



## Private Portfolio Service

**Investment Statement** 1 April 2010

## 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:

What sort of investment is this?	6
Who is involved in providing it for me?	6
How much do I pay?	7
What are the charges?	8
What returns will I get?	9
What are my risks?	13
Can the investment be altered?	15
How do I cash in my investment?	15
Who do I contact with inquiries about my investment?	16
Is there anyone to whom I can complain if I have problems with the investment?	17
What other information can I obtain about this investment?	17

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.

### Engaging an investment adviser

An investment adviser must give you a written statement that contains information about the adviser and his or her ability to give advice. You are strongly encouraged to read that document and consider the information in it when deciding whether or not to engage an adviser.

Tell the adviser what the purpose of your investment is. This is important because different investments are suitable for different purposes, and carry different levels of risk.

The written statement should contain important information about the adviser, including:

- relevant experience and qualifications, and whether dispute resolution facilities are available to you; and
- what types of investments the adviser gives advice about; and
- whether the advice is limited to investments offered by 1 or more particular financial institutions; and
- information that may be relevant to the adviser's character, including certain criminal convictions, bankruptcy, any adverse findings by a court against the adviser in a professional capacity, and whether the adviser has been expelled from, or prohibited from joining, a professional body; and
- any relationships likely to give rise to a conflict of interest.

The adviser must also tell you about fees and remuneration before giving you advice about an investment. The information about fees and remuneration must include:

- the nature and level of the fees you will be charged for receiving the advice; and
- whether the adviser will or may receive a commission or other benefit from advising you.

An investment adviser commits an offence if he or she does not provide you with the information required.

This is an Investment Statement as required by the Securities Act 1978. It has been prepared as at 1 April 2010 and applies to investors who join Private Portfolio Service in an individual capacity rather than in a capacity as trustee of a registered superannuation scheme.

**Private Portfolio Service Unit Trusts (the "Unit Trusts")**  
ING (NZ) Limited: Issuer and manager  
The New Zealand Guardian Trust Company Limited: Trustee

**Private Portfolio Service Superannuation Fund (the "Superannuation Fund")**  
The New Zealand Guardian Trust Company Limited: Issuer and trustee  
ING (NZ) Limited: Promoter, administration manager and investment manager

**The Unit Trusts and the Superannuation Fund**  
An investment in the Unit Trusts or the Superannuation Fund is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

No entity\* guarantees (either partially or fully) The New Zealand Guardian Trust Company Limited or ING (NZ) Limited or the capital value or performance of any products issued or managed by them, including the Unit Trusts and the Superannuation Fund.

Units in the Unit Trusts and the Superannuation Fund do not represent deposits or liabilities of ANZ National Bank Limited.

\* Please note, this includes ING (NZ) Limited, ING (NZ) Holdings Limited, ANZ National Bank Limited, Australia and New Zealand Banking Group Limited, The New Zealand Guardian Trust Company Limited, any member of their respective groups of companies and any other person.

ING (NZ) Limited is wholly owned by ANZ National Bank Limited and has a licence from ING Corporate Services Pty Limited enabling it and related companies to use the ING brand and certain trademarks owned by ING Group or its subsidiaries while transitioning to a new brand, which is expected to be during 2010.

# A new way of investing

Private Portfolio Service (PPS) provides investors with the opportunity to diversify their portfolio – without the need to rebalance different investments across a number of fund managers and products.

A series of unit trusts (the Unit Trusts) and a superannuation fund (the Superannuation Fund), PPS comprises a wide selection of investment funds representing a broad range of asset classes.

This combination of investment products forms the basis of a potentially successful long-term strategy, enabling you to tailor your portfolio to meet your financial goals.

By spreading your investment between different options across the PPS funds, you can create a personalised portfolio to match your financial requirements.

In seeking to provide premium investment opportunities, PPS undertakes thorough research of both domestic and international markets.

## How does PPS work?

Using just one application form, investors have access to a wide range of funds from some of the world's leading managers.

The process begins with you and your adviser discussing your financial goals and selecting the most appropriate asset allocation to help you reach those goals.

The moneys from all PPS investors are pooled and then placed with the selected fund managers. Note, the underlying fund managers may change from time to time without notice to investors.

## Why invest in PPS?

Investing in PPS is a way of accessing:

- Personalised financial planning advice from your licensed PPS adviser.
- A wide range of investment funds to meet your individual requirements.
- The expertise of some of the world's leading fund managers, chosen for their proven ability to manage investments effectively.
- Efficient and convenient administration to help you monitor the performance of your investment portfolio.

# PPS Funds

## Understanding Risk

PPS aims to satisfy both the return expectations and the risk tolerance of investors, by providing access to different asset classes. The fund(s) you choose should reflect your investment objectives, risk profile and investment timeframe. Investments in PPS are not guaranteed.

Understanding and managing risk is the cornerstone of any successful investment philosophy, so it's very important you become familiar with the concept of risk. In simple terms, investment risk is the chance that what you receive back on your investment will be less than you expect and may involve the loss of some or all money invested.

Each of the PPS funds carries a different degree of risk and return potential based on the assets each fund holds.

All investments have some degree of risk associated with them and risk can take many forms (see pages 13 to 15 for a more detailed explanation of risks involved with investing in the funds). There is typically a relationship between risk and return. Generally, the greater the risk, the greater the potential return and the lower the risk, the lower the potential return over the long term. In addition the higher degree of risk an investment carries, the more its price may fluctuate.

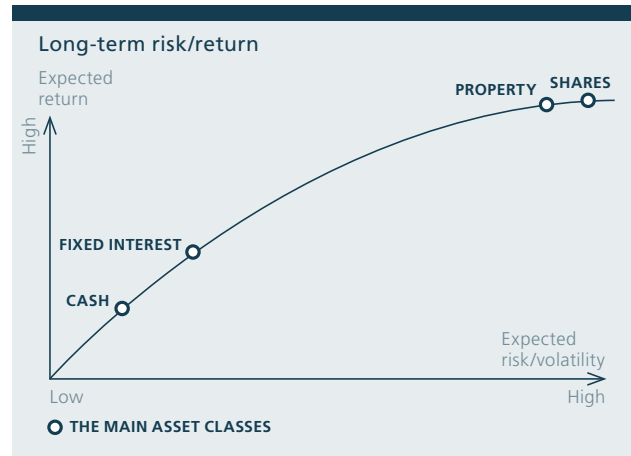
The funds aim to satisfy both the return expectations and the risk tolerance of investors, by providing access to both income and growth assets. 'Income' assets are defined as cash and fixed interest investments that provide a return from an interest payment and the repayment of principal at some future date. 'Growth' assets include shares, property and other assets (described below).

Looking at risk versus return, income assets tend to have lower risk and lower returns than growth assets as illustrated in the diagram on this page. So investors wanting to earn higher returns generally have a higher proportion of growth assets in their investment portfolios. As the proportion of growth assets in a portfolio increases, so too does the expected level of risk.

Some funds may also potentially invest into "other assets" (also known as "alternative" or "non-traditional" assets) with the objective of enhancing the overall risk/return profile of the fund. This may include, by way of example only, investments in commodities, absolute return and private equity investment funds. The level of investment in "other assets" will vary from time to time up to limits as specified in the investment guidelines for certain funds and a fund's exposure to these "other assets" may be nil.

The fund(s) you choose should reflect your investment objectives, risk profile and investment timeframe. Returns and the value of your investment in the funds are not guaranteed.

Most investment portfolios will be made up of a combination of investment funds, depending on your risk profile.



This diagram is for illustrative purposes only.

## Investment opportunities

PPS offers the following range of investment opportunities, each of which is available through either a unit trust or the superannuation fund, other than the Cash Fund, which is only available as part of the Superannuation Fund. The PPS Superannuation Fund invests directly into the PPS range of unit trusts, except for the Cash Fund, which invests directly in deposits with a New Zealand registered bank or banks. The funds do not distribute income.

### New Zealand Fixed Interest Fund

The objective is to generate competitive returns for investors by investing primarily in a range of New Zealand fixed interest assets. The fund may also include exposure to international companies who have issued debt securities in New Zealand and international fixed interest securities (fully hedged back to the New Zealand dollar).

### International Fixed Interest Fund

The objective is to generate competitive returns by investing primarily in an internationally diversified portfolio of fixed interest investments, including corporate and government debt securities.

### Mortgage Fund

The objective is to generate competitive returns by investing in mortgage assets, complemented by short-term debt securities, floating rate notes, term deposits and bank deposits.

The Mortgage Fund Unit Trust (into which the Mortgage Fund superannuation fund invests) has entered into an agreement to make advances to Portfolio Mortgage Company Limited ("PMCL") under which the Mortgage Fund is committed to lend up to \$50 million to PMCL for use by PMCL in making commercial property mortgage advances to third party borrowers (the "Senior Facility"). These advances to PMCL are secured by a first ranking charge in favour of the Mortgage Fund over all of PMCL's assets.

PMCL was established in 2004 and is located in Auckland. PMCL makes commercial property mortgage advances within New Zealand. PMCL's two principals are ex-bankers with expertise in commercial property finance.

As at 28 February 2010, fifteen advances totalling approximately \$17 million had been drawn down by PMCL under the Senior Facility. Subject to the terms of the Senior Facility, PMCL may request further drawdowns on a revolving basis up to the \$50 million commitment.

In determining the portion of the assets of the Mortgage Fund invested in liquid assets (such as short term securities and bank deposit), the Manager will take account of the Mortgage Fund's commitments under the Senior Facility as a key consideration, as well as market conditions. As at 12 March 2010, approximately 65% of the Mortgage Fund's assets were invested in liquid assets. The percentage will change from time to time.

The Manager may renew, discontinue or restructure the Senior Facility in the future.

#### **Property Fund**

The objective is to generate capital growth primarily from exposure to a range of New Zealand and international property companies and trusts.

#### **Trans-Tasman Select Equities Fund**

The objective is to provide medium to long term returns primarily from exposure to companies listed or intending to list on the New Zealand and/or Australian Stock Exchanges. The fund may utilise short selling investment strategies.

#### **Australian Equities Fund**

The objective is to generate capital growth by investing primarily in a broad selection of companies listed on the Australian Stock Exchange.

#### **European Equities Fund**

The objective is to generate capital growth through investment primarily in the shares of companies listed on European sharemarkets.

#### **International Equities Fund**

The objective is to generate capital growth by investing primarily in selected companies from the world's major sharemarkets (including the United States, Europe and Asia).

#### **Asian Equities Fund**

The objective is to generate capital growth by investing primarily in securities issued by companies listed on Asian sharemarkets (excluding Japan), or companies deriving a significant portion of their revenues or profits in Asia-Pacific countries or holding a significant portion of their assets there.

#### **Global Opportunities Fund**

The objective is to generate capital growth by investing primarily in cash and securities issued by listed and unlisted entities in

New Zealand and overseas, including vehicles that may employ strategies seeking to increase or hedge returns utilising derivatives, leverage, short selling and other financial contracts.

#### **Platinum International Fund**

The objective is to generate capital growth over the long term (five or more years) through searching out and investing primarily in listed or unlisted investments around the world.

#### **Balanced Fund**

The objective is to generate capital growth through investing in a variety of assets, including shares, fixed interest securities, listed property trusts and other assets.

#### **Aggressive Balanced Fund**

The objective is to generate capital growth through investing in a variety of assets, including shares, fixed interest securities, listed property trusts and other assets. This fund will suit multi-sector fund investors who are willing to accept a higher level of market volatility.

#### **Cash Fund**

The objective is to provide a competitive return by investing in deposits with a New Zealand registered bank or banks. Please note, this fund is only available as part of the Superannuation Fund.

More information on each of the funds is available from your adviser.

In generating capital growth, the relevant funds also have an objective of generating competitive returns ahead of inflation and, other than the Global Opportunities Fund, seek to generate income for the fund.

Generic references to cash may include short term debt securities, term deposits and floating rate notes.

The funds may invest:

- directly in the types of investments described on pages 2 and 3 (shares, listed property, fixed interest, cash and other assets); and/or
- indirectly by investing in vehicles which invest in those investments.

To the extent permitted by the governing trust documents, derivatives may be used by the funds and the funds may also borrow (please see the 'What are my risks?' section for a definition of derivatives and the Prospectuses for the Unit Trusts and the Superannuation Fund for more information about permitted borrowing). Where the funds make indirect investments through investing in other investment vehicles (including by investing in other funds managed by ING (NZ) Limited) the funds and their investors will be exposed to the investment management activities implemented by those vehicles. For example, those vehicles may have greater flexibility regarding the use of derivatives and borrowing than the funds themselves, and may enter into securities lending, repurchase, short-selling and other transactions.



1. PPS provides a range of funds across various investment sectors. Your adviser will recommend, from the available investment funds, an allocation tailored to meet your specific financial goals.
2. PPS funds may have one or more underlying fund managers which may include INGNZ. The underlying managers are selected on their proven ability in aspects of funds management including research, asset selection and the ability to generate competitive returns. Managers may be reviewed and replaced as and when the situation dictates without notice to investors.

Each fund has its own fund managers although it is possible a fund manager may provide fund management services to more than one fund. For details of the fund managers for each fund, please contact your investment adviser.

3. A unit price for each PPS fund will be available on each standard business day. This means investors avoid dealing directly with multiple managers, all of whom may have different reporting dates and systems.
4. The Cash Fund is only available as part of the Superannuation Fund.

*NB: The proportional representation of fund managers shown in the chart is illustrative only and will vary from time to time.*

# Benefits of investing in PPS

## Range of fund managers

PPS provides access to a range of fund managers from both the retail and wholesale investment markets.

While the asset allocation undertaken by your adviser is tailored to give you exposure to an appropriate mix of investment funds, the management of those assets will be achieved through investment across leading fund managers.

The specific selection of, and allocation to, each fund manager will be undertaken by the PPS Investment Committee. In addition, specialist consulting practice Mercer Investment Consulting will provide research data to assist the PPS Investment Committee in monitoring the performance of many of the selected fund managers. The fund managers may change from time to time without notice to investors.

## Performance

The PPS Investment Committee has selected leading fund managers from around the world for each asset class. If, at any time, it is considered possible to enhance performance further by adding or removing a fund manager, this can be done with the minimum of paperwork, cost and delay to investors.

## Centralised reporting

The consolidated reporting system used for PPS enables you to receive a single report detailing one unit price for each investment fund. The result is a substantial reduction in the volume of paperwork for you to manage.

## Administration

The day-to-day administration of PPS is carried out by ING (NZ) Limited. Their experience and service infrastructure enables them to meet the administrative needs of all PPS investors.

The ING (NZ) Limited Client Services team complements the service you receive from your adviser. Our friendly staff are pleased to provide prompt answers to any questions you may have regarding the administration of your portfolio. Your adviser will answer any questions regarding the asset allocation of your portfolio.

The Trustee, who is The New Zealand Guardian Trust Company Limited, ensures the PPS funds are managed in accordance with the relevant Trust Deed and other relevant legislation.



## What sort of investment is this?

PPS is a series of unit trusts and a superannuation fund comprising a wide selection of investment funds, representing a broad range of asset classes.

A unit trust is a pooled investment in which 'units' are normally available for withdrawal at any time. See "How do I cash in my investment?" for further details. A superannuation fund is a pooled investment fund, with the main purpose being to set aside funds for retirement.

The PPS range of investment funds provides investors with the opportunity to diversify their portfolio – without the need to rebalance different investments across a number of fund managers and products.

This combination of investment products can form the basis of a successful long-term strategy, enabling you to tailor your portfolio to meet your financial goals.

## Who is involved in providing it for me?

### The Promoter

The Promoter of PPS is:

ING (NZ) Limited  
Level 27, ASB Bank Centre  
135 Albert Street  
PO Box 7149, Wellesley Street  
Auckland 1141

In this Investment Statement, all references to 'INGNZ', 'the Manager', 'the promoter', 'us', 'we' or 'our', refer to ING (NZ) Limited.

The Directors of ING (NZ) Limited are also the promoters of the Superannuation Fund and may be contacted care of ING (NZ) Limited as above:

Philip Michael Smith (Chairman) of Auckland  
Steven Montgomery Fyfe of Wellington  
Jennifer Anne Fagg of Wellington  
Helen Therese Troup of Auckland  
John Robert Body of Auckland

The Directors of ING (NZ) Limited may change from time to time without notice to investors and can be contacted at the address above.

### The Manager

ING (NZ) Limited ('INGNZ') is responsible for selecting and managing the assets held by the Unit Trusts and the Superannuation Fund, together with the overall administration and marketing of PPS. The Manager will appoint specialist asset managers, including ING (NZ) Limited, to manage specific assets of the fund. Such managers may change from time to time without notice to investors. Neither ING (NZ) Limited nor ANZ Group guarantee payment of your returns or repayment of your investment.

On 30 November 2009, ANZ National Bank Limited, part of the Australia and New Zealand Banking Group (the 'ANZ Group') acquired ING Insurance International B.V.'s 51% shareholding in ING (NZ) Holdings Limited, which was part of ING Group. Accordingly, ING (NZ) Holdings Limited is now ultimately wholly owned by the ANZ Group and has ceased to form part of the ING Group. ING (NZ) Holdings Limited is the holding company of the Manager.

INGNZ's contact details are:

ING (NZ) Limited  
Level 27, ASB Bank Centre, 135 Albert Street  
PO Box 7149, Wellesley Street  
Auckland 1141

The names of the directors of ING (NZ) Limited are set out as above.

Neither financial planning nor investment advice is available from, or given by, INGNZ staff. INGNZ recommends investors consult a financial planner or investment adviser before making any investment decision.

### The Trustee

The trustee for the Unit Trusts and for the Superannuation Fund available through PPS is The New Zealand Guardian Trust Company Limited (the "Trustee"), who oversees the management and administration of the PPS funds (set out below). The Trustee has entered into an agreement with INGNZ, for INGNZ to carry out the administration and management of the Superannuation Fund. The Trustee holds the assets of the funds for investors.

The Trustee and each of its directors does not guarantee your investment. The Trustee ensures your investment is managed in accordance with the provisions of the relevant Trust Deeds, the relevant offer of units and any applicable legislation.

Contact details for the Trustee are:

Relationship Manager  
The New Zealand Guardian Trust Company Limited  
Level 7, Vero Centre, 48 Shortland Street  
PO Box 1934, Auckland 1140

### PPS funds

The names of the unit trusts available in PPS are:

- Private Portfolio Service New Zealand Fixed Interest Fund
- Private Portfolio Service International Fixed Interest Fund
- Private Portfolio Service Mortgage Fund
- Private Portfolio Service Property Fund
- Private Portfolio Service Trans-Tasman Select Equities Fund
- Private Portfolio Service Australian Equities Fund
- Private Portfolio Service European Equities Fund
- Private Portfolio Service International Equities Fund
- Private Portfolio Service Asian Equities Fund
- Private Portfolio Service Global Opportunities Fund
- Private Portfolio Service Platinum International Fund
- Private Portfolio Service Balanced Fund
- Private Portfolio Service Aggressive Balanced Fund

The Private Portfolio Service Unit Trusts (the "Unit Trusts") were established by a Trust Deed and Establishment Deeds, each dated 14 July 1997 – except for the Mortgage Fund, which was established by an Establishment Deed on 25 March 1998, the Aggressive Balanced Fund on 26 May 1999, the European Equities Fund and the Global Opportunities Fund on 19 December 2000 and the Platinum International Fund on 11 October 2001.

The name of the superannuation fund is the Private Portfolio Service Superannuation Fund (the "Superannuation Fund"). It is a registered superannuation scheme that has been operating since 14 July 1997. The scheme is a defined contribution superannuation scheme registered under the Superannuation Schemes Act 1989, whose principal purpose is to provide retirement benefits. Each investor's interest in the Superannuation Fund is represented by units. The Superannuation Fund is also currently registered with United Kingdom tax authorities as a Qualifying Recognised Overseas Pension Scheme (QROPS) for the purpose of UK pension transfers. For information on withdrawals from QROPS including the PPS withdrawal restrictions, contact INGNZ Client Services or your PPS adviser.

The Superannuation Fund comprises the following investment funds:

- New Zealand Fixed Interest Fund
- International Fixed Interest Fund
- Mortgage Fund
- Property Fund
- Trans-Tasman Select Equities Fund
- Australian Equities Fund
- European Equities Fund
- International Equities Fund
- Asian Equities Fund
- Global Opportunities Fund
- Platinum International Fund
- Balanced Fund
- Aggressive Balanced Fund
- Cash Fund

The investment policy of the Superannuation Fund, as at the date of this Investment Statement, is that these investment funds (except for the Cash Fund) invest in the unit trust with the corresponding name available through PPS. The Cash Fund invests directly into deposits with a New Zealand registered bank or banks.

## Licensees

INGNZ may from time to time approve certain financial advisory firms and/or advisers as licensees who will market and sell PPS to their current and prospective clients. The relationship between INGNZ and a licensee is that of independent contractors and INGNZ takes no responsibility for the financial advice provided by such licensed financial advisers for the purposes of PPS, or otherwise.

## Investment Committee

INGNZ has constituted the Private Portfolio Service Investment Committee to select underlying fund managers for PPS.

This committee may include up to two representatives from the Manager and up to four past or present representatives from organisations licensed by INGNZ to promote investment in PPS. From time to time this may include a representative from ANZ National Bank Limited.

## Mercer Investment Consulting

The PPS Investment Committee receives and reviews regular research data on domestic and international fund managers from Mercer Investment Consulting, a specialist consulting practice with more than 1,000 employees in 40 offices worldwide.

Mercer Investment Consulting staff are dedicated to providing investment consulting advice and services at an institutional level, and are leaders in the specialised area of performance monitoring. Their role in PPS is to assist in monitoring the performance of the selected managers in the context of their peer groups and the appropriate markets and to provide research on other managers to aid manager selection decisions.

In respect of PPS, Mercer Investment Consulting currently does not research all managers within certain funds.

## How much do I pay?

You may invest in PPS either by making a single investment or by making regular investments into the fund/s of your choice.

### Single investments

There is a minimum investment of \$600 for any initial or additional investment in a fund. Each single sum payment may incur an entry fee, please consult with your financial adviser. Please complete a new application form to make an additional investment.

### Regular investments

A regular investment may be made per fund fortnightly, monthly, quarterly, six-monthly or annually. The total of the regular investment must be a minimum of \$600 per annum per fund. Regular investments are made by completing the direct debit form and application form found in the back of this Investment Statement. Each regular investment may incur an entry fee, please consult with your financial adviser.

If you invest in a Unit Trust and you decide to stop your regular payments, and your minimum investment balance is less than \$1,000, we may choose to redeem your units. To vary your investment, please contact your adviser or our Client Services team, who will make the necessary arrangements for you.

## Payments

All payments are to be made to 'Private Portfolio Service Nominees Limited' at:

ING (NZ) Limited  
Freepost 324, PO Box 7149  
Wellesley Street  
Auckland 1141

International cheques will be subject to standard trading bank clearance and timelines.

## What are the charges?

### Entry fee

The entry fee to PPS may be up to 5% of all amounts invested and is payable to the relevant licensed PPS adviser via the Manager.

### Management fees

The Manager receives a fee calculated by reference to the 'Total GAV', i.e. the gross asset value of PPS (excluding the Mortgage Fund and the Cash Fund). This fee is currently calculated daily and paid monthly as follows:

Total GAV	Fee (%)
On first \$150m of Total GAV	1.65% p.a.
On next \$200m of Total GAV	1.55% p.a.
On balance of Total GAV	1.50% p.a.

Each fund (excluding the Mortgage Fund and the Cash Fund) is charged a proportion of this fee equal to its proportion of the Total GAV, but adjustments are made to take account of assets of the Superannuation Fund and the Unit Trusts that are invested in any other of the Unit Trusts to avoid double charging of this fee.

The current management fee for the Mortgage Fund is 0.85% p.a. and for the Cash Fund is 0.45% p.a. of the gross asset value of the relevant fund, calculated daily and payable monthly.

In addition to the above fees, where applicable, the fees set out below also apply.

A currency monitoring fee of between 0.04% and 0.08% p.a. of the value of the assets being monitored may be charged on funds with foreign currency dealings. The currency position of most funds is monitored. This currency monitoring fee is included in the management expense ratios of the relevant fund described on the next page.

Goods and Services Tax (GST) is currently charged on 10% of the Unit Trusts' management fee at 12.5%. There is no GST charged on any management fee in relation to the Cash Fund in the Superannuation Fund. All other Funds in the Superannuation Fund invest through the relevant Unit Trust, and the management fee charged in relation to the Unit Trusts will incur GST as described above. Therefore, indirectly, these Superannuation Funds bear GST cost on management fees to that extent.

Where a fund invests directly in a non-PPS fund (including a fund managed by the Trustee, Manager or any associated person), certain additional fees such as trustee, administration, performance and management fees will be incurred by the relevant PPS fund. The amounts of these fees may be changed from time to time.

INGNZ has agreed to pay a proportion of its management fee to licensees as ongoing trail commission for placing the investments.

### Trustee fee

The Trustee's remuneration in respect of each Unit Trust and the Superannuation Fund is an annual fee of up to 0.1% p.a. (plus GST, if any) of the gross asset value of each fund. Currently this fee is 0.047% per annum for each fund, except for the Balanced Fund and Aggressive Balanced Fund which incur a fee of 0.01% per annum. The trustee fee (and the management fee) are calculated according to the gross asset value of PPS. Trustee fees are rebated where a Unit Trust invests in another fund with the same Manager and Trustee, to ensure no double-charging of Trustee fees. This is an arrangement with the Trustee and this may change without notice to investors.

GST is currently charged on 75% of the Unit Trusts' Trustee fee at 12.5%. There is no GST charged on any Trustee fee in relation to the Cash Fund in the Superannuation Fund. All other Funds in the Superannuation Fund invest through the relevant Unit Trust, and the Trustee fee charged in relation to the Unit Trusts will incur GST as described above. Therefore, indirectly, these Superannuation Funds bear GST cost on Trustee fees to that extent.

## Custodian fees

In addition, certain Unit Trusts pay custodian fees.

These are as follows:

- The International Equities Fund currently pays a custodian fee to Citigroup Citibank, N.A of approximately 0.02% per annum of the market value of those assets of the fund that are directly held investments (i.e. are not investments in other funds), calculated and paid monthly.
- The Australian Equities Fund currently pays a custodian fee to BNP Paribas Fund Services Australasia Pty Limited equal to the higher of \$7,500 (plus GST) per quarter or 0.08% per annum of the market value of those assets of the fund that are directly held investments (i.e. are not investments in other funds) (plus GST), calculated monthly and paid quarterly.

The amounts of these fees and the custodians may be changed from time to time.

## Expenses

The Manager and the Trustee may charge expenses such as audit, registry, postal and legal fees to PPS. Where the expenses relate to the funds collectively, they will be apportioned among the funds on a fair and equitable basis as determined by the Manager. In joining PPS, investors accept and authorise these deductions. GST will be added if applicable.

There may be cases where charges are payable by a fund to a related company of INGNZ, where the related company manages or provides services in respect of the underlying assets. Where these transactions occur, they will be conducted on standard commercial terms. For example, a fund may invest into a deposit (or deposits) with ANZ National Bank Limited, or a fund may enter into forward foreign exchange contracts with ANZ National Bank Limited.

Some of the funds invest in other managed funds in which fees and expenses are charged which may affect returns to PPS investors.

## Management Expense Ratio

A Management Expense Ratio ("MER") is used to indicate the level of fees and expenses (excluding transactional costs and performance fees) of a fund. The MER is not a separate fee. The MER does not show the actual ongoing fees and any other expenses of the fund or any individual investor in the fund. It shows the rate of fees and other expenses of the fund as a percentage of the average size of the fund over the relevant financial year. The MER is shown before tax. Expenses from underlying managers are collected on the basis of what they disclose and reliance is placed on their completeness.

The table on this page shows the MER for the last three completed financial years for each PPS fund. Please note, the MER for the current financial year or any future period is not guaranteed. For example, if the average size of a fund reduces, generally the MER will increase.

The MER has been calculated in accordance with the following formula:

$$\text{MER} = \frac{\text{Fees and Recovered Expenses} \times 100}{\text{Average Fund Size}}$$

30 June	2009	2008	2007
New Zealand Fixed Interest Fund	2.42%	2.38%	2.55%
International Fixed Interest Fund	2.18%	2.36%	2.16%
Mortgage Fund	1.12%	1.26%	1.43%
Property Fund	2.47%	2.77%	2.48%
Trans-Tasman Select Equities Fund	2.29%	2.43%	2.59%
Australian Equities Fund	2.65%	2.59%	2.59%
International Equities Fund	2.50%	2.61%	2.52%
European Equities Fund	2.65%	2.71%	2.76%
Asian Equities Fund	2.99%	3.39%	3.68%
Global Opportunities Fund	2.87%	3.50%	2.91%
Platinum International Fund	3.22%	3.45%	3.45%
Balanced Fund	2.53%	2.40%	2.29%
Aggressive Balanced Fund	2.63%	2.50%	2.54%

Note: The Cash Fund has not completed a full year of trading activities at the time of print. Accordingly there is no available calculation of the MER for this fund.

## Note to the charges

- The fees described on pages 8 and 9 may be altered from time to time in accordance with the relevant Establishment Deed and Trust Deed, and up to any maximum level as specified in the Trust Deed.
- Exit fees and switching fees may be introduced if considered appropriate by the Manager upon giving three months' notice to investors.
- Management and Trustee fees, together with the other expenses of managing and administering the funds, are paid by the funds. These fees are deducted prior to the declaration of the fund's unit prices on each business day.

## What returns will I get?

Returns are reflected in the value of the units held in the fund(s) excluding PIE tax attributable to investors. Returns for tax paying investors will be adjusted for any tax payable or tax rebates received by cancelling or issuing units in your fund(s) as described in the Taxation section on pages 10 to 12. The funds are usually valued on each business day.

## Key factors that determine returns

The main form of returns to you will be the difference between what you pay for units and what you receive when you sell them or withdraw. Because the unit price is determined by the value of the assets of the relevant fund, the key factors that determine the returns to you are principally increases and decreases in the values of those assets. The values of the assets in the funds are mainly determined by market conditions.

Fund managers cannot control or guarantee the performance of investment markets, and investors should be aware that fluctuations in market supply and demand will be reflected in the changing market values of assets held in the fund(s). This means that the unit price for each of the funds may rise or fall and the performance may vary.

Other key factors that determine your returns are:

- The amount contributed to the fund(s) by you or on your behalf; and
- The investment performance of the fund(s) your contributions are invested in; and
- Fees, charges and expenses payable (as set out in the section "What are the charges?" on pages 8 and 9); and
- Taxes payable in respect of your investment by the fund(s) or you.

ING (NZ) Limited is legally liable to pay any returns to the extent available, in respect of each Unit Trust. The Trustee is legally liable to pay any returns to the extent available in respect of the Superannuation Fund. Investors should be aware that no percentage rate of return or fixed amount has been promised or guaranteed and there are no specified dates on which, or frequency with which, returns will be paid. Past performance is not indicative of future performance.

Unit prices for all funds are available on the internet by going to [www.ingnz.com](http://www.ingnz.com). Alternatively, they may be obtained by calling an adviser, or contacting the Manager.

## Taxation

The Unit Trusts and the Superannuation Fund became PIEs from 1 October 2007.

PIEs attribute all taxable income (or losses) between investors, based on the number of units held by each investor. The Manager then calculates tax payable on such income attributed to each investor at their notified Prescribed Investor Rate (PIR). Tax is then paid and losses dealt with as described under the "Tax-paying Investors" heading overleaf.

In order for PPS to correctly calculate and pay tax on behalf of its investors, each investor must provide the Manager with their IRD number and applicable PIR at the time of joining PPS and when those details change. **If you do not notify us of your correct PIR and IRD number, or have not notified us of these details in the past, you will be subject to**

**tax on the income attributed to you by PPS (attributed PIE income) at the default rate of 30%.** We will seek reconfirmation of these details with you annually. If your previously notified rate has not changed, you do not need to reconfirm, as we will continue to tax your attributed PIE income at the rate last notified by you. To assess your correct PIR, please refer to the table below.

The PIRs are as follows:

PIRs	Who is eligible?
0%	A New Zealand tax resident company (including a unit trust), charity, PIE investor proxy, and New Zealand tax resident trustee of a trust (other than a trustee that notifies a higher rate).
12.5%	<ul style="list-style-type: none"> <li>• An individual who is a New Zealand tax resident and who has in either of the two income years before the current tax year earned: <ul style="list-style-type: none"> <li>a) \$14,000 or less in taxable income (excluding attributed PIE income); and</li> <li>b) \$48,000 or less in total taxable income and attributed PIE income.</li> </ul> </li> <li>• A New Zealand tax resident trustee of a testamentary trust (excluding a trustee of a unit trust or charity) who notifies this rate.</li> </ul>
21%	<ul style="list-style-type: none"> <li>• An individual who is a New Zealand tax resident and who does not qualify for the 12.5% rate, and who has in either of the two income years before the current tax year earned: <ul style="list-style-type: none"> <li>a) \$48,000 or less in taxable income (excluding attributed PIE income); and</li> <li>b) \$70,000 or less in total taxable income and attributed PIE income.<sup>1</sup></li> </ul> </li> <li>• A New Zealand tax resident trustee of a trust (excluding a trustee of a unit trust or charity) who notifies this rate.</li> </ul>
30%	<ul style="list-style-type: none"> <li>• An individual who is a New Zealand tax resident and who does not qualify for the 12.5% or 21% rates.</li> <li>• A non-New Zealand tax resident who notifies this rate.</li> <li>• When an investor does not provide both their PIR and IRD number, then this is the default rate.</li> <li>• A New Zealand tax resident trustee of a trust (excluding a trustee of a unit trust or charity) who notifies this rate.</li> </ul>

<sup>1</sup> The PIRs enacted as at the date of this Investment Statement do not fully reflect this position. Later this year remedial legislation is expected to be passed to correct this. This legislation is expected to come into effect retrospectively from 1 April 2010.

References in this taxation section to an “income year” mean the period commencing 1 April of a given year and ending on 31 March of the following year, however an “income year” can start and end on alternative dates if Inland Revenue consents. A “tax year” always commences on 1 April of a given year and ends on 31 March of the following year.

Please note that Inland Revenue may notify us to disregard your notified PIR and instead apply a different PIR.

We will provide you with annual tax certificates, which will include the PIE income of PPS attributed to you and the amount of tax paid at your PIR. This information will assist you in determining if a PIR of less than 30% can be selected in future.

### **Withdrawals**

All withdrawals will be made by way of redemption of units. You will not be taxed on amounts received when you redeem your units (including standing redemptions) and distributions (if any) from PPS. Refer to the ‘Tax-paying investors’ section which sets out when PIE tax is payable.

### **Tax-paying investors**

If you notify us of a PIR greater than 0% or default to a PIR greater than 0% then you are referred to as a “tax-paying investor”.

PPS’s tax liability on PIE income attributed to its tax-paying investors will be recovered by cancelling units equal to the value of the tax liability. The tax liability will be recovered at the following times:

- i) At the end of the tax year (following 31 March);
- ii) Upon a full withdrawal, transfer and/or switch; or
- iii) If at any time, especially on a partial withdrawal (including standing redemptions), partial transfer or partial switch, the value of the remaining units is, or could potentially become, insufficient to cover PPS’s accrued tax liability on such an investor’s attributed PIE income. In these circumstances, the investor will be deemed to have made a full withdrawal and units will be cancelled on account of the accrued liability. The Manager will consider potential market movements when determining whether the remaining units are of sufficient value to cover the tax liability.

Where PIE tax losses or excess tax credits arise and PPS receives a refund of tax, the refund will be attributed to tax-paying investors by issuing additional units.

If the correct PIR has been notified (and the investor is not a trustee that has notified a PIR that is lower than 30%), the tax paid on the attributed PIE income of tax-paying investors will be a final tax and no obligation to file a tax return (in respect of this investment) will arise as a consequence. Nor will it impact on family assistance eligibility, student loan repayment obligations or child support payment obligations.

Trustees that notify a PIR that is lower than 30% must return the PIE income and pay any applicable tax themselves (with a credit for tax paid by PPS in respect of PIE income attributed to the trustee). Such trustees may therefore have a tax liability in respect of their attributed PIE, regardless of whether PPS makes any distributions to them. Trustees that choose a PIR of 12.5%

or 21% cannot include losses attributed to them in the trust’s tax return. However, as noted above, such losses are attributed to such trustees by issuing additional units.

Tax-paying investors must advise the Manager if their PIR changes from a lower rate to a higher rate or if they cease to be a New Zealand tax resident. Failure to advise, or notifying a lower rate than that applicable, will mean the investor is personally liable to pay any resulting tax shortfall, including penalties and interest, and may be required to file a tax return. Where the actual rate applicable is lower than that advised by an investor and tax has already been paid by PPS, a refund will not be available.

If an investor notifies the Manager during a tax year that their PIR has changed (for example because they cease to be a New Zealand tax resident part way through the tax year), the investor will be treated as having the latest notified PIR for the whole of the tax year, unless tax has already been paid or recovered.

### **Zero-rated investors**

Investors with a notified PIR of 0% are referred to as “zero-rated investors”. Zero-rated investors must return the PIE income (or loss) and pay tax themselves. These investors will have a tax liability in respect of the PIE income attributed to them, regardless of whether PPS make any distributions to them.

PPS will not cancel any units or otherwise adjust the interests of its zero-rated investors for PIE tax, as PPS does not pay tax on the income attributed to such investors.

Zero-rated investors will be entitled to claim their share of excess credits or PIE tax losses directly depending on their circumstances.

### **Joint Investors**

For joint investors, income is attributed to one investor only based on their selection. Any joint investor can be selected if their PIRs are the same, but if they are different, they must select the investor with the highest PIR (unless otherwise allowed by Inland Revenue). If no notice of election is received, income will be attributed to the first named person at the default rate of 30%.

### **Calculation of taxable income and loss**

The Manager will calculate the taxable income and deductions of PPS in accordance with the provisions of the Income Tax Act 2007. In general:

- Dividends derived from holdings of New Zealand resident companies or Australian resident companies that maintain a franking account and that are listed on an Australian Stock Exchange approved index will be taxable. Gains (or losses) made from realising these investments will not be taxable (or deductible). The PIE regime is designed to ‘pass through’ these benefits, where PPS invests in other PIEs.
- Foreign equities (including units in offshore funds but excluding the Australian listed equities described above) held by PPS will generally be taxed under the Fair Dividend Rate (“FDR”) method. Under this method, PPS is deemed to derive taxable income equal to 5% of the average daily opening market value of its offshore equity investments for the relevant tax year. Dividends are not taxed separately.

Gains (or losses) on such foreign equities will not be taxable (or deductible).

- Certain foreign equities are prohibited from applying the FDR method. Such investments will generally be taxed under the comparative value method, i.e. change in market value plus distributions, and profits from disposal for each income year.
- Debt securities are taxed under the financial arrangements rules using the International Financial Reporting Standards ("IFRS") taxpayer method (which reflects the approach adopted for IFRS financial reporting purposes).

## Employer contributions to the Superannuation Fund

Employer contributions to the Superannuation Fund are subject to employer's superannuation contribution tax (ESCT) at the standard rate of 33%.

However, you may elect, with your employer's agreement, to have the contribution treated as salary or wages and therefore subject to PAYE, with tax being deducted at your marginal tax rate.

Alternatively, your employer may elect to pay ESCT as described below:

- 12.5%: if your gross salary, wages and employer superannuation contributions were less than or equal to \$16,800 in the previous tax year.
- 21%: if your gross salary, wages and employer superannuation contributions were between \$16,801 and \$57,600 in the previous tax year.
- 33%: if your gross salary, wages and employer superannuation contributions were equal to or more than \$57,601 in the previous tax year.

These thresholds do not take into account the value of benefits subject to fringe benefit tax (e.g. a company car).

If you were not employed by your current employer for all of the previous tax year, then the dollar amount on which each of the above rates is based will be your employer's estimate of your total gross salary or wages and the employer superannuation contributions during the current tax year.

The deduction and payment of this tax is the responsibility of your employer.

### Fund withdrawal tax (FWT)

Where withdrawals are made from the Superannuation Fund and the amount withdrawn includes contributions made by your employer (or from undetermined sources), the Trustee may be required to pay FWT of 5% of the amount withdrawn and will deduct that amount from the benefit paid. If the Trustee does not deduct this amount from the benefit paid and the Trustee is required to pay FWT, the Trustee has a statutory right to recover this amount from you.

FWT will generally not be payable:

- Where the withdrawal consists of contributions identified as your own;
- If you transfer from one superannuation fund to another;
- If a withdrawal is made to alleviate "significant financial hardship" or purchase an annuity or pension of 10 years or more or to purchase or pay certain insured benefits;
- Where a withdrawal is required to settle a dissolution of marriage or separation of spouses under the Property (Relationships) Act 1976 or any succeeding legislation;
- If employment ceases due to injury, disablement or death;
- If the withdrawal results from cessation of employment where you have been employed for at least two years and meet other specified criteria or upon partial retirement;
- If your taxable income and employer contributions paid on your behalf is less than \$60,000 per annum in each of the four years prior to the year of withdrawal;
- For employer contributions made prior to 1 April 2000 and thereafter, which have not increased as a percentage of your salary; or
- Where employer contributions have increased under an agreement made prior to 1 April 2000.

The FWT legislation is detailed and may have different consequences than those described above. You should seek independent professional tax advice before withdrawing.

The comments above in relation to taxation are a general summary only, and are based on New Zealand tax law current as at the date of this Investment Statement. Neither the Manager nor the Trustee accepts any responsibility for the impact of taxation liabilities on investors.

Tax legislation and rates of tax may be subject to change. The impact of taxation may vary depending on your individual circumstances.

You should consult your own independent tax adviser if you are uncertain of your taxation position in relation to PPS and the tax consequences of holding and redeeming units in PPS.

## Withholding of returns

### Unit Trusts

In certain circumstances, withdrawals may be suspended or deferred for a period determined by the Manager. Payment to you may be deferred or made by instalments determined by the Manager:

- If the exit request (or series of exit requests within three months) relates to more than 5% of the number of units on issue in the relevant Unit Trust; and
- The Manager determines it is in the general interests of investors to defer the redemption of units.

The Manager may suspend or defer the withdrawal of units if there has been a material and adverse change in the position of the relevant Unit Trust or the Manager (financial or otherwise), or if the Manager determines that, due to any material adverse changes, it is in the interest of the investors.

The Manager may also suspend the withdrawal of units if the exit request (or a series of exit requests within three months) relates to more than 20% of the number of units on issue in the relevant Unit Trust. In this event, a meeting of investors will be held to consider the action investors deem appropriate.

In the above circumstances, there is no express limit on the period of deferral or suspension.

### **Regular cashflow via standing redemptions**

Investors in the Unit Trusts who wish to receive a regular cashflow may set up a standing redemption request for a set amount on a set frequency. More details on the frequency and the minimum redemption levels are available under the heading "How do I cash in my investment?". Proceeds from the redemption will not be taxable or deemed to be income for the purpose of calculating certain benefit entitlements. Refer to the Taxation section on pages 10 to 12 for an explanation of the tax-related consequences that may arise following a standing redemption.

### **Superannuation Fund**

The Trustee may suspend or defer the payment of benefits in respect of one or more funds with the consent of the Manager on terms and conditions agreed between the Trustee and the Manager. You should note that the Trust Deed for the Superannuation Fund allows withdrawals from the Superannuation Fund only if the investor (or, in the case of joint investors, the older investor) has attained 50 years of age, or the Manager and the Trustee have consented to the withdrawal.

The Trustee and Manager may give consent to investors wishing to withdraw funds from the Superannuation Fund, prior to attaining the age of 50, subject to any other restrictions in the Trust Deed. However, withdrawal will not be permitted where the Trustee and Manager consider this could contribute to the deregistration of the Superannuation Fund.

## **What are my risks?**

Your investment in the funds involves risks, including those inherent in any investment. This is not an exhaustive list and there may be additional risks which arise.

Before investing it is important to consider which funds are best suited to your financial circumstances and investment objectives.

We recommend you take independent professional advice prior to making an investment in the funds.

Your investment in the funds is not guaranteed and may result in losses or gains on your initial investment. The value of your investment can go up and down.

All investments have a potential return and carry a corresponding level of risk. The risks of investing in the funds include: not achieving the returns you expect; not receiving all or any of your investment back; and the funds becoming insolvent.

All risks listed apply both where assets are held directly or where assets are held indirectly through underlying funds.

The principal risks that could affect the level of return from your investment through funds are:

### **Investment risks**

Specific investment risks include:

#### **i) Market risk**

The value of investments in the funds may rise or fall as a result of developments in economies and financial markets and regulatory and political conditions. These factors can impact on overall markets as well as individual assets, securities or issuers.

The selection and performance of individual companies or securities in the funds and the risk of counterparty default can impact the returns you could receive from your investment.

#### **ii) Currency risk**

Currency risk is the risk of exchange rate fluctuations between the New Zealand dollar (the currency which the fund is valued in) and foreign currencies. As some of the assets of the funds are invested offshore, returns in New Zealand can be affected by movements between the New Zealand dollar and other currencies.

Funds have different levels of currency exposure depending on the asset classes they are invested in and the relevant hedging<sup>2</sup> benchmark. The hedging benchmark can range from being unhedged through to fully hedged depending on the asset class (before or after tax). For some funds and asset classes the hedging is managed passively at the benchmark level, for others we may alter currency hedging levels from time to time.

#### **iii) Concentration risk**

A fund's assets may be concentrated in a particular issuer, investment vehicle or type of investment vehicle, geographical area or industry. Such funds are subject to higher credit and default risks than funds having a more diversified portfolio and the value of that fund may be subject to greater market volatility. For example, the Cash Fund's assets are concentrated with a single bank (ANZ National Bank Limited), however this may change in the future without notice to investors.

<sup>2</sup> Hedging is an investment technique designed to offset some of the risks or a potential loss on an investment by introducing another investment or market position which is expected to perform in a different way.

#### iv) Liquidity risk

There is no guarantee that there will always be a liquid market for investments in securities. The ability of a fund (or an underlying vehicle through which a Fund makes indirect investments) to buy or sell securities, and the price of those securities, will depend on the liquidity of the securities which in turn may impact the performance of the fund and its ability to process daily withdrawals. Liquidity risk may be increased where large volumes of withdrawals are received by the fund or an underlying vehicle.

#### v) Derivatives

Financial instruments known as 'derivatives' may be used for the purposes of managing risks (particularly market and currency risk) and for investment purposes. A derivative is a contract with a return that is dependent on or derived from one or more underlying assets or reference items. The most common underlying assets or reference items include shares, bonds, currencies, cash, interest rates, events, entities and market indexes.

The risks arising out of the use of derivatives include the potential for:

- i) large gains or losses including those arising from the derivatives exaggerating the effect of any increase or decrease in the value of the underlying assets or reference items that their return is dependent upon or derived from; and
- ii) the party with whom the contract is made not meeting its obligations.

#### Other risks

- i) In certain circumstances, the Trustee, with the consent of the Manager can suspend or defer withdrawals from the Superannuation Fund. In certain circumstances, the Manager can suspend or defer withdrawals from a Unit Trust. Refer to pages 12 and 13 of this Investment Statement for further information.
- ii) Operational or systems failure may affect the funds or financial markets.
- iii) The Trustee or Manager (as applicable) may, subject to Trust Deed provisions, borrow. This may exaggerate the effect of any increase or decrease in the value of the fund's assets and increase the risk of insolvency.

#### Particular concentration and liquidity risks associated with the Mortgage Fund

The investment arrangements of the Mortgage Fund, as described on pages 2 and 3 of this Investment Statement (including the entry into the Senior Facility), give rise to the following particular risks:

- a) The concentration risk associated with some or, depending on the level of drawdowns under the Senior Facility and net withdrawals from the Mortgage Fund, potentially all of the Mortgage Fund's assets being invested by way of advances to PMCL under the Senior Facility. Funds advanced to PMCL will be invested in a number of commercial property mortgage advances to third party borrowers in

New Zealand. At any time, there may be a particular concentration of such mortgage advances in any particular part of New Zealand or any particular sector or industry. As a result, the Mortgage Fund may have a significant exposure to the commercial property mortgage market in New Zealand and the performance of the particular commercial property mortgage loans made by PMCL. The Mortgage Fund may also have potential exposure to the performance and solvency of PMCL.

- b) The liquidity risk associated with the PMCL arrangement. Loans to PMCL under the Senior Facility are currently made for a fixed term of up to approximately three years. Depending on the extent of drawdowns under the Senior Facility, the term of the relevant loans and the extent of withdrawal requests by investors in the Mortgage Fund, this could mean that the Mortgage Fund is unable to meet withdrawal requests and is required to suspend or defer withdrawals, or potentially to extend the period of notice required to be given by an investor to the Manager before that investor may redeem his or her units.

#### Tax risks

There is a risk that changes in tax or other legislation may impact the return of your investment.

Refer to the "Taxation" section on pages 10 to 12 of this Investment Statement for details of the risk of a deemed full withdrawal from a fund where the value of an investor's remaining units in that fund is not regarded as being sufficient to fund the fund's tax liability in respect of that investor.

If PIE status is lost, a Unit Trust will be taxed as a widely held unit trust at 30%, and the Superannuation Fund will be taxed as a widely held superannuation fund at 30%, rather than at investors' notified PIRs. The fund also will not benefit from the PIE exemption for any gains made on the disposal of New Zealand or certain Australian shares.

PIEs have restrictions on the percentage of units any one investor and associated parties of that investor holding interests of 5% or more can hold. Generally, no investor, together with such associates, can hold more than 20% of a fund (although this restriction does not apply to investors who are other PIEs or fall within a narrow class of other specified entities).

The funds may redeem or void certain units exceeding the permitted threshold so as to ensure PIE status can be maintained. If an investor's units are voided, they will receive a refund of their subscription moneys, but any additional compensation is at the discretion of the Manager.

An investor advising a lower PIR than that applicable, or not advising a change to a higher rate, is obliged to pay the tax shortfall, plus any interest and penalties, and may be required to file a tax return. If an investor advises a higher rate than applicable, the excess tax paid cannot be claimed back as PIE tax is a final tax in those circumstances.

Refer to the "Taxation" section on pages 10 to 12 of this Investment Statement for details of the manner in which joint investors are attributed income to one investor only, which may impact on that investor's ability to retain a PIR of less than 30%.

## Personal liability

There are no circumstances in which you will be obliged to pay any further money, apart from the amounts disclosed in the section headed "How much do I pay?" on pages 7 to 8, any tax liability attributed to you and any tax liability you incur personally as a result of failing to advise your correct PIR and IRD number. In particular, you will not be liable to pay money to any person as a result of the insolvency of the Manager or a fund.

By investing in the funds, you are agreeing to indemnify the Trustee and the Manager for any shortfall if your investment is insufficient to meet your attributed tax liability arising from tax payable on your behalf as described in the Taxation section on pages 10 to 12.

## Termination

In the event of a Unit Trust being wound up, any unutilised formation losses may need to be written off. After the payment of all costs, charges, expenses and liabilities of the Unit Trust, the Trustee will distribute the remaining moneys (if any) to investors in proportion to the units they hold in that Unit Trust (subject to any adjustments for tax). Investors in a Unit Trust will rank equally (among themselves) in the Unit Trust being wound up.

In the event of the Superannuation Fund being wound up, any unutilised formation losses may need to be written off. The Trustee will make provision for any debts and benefits due (but unpaid) and the costs of winding up and pay the net proceeds to investors on an equitable basis (subject to any adjustments for tax). Subject to payment of unpaid debts and benefits due, investors in the Superannuation Fund will rank equally (among themselves) in the event that the Superannuation Fund is wound up.

## Can the investment be altered?

At the time of application, you will be asked whether you wish to make a single investment into PPS, regular investments, or a combination of both. You may subsequently increase the amount of your regular investment at any time.

You may also reduce or suspend your regular investment (at no charge) by notifying us, provided such reduction will not result in your annual investment being less than the minimum regular investment amount of \$600 per annum per fund. If you invest in a Unit Trust and you decide to stop your regular payments and your minimum investment balance is less than \$1,000, the Manager may choose to redeem your units.

If you have provided for a single investment in your application, you may make any further investments by contacting your adviser, completing a new application form from the latest Investment Statement and paying the requisite fees.

The Manager may alter minimum investment levels and increase or impose fees. The Trustee and the Manager may also alter the terms of the Establishment Deeds and Trust Deeds under a range of situations that are fully explained in the registered prospectuses relating to the Unit Trusts and the Superannuation Fund (available on request).

## Switching

You are welcome to switch between any of the funds in PPS according to individual investment preferences or personal circumstances.<sup>3</sup> The Manager may from time to time fix the minimum value of units subject to a switch. However, investors wishing to switch between a Unit Trust and the Superannuation Fund will need to complete the Transaction Request Form and the relevant application form (in the latest Investment Statement) and then forward these documents to INGNZ. Please note the Cash Fund is only available if you're investing in the Superannuation Fund.

Switches are treated as withdrawals and adjustments to units on account of tax on attributed PIE income may occur on switching. Please refer to the Taxation section on pages 10 to 12 for an explanation of taxation and other consequences that may arise on switches. You must obtain a copy of the latest Investment Statement before switching between funds.

The restrictions on withdrawal from the Superannuation Fund (described under the heading "What returns will I get? – Withholding of returns") will also apply to investors wishing to switch from the Superannuation Fund to a Unit Trust.

In certain limited circumstances set out in the Trust Deeds, switches may be suspended or deferred (for example, in the case of large switches). There is currently no fee for switching within PPS.

PPS has been developed to comply with the Unit Trusts Act 1960, Superannuation Schemes Act 1989 and other legislation, as relevant. This Investment Statement contains a general summary only of PPS, and is based on law current as at the date of this Investment Statement. Legislation may be amended from time to time by the Government and any such amendment may impact on PPS.

## How do I cash in my investment?

You may apply to partially or fully withdraw your investment during any business day. You can also obtain a regular cash-flow by utilising the standing redemption facility. By simply notifying your adviser, all or part of your funds may be withdrawn as required, subject to the exit terms detailed overleaf.

Standing redemptions can be made monthly, quarterly, six-monthly or annually, and the minimum that can be withdrawn is \$100 per fund per redemption.

<sup>3</sup> In the case of the Mortgage Fund, 35 days' notice (or such other period decided by the Manager and notified to the Trustee) is required prior to making a switch from this fund.

Your adviser will help you with this process to ensure your portfolio continues to suit your investment requirements after any withdrawals.

Simply complete a Transaction Request Form (found in the latest Investment Statement, which is available from your financial adviser) and forward it to INGNZ. Under normal circumstances, you will receive your money following the next valuation of the fund, subject to the exit terms detailed below. There is currently no exit fee for the withdrawal of funds.

The funds may redeem or void certain units exceeding the permitted threshold so as to ensure PIE status can be maintained. See "Tax risks" on page 14.

Refer to the Taxation Section on pages 10 to 12 for an explanation of the taxation and other consequences that may arise on withdrawal.

### **Superannuation Fund**

The Trust Deed for the Superannuation Fund allows withdrawals from the Superannuation Fund only if the investor (or, in the case of joint investors, the older investor) has attained 50 years of age, or the Manager and the Trustee have consented to the withdrawal.

The Trustee of the Superannuation Fund, with the consent of the Manager, may suspend or defer payment of benefits relating to withdrawal requests. For more detailed information about the suspension and deferral of withdrawals, refer to the 'Withholding of returns' section under the heading "What returns will I get?".

### **Unit Trusts**

Withdrawal is effected by direct redemption. In certain limited circumstances set out in the Trust Deed, withdrawals may be suspended or deferred (for example, in the case of large withdrawals).

### **Exit terms**

Withdrawal requests will be subject to the following:

- 35 days' notice (or such other period decided by the Manager and notified to the Trustee) of withdrawal is required for any redemption from the Mortgage Fund; and
- There may be restrictions on your ability to withdraw from the Superannuation Fund if you have not attained age 50.

### **Early termination**

The Manager may terminate any of the Unit Trusts if it considers it appropriate to do so. Under the terms of the PPS Unit Trust Deed, after the payment of all costs, charges, expenses and liabilities of the Unit Trust, the net assets will then be distributed to the relevant investors (subject to any adjustments for tax). The investors of any of the Unit Trusts may terminate the relevant Unit Trust by way of an extraordinary resolution.

The Manager may terminate the Superannuation Fund at any time. Under the terms of its Trust Deed, the Trustee will make provision for any debts and benefits due (but unpaid) and the costs of winding up and will distribute the net assets to the relevant investors on an equitable basis (subject to any adjustments for tax).

### **Payment on death**

In the case of your death, your investment will form part of your estate and will be dealt with by your legal or personal representative. You have the right to make provision in your will for your Unit Trust investment to be transferred (free of charge) to a person(s) named in your will.

In the case of joint investments in the Superannuation Fund, a death benefit equalling the value of the investment will be paid, on the death of the first joint member to die, to the surviving joint member(s).

### **Assignment of units**

You are entitled to sell all or part of your unitholding in the Unit Trusts to another person and the form of instrument for transfer is described in the Trust Deed. Units in the Superannuation Fund may not be sold, but may be assigned where agreed by us. In the opinion of ING (NZ) Limited and The New Zealand Guardian Trust Company Limited, there is no established secondary market for sale of these investments. An assignment or transfer of units may be treated as a withdrawal for PIE tax purposes. Refer to the Taxation section on pages 10 to 12 for an explanation of the taxation and other consequences that may arise on withdrawal. The Manager has the right to decline an assignment if it has the potential to or would result in the loss of PIE status for a fund.

## **Who do I contact with inquiries about my investment?**

If you have any questions about your investment or would like further information about PPS, please contact your adviser. Alternatively, you may contact INGNZ at:

ING (NZ) Limited Client Services  
Level 27, ASB Bank Centre, 135 Albert Street  
Freeport 324, PO Box 7149, Wellesley Street, Auckland 1141  
Tel: 09 356 4000 or 0800 737 575  
Fax: 09 356 4005 or 0800 425 737  
Email: [service@ingnz.com](mailto:service@ingnz.com) or online at [www.ingnz.com](http://www.ingnz.com)

Any advice regarding an investment in any of the PPS funds should be sought from your adviser.

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

Should a problem arise, please contact ING (NZ) Limited Client Services in the first instance and we will do our best to resolve your issue. Current contact details are:

ING (NZ) Limited Client Services  
Level 27, ASB Bank Centre, 135 Albert Street  
Freepost 324, PO Box 7149, Wellesley Street, Auckland 1141  
Tel: 09 356 4000 or 0800 737 575  
Fax: 09 356 4005 or 0800 425 737  
Email: [service@ingnz.com](mailto:service@ingnz.com) or online at [www.ingnz.com](http://www.ingnz.com)

In the unlikely event that we are unable to help you, you may also contact the Trustee, Insurance and Savings Ombudsman (for Unit Trusts) or the Government Actuary (for Superannuation Funds).

### Trustee

*You may contact the Trustee at:*

Relationship Manager, Corporate Trusts  
The New Zealand Guardian Trust Company Limited  
Level 7, Vero Centre, 48 Shortland Street  
PO Box 1934, Shortland Street, Auckland 1140  
Tel: 09 377 7300

*The Insurance and Savings Ombudsman can be contacted at:*

The Insurance and Savings Ombudsman  
Level 7, BDO House, 99-105 Customhouse Quay  
PO Box 10 845, Wellington  
Tel: 04 499 7612

*The Government Actuary can be contacted at:*

The Government Actuary  
Insurance and Superannuation Unit  
Level 9, 86-90 Lambton Quay  
PO Box 10 867, The Terrace, Wellington 6036  
Tel: 04 913 3651

## What other information can I obtain about this investment?

Further information about the funds constituting PPS is contained or referred to in the Prospectuses and financial statements relating to the Unit Trusts and the Superannuation Fund. Note that the financial statements relating to the Superannuation Fund for the year ended 30 June 2008 and for 30 June 2009 do not include the Cash Fund, because the Cash Fund was not established until 1 July 2009. Copies of the Prospectuses and financial statements may be obtained at no charge by writing to or telephoning INGNZ.

The Prospectuses (and any applicable extension certificates), Trust Deeds, financial statements and other documents are also filed at the Companies Office of the Ministry of Economic Development, and are available for public inspection on payment of a fee during normal business hours at Level 18, ASB Bank Centre, 135 Albert Street, Auckland 1010 or can be viewed on the Companies Office website [www.companies.govt.nz](http://www.companies.govt.nz), or email [info@companies.govt.nz](mailto:info@companies.govt.nz).

You may request a copy of these documents on payment of the relevant fee by telephoning the Ministry of Economic Development Business Service Centre on 0508 266 726. The offer of securities to which this Investment Statement relates has not been approved by the Registrar of Companies.

You will automatically receive an Annual Statement of your investment detailing transactions made throughout the financial year and the value of your investment following the PPS year end (30 June). An Annual Report will also be mailed to you after the financial accounts have been independently audited.

If you make regular contributions (fortnightly, monthly, quarterly, six-monthly or annually) during the six months following the funds' year end, you will also receive a half-year transaction summary after 31 December.

### Other information available on request

The following documents may be inspected at the business office of INGNZ at Level 27, ASB Bank Centre, 135 Albert Street, Auckland 1010:

- Trust Deeds
- Establishment Deeds
- Most recent Investment Statement
- Most recent Annual Report
- Auditor's Report

You may obtain a copy of these documents, free of charge, by writing to or telephoning INGNZ.

# How to invest

To ensure correct interpretation of your details, please:

- Complete all details in black, ballpoint pen.
- Use CAPITAL LETTERS and print within the boxes.
- If you make a mistake, simply draw a line through the mistake and initial the change.
- Do not use correction fluid. Write the correct details above the designated boxes.
- If there are not enough boxes, use any available space in the margins.

## Application form

Joint applications must be signed by all investors. Company applications must be signed by at least one director.<sup>4</sup>

- Trust applications must be signed by all the trustees.<sup>4</sup>
- If signed under Power of Attorney, the attorney must certify that he/she has not received notice of revocation of the power.
- Applications made by anyone other than the investors named on the application form must be accompanied by a completed Appointment of Official Representative Form or Power of Attorney, (as applicable).

## Regular investments

To have your regular investment paid automatically through your bank account, please complete the direct debit form contained in this Investment Statement and return it to INGNZ, together with your application form and the cheque for your initial investment.

## Return form/s and cheque

Mail your application form, cheque and other documentation to:

ING (NZ) Limited  
Freepost 324  
PO Box 7149 Wellesley Street  
Auckland 1141

You will be sent a Transaction Statement within three working days, after receipt of your application form in this office. Please keep this statement in a safe place – it is an official record of your investment.

## Investor identification

Under the Financial Transactions Reporting Act 1996 and under INGNZ's own compliance requirements, verification of identity is required in certain circumstances as outlined below.

The required identification for all investor categories must be received, complete, before any monies can be banked and invested into an INGNZ-managed fund.

If, at a later date, you wish to add to your existing investment, or start another investment in a different INGNZ-managed fund, and your residency status has changed since making the original investment, you must provide identification documentation based on the new residency status that now applies to you.

The following identification requirements are effective, as at the date of this Investment Statement.

Please note, in each of the following investor categories, "certified" means that the document must be certified as a true copy of the original with an original signature by an INGNZ-contracted financial adviser, lawyer, teacher, minister of religion, police officer, kaumatua, registered medical professional, justice of the peace or applicant's employer. The name, position and telephone number of the certifier must also be clearly noted.

## Personal investors

### New Zealand resident

No further identification documentation is required if your first investment payment is by way of:

- A personal cheque that is in your name and is drawn on a New Zealand bank account; or
- A direct debit authority that is in your name, is from your New Zealand bank account, and is accompanied by a certified photocopy of a bank encoded deposit slip for the account. If the bank encoded deposit slip is an original, no certification is required.

For all other methods of payment, please provide the following identification requirements for each investor listed on the application form:

1. A certified photocopy of one of the following forms of photographic identification:
  - Appropriate pages of passport
  - Driver licence
  - NZ firearms licence.

<sup>4</sup> Company and trust applications may not be made into the Superannuation Fund.

Or, if no form of photographic identification is available, please provide certified photocopies of two forms of non-photographic identification, e.g.

- Marriage certificate
  - Birth certificate
  - Credit or ATM card issued by a New Zealand bank, provided the signature is verified.
2. Evidence of each investor’s physical residential address, e.g. a copy of a utility bill not more than six months old.

#### **Non-resident**

For all methods of payment, please provide the following identification requirements for each investor listed on the application form:

1. A certified photocopy of one of the following forms of photographic identification:
  - Appropriate pages of passport
  - Driver licence.
2. Evidence of each investor’s current physical residential address, e.g. a copy of a utility bill not more than six months old.

### **Company (Unit Trusts only)**

#### **New Zealand resident and non-resident**

Please complete the Additional Information Sheet, which can be downloaded from our website [www.ingnz.com](http://www.ingnz.com), by selecting the following options: Investment, Publications, Client Services, “Additional Information Sheet Specific to a Company” and provide the identification documentation requested on this form. Alternatively call 0800 737 575 or +64 9 356 4000 to request a copy.

### **Trusts and estates (Unit Trusts only)**

#### **New Zealand resident trustees**

No further identification documentation is required if the first investment payment is by way of:

- A cheque that is in the name of the trust or estate and is drawn on a New Zealand bank account; or
- A direct debit authority that is the name of the trust or estate, is from the trust or estate’s New Zealand bank account, and is accompanied by a certified photocopy of a bank-encoded deposit slip for the account. If the bank-encoded deposit slip is an original, no certification is required.

For all other methods of payment, please provide the following identification requirements for each trustee listed on the application form or, if there are more than three trustees, identification for any three including those noted as authorised signatories on the application form:

1. A certified photocopy of one of the following forms of photographic identification:
  - Appropriate pages of passport
  - Driver licence
  - NZ firearms licence.

Or, if no form of photographic identification is available, please provide certified photocopies of two forms of non-photographic identification, e.g.

- Marriage certificate
  - Birth certificate
  - Credit or ATM card issued by a New Zealand bank, provided the signature is verified.
2. Evidence of each trustee’s physical residential address, e.g. a copy of a utility bill not more than six months old.
  3. A certified photocopy of the front and execution pages of the trust deed or the last will.

#### **Non-resident trustees**

For identification requirements please refer to our website [www.ingnz.com](http://www.ingnz.com) and select the following options: Investment, Publications, Client Services, “Investor identification – Trusts and estates (non-resident trustees)” and provide the identification documentation requested. Alternatively, call 0800 737 575 or +64 9 356 4000 and we will advise you of the requirements.

### **Investing for another person under Power of Attorney**

For all methods of payment, please provide the following identification requirements:

1. Acceptable forms of identification for the person in whose name the investment is being made as specified under “Personal investors”.
2. A certified photocopy of one of the following forms of photographic identification, for the attorney:
  - Appropriate pages of passport
  - Driver licence
  - NZ firearms licence.
3. A certified photocopy of the Power of Attorney.
4. A certificate of non-revocation of Power of Attorney.

## Investing on behalf of a minor

No further identification documentation is required if the first investment payment is by way of a personal cheque that is in the name of the minor and is drawn on a New Zealand bank account.

For all other methods of payment, please provide the following identification requirement for each minor listed on the application form:

- A certified photocopy of one of the following forms of photographic identification:
  - Appropriate pages of passport
  - Driver licence
  - NZ firearms licence
  - Birth certificate.

If the first investment payment is from anyone else other than the minor, i.e. third party – including parents, grandparents etc then as well as identifying the minor in the manner specified earlier, the third party must also be identified. No further identification documentation is required, for the third party, if the payment is by way of:

- A personal cheque in the third party's name and is drawn on a New Zealand bank account; or
- A direct debit authority in the third party's name, is from a New Zealand bank account, and is accompanied by a certified photocopy of a bank encoded deposit slip for the account. If the bank encoded deposit slip is an original, no certification is required.

For all other methods of payment, please provide the identification requirements for the third party, as specified for personal investors above.

### Terms and conditions for investing on behalf of a minor

A minor is anyone under the age of 18 years.

The 'Owner' of the investment is the person whose name and personal details appear on the application form.

The 'Authorised Signatory' is the person who signed the application form on behalf of the Owner.

Any future transactions in respect of this investment (e.g. withdrawals, transfers, switches, etc) must be signed by either the Authorised Signatory or the Owner. We cannot act on instructions from a parent or guardian who is NOT the Authorised Signatory.

The Owner may authorise any transaction in respect of the investment without the consent of the Authorised Signatory.

An Authorised Signatory should appoint a person in his/her will as a replacement Authorised Signatory. A legal guardian of a minor who is not appointed as an Authorised Signatory (or as a replacement Authorised Signatory under a deceased Authorised Signatory's will) may not assume the role of Authorised Signatory. The appointed Authorised Signatory only has the power to sign for the benefit of the minor, i.e. the investment cannot be withdrawn for the appointed Authorised Signatory's benefit, or for the benefit of the deceased authorised signatory.

Please note: If anyone other than the minor has signed the application form, i.e. a parent or guardian, please complete the section on the application form "Minor/Authorised Signatory Information". We have asked for next of kin details to limit the risk of not being able to locate the investor should you die intestate (i.e. without a valid will).

## Third party payments

No further identification documentation is required if the source of funds is by way of a personal cheque that is in the name of the third party and is drawn on a New Zealand bank account.

For payments from regulated Australian and UK fund managers or pension transfer administrators, no identification of the third party will be required.

For all other methods of payment, identification of the third party may be required. Please contact us to discuss these requirements further.





## Investor identification

Under the Financial Transactions Reporting Act 1996 and under ING's own compliance requirements, we are obliged to verify the identity of all new investors. You may be asked to provide identification depending on how you make your first investment payment. Please indicate below the situation that describes your investment.

First payment is from a New Zealand resident by way of:

Personal New Zealand dollar cheque in your name.

→ You do not need to provide any further identification.

Direct debit in your name from a New Zealand bank account and a bank encoded deposit slip (original or certified copy) for that account will be provided.

→ You do not need to provide any further identification.

Any other means.

→ Please provide identification as explained on page 18.

First payment is from a non-New Zealand resident:

For all methods of payment.

→ Please provide identification as explained on page 19.

First payment is from a third party\*:

For all methods of payment.

→ Please provide identification as explained on page 20.

\* Please confirm the relationship between you and the third party, e.g. solicitor, fund manager, mother, father, etc.

Depending on the method of payment identification of the third party may be required.

## Personal information rights

Information collected in this form and any further information which the I/we may provide at any time may be disclosed to INGNZ, the Trustee and any other entity that provides services in relation to the Scheme, and may be used for the purposes of administering this product. In addition, this information may be used by INGNZ and its related companies for the purposes of introducing other products, services or marketing materials to me/us.

I/We acknowledge that ANZ Group may use any personal information collected from me/us for the purpose of meeting any ANZ Group policy requirements, including screening against certain anti-money laundering and anti-terrorism lists.

I/We acknowledge that where I/we have invested through a financial adviser, this information will be made available to the financial adviser whose name appears on the following page and, in some instances, any other financial adviser or office support staff associated with the advisory practice. My/our financial adviser may also have electronic access to the investment information. Access is subject to strict security arrangement to maintain the appropriate levels of confidentiality. I/we acknowledge that I/we can access this information and can correct this information if necessary.

Initial this box if you do not consent to receiving information on other products or services.

## Trust/Partnership certification (only relevant to trusts and partnerships)

I/We certify that:

1. the trust/partnership has been duly established and is validly existing under the laws of New Zealand;
2. all the trustees/partners of the trust/partnership, have signed this application form;
3. the trust/partnership has not been terminated and no event requiring the vesting of the trust's/partnership's assets has occurred;
4. the trustees/partners have the authority to execute this application form and the investment to be made in accordance with this application will not cause any limitation on the powers of the trustees/partners to be exceeded and is in the best interests of the trust/partnership; and
5. for trusts with three or more trustees the following persons are authorised to provide instructions on behalf of all the trustees:

Name

Signature

Name

Signature

Name

Signature

## Email/facsimile

I/We authorise ING or any other ING related company to provide information regarding my/our investments via email or facsimile and to act on instructions regarding my/our investments received via email or facsimile. The email address(es) and/or facsimile number(s) that ING may provide information to and act on instructions from are as detailed on this application form (or as otherwise notified to ING in writing from time to time).

## Liability limitation and indemnity

I/We acknowledge that ING does not accept any responsibility or liability whatsoever for any damage, costs, expenses, losses or liabilities incurred by any person as a result of ING acting on any instructions from an authorised signatory or, an authorised email address or facsimile number. I/we agree to indemnify in all respects and hold harmless ING against all damage, costs, expenses, losses or liabilities which may arise by reason of ING accepting or acting on instructions from an authorised signatory or, an authorised email address or facsimile number.





## Investment details

	Single investment (minimum \$600)	Regular investment (minimum \$600 per annum)	
New Zealand Fixed Interest Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
International Fixed Interest Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Mortgage Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Property Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Trans-Tasman Select Equities Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Australian Equities Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
European Equities Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
International Equities Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Asian Equities Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Global Opportunities Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Platinum International Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Balanced Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Aggressive Balanced Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
Cash Fund	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	
<b>Total</b>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	← For regular investments, please insert the annual total you will pay.
<b>Regular investments.</b> I/we wish to invest	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	per <input type="checkbox"/> Fortnightly <input type="checkbox"/> Quarterly	
	<small>REGULAR AMOUNT</small>		
commencing	<input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> <input type="text"/>	<input type="checkbox"/> Monthly <input type="checkbox"/> Six-Monthly <input type="checkbox"/> Annually	
		<small>FREQUENCY (PLEASE TICK ONE)</small>	

- Complete the direct debit form included in this Investment Statement.
  - Please enclose your cheque for the initial regular investment amount, made payable to **Private Portfolio Service Nominees Limited** and crossed 'Account Payee Only'.
- Will your employer be contributing to your savings?  Yes  No

## Investor identification

Under the Financial Transactions Reporting Act 1996 and under ING's own compliance requirements, we are obliged to verify the identity of all new investors. You may be asked to provide identification depending on how you make your first investment payment. Please indicate below the situation that describes your investment.

**First payment is from a New Zealand resident by way of:**

- Personal New Zealand dollar cheque in your name. → You do not need to provide any further identification.
- Direct debit in your name from a New Zealand bank account and a bank encoded deposit slip (original or certified copy) for that account will be provided. → You do not need to provide any further identification.
- Any other means. → Please provide identification as explained on page 18.

**First payment is from a non-New Zealand resident:**

- For all methods of payment. → Please provide identification as explained on page 19.

**First payment is from a third party\*:**

- For all methods of payment. → Please provide identification as explained on page 20.

\* Please confirm the relationship between you and the third party, e.g. solicitor, fund manager, mother, father, etc.

Depending on the method of payment identification of the third party may be required.

## Personal information rights

I/We acknowledge that this application collects personal information about me/us to enable ING (NZ) Limited ("INGNZ") to arrange my/our investment and to correspond with me/us in relation to my/our investments. I/We acknowledge that intended recipients of the information are INGNZ and its related companies. Such information may be disclosed to, and held by, other members of the ANZ group of companies, INGNZ's related persons, the trustee, the statutory supervisor and other persons associated with the investment.

I/We acknowledge that ANZ Group may use any personal information collected from me/us for the purpose of meeting any ANZ Group policy requirements, including screening against certain anti-money laundering and anti-terrorism lists.

I/We acknowledge that where I/we have invested through a financial adviser, this information will be made available to the financial adviser whose name appears on the following page and, in some instances, any other financial adviser or office support staff associated with the advisory practice. My/Our financial adviser may also have electronic access to the investment information. Access is subject to strict security arrangement to maintain the appropriate levels of confidentiality. I/we acknowledge that I/we can access this information and can correct this information if necessary.

## Email/facsimile

I/We authorise INGNZ or any other INGNZ related company to provide information regarding my/our investments via email or facsimile and to act on instructions regarding my/our investments received via email or facsimile. The email address(es) and/or facsimile number(s) that INGNZ may provide information to and act on instructions from are as detailed on this application form (or as otherwise notified to INGNZ in writing from time to time).

## Liability limitation and indemnity

I/We acknowledge that INGNZ does not accept any responsibility or liability whatsoever for any damage, costs, expenses, losses or liabilities incurred by any person as a result of INGNZ acting on any instructions from an authorised signatory or, an authorised email address or facsimile number. I/We agree to indemnify in all respects and hold harmless INGNZ against all damage, costs, expenses, losses or liabilities which may arise by reason of INGNZ accepting or acting on instructions from an authorised signatory or, an authorised email address or facsimile number.

## Declaration

I/We have read the Investment Statement in which this application form was contained and hereby apply to become a member of the said fund and be bound by the provisions of the Trust Deed for the Superannuation Fund dated 14 July 1997, as amended.

### Further note:

- Joint applications must be signed by all applicants.
- If signed under Power of Attorney, the attorney hereby certifies that he/she has not received notice of revocation of that Power.

Investor's Signature	<input type="text"/>	Date	<input type="text"/>	<input type="text"/>	/	<input type="text"/>	<input type="text"/>	/	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Investor's Signature	<input type="text"/>	Date	<input type="text"/>	<input type="text"/>	/	<input type="text"/>	<input type="text"/>	/	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Investor's Signature	<input type="text"/>	Date	<input type="text"/>	<input type="text"/>	/	<input type="text"/>	<input type="text"/>	/	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Adviser use only

Adviser Name

(Please tick box)

I have verified the residential address provided on this application form and confirm it is the residential address of the investor(s). *(The residential address can be verified by checking the electoral role, telephone book, sighting a copy of a recent utility bill or correspondence sent to the investor's residential address).* Please tick box.

Brokerage  % *(Actual fee/brokerage applicable for this investment)*

Signature of Adviser

## Office use only

Adviser company  Investor number

Commencement date  /  /  Scheme number  Batch number

Investor identity verified and required identification received, where applicable

<input type="checkbox"/> Standard	Staff member/Head of Client Services signature	<input type="text"/>
<input type="checkbox"/> Enhanced	Head of Client Services/CFO signature	<input type="text"/>

This page has been left blank intentionally



## Declaration

If this declaration is signed under Power of Attorney, the Attorney hereby certifies that he or she has not received notice of revocation of that order.

I/we have read, understood, and agree to be bound by, the terms of the Private Portfolio Service Investment Statement dated 1 April 2010, in which this form was contained.

### Personal request


SIGNATURE OF INVESTOR(S)

DATE

### Company request

--	--

DIRECTOR

DATE

## Office use only:

Transaction completed:

Receipt/Ref:

Date completed:



## Declaration

If this declaration is signed under Power of Attorney, the Attorney hereby certifies that he or she has not received notice of revocation of that order.

I/we have read, understood, and agree to be bound by, the terms of the Private Portfolio Service Investment Statement dated 1 April 2010, in which this form was contained.


SIGNATURE OF INVESTOR(S)

DATE

## Office use only:

Transaction completed:

Receipt/Ref:

Date completed:



## Conditions of this authority to accept Direct Debits

### 1. The Initiator:

- a) Undertakes to give notice to the Acceptor of the commencement date, frequency and amount at least 10 calendar days before the first Direct Debit is drawn (but no more than two calendar months). This notice will be provided either:
  - i) in writing; or
  - ii) by electronic mail where the Customer has provided prior written consent to the Initiator.

Where the Direct Debit system is used for the collection of payments which are regular as to frequency, but variable as to amounts, the Initiator undertakes to provide the Acceptor with a schedule detailing each payment amount and each payment date.

In the event of any subsequent change to the frequency or amount of the Direct Debits, the Initiator has agreed to give advance notice of at least 30 days before changes come into effect. This notice must be provided either:

- i) in writing; or
- ii) by electronic mail where the Customer has provided prior written consent to the Initiator.

or

- a) Will not initiate a Direct Debit on my/our account unless authorisation is received from me/us in accordance with the terms and conditions agreed between me/us and the Initiator of each amount to be debited from my/our account.
- b) Has agreed to send notice of the net amount of each Direct Debit and the due date of debiting after receiving authorisation from me/us under clause (a) but no later than the date the Direct Debit will be initiated. This notice must be provided either:
  - i) in writing; or
  - ii) by electronic mail where the Customer has provided prior written consent to the Initiator.The notice will include the following message: "The amount \$..... was direct debited to your bank account on (initiating date)."
- c) May, upon the relationship which gave rise to this Authority being terminated, give notice to the Bank that no further Direct Debits are to be initiated under the Authority. Upon receipt of such notice the Bank may terminate this Authority as to future payments by notice in writing to me/us.

### 2. The Account Holder may:

- a) At any time, terminate this Authority as to future payments by giving written notice of termination to the Bank and to the Initiator.
- b) Stop payment of any Direct Debit to be initiated under this Authority by the Initiator by giving written notice to the Bank prior to the Direct Debit being paid by the Bank.
- c) Where a variation to the amount agreed between the Initiator and the Customer from time to time to be direct debited has been made without notice being given in terms of clause 1(a) above, request the Bank to reverse or alter any such Direct Debit initiated by the Initiator by debiting the amount of the reversal or alteration of a Direct Debit back to the Initiator through the Initiator's Bank PROVIDED such request is made not more than 120 days from the date when the Direct Debit was debited to my/our account.

### 3. The Customer and the Account Holder (if the Account Holder is not the customer) acknowledges that:

- a) This Authority 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 Authority until actual notice of such event is received by the Bank.
- b) In any event this Authority is subject to any arrangement now or hereafter existing between me/us and the Bank in relation to my/our account.
- c) 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 Authority. Any other disputes lie between me/us and the Initiator.
- d) Where the Bank has used reasonable care and skill in acting in accordance with this Authority, the Bank accepts no responsibility or liability in respect of:
  - the accuracy of information about Direct Debits on bank statements
  - any variations between notices given by the Initiator and the amounts of Direct Debits
- e) The Bank is not responsible for, or under any liability in respect of, the Initiator's failure to give written advance notice correctly 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.
- f) Notice given by the Initiator in terms of clause 1(a) to the debtor responsible for the payment shall be effective. Any communication necessary because the debtor responsible for payment is a person other than me/us is a matter between me/us and the debtor concerned.

### 4. The Bank may:

- a) In its absolute discretion conclusively determine the order of priority payment by it of any moneys pursuant to this or any other authority, cheque or draft properly executed by me/us and given to or drawn on the Bank.
- b) At any time terminate this authority as to future payments by notice in writing to me/us.
- c) Charge its current fees for this service in force from time to time.





# Directory

## Promoter

The Promoter of the Unit Trusts and the Superannuation Fund is ING (NZ) Limited.

### **ING (NZ) Limited**

PO Box 7149, Wellesley Street  
Level 27, ASB Bank Centre  
135 Albert Street  
Auckland 1141

(The Directors of ING (NZ) Limited are also promoters of the Superannuation Fund. See page 6 for a list of the Directors.)

## Manager

### **ING (NZ) Limited**

PO Box 7149, Wellesley Street  
Level 27, ASB Bank Centre  
135 Albert Street  
Auckland 1141  
Tel: 09 356 4000  
Toll free: 0800 737 575

## Trustee

### **The New Zealand Guardian Trust Company Limited**

Level 7, Vero Centre  
48 Shortland Street  
Auckland 1010

## Auditor

### **KPMG**

5 KPMG Centre  
18 Viaduct Harbour Avenue  
Auckland 1010

## Solicitor

### **Bell Gully**

Level 22, Vero Centre  
48 Shortland Street  
Auckland 1010

