make from GMI Super. These reports have to be made until the later of the date you have been a UK tax non-resident for five years and ten years from the date of the UK Transfer. By making a UK Transfer, you accept that we will report such withdrawals or transfers to HMRC and agree to provide us with any further information we require to make these reports.

Making a UK Transfer is an important decision. It is recommended that you discuss proposed transfers with your UK and New Zealand tax advisers as well as your UK pension provider.

Neither we, nor the Trustee, nor any other person involved in providing GMI Super to you takes any responsibility for any HMRC tax charges that arise as a result of making subsequent withdrawals or transfers of previous UK Transfers from GMI Super or of GMI Super losing its QROPS status.

What are my risks?

It is possible that at any time the balance of your member account will be less than the amount you and your employer (if any) have contributed. It is also possible you will not receive the returns outlined under the section entitled "What returns will I get?". This is because all investments carry risk. There are risks associated with GMI Super that could affect your ability to recover the amount of your contributions or impact on the returns payable from GMI Super as described in this Investment Statement. The principal risks applying to GMI Super that could affect returns (and which are common to most superannuation schemes) are:

- *Investment risk:* is the risk of negative movements in the value of GMI Super's investments (either generally or in respect of investment portfolios you invest in). The investment risk associated with each investment portfolio depends upon that investment portfolio's mix of investment assets. Generally, investment assets that offer higher potential returns also have higher risk. Investment portfolios that have a higher exposure to shares will generally experience bigger and more frequent investment losses and gains over the long term than investment portfolios that carry a high weighting of fixed interest assets. You should choose the combination of investment portfolios in your investment mandate that best matches your needs and attitude towards risk. You should note that while we take steps to help manage investment risk, no risk management process will eliminate investment risk;

Liquidity risk: is the risk that GMI Super cannot meet its financial obligations in a timely manner. The risk arises where there is a mismatch between the maturity profile of investments and the amounts required to pay withdrawals. We will generally invest in securities with good liquidity, which can usually be exited within a week. However, in order to fully exit a security without causing an adverse price effect, exiting may take several weeks;

- *Regulatory risk:* is the risk that future changes to tax, or general superannuation legislation will affect the operation of GMI Super or your interest in GMI Super, or that the Trust Deed is amended in a manner required or permitted by law that has the effect of reducing your interest in GMI Super;
- *Currency risk:* is the risk that movements between the New Zealand dollar and foreign currencies will adversely affect returns on GMI Super's assets that are denominated in that foreign currency. We actively manage the currency exposure of the underlying assets in the investment portfolios. For foreign currency denominated assets, we may use forward foreign exchange contracts (a form of derivative) to reduce some of the currency risk.

- *Derivative risk:* Derivatives are financial instruments which may be used to manage currency risks, or as a type of investment instead of investing in physical assets. A derivative is a contract with a return that is dependent on or derived from one or more underlying assets, events or conditions. Derivative risk is the risk that the use of derivatives exaggerates the effect of any change in value of the underlying assets that their return is dependent on or derived from, resulting in large gains or losses. The tax treatment of the derivative or hedge contract may vary from the tax treatment applicable to the underlying asset for which the derivative/hedging is in place. While we may use forward foreign exchange contracts to manage currency risk as set out above, the use of derivatives will not remove all exposure to risk and may in some circumstances increase risk. There is also a risk that the party with whom the derivative contract is made either defaults on that contract or fails to meet its obligations. If these risks eventuate, GMI Super could suffer loss.

To manage this risk, we and the Trustee may agree to place a limit on the size of derivative contracts we may enter into. We will not enter into derivative contracts that give rise to obligations beyond the value of GMI Super's investment portfolios.

- *Credit risk:* is the risk of GMI Super becoming insolvent and being placed into receivership, liquidation or statutory management or being otherwise unable to meet its financial obligations. If this occurs, you may not recover the full amount of your interest in GMI Super;
- *Administration risk:* is the risk of a technological or other failure impacting on GMI Super or financial markets in general;
- *Tax risk:* The rate of tax charged and the basis on which tax is imposed changes frequently. There is a tax risk if GMI Super fails to retain PIE status. Tax risk exists in relation to the underlying investments of GMI Super and the returns it will make. The risk that we either over or underpay tax within GMI Super your behalf as a result of you providing us with the wrong PIR or not advising us to change your PIR when it needed to be changed;

- *UK Tax risk:* is the risk that, where the Trustee has previously accepted a UK Transfer, a transfer or withdrawal of all or part of that UK Transfer from GMI Super will give rise to your liability for UK tax on that withdrawal ; and
- *Loss of QROPS risk:* Being a QROPS means that certain UK tax treatment may apply to members who have made a UK Transfer into GMI Super. If GMI Super loses its QROPS status, your UK tax implications may change adversely in relation to UK Transfers. Neither we nor the Trustee nor any other person will be responsible for any tax consequences arising for members in respect of any UK Transfer in this eventuality. You should discuss any proposed UK Transfer with your financial adviser, as well as your UK and New Zealand tax advisers and your UK pension provider.

Continuing uncertainty in the global credit and financial markets has resulted in significant investment fluctuation across most asset classes. This highlights investment risks and emphasises the possibility that your member account balance may be less than your initial investment, especially in the short term.

From time to time market conditions will materially and adversely affect GMI Super's investments. You should be prepared to experience declines in your member account balance, especially if you have chosen the Growth investment portfolio in your investment mandate. We recommend you consult a professional adviser before making a decision to invest.

Due to the possible impact of these risk factors outlined above, and the impact of fees costs and expenses (including investment costs), it is reasonably foreseeable that you could receive less than your contributions if you cease to be a member a short time after joining.

Except in certain circumstances described below in relation to tax, you will not be required to pay in respect of GMI Super more money than is disclosed under the headings "How much do I pay?" or "Consequences of insolvency" below. The circumstances in which you may be required to pay more money in respect of GMI Super, in relation to tax, are where the Trustee incurs tax on your behalf and your interest in GMI Super is not large enough to cover the tax liability that the Trustee incurred, or where the PIR you have advised us is lower than you are entitled to as described under the heading "Taxation".

The amount payable to you in the event of a windup of GMI Super will depend on the price for which the assets are able to be sold at that time, the amount of expenses, taxes and liabilities payable, and the extent of your interest in GMI Super.

Consequences of insolvency

You have no liability to pay money to any person as a result of the insolvency of GMI Super.

If GMI Super becomes insolvent, it will be wound up in accordance with the termination procedures under the Trust Deed. Claims on the assets of GMI Super that will rank ahead of members in the event of GMI Super being put into liquidation or being wound up will include any outstanding Trustee expenses (including fees) or liabilities of GMI Super, any claims preferred at law, tax and the costs of winding up GMI Super. We will not be entitled to claim any outstanding fees in the event GMI Super becomes insolvent. If there are any withdrawals payable under the Trust Deed and which had become payable prior to the winding up date and remain unpaid as at the winding up date, the withdrawals will be paid prior any member who had not at that stage become entitled to make a withdrawal.

Members will rank equally among themselves and will be paid in accordance with the Trust Deed.

Can the investment be altered?

Contributions

You and, where applicable, your employer may increase or decrease your contributions at any time and suspend or recommence those contributions at any time on giving notice to the Trustee, subject to any minimum requirements set by the Trustee from time to time and, if you are an employee of a Participating Employer, the participation agreement, as detailed in the supplement.

Investment mandate

You can amend your investment mandate to switch investment portfolios up to a maximum of three times per Scheme Year.

Fees

The minimum annual fee, detailed under the heading entitled "How much do I pay?" may be indexed by the Trustee, on our recommendation, at the end of every third Scheme Year using the movement over that three year period in Statistics New Zealand Consumers Price Index, subject to any undertakings of us and the Trustee.

Other than as stated in this Investment Statement, we and the Trustee have no ability to increase the fees stated without obtaining the consent of all affected members.

Trust Deed

The Sponsor, with the consent of the Trustee may amend the Trust Deed, subject to the requirements of and to the extent permitted in the Superannuation Schemes Act 1989. If any member will be adversely affected by an amendment to the Trust Deed, that member's consent will be required before the amendment can be made.

Investment policies, objectives and guidelines

We may vary our investment objectives and policies, the investment guidelines and the asset allocation ranges of the three investment portfolios at any time in agreement with the Trustee. If the investment policies, objectives or guidelines are altered we shall update our website, www.gmisuper.co.nz to advise GMI Super's members.

We will notify you of any changes to the asset allocation ranges of the investment portfolios a minimum of two weeks prior to any change being made.

Law changes

The Superannuation Schemes Act and other legislation, including QROPS legislation, may be amended from time to time, and any such amendment may have an impact on GMI Super and members.

Participating Employers

If you are an employee of a Participating Employer, your investment can be altered by your employer ceasing its participation in GMI Super, or by an amendment to your employer's Participation Agreement.

How do I cash in my investment?

The main circumstances in which withdrawals will be payable under GMI Super are described above under the heading entitled "What returns will I get?".

Withdrawals are payable on the normal retirement date, redundancy, death, total or permanent disability, resignation, or hardship. Additional withdrawals are permitted at the Trustee's discretion.

Under the QROPS rules and the Trust Deed, any withdrawal benefits, to the extent they relate to a UK Transfer received by GMI Super after 6 April

2012, may only be paid in accordance with the terms and conditions of the Trust Deed, as set out under the subheading "*Withdrawal benefit*" in the section entitled "What returns will I get?".

If you are an employee of a Participating Employer, withdrawals may be payable in other circumstances under your employer's Participation Agreement and as detailed in the supplement.

If you become bankrupt you lose your right to your interest in GMI Super. What this means is that the Trustee shall hold and use your savings at its discretion to benefit you or your dependants as the Trustee in its absolute discretion determines. However, please note that under the law your interest in GMI Super may not be protected from bankruptcy claims against you.

The Trustee is authorised to realise investments to the extent necessary to make payment of any tax and may if obliged by law deduct from any withdrawal or your member account any tax assessed or payable by or in respect of you.

We, on behalf of the Trustee, will deduct any fees, costs, expenses or other liabilities payable in respect of you from your member's account.

You are not permitted to sell, assign, mortgage, charge or pass to any other person your interest in GMI Super in any way.

GMI Super shall be wound up if:

- The Sponsor notifies the Trustee that GMI Super is to be wound up;
- GMI Super ceases to have any beneficiaries and the Sponsor resolves that it be wound up;
- The Trustee considers GMI Super is, or will be, unable to fulfil its purpose and resolves that GMI Super be wound up;
- GMI Super is required to be wound up by law and the Trustee resolves that GMI Super be wound up; or
- By order of the Financial Markets Authority.

If GMI Super is wound up, your interest in GMI Super, excluding any UK Transfers received by GMI Super on or after 6 April 2012, that is left after costs, debts and any withdrawals due are paid will be allocated to you.

Where you have made a UK Transfer to GMI Super on or after 6 April 2012, that part of the proceeds which relate to the UK Transfer will be applied by the Trustee to another registered superannuation scheme or KiwiSaver Scheme elected by you, provided such scheme is recognised by HMRC as a QROPS, or such proceeds will be applied by the Trustee in a manner that satisfies any requirements imposed by HMRC on such UK Transfers from time to time.

Transferring to another superannuation scheme

You may apply to join another registered superannuation scheme in which case we shall transfer an amount equal to the value of your member account to the other superannuation scheme upon receipt of written acceptance of terms from the transferee scheme trustees. On transferring, you will cease to be a member of GMI Super and will be entitled to no further benefits from GMI Super.

If you have made a UK Transfer to GMI Super, you should note that in certain circumstances there may be adverse UK tax consequences of a transfer to another registered superannuation scheme that is not a QROPS, withdrawals of a UK Transfer from GMI Super that are over your UK 'lifetime allowance' threshold (£1.5 million for the 2012/2013 year), or withdrawals of funds that are not consistent with retirement savings or provision for retirement as defined in UK legislation. For further details on when these UK tax charges may apply you are advised to contact us.

A Participating Employer may elect to transfer that part of GMI Super that is relevant to its participation with the consent of all employees in accordance with the Trust Deed. A Participating Employer may also elect to transfer that part of GMI Super that is relevant to its participation if the Financial Markets Authority is satisfied that the terms and conditions of the new scheme are no less favourable than the terms and conditions of the old scheme.

Partial wind up

If your employer ceases to participate in GMI Super (either by electing to cease participation, or an order is made for the liquidation or bankruptcy of your employer) the Trustee will release your employer from all future obligations under GMI Super and your employer will no longer have any rights or powers in respect of GMI Super.

You may continue as a member of GMI Super if your employer ceases to participate in GMI Super. From the effective date that your employer ceases to participate in GMI Super the Trustee will make all decisions relating to the administration and investment of GMI Super for those members who are employees of that Participating Employer without any obligation to consult with or obtain the consent of that Participating Employer.

If you cease to be employed by the Participating Employer, you shall be entitled to remain a member of GMI Super, and you may continue to make voluntary contributions to your member account. Your employer will not be required to continue making employer contributions to your member account.

If your employer stops participating in GMI Super and the Trustee decides that GMI Super will be partially wound up, the Trustee shall notify you in writing.

You may choose, by giving written notice to the Trustee within one month from the date of receiving the written notification from the Trustee, whether you wish to withdraw from GMI Super. If you do not give written notice within the period of one month the Trustee shall proceed on the basis that you wish to remain in GMI Super.

Where you choose to remain a member:

- you may continue to contribute to GMI Super in a manner agreed to by the Trustee;
- your employer will be under no obligation whatsoever to make any future contributions to GMI Super and will have no rights or powers whatsoever in respect of GMI Super; and
- you will remain entitled to a benefit under the Trust Deed.

If any members choose to withdraw from GMI Super, the Trustee will as soon as possible realise all member accounts that relate to the members withdrawing from GMI Super. Once the Trustee has realised the assets of GMI Super, the Trustee shall allocate the proceeds in accordance with the Trust Deed.

Termination of membership

You will cease to be a member of GMI Super if at any time the balance of your member account is nil or negative. You will also cease to be a member of GMI Super where:

- You have received payment of the total value of your member account; or
- You transfer to another superannuation scheme.

Who do I contact with inquiries about my investment?

You can direct questions in writing to:

Member Services Officer
Gareth Morgan Investments Limited Partnership
PO Box 10068
Wellington 6143

Physical address:
Gareth Morgan Investments Limited Partnership
Level 10, 109 Featherston Street
Wellington 6011

Or email questions@gmisuper.co.nz

Alternatively, you can contact GMI Super Administrator at the following telephone number, during normal business hours (8.30am to 5.30pm Monday to Friday):

0800 427 384

Is there anyone to whom I can complain if I have problems with the investment?

Complaints about GMI Super should be made in writing to:

Member Services Officer
Gareth Morgan Investments Limited Partnership
PO Box 10068
Wellington 6143

Physical address:
Gareth Morgan Investments Limited Partnership
Level 10, 109 Featherston Street

Wellington 6011

Or email complaints@gmisuper.co.nz

Alternatively, you can contact GMI Super Administrator, Gareth Morgan Investments Limited Partnership, at the following telephone number, during normal business hours (8.30am to 5.30pm Monday to Friday):

0800 427 384

You can also contact the Trustee at:

General Manager
Corporate Trustee Services
Public Trust
P O Box 5067
Wellington 6145

Physical address:
Public Trust
Level 10, 141 Willis Street

Wellington 6011

Alternatively, you can contact the Trustee at the following telephone number, during normal business hours (9am to 5pm Monday to Friday):

0800 371 471

If either we or the Trustee are unable to resolve your complaint, you may contact our external dispute resolution scheme. This scheme is available at no cost to you and will help us resolve any disagreements. Both we and Trustee are members of the Insurance and Savings Ombudsman (ISO) dispute resolution scheme. You can contact the ISO at:

Office of the ISO
P O Box 10-845
Wellington 6143

Physical address:
Level 11, Classic House
15-17 Murphy Street
Wellington 6011

Phone: 0800 888 202

Email: info@iombudsman.org.nz

Alternatively, you can contact the Financial Markets Authority on 0800 434 567 or via their website at www.fma.govt.nz if you have a complaint about us or our advisers. The FMA can also be contacted at:

Postal address:
Financial Markets Authority
P O Box 1179
Wellington 6140

Physical address:
Financial Markets Authority
Level 2, 1 Grey Street
Wellington 6011

What other information can I obtain about this investment?

Trust Deed, Prospectus and Financial Statements

Other information about GMI Super is contained or referred to in the Trust Deed, registered prospectus and financial statements for GMI Super.

A copy of the Trust Deed, registered prospectus and the most recent financial statements of GMI Super and the annual report of GMI Super are available on request from GMI during normal

business hours, free of charge. These documents are also available from the website: www.gmisuper.co.nz. Copies of these documents (except the annual report) along with any material contracts set out in the registered prospectus may be viewed on the Companies Office website www.companies.govt.nz under "Search Other Registers". If you are an employee of a Participating Employer, a copy of your employer's Participation Agreement and all amendments are available to you, free of charge, on request to your employer.

No offer of interests in GMI Super made on the basis of a Participation Agreement may be made unless the relevant Participation Agreement has been signed by the relevant Participating Employer and registered by or filed with, the Registrar of Financial Service Providers (and is available for public inspection).

Annual information

We will provide you, on an annual basis, with:

- the annual report of GMI Super; and
- the Trustee's certificate.

These documents will be sent to you by email where you have agreed to receive information in electronic form, otherwise we will post you hard copies of each. In addition, you will receive monthly reporting via the web.

On request information

The following documents or information can be requested from us free of charge:

- a copy of GMI Super's Trust Deed;
- the current value of your interest in GMI Super;
- the prospectus for GMI Super;
- a copy of financial statements for GMI Super and any auditor's report;
- the most recent annual report of GMI Super;
- a copy of the most recent Investment Statement (and supplement if applicable); and
- a copy of the Participation Agreement between the Participating Employer and us (if the member is an employee of a Participating Employer).

These documents will generally be made available via the website: www.gmisuper.co.nz or be sent as an email attachment. However, they will be available in hard copy and posted to you on request.