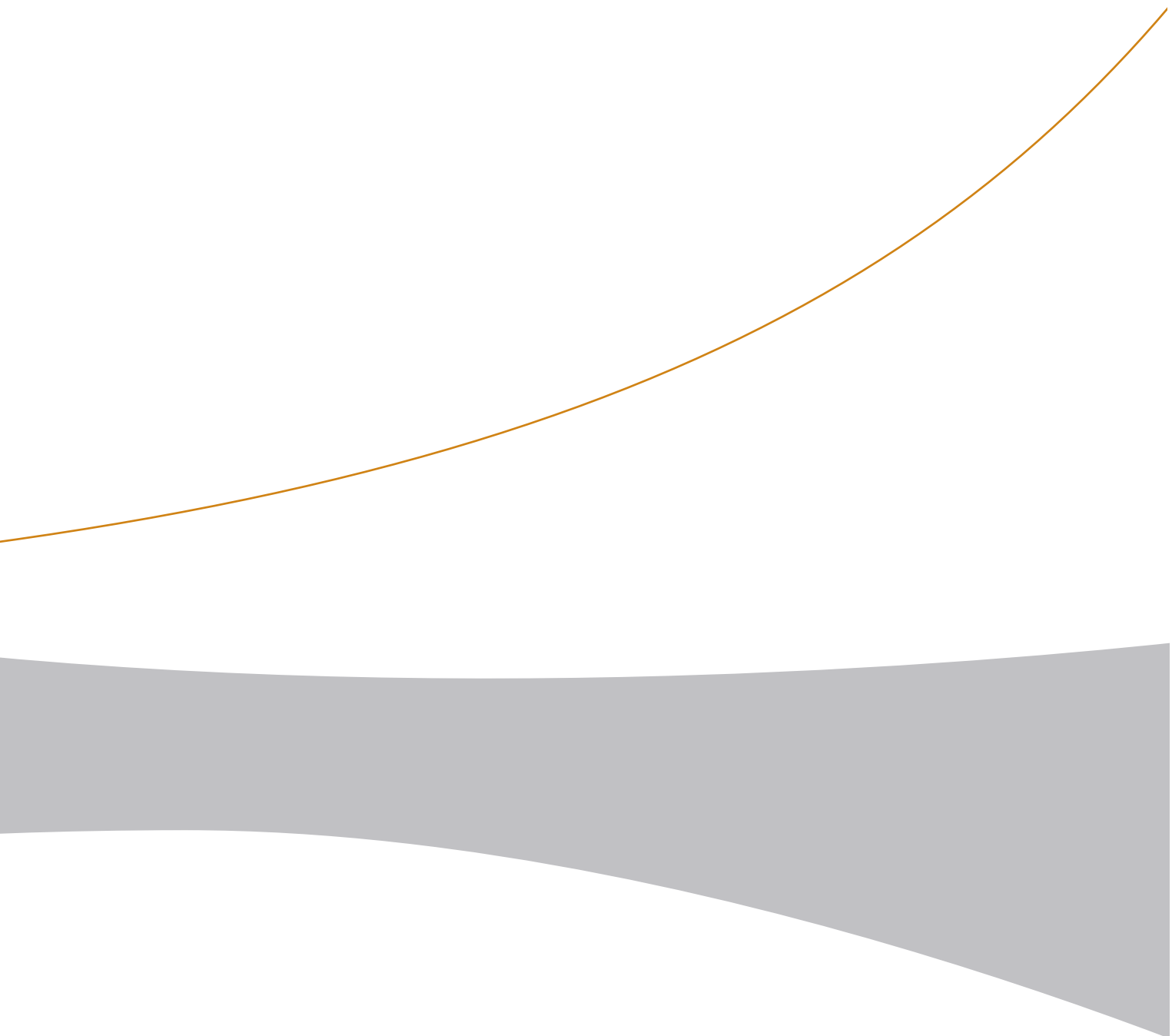


investment statement

Assyst Portfolio Service
NEW ZEALAND UNIT TRUST
7 November 2011



This document is an investment statement for the purposes of the Securities Act 1978.

Important Information

THE INFORMATION UNDER 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:

QUESTION	PAGE
WHAT SORT OF INVESTMENT IS THIS?	32
WHO IS INVOLVED IN PROVIDING IT FOR ME?	33
HOW MUCH DO I PAY?	34
WHAT ARE THE CHARGES?	36
WHAT RETURNS WILL I GET?	39
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CAN THE INVESTMENT BE ALTERED?	44
HOW DO I CASH IN MY INVESTMENT?	45
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IS THERE ANYONE TO WHOM I CAN COMPLAIN IF I HAVE PROBLEMS WITH MY INVESTMENT?	49
WHAT OTHER INFORMATION CAN I OBTAIN ABOUT THIS INVESTMENT?	50

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

THE FINANCIAL MARKETS AUTHORITY REGULATES CONDUCT IN FINANCIAL MARKETS

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

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

FINANCIAL ADVISERS CAN HELP YOU MAKE INVESTMENT DECISIONS

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

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

When seeking or receiving financial advice, you should check—

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

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

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

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

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

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INVESTMENT GLOSSARY AND OTHER TERMS

An Investment Glossary is set out at the back of this Investment Statement on page 54. A guide to other terms is also set out at the back of this Investment Statement on page 56. Words that appear initially in italics under each section are either defined in the Investment Glossary or Other Terms.

CHANGES TO THIS INVESTMENT STATEMENT

Important changes may be made to this Investment Statement from time to time. You can obtain a copy of the latest Investment Statement and the Prospectus at any time from either your financial adviser or NZ Funds Management.

Welcome to the Assyst Portfolio Service

The Assyst Portfolio Service is an investment platform that comprises a series of actively managed Portfolios offered by the co-ordinating manager New Zealand Funds Management Limited (NZ Funds Management).

The Portfolios are designed to be used in conjunction with a financial planning process.

Investment decisions are very important. They have long-term consequences. You should read all documents, including this Investment Statement, very carefully. We encourage you to ask questions of your authorised financial adviser and/or seek other professional advice.

The value of any investment in a Portfolio can rise and fall, and it is possible that you may experience a loss of your capital.

There is no promise or guarantee made by any person as to the performance of any investment, the achievement of your financial goals or the return of any money invested. For more information on the risks associated with investing in the Portfolios please see the section headed "What are my risks?" on page 41.

NZ Funds Management

WHO WE ARE

NZ Funds Management is a New Zealand owned wealth management organisation founded in 1988. In conjunction with a select group of authorised financial advisers, we have been managing New Zealanders' investments for more than twenty-years. We design and manage portfolios to help New Zealanders accumulate capital, generate income in retirement or solve multi-generational wealth management needs.

NZ Funds Management is owned by its senior management. Many of our senior team have been with the firm for a decade or more and bring significant breadth, tenure and experience to their roles.

More information about NZ Funds Management and its people is available on our website www.nzfunds.co.nz/aboutus.html

Please feel free to email us at info@nzfunds.co.nz or phone us on 0508 733 337.

Our approach

WE BELIEVE THAT NEW ZEALANDERS CAN IMPROVE THEIR FINANCIAL WELLBEING BY HAVING A FINANCIAL PLAN AND AN INVESTMENT PORTFOLIO TAILORED TO THEIR SPECIFIC INVESTMENT AND PERSONAL GOALS. WE BELIEVE IT IS VERY IMPORTANT THAT THERE IS COHERENCY BETWEEN A CLIENT'S GOALS, THE DESIGN OF THEIR PLAN AND THE DESIGN AND MANAGEMENT OF THEIR INVESTMENT PORTFOLIO.

The Assyst Portfolio Service is designed and built on the following foundations:

1. ADVICE

The Portfolios are intended to be used in conjunction with a financial plan, prepared by an authorised financial adviser.

2. COHERENCY

Each of the Portfolios is designed to meet the requirements of the relevant investment category. Further information on investment categories is set out on page 5. The investment categories enable a client's investments to be allocated in a manner consistent with their goals, their plan, their investing time horizon and their attitude toward risk.

3. DIVERSIFICATION

By being invested across a number of Portfolios, as part of a properly constructed investment portfolio, each client's investment as a whole is likely to be generally widely diversified.

4. ACTIVE INVESTMENT MANAGEMENT

The Portfolios are managed using an active management approach. This approach seeks to maintain a balance between preserving capital and growing wealth in a manner that is consistent with each Portfolio's objective.

5. INVESTMENT MANAGERS

In addition to NZ Funds Management, the Portfolios may use different investment managers. Different investment managers are selected where NZ Funds Management considers their investment approach will help meet the objectives of the Portfolios. To learn more about the investment managers, please refer to our website www.nzfunds.co.nz/ourmanagers.html

6. TAX EFFECTIVENESS

Each Portfolio is a Portfolio Investment Entity (PIE) for New Zealand tax purposes. PIEs provide a tax effective investing vehicle for New Zealanders. Further information on the tax treatment of PIEs is set out in the section headed "What returns will I get?" on page 39.

7. TRANSPARENCY

We believe it is important that clients can see how each Portfolio is invested. Through our website, we provide what we believe is an unparalleled level of investment transparency.

8. SIMPLICITY

The Assyst Portfolio Service provides access to a range of different Portfolios via the simplicity of a single application form and account.

ROLE OF YOUR AUTHORISED FINANCIAL ADVISER

We strongly encourage you to work with an authorised financial adviser to develop a financial plan and a corresponding investment portfolio, specific to your goals, investing time horizon and attitude toward risk.

We also encourage you to regularly review your financial plan and investment portfolio with your authorised financial adviser. This review should examine the ongoing appropriateness of your financial plan and investment portfolio as your circumstances evolve.

How we manage your investment

INVESTMENT CATEGORIES

Each of the Portfolios is designed to meet the requirements of the relevant investment category.

The broad objective of each investment category is as follows:

INVESTMENT CATEGORY	OBJECTIVE	PORTFOLIOS
CASH	To provide a source of capital, by investing in <i>income-orientated assets</i> using an active investment management approach.	Core Cash Portfolio
INCOME	To provide a degree of stability to your investment, by primarily investing in income-orientated assets using an active investment management approach.	Core Income Portfolio Global Income Portfolio
INFLATION	To mitigate the impact of inflation on your investment over the medium and/or long term by investing in income-orientated assets and <i>growth-orientated assets</i> using an active investment management approach.	Core Inflation Portfolio Property Inflation Portfolio Equity Inflation Portfolio
GROWTH	To grow your investment over the long term by investing in income-orientated assets and growth-orientated assets using an active investment management approach.	Core Growth Portfolio Global Multi-Asset Growth Portfolio Global Equity Growth Portfolio Dividend and Growth Portfolio Capital Opportunities Portfolio

ACTIVE INVESTMENT MANAGEMENT

NZ Funds Management has more than 20 years of investment management experience. Over that time we have developed an active investment management approach. Our active investment management approach seeks to maintain a balance between preserving your capital and growing wealth in a manner that is consistent with each Portfolio's objective.

In the investment management of the Portfolios, NZ Funds Management in its sole discretion may undertake certain actions. The actions may include, but are not limited to, altering the proportion invested in each asset class; altering the manner in which a Portfolio is exposed to each asset class by investing, directly or indirectly, in *derivatives* and *collective investment vehicles*, or by applying *hedging*; taking *short positions*; and using *leverage*. This is referred to as active investment management.

Using our active investment management approach may cause the returns and capital stability of a Portfolio to significantly differ from the returns and capital stability of the underlying asset classes utilised, and/or any benchmark index.

While the philosophy behind our investment approach is likely to stay constant, the way in which it is implemented will necessarily change. Over time, where deemed appropriate, this will result in portfolios being constructed with different combinations of assets, investment managers and investment strategies.

It is important to note that the assets we use to achieve these objectives are subject to volatility and risk. For more information, please refer to the sections headed "Time frame, volatility and risk" on page 6 and "What are my risks?" on page 41.

Time frame, volatility and risk

In addition to understanding how we manage your investment, it is important that you know that your investment involves exposure to time frame, volatility and risk of loss.

TIME FRAME

Time frame is defined as the length of time that you should remain invested in a Portfolio in order to improve the probability of achieving the Portfolio's stated objective and that of the corresponding investment category.

Each Portfolio has a time frame. In general, the more volatile the securities in a Portfolio, the longer the time frame you should be invested. This is because over longer time frames you are more likely, but not certain, to achieve an outcome consistent with the Portfolio's objective.

The Manager endeavours to manage the Portfolios so that the time frame of each Portfolio is consistent with the Portfolio's stated objective.

It is however important to understand that the actual time frame required for you to achieve the stated objective of an investment category and corresponding Portfolio may be shorter or longer than the suggested time frame. There is also the potential that any or all of the Portfolios may not achieve their stated objectives over any time frame.

In addition, NZ Funds Management's active investment management approach may have either a positive or negative impact on the achievement of the stated objective over the suggested time frame.

VOLATILITY OF INVESTMENT VALUE

Volatility can be defined as the variation in the value of an investment either up or down. Each Portfolio has volatility. Where volatility has a negative impact, this does not necessarily mean that you will experience a permanent loss of capital, but this can occur if the unit price of a Portfolio does not recover, or if you choose to redeem your investment following a period of negative volatility.

When considering an investment it is important to understand that the volatility of a Portfolio is not constant. None of the Portfolios are immune from a sudden increase in volatility. Portfolios that have historically exhibited a low level of volatility may experience a sudden increase in volatility.

RISK OF LOSS

All investments, including the Portfolios, are exposed to risk. Risk is the possibility of loss of some or all of an investment.

A Portfolio that has a high possibility of loss of some or all of its investments is defined as having high risk. Conversely, a Portfolio that has a lower possibility of loss of some or all of its investments is defined as having lower risk.

Just because a Portfolio is categorised as having lower risk does not mean that, should a loss occur, the size of that loss will be lower compared to a Portfolio that is categorised as having high risk. A Portfolio with a high possibility of loss is defined as having high risk because losses can be expected more frequently compared to a Portfolio defined as having lower risk.

For more information on the risks associated with investing in the Portfolios, refer to the section entitled "What are my risks?" on page 41.

TIME FRAME, VOLATILITY AND RISK

SUGGESTED TIME FRAME	INVESTMENT CATEGORY	VOLATILITY AND RISK
10 YEARS +	Growth	USUALLY MORE VOLATILITY AND RISK
5 YEARS +	Inflation	VOLATILITY AND RISK
2 YEARS +	Income	VOLATILITY AND RISK
1 MONTH +	Cash	USUALLY LESS VOLATILITY AND RISK

Your authorised financial adviser can help you with time frame, volatility and risk.

You are encouraged to discuss your time frame, volatility and risk and preferences with your authorised financial adviser before making an investment.

It is important to bear in mind that your attitude toward risk is used to determine the proportion of your investment portfolio that is invested in higher risk Portfolios – not the presence or absence of higher risk securities within each of the Portfolios.

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The Portfolios

This section describes each Portfolio in more detail.

With the exception of the Core Cash Portfolio, there are redemption restrictions on the Portfolios. Further information is set out under the section headed "How do I cash in my investment?" on page 45.

For more information on the management of each Portfolio, please read the sections in this Investment Statement headed as follows:

- ∴ "Active investment management" on page 5
- ∴ "Time frame, volatility and risk" on page 6
- ∴ "What are my risks?" on page 41

NZ Funds Management produces information in relation to the individual securities owned within each of the Portfolios. You can obtain this information from the website at www.assyst.co.nz/portfolios.html

Core Cash Portfolio

OVERVIEW

The objective of the Core Cash Portfolio is to provide a source of capital, by investing in *income-orientated assets* using an active investment management approach.

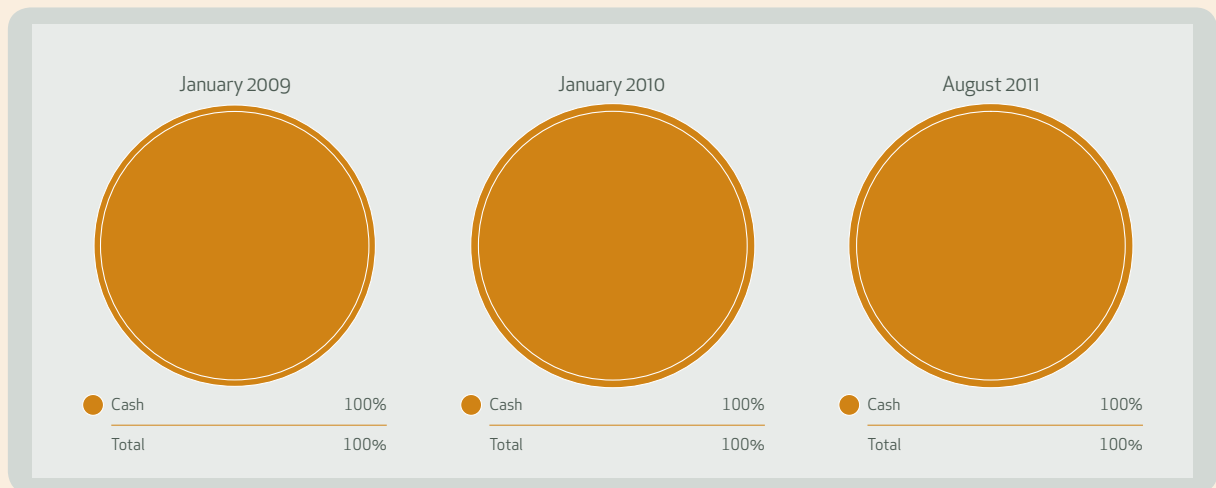
Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio will hold a significant exposure to *Cash* (for example short-term money market securities issued by registered banks).

From time to time the Portfolio may invest in *Government securities* (for example New Zealand and/or global government bonds) and/or *Debt securities* (for example New Zealand and/or global short-term money market securities issued by corporations).

KEY FEATURES

ESTABLISHMENT DATE	28 February 2008
RISK AND VOLATILITY	The Portfolio is likely to exhibit low risk and volatility characteristics.
INVESTMENT CATEGORY	Cash
WHAT CAN THE CORE CASH PORTFOLIO INVEST IN?	<p>The Portfolio may invest in the following asset classes:</p> <ul style="list-style-type: none"> ∴ <i>Cash</i> ∴ <i>Government securities</i> ∴ <i>Debt securities</i> <p>The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.</p> <p>The Portfolio may also invest in each asset class directly or indirectly through <i>derivatives</i> or <i>collective investment vehicles</i>. <i>Derivatives</i>, <i>collective investment vehicles</i> or <i>short positions</i> can be used to increase or decrease an allocation to an asset class, for <i>hedging</i> exposures or for seeking to enhance returns.</p> <p>The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.</p>

ASSET ALLOCATION



The figures above illustrate how the Portfolio's asset allocation has changed over time between asset classes. The Portfolio's asset allocation over specified time periods may not show any material differences. However it is important to note that this may not always be the case as the Portfolio's asset allocation may change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Core Income Portfolio

OVERVIEW

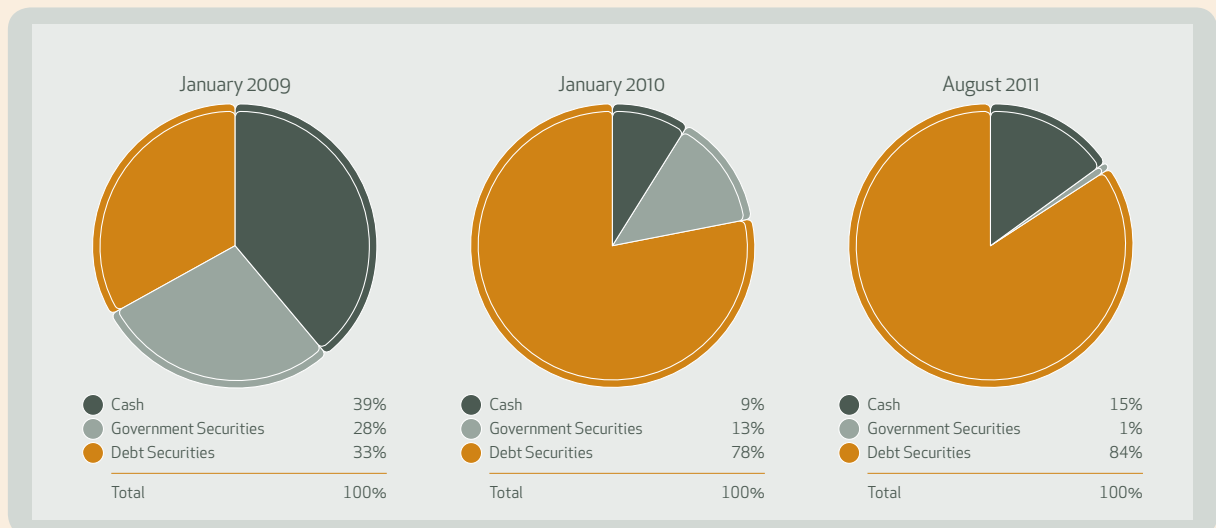
The objective of the Core Income Portfolio is to provide a degree of stability to your investment, by primarily investing in *income-orientated assets* using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio would hold a significant exposure to *Cash*, and/or *Government securities* (for example New Zealand and/or global government bonds) and/or *Debt securities* (for example New Zealand and/or global corporate bonds).

KEY FEATURES

ESTABLISHMENT DATE	4 June 2008
RISK AND VOLATILITY	The Portfolio is likely to exhibit medium risk and volatility characteristics.
INVESTMENT CATEGORY	Income
WHAT CAN THE CORE INCOME PORTFOLIO INVEST IN?	<p>The Portfolio may invest in the following asset classes:</p> <ul style="list-style-type: none"> ∴ <i>Cash</i> ∴ <i>Government securities</i> ∴ <i>Debt securities</i> ∴ <i>Foreign currency</i> <p>The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.</p> <p>The Portfolio may also invest in each asset class directly or indirectly through <i>derivatives</i> or <i>collective investment vehicles</i>. Derivatives, collective investment vehicles or <i>short positions</i> can be used to increase or decrease an allocation to an asset class, for <i>hedging</i> exposures or for seeking to enhance returns.</p> <p>The Portfolio may be <i>leveraged</i>. The maximum amount of leverage that may be used is up to two times the Portfolio's prevailing <i>net asset value</i>. The use of leverage may produce positive or negative returns.</p> <p>The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.</p>

ASSET ALLOCATION



The figures above illustrate how the Portfolio's asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio's asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio's asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Global Income Portfolio

OVERVIEW

The objective of the Global Income Portfolio is to provide a degree of stability to your investment, by primarily investing in *income-orientated* assets using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio would hold a significant exposure to *Cash*, and/or *Government securities* (for example New Zealand and/or global government bonds) and/or *Debt securities* (for example global corporate bonds).

KEY FEATURES

ESTABLISHMENT DATE 9 October 2008

RISK AND VOLATILITY The Portfolio is likely to exhibit medium *risk* and *volatility* characteristics.

INVESTMENT CATEGORY Income

WHAT CAN THE GLOBAL INCOME PORTFOLIO INVEST IN? The Portfolio may invest in the following *asset classes*:

- ∴ *Cash*
- ∴ *Government securities*
- ∴ *Debt securities*
- ∴ *Foreign currency*

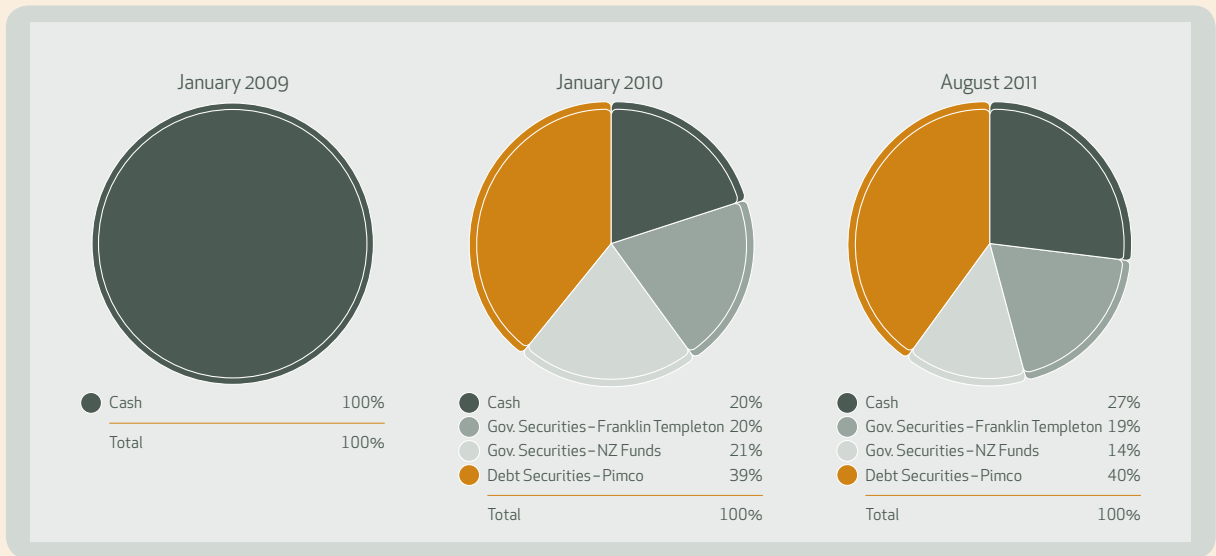
The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.

The Portfolio may also invest in each asset class directly or indirectly through *derivatives* or *collective investment vehicles*. Derivatives, collective investment vehicles or *short positions* can be used to increase or decrease an allocation to an asset class, for *hedging* exposures or for seeking to enhance returns.

The Portfolio may be *leveraged*. The maximum amount of leverage that may be used is up to two times the Portfolio's prevailing *net asset value*. The use of leverage may produce positive or negative returns.

The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.

ASSET ALLOCATION



The figures above illustrate how the Portfolio's asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio's asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio's asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Core Inflation Portfolio

OVERVIEW

The objective of the Core Inflation Portfolio is to mitigate the impact of inflation on your investment over the medium and/or long term by investing in *income-orientated assets* and *growth-orientated assets* using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio will hold a diversified range of assets.

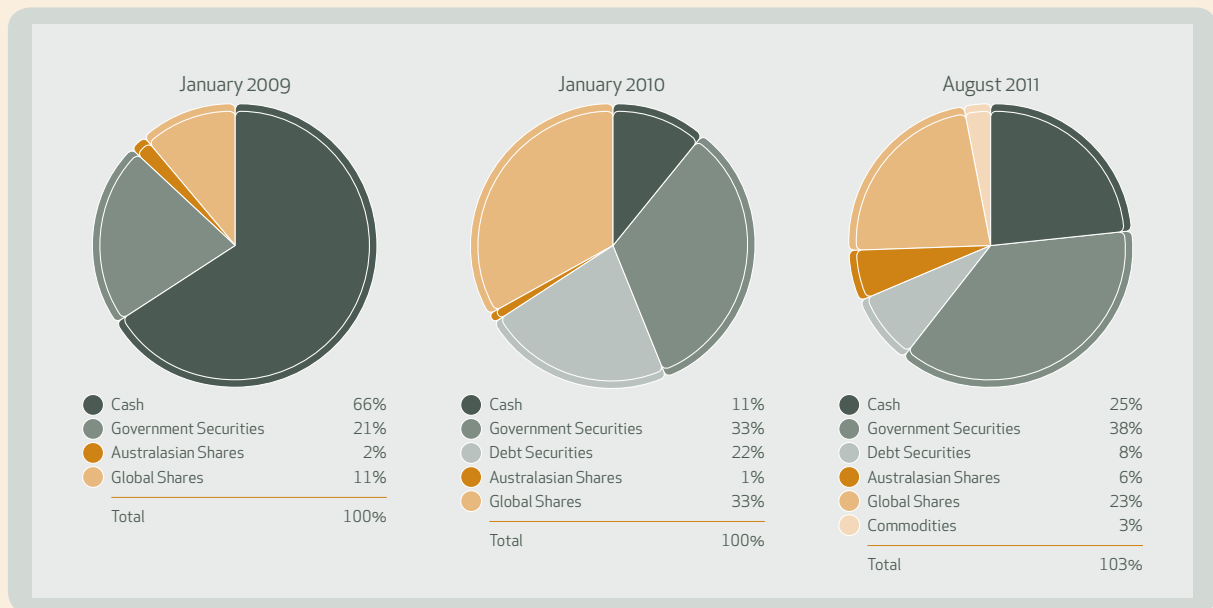
Income-orientated assets are expected to include *Cash*, *Government securities* (for example inflation-linked government bonds) and *Debt securities* (for example New Zealand and/or global corporate bonds).

Growth-orientated assets are expected to include *Australasian shares* and/or *Global shares* and/or *Commodities*.

KEY FEATURES

ESTABLISHMENT DATE	13 May 1999
RISK AND VOLATILITY	The Portfolio is likely to exhibit medium to high risk and volatility characteristics.
INVESTMENT CATEGORY	Inflation
WHAT CAN THE CORE INFLATION PORTFOLIO INVEST IN?	<p>The Portfolio may invest in the following asset classes:</p> <ul style="list-style-type: none"> ∴ <i>Cash</i> ∴ <i>Government securities</i> ∴ <i>Debt securities</i> ∴ <i>Foreign currency</i> ∴ <i>Australasian shares</i> ∴ <i>Global shares</i> ∴ <i>Commodities</i> ∴ <i>Alternative securities</i> <p>The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.</p> <p>The Portfolio may also invest in each asset class directly or indirectly through <i>derivatives</i> or <i>collective investment vehicles</i>. Derivatives, collective investment vehicles or <i>short positions</i> can be used to increase or decrease an allocation to an asset class, for <i>hedging</i> exposures or for seeking to enhance returns.</p> <p>The Portfolio may be <i>leveraged</i>. The maximum amount of leverage that may be used is up to two times the Portfolio's prevailing <i>net asset value</i>. The use of leverage may produce positive or negative returns.</p> <p>The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.</p>

ASSET ALLOCATION



The figures above illustrate how the Portfolio's asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio's asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio's asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Property Inflation Portfolio

OVERVIEW

The objective of the Property Inflation Portfolio is to mitigate the impact of inflation on your investment over the medium and/or long term by investing in *income-orientated assets* and *growth-orientated assets* using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio will hold a significant exposure to property and/or property related securities.

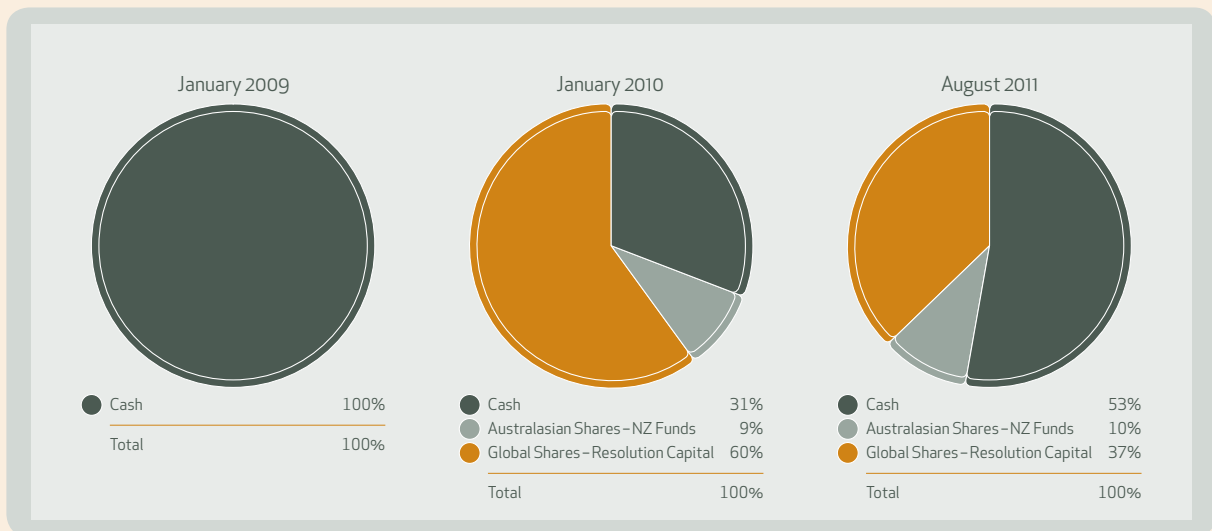
Income-orientated assets are expected to include *Cash* and *Debt securities* (for example New Zealand and/or global corporate bonds which are property and/or property and infrastructure related).

Growth-orientated assets are expected to include *Australasian shares* and/or *Global shares* which are property and/or property and infrastructure related.

KEY FEATURES

ESTABLISHMENT DATE	9 October 2008
RISK AND VOLATILITY	The Portfolio is likely to exhibit medium to high risk and volatility characteristics.
INVESTMENT CATEGORY	Inflation
WHAT CAN THE PROPERTY INFLATION PORTFOLIO INVEST IN?	<p>The Portfolio may invest in the following asset classes:</p> <ul style="list-style-type: none"> ∴ <i>Cash</i> ∴ <i>Government securities</i> ∴ <i>Debt securities</i> ∴ <i>Foreign currency</i> ∴ <i>Australasian shares</i> ∴ <i>Global shares</i> ∴ <i>Alternative securities</i> <p>The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.</p> <p>The Portfolio may also invest in each asset class directly or indirectly through <i>derivatives</i> or <i>collective investment vehicles</i>. Derivatives, collective investment vehicles or <i>short positions</i> can be used to increase or decrease an allocation to an asset class, for <i>hedging</i> exposures or for seeking to enhance returns.</p> <p>The Portfolio may be <i>leveraged</i>. The maximum amount of leverage that may be used is up to two times the Portfolio's prevailing <i>net asset value</i>. The use of leverage may produce positive or negative returns.</p> <p>The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.</p>

ASSET ALLOCATION



The figures above illustrate how the Portfolio's asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio's asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio's asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Equity Inflation Portfolio

OVERVIEW

The objective of the Equity Inflation Portfolio is to mitigate the impact of inflation on your investment over the medium and/or long term by investing in *income-orientated assets* and *growth-orientated assets* using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio would hold a significant exposure to *Australasian shares* and/or *Global shares*.

Income-orientated assets are expected to include *Cash* and *Debt securities* (for example New Zealand and/or global corporate bonds).

Growth-orientated assets are expected to include *Australasian shares* and/or *Global shares* selected from sectors of the economy which are expected to perform well during inflationary periods.

KEY FEATURES

ESTABLISHMENT DATE	13 May 1999
RISK AND VOLATILITY	The Portfolio is likely to exhibit medium to high risk and volatility characteristics
INVESTMENT CATEGORY	Inflation

WHAT CAN THE EQUITY INFLATION PORTFOLIO INVEST IN?

The Portfolio may invest in the following asset classes:

- ∴ *Cash*
- ∴ *Government securities*
- ∴ *Debt securities*
- ∴ *Foreign currency*
- ∴ *Australasian shares*
- ∴ *Global shares*
- ∴ *Commodities*
- ∴ *Alternative securities*

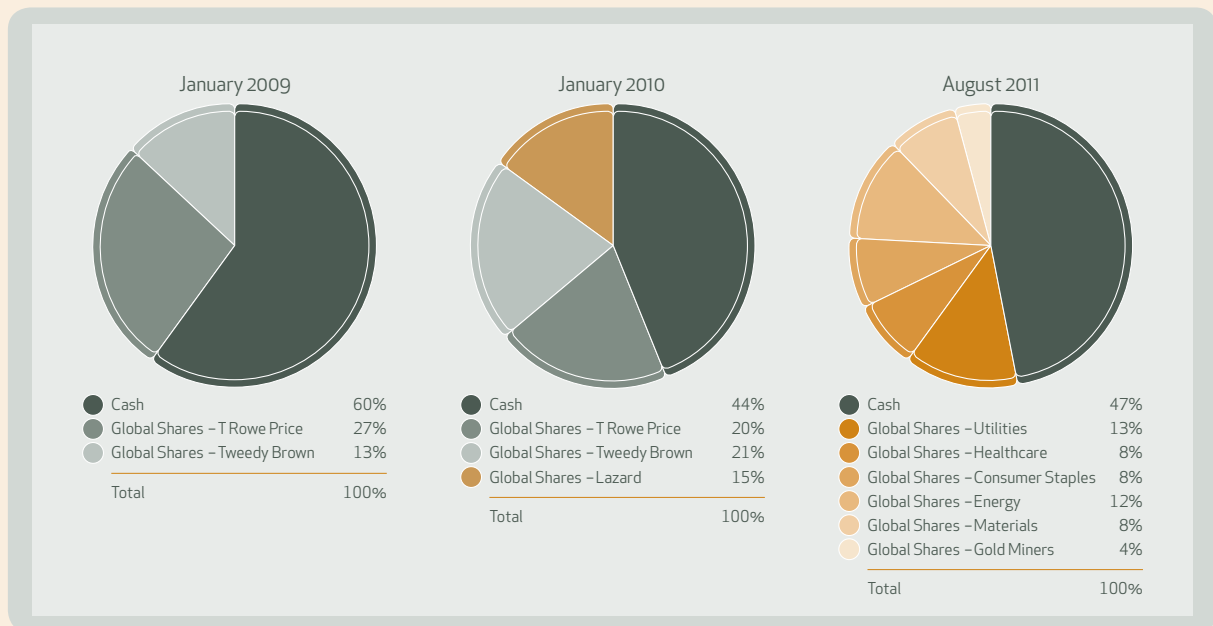
The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.

The Portfolio can invest in each asset class directly or indirectly through *derivatives* or *collective investment vehicles*. Derivatives, collective investment vehicles or *short positions* can be used to increase or decrease an allocation to an asset class, for *hedging* exposures and for seeking to enhance returns.

The Portfolio may be *leveraged*. The maximum amount of leverage that may be used is up to two times the Portfolio's prevailing *net asset value*. The use of leverage may produce positive or negative returns.

The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.

ASSET ALLOCATION



The figures above illustrate how the Portfolio's asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio's asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio's asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Core Growth Portfolio

OVERVIEW

The objective of the Core Growth Portfolio is to grow your investment over the long term by investing in *income-orientated assets* and *growth-orientated assets* using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio will hold a diversified range of assets.

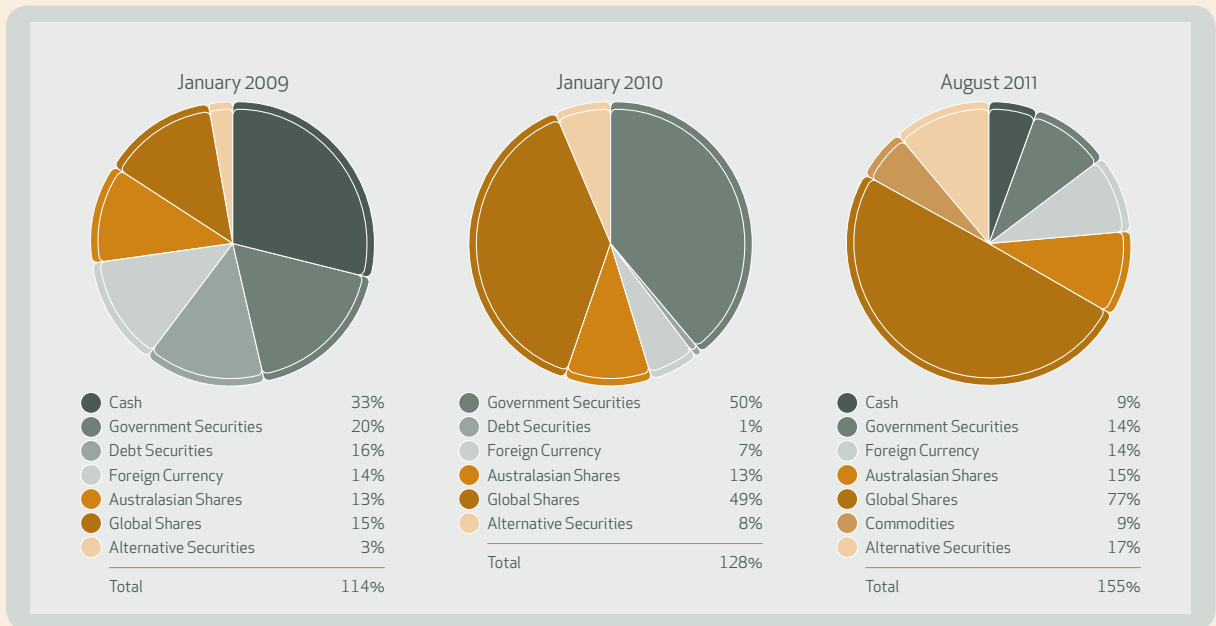
Income-orientated assets are expected to include *Cash*, *Government securities* (for example long-term New Zealand and/or global government bonds) and *Debt securities* (for example long-term New Zealand and/or global corporate bonds).

Growth-orientated assets are expected to primarily be invested in *Australasian shares* and/or *Global shares*. It is also anticipated that for periods of time the Portfolio will also hold a significant exposure to a range of other growth-orientated assets such as *Foreign currency* and/or *Commodities* and/or *Alternative securities*.

KEY FEATURES

ESTABLISHMENT DATE	9 October 2008
RISK AND VOLATILITY	The Portfolio is likely to exhibit high risk and volatility characteristics.
INVESTMENT CATEGORY	Growth
WHAT CAN THE CORE GROWTH PORTFOLIO INVEST IN?	<p>The Portfolio may invest in the following asset classes:</p> <ul style="list-style-type: none"> ∴ <i>Cash</i> ∴ <i>Government securities</i> ∴ <i>Debt securities</i> ∴ <i>Foreign currency</i> ∴ <i>Australasian shares</i> ∴ <i>Global shares</i> ∴ <i>Commodities</i> ∴ <i>Alternative securities</i> <p>The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.</p> <p>The Portfolio may also invest in each asset class directly or indirectly through <i>derivatives</i> or <i>collective investment vehicles</i>. Derivatives, collective investment vehicles or <i>short positions</i> can be used to increase or decrease an allocation to an asset class, for <i>hedging</i> exposures or for seeking to enhance returns.</p> <p>The Portfolio may be <i>leveraged</i>. There is no maximum amount of leverage that may be used. The use of leverage may produce positive or negative returns.</p> <p>The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.</p>

ASSET ALLOCATION



The figures above illustrate how the Portfolio’s asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio’s asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio’s asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Global Multi-Asset Growth Portfolio

OVERVIEW

The objective of the Global Multi-Asset Growth Portfolio is to grow your investment over the long term by investing in *income-orientated assets* and *growth-orientated assets* using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio will hold a diversified range of assets.

Income-orientated assets are expected to include *Cash*, *Government securities* (for example long-term New Zealand and/or global government bonds) and *Debt securities* (for example long-term New Zealand and/or global corporate bonds).

Growth-orientated assets are expected to primarily be invested in *Alternative securities* (for example hedge funds) and/or *Commodities* (for example securities exposed to the energy, agriculture, precious metals and industrial metals sectors).

KEY FEATURES

ESTABLISHMENT DATE 9 October 2008

RISK AND VOLATILITY The Portfolio is likely to exhibit high risk and volatility characteristics.

INVESTMENT CATEGORY Growth

WHAT CAN THE GLOBAL MULTI-ASSET GROWTH PORTFOLIO INVEST IN? The Portfolio may invest in the following asset classes:

- ∴ *Cash*
- ∴ *Government securities*
- ∴ *Debt securities*
- ∴ *Foreign currency*
- ∴ *Australasian shares*
- ∴ *Global shares*
- ∴ *Commodities*
- ∴ *Alternative securities*

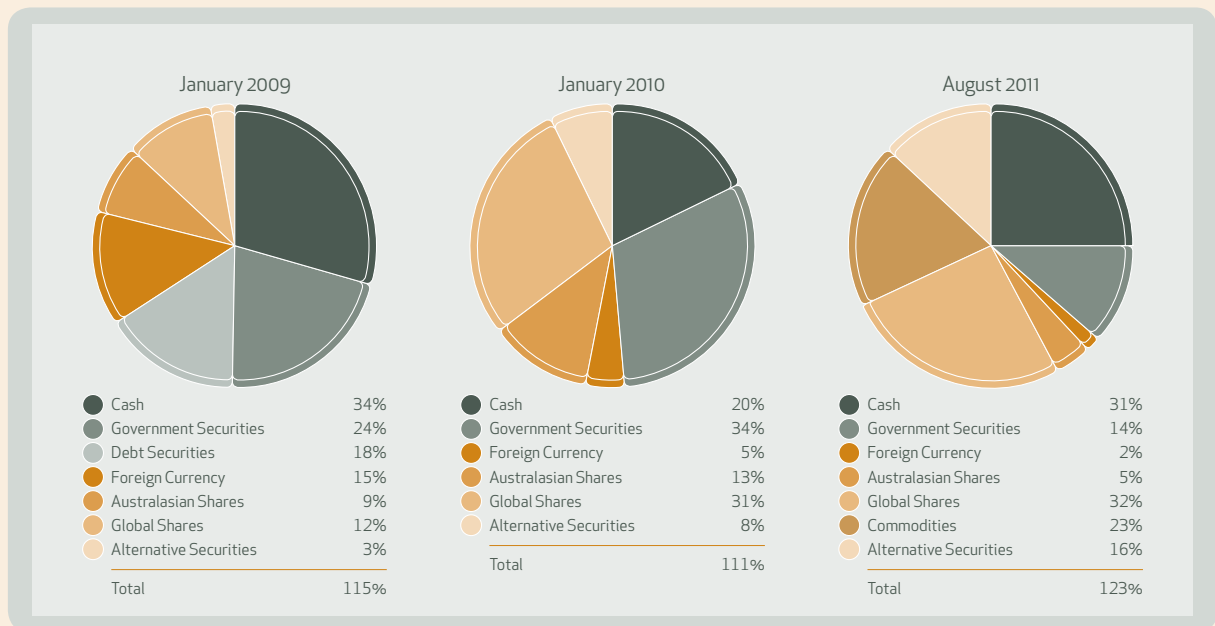
The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.

The Portfolio may also invest in each asset class directly or indirectly through *derivatives* or *collective investment vehicles*. Derivatives, collective investment vehicles or *short positions* can be used to increase or decrease an allocation to an asset class, for *hedging* exposures or for seeking to enhance returns.

The Portfolio may be *leveraged*. There is no maximum amount of leverage that may be used. The use of leverage may produce positive or negative returns.

The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.

ASSET ALLOCATION



The figures above illustrate how the Portfolio's asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio's asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio's asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Global Equity Growth Portfolio

OVERVIEW

The objective of the Global Equity Growth Portfolio is to grow your investment over the long term by investing in *income-orientated assets* and *growth-orientated assets* using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio will hold a significant exposure to *Australasian shares* and/or *Global shares* and/or *Alternative securities*.

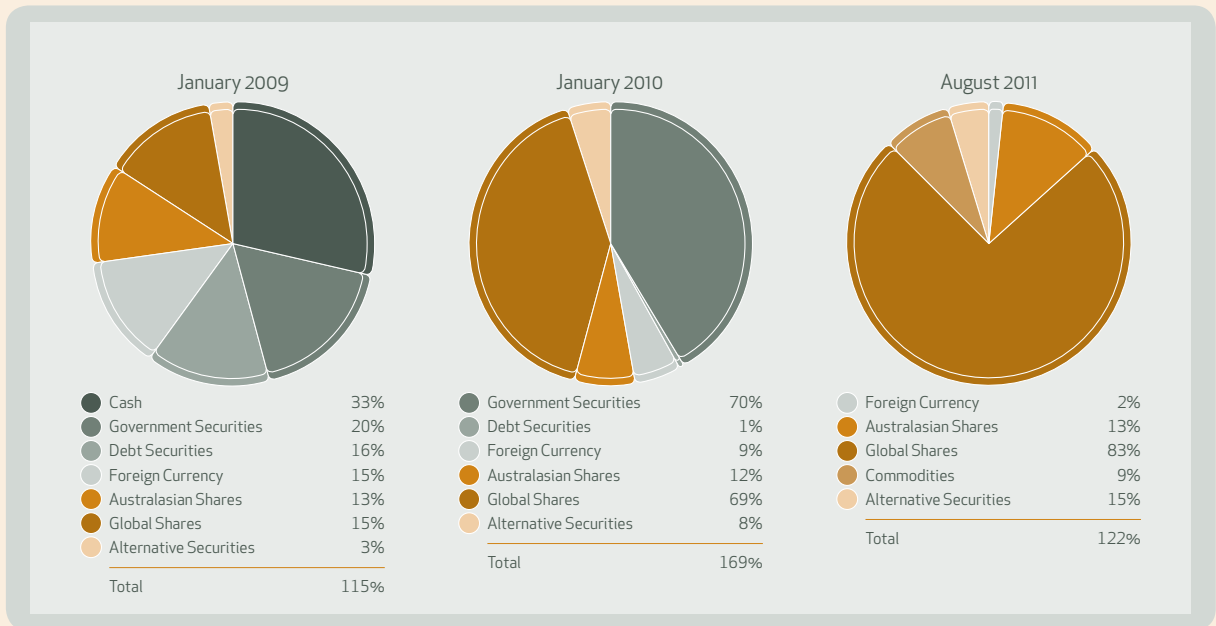
Income-orientated assets are expected to include *Cash*, *Government securities* (for example long-term New Zealand and/or global government bonds) and *Debt securities* (for example long-term New Zealand and/or global corporate bonds).

Growth-orientated assets are expected to primarily be invested in *Australasian shares* and/or *Global shares* and/or *Alternative securities* (for example hedge funds).

KEY FEATURES

ESTABLISHMENT DATE	9 October 2008
RISK AND VOLATILITY	The Portfolio is likely to exhibit high risk and volatility characteristics.
INVESTMENT CATEGORY	Growth
WHAT CAN THE GLOBAL EQUITY GROWTH PORTFOLIO INVEST IN?	<p>The Portfolio may invest in the following asset classes:</p> <ul style="list-style-type: none"> ∴ <i>Cash</i> ∴ <i>Government securities</i> ∴ <i>Debt securities</i> ∴ <i>Foreign currency</i> ∴ <i>Australasian shares</i> ∴ <i>Global shares</i> ∴ <i>Commodities</i> ∴ <i>Alternative securities</i> <p>The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.</p> <p>The Portfolio may also invest in each asset class directly or indirectly through <i>derivatives</i> or <i>collective investment vehicles</i>. Derivatives, collective investment vehicles or <i>short positions</i> can be used to increase or decrease an allocation to an asset class, for <i>hedging</i> exposures or for seeking to enhance returns.</p> <p>The Portfolio may be <i>leveraged</i>. There is no maximum amount of leverage that may be used. The use of leverage may produce positive or negative returns.</p> <p>The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.</p>

ASSET ALLOCATION



The figures above illustrate how the Portfolio’s asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio’s asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio’s asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Dividend and Growth Portfolio

OVERVIEW

The objective of the Dividend and Growth Portfolio is to grow your investment over the long term by investing in *income-orientated assets* and *growth-orientated assets* using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated that the Portfolio will hold a significant exposure to *Australasian shares*.

Income-orientated assets are expected to include *Cash*, *Government securities* (for example long-term New Zealand and/or global government bonds) and *Debt securities* (for example long-term New Zealand and/or global corporate bonds).

Growth-orientated assets are expected to primarily be invested in Australasian shares. It is also anticipated that for periods of time the Portfolio will also hold an exposure to other growth-orientated assets such as *Foreign currency* and/or *Global shares*.

KEY FEATURES

ESTABLISHMENT DATE 9 October 2008

RISK AND VOLATILITY The Portfolio is likely to exhibit high risk and volatility characteristics.

INVESTMENT CATEGORY Growth

WHAT CAN THE DIVIDEND AND GROWTH PORTFOLIO INVEST IN? The Portfolio may invest in the following asset classes:

- ∴ *Cash*
- ∴ *Government securities*
- ∴ *Debt securities*
- ∴ *Foreign currency*
- ∴ *Australasian shares*
- ∴ *Global shares*

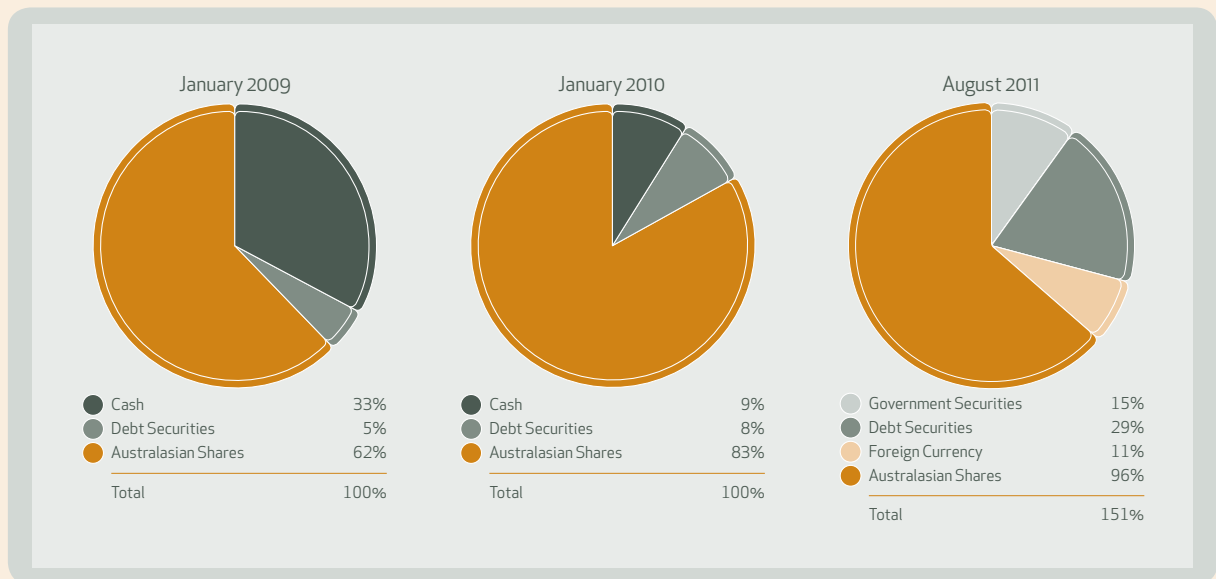
The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.

The Portfolio may also invest in each asset class directly or indirectly through *derivatives* or *collective investment vehicles*. Derivatives, collective investment vehicles or *short positions* can be used to increase or decrease an allocation to an asset class, for *hedging* exposures or for seeking to enhance returns.

The Portfolio may be *leveraged*. There is no maximum amount of leverage that may be used. The use of leverage may produce positive or negative returns.

The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.

ASSET ALLOCATION



The figures above illustrate how the Portfolio's asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio's asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio's asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

Capital Opportunities Portfolio

OVERVIEW

The objective of the Capital Opportunities Portfolio is to grow your investment over the long term by investing in *income-orientated assets* and *growth-orientated assets* using an active investment management approach.

Over the ordinary course of an economic cycle, which may last between three and seven years (or longer), it is anticipated the Portfolio will hold a significant exposure to *Debt securities*.

Income-orientated assets are expected to include *Cash*, *Government securities* (for example long-term New Zealand and/or global government bonds) and *Debt securities* (for example mortgage-backed securities and/or high yield corporate bonds and/or long-term interest rate futures).

It is also anticipated that for periods of time the Portfolio may hold an exposure to growth-orientated assets such as *Foreign currency* and/or *Australasian shares* and/or *Global shares* and/or *Commodities* and/or *Alternative securities*.

KEY FEATURES

ESTABLISHMENT DATE 4 June 2008.

RISK AND VOLATILITY The Portfolio is likely to exhibit very high *risk* and *volatility* characteristics.

INVESTMENT CATEGORY Growth

WHAT CAN THE CAPITAL OPPORTUNITIES PORTFOLIO INVEST IN? The Portfolio may invest in the following asset classes:

- ∴ *Cash*
- ∴ *Government securities*
- ∴ *Debt securities*
- ∴ *Foreign currency*
- ∴ *Australasian shares*
- ∴ *Global shares*
- ∴ *Commodities*
- ∴ *Alternative securities*

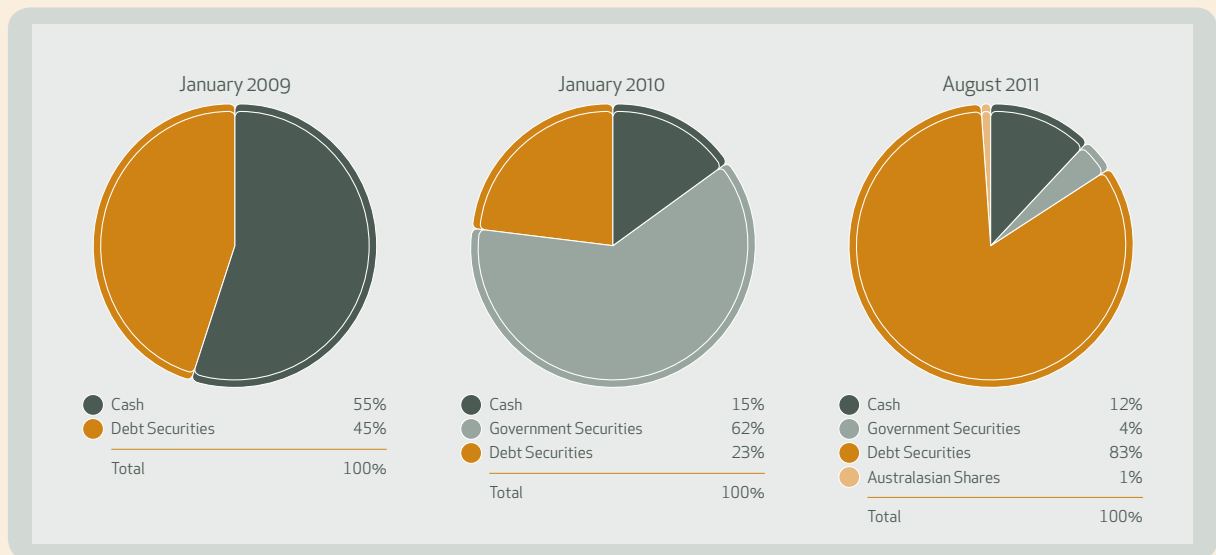
The Portfolio can hold the permitted asset classes in any proportion. This means that it may not always be diversified.

The Portfolio may also invest in each asset class directly or indirectly through *derivatives* or *collective investment vehicles*. Derivatives, collective investment vehicles or *short positions* can be used to increase or decrease an allocation to an asset class, for *hedging* exposures or for seeking to enhance returns.

The Portfolio may be *leveraged*. There is no maximum amount of leverage that may be used. The use of leverage may produce positive or negative returns.

The Portfolio's asset allocation is based on the objectives of the Portfolio and NZ Funds Management's active investment management approach. Active investment management is highly subjective and may produce positive or negative returns.

ASSET ALLOCATION



The figures above illustrate how the Portfolio's asset allocation has changed over time between asset classes. The total percentage allocation may not be equal to 100% due to the effect of leverage. The Portfolio's asset allocation over specified time periods may not show any material differences. However it is important to note that this will not always be the case as the Portfolio's asset allocation is expected to change over time. The latest asset allocation can be found at the website www.assyst.co.nz/portfolios.html

What sort of investment is this?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

PORTFOLIOS

This Investment Statement contains an offer of units in the Portfolios listed below. The Portfolios are New Zealand unit trusts that have elected PIE tax status:

- ✿ Core Cash Portfolio
- ✿ Core Income Portfolio
- ✿ Global Income Portfolio
- ✿ Core Inflation Portfolio
- ✿ Property Inflation Portfolio
- ✿ Equity Inflation Portfolio
- ✿ Core Growth Portfolio
- ✿ Global Multi-Asset Growth Portfolio
- ✿ Global Equity Growth Portfolio
- ✿ Dividend and Growth Portfolio
- ✿ Capital Opportunities Portfolio

More information about the offer and each Portfolio is set out in the relevant Prospectus.

COLLECTIVE INVESTMENT

The Assyst Portfolio Service Portfolios are collective investments. The money you invest into a Portfolio is combined with other investors' money to purchase assets. A collective investment means your Portfolio holding represents a proportionate holding in the underlying assets of the Portfolio. This is not the same as direct ownership of the underlying assets.

You will be allocated units in the Portfolio(s). The units represent your proportionate holding in the Portfolio(s). The number of units you are allocated is based on the price per unit, called the unit price.

The performance of your investment will be measured by the rise or fall of the unit price. As the combined value of the assets purchased by the Portfolio(s) increases or decreases, so too will the unit price.

Who is involved in providing it for me?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

MANAGER

NZ Funds Management is the manager (Manager) and issuer of each Portfolio. As Manager, NZ Funds Management is principally responsible for the day-to-day management and administration of each Portfolio. This includes the implementation of investment strategies, the promotion of each Portfolio, and maintaining the register of unit holders. The Manager has been an investment manager since 1988. The Manager is owned by its senior management.

As at the date of this Investment Statement, the directors of the Manager are Philip Doak, Lisa Jacobs, Richard James, Michael Lang and Glenn Wright, all of Auckland. The directors can be contacted at the Manager's address:

New Zealand Funds Management Limited
Level 16, Zurich House
21 Queen Street
Auckland 1142

TRUSTEE

Perpetual Trust Limited is the trustee (Trustee) of the Portfolios. The Trustee is responsible for holding the assets of the Portfolios and for supervising the Manager.

Perpetual Trust Limited
Level 17, AMP Centre
29 Customs Street West
Auckland 1140

CHANGES TO DIRECTORS AND ADDRESSES

The above Trustee and Manager details may change. Current information is available by contacting the Manager (please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48 for contact details).

How much do I pay?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

APPLICATION FORM

To subscribe for units in a Portfolio, you must complete the Application Form attached to this Investment Statement. For more information on how to complete the Application Form, see the section headed "How do I apply?" on page 51.

You will need to send the Application Form to the Manager at the address set out on the Application Form.

SUBSCRIPTION AMOUNTS

An investment can be made by making lump-sum payments or regular contributions. There is no obligation for you to make any ongoing regular payments once you have made your initial subscription. You may wish to add to your investment by making further lump-sum payments instead.

You are free to choose when to invest and how much to invest, provided your investment meets the requirements set out in this Investment Statement. There is no minimum subscription amount for an investment in a Portfolio.

LUMP-SUM PAYMENTS

You can invest in a Portfolio by way of cheque, marked "Account Payee only", to be made out to New Zealand Funds Management Limited.

Once the Application Form is accepted, the Manager will pass all subscription money through to the relevant Portfolio bank account held by the Trustee.

Payments should be made in New Zealand dollars. Payments in foreign currency will not be accepted unless the Manager agrees.

REGULAR CONTRIBUTIONS

Regular contributions cannot be made to the Capital Opportunities Portfolio.

For all other Portfolios, you can choose to make regular contributions by direct debit, on a fortnightly or monthly basis or as otherwise accepted by the Manager. To do so, you will need to complete an Authority to Accept Direct Debits form which is included at the back of this Investment Statement and return this with the Application Form.

The Manager in its sole discretion may accept alternative payment methods for regular contributions.

You can discontinue additional regular contributions at any time by giving written notice of the cancellation to the Manager.

ISSUE OF UNITS

The number of units issued will depend on the issue price for units of the relevant Portfolio. The issue price is essentially the *net asset value* of the Portfolio, plus an amount being the Manager's estimate of the costs of acquiring the assets of that Portfolio, divided by the number of units on issue in the Portfolio. Further details on the calculation of the issue price are set out in the Prospectus for the relevant Portfolio.

MAXIMUM HOLDING RESTRICTION

An investor and/or their associated persons are not permitted to hold (the combined holding) more than the maximum number of units set by the Manager from time to time.

The maximum number of units is set for the purpose of ensuring a Portfolio remains compliant with the PIE rules. If the Manager forms the view that the combined holding does or could put the PIE tax status of the Portfolio at risk, it may redeem from you or your associated person(s) any number of units it determines necessary.

Further information, including the Manager's ability to request information and remove investors from a Portfolio, are set out in the relevant Prospectus.

ACCEPTANCE OF APPLICATION

The Manager can accept or reject applications for subscription at its own discretion. No reasons are required to be given if any application is rejected.

The Manager can also defer accepting any application request by up to two business days. Further information on these circumstances, including the Manager's discretion to suspend accepting new applications, is set out in the relevant Prospectus.

What are the charges?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

This section sets out the types of charges that may be payable as a result of investing in a Portfolio.

INVESTOR CHARGES

ENTRY, EXIT AND SWITCHING FEES

Entry, exit and switching fees are not charged on any investment in a Portfolio. However, the Manager can change this by providing one month's notice to all investors in the relevant Portfolio.

Your authorised financial adviser may charge an implementation fee or exit fee for their services in implementing your investment portfolio or implementing withdrawals from your investment portfolio. For more information, see the section headed "Financial Adviser Fees" on page 38.

PORTFOLIO CHARGES

The following fees and expenses are paid out of the assets of the relevant Portfolio, which will affect the returns of that Portfolio. In certain circumstances, the Manager may, in its absolute discretion and from its own funds, pay some of the Portfolios' fees and expenses.

TRUSTEE AND MANAGER FEES

The Portfolios pay a trustee fee to the Trustee and a portfolio management fee to the Manager. These fees are based on a percentage of the gross asset value of each Portfolio.

The fees outlined below are a maximum percentage per annum. This means that, subject to the minimum trustee fee paid to the Trustee, the fees paid will not exceed the percentage stated.

PORTFOLIO NAME	TRUSTEE FEE* (% P.A.)	PORTFOLIO MANAGEMENT FEE (% P.A.)
Core Cash Portfolio	0.04%	0.15%
Core Income Portfolio	0.04%	0.80%
Global Income Portfolio	0.04%	0.80%
Core Inflation Portfolio	0.04%	1.75%
Property Inflation Portfolio	0.04%	1.75%
Equity Inflation Portfolio	0.04%	1.75%
Core Growth Portfolio	0.04%	1.75%
Global Multi-Asset Growth Portfolio	0.04%	1.75%
Global Equity Growth Portfolio	0.04%	1.75%
Dividend and Growth Portfolio	0.04%	1.75%
Capital Opportunities Portfolio	0.04%	1.75%

* The trustee fee is also subject to a minimum annual fee of \$30,000 across all Portfolios.

The fees are calculated daily and reflected in the daily unit price of the Portfolio.

The fees paid to the Trustee and the Manager can be changed at any time. If the portfolio management fee outlined above increases, the Manager will provide one month's notice to all investors in the relevant Portfolio.

PERFORMANCE FEES

The following Portfolios may be charged performance fees by the Manager:

- ∴ Global Multi-Asset Growth Portfolio
- ∴ Global Equity Growth Portfolio
- ∴ Core Growth Portfolio
- ∴ Capital Opportunities Portfolio

The Manager may introduce a performance fee for any other Portfolio at any time by providing one month's notice to all investors in the relevant Portfolio.

CHARGING THE PERFORMANCE FEE

The performance fee is equivalent to 10% of the returns of a Portfolio in a financial year (Performance Year) that exceed the Performance Target. The Performance Target is 8% per annum.

The performance fee (if any) is calculated daily and reflected in the daily unit price of the Portfolio. It is based on the returns calculated on the *total gross assets* of the Portfolio.

The Manager may change the performance fee payable by a Portfolio, including changing the Performance Target, at any time by providing one month's notice to all investors in the relevant Portfolio.

REBATING THE PERFORMANCE FEE

If in the financial year following a Performance Year (Rebate Year), a Portfolio's returns are less than 8% per annum (Rebate Target), the Manager will rebate back to that Portfolio some or all of any performance fee charged to the Portfolio in the Performance Year.

The amount of the rebate (if any) is equivalent to 10% of the returns of the Portfolio in the Rebate Year that are less than the Rebate Target, but will not be more than the performance fee paid (if any) by the Portfolio in the Performance Year.

Any rebate is calculated daily and reflected in the daily unit price of the Portfolio. It is based on the returns calculated on the *total gross assets* of the Portfolio.

The Manager may change the Rebate Target at any time by providing one month's notice to all investors in the relevant Portfolio.

INVESTMENT IN OTHER TRUSTS

Each Portfolio is permitted to invest in collective investment vehicles that may pay fees to NZ Funds Management or an entity associated with NZ Funds Management (Other Trusts).

If a Portfolio invests in an Other Trust, the returns you receive from a Portfolio may be affected as a result of the indirect fees and expenses paid by an Other Trust.

As at the date of this Investment Statement, the Other Trusts pay the following fees up to the maximum percentage as stated:

TRUSTEE FEE (% P.A.)	SECURITIES MANAGEMENT FEE (% P.A.)	ADMINISTRATION FEE (% P.A.)
0.12%	0.95%	0.07%

The trustee, securities management and administration fees may be altered from time to time by agreement between the relevant parties.

The Portfolios may also invest into other collective investment vehicles which may charge fees including entry fees, exit fees, performance fees and management fees. The returns of a Portfolio in which you are invested may be affected by these indirect fees and expenses.

EXPENSES

The Trustee, Manager, and any other parties that may be appointed by the Trustee or Manager, are entitled to be reimbursed for all expenses properly incurred while carrying out their duties in relation to the Portfolios. These expenses are paid out of the assets of the relevant Portfolio. The amount of these expenses cannot be ascertained until they are incurred and will vary from time to time. Details of the actual expenses incurred are available through the annual financial statements.

INDEMNIFICATION

The Trustee and the Manager of a Portfolio are indemnified out of the relevant Portfolio's assets for any loss or liability suffered where they have acted properly, in accordance with the relevant Trust Deed and the terms of the offer. This indemnification would extend to the timely payment of fees and of properly incurred expenses, as allowed under the relevant Trust Deed.

GST

All fees are stated exclusive of GST or other analogous tax. This means that if any GST, or other analogous tax is payable on any fee, such tax will be payable in addition to the amount stated for that fee.

CHANGES TO FEES

The Manager is entitled in its discretion to introduce any other fees to be charged to a Portfolio or to investors in a Portfolio by providing one month's notice to affected investors.

ADDITIONAL INFORMATION

COMMISSIONS

The Manager may pay your authorised financial adviser, out of its portfolio management fee, a commission of up to 0.25% per annum of the account balances of the clients introduced into the Portfolios by them.

The Manager is not entitled to be reimbursed by the Portfolios for any such commission. Neither the Portfolios, nor you as investor in those Portfolios bear any additional costs associated with payment of such commissions.

ADMINISTRATION PAYMENT

The Manager may also pay authorised financial advisers an administration payment to assist them with the costs associated with providing financial advice to you. Any such payment is made by the Manager. The Manager is not entitled to be reimbursed from the Portfolios for any such payment and such payment will not be an additional cost to the Portfolios or to you as an investor in those Portfolios.

FINANCIAL ADVISER FEES

Your authorised financial adviser may charge fees for investment advisory or other services they provide, together with implementation fees for implementing your investment portfolio or exit fees for implementing any withdrawals from your investment portfolio. Details of these fees are outlined in their disclosure statement. Any such fee are paid by you to your authorised financial adviser. NZ Funds Management, or an entity associated with NZ Funds Management, may share in these fees.

Any fees relating to investment advisory or other services provided should be agreed between you and your authorised financial adviser, before an investment is made.

What returns will I get?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

Returns are reflected in the increases and decreases of the unit price of a Portfolio. The value of the unit price depends on the value of the assets in the Portfolios (and any income those assets earn).

Returns are also affected by the actions you or other investors take such as the amounts contributed to or redeemed from the Portfolio.

No rate of return is promised or guaranteed by the Trustee, the Manager or any other person on any amount invested in any Portfolio. Past performance is not necessarily an indication of future returns.

The Trustee is responsible for paying distributions from the relevant Portfolio. The Trustee acts at the direction of the Manager, subject to its obligations under the Unit Trusts Act 1960 and the relevant Trust Deed.

As at the date of this Investment Statement the Manager does not intend to distribute income and gains in respect of any Portfolio. Instead, income and gains (if any) are retained in the unit price and therefore becomes part of your investment.

The Manager may determine in the future to make distributions from the Portfolios. Further information on distributions, including electing to reinvest any distributions (if any), is available in the relevant Prospectus.

As it is intended no distributions will be paid, you can generally only access your investment portfolio if you sell or redeem from your investments. For information about redeeming from a Portfolio, see the section headed "How do I cash in my investment?" on page 45.

KEY FACTORS AFFECTING RETURNS

Known key factors which can affect returns are:

- ⌘ Investment performance;
- ⌘ Fees and expenses; and
- ⌘ Applicable taxes.

A significant factor in the returns of a Portfolio is the performance of the investment markets and underlying assets. Investment managers cannot control or guarantee the performance of investment markets, which can be influenced by many factors, including economic, political and other international events such as acts of terrorism and natural disasters.

Returns is also affected by the actions and choices of investment managers, including the implementation of the Manager's active investment management approach.

Information on the risks associated with investing in the Portfolios is set out in the section headed "What are my risks?" on page 41.

The amount of any fees or expenses paid by a Portfolio will also affect returns. This is because fees and expenses, as set out in the section headed "What are the charges?" on page 36, are paid out of the assets of the Portfolio.

Taxes will also affect returns.

TAX CONSIDERATIONS

It is important to bear in mind that the taxation treatment of investing in a Portfolio will vary from person to person. You are encouraged to consult with your authorised financial adviser before making an investment. Neither the Trustee, the Manager nor any associated parties can take any responsibility for your particular tax position as a result of an investment in a Portfolio.

Further information on the tax considerations detailed below, is set out in the relevant Prospectus.

PORTFOLIO INVESTMENT ENTITIES

Each Portfolio has elected to be a Portfolio Investment Entity under the *PIE rules*. The PIE rules allow you to effectively pay tax on your investment in the Portfolio at a maximum tax rate of 28%. The Portfolio's tax liability is calculated with reference to the *PIE tax rates* advised to by its investors.

WHAT IS MY PIE TAX RATE?

The PIE tax rates are either 0%, 10.5%, 17.5% or 28%. For help deciding the appropriate *PIE tax rate* for you, refer to the table in the section "Selecting the right PIE tax rate" on page 51, or discuss it with your authorised financial adviser. Where no election is made, the default rate of 28% will apply.

ALTERING YOUR PIE TAX RATE

You can change your PIE tax rate at any time. Information on how to change your PIE tax rate is set out in the section headed "Change of PIE tax rate" on page 53.

In certain circumstances, your PIE tax rate for the relevant quarter will be changed to 0%. This could happen if you redeem completely from a Portfolio; you have insufficient holdings to meet your PIE tax liability; or you are a trust or a company investor for which the default rate of 28% apply.

You may be required to file a tax return and will have to pay tax at your marginal tax rate, which could be as high as 33%.

If you have redeemed completely from a Portfolio and the Manager has treated you as a *zero-rated investor*, the Manager will provide a statement containing the relevant PIE tax information shortly after the end of the relevant quarter.

ADDITIONAL INFORMATION

The Manager will provide you or your authorised financial adviser, with an annual tax statement containing the relevant PIE tax information before 30 June each year.

SUSPENSION OF REDEMPTIONS

Your returns may also be affected by the Manager's ability to suspend redemptions. The Manager is entitled to suspend redemptions if the Manager forms the opinion that it is not practicable, or would be materially prejudicial to the interests of investors in the relevant Portfolio, to permit redemptions from that Portfolio due to:

- ∴ Market disruption or closure;
- ∴ Financial, political or economic conditions in respect of any financial market;
- ∴ The nature of a particular asset of the Portfolio; or
- ∴ The occurrence or existence of any other circumstance or event.

The Manager will endeavour to promptly advise affected investors in the event redemptions from a Portfolio have been suspended.

Further information on the suspension of redemptions is available in the Prospectus.

What are my risks?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

Every investment has a level of risk. Risk is the possibility of loss of some or all of an investment. No rate of return is promised or guaranteed by the Trustee, the Manager or any other person on any amount invested in a Portfolio. Past performance is not necessarily an indication of future returns.

The amount of risk with which you are comfortable will vary depending on your personal circumstances and individual preferences. You are encouraged to consider the risk characteristics of the Portfolios and the risks disclosed below. You are also encouraged to discuss your risk preferences with your authorised financial adviser. If you are not comfortable with the relevant risks, you should not invest in the Portfolios.

PRIMARY RISKS

The primary risks of investing in a Portfolio include:

- ⌘ Not achieving the returns expected, or experiencing periods of negative return. "Negative returns" means that an investment is worth less than it had been previously;
- ⌘ Receiving back less than the (or the entire) amount originally invested; and
- ⌘ Not being able to cash in an investment when desired.

The likelihood of these risks occurring is influenced by factors which affect investments generally. Some of those key factors are set out below.

KEY FACTORS

Some of the known key factors that can affect the risk level in investments in a Portfolio include:

- ⌘ The Manager's active investment management approach;
- ⌘ The performance of the securities held by a Portfolio, which may fluctuate up or down in value;
- ⌘ Prevailing market and economic conditions;
- ⌘ The risk of default on securities held by a Portfolio, or the insolvency of entities in which a Portfolio has invested;
- ⌘ The insolvency or winding up of a Portfolio itself;
- ⌘ The ease with which a Portfolio can liquidate its assets;
- ⌘ A Portfolio ceasing to be a PIE; and
- ⌘ Changes to any of the laws and regulations that govern or affect a Portfolio.

The above factors may affect each of the Portfolios differently, depending on the range of securities held by each Portfolio. These factors can have a positive or negative effect on the unit price of the relevant Portfolio. Some of these factors are explained in more detail later in this section.

There are also factors that are unknown at the time of this Investment Statement that may affect investments in a Portfolio at a future point in time.

If the impact of the key factors outlined above and/or the impact of fees and expenses causes a negative effect on unit price, it is reasonably foreseeable that you could receive back less than the amount of your original investment.

MORE INFORMATION ON CERTAIN INVESTMENT RISKS

ASSET CONCENTRATION

The Portfolios can hold permitted asset classes in any proportion or concentration. This means that the Portfolios may not be diversified. For example they may be predominantly invested in a certain asset class, country or sector and may be particularly exposed to any adverse circumstances affecting the relevant asset class, country or sector.

LEVERAGE

The Portfolios are permitted to utilise *leverage*. This means that the Portfolios are permitted to invest, and take on obligations, in excess of their prevailing *net asset value*.

The maximum amount of leverage that each Portfolio may use is set out in the “Key features” section for each Portfolio on pages 10 to 31.

Leverage may increase the degree of volatility experienced by that Portfolio. It may also significantly increase the risk of the Portfolio and extent of any loss.

DERIVATIVES AND SHORT POSITIONS

The Portfolios are permitted to use *derivatives*. They may do this by entering into contracts such as *futures* and *options*, which may involve leverage. The Portfolios are also permitted to engage in *short positions*. When taking a short position, the Portfolio seeks to profit from a fall in price of a security. However, there is no assurance that the price will fall. A Portfolio would make a loss if the price of the security rises at the time the security is sold.

Derivatives and short positions may increase the degree of volatility experienced by that Portfolio. Either strategy may also significantly increase the risk and extent of any loss. In the case of short positions, as the value of an asset can increase without limit, potential losses to a Portfolio are unlimited.

LIQUIDITY

The Portfolios may hold illiquid securities. Illiquid securities are assets that cannot quickly be converted or exchanged for *cash* (or not without a significant loss in value). Illiquid securities generally carry a greater risk than liquid securities, particularly during times of market turmoil.

ADDITIONAL RISKS

SUSPENSION OF REDEMPTIONS

The Manager can, in certain cases, suspend redemptions from a Portfolio. For example, the Manager may suspend redemptions in order to manage a liquidity risk in the Portfolio.

If redemptions are suspended, you may not be able to cash in your investment when you wish.

More information on suspension of redemptions is set out in the section headed "What returns will I get?" on page 39.

SCALING BACK REDEMPTION REQUESTS

This section does not apply to redemptions from the Core Inflation Portfolio.

The Manager can "scale back" redemptions from a Portfolio. If redemptions are scaled back, you can only cash in a lesser amount than you originally requested.

More information on scaling back redemption requests is set out in the section headed "How do I cash in my investment?" on page 45.

CEASING TO BE A PIE

A Portfolio may cease to be a PIE.

As at the date of this Investment Statement, it is expected that each Portfolio will at all times be a PIE. If a Portfolio loses its PIE tax status, your after-tax benefit from investing in that Portfolio may be reduced.

If a Portfolio in which you are invested elects to surrender PIE status, you will be notified of that intention beforehand.

INSOLVENCY OR WINDING UP

There is a risk that a Portfolio may be wound up. A Portfolio can be wound up in any of the following circumstances:

- ∴ Where the Manager determines it to be in the interest of investors in the Portfolio;
- ∴ Where investors in a Portfolio pass an extraordinary resolution to wind up the Portfolio; or
- ∴ On the expiration of 80 years from the commencement date of the Portfolio.

If a Portfolio is wound up or becomes insolvent, the assets of the Portfolio are called in and converted into money and applied first to meet the claims of any creditors. Creditor claims include any claims by the Trustee, the Manager, or any other party for fees or expenses. Investors will rank behind all creditors of the Portfolio for payment.

You are not liable to pay money to any person beyond the amount of your original investment, other than any income tax liability as detailed further in the Prospectus.

Can the investment be altered?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

CHANGING YOUR REGULAR CONTRIBUTIONS AND REGULAR WITHDRAWALS

You can change the amount or frequency of regular contributions to and withdrawals from a Portfolio, in which you are invested. You will need to complete a Change in Client Details form and provide it to the Manager. You can obtain this form from your authorised financial adviser or from the Manager.

For changes to regular contributions, you will need to complete the Authority to Accept Direct Debits Form attached to this Investment Statement and provide it to the Manager.

For information on setting up regular contributions please refer to the section "Regular contributions" on page 34.

For information on setting up a regular withdrawals programme please refer to the section "Regular withdrawals" on page 45.

OTHER WAYS BY WHICH YOUR INVESTMENT MAY BE ALTERED

REDEMPTION RESTRICTIONS

Notwithstanding any other provision of this Investment Statement, the Manager may from time to time introduce additional or alter existing limitations, restrictions or prohibitions (including prior notice periods and Exit Dates) on redemptions or switching between Portfolios. It can do this without first advising the investors in the relevant Portfolio.

Further information on redemption restrictions is in the section "Redemption restrictions" on page 46.

INVESTMENT POLICIES AND OBJECTIVES

The Manager can alter the investment policies and objectives of the Portfolios at any time.

The Manager will give you at least 10 business days' prior notice of any change that alters the fundamental character of a Portfolio in which you are invested.

TRUST DEED

The Trust Deed of any Portfolio may be altered in certain circumstances without reference to investors in the Portfolios. These circumstances include where the amendments are non-prejudicial, or where changes are required for compliance or by law. Further information on these circumstances is set out in the Prospectus relating to the Portfolio. The Trust Deed of a Portfolio may also be altered by extraordinary resolution passed by investors in that Portfolio.

WINDING UP

A Portfolio can be wound up. Further information on winding up is set out in the section headed "What are my risks?" on page 41.

How do I cash in my investment?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

You can cash in your investment in any of the following ways:

- ⌘ Switching between Portfolios;
- ⌘ Transferring your investments to another party;
- ⌘ Redeeming units from the Portfolio by way of regular withdrawals (subject to redemption restrictions); or
- ⌘ Redeeming all units from the Portfolio (subject to redemption restrictions).

These are explained in more detail later in this section.

It is important to note that the Manager may redeem from you a number of units if it deems sufficient to ensure that the maximum holding restriction is complied with. Further information is set out in the section "Maximum holding restriction" on page 35.

There are currently no fees payable to the Manager when you cash in your investment from a Portfolio. This may change at any time upon one month's prior notice by the Manager.

SWITCHING BETWEEN PORTFOLIOS

If you wish to switch you will need to complete a Switch Application Form and provide it to the Manager. You will need to be aware of the impact of any redemption restrictions that may affect a Portfolio.

For more information see the heading "Redemption restrictions" on page 46.

In certain circumstances the Manager has the discretion to defer a switch request for up to two business days before it is processed.

You may not revoke any request to switch unless the Manager otherwise agrees.

The Manager may reject a switch request if it considers that the maximum holding restriction may be breached as a result of switching. Further information is set out in the section "Maximum holding restriction" on page 35.

TRANSFERRING INVESTMENTS

While no established secondary market exists for units in any Portfolio, you are also entitled to sell your units to a third party. If you wish to transfer your investment to another individual or entity, you will need to complete a Securities Transfer form and forward it to the Manager. You can obtain this form from your authorised financial adviser or from the Manager. The new holders of the Portfolio are encouraged to advise the Manager of their PIE tax rate as soon as an investment is transferred to them.

REDEMPTION

REGULAR WITHDRAWALS

A regular withdrawal programme allows you to redeem a set amount (for example, \$100 each month) from a Portfolio every month or quarter, or as otherwise agreed at the discretion of the Manager, without the need to complete a redemption notice for each withdrawal. You should note that any prior notice period that applies to a Portfolio needs to lapse before the first regular withdrawal instruction commences.

You can set up a regular withdrawal programme from the following Portfolios only:

- ⌘ Core Cash Portfolio;
- ⌘ Core Income Portfolio; or
- ⌘ Global Income Portfolio.

You are encouraged to discuss the need for any regular withdrawal programme with your authorised financial adviser.

REDEEMING ALL YOUR INVESTMENT

Unless a redemption restriction applies, you can cash in your investment by redeeming units from a Portfolio. You will need to complete a Withdrawal Request Form and provide this to the Manager. You can obtain this form from your authorised financial adviser or from the Manager.

In certain circumstances the Manager has the discretion to defer a redemption request for up to two business days before it is processed.

You may not revoke any request for redemption unless the Manager otherwise agrees.

PAYMENT OF REDEMPTION PROCEEDS

Redemption proceeds will be paid after the expiry of any redemption restriction.

Redemption proceeds are based on the redemption price per unit redeemed. Further details of the calculation of the redemption price are set out in the relevant Prospectus for the Portfolios.

Redemption proceeds are normally paid to your nominated bank account within 4 business days of the expiration of the redemption restriction. Where a redemption restriction does not apply, redemption proceeds are normally paid to your nominated bank account within 4 business days of a valid redemption request being received and processed by the Manager.

However, in all cases, it could take up to 20 business days from the expiration of the redemption restriction, or from the receipt of a redemption request, for redemption proceeds to be paid.

For more information on the impact of any redemption restrictions, see the heading "Redemption restrictions" below.

REDEMPTION RESTRICTIONS

IMPACT OF REDEMPTION RESTRICTIONS ON PRICE

Redemption proceeds payable in respect of each of the Portfolios where redemption restrictions apply will be calculated on the relevant date or Exit Date (as the case may be) that the applicable prior notice period expires, not on the day that you provide the relevant Withdrawal Request Form or Switch Application Form to the Manager. You should be aware that this could affect the amount of the proceeds paid as unit prices could fluctuate up or down during this time.

SCALING BACK REDEMPTION REQUESTS

The Manager is entitled, at its discretion, to "scale back" certain redemptions so that only a proportion of units requested to be redeemed are redeemed.

SUSPENSION OF REDEMPTIONS

The Manager may suspend redemptions. If redemptions are suspended, you may not be able to cash in your investment when you wish. More information on the suspension of redemptions is set out in the section headed "What returns will I get?" on page 39.

Further information, including any ability for the Manager to continue to allow an investor to redeem all their units in these circumstances is available in the relevant Prospectus.

PRIOR NOTICE PERIODS

If you are invested in the following Portfolios you must give 63 days' prior notice of your intention to redeem or switch your investment:

- ✺ Core Income Portfolio;
- ✺ Global Income Portfolio;
- ✺ Property Inflation Portfolio;
- ✺ Core Inflation Portfolio;
- ✺ Equity Inflation Portfolio;
- ✺ Core Growth Portfolio;
- ✺ Global Multi-Asset Growth Portfolio;
- ✺ Global Equity Growth Portfolio; or
- ✺ Dividend and Growth Portfolio.

PRIOR NOTICE PERIODS AND EXIT DATES

If you are invested in the Capital Opportunities Portfolio you must give 91 days' prior notice of an intention to redeem or switch your investment.

In addition, redemptions and switches from the Capital Opportunities Portfolio are only permitted to occur on certain dates set by the Manager from time to time (each an "Exit Date" and together "Exit Dates").

The Exit Dates currently scheduled for the Portfolio are set out in the table below. The table below also sets out the Final Notification Date by which you must give your prior notice to the Manager to redeem or switch on a particular Exit Date.

FINAL NOTIFICATION DATE	EXIT DATE
17 August 2011	16 November 2011
16 November 2011	15 February 2012
15 February 2012	16 May 2012
16 May 2012	15 August 2012
15 August 2012	14 November 2012

The final notification date for investors exiting on 16 November 2011 has already passed.

It is the intention of the Manager to set other Final Notification Dates and Exit Dates from time to time. These may be obtained by contacting the Manager.

WAIVER OF NOTICE PERIOD

If you are experiencing financial hardship or in other exceptional circumstances as determined by the Manager, the Manager may exercise its discretion to waive the notice period for a particular redemption from a Portfolio. This discretion will generally apply to one redemption at a time.

You may need to provide further information to the Manager in order to confirm the existence of serious hardship or other exceptional circumstances.

Please note that if the Manager determines it appropriate to waive the prior notice period for the Capital Opportunities Portfolio for you, you will still only be able to redeem on the next relevant Exit Date.

Who do I contact with inquiries about my investment?

The Manager can assist with any inquiries. However you are encouraged to direct any questions to your authorised financial adviser in the first instance.

The Manager can be contacted as follows:

Attention: Head of Client Services
New Zealand Funds Management Limited
Level 16, Zurich House
21 Queen Street
Private Bag 92163
Auckland 1142

tel: (09) 377 2277 or 0508 733 337

fax: (09) 377 2815

email: info@nzfunds.co.nz

Any advice on any matter regarding whether to invest or not invest in a Portfolio should be sought from an authorised financial adviser.

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

In the first instance you can contact either the Manager or your authorised financial adviser. Contact details for the Manager are set out on the previous page.

Complaints about an investment can also be made direct to the Trustee or to Financial Services Complaints Limited Scheme (FSCL Scheme), the Manager's and Trustee's approved dispute resolution scheme, as follows:

TRUSTEE

The Trustee's contact details are:

Attention: Regional Manager – Corporate Trust
Perpetual Trust Limited
Level 17, AMP Centre
29 Customs Street West
PO Box 3376
Auckland 1140

tel: (09) 366 3290

fax: (09) 303 2696

FSCL SCHEME

The FSCL Scheme's contact details are:

FSCL Scheme
PO Box 5967
Wellington 6145

tel: (04) 472 3725 or 0800 347 257

fax: (04) 472 3728

What other information can I obtain about this investment?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

ANNUAL INFORMATION

Each year you will receive:

- ∴ The audited financial statements of the Portfolios; and
- ∴ A personalised annual tax statement.

INFORMATION AVAILABLE ON REQUEST

You are also entitled to request the following information from the Manager at any time:

- ∴ A certificate of holdings;
- ∴ A copy of the current Investment Statement;
- ∴ A copy of the relevant Trust Deed (and any amendments);
- ∴ A copy of the relevant current registered Prospectus and any associated documents;
- ∴ A copy of the most recent financial statements for a Portfolio together with any documents that have been registered in respect of those financial statements under the Financial Reporting Act 1993;
- ∴ A copy of the Trust Deed for those Other Trusts of which Global Investment Services Limited or New Zealand Funds Superannuation Limited is trustee; and
- ∴ A copy of the financial statements for those Other Trusts of which Global Investment Services Limited or New Zealand Funds Superannuation Limited acts as trustee, together with any documents that have been registered in respect of those financial statements under the Financial Reporting Act 1993.

The information will be supplied free of charge within five business days of the request being made.

ADDITIONAL INFORMATION AVAILABLE

Further information about the Portfolios is contained or referred to in the relevant Prospectus, Trust Deed and financial statements for each Portfolio.

These documents are available free of charge from the Manager (please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48 for contact details).

In addition, the relevant Trust Deed, all material contracts, relevant Prospectus and relevant financial statements relating to the Portfolios, and other documents are filed on a public register at the Companies Office of the Ministry of Economic Development and are available for public viewing, including via the Companies Office website at www.business.govt.nz/companies by searching "New Zealand Funds Management Limited". Copies may be obtained (on payment of any fee) by telephoning the Ministry of Economic Development Business Service Centre on 0508 266 726.

How do I apply?

If you have any inquiries about your investment in the Assyst Portfolio Service please refer to the section headed "Who do I contact with inquiries about my investment?" on page 48.

HOW TO INVEST

You can only subscribe for units in a Portfolio by completing the Application Form attached at the back of this Investment Statement. Two areas which often cause confusion are discussed in more detail below. They are: selecting the right *PIE tax rate* and verifying your identity.

SELECTING THE RIGHT PIE TAX RATE

It is important that the *PIE tax rate* information in the Application Form is completed. If a *PIE tax rate* is not supplied, your investments will be taxed at the default rate of 28%. You will also need to supply your IRD number when you make your initial investment. If an IRD number is not provided, the Application Form cannot be processed and no investment will be made.

Non-resident clients are not required to provide an IRD number but must state their country of tax residence and elect the 28% *PIE tax rate*.

IF YOU ARE AN INDIVIDUAL CLIENT

To select your correct *PIE tax rate* you need to calculate your taxable income and *PIE income* for each of the previous two income years (an income year is the period from 1 April in one year to 31 March the next year). The *PIE tax rate* applying to you is then determined based on the year which has the lower combined income amount. The *PIE tax rates* currently applicable and the income levels they apply to are:

TAXABLE INCOME		TAXABLE INCOME + PIE INCOME	RATE
\$0 – \$14,000	AND	\$0 – \$48,000	10.5%
\$0 – \$14,000	AND	\$48,001 – \$70,000	17.5%
\$14,001 – \$48,000	AND	\$0 – \$70,000	17.5%
Over \$48,001	AND	Any amount	28%
Any amount	AND	Over \$70,000	28%

NOTES

It is important that you select the correct *PIE tax rate*. The Trustee and the Manager are entitled to rely on the *PIE tax rate* you have elected as being true and correct.

If you select a *PIE tax rate* that is too high, there is no ability under current law to obtain a refund for the excess tax paid.

If you select a *PIE tax rate* that is too low, you may have to file a tax return and pay tax at your marginal tax rate, which could be as high as 33%. You may also be liable for penalties for electing the incorrect rate.

IF YOU ARE AN ENTITY CLIENT

If the entity client is a trust, depending on the type of trust, the following PIE tax rate options are available:

- ∴ Testamentary trusts – 0%, 10.5%, 17.5% or 28%.
A testamentary trust is a trust where all the settlements on the trust were made under a will, codicil, intestacy or court variation.
- ∴ For all other trusts – 0%, 17.5% or 28%.

All other types of entity clients must elect the 0% PIE tax rate.

If you have elected 0% as your PIE tax rate, you will be treated as a *zero-rated investor* and you will be required to file a tax return with the IRD and paying tax on income allocated to you (even though the income may not have been distributed to you).

For more information on PIEs and PIE tax generally, refer to the section headed “What returns will I get?” on page 39 or discuss it with your authorised financial adviser.

VERIFYING YOUR IDENTITY

The Manager is required to verify the identity of individuals who apply for units in a Portfolio. These include new signatories to an account or a transfer of investment. There are several different ways which your identity can be verified, depending on which of the following criteria you meet:

INITIAL PAYMENT BY PERSONAL CHEQUE

The verification of identity requirement will normally be satisfied where payment is made using a cheque drawn from an account with a registered bank in New Zealand, which is in the same name as the client on the Application Form. If further information is required, the Manager will contact you.

INITIAL PAYMENT BY OTHER METHODS

If an investment is made by other means, such as a bank cheque or third-party cheque, verification of your identity will be required. In those circumstances, an original, or financial adviser verified copy or certified copy (see below) of any one of your following documents must be provided:

- ∴ The identity pages of a Passport;
- ∴ Birth certificate;
- ∴ Driver’s licence; or
- ∴ Marriage certificate.

If these documents are not New Zealand-sourced documents, further documents may be required.

TRUSTS AND ESTATES

- ∴ All trustees of a trust, or executors/administrators of an estate (as applicable) must verify their identities.

CORPORATIONS

- ∴ All directors and officers* must verify their identities.
- ∴ A certified copy of the certificate of incorporation.

OTHER ENTITIES

Identification as per the requirements for individuals must be provided for:

- ∴ All partners in a partnership* must verify their identities.
- ∴ All officers of a club, society or other unincorporated body* must verify their identities.

*Where there are three or more individuals who make up the client, the identity of all of them need not be verified. It is sufficient to identify only the individual(s) principally authorised to conduct transactions for the account.

INVESTING USING A POWER OF ATTORNEY

If an individual is investing for another client using a power of attorney, that individual must supply identification for themselves as well as information for the client in whose name the investment is being made.

This information must be supplied together with a certified copy of the power of attorney and the original certificate of non-revocation.

FURTHER INFORMATION

WHAT IS A CERTIFIED COPY?

A certified copy is a photocopy of the original document, which has been certified by an "authorised person" as a true and correct copy. The following people are "authorised persons":

- ∴ Solicitor;
- ∴ Justice of the Peace;
- ∴ Police officer;
- ∴ Member of Parliament; and
- ∴ Any other person authorised by law to administer an oath.

CHANGE OF PERSONAL DETAILS

If you wish to change your name, nominated bank account or postal address you will need to complete a Change in Client Details form. You can obtain a copy of this form from your authorised financial adviser or the Manager.

CHANGE OF PIE TAX RATE

You can change your PIE tax rate by completing and signing a Notice to Change PIE Tax Details form. You can obtain this form from your authorised financial adviser or from the Manager.

You are encouraged to complete a Notice to Change PIE Tax Details form as soon as you wish to alter your PIE tax rate.

PRIVACY ACT

The personal information provided in connection with your investment in the Portfolios may be used by the Manager, Trustee (including their related entities), your authorised financial adviser and by other service providers to the Portfolios, for the purposes of enabling the Manager and those service providers to arrange and manage your investment and to contact you in relation to your investment. Personal information may also be shared with relevant authorities, including the IRD. The Manager may also use that information to provide you with information about other investment products.

The Manager will provide you (on request) with the name and address of any entity to which information has been disclosed. You have the right to access all personal information held about you in connection with your investment in the Portfolios. If any of the information is incorrect, you have the right to have it corrected in accordance with the provisions of the Privacy Act 1993.

If you are applying on another's behalf, you acknowledge that you are authorised to provide personal information on behalf of the applicant and evidence of this authority will be provided upon request (in the case of a parent/guardian/other providing information about the applicant).

You agree that your/each of your names and addresses may be used by the Manager to provide you with newsletters and other information about the Portfolios and other products and services.

Investment Glossary

TERM	DEFINITION
Alternative securities	Asset classes not usually accessed by retail investors such as private equity, venture capital and hedge funds. These tend to be asset classes where valuation and liquidity may be uncertain.
Australasian shares	Shares which are listed on the New Zealand Stock Exchange or the Australian Stock Exchange.
Cash	The currency of a country or other “near cash” securities such as highly liquid, highly rated investments like bank deposits, bank bills and government debt with less than one year before repayment.
Collective investment vehicle(s)	A physical substance, for example grains, metals and minerals, which is interchangeable with another product of the same type, and which may be bought or sold, through derivative contracts.
Commodities	A physical substance, for example grains, metals and minerals, which is interchangeable with another product of the same type, and which may be bought or sold, through <i>derivative</i> contracts.
Debt securities	<p>Debt securities are securities issued by an entity to enable it to borrow money. It is usually accompanied by an offering document which sets out the terms of the loan such as the period of time before repayment and the interest rate payable if applicable. Debt securities cover a wide range of issuing entities and security types: for example, corporate bonds, structured credit securities, perpetual securities, distressed debt securities or <i>derivatives</i> on debt securities. Debt securities also include loans.</p> <p>Debt securities held by a Portfolio may be secured or unsecured over the assets of the borrower, or may be subordinated, meaning that the Portfolio may be repaid or receive interest only after all other creditors of the borrower have been paid.</p>
Derivatives	Securities, whose characteristics and value primarily depend upon the characteristics and value of an underlying security or group of securities. Examples of derivatives include <i>futures</i> and <i>options</i> .
Foreign currency or foreign currencies	The currency or cash of a country other than New Zealand.
Futures	A derivative contract to buy or sell a given security at a specified price, on a specified future date. Unlike <i>options</i> , futures create an obligation to buy or sell at maturity.
Global shares	Shares of entities listed on any global stock exchange.
Government securities	Government bonds and <i>debt securities</i> that are issued by a national government, with greater than a year before repayment.
Growth-orientated assets	Securities whose forecast return is expected typically to be made up predominantly of capital growth. Shares are usually referred to as growth securities.
Hedging or hedge	An investment made in order to reduce the risk of adverse price movements in a particular security by taking an offsetting position in a related security. Hedging can be achieved through the use of <i>derivatives</i> .

TERM	DEFINITION
Income-orientated assets	Securities whose forecast return is expected typically to be made up predominantly of interest income. <i>Cash, government securities</i> and <i>debt securities</i> are referred to as income securities.
Leverage	Economic exposure greater than the initial amount invested. Leverage can be created either by directly or indirectly borrowing to invest, or through the use of <i>derivatives</i> . Leverage carries risk. In particular, if the price of a security moves against the investor, the losses would be greater than if the investment had been without leverage.
Options	The right, but not the obligation, to buy (for a “call option”) or sell (for a “put option”) a specific amount of a particular security, including an index for an asset class, at a specified price (the “strike price”) during a specified period of time or on a specified date.
Short positions	An investment made to profit from a fall in the price of a security. It is an agreement to sell a security at the current market price but at a future date. A profit is made only if the price of the security drops. If the price of the security rises, a loss is made.

Other Terms

TERM	DEFINITION
Associated person(s)	This term is defined in the laws and regulations governing income tax in New Zealand. An associated person is a person linked with the investor for New Zealand tax purposes.
Gross asset value	In respect of any Portfolio, or Other Trust, gross asset value means the aggregate of the market value of all the assets of the Portfolio or the Other Trust.
Net asset value	Net asset value of a Portfolio or Other Trust means the value of the assets of a particular Portfolio or Other Trust, less the liabilities attributable to that Portfolio or Other Trust.
PIE rules	The laws and regulations governing PIEs.
PIE tax rate	The tax rate that an investor advises to the PIE as the tax rate that the PIE should use in calculating the amount of income tax payable on their behalf: also known as "prescribed investor rate". Depending on the investor, this rate may be 0%, 10.5%, 17.5% or 28% as at the date of this Investment Statement.
Total gross assets	For the purposes of calculating performance fee in respect of any Portfolio, total gross asset means an average of the gross asset value calculated from the first day of the current financial year to the relevant pricing date of that Portfolio.
Zero-rated investor	An investor with a PIE tax rate of 0%.

Application Form

RELATING TO THE INVESTMENT STATEMENT DATED 7 NOVEMBER 2011

Complete and return to New Zealand Funds Management Limited, Private Bag 92226, Auckland 1142.

Client Details

Client Number	<input type="text"/>		
Existing Client:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Type of Client:	<input type="checkbox"/> Individual or Joint	<input type="checkbox"/> Company	<input type="checkbox"/> Trust
Other (describe)	<input type="text"/>		
Account Name	<input type="text"/>		
Email Address*	<input type="text"/>		

* If you supply an email address, you will be sent tax statements and other relevant information to this email address.

INDIVIDUAL 1

Mr/Mrs/Miss/Ms/Dr (circle as appropriate)

Last Name*	<input type="text"/>		
First Name(s)*	<input type="text"/>		
Date of Birth*	<input type="text" value="/ /"/>		
Postal Address*	<input type="text"/>		
	<input type="text"/>	Postal Code*	<input type="text"/>
Telephone	<input 3"="" text"="" type="text" value="()</input></td></tr><tr><td>Mobile Phone</td><td colspan="/> <input type="text" value="()"/>		

INDIVIDUAL 2

Mr/Mrs/Miss/Ms/Dr (circle as appropriate)

Last Name*	<input type="text"/>		
First Name(s)*	<input type="text"/>		
Date of Birth*	<input type="text" value="/ /"/>		
Postal Address*	<input type="text"/>		
	<input type="text"/>	Postal Code*	<input type="text"/>
Telephone	<input 3"="" text"="" type="text" value="()</input></td></tr><tr><td>Mobile Phone</td><td colspan="/> <input type="text" value="()"/>		



COMPANY / TRUST / OTHER

Full Name*	<input type="text"/>		
Names of Directors/Trustees	<input type="text"/>		
	<input type="text"/>		
Postal Address*	<input type="text"/>		
	<input type="text"/>		
	<input type="text"/>	Postal Code*	<input type="text"/>
Telephone	(<input type="text"/>) <input type="text"/>	Facsimile	(<input type="text"/>) <input type="text"/>
Mobile Phone	(<input type="text"/>) <input type="text"/>		

*This information must be completed

PIE Tax Details

Are you a New Zealand Tax Resident?

Yes

No

If No, please state country of residence

*Non-Residents must elect the highest PIE Tax Rate

PIE TAX RATE (SELECT ONE RATE ONLY)

Joint Clients can advise only one IRD number for all PIE investments held by their joint account. The IRD number of the individual/entity with the highest PIE Tax Rate will apply.

0% 10.5% 17.5% 28% IRD Number:

Please indicate the individual/entity whose IRD Number will apply:

Individual 1

Individual 2

Company/Trust/Other

Please note: You must select a PIE Tax Rate and provide your IRD number for this investment. If these are not provided, the Application Form cannot be processed.

If you are an existing client, the PIE Tax Rate you elect should be the same rate as used for other PIE investments held by this account. If you select a different PIE Tax Rate, this new PIE Tax Rate will apply to all PIE investments held for your account. For assistance in selecting your appropriate PIE Tax Rate, we recommend you consult your authorised financial adviser or refer to the section headed "Selecting the right PIE tax rate" in the Investment Statement.

Investment Options

INVESTMENT CATEGORY	NAME OF PORTFOLIO	WITHDRAWAL NOTICE PERIODS	LUMP-SUM INVESTMENT
CASH	Core Cash Portfolio	None	\$
INCOME	Core Income Portfolio	63 days	\$
	Global Income Portfolio	63 days	\$
INFLATION	Core Inflation Portfolio	63 days	\$
	Property Inflation Portfolio	63 days	\$
	Equity Inflation Portfolio	63 days	\$
GROWTH	Core Growth Portfolio	63 days	\$
	Global Multi-Asset Growth Portfolio	63 days	\$
	Global Equity Growth Portfolio	63 days	\$
	Dividend and Growth Portfolio	63 days	\$
	Capital Opportunities Portfolio	Exit Dates and notice periods	\$
TOTAL			\$

Please make your cheques payable to *New Zealand Funds Management Limited* and mark them "Account Payee Only".

Withdrawals are permitted only on the Exit Dates (if applicable) and after the expiry of the relevant notice period. For more details please refer to the section headed "How do I cash in my investment?" in the Investment Statement.

REGULAR CONTRIBUTION DETAILS

If you have elected to make Regular Contributions, please indicate the details of your payments in the table below. Please note that Regular Contributions are not available for the Capital Opportunities Portfolio.

INVESTMENT CATEGORY	NAME OF PORTFOLIO	FORTNIGHTLY	MONTHLY	START DATE*
CASH	Core Cash Portfolio	\$	\$	/ /
INCOME	Core Income Portfolio	\$	\$	/ /
	Global Income Portfolio	\$	\$	/ /
INFLATION	Core Inflation Portfolio	\$	\$	/ /
	Property Inflation Portfolio	\$	\$	/ /
	Equity Inflation Portfolio	\$	\$	/ /
GROWTH	Core Growth Portfolio	\$	\$	/ /
	Global Multi-Asset Growth Portfolio	\$	\$	/ /
	Global Equity Growth Portfolio	\$	\$	/ /
	Dividend and Growth Portfolio	\$	\$	/ /

*Please complete an Authority to Accept Direct Debits form (attached at the back of this booklet) and note "start date" must be a minimum of 10 days from expected receipt date by the Manager.

REGULAR WITHDRAWAL DETAILS

Your Regular Withdrawals will continue until otherwise advised. Please note that Regular Withdrawals are permitted only from the following Portfolios:

INVESTMENT CATEGORY	NAME OF PORTFOLIO	WITHDRAWAL NOTICE PERIODS	MONTHLY/ QUARTERLY	AMOUNT	DATE*
CASH	Core Cash Portfolio	None		\$	/ /
INCOME	Core Income Portfolio	63 days		\$	/ /
	Global Income Portfolio	63 days		\$	/ /

*Please note that withdrawal notice periods will apply before the first regular withdrawal payment commences, with proceeds paid to your nominated bank account within four business days. For more details, please refer to the section headed "How do I cash in my investment?" in the Investment Statement.

BANK DETAILS

This is the account into which all withdrawal payments and distributions (if any) will be deposited.
Please give details for one bank account only.

Bank	<input type="text"/>
Branch	<input type="text"/>
Account Name	<input type="text"/>
Account Number	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <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"/>

Please attach a deposit slip or other confirmation of your bank account details.

Terms

I/we confirm that:

- :: All details provided in this Application Form are true and correct.
- :: The terms and conditions of the current Investment Statement, relevant Prospectus and relevant Trust Deed for the Portfolios apply to my/our investment.
- :: Personal information provided in this Application Form will be used by the Manager and the Trustee and any related companies of these parties, together with my/our authorised financial adviser for processing, administering and maintaining my/our investments. I/We understand my/our personal information may also be shared with relevant authorities including IRD. I am/We are entitled to access and/or correct this personal information in accordance with the provisions of the Privacy Act 1993.
- :: I authorise the Manager to communicate to me by electronic means (i.e. by email, as provided by me, and/or by providing me with a URL link). These communications may include, but not be limited to, general correspondence, investment bulletins or updates, and statutory communications such as Statements of Units Held.
- :: If two or more individuals have completed this Application Form, and separate ownership is not defined, the Manager and the Trustee are entitled to assume the investment is held jointly by those individuals.
- :: The Manager and the Trustee are entitled to rely on my/our elected PIE Tax Rate for all investments I/we have made for this account.
- :: **I/we have received a copy of the Investment Statement dated 7 November 2011.**
- :: **I/we have read and understood the Investment Statement dated 7 November 2011, and that any and all questions I/we have raised with regard to the Portfolios contained therein have been answered to my/our satisfaction.**
- :: **This Application Form has been detached from the Investment Statement dated 7 November 2011.**
- :: **I/we understand the value of any investment in a Portfolio can rise and fall depending on market conditions and other circumstances prevailing at the time, and that there is no promise or guarantee made by any person as to the performance of any investment or the return of any funds invested.**

CLIENT SIGNATURE(S)

I/We agree to the Terms set out above.

INDIVIDUAL 1

DATE

INDIVIDUAL 2

DATE

INDIVIDUAL 3

DATE

Financial Adviser Use Only

Client Name

Client Number

A. ADVISER DETAILS

Adviser Name

Adviser Company

Adviser FSP Number

B. INVESTMENT PORTFOLIO REVIEW

Quarterly

Six Monthly

First Review Date

C. CONFIRMATION OF CLIENT'S IDENTITY

The Financial Transactions Reporting Act 1996 requires verification of the identity of all clients (identification requirements are explained in the Investment Statement).

Please tick appropriate box:

Payment by cheque drawn on the name of all individuals (attached)

Copy of bank statement/encoded deposit slip in the name of all individuals (attached)

Certified copy of identification document for each individual (attached)

D. DECLARATION

I have no reason to believe that the client(s) is/are not who they claim to be.

I declare that I am an authorised financial adviser who is authorised to provide financial adviser services in relation to this transaction.

ADVISER SIGNATURE

DATE

OFFICE USE ONLY

Adviser Name

Adviser Code

Service

Reporting

Existing Client Application Form

RELATING TO THE INVESTMENT STATEMENT DATED 7 NOVEMBER 2011

Complete and return to New Zealand Funds Management Limited, Private Bag 92226, Auckland 1142.

Client Details

Client Number

Type of Client: Individual or Joint Company Trust

Other (describe)

Account Name

Email Address*

*If you supply an email address, you will be sent tax statements and other relevant information to this email address.

Investment Options

INVESTMENT CATEGORY	NAME OF PORTFOLIO	WITHDRAWAL NOTICE PERIODS	LUMP-SUM INVESTMENT
CASH	Core Cash Portfolio	None	\$
INCOME	Core Income Portfolio	63 days	\$
	Global Income Portfolio	63 days	\$
INFLATION	Core Inflation Portfolio	63 days	\$
	Property Inflation Portfolio	63 days	\$
	Equity Inflation Portfolio	63 days	\$
GROWTH	Core Growth Portfolio	63 days	\$
	Global Multi-Asset Growth Portfolio	63 days	\$
	Global Equity Growth Portfolio	63 days	\$
	Dividend and Growth Portfolio	63 days	\$
	Capital Opportunities Portfolio	Exit Dates and notice periods	\$
TOTAL			\$

Please make your cheques payable to *New Zealand Funds Management Limited* and mark them "Account Payee Only".

Withdrawals are permitted only on the Exit Dates (if applicable) and after the expiry of the relevant notice period. For more details, please refer to the section headed "How do I cash in my investment?" in the Investment Statement.



REGULAR CONTRIBUTION DETAILS

If you have elected to make Regular Contributions, please indicate the details of your payments in the table below.

Please note that Regular Contributions are not available for the Capital Opportunities Portfolio.

INVESTMENT CATEGORY	NAME OF PORTFOLIO	FORTNIGHTLY	MONTHLY	START DATE*	
CASH	Core Cash Portfolio	\$	\$	/ /	N A
INCOME	Core Income Portfolio	\$	\$	/ /	N A
	Global Income Portfolio	\$	\$	/ /	N A
INFLATION	Core Inflation Portfolio	\$	\$	/ /	N A
	Property Inflation Portfolio	\$	\$	/ /	N A
	Equity Inflation Portfolio	\$	\$	/ /	N A
GROWTH	Core Growth Portfolio	\$	\$	/ /	N A
	Global Multi-Asset Growth Portfolio	\$	\$	/ /	N A
	Global Equity Growth Portfolio	\$	\$	/ /	N A
	Dividend and Growth Portfolio	\$	\$	/ /	N A

N = New
A = Amend

*Please complete an Authority to Accept Direct Debits form (attached at the back of this booklet) and note "start date" must be a minimum of 10 days from expected receipt date by the Manager.

REGULAR WITHDRAWAL DETAILS

Your Regular Withdrawals will continue until otherwise advised. Please note that Regular Withdrawals are permitted only from the following Portfolios:

INVESTMENT CATEGORY	NAME OF PORTFOLIO	WITHDRAWAL NOTICE PERIODS	MONTHLY/ QUARTERLY	AMOUNT	START DATE*	
CASH	Core Cash Portfolio	None		\$	/ /	N A
INCOME	Core Income Portfolio	63 days		\$	/ /	N A
	Global Income Portfolio	63 days		\$	/ /	N A

N = New
A = Amend

*Please note that withdrawal notice periods will apply before the first regular withdrawal payment commences, with proceeds paid to your nominated bank account within four business days. For more details, please refer to the section headed "How do I cash in my investment?" in the Investment Statement.

Terms

I/we confirm that:

- :: All details provided in this Existing Client Application Form are true and correct.
- :: The terms and conditions of the current Investment Statement, relevant Prospectus and relevant Trust Deed for the Portfolio(s) apply to my/our investment.
- :: Personal information provided in this Existing Client Application Form will be used by the Manager and the Trustee and any related companies of these parties, together with my/our authorised financial adviser for processing, administering and maintaining my/our investments. I/We understand my/our personal information may also be shared with relevant authorities including IRD. I am/We are entitled to access and/or correct this personal information in accordance with the provisions of the Privacy Act 1993.
- :: I authorise the Manager to communicate to me by electronic means (i.e. by email, as provided by me, and/or by providing me with a URL link). These communications may include, but not be limited to, general correspondence, investment bulletins or updates, and statutory communications such as Statements of Units Held.
- :: If two or more individuals have completed this Existing Client Application Form, and separate ownership is not defined, the Manager and the Trustee are entitled to assume the investment is held jointly by those individuals.
- :: The Manager and the Trustee are entitled to rely on my/our elected PIE Tax Rate for all investments I/we have made for this account.
- :: **I/we have received a copy of the Investment Statement dated 7 November 2011.**
- :: **I/we have read and understood the Investment Statement dated 7 November 2011, and that any and all questions I/we have raised with regard to the Portfolios contained therein have been answered to my/our satisfaction.**
- :: **This Existing Client Application Form has been detached from the Investment Statement dated 7 November 2011.**
- :: **I/we understand the value of any investment in a Portfolio can rise and fall depending on market conditions and other circumstances prevailing at the time, and that there is no promise or guarantee made by any person as to the performance of any investment or the return of any funds invested.**

CLIENT SIGNATURE(S)

I/We agree to the Terms set out above.

INDIVIDUAL 1 <input type="text"/>	DATE <input type="text" value="/ /"/>
INDIVIDUAL 2 <input type="text"/>	DATE <input type="text" value="/ /"/>
INDIVIDUAL 3 <input type="text"/>	DATE <input type="text" value="/ /"/>

FINANCIAL ADVISER USE ONLY

Declaration: I have previously verified the identity of the client(s) in accordance with the requirements of the Act and I can confirm that the verification remains accurate. I have no reason to believe that the client(s) is/are not who they claim to be.

I declare that I am an authorised financial adviser who is authorised to provide financial adviser services in relation to this transaction.

Adviser Name	<input type="text"/>		
Adviser Company	<input type="text"/>	Adviser FSP Number	<input type="text"/>
Adviser Signature	<input type="text"/>	Date	<input type="text" value="/ /"/>

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Switch Application Form

RELATING TO THE INVESTMENT STATEMENT DATED 7 NOVEMBER 2011

Complete and return to New Zealand Funds Management Limited, Private Bag 92226, Auckland 1142.

Client Details

Client Number Type of Client: Individual or Joint Company Trust

Other (describe)

Account Name

Email Address*

*If you supply an email address, you will be sent tax statements and other relevant information to this email address.

Switch Instructions

INVESTMENT CATEGORY	NAME OF PORTFOLIO	WITHDRAWAL NOTICE PERIODS	SWITCH FROM (\$ OR "ALL")	SWITCH TO (\$ OR "ALL")
CASH	Core Cash Portfolio	None	\$	\$
INCOME	Core Income Portfolio	63 days	\$	\$
	Global Income Portfolio	63 days	\$	\$
INFLATION	Core Inflation Portfolio	63 days	\$	\$
	Property Inflation Portfolio	63 days	\$	\$
	Equity Inflation Portfolio	63 days	\$	\$
GROWTH	Core Growth Portfolio	63 days	\$	\$
	Global Multi-Asset Growth Portfolio	63 days	\$	\$
	Global Equity Growth Portfolio	63 days	\$	\$
	Dividend and Growth Portfolio	63 days	\$	\$
	Capital Opportunities Portfolio	Exit Dates and notice periods	\$	\$

If you intend to pay fees to your authorised financial adviser from the Portfolio into which you have switched, your adviser will need to send the Manager details of your new fee agreement (if applicable).

Withdrawals are permitted only on the Exit Dates (if applicable) and after the expiry of the relevant notice period. For more details, please refer to the section headed "How do I cash in my investment?" in the Investment Statement.



REGULAR CONTRIBUTION DETAILS

If you have elected to make Regular Contributions, please indicate the details of your payments in the table below.

Please note that Regular Contributions are not available for the Capital Opportunities Portfolio.

INVESTMENT CATEGORY	NAME OF PORTFOLIO	FORTNIGHTLY	MONTHLY	START DATE*			
CASH	Core Cash Portfolio	\$	\$	/	/	N	A
INCOME	Core Income Portfolio	\$	\$	/	/	N	A
	Global Income Portfolio	\$	\$	/	/	N	A
INFLATION	Core Inflation Portfolio	\$	\$	/	/	N	A
	Property Inflation Portfolio	\$	\$	/	/	N	A
	Equity Inflation Portfolio	\$	\$	/	/	N	A
GROWTH	Core Growth Portfolio	\$	\$	/	/	N	A
	Global Multi-Asset Growth Portfolio	\$	\$	/	/	N	A
	Global Equity Growth Portfolio	\$	\$	/	/	N	A
	Dividend and Growth Portfolio	\$	\$	/	/	N	A

N = New
A = Amend

*Please complete an Authority to Accept Direct Debits form (attached at the back of this booklet) and note "start date" must be a minimum of 10 days from expected receipt date by the Manager.

REGULAR WITHDRAWAL DETAILS

Your Regular Withdrawals will continue until otherwise advised. Please note that Regular Withdrawals are permitted only from the following Portfolios:

INVESTMENT CATEGORY	NAME OF PORTFOLIO	MONTHLY/ QUARTERLY	AMOUNT	START DATE*			
CASH	Core Cash Portfolio		\$	/	/	N	A
INCOME	Core Income Portfolio		\$	/	/	N	A
	Global Income Portfolio		\$	/	/	N	A

N = New
A = Amend

*Please note if you are electing to use Regular Withdrawals for the first time, the withdrawal notice periods will apply before the first regular withdrawal payment commences. For more details, please refer to the section headed "How do I cash in my investment?" in the Investment Statement.

Terms

I/we confirm that:

- :: All details provided in this Switch Application Form are true and correct.
- :: The terms and conditions of the current Investment Statement, relevant Prospectus and relevant Trust Deed for the Portfolio apply to my/our investment.
- :: Personal information provided in this Switch Application Form will be used by the Manager and the Trustee and any related companies of these parties, together with my/our financial adviser for processing, administering and maintaining my/our investments. I/We understand my/our personal information may also be shared with relevant authorities including IRD. I am/We are entitled to access and/or correct this personal information in accordance with the provisions of the Privacy Act 1993.
- :: I authorise the Manager and to communicate to me by electronic means (i.e. by email, as provided by me, and/or by providing me with a URL link). These communications may include, but not be limited to, general correspondence, investment bulletins or updates, and statutory communications such as Statements of Units Held.
- :: If two or more individuals have completed this Switch Application Form, and separate ownership is not defined, the Manager and the Trustee are entitled to assume the investment is held jointly by those individuals.
- :: The Manager and Trustee are entitled to rely on my/our elected PIE Tax Rate for all investments I/we make for this account.
- :: **I/we have received a copy of the Investment Statement dated 7 November 2011.**
- :: **I/we have read and understood the Investment Statement dated 7 November 2011, and that any and all questions I/we have raised with regard to the Portfolios contained therein have been answered to my/our satisfaction.**
- :: **This Switch Application Form has been detached from the Investment Statement dated 7 November 2011.**
- :: **I/we understand the value of any investment in a Portfolio can rise and fall depending on market conditions and other circumstances prevailing at the time, and that there is no promise or guarantee made by any person as to the performance of any investment or the return of any funds invested.**

CLIENT SIGNATURE(S)

I/We agree to the Terms set out above.

INDIVIDUAL 1

DATE

INDIVIDUAL 2

DATE

INDIVIDUAL 3

DATE

FINANCIAL ADVISER USE ONLY

Declaration: I have previously verified the identity of the client(s) in accordance with the requirements of the Act and I can confirm that the verification remains accurate. I have no reason to believe that the client(s) is/are not who they claim to be.

I declare that I am an authorised financial adviser who is authorised to provide financial adviser services in relation to this transaction.

Adviser Name

Adviser Company

Adviser Signature

Adviser FSP Number

Date

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Authority to Accept Direct Debits

NOT TO OPERATE AS AN ASSIGNMENT OR AGREEMENT

Client Name

Client Number

Name of bank account

Bank account from which payments to be made

<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"/>
(Bank)		(Branch)			(Account number)						(Suffix)			

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

Authorisation code

To the manager,

Bank branch

Address (PO Box)

Town/City

I/We authorise you, until further notice in writing, to debit my/our account with you all amounts which New Zealand Funds Management Ltd (hereinafter referred to as the Initiator), the registered Initiator of the above Authorisation code, may initiate by Direct Debit. I/We acknowledge and accept that the bank accepts this authority only upon the conditions listed on the reverse of this form.

Information to appear on my/our bank statement:

N Z F M S A V I N G S
Payer Particulars

Authorised signature(s)

For bank use only:

Approved 1800 09/09	Date received:	Recorded by:	Checked by:	Bank stamp
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Original – retain at branch.

Copy – forward to initiator if requested.

Conditions to this Authority to Accept Direct Debits

1. The Initiator:

- (a) Has agreed to give advance notice of the net amount of each Direct Debit and the due date of the debiting at least 10 calendar days before (but not more than two calendar months) before the date when the Direct Debit will be initiated. This advance 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 advance notice will include the following message:-

"Unless advice to the contrary is received from you by (date*), the amount of \$..... will be direct debited to your Bank account on (initiating date)."

* This date will be at least two (2) days prior to the initiating date to allow for amendment of Direct Debits.

- (b) 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 Customer 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 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 the 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 their account.

3. The Customer acknowledges that:-

- (a) This authority will remain in full force and effect in respect of all Direct Debits passed to their 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 them and the Bank in relation to my/our account.
- (c) Any dispute as to the correctness or validity of an amount debited to their 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 lies between them 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 them for any reason whatsoever. In any such situation the dispute lies between them and the Initiator.

4. The Bank may:

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



