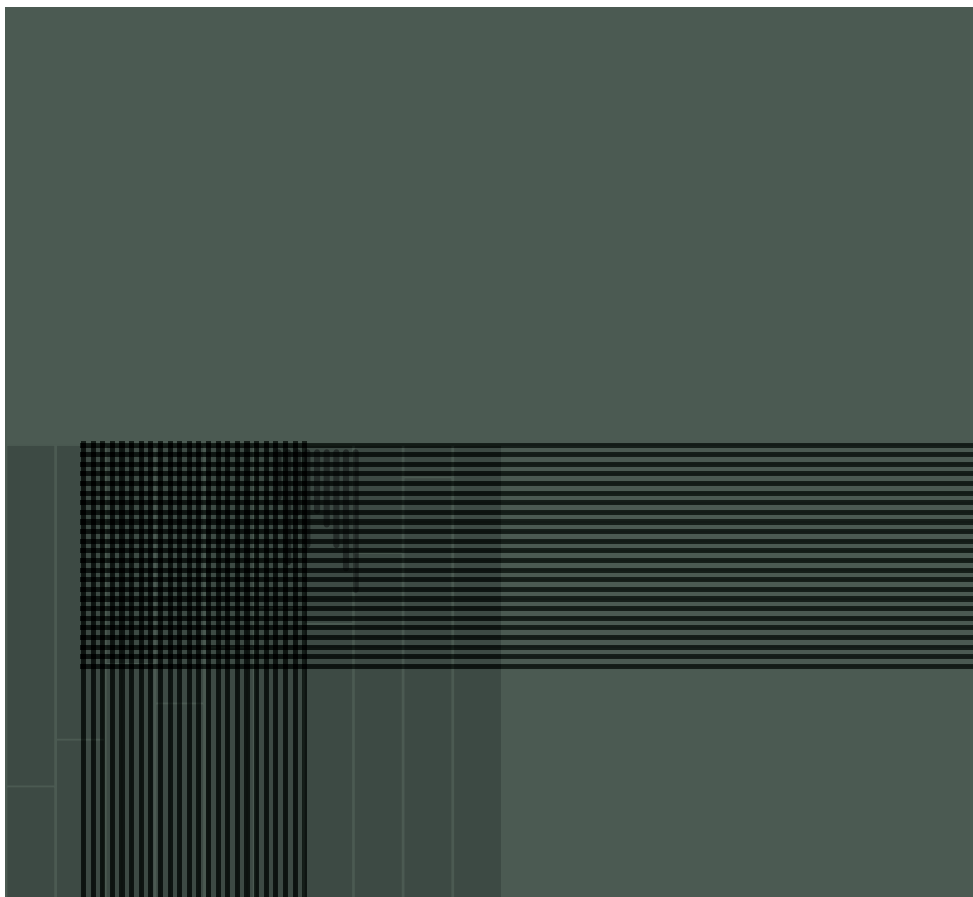


NZFUNDS

Private Wealth



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Further information is available from the
NZ Funds Management website.
Visit www.nzfunds.co.nz/privatewealth.html

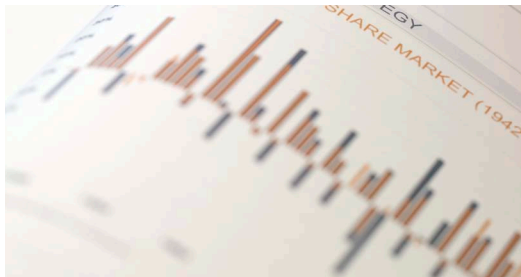
Our goal: Help you make sound, well-informed financial decisions

We achieve this through an interactive advice process that enables clients to see and understand the factors that influence their wealth.

We work with those in the process of accumulating wealth, those seeking income in retirement and those with broader, intergenerational wealth management challenges.

Our clients are New Zealand individuals, families and trusts.

We have designed an investment portfolio service specifically to meet the wealth management goals of New Zealanders.



2.55%	0.75%	3.08%	1.84%	2.6
2.003%	0.15%	1.88%	0.59%	0.8
2.275%	0.57%	1.68%	0.93%	1.5
2.1094%	0.28%	-0.56%	0.19%	0.4
1.135%	0.16%	0.10%	0.21%	0.0
1.051%	-0.18%	-0.1%	-0.21%	-0.1



Andrew Brown - Client Adviser



The integration of advice and investment management within our firm enables us to bring to bear our full investment research and portfolio management capabilities to each client's unique situation.

While a significant component of each client's investment portfolio is outsourced to leading investment managers globally, overall portfolio design and management is the responsibility of NZ Funds Management.

We believe that by managing all of our client portfolios in-house, we will be able to deliver better advice, offer a more cohesive service and achieve superior risk-adjusted performance for our clients.

The integration of our advice and investment management services allows us to provide:

1. *Comprehensive portfolio research.*
2. *Customised portfolio design and implementation.*
3. *Dynamic asset allocation and portfolio rebalancing.*
4. *Active risk management strategies.*
5. *Superior reporting and portfolio insight.*

We believe our advice services are unparalleled in New Zealand. We look forward to the opportunity to deliver this service to you.

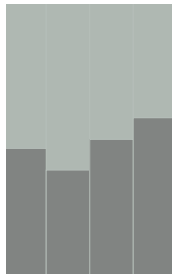
About Us

NZ Funds Private Wealth is the advisory service provided by NZ Funds Management. NZ Funds Management was founded in 1988.

We are focused exclusively on managing the wealth of New Zealand individuals, families and trusts. We do not provide banking, brokerage or insurance services. The success of the company is ultimately driven by the investing results we achieve for clients.

Originally set up as part of Lion Nathan, NZ Funds Management initially oversaw the management of Lion Nathan's staff superannuation scheme. Over the years, the senior management have progressively acquired the company and NZ Funds Management is now fully owned by its management.

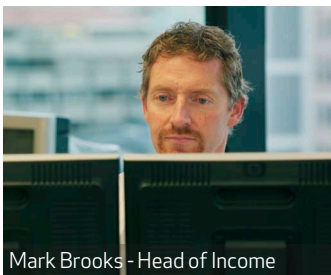
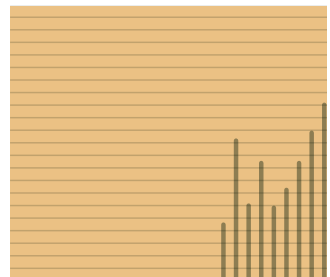
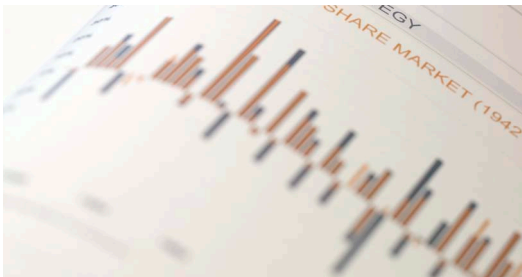
We are responsible for managing the wealth of approximately 10,000 New Zealand families and work with a large number of accounting and legal firms throughout New Zealand, as well as external financial advisers.



Richard James - Chief Executive Officer

NZ Funds Private Wealth was launched in early 2011 with the aim of delivering an integrated wealth management (advice and investment management) service to New Zealanders. With offices and advisory teams in Auckland, Wellington, Christchurch, Dunedin and Wanaka, our business is growing rapidly.

If you would like to learn more about NZ Funds Management and NZ Funds Private Wealth please visit our website: www.nzfunds.co.nz.



Mark Brooks - Head of Income



Our advice philosophy: Goal-based advice

Over the last decade, NZ Funds Management has researched and developed an integrated advice and investment management process built upon the dual foundations of behavioural and traditional finance theory.

The result is NZ Funds Management's proprietary goal-based advice process. Our advisers apply this process to the design of a client's Personalised Wealth Strategy which is based, first and foremost, on a deep understanding of each client's financial needs and lifestyle goals.

Your Personalised Wealth Strategy

Your Financial Strategy

Sets out your current situation, defines your goals, provides our projections of your wealth and sets out the financial strategy we recommend to meet your goals.

Your Investment Portfolio

Sets out the investment portfolio we have designed and recommend to meet your goals.

Our Relationship

Sets out how we propose to work with you (including our fees).



Our planning process

When you come to see us at NZ Funds Private Wealth you can expect us to take a rigorous approach to help you develop a sound, well-informed financial strategy.

You would begin with a no obligation meeting with one of our Authorised Financial Advisers (AFA) to determine the scope of service you require.

Our AFA will provide you with a copy of his or her Disclosure Statement which provides details of the services they provide and their obligations as an AFA.

If you wish to engage our services we would move to Step 1.

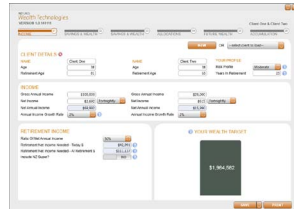


Craig Myles - Director of Private Wealth

Step 1: Understanding

We would meet with you to develop an understanding of your current financial situation; your savings and retirement plans; your financial goals; and your attitude toward risk.

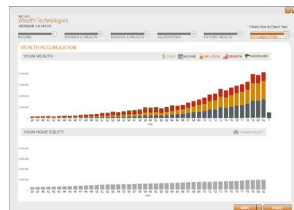
As part of this information gathering exercise you would complete an assessment of your attitude toward risk, which will become a key input into the financial strategy and investment recommendations we will subsequently develop for you.



Step 2: Planning

Using our proprietary wealth technologies we would provide you with immediate and interactive feedback on your ability to meet your financial goals.

We would endeavour to demonstrate to you the critical factors that are likely to impact on the realisation of your financial goals.

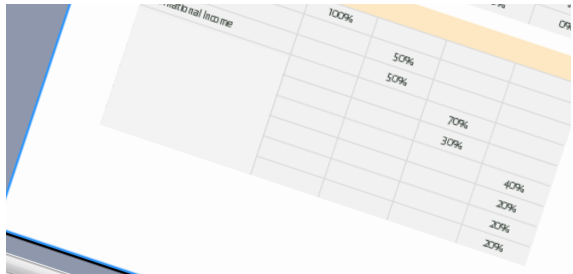


Step 3: Portfolio Construction

Once we have developed your financial strategy, we would construct a corresponding purpose-built investment portfolio which is designed to deliver on the goals we have agreed.

The right portfolio structure should enable clients to invest with confidence, knowing their portfolio will be available to fund the lifestyle they have planned in the shorter term, while the balance of their portfolio focuses on preserving their spending power over the longer term.

Each investment portfolio is built from a series of discrete investment Portfolios which are managed by NZ Funds Management and a select group of global investment managers, and are designed to meet our clients' specific and defined goals.



Step 4: Implementation

Once we have discussed and agreed any refinements to your Personalised Wealth Strategy, we would proceed to implement the advice and investment recommendations for you.

To authorise implementation you would complete the following steps:

Review Investment Statement

It is most important that you review the Investment Statement and consider the Portfolio characteristics before completing any application forms.

Complete Application Forms

Complete the application form contained in the Investment Statement.

Implementation Authority

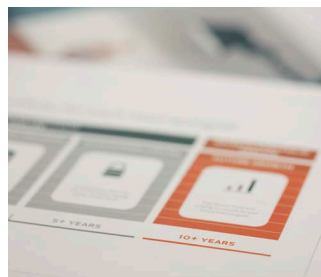
Your approval to implement Your Financial Strategy and Your Investment Portfolio.

Client Service Agreement

This is an agreement between you and NZ Funds Private Wealth agreeing the terms of the ongoing relationship, including level of service and our advice fees.



Phil Doak - Chief Operating Officer

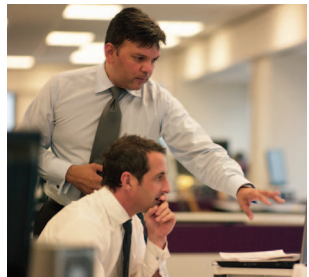
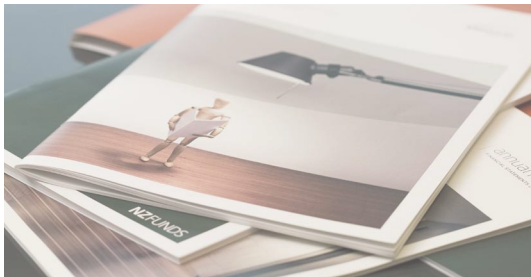


Step 5: Reviewing and managing

Together we would regularly review and refine Your Financial Strategy and Your Investment Portfolio relative to your evolving situation.

At a minimum, this would include:

- *Meeting with you at least annually to fully review Your Financial Strategy and Your Investment Portfolio to reflect your evolving personal circumstances and the actual investing outcomes achieved.*
- *Providing you with a six monthly Investment Portfolio Report which details your current portfolio structure, details of the underlying assets held by the Portfolios in which you are invested, the performance of each component of your investment portfolio, and transactions.*
- *Annual tax reporting.*
- *Reassessing Your Financial Strategy every time something significant occurs, be it a financial or life event (for example an inheritance, a major capital expenditure decision or a significant health issue).*



Our integrated investment and advice philosophy

We believe that our clients are advantaged through our integrated Investment Management and Advice philosophies. The combined effect of these philosophies aim for the growth of wealth together with the mitigation of risk through diversification within each client's portfolio.

Investment Management Philosophy

NZ Funds Management's 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 objectives and policy.

Where appropriate seek to use a range of risk mitigation approaches to achieve a balance between the pursuit of returns and the mitigation of market volatility.

Our Advice Philosophy

We advocate two primary steps in structuring each client's investment portfolio:

1. *Allocate each client's portfolio across the investment categories consistent with their financial goals, age and risk profile.*
2. *For each client, achieve an appropriate level of diversification across the asset classes within each investment category.*

Designing your investment portfolio

Our goal-based approach enables us to structure the mix of assets making up your portfolio, based on your goals, age and risk profile.

We aim to achieve an appropriate mix between defensive assets, to cover the goals you define for the next decade or so, and growth assets which are designed to fulfil your very long term goals – some of which may not yet even be known!

The process we follow allocates your portfolio across the four major investment categories which all of our clients should own, in differing proportions, in their portfolio - Cash, Income, Inflation and Growth.

NZ Funds Private Wealth has developed a framework that provides a base for allocating a client's portfolio across the investment categories and across the sub-portfolios within each category. We are confident that the advice we give you and the portfolio NZ Funds Management manages for you will always be well coordinated using this framework and taking into account your individual circumstances.



Michael Lang - Chief Investment Officer

Each client is different. And each client's needs evolve over time. NZ Funds Private Wealth would build a very different portfolio for you at age 40 than that we would build for you at age 80.

As your portfolio grows in value, or as you utilise your capital, we would rebalance your portfolio regularly and simply, to ensure your portfolio remains in line with your goals, age and risk profile. Unlike direct investments, the investment platform we utilise enables us to rebalance your portfolio at no cost to you.



What you may own in your Portfolio

Each investment category (Cash, Income, Inflation and Growth) is made up of one or more sub-portfolios. We utilise sub-portfolios as the building blocks of each client's unique investment portfolio.

The predominant current investment focus of each of the sub-portfolios is as follows (these are indicative only and are subject to change, please always read the Investment Statement carefully before making any investing decisions):



CASH

Core Cash

Short term interest bearing investments across the major banks in New Zealand.



INCOME

Core Income

New Zealand and Australian corporate bonds and international corporate bonds.

Global Income

Global corporate bonds and global government bonds.



INFLATION

Core Inflation

New Zealand and international bonds, inflation-linked bonds, shares linked to long term inflation such as dividend paying shares, and shares of utility, property and healthcare companies.

Property Inflation

New Zealand and international property related bonds, property related company shares, and listed property trusts.



GROWTH

Core Growth

A diversified growth portfolio with a current focus on holding a mix of bonds, shares, commodities, and absolute return managers.

Global Multi-Asset Growth

A diversified growth portfolio with a focus on commodities and absolute return managers.

Global Equity Growth

A growth portfolio with a focus on global shares.

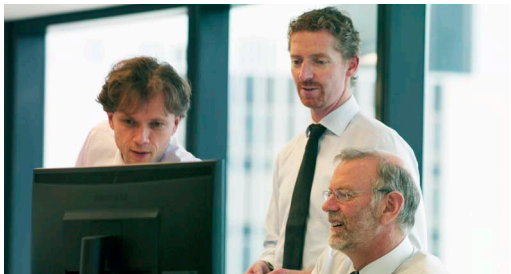
Dividend and Growth

A New Zealand and Australian shares portfolio, including both shares with high dividend yields and those with strong earnings growth prospects.

Speaking broadly, we consider the first three investment categories (Cash, Income and Inflation) form the defensive component of your portfolio, and are designed to grow your wealth at a modest rate over time, and to display lower levels of volatility.

The fourth investment category, Growth, forms the component of your portfolio designed to grow your wealth at a higher rate over time, but will tend to display greater levels of volatility.

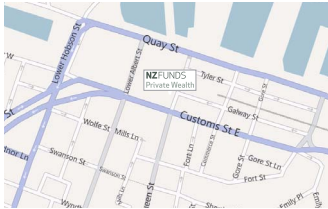
For every client it is critically important that we achieve an appropriate balance between the defensive and the growth components of your portfolio.



Contact us

Our advisers are available for an initial appointment that is free of charge and without obligation. Each adviser’s Disclosure Statement is available on request and free of charge.

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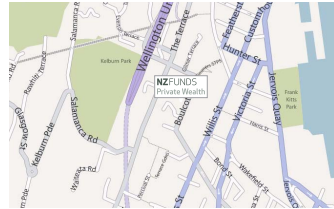


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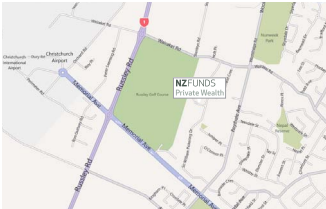


STUART BADDELEY



AMANDA DICK

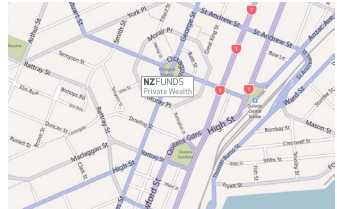
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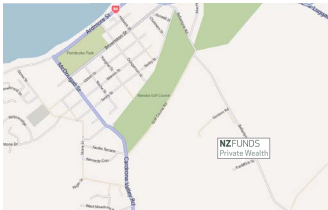
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FOR FURTHER INFORMATION OR TO REQUEST A COPY OF THE INVESTMENT STATEMENT, PLEASE CONTACT NEW ZEALAND FUNDS MANAGEMENT LIMITED.

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