



**KiwiSaver**<sup>™</sup>  
*Poua he Oranga*

# Investment Statement

16 February 2011

**The Law Retirement KiwiSaver Scheme**  
and  
**The Law Retirement Plan**



# The Law Retirement KiwiSaver Scheme and The Law Retirement Plan

## Investment Statement

### Important Information

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

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

### Choosing an investment

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages below:

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

## Engaging an investment adviser

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

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

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

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

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

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

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

This is an Investment Statement for the purposes of the Securities Act 1978 and is prepared in accordance with the Securities Regulations 2009.

## What are the benefits?

### The Law Retirement KiwiSaver Scheme:

Your interest in the Law Retirement KiwiSaver Scheme (“Scheme”) is made up of:

- ◆ Your contributions
- ◆ The governments \$1,000 kick-start payment
- ◆ A matching tax credit contribution of up to \$20 per week
- ◆ Any contribution made by your employer
- ◆ Investment Returns

Your interest in the Scheme will be invested in the Law Retirement KiwiSaver Scheme in one of the two investment portfolios (“Portfolios”). The contributions and investment returns from your chosen portfolio will accumulate until you reach the age of retirement for New Zealand Superannuation—currently 65 years (“Retirement Age”). Your Law Retirement KiwiSaver Scheme savings will be available as a tax paid lump sum when you reach Retirement Age.



### The Law Retirement Plan:

Your interest in the Law Retirement Plan (“Plan”) is made up of:

- ◆ Your contributions
- ◆ Any contribution made by your employer
- ◆ Investment Returns

Your interest in the Plan will be invested in the Law Retirement Plan in one of the two Portfolios available. The contributions and investment returns from your chosen portfolio will accumulate until you reach the age of 60 years (“Retirement Age”). Your Law Retirement Plan savings will be available as a tax paid lump sum when you reach Retirement Age.

## How do I join?

### The Law Retirement KiwiSaver Scheme:

If you start a new job, in most cases you will be automatically enrolled in a KiwiSaver scheme. If you are eligible to join a KiwiSaver scheme, you can join the Law Retirement KiwiSaver Scheme through your employer by nominating the Law Retirement KiwiSaver Scheme, or directly by completing the application form attached to this Investment Statement.

If you are subject to automatic enrolment you can opt out of KiwiSaver within a prescribed time period.

### Opting in

You can opt-in to the Scheme if you:

- ◆ Are a New Zealand citizen or eligible to be in New Zealand indefinitely;
- ◆ Are under the Retirement Age, currently age 65;
- ◆ Are not already a member of a KiwiSaver scheme; and
- ◆ Are not subject to the automatic enrolment rules described earlier.

### The Law Retirement Plan:

To become a member of the Plan simply fill out the Application for Membership form at the back of this investment statement and return it to the Trustee.

## What sort of investment is this?

The securities offered are interests in the Law Retirement KiwiSaver Scheme and interests in the Law Retirement Plan. The Scheme and the Plan are established under the trust deed for the Law Retirement Plan (“Trust Deed”).

The Law Retirement KiwiSaver Scheme is a registered KiwiSaver scheme under the KiwiSaver Act 2006 (“KiwiSaver Act”). The Law Retirement KiwiSaver Scheme is a trust principally for the purpose of providing retirement benefits directly or indirectly to natural persons.

The Law Retirement KiwiSaver Scheme, as a KiwiSaver scheme, is subject to the KiwiSaver Act and a range of other laws and agreements. In this Investment Statement, the KiwiSaver Act and those other laws and agreements are referred to as the “Governing Requirements”.

The Law Retirement Plan is a defined contribution superannuation scheme registered under the Superannuation Schemes Act 1989 (“Superannuation Schemes Act”). It was originally established as a vehicle for lawyers, their staff and families to accumulate capital for retirement. Now, any person may apply to join the Plan. The Law Retirement Plan is subject to the Superannuation Schemes Act.

The Law Retirement KiwiSaver Scheme and the Law Retirement Plan each enable you and other Members to pool your investments and obtain the benefit of professional investment management. Both the Law Retirement KiwiSaver Scheme and the Law Retirement Plan are divided into

Portfolios, each providing the benefits of a different range of investment sectors and offered on terms and conditions set from time to time by the Trustee, which is Law Retirement Plans Limited (“Trustee”). Investment returns to each Portfolio are reflected by changes in unit prices, which will fluctuate with changes in the value of that Portfolio’s investments. At any time the value of your interest in the Law Retirement KiwiSaver Scheme or the Law Retirement Plan may go up or down.

You are able to select the Portfolio in which you want to invest. Each Portfolio has a different level of risk and earning potential, and you should speak to a financial adviser to help you choose the Portfolio that best suits your investment needs. The Trustee is not responsible for your choice of Portfolio. As at the date of this Investment Statement, the Portfolios offered are:

- ◆ **Balanced Portfolio**
- ◆ **Dynamic Portfolio**

A default portfolio (“the Default Portfolio”) will apply to your investment in the Law Retirement KiwiSaver Scheme or the Law Retirement Plan (as appropriate) where you do not select a Portfolio or if it is required by the Governing Requirements. As at the date of this Investment Statement, the Default Portfolio is the Balanced Portfolio.

The Portfolios generally gain exposure to the various investment sectors by making investments in a range of underlying investment funds operated by one or more different fund managers appointed by the Trustee or by the person to whom the Trustee delegates investment management functions from time to time. The Portfolios available, the investment manager and underlying fund managers may change from time to time in the manner set out in the Trust Deed.

## Other key features and benefits of the Scheme are:

The Government assists KiwiSaver scheme Members to save by making certain contributions to the Law Retirement KiwiSaver Scheme for you. These include:

- ◆ An initial kick-start contribution (currently of \$1,000), if the Law Retirement KiwiSaver Scheme is the first KiwiSaver scheme you become a member of; and
- ◆ The Government will provide a tax credit contribution. Further details are provided under the heading “How Much Do I Pay?”.

There is no Government guarantee in respect of the Law Retirement KiwiSaver Scheme or any Portfolio.

## Who should invest?

The Law Retirement KiwiSaver Scheme is suitable for investors wishing to save for their retirement. As with all KiwiSaver schemes, access to your interest in the Law Retirement KiwiSaver Scheme is generally restricted until the later of the date on which you reach Retirement Age or the date on which you have been a member of a KiwiSaver scheme or a complying superannuation fund for five years.

The Law Retirement KiwiSaver Scheme gives you the opportunity to invest in the way that suits you best and is ideal for those who wish to accumulate their savings for the purpose of providing for retirement.

## Who is involved in providing it for me?

The name of the Scheme is “Law Retirement KiwiSaver Scheme”. The Scheme was established by Trust Deed on 11 June 2007 as a trust principally for the purpose of providing retirement benefits directly or indirectly to natural persons.

The name of the Plan is the Law Retirement Plan. The Plan today is an amalgamation of a number of superannuation schemes, the oldest of which was established in Auckland in 1971.

### Trustee

The Trustee of the Scheme and the Plan is Law Retirement Plans Limited. The Trustee’s address is, Level 14, 36 Kitchener Street, Auckland 1010.

The Trustee holds the assets of the Scheme and the Plan in trust for the Members in accordance with the Trust Deed and the law.

The directors of the Trustee are:

- ◆ Hugh Tonson Garlick
- ◆ Oliver Richard Gilbert
- ◆ David Roy Rolfe

### Administration Manager

The Trustee delegates the administration of the Scheme and the Plan to Legal & Professional Investment Services Limited (“Administration Manager”). The Administration Manager’s address is, Level 14, 36 Kitchener Street, Auckland 1010.

### Administration Services

Administration Services by way of unit pricing and the valuing of Members’ interests’ in the Plan and the Scheme are provided by Aon New Zealand Limited.

### Promoters

Legal & Professional Investment Services Limited is also involved in the promotion and offering of membership in the Scheme and the Plan. The address of Legal & Professional Services Limited is, Level 14, 36 Kitchener Street, Auckland 1010. The directors of Legal & Professional Investment Services Limited who are deemed to be promoters of the Scheme and the Plan, and their cities of residence are as follows:

- ◆ Brian Wayne Roulston, Auckland
- ◆ Norman William Stacey, Auckland
- ◆ Dorothy Vicki Watson, Auckland

The promoters can be contacted at Legal & Professional Investment Services Limited at the address given above.

## Investment Manager

The Trustee has contracted Diversified Investment Strategies Limited (“Diversified”) as the investment manager of the Scheme and the Plan. Diversified is responsible for the management of the investment assets held by the Scheme and the Plan, and can be contacted at the above address.

None of the Trustee, the promoters or any other person guarantees in any way the securities offered by this Investment Statement.



## Responsible Investment

The directors of the Trustee of the Scheme and the Plan have considered and adopted a formal policy governing Responsible Investment.

Responsible investment, including environmental, social and governance considerations, is taken into account in the investment policies and procedures of the Scheme as at the date of this investment statement. You can obtain an explanation of the extent to which responsible investment is taken into account in those policies and procedures on the Trustee's website at [www.lawretirement.co.nz](http://www.lawretirement.co.nz), which is publicly accessible at all reasonable times and from the Trustee, free of charge, upon request.

The policy forms part of the instruction to the investment adviser. Where it is unclear whether a potential investment should proceed the investment adviser shall identify the scope of the conflict, and seek guidance from the Trustee. Any issue will be resolved using the collective judgement of the directors of the Trustee having taken into account the policy and merits of the particular investment, including materiality.

The Scheme and the Plan shall avoid investing in businesses that are, in the opinion of the Trustee and the investment adviser, significantly involved in activities that are harmful to persons, or to the environment. Specifically this involves the use of a negative screen which excludes investment in companies that primarily derive, or receive to a significant extent, revenues from the sale of armaments, tobacco, gambling, exploitation of people, or significant destruction of the environment. These guidelines do not exclude properly conducted resource extraction or processing.

## How much do I pay?

### The Law Retirement KiwiSaver Scheme:

#### Member Contributions Regular Contributions

Any minimum contribution to the Scheme required by the KiwiSaver Act needs to be made. A Member may change his or her contribution rate in accordance with the KiwiSaver Act. Should you join the Law Retirement KiwiSaver Scheme and you are an employee as at the date of this Investment Statement, the minimum contribution required by the KiwiSaver Act will be 2% of your gross salary or wages. You may elect to contribute at a higher rate of 4% or 8% of your gross salary or wages. As minimum contribution rates are set by legislation they may be subject to change in the future.

Employer contributions cannot count towards the minimum contribution required. The compulsory employer contributions will apply as described below under the heading 'Employer Contributions'.

You are not required to make contributions relating to the gross wages or salary you receive from an employer if the Inland Revenue has granted you a contributions holiday which covers that employer. For more information about contributions holidays, refer to the information under the heading "Can The Investment Be Altered?" below.

## Direct & Additional Contributions

Lump sum or regular contributions to the Scheme (for example, one-off payments or regular contributions by you or your employer, or any payments you want to make if you are not an employee - for example, if you are self-employed or a contractor) can be made via the Inland Revenue or directly to the Trustee. However, unless otherwise required by the Trustee or by the terms of the Portfolio you select you are not required to make any contributions other than the minimum contribution under the KiwiSaver Act to the Scheme.

Additional contributions may be paid to:

- ♦ Inland Revenue: by filling out the relevant deposit slip and making a payment at any Westpac branch. Inland Revenue will need to be provided with certain information specified under the KiwiSaver Act, such as your name, address, tax file number and/or any other information that Inland Revenue require.
- ♦ Inland Revenue: by an internet banking payment. It is intended that details on how to make these payments will be provided on the IRD website, [www.ird.govt.nz](http://www.ird.govt.nz)
- ♦ The Law Retirement KiwiSaver Scheme: by cheque made payable to: The Law Retirement KiwiSaver Scheme, PO Box 3167, Auckland 1140
- ♦ The Law Retirement KiwiSaver Scheme: by direct debit by selecting this option on the application form and completing and returning the direct debit form at the back of this Investment Statement to The Law Retirement KiwiSaver Scheme, PO Box 3167, Auckland 1140

You can transfer amounts from other superannuation or KiwiSaver schemes to the Scheme. The amount received (which will be whatever amount is notified to the Trustee by the trustee(s) of the other scheme) will be treated as a contribution to the Scheme. To the extent permitted by the Governing Requirements the Trustee may impose terms and conditions on transfers to the Scheme.

Note that contributions received by Inland Revenue during the three-month period after your first KiwiSaver contribution is received by Inland Revenue, will generally not be passed on to the Law Retirement KiwiSaver Scheme until as soon as practicable after the end of that three-month period. During that period, they will be held by Inland Revenue in an interest-bearing holding account.

## Employer Contributions

Employers are required to make contributions to KiwiSaver schemes in respect of their employees who are members in certain circumstances. As at the date of this Investment Statement compulsory employer contributions are 2% of your gross salary or wages. Under current law the compulsory employer contribution is capped at 2% of an employee's gross salary or wages.

Because the Law Retirement KiwiSaver Scheme is a registered KiwiSaver scheme, compulsory employer contributions will generally be tax free.

Employer contributions to the Law Retirement KiwiSaver Scheme that are subject to tax will be subject to ESCT (employer superannuation contribution tax) at the following rates (current as at the date of this Investment Statement):

- ♦ 10.5%: if your salary and wages and gross employer superannuation contributions

were less than \$14,000 in the previous tax year

- ◆ 17.5%: if your salary and wages and gross employer superannuation contributions were between \$14,000 and \$48,000 in the previous tax year.
- ◆ 28%: if your salary and wages and gross employer superannuation contributions were more than \$48,000 in the previous tax year or your employer has not agreed a lower rate.

## Members who are not employed

For Members who are not employed and who wish to join a KiwiSaver Scheme, contributions can still be made by any of the methods described under the 'Direct & Additional Contributions' section above.

## Your interest in the Scheme

You will be issued with units in respect of your interest in the Scheme. You will be issued with 'M Units' in respect of member contributions and 'E Units' in respect of employer contributions. Your M Units and E Units together comprise your interest in the Scheme. You may be issued with additional units or you may have your units in the Scheme cancelled depending on:

- ◆ your contributions;
- ◆ the Government's kick-start contribution of \$1,000;
- ◆ any contributions from your employer;
- ◆ the Government's Member tax credit;
- ◆ any amount transferred from another superannuation scheme or KiwiSaver scheme and converted to units in the Scheme;
- ◆ investment returns (refer to "What returns will I get?")
- ◆ any tax credits or debits in respect of your interest in the Scheme;
- ◆ any benefits paid to you or on your behalf from your interest in the Scheme;
- ◆ the fees of the Law Retirement KiwiSaver Scheme (described elsewhere); and
- ◆ permitted withdrawals, eg first home subsidy.

## Government Contribution

If, in joining the Scheme, it is the first time you have joined a KiwiSaver scheme, the Government will make a contribution of \$1,000 to the Scheme for your benefit. This Government contribution will be made approximately three months after your first contribution to the Scheme.

The \$1,000 Government contribution and any Member tax credits paid in respect of a Member are not taxable income or a gift to the Member for tax purposes.

Member contributions to a KiwiSaver scheme will be matched by a tax credit contribution of up to \$20 per week (\$1042.86 per year) on a dollar for dollar basis. This may change in the future. The

tax credit will not apply in respect of Members under age 18, or Members who have reached New Zealand Superannuation qualification age and are entitled to withdraw their benefit, or, subject to certain limited exceptions, in respect of Members who do not have their principal place of residence in New Zealand. Any tax credit will be paid on an annual basis into your Member Account.

## Contributions holiday

You are entitled to apply to Inland Revenue to cease making contributions to the Law Retirement KiwiSaver Scheme, if:

- ◆ 12 months have passed since your first contribution was received by Inland Revenue or a KiwiSaver scheme; or
- ◆ You are suffering, or likely to suffer, financial hardship and at least one contribution has been received from you by Inland Revenue.

The minimum period for which a holiday may apply is 3 months and the maximum period is 5 years. To apply for a contributions holiday you must complete a “Contributions Holiday Request” form (KS6) and hand it to your employer or Inland Revenue for processing. Inland Revenue will provide you with a ‘contributions holiday notice’.

You may at any time revoke or, after such a revocation, reinstate your contributions holiday by giving notice to your employer, requiring the employer to start or stop (as applicable) making deductions from your salary or wage. Inland Revenue will notify you before your contributions holiday ends and you may apply for a new contributions holiday.

## The Law Retirement Plan:

### Member Contributions

On becoming a member of the Plan, you may make contributions of an amount agreed between you and the Trustee. In respect of your member contributions you will be issued with ‘M Units’ in the Plan. Your contributions can be arranged through your employer’s payroll system as a regular deduction from your salary or by direct credit from your bank. Contributions are made by equal monthly instalments to the Trustee. You may also make additional voluntary contributions. The Trustee may specify minimum contribution levels from time to time. The minimum monthly contribution is \$100 to each Portfolio.

### Employer Contributions

Your employer may contribute on your behalf at a rate agreed between your employer and the Trustee. In respect of employer contributions you will be issued with ‘E Units’ in the Plan. Any contributions made by your employer will be subject to withholding tax. This withholding tax will be paid to the Inland Revenue Department by your employer along with monthly PAYE tax payments. Members themselves are not liable for this tax. The effect of this withholding tax, imposed by the Government, will be to reduce the net amount of the employer’s contributions actually paid to the Plan.

Your M Units and E Units will together comprise your interest in the Plan.

Your employer may cease making contributions to the Plan by giving at least 3 months' written notice to the Trustee. If your employer ceases to make contributions, you may also cease making contributions to the Plan.

## What are the charges?

The following charges are or may be payable by you to the Trustee, or to persons associated with the Trustee. The charges may be payable directly or indirectly, and will affect the returns you receive.

The Trustee may rebate or reduce some charges in respect of any Portfolio, Member or class of Member.

### Trustee's Fee

#### **Scheme:**

The Trustee charges a fee for acting as Trustee of the Scheme. This fee is currently up to a maximum of 0.075% per annum. The Trustee fee will be charged quarterly (i.e. at the end of March, June, September and December), calculated on the funds under management of each of the Portfolios.

#### **Plan:**

The Trustee charges a fee for acting as Trustee of the Plan. This fee is currently \$30,000 per annum. This fee may be altered by the Trustee at any time. There are no limits which apply to this fee.

### Administration Management Fee

As the administration manager of the Scheme and the Plan, Legal & Professional

Investment Services Limited is entitled to remuneration. The level of remuneration paid from the Scheme and the Plan is determined by negotiation with the Trustee. Legal & Professional Investment Services Limited subcontracts Aon New Zealand Limited to perform administration management services in respect of the Scheme and the Plan. The remuneration as at the date of this Investment Statement comprises:

- ♦ A fixed fee of \$24,000 per annum plus GST of 15% paid from the Plan to Legal & Professional Investment Services Limited. There are no limits which apply to this fee. This fee will increase annually in line with the CPI.



- ◆ A fixed fee of \$20,000 per annum paid from the Plan to Aon New Zealand Limited. There are no limits which apply to this fee. This fee will increase annually in line with the CPI.
- ◆ In respect of the Plan, a charge of \$5.40 per month per Member or \$2.16 per month per Member if a Member is also a Member of the Scheme. This charge is deducted from each Member's M Units on a monthly basis. There are no limits which apply to this monthly charge. This fee increases annually in line with the CPI; and
- ◆ In respect of the Scheme, a charge of \$5.40 per month per Member or \$2.16 per month per Member if a Member is also a Member of the Plan. This charge is deducted from each Member's M Units on a monthly basis. This fee is limited by agreement with Aon New Zealand Limited.

There are no limits on the ability of the administration manager to recover expenses from the Scheme or the Plan.

## Investment Manager Fee

Diversified Investment Strategies Limited manages the investment of the assets of the Scheme and the Plan and is paid an investment adviser fee of:

- ◆ Law Retirement KiwiSaver Balanced Portfolio 1.00% per annum
- ◆ Law Retirement KiwiSaver Dynamic Portfolio 1.15% per annum
- ◆ Law Retirement Plan Balanced Portfolio 1.00% per annum
- ◆ Law Retirement Plan Dynamic Portfolio 1.15% per annum

The investment adviser fee is calculated on the funds under management.

No investment adviser fee applies in respect of investments in Portfolios that are placed in investment funds associated with the investment manager.

## Entry fee

As at the date of this Investment Statement there is no entry fee applicable.

## Exit/Switching Fee

As at the date of this Investment Statement there is no exit fee applicable.

You may switch from the Portfolio you have chosen in respect of your interest in the Scheme or the Plan (refer below to "Portfolio Switching") to the other Portfolio within the Scheme or the Plan (as appropriate). Switches are transfers between Portfolios within either the Scheme or the Plan. You can switch the Portfolio your contributions are invested into. You are currently allowed to switch at no charge.

## Expenses

Other fees and expenses, such as audit and legal fees, paid by the Scheme or the Plan (as appropriate) will be deducted from the assets of the Scheme or the Plan (as appropriate).

The fees payable to the Trustee for acting as Trustee of the Scheme and the Plan may be altered by the Trustee at any time. The fees payable to the Administration Manager and to the Investment Manager can be altered by agreement of the Trustee.

The Trustee fee is deducted from the returns of the Scheme or the Plan before they are allocated to Members. The Trustee will pay tax on Members' behalf on the returns of the Scheme at each Member's prescribed investor rate, as notified, after deducting those fees. Under current law, all other fees are either charged to Members' interests in the Scheme or deducted from the amount in question.



## What returns will I get?

### Key factors determining your returns

When you invest money in any of the Portfolios in the Scheme or the Plan you purchase units in those Portfolios. Each Portfolio will invest in a variety of assets, either directly or via other pooled investment vehicles. The value of those assets determines the unit price for each Portfolio. If the value of those assets changes, then the unit price will change.

Every Portfolio issues a unit price each month. Your return will be affected by a difference between the unit price at which you bought and the unit price at which you sold. At any time your interest in the Scheme or the Plan may decline or increase.

The Trustee will make adjustments to unit prices in accordance with current commercial practice and accounting standards. The unit prices resulting from such adjustments are final.

The key factors that determine the amount of benefit you will receive from the Scheme or the Plan include:

- ◆ how long you have been a Member;
- ◆ the amount contributed to the Scheme or the Plan in respect of you;
- ◆ the amount of your Member tax credit (in relation to Members of the Scheme);

- ◆ the Portfolio your interest in the Scheme or the Plan is invested in;
- ◆ the investment return achieved (net of taxes and management expenses) in respect of the investment Portfolio or Portfolios you have invested in;
- ◆ the fees and expenses of the Scheme or the Plan;
- ◆ the tax treatment of the Scheme or the Plan and their respective members;
- ◆ changes in the investment markets;
- ◆ movements in interest rates and currency exchange rates; and
- ◆ political and other economic returns.

## Taxes

Tax may affect returns. The following is intended as general guidance and is based on legislation current as at the date of this Investment Statement:

The Scheme and the Plan have each elected to be a portfolio investment entities (“PIEs”) and portfolio tax rate entities. This means that, rather than the Scheme and the Plan being taxed as a separate legal entity, the Scheme and the Plan pays tax on behalf of members at the prescribed investor tax rate (“PIR”) applicable to the member. It also means that gains or losses made on investments in most New Zealand resident companies and many Australian listed companies will not be subject to tax.

Under the PIE rules, as currently enacted, the PIR applicable in respect of a particular Member on their share of the Scheme or the Plan’s income will be either 10.5%, 17.5% or 28%.

For information to assist in selecting the correct PIR, refer to the IRD website, [www.ird.govt.nz](http://www.ird.govt.nz). The current income thresholds can also be obtained by contacting the administration manager.

You are required to provide us with your IRD number and tell us the correct PIR to use. You will also need to tell us if your PIR changes. If you do not advise us of your PIR, you will be given a PIR of 28%. If you do not advise us that your PIR changes or you provide us with the wrong PIR you may end up paying too much tax on your investment or may have an obligation to pay further tax including any interest or penalties and file a tax return. Where tax has been overpaid as a result of you submitting an incorrect PIR, the overpaid tax cannot be recovered.

Generally the tax liability attributed to your investment in the Scheme or the Plan will be paid annually following 31 March or following a full withdrawal of your investment and will be met by way of cancellation of units. If you make a partial withdrawal of units and at any time where the remaining value of your units is equal to or of insufficient value to cover the accrued liability this will be deemed a full withdrawal and units will be automatically cancelled to pay tax.

Gains or losses made on New Zealand resident companies or Australian resident companies on an approved index of the Australian Stock Exchange which have a franking account and are not stapled securities and certain Australian unit trusts, are not taxable or deductible. Dividends from such holdings are taxable however. The PIE regime is designed to pass through these benefits to you where the Plan or the Scheme invests in units trusts or other superannuation schemes that are PIEs.

Other international shares and offshore funds held by the Plan or Scheme are taxed under a Fair Dividend Rate method (FDR) of 5% per annum of their daily market value. Dividends received by the Plan or the Scheme from shares and funds subject to FDR are non taxable but foreign tax credits may be available to offset tax payable.

Certain international shares (those offering guaranteed or fixed rate returns or that are non-participating and redeemable or that are 80% or more invested in financial arrangements or fixed rate shares that are denominated in or hedged to NZD or determined by the Inland Revenue to be debt in economic terms) are taxed under the comparative value method, ie annual change in market value plus distributions and disposal gains.

Debt securities are taxed under the financial arrangement rules using the IFRS accounting taxpayer method which reflects financial reporting.

Tax legislation is complex and may have different or further consequences than those described in general terms above. Tax legislation and rates of tax may also change. Members should seek independent professional tax advice before investing or withdrawing.

## The Law Retirement KiwiSaver Scheme

The returns you receive from the Scheme are in the nature of lump sum benefits. Your benefits are based on the accumulation of contributions paid into the Scheme along with investment returns and any Government subsidies.

The Trustee is legally liable to pay the benefits under the Trust Deed of the Scheme or Plan. However none of, the Trustee, the Manager, the Crown or any other person does not guarantee the returns or promise the amount of them, nor can they state the amount of the return you will receive.

As at the date of this Investment Statement, the KiwiSaver Act allows you to apply for payment of part or all of the value of your interest in the Scheme if you:

- ◆ reach the Retirement Age, subject to first having been a KiwiSaver member for five years;
- ◆ die (in which case your personal representatives are entitled to apply for a withdrawal);  
or
- ◆ permanently emigrate to another country, subject to you first being away from New Zealand for one year,

Then you will be entitled to receive a retirement benefit which is equal to the value of your units in the Scheme.

Under legislative changes which have passed but not yet commenced as at the date of this Investment Statement, if you permanently emigrate to Australia you will be entitled to transfer the full value of your interest in the Scheme (net of fees and taxes) to an Australian complying superannuation scheme, instead of withdrawing. You may also be able to transfer amounts to the Scheme from an

Australian complying superannuation scheme, in which case slightly different withdrawal rules will apply to those amounts.

As at the date of this Investment Statement, the KiwiSaver Act also allows you to apply for payment of part or all of the value of your interest in the Scheme, excluding the initial Government contribution and member tax credit contributions, from the Scheme in the following circumstances:

## Significant Financial Hardship

Where the Trustee determines that you are suffering significant financial hardship within the meaning of the KiwiSaver Act. The KiwiSaver Act currently defines “significant financial hardship” as including:

- ◆ your inability to meet minimum living expenses;
- ◆ your inability to meet mortgage repayments on your principal family residence resulting in the mortgagee seeking to enforce the mortgage on the residence;
- ◆ the cost of modifying a residence to meet special needs arising from your or a dependant’s disability;
- ◆ the cost of medical treatment for your or a dependant’s illness or injury;
- ◆ the cost of palliative care for you or a dependant;
- ◆ the cost of a funeral for a dependant; or
- ◆ your suffering from a serious illness.

The KiwiSaver Act currently requires you to provide a statutory declaration concerning your assets and liabilities as a condition to applying for this benefit.

## Serious Illness

Where the Trustee is reasonably satisfied that you are suffering from serious illness. Under the KiwiSaver Act serious illness currently means an injury, illness or disability:

- ◆ that results in you being unable to engage in work for which you are suited by reason of experience, education or training or any combination of those things; or
- ◆ that poses a serious and imminent risk of death.

## First Home

For the purchase of a qualifying first home where you are eligible under the Act. As at the date of this Investment Statement, you are eligible to withdraw for this purpose your interest in the Scheme if you have not made a first home withdrawal from any KiwiSaver scheme before and three years have expired since the Inland Revenue received the first contribution in respect of you (whether to the Scheme or another KiwiSaver scheme) or, if you have never made contributions to the Scheme by deduction from your pay, you have been a member of one or more KiwiSaver schemes for a total period of three years or more.

A purchase will qualify if it is of an estate in land (alone, as a joint tenant or as a tenant in common) and:

- ♦ the land is, or is intended to be, your principal place of residence and you have not at any time before applying to make the withdrawal held an estate in land (either alone, as a joint tenant or as a tenant in common);
- ♦ the land is, or is intended to be, your principal place of residence and you are a “qualifying person” under regulations made under the Act ; or
- ♦ the purchase is otherwise made in circumstances prescribed in any regulations made under the Act.

Any withdrawal for a first home will be paid to your solicitor. The Trustee may request from your solicitor a copy of the agreement for sale and purchase showing you as the purchaser, an undertaking that the agreement is unconditional, and an undertaking that the funds will be paid to the vendor as part of the purchase price and will be repaid to the Scheme if settlement is not completed by the due date or any extended date.

## Other Withdrawals or Returns

A withdrawal from the Scheme may also be made where the Trustee is required to comply with any enactment requiring the release of funds from the Scheme, such as for the purposes of a Court order under the Property (Relationships) Act 1976.

You are entitled to transfer the full value of your interest in the Scheme (net of taxes and fees) to another KiwiSaver scheme that you join, and the Governing Requirements could also result in you being required to transfer to another KiwiSaver scheme. Subject to complying with the Governing Requirements, the Trustee may transfer the value of your interest in the Scheme to another KiwiSaver scheme on whatever terms and conditions it determines. The Trustee does not need your consent to do this if the Government Actuary approves the transfer.

Your interest in the Scheme will not include Member tax credits if you withdraw your interest in the Scheme for the purposes of purchasing your first home, or as a result of significant financial hardship or if you permanently emigrate. If you withdraw your interest in the Scheme for the purposes of purchasing your first home or as a result of significant financial hardship then your Member tax credit will remain in your account. However, if you permanently emigrate and you withdraw your benefit, any Member tax credit paid into your account since joining will be returned to the Government.

Your contributions and any contributions made by your employer for your benefit will result in you being issued with units in the Scheme.

As at the date of this Investment Statement the Trustee values the units in the Scheme on the last business day of the month. If you retire, die or otherwise leave the Scheme, your units in the Scheme will be held by the Trustee from the date of your retirement, death or leaving the Scheme until the value is calculated and processed following the next valuation day.

Any investment carries with it some element of risk. If, in any period, the Portfolio in which you have units incurs a negative rate of return or any losses, the value of the units you have in that Portfolio would be reduced accordingly and may result in your receiving a benefit that is less than

your own contributions to the Scheme. As such, the amounts of the benefits are not promised. The Scheme has to pay tax on investment earnings.

## Benefit Payments

Benefits are paid by direct credit to your bank account, by cheque in circumstances agreed by us, or as otherwise required by virtue of the type of benefit (for example, first home withdrawals will be paid to your solicitor). Because payments can be made in a variety of circumstances, the date when a benefit will be paid to you is not known. No amount of return has been promised or guaranteed by any person.

Law Retirement Plans Limited, as the Trustee of the Scheme, is the person legally liable to pay your benefits in accordance with the Trust Deed.

You can ask for a benefit to be paid by contacting the Trustee. We may require you to provide evidence of your entitlement to a withdrawal and may defer payment of your withdrawal until such evidence, to the Trustee's satisfaction, is provided.

## The Law Retirement Plan

When you retire after age 50 or attain age 60, you will be entitled to receive a retirement benefit which is equal to the value of your units in the Plan.

Given the nature of your investment, at the date of this Investment Statement, the Trustee is unable to quantify the amount of your retirement benefit that the Trustee is liable to pay.

Your retirement benefit will be paid as a lump sum. However, if you wish, arrangements can be made to purchase an annuity to provide an income stream. The retirement benefit does not have to be uplifted upon retirement. It can be left in the Plan to continue earning a tax paid return until required, on terms as the Trustee determines to be appropriate.

Alternatively, withdrawals can be made on an "as needed" basis to meet retirement income needs.

If you should die before age 60, the benefit payable will be a lump sum equal to your interest in the Plan. The death benefit is paid by the Trustee to your personal representatives to be distributed in accordance with your will. It is important therefore that you have an up-to-date will.

Your contributions and any contributions made by your employer for your benefit will result in you being issued with units in the Plan.

As at the date of this Investment Statement the Trustee values the units in the Plan on the last business day of the month. If you retire, die or otherwise leave the Plan, your units in the Plan will be held by the Trustee from the date of your retirement, death or leaving the Plan until the value is calculated and processed following the next valuation day.

Any investment carries with it some element of risk. If, in any period, one or more of the Portfolios in which you have units incurs a negative rate of return or any losses, the value of the units you have in that Portfolio would be reduced accordingly and may result in you receiving a benefit that is less than your own contributions to the Plan. As such, the amounts of the benefits are not promised.

The Trustee operates a reserve fund in the Plan which consists of assets relating to the Plan only including unclaimed benefits, donations, gifts, any moneys not otherwise required to meet the Plan's obligations, interest and other income from investments of the reserve fund. The Trustee has a discretion to deduct an amount from any increase in a Portfolio value in the Plan and transfer it to the reserve fund. The Trustee may, at its discretion, cancel and use units in the reserve fund for increasing the retirement benefits of Members of the Plan, hardship purposes, payment of expenses of the Plan, payment of Members contributions or for providing other benefits.

Where withdrawals are made from the Plan and the amount withdrawn arises from contributions made by a Member's employer (or from contributions the source of which cannot be determined) the Trustee may (unless an exemption applies) be required to pay a withdrawal tax of 5% of the amount withdrawn. In that case the Trustee will deduct that amount from the withdrawal.

Law Retirement Plans Limited is the person legally liable to pay these returns.

## What Investment Portfolios are Available?

### Balanced Portfolio

To provide good capital growth, over the medium to longer-term, through a diversified array of asset classes, including Cash, Fixed Interest, Shares and Alternative Assets.

### Dynamic Portfolio

To provide superior capital growth over the long-term, while absorbing a high degree of sharemarket swings in the short and medium term.



## Investment Portfolios

The Scheme and the Plan each currently offer members two portfolios. Please specify your chosen Portfolio in the application form at the rear of the investment statement.

### Balanced Portfolio – available in respect of the Scheme and the Plan

**Investment Strategy:** To provide good capital growth, over the medium to longer-term, through a diversified array of asset classes, including Cash, Fixed interest, Shares and Alternative Assets, directly or via unitised funds, aiming for a competitive rate of return while protecting the purchasing power of the capital at least equal to the rate of inflation. The key to achieving these objectives is tactical asset allocation, responding to a one-year to eighteen month outlook for economic fundamentals. Holdings are monitored while asset allocations are formally reviewed on a quarterly basis.

Underlying Assets / Investment Mix:	
NZ Cash	0 to 30%
International Cash	0 to 20%
NZ Fixed Interest Securities	15% to 30%
International Fixed Interest	0 to 40%
NZ Property Securities	0 to 20%
International Property Securites	0 to 15%
Australasian Equities	15% to 50%
International Equities	20% to 50%
Alternative Assets	0 to 20%

**Risk / Return Profile:** Aim to provide capital growth in excess of inflation, by participating in sharemarkets, while reducing volatility by including uncorrelated assets and some defensive techniques. In the shorter-term, returns will echo sharemarket rises and falls, but with lesser amplitude.

**Typical Investors:** Suited to investors seeking mid to long-term growth for their investment, and superior risk-adjusted returns. Investors should expect to hold this investment for a minimum of five years, and preferably for at least 10 years.

The underlying fund managers investment strategies, objectives, asset mixes and benchmarks of the above Portfolio may be altered from time to time at the discretion of the Trustee. Affected Members will be given one month's notice of any material changes to the investment strategies and objectives of the Portfolios.

## Dynamic Portfolio - available in respect of the Scheme and the Plan

**Investment Strategy:** To provide superior capital growth over the long-term, while absorbing a high degree of sharemarket swings in the short and medium term.

Underlying Assets / Investment Mix:	
NZ Cash	0 to 30%
International Cash	0 to 20%
NZ Fixed Interest Securities	0 to 20%
NZ Property Securites	0 to 20%
International Property Securites	0 to 15%
Australasian Equities	10% to 40%
International Equities	30% to 80%
Alternative Assets	0 to 20%

**Risk / Return Profile:** Aim to provide the highest level of growth of the two portfolios, by concentrating on the major growth asset class of Equities, directly or via unitised funds. Short-term fluctuations are expected to reflect sharemarket fortunes, tempered by regional diversification and some tactical asset allocation.

**Typical Investors:** The investor accepts short-term volatility as necessary for higher returns over the long-term. Suited to investors with an investment horizon of 10 years or longer.

### Which is the Best Investment Portfolio for Me?

In deciding on which Portfolio you should select, you need to take account of the relationship between risk and return, and your time horizon. Risk is often taken to mean the possibility that you lose your money over the short term or do not get a high enough return over the long term to ensure retirement security.

Generally, the higher the potential return, the higher the likely short term risk but the lower the long term risk.

The Portfolio appropriate for an individual therefore depends on personal circumstances, in particular on his or her attitude to risk – is the person conservative in nature or are they willing to take on an element of risk (that is to accept possible negative or lower returns over the short term in anticipation of higher expected returns over the long term)? The appropriate Portfolio will also depend on the period to go until the individual expects the benefit to be paid. Other factors are likely to include the investment knowledge of the individual and the extent of other savings and past experiences.

## What are my risks?

All investments carry risk. There are risks associated with the Scheme or the Plan (as appropriate) that could affect your ability to recover the amount of your contributions or impact on the returns payable from the Scheme or the Plan.

The principal risks applying to the Scheme and the Plan that could affect returns (and which are common to most KiwiSaver and superannuation schemes generally) are:

- ♦ **Investment risk:** The risk of a result of negative returns on the Scheme or the Plan's investments (either generally or in respect of Portfolios in which you invest), or that the returns for a particular Portfolio or the Scheme or the Plan generally are insufficient to meet the applicable expenses.
- ♦ **Liquidity risk:** The risk associated with an inability on the part of the Scheme or the Plan to meet monetary obligations in a timely manner. The risk arises where there is a mismatch between the maturity profile of investments and the amounts required to pay benefits.
- ♦ **Regulatory risk:** The risk of future changes to tax, KiwiSaver or general superannuation legislation which could affect the operation of the Scheme or the Plan or your benefits, or of the Trust Deed being amended in a manner permitted by law that has the effect of reducing benefits.
- ♦ **Credit risk:** The risk of the Scheme or the Plan becoming insolvent and being placed into receivership, liquidation or statutory management or being otherwise unable to meet its financial obligations. If this occurs, you may not recover the full amount of your interest in the Scheme or the Plan.
- ♦ **Administration risk:** The risk of a technological or other failure impacting on the Scheme or the Plan or financial markets in general.
- ♦ **Tax rate risk:** The risk of the Trustee making either an over or underpayment of tax within the Scheme on behalf of a Member as a result of the Member providing the wrong prescribed investor rate or not advising of a change to that rate when it needed to be changed. In the event of an underpayment of tax a Member will be obliged to pay the shortfall of tax (and potential penalties or interest) to the Inland Revenue, and may need to file a tax return.
- ♦ **Maintaining PIE status:** If the Scheme or the Plan were not to retain PIE status the Scheme or the Plan would revert to being taxed at 30% on all income (28% from 2011-2012 income year onwards).

Because of the impact of fees it is reasonably foreseeable that you will receive less than your contributions if you cease to be a Member a short time after joining.

You will not be required to pay in respect of the Scheme or the Plan more money than is disclosed under the heading "How Much Do I Pay?" above, and under the heading "Consequences of insolvency and winding up of the Scheme or the Plan" below.

## Consequences of insolvency and winding up of the Scheme or the Plan

If the Scheme or the Plan becomes insolvent or is wound up you will not be personally liable in respect of any debt or liability of the Scheme or the Plan beyond your interest in the Scheme or the Plan (except in the case of tax paid on your account that we are unable to recover from your interest in the Scheme, or for any “shortfall” in meeting amounts to be refunded to the Inland Revenue, as described under the heading “How Much Do I Pay?” above).

In no circumstances will you be liable to pay any amount in addition to your contributions as a result of the insolvency of the Trustee, the Scheme or the Plan or any person.

In the event of liquidation or winding up of the Plan or the Scheme, all the creditors of the Plan or the Scheme and other persons preferred by law will have a claim that ranks ahead of your claim on the assets. The claims of members of the Plan or the Scheme on the assets of the Plan or the Scheme rank equally.



## Can the investment be altered?

### The Law Retirement KiwiSaver Scheme:

#### Changes to Contributions

As at the date of this Investment Statement the minimum contribution rate is 2%. You can change your contribution rate to 2%, 4% or 8% of your gross salary or wages by notifying your employer. If you have more than one employer, you can specify a different rate for each employer. As at the date of this Investment Statement, you cannot do this more than once every three months unless your employer agrees.

The 2%, 4% and 8% rates can be altered or supplemented by the Government in accordance with the KiwiSaver Act.

If you are making direct contributions to the Trustee, or other contributions to the Inland Revenue, you can change the amount of those contributions at any time, subject to you continuing to meet any required minimum amounts and any other terms the Trustee may require in the future.

## Contributions Holiday

You may apply to the Inland Revenue for a contributions holiday. If that contributions holiday is granted any employer included within the contributions holiday (and any other employer you want to use the holiday for) does not need to deduct contributions from your pay for the duration of the holiday.

As at the date of this Investment Statement, contributions holidays will be granted by the Inland Revenue:

- ♦ if the IRD has received a contribution in respect of you and is satisfied you are suffering, or are likely to suffer, financial hardship; or
- ♦ one year has passed since the earlier of IRD or the provider of any KiwiSaver scheme receiving a contribution in respect of you.

A contributions holiday must currently be for a minimum of three months and a maximum of five years, although if the holiday was taken because of financial hardship the holiday will be for a three month period unless the Inland Revenue agrees to a longer period. You can revoke and reinstate your contributions holiday by notifying your employer. However, unless your employer agrees you cannot take a contributions holiday for that employer for less than three months.

Contributions holidays will not affect any contributions made directly to us (i.e. not through your employer), although you can generally change the amount of these contributions at any time (see “Changes to Contributions”).

## The Law Retirement Plan:

### Changes to Contributions

Your contributions may be increased or decreased (subject to the minimum monthly contribution), or suspended if your personal circumstances demand it. Members may also contribute casual sums on an irregular basis as and when they have funds available.

### Portfolio Switching

You can ask to switch your interest in the Scheme or the Plan from one Portfolio to another Portfolio at any time subject to meeting any applicable minimum values.

The Trustee currently allows you to switch at no charge.

## Investment Portfolios

Unless the Trustee determines that to do so would materially prejudice the interests of Members generally, or a breach of the Governing Requirements or the Superannuation Schemes Act would result, the Trustee may generally vary all or any of the terms of any Portfolio (for example, underlying fund managers, mixture of investments, investment strategy and objectives, policy, guidelines, ranges, benchmarks and procedures and minimum contribution and holding requirements).

Subject to the Governing Requirements and the Superannuation Schemes Act, the Trustee may:

- ◆ introduce a new Portfolio; or
- ◆ close a Portfolio to new contributions.

If the Trustee closes or winds up the Default Portfolio it will set a new Default Portfolio. If the Trustee winds up a Portfolio you invest in the Trustee will notify you and you must give the Trustee a written direction specifying a substitute Portfolio to which your ongoing contributions will be made to.

## Alterations to the Scheme or the Plan

The Trustee may amend the Trust Deed subject to the provisions of the Governing Requirements and the Superannuation Schemes Act and certain other legislation.

# How do I cash in my investment?

## The Law Retirement KiwiSaver Scheme:

As a KiwiSaver scheme, there are limited circumstances in which you are entitled to withdraw from the Scheme. These are set out under the heading “What Returns Will I Get?”. Except in the limited circumstances set out below you are not entitled to terminate, cancel, surrender or otherwise make or obtain payment of the returns from the Scheme other than as set out in “What Returns Will I Get?”, nor are you entitled to sell, transfer, assign or otherwise grant any other person an interest in your interest in the Scheme.

The Trustee may determine from time to time, in respect of some or all Members, that if, in the Trustee’s opinion, a Member becomes of unsound mind, incapable of managing his or her own affairs or bankrupt, his or her interest shall to the maximum extent permitted by law be forfeited to the Scheme and (subject to the Governing Requirements) the Trustee shall apply such amount for the benefit of the Member or his or her dependents in such manner as it, in its discretion, thinks fit.

You will be entitled to make a withdrawal from the Scheme or to assign part of your interest in the Scheme to comply with any enactment or Court order requiring the release of funds from the Scheme, such as for the purposes of a Court order under the Property (Relationships) Act 1976.

You are entitled to transfer the full value of your interest in the Scheme (net of taxes and fees) to another KiwiSaver scheme that you join, and the Governing Requirements could also result in you being required to transfer to another KiwiSaver scheme. Subject to complying with the Governing

Requirements, we may transfer the value of your interest in the Scheme to another KiwiSaver scheme on whatever terms and conditions we determine. The Trustee does not need your consent to do this if the Government Actuary approves the transfer.

In the future, under legislative changes which have passed but not yet commenced as at the date of this Investment Statement, if you permanently emigrate to Australia you will be entitled to transfer the full value of your interest in the Scheme (net of fees and taxes) to an Australian complying superannuation scheme.

### The Law Retirement Plan:

In special circumstances, the Trustee may, at its discretion, allow you before you attain the age of 60 years or retire, to withdraw all or part of your account from the Plan while remaining a member and continuing to pay your contributions. You may apply to the Trustee in writing for this special concession stating your reasons.

Members are not entitled to sell their interest in the Plan to any person and there is no established market for any interest in the Plan.



The Scheme or the Plan can be wound up if:

- ◆ the Trustee so decides;
- ◆ the Governing Requirements or the Superannuation Schemes Act require it; or
- ◆ so ordered by a Court or regulatory authority pursuant to any statutory power.

If this happens you will receive the amounts detailed under the heading “What Are My Risks?” above.

Upon any withdrawal the Trustee may make an adjustment to your investment by reducing your interest in the Scheme or the Plan (by cancelling your units) to make payment of any tax attributed to you.

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

**If you have any inquiries about the Scheme or the Plan, please contact:**

**Legal & Professional Investment Services Limited**

Level 14  
36 Kitchener Street  
PO Box 1130  
Auckland 1140

Phone: 0800 44 55 86  
Fax: 09 366 7381  
E-mail: [kiwisaver@diversified.co.nz](mailto:kiwisaver@diversified.co.nz)

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

**If you have any problems or complaints please contact:**

**Legal & Professional Investment Services Limited**

Level 14  
36 Kitchener Street  
PO Box 1130  
Auckland 1140

Phone: 0800 44 55 86  
Fax: 09 366 7381  
E-mail: [kiwisaver@diversified.co.nz](mailto:kiwisaver@diversified.co.nz)

# What other information can I obtain about this investment?

## Prospectus and Financial Statements

Other important information about the Scheme, the Plan and the securities referred to in this Investment Statement can be found in the current registered prospectus (which contains an offer in respect of the securities referred to in this Investment Statement) and in the financial statements of the Plan and the Scheme. A copy of the current registered prospectus and the most recent financial statements can be obtained free of charge from the Trustee.

The prospectus and the financial statements are filed on a public register (and made available for public inspection upon payment of the prescribed fee) at the Companies Office of the Ministry of Economic Development and available for public inspection (including at [www.companies.govt.nz](http://www.companies.govt.nz)).

## Annual Information

Each year you will receive a statement of benefits detailing your interest in the Scheme or the Plan. You will also receive an audited annual report for the Scheme or the Plan as at the end of each financial year (currently 31 March) and a copy of the financial statements will be forwarded to you within 6 months of the close of each financial year.

## On Request Information

Upon request to the Administration Manager or the Trustee, you can receive the following information free of charge:

- ◆ the most recent annual report of the Scheme or the Plan;
- ◆ a copy of the most recent investment statement for the Scheme and the Plan;
- ◆ a copy of the most recent prospectus and related documents;
- ◆ a copy of the most recent financial statements of the Scheme or the Plan;
- ◆ a copy of the Trust Deed for the Scheme and the Plan; and
- ◆ an estimate of your benefits under the Scheme or the Plan.

## On-Line Information

If you would like to know your interest in the Scheme or the Plan at any time, you can register to view this by following the path at [www.ebenefits.com.au](http://www.ebenefits.com.au) and entering your investment ID and password. Further details including your ID and password will be communicated to you once you become a member of the Scheme or the Plan.

## Investment Application

If your employer has chosen the Law Retirement KiwiSaver Scheme, you may be admitted to the Scheme without completing an application form. However, it is recommended that you complete an application form.

## Application Form

For guidance on Portfolio selection please refer to the Section “What returns will I get?” and “What Investment Portfolios are available?”. Complete the application form contained within this Investment Statement.

- ◆ If signed under Power of Attorney, the Attorney must certify that he/she has not received notice of revocation of the Power.
- ◆ An application may be made in the name of one person only.
- ◆ Applications made by anyone other than the investor named on the application form must be accompanied by a completed Appointment of Official Representative Form.

## Investing for another person under Power of Attorney

Identification of the person in whose name the investment is being made is as specified for the personal investors above. In addition, copies of each of the following documents are required: Power of Attorney, Certificate of Non-revocation and a photocopy of the Attorneys passport, or New Zealand driver's licence. This needs to be certified with an original signature by a Diversified approved financial advisor, solicitor or Justice of the Peace.

## Minors

Identification of the person in whose name the investment is being made is as specified for personal investors above.

If you are investing in the Law Retirement KiwiSaver Scheme and you are under the age of 16, all parents or guardians will need to sign the application form. If you are 16 or 17, at least one parent or guardian will need to sign the application form. Please attach a copy of your birth certificate.





Investment Statement Dated 16 February 2011

Please mail this application form, together with your cheque (if applicable and payable to: "The Law Retirement KiwiSaver") and enclose any other relevant documentation to:

The Law Retirement KiwiSaver Scheme, C/- Aon New Zealand Limited, PO Box 3167, Shortland Street, Auckland 1140.

## My Investor Details

Do you already have an investment with the Law Retirement Plan:  Yes  No Investor Number:

Name:

Date of Birth:  /  /  Gender: Male / Female (please circle)

IRD Number:  /  /  PIR Rate: 10.5% / 17.5% / 28% (please circle one)

Postal Address:

Email:  Fax:

Telephone:  Mobile:

## My Primary Employer Details

Company Name:

Elected contributions rate: Circle one – 2% or 4% or 8% (as a percentage of gross wages or salary)

Postal Address:

Telephone:  Employers IRD Number:  /  /

Payroll Clerk:

## My Secondary Employer Details

Company Name:

Elected contributions rate: Circle one – 2% or 4% or 8% (as a percentage of gross wages or salary)

Postal Address:

Telephone:  Employers IRD Number:  /  /

Payroll Clerk:

## My Investment Allocation Details

### Allocation of regular contributions

### Single one-off lump sum contribution

Balanced Fund:  Please tick one to  
Dynamic Fund:  select Portfolio

\$   
\$

If no Portfolio is selected, your contributions will automatically be invested in the Balanced Portfolio.

Direct Deposit payment details, Bank Account: Law Retirement Plan-KiwiSaver, Account Number: 01-0505-0278171-00  
(Please put your name as a reference)

## Direct Debit Investment

I/We wish to invest: \$

per:

Commencing:  /  /

Frequency (choose from monthly, quarterly, six-monthly, or annually).

Complete the direct debit form included in this Investment Statement.

## Investor Information

### Identity Verification

The Financial Transactions Reporting Act 1996 requires deposit takers to verify the identity of all new investors. Please provide a true copy of either your passport or drivers licence for identification.

### Under 18 Year Olds

Parent/Guardian: If you are under the age of 16, all parents and guardians will need to sign this form and supply their identification as above. If you are 16 or 17, at least one parent or guardian will need to sign this form. Please attach a true copy of your birth certificate.

Parent  Guardian  Parent/Guardian's Name: \_\_\_\_\_

Parent/Guardian's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Parent  Guardian  Parent/Guardian's Name: \_\_\_\_\_

Parent/Guardian's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Advisor Stamp

### Declaration

I have read the attached Investment Statement, in which this application form was contained, setting out a summary of my rights, obligations and benefits as contained in the Law Retirement Trust Deed.

I have read the Terms & Conditions stated in the attached Investment Statement, in which this application form was contained.

I agree to be bound by the provisions of the Trust Deed and hereby apply to become a member of The Law Retirement KiwiSaver Scheme.

If signed under Power of Attorney, the attorney hereby certifies that he/she has not received notice of revocation of that power.

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

### Instructions Authorisation

Email/facsimile—I authorise The Law Retirement KiwiSaver Scheme administrator or any other company related to The Law Retirement KiwiSaver Scheme to provide information regarding my investments via email or facsimile and to act on instructions regarding my investments received via email, facsimile or via the secure login on the Administrators website. The email address and/or facsimile number that The Law Retirement KiwiSaver Scheme may provide information to and act on instructions from are as detailed in this application form (or as otherwise notified to The Law Retirement KiwiSaver Scheme in writing from time to time).

Liability Limitation and Indemnity—I acknowledge that The Law Retirement KiwiSaver Scheme does not accept any responsibility or liability whatsoever for any damage, costs, expenses, losses or liabilities incurred by any person as a result of The Law Retirement KiwiSaver Scheme administrator acting on any instructions from an authorised signatory or an authorised email address or facsimile number. I agree to indemnify in all respects and hold harmless The Law Retirement KiwiSaver Scheme against damage, costs, expenses, losses or liabilities which may arise by reason of The Law Retirement KiwiSaver Scheme accepting or acting on instructions from an authorised signatory or, an authorised email address or facsimile numbers.

# The Law Retirement Plan Application Form

Investment Statement Dated 16 February 2011



Please mail this application form, together with your cheque (if applicable and payable to: "The Law Retirement Plan") and enclose any other relevant documentation to:

The Law Retirement Plan, C/- Aon New Zealand Limited, PO Box 3167, Shortland Street, Auckland 1140.

## My Investor Details

Do you already have an investment with the Law Retirement KiwiSaver Scheme:

Yes

No

Investor Number:

Name:

Date of Birth:

Gender: Male / Female (please circle)

IRD Number:

PIR Rate: 10.5% / 17.5% / 28% (please circle one)

Postal Address:

Email:

Telephone:

Mobile:

Fax:

## My Primary Employer Details

Company Name:

Postal Address:

Telephone:

Payroll Clerk:

## My Secondary Employer Details

Company Name:

Postal Address:

Telephone:

Payroll Clerk:

## My Investment Allocation Details

### Allocation of regular contributions

Balanced Fund:

Please tick one to  
select Portfolio

Dynamic Fund:

### Single one-off lump sum contribution

\$

\$

If no Portfolio is selected, your contributions they will automatically be invested in the Balanced Portfolio.

Direct Deposit payment details, Bank Account: Law Retirement Plan-KiwiSaver, Account Number: 01-0505-0278171-00  
(Please put your name as a reference)

## Direct Debit Investment

I/We wish to invest:

per:

Commencing:

Frequency (choose from monthly,  
quarterly, six monthly, or annually.

Complete the direct debit form included in this Investment Statement.

## Investor Information

### Identity Verification

The Financial Transactions Reporting Act 1996 requires deposit takers to verify the identity of all new investors. Please provide a true copy of either your passport or drivers licence for identification.

Please tick one:  Passport  Drivers licence

### Declaration

I have read the attached Investment Statement, in which this application form was contained, setting out a summary of my rights, obligations and benefits as contained in the Law Retirement Trust Deed.

I have read the Terms & Conditions stated in the attached Investment Statement, in which this application form was contained.

I agree to be bound by the provisions of the Trust Deed and hereby apply to become a member of The Law Retirement Plan.

If signed under Power of Attorney, the attorney hereby certifies that he/she has not received notice of revocation of that power.

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

### Instructions Authorisation

Email/facsimile—I authorise The Law Retirement Plan administrator or any other company related to The Law Retirement Plan to provide information regarding my investments via email or facsimile and to act on instructions regarding my investments received via email, facsimile or via the secure login on the Administrators website. The email address and/or facsimile number that The Law Retirement Plan may provide information to and act on instructions from are as detailed in this application form (or as otherwise notified to The Law Retirement Plan in writing from time to time).

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

Advisor Stamp



## **Conditions of this Authority to accept Direct Debits**

### **1. The Initiator**

- a. Undertakes to give notice to the customer of the commencement date, frequency and amount at least 10 calendar days before the first Direct Debit is drawn (but no more than 2 calendar months). This notice will be provided either:
  - i. In writing; or
  - ii. By electronic mail where the Customer has provided prior written consent to the initiator.
- b. Where the Direct Debit system is used for the collection of payments which are regular as to frequency, but variable as to amounts, the initiator undertakes to provide the Customer with a schedule detailing each payment amount and each payment date.

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

  - i. In writing; or
  - ii. by electronic mail where the Customer has provided prior written consent to the Initiator.
- c. May, upon receiving an "authority transfer form" (dated after the day of the authority) signed by me/us and addressed to a bank to which I/we have transferred my/our bank account, initiate Direct Debits in reliance of that transfer form and this Authority for the account identified in the authority transfer form.

Or

- a. Will not initiate a Direct Debit on my/our account unless authorisation is received from me/us in accordance with the terms and conditions agreed between me/us and the Initiator of each amount to be debited from my/our account.
  - b. Has agreed to send notice of the net amount of each Direct Debit and the due date of debiting after receiving authorisation from me/us under clause (a) but no later than the date the Direct Debit will be initiated. This notice must be provided either:
    - i. In writing; or
    - ii. By electronic mail where the Customer has provided prior written consent to the Initiator.

The notice will include the following message: "The amount \$..... was direct debited to your bank account on (initiating date)."
  - c. May, upon the relationship which gave rise to this Authority being terminated, give notice to the Bank that no further Direct Debits are to be initiated under the Authority. Upon receipt of such notice the Bank may terminate this Authority as to future payments by notice in writing to me/us.
- ### **2. The 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 to the Initiator by giving written notice of termination to the Bank prior to the Direct Debit being paid by the Bank.
  - c. Where a variation to the amount agreed between the Initiator and the Customer from time to time to be direct debited has been made without notice being given in terms of clause 1(a) above, request the Bank to reverse or alter any such Direct Debit initiated by the Initiator by debiting the amount of the reversal or alteration of a Direct Debit back to the Initiator through the Initiator's Bank PROVIDED such request is made not more than 120 days from the date when the Direct Debit was debited to my/our account.
- ### **3. The Customer acknowledges that:**
- a. This Authority will remain in full force and effect in respect of all Direct Debits passed to my/our account in good faith notwithstanding my/our death, bankruptcy or other revocation of the Authority until actual notice of such event is received by the Bank.
  - b. In any event this Authority is subject to any arrangement now or hereafter existing between me/us and the Bank in relation to my/our account.
  - c. Any dispute as to the correctness or validity of an amount debited to my/our account shall not be the concern of the bank except in so far as the Direct Debit has not been paid in accordance with this Authority. Any other dispute lie between me/us and the Initiator.
  - d. Where the Bank has used reasonable care and skill in acting in accordance with the Authority, the Bank accepts no responsibility or liability in respect of:
    - i. The accuracy of information about Direct Debits on bank statements; or
    - ii. Any variations between notices given by the Initiator and the amounts of Direct Debits.
  - e. The Bank is not responsible for, or under any liability in respect of, the Initiator's failure to give written advance notice correctly nor for the non-receipt or late receipt of notice by me/us for any reason whatsoever. In such situation the dispute lies between me/us and the Initiator.
  - f. Notice given by the Initiator in terms of clause 1(a) to the debtor responsible for the payment shall be effective. Any communication necessary because the debtor responsible for the payment is a person other than me/us is a matter between me/us and the debtor concerned.
- ### **4. The bank may:**
- a. In its absolute discretion, conclusively determine the order of priority payment by it of any moneys pursuant to this or any other authority, cheque or draft properly executed by me/us and given to or drawn on the Bank.
  - b. At the time terminate this authority as to future payments by notice in writing to me/us.
  - c. Charge its current fees for this service in force from time to time.
  - d. Upon receipt of an "authority to transfer form" signed by me/us from a bank to which my/our account has been transferred, transfer to that bank this Authority to Accept Direct Debits.

## Contacts:

### For General Information:

#### **Legal and Professional Investment Services Limited**

Level 14  
36 Kitchener Street  
PO Box 1130  
Auckland 1140

Phone: 0800 44 55 86  
Fax: 09 358 0945  
Email: [admin@lawretirement.co.nz](mailto:admin@lawretirement.co.nz)

### To contact the Investment Advisor:

#### ***Diversified* Investment Strategies Limited**

Level 14  
36 Kitchener Street  
PO Box 105 142  
Auckland 1143

Phone 0800 55 88 11  
Website: [www.diversified.co.nz](http://www.diversified.co.nz)

### For Applications:

#### **The Law Retirement KiwiSaver Scheme or The Law Retirement Plan**

PO Box 3167  
Auckland 1140  
Website: [www.lawretirement.co.nz](http://www.lawretirement.co.nz)



## **Legal and Professional Investment Services Limited**

Level 14,  
36 Kitchener Street  
PO Box 1130  
Auckland 1140

Phone: 0800 44 55 86  
Fax: 09 366 7381  
Email: [kiwisaver@diversified.co.nz](mailto:kiwisaver@diversified.co.nz)