

SIL KiwiSaver Scheme

Investment Statement – Supplement dated 1 July 2011

This Supplement has been developed to reflect the changes to KiwiSaver announced by the Government in Budget 2011 and is a general summary only of these changes based on the current position as at the date of this Supplement.

In Budget 2011, the Government announced some changes to KiwiSaver due to take place over the coming months and years. These changes are not yet reflected in this Investment Statement, but are described below for your information. It is important that you read this Supplement when you are reading the SIL KiwiSaver Scheme Investment Statement dated 8 November 2010, so you understand which features have changed.

What has changed?

The following table sets out the features of KiwiSaver that are changing, together with the timing and the appropriate reference page in this Investment Statement.

	Current	Change	Effective date of change
Member Tax Credit Page 13	Contributions made by eligible members* are matched on a dollar for dollar basis by the Government in the form of a Member Tax Credit (MTC) of up to \$1,042.86 per year (or approximately \$20 per week)	<ul style="list-style-type: none"> For every dollar contributed by the member, eligible members will receive a MTC of 50c – up to a maximum of \$521.43 per year (half the current maximum MTC) To receive the maximum MTC of \$521.43, members still need to contribute \$1,042.86 per year 	Year commencing 1 July 2011 NB: As the MTC is paid annually in arrears, the new amount (for the year 1 July 2011–30 June 2012) will be paid <i>after</i> 30 June 2012
Tax on Employer contributions Page 13	Employer contributions* are exempt from Employer Superannuation Contribution Tax (ESCT), up to a maximum of 2% of the employee's gross salary or wages	<ul style="list-style-type: none"> The tax-free status of employer contributions up to 2% will be removed Employer contributions will be taxed (ESCT) at the employee's marginal tax rate The remaining net amount will be paid to the member's KiwiSaver account 	From 1 April 2012
Employee contributions† Page 11	Employees are required to make minimum contributions of 2% of their gross salary or wages	<ul style="list-style-type: none"> The minimum employee contribution rate is proposed to rise from 2% to 3% 3% is also proposed to become the new default rate 	Proposed from 1 April 2013
Employer contributions† Page 11	Employers make matching contributions for eligible employees* of 2% of their gross salary or wages	<ul style="list-style-type: none"> The minimum employer contribution rate is proposed to rise from 2% to 3% 	Proposed from 1 April 2013

* Certain criteria apply and not all members will qualify.

† As at 1 July 2011, the proposed changes to the minimum employee and employer contribution rates have not yet been passed into law by the Government.

What do the changes mean for me?

KiwiSaver remains a sound and convenient way to save for retirement, and there are still many strong incentives to join and make ongoing contributions to KiwiSaver.

Visit www.sorted.org.nz to calculate what the changes mean to your KiwiSaver savings, or talk to your financial adviser.

What isn't changing...

- Members joining KiwiSaver for the first time still receive the \$1,000 Government kick-start contribution (see '£1,000 Government kick-start', page 12)
- You can still choose to increase your contribution rate to 4% or 8% (see 'Alteration of contributions', page 13)
- The eligibility criteria for a contributions holiday remain unchanged (see 'Contributions holiday', page 13)
- The first home subsidy and first home withdrawal provisions remain unchanged (see 'Early withdrawal for purchasing your first home', page 16)
- The SIL KiwiSaver Scheme is managed by the OnePath investment management team in the same way as before. OnePath (NZ) Limited currently holds both the FundSource and Morningstar industry awards for KiwiSaver scheme/fund manager of the year 2010.

¹ The Awards were announced on 19 November 2010 by FundSource, the investment strategy and research company. This award should not be read as a recommendation by FundSource. For further advice on the relevance of this award to your personal situation, consult your financial adviser or visit www.fundsource.co.nz

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This Supplement is for information purposes only. Its content is intended to be of a general nature, does not take into account your financial situation or goals, and is not a personalised financial adviser service under the Financial Advisers Act 2008. It is recommended you seek advice from a financial adviser, which takes into account your individual circumstances before you acquire a financial product. If you wish to consult a financial adviser, please contact us on 0800 737 575 for the details of an external financial adviser/s closest to you.

Superannuation Investments Limited ("SIL") is the Trustee and Issuer and OnePath (NZ) Limited ("OnePath") is the Promoter and Administration and Investment Manager of the SIL KiwiSaver Scheme. An investment into the SIL KiwiSaver Scheme does not represent deposits or liabilities of ANZ National Bank Limited ("ANZNB"). Units are subject to investment risk, including possible delays in repayment and loss of income and principal invested. No entity* guarantees (either partially or fully) the capital value or performance of any products issued or managed by OnePath, including the SIL KiwiSaver Scheme.

* This includes OnePath, ANZNB, Australia and New Zealand Banking Group Limited, SIL, any member of their respective groups of companies, their respective directors and any other person.



SIL KiwiSaver Scheme

Important Information

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

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

Choosing an Investment

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

What sort of investment is this?	10
Who is involved in providing it for me?	10
How much do I pay?	11
What are the charges?	14
What returns will I get?	16
What are my risks?	20

Can the investment be altered?	22
How do I cash in my investment?	23
Who do I contact with inquiries about my investment?	23
Is there anyone to whom I can complain if I have problems with the investment?	23
What other information can I obtain about this investment?	23
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 Investment Statement applies to investors who join the SIL KiwiSaver Scheme¹ in an individual capacity including individuals employed by 'selecting employers'. Selecting employers are employers that have selected SIL KiwiSaver as the KiwiSaver scheme that their employees will join if those employees do not choose their own KiwiSaver scheme. Selecting employers do not include employers who have customised the SIL KiwiSaver Scheme for their employees.

Important Information

Superannuation Investments Limited ("SIL") is the Trustee and Issuer of the SIL KiwiSaver Scheme. OnePath (NZ) Limited ("OnePath") is the Promoter and Administration and Investment Manager of the SIL KiwiSaver Scheme.

An investment into the SIL KiwiSaver Scheme does not represent deposits or liabilities of ANZ National Bank Limited ("ANZNB"). Units are subject to investment risk, including possible delays in repayment and loss of income and principal invested.

No entity* guarantees (either partially or fully) the capital value or performance of any products issued or managed by OnePath, including the SIL KiwiSaver Scheme.

* Please note, this includes OnePath, OnePath Holdings (NZ) Limited, ANZNB, Australia and New Zealand Banking Group Limited, SIL, their respective directors, any member of their respective groups of companies and any other person.

OnePath (NZ) Limited changed its name from ING (NZ) Limited with effect from 8 November 2010.

For the purposes of the Securities Act 1978, this Investment Statement is prepared at 8 November 2010.

¹ The term 'SIL KiwiSaver' may be used in this Investment Statement as an abbreviation for 'the SIL KiwiSaver Scheme' and readers should view those terms interchangeably.

A quick summary of this Investment Statement to help you understand the SIL KiwiSaver Scheme

What is an Investment Statement?

An Investment Statement is a document that is legally required under the Securities Act 1978 for most securities offered to the public. Investment Statements outline the nature of the product, and provide details on how to invest and what to expect from the investment. If you decide to become a member of the SIL KiwiSaver Scheme ("SIL KiwiSaver") then you need to read this Investment Statement before you complete and sign the Application Form.

Why do I need to read it?

It is important that you understand the investment that you are making and how it will operate. This Investment Statement provides you with information about SIL KiwiSaver, including what we are required to tell you under the Securities Act 1978. If there is something that you don't understand, then please seek advice before investing.

What is KiwiSaver?

KiwiSaver is a voluntary, long-term retirement savings scheme, which aims to encourage the savings habits of New Zealanders, helping them to save for their retirement.

You can choose to contribute 2%, 4% or 8% of your gross salary or wages, which your employer will then pass to Inland Revenue for investment in your chosen KiwiSaver scheme.

When can I withdraw my savings?

You are unable to withdraw your KiwiSaver savings until you reach the New Zealand Superannuation qualification age (currently 65). If you join KiwiSaver after your 60th birthday, you are unable to withdraw your KiwiSaver savings until you have been a member of a KiwiSaver scheme and/or a complying superannuation fund for five years, (whichever is later).

In limited circumstances the Trustee may consent to an early withdrawal, for example if you're buying your first home or suffering from a serious illness. See *What returns will I get?* on page 16 for further details on early withdrawal criteria.

Why should I join?

KiwiSaver is a great way to assist you with your retirement goals. It has been designed specifically to help you save for retirement with many benefits on offer.

These benefits make KiwiSaver a unique investment opportunity – over 1.5 million* New Zealanders have now joined.

* Inland Revenue, August 2010

What are the benefits?

\$1,000 Government kick-start

The Government will kick-start your savings with a one-off tax-free contribution of \$1,000 shortly after you first join KiwiSaver.

Member tax credits

Each year the Government will pay a contribution that matches yours directly to your KiwiSaver scheme up to a maximum of \$1042.86 a year* (approximately \$20 a week) (see the summary of benefits below and *How much do I pay?* on page 11).

Employer contributions

If you are contributing to a KiwiSaver scheme from your salary or wages, your employer is generally required to contribute at least 2% of your gross salary or wages towards your KiwiSaver savings* (see *How much do I pay?* on page 11). Employers may choose to voluntarily make additional contributions for the benefit of an employee. Talk to your employer to find out if this applies to you.

KiwiSaver for children

Children can also join KiwiSaver. KiwiSaver is a great way to get your children into a healthy habit of saving when they are young.

Money towards your first home

After three years of being a member in a KiwiSaver scheme, you may be eligible:

- to withdraw your KiwiSaver contributions (excluding the Government kick-start and member tax credits) to put towards buying your first home.
- for a first home deposit subsidy of \$1,000 per year of saving (up to \$5,000 in total). This subsidy is available through Housing New Zealand Corporation.

Both of these options are also available to second-chance home buyers who meet the criteria set by Housing New Zealand Corporation. See the *Early withdrawal for purchasing your first home* section on page 16 for further details on eligibility criteria.

If you intend to use your KiwiSaver funds to help you buy your first home in the near future, we recommend you seek professional investment advice to assist you to select the most appropriate investment fund for your needs.

KiwiSaver offers real benefits for you

Summary of benefits*

Benefit	Employees aged 18 or over	Self Employed aged 18 or over	Minors (aged under 18)	Not working and aged 18 or over
\$1,000 Government kick-start	√	√	√	√
Member tax credits	√	√	–	√
2% compulsory employer contributions	√	–	–	–
First home deposit subsidy	√	√	–	√

* Certain criteria apply, and not all members will qualify. These benefits may change in the future – see the section headed *Law changes* on page 22.

Superannuation transfers to and from Australia

The New Zealand and Australian Governments propose to allow New Zealanders:

- with superannuation savings in Australia to transfer these funds to their KiwiSaver scheme; and
- with KiwiSaver savings in New Zealand to transfer these funds to Australia,

if they move there permanently (subject to certain conditions). New Zealand has enacted legislation which will come into force at the same time as the relevant Australian legislation.

This is expected to be finalised in early 2011. If you are interested in this option when it becomes available, please speak to your financial adviser for more information (including any tax implications) in relation to this transfer.

Further information can also be obtained by calling OnePath Client Services on 0800 737 575.

Your SIL KiwiSaver Scheme solution

Whether you are an employee, own your own business or are bringing up a family, who you entrust your retirement nest egg with is an important consideration in achieving the retirement lifestyle you have in mind.

Here are five very good reasons to choose SIL KiwiSaver:

The choice is yours

SIL KiwiSaver offers one of the largest ranges of investment options available. With five multi-sector and eight single-sector funds, including a Sustainable Growth Fund, you can tailor your retirement investment to suit your personal situation and investment goals.

All of SIL KiwiSaver's investment options are outlined on pages 6 to 9.

Lifetimes option

Deciding which fund to invest in is not always easy. To help with this, SIL KiwiSaver also offers the Lifetimes option – a programme that transitions you through the various multi-sector funds when you reach pre-determined age milestones.

Experience counts

Retirement saving is about the long term and we will be with you every step of the way. Established in 1959, SIL Mutual Fund (SIL) is New Zealand's longest-standing personal superannuation fund and has a proven track record in helping investors build their retirement savings.

Investment management

OnePath is the largest fund manager (by funds under management) in the retail sector.*

One of the largest KiwiSaver providers

OnePath is committed to KiwiSaver. OnePath is currently one of six Government appointed KiwiSaver default providers and currently administers more funds under management for KiwiSaver schemes than any other provider.*

In addition, we have been named Morningstar Fund Manager of the Year more times than any other organisation in New Zealand* as at the date of this Investment Statement.

* FundSource Retail Managed Funds Trends & Market Composition Report, June 2010.

SIL KiwiSaver Scheme's investment options

SIL KiwiSaver consists of 13 funds (the "funds"). Five are multi-sector funds, each with a different risk/return profile to suit selected investment objectives and time frames. The other eight funds invest in specific asset classes, which allow you to tailor your own investment portfolio. These funds are outlined in detail on pages 6 to 9.

We recommend you seek professional financial advice in order to select the fund(s) best suited to your investment objectives, risk profile and time frame. If you do not have a financial adviser, please contact us on 0800 737 575 and we will provide you with contact details for a financial adviser in your area.

The SIL KiwiSaver Scheme provides a range of investment solutions for New Zealanders

We're all at different stages of life with different risk profiles and specific needs.

Key Investment Principles

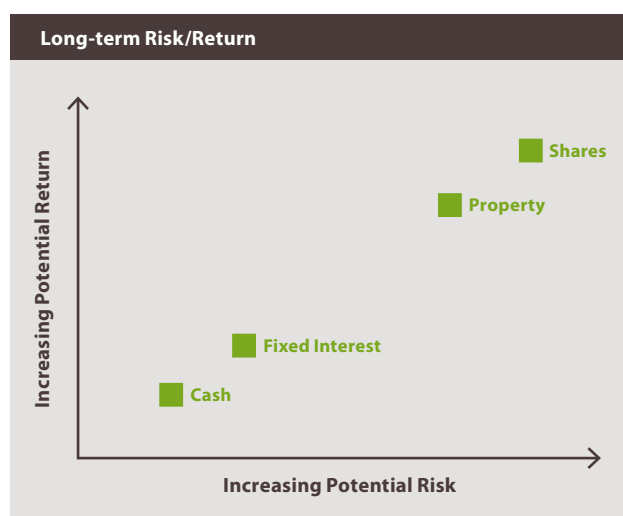
Understanding risk

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

All investments have some degree of risk associated with them and risk can take many forms (see page 20 for a more detailed explanation of risks involved with investing in the funds).

There is typically a direct relationship between risk and potential return. Generally, the greater the risk, the greater the potential return and the lower the risk, the lower the potential return over the long term. In addition, the higher the degree of risk an investment carries, the more its value may fluctuate. These fluctuations are known as volatility.

Investment assets normally fall into two primary categories. 'Income' assets mean cash and fixed interest investments that provide a return from an interest payment and the repayment of principal at some future date. As market interest rates change the value of fixed interest rate investments fluctuates. 'Growth' assets include shares and property. Growth assets provide a return from any capital growth and dividends. Each of the multi-sector funds provides access to differing mixes of income and growth assets.



This diagram is for illustrative purposes only. References to property include listed property.

A financial adviser can help you choose the fund that is right for your needs.

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

The fund or funds you choose should reflect your investment objectives, risk profile and investment time frame. Returns and the value of your investment in SIL KiwiSaver are not guaranteed.

KiwiSaver allows you to make regular investments and to build your investment portfolio gradually

Investing regularly helps to spread the cost of your investments over time in varying market conditions. For this approach to work effectively, you need to invest regularly over a period of time to balance the ups and downs of investing. This approach can help you build an investment portfolio gradually.

Time, not timing

Another way to potentially reduce risk and improve potential gains is to increase the length of time you remain invested in the market, which tends to balance out fluctuations in investment returns.

That means staying invested – regardless of volatility. And remember, there's no guarantee that this year's best-performing investment is going to be next year's.

Compounding returns

Any investment earnings you receive on your savings increase the value of your investment. This then gives you the opportunity to earn returns on any returns you have already earned. This is commonly known as compounding returns.

Diversify your investments

Diversifying your investments means holding more than one asset or type of asset, thereby reducing some of the risks inherent in investing. By diversifying your assets, you effectively spread your risks, because if one asset goes down in value, another asset may increase in value.

You'll find more information on each of the investment funds and the mix of assets within those funds on pages 6 to 9. If you're not sure which fund or funds suit you best, take the quick 'Investor Profile Quiz' on our website onepath.co.nz, or consider the Lifetimes option on page 5 or speak to your financial adviser.

The Lifetimes option

The basis of the Lifetimes option is that younger investors are able to tolerate higher levels of risk in exchange for higher expected average returns. This is the result of their having a relatively long investment time frame, which tends to balance out fluctuations in investment returns over a period of time.

On the other hand, investors who are closer to retirement are likely to have a lower risk tolerance as there is less time to recoup any investment losses that may occur. This is the result of having a relatively short investment time frame. A general principle of investing is that the longer your investment time frame, the more risk you may be willing to accept.

How does Lifetimes work?

The Lifetimes option adjusts an investor's levels of growth and income assets based on his or her specific length of time to the standard New Zealand Superannuation qualification age (currently 65).

By selecting the Lifetimes option on the Application Form, you will automatically transition through the various funds when you reach the pre-determined age milestones. For example, within a month of your 46th birthday, your investment will be switched from the Balanced Growth Fund to the Balanced Fund. You can opt in or out of the Lifetimes option at any time by completing a switch form.

Age	Portfolio
0 – 35	SIL Growth Fund
36 – 45	SIL Balanced Growth Fund
46 – 55	SIL Balanced Fund
56 – 60	SIL Conservative Balanced Fund
61 – 64	SIL Conservative Fund
65+	SIL Cash Fund


The Lifetimes option has been designed on a general basis; it does not constitute financial advice and does not take into account your individual circumstances or needs. All investments in the funds involve risk which may result in the loss of money invested. We recommend you seek professional financial advice.

Please refer to the *Taxation* section on page 18 for an explanation of the tax implications applicable when switching funds.


From time to time, the age ranges applying to the various funds included in the Lifetimes option may change, and funds relating to certain age bands may be added or deleted. If such changes are made, we will communicate these to members who have selected the Lifetimes option.




SIL KiwiSaver Scheme multi-sector funds

A description of each fund and its benchmark allocation to each asset class is set out below. The benchmark is each fund's long term target allocation to each asset class. The actual asset allocations will vary from the benchmarks due to market movements, or the Manager varying the allocations away from each benchmark at times with the aim of managing risk, increasing potential returns or managing cashflow requirements. Changes from each benchmark allocation may potentially be significant in certain market conditions but are restricted by ranges above and below each benchmark. The benchmarks and the ranges may vary from time to time as agreed between the Trustee and the Manager. You may request a copy of the benchmarks, ranges and the actual asset class allocations of each of the funds, at any time by calling OnePath Client Services on 0800 737 575, by emailing service@onepath.co.nz or by visiting our website onepath.co.nz

SIL Conservative Fund		
Investment strategy	The fund invests principally in cash and fixed interest investments, with a lesser exposure to growth assets such as shares and property.	<div>Benchmark Investment Portfolio</div> <div></div> <div><div><div><div>● Shares</div><div>17%</div></div><div><div>● Listed property</div><div>3%</div></div><div><div>● Fixed interest</div><div>60%</div></div><div><div>● Cash</div><div>20%</div></div></div></div>

If you are allocated to SIL KiwiSaver because it is your employer's preferred scheme and you do not actively select a different fund, your contributions will be allocated to the SIL Conservative Fund.

SIL Conservative Balanced Fund										
Investment strategy	<p>The fund invests principally in cash and fixed interest, with a moderate exposure to growth assets such as shares and property.</p>	<div><div>Benchmark Investment Portfolio</div><div><table><tr><td>● Shares</td><td>29%</td></tr><tr><td>● Listed property</td><td>6%</td></tr><tr><td>● Fixed interest</td><td>50%</td></tr><tr><td>● Cash</td><td>15%</td></tr></table></div></div>	● Shares	29%	● Listed property	6%	● Fixed interest	50%	● Cash	15%
● Shares	29%									
● Listed property	6%									
● Fixed interest	50%									
● Cash	15%									

SIL Balanced Fund		
Investment strategy	The fund invests principally in shares and fixed interest with a lesser exposure to listed property and cash.	<div>Benchmark Investment Portfolio</div> <div></div> <div><div>● Shares42%</div><div>● Listed property8%</div><div>● Fixed interest40%</div><div>● Cash10%</div></div>
SIL Balanced Growth Fund		
Investment strategy	The fund invests principally in growth assets such as shares and listed property, with a moderate exposure to cash and fixed interest.	<div>Benchmark Investment Portfolio</div> <div></div> <div><div>● Shares55%</div><div>● Listed property10%</div><div>● Fixed interest29%</div><div>● Cash6%</div></div>
SIL Growth Fund		
Investment strategy	The fund invests principally in growth assets such as shares and listed property, with a lesser exposure to cash and fixed interest.	<div>Benchmark Investment Portfolio</div> <div></div> <div><div>● Shares68%</div><div>● Listed property12%</div><div>● Fixed interest16%</div><div>● Cash4%</div></div>

SIL KiwiSaver Scheme single-sector funds

Please refer to the long-term risk/return graph on page 4 for an overview of each fund's expected risk profile.

SIL Cash Fund

Investment Strategy

The fund invests in one or more interest-bearing bank deposits with a New Zealand registered bank. As at the date of this Investment Statement, the Cash Fund invests solely with ANZ National Bank Limited.

SIL New Zealand Fixed Interest Fund

Investment Strategy

The fund invests principally in an actively managed portfolio of New Zealand fixed interest securities. The fund may also invest in debt securities issued in New Zealand by international companies, international fixed interest securities (fully hedged back to the New Zealand dollar), cash and derivatives.

SIL International Fixed Interest Fund

Investment Strategy

The fund provides exposure principally to international fixed interest markets, as well as New Zealand cash, short term securities, floating rate notes and derivatives.

SIL Australasian Property Fund

Investment Strategy

The fund invests principally in an actively managed portfolio of listed New Zealand and Australian property and property related securities. Investments may include convertible securities, derivatives and cash.

SIL International Property Fund

Investment Strategy

The fund invests principally in an actively managed portfolio of international property and property-related listed securities. Investments may include convertible securities, derivatives and cash.

SIL Australasian Share Fund

Investment Strategy

The fund invests principally in an actively managed portfolio of New Zealand and Australian listed securities. Investments may include convertible securities, derivatives and cash.

SIL International Share Fund

Investment Strategy

The fund invests principally in an actively managed portfolio of securities listed on major American, UK, European, Japanese and emerging country sharemarkets. Investments may include convertible securities, derivatives and cash.

OnePath has appointed a combination of international managers to achieve diversification of investment strategies and management styles consistent with OnePath's active management approach.

SIL Sustainable Growth Fund

Investment Strategy

The fund invests principally into a diversified portfolio of shares and/or transferable securities issued by companies pursuing a sustainable development policy and combining respect for social principles (such as human rights, non-discrimination and the issue of child labour) and environmental principles with good financial prospects.

In order to invest funds in the most efficient manner for investors, OnePath may hold cash until there is a sufficient amount to invest.

Investments may include convertible securities, cash and derivatives.

No advice

The SIL KiwiSaver single sector funds give Members the ability to choose the allocation of their funds. OnePath does not give investment advice. Any advice regarding an investment in any of the funds should be sought from a financial adviser. You are responsible for making investment choices to suit your own risk profile and neither the Manager nor the Trustee can be responsible for the choices you make.

The funds generally invest, within the benchmark ranges on pages 6 and 7, by investing in other funds. However, the funds may also invest directly in the asset classes shown above.

Generic references to cash may include short term debt securities, term deposits and floating rate notes. Additional cash may be held within the underlying investment products for managing risk, to seek to increase potential returns or to manage cashflow requirements.

In addition to the asset classes described for each of the multi sector funds on pages 6 and 7, the funds may also invest in alternative assets, for example, investments in commodities, absolute return and private equity investment funds. However, as at the date of this Investment Statement, the funds do not invest in alternative assets. If in the future the funds do invest in alternative assets, this information will be available on our website onepath.co.nz

To the extent permitted by the governing trust documents, derivatives may be used by the funds and the funds may also borrow (please see the *What are my risks?* section for a definition of derivatives on page 20 and the Prospectus for more information about permitted borrowing). Other than having a short term overdraft facility, the Manager does not currently intend for the funds to borrow. Where the funds make indirect investments through investing in other investment products (including those managed by OnePath) the funds and their investors will be exposed to the investment management activities implemented by those investment products. For example, those investment products may have greater flexibility regarding the use of derivatives and borrowing than the funds themselves, and may enter into securities lending, repurchase and other transactions.

International fixed interest and international property assets are usually fully hedged back to New Zealand dollars to minimise the effects of currency fluctuations, although actual hedging levels may vary due to the changing values of the international assets and other factors. Hedging on international equity assets is predominantly actively managed, which means that active decisions are made as to whether to hedge currency exposures and, if so, to what extent. The objectives of active hedging are to manage risk and increase potential returns. However, passive or pre-determined hedging strategies may be employed for certain international equity assets. You may request further details of the hedging strategy by calling OnePath Client Services on 09 356 4000 or 0800 737 575.

What sort of investment is this?

The name of the scheme is the SIL KiwiSaver Scheme ("SIL KiwiSaver" or the "Scheme"). SIL KiwiSaver is a scheme into which you and others make investments for the purpose of saving for your retirement goals.

Under SIL KiwiSaver the amount of your investment, when you withdraw it, primarily depends on the amount of contributions made by you or on your behalf and the returns achieved over the period of investing. SIL KiwiSaver comprises 13 investment funds (the "funds") as well as a Lifetimes option.

SIL KiwiSaver is established under the same trust deed as SIL Mutual Fund. SIL Mutual Fund is a superannuation scheme registered under the Superannuation Schemes Act 1989.

Although SIL KiwiSaver and SIL Mutual Fund are established under the same trust deed and have the same Trustee, they are governed as two separate schemes. When you invest in SIL KiwiSaver, your investment dollars are 'pooled' with those of other SIL KiwiSaver members, and the investments of employers in respect of members, and used to buy a diversified range of investments selected by investment experts. Each member's interest in SIL KiwiSaver is represented by units, which are owned by the member.

SIL KiwiSaver is managed according to a set of rules contained in the Trust Deed, with the Trustee (Superannuation Investments Limited) overseeing its management and administration. To be eligible to join a KiwiSaver scheme, you must be under the New Zealand Superannuation qualification age (currently 65), be entitled to permanently reside in New Zealand and be living in New Zealand (subject to certain exceptions). The KiwiSaver Act 2006 sets out how people who have joined KiwiSaver, but are not eligible to do so, will be treated.

Who should invest?

SIL KiwiSaver is suitable for investors wishing to save for their retirement. As with all KiwiSaver schemes, access to your funds is generally restricted until the later of the date on which you reach New Zealand Superannuation qualification age (currently age 65) or the date on which you have been a member of a KiwiSaver scheme or a Complying Superannuation Fund ("CSF") for five years.

A CSF is a superannuation scheme that, while not a KiwiSaver scheme, has rules enabling an equivalent lock-in of benefits, and has been approved by the Government Actuary as a CSF.

SIL KiwiSaver 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.

Investment valuation

Unit prices for the funds are determined by adding the market value of the investments on each normal business day, with any accrued income, and deducting all liabilities and then dividing the total by the number of units on issue. The value of units principally fluctuates according to the changing values of the

assets in which the funds have invested and the income they earn. Unit prices are calculated excluding PIE tax attributable to investors. Refer to the *Taxation* section on page 18 for further information.

Who is involved in providing it for me?

The SIL KiwiSaver Scheme is a scheme registered under the KiwiSaver Act 2006 and was established by a deed executed in 2007 amending the trust deed of SIL Mutual Fund.

The Trustee

The Trustee for SIL KiwiSaver is Superannuation Investments Limited (the "Trustee"), which oversees OnePath's management and administration of SIL KiwiSaver. The Trustee does not guarantee your investment, but ensures it is managed in accordance with the Trust Deed, the Securities Act 1978 and the KiwiSaver Act 2006.

Contact details for the Trustee are:

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

Directors of the Trustee

The directors of the Trustee may be contacted care of Superannuation Investments Limited as above.

The Manager and Promoters

The Trustee has contracted OnePath (NZ) Limited ("OnePath") as the administration manager and investment manager of SIL KiwiSaver. OnePath is responsible for selecting and managing the assets held by SIL KiwiSaver, together with the overall administration and marketing of SIL KiwiSaver. OnePath may appoint specialist asset managers to manage specific assets of SIL KiwiSaver's investment funds. These managers may change from time to time without notice to investors. OnePath (NZ) Limited changed its name from ING (NZ) Limited with effect from 8 November 2010.

In this Investment Statement, all references to "OnePath", the "Manager", the "Promoter", "us", "we" or "our", refer to OnePath (NZ) Limited.

Contact details for the Manager:

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

Directors of the Manager and Promoters

The Manager and each of the directors of the Manager, who are also promoters of SIL KiwiSaver, may be contacted care of OnePath at the address above.

As at the date of this Investment Statement, the directors of the Manager are:

Philip Michael Smith (Chairman), Auckland
John Robert Body, Auckland
Steven Montgomery Fyfe, Wellington
Helen Therese Troup, Auckland

The directors of the Manager may change from time to time without notice to investors. A current list of the directors is available online at www.companies.govt.nz

None of the promoters, nor any other person, guarantees the performance or obligations of SIL KiwiSaver.

Environmental, social and governance considerations

Responsible investment, including environmental, social and governance considerations, is taken into account in the investment policies and procedures of SIL KiwiSaver 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 from the issuer, free of charge, upon request. The issuer of SIL KiwiSaver is the Trustee.

You can also obtain an explanation of the extent to which responsible investment is taken into account in the policies and procedures of SIL KiwiSaver on the Manager's website at onpath.co.nz and from the Manager, free of charge, on request.

Responsible investment is taken into account in the investment policies and procedures of SIL KiwiSaver only in respect of the SIL Sustainable Growth Fund, to the extent set out in the policies and procedures referred to above. As at the date of this Investment Statement, responsible investment considerations are not taken into account in respect of the other investment funds of SIL KiwiSaver.

How much do I pay?

Employee contributions

You can elect a base contribution rate of 2%, 4% or 8% of your gross salary or wages. If you do not elect a base contribution rate, this will default to 2%. This amount will be deducted from your after-tax salary or wages. For KiwiSaver schemes, your gross salary or wages for member contribution purposes generally comprises your salary or wages from your employment, including bonuses and overtime, as well as other benefits such as parental leave payments and ACC compensation (but not including fringe benefits). The exceptions are payments of exempt income, accommodation benefits, redundancy payments, overseas living and accommodation allowances or superannuation contributions made on your behalf by your employer. Your contributions will be deducted from your after-tax salary or wages by your employer and paid to Inland Revenue, who then pays them to SIL KiwiSaver.

You may split your contributions between more than one of the funds within SIL KiwiSaver, as indicated on the Application Form.

If you have been automatically allocated to SIL KiwiSaver through your employer and do not complete the Application Form, your contributions will be invested into the SIL Conservative Fund.

Note that contributions received by Inland Revenue during the three-month period after your first KiwiSaver contribution is received by Inland Revenue, will generally be passed on to SIL KiwiSaver as soon as practicable after the end of that three-month period. During that period, your contributions will be held by Inland Revenue in a tax-free interest-bearing holding account. In some cases, the three-month period may be extended until the amount contributed meets any minimum threshold amount agreed between Inland Revenue and OnePath.

Employer contributions

Subject to the KiwiSaver Act 2006, employers are required to make contributions to KiwiSaver schemes in respect of their contributing employees who:

- are members aged 18 or over; and
- have not reached the KiwiSaver end payment date (see *Withdrawals* on page 16); and
- are not defined benefit scheme members (as defined in the KiwiSaver Act 2006).

The compulsory employer contribution is generally required to be 2%* of an employee's gross salary or wages where an employee is contributing to KiwiSaver. This may change in the future if legislation changes. Salary or wages for this purpose excludes ACC compensation and publicly funded parental leave payments. Employers may also choose to voluntarily make additional contributions for the benefit of an employee, for further information see *Additional contributions* on page 12.

The compulsory employer contribution must be completely allocated to the employee immediately after it is made. Any compulsory employer contributions will be credited across the funds you have chosen in the same proportions as your contributions (where you have chosen two or more funds).

If you are a member of a CSF, you and your employer can agree to the allocation of the compulsory employer contribution between SIL KiwiSaver and your CSF. If you cannot agree, the compulsory employer contribution will be paid to SIL KiwiSaver up to the maximum amount required to meet compulsory employer contribution obligations. Any remainder will be paid to your CSF.

Employer contributions to an existing registered superannuation scheme on your behalf will count towards the compulsory employer contributions to KiwiSaver described above:

If the superannuation scheme was

- registered before 17 May 2007;
- If your employer provided access to eligible employees to the superannuation scheme before 17 May 2007;

* Certain criteria apply and not all members will qualify.

- If you:
 - were employed by the employer before 1 April 2008 and your employer makes, or agreed before 1 April 2008 to make or credit, the employer contributions to the superannuation scheme; or
 - are covered by a collective agreement that was in force before 17 May 2007 and expires after 1 April 2008 under which your employer is required to make or credit the contributions to the superannuation scheme; or
 - have had contributions paid or credited to the superannuation scheme by a previous employer; and
- To the extent that the superannuation scheme provides that employer contributions are completely allocated to you no more than five years after the contributions are paid.

Employer contributions or credits to existing registered superannuation schemes in respect of you will also count toward compulsory employer contributions to KiwiSaver in certain other limited circumstances prescribed in the KiwiSaver Act 2006.

Investors who are self employed

If you are self employed and earn a salary or wage from which PAYE is deducted at source, and you join a KiwiSaver scheme, KiwiSaver deductions will be deducted from your pay at a rate of 2%, 4% or 8%.

If you don't earn a salary or wage from which PAYE is deducted at source, contributions can be paid by any of the methods described under the *Additional contributions* section below.

Investors who are not employed

For investors who are not employed and who wish to take part in SIL KiwiSaver, contributions can still be made by any of the methods described under the *Additional contributions* section below.

If you are not employed (or your salary or wages are not subject to PAYE), you can join SIL KiwiSaver without making a contribution.

Additional contributions

You may also:

- contribute amounts other than those deducted from your salary or wages;
- make arrangements for other persons, including your employer, to make other contributions for your benefit.

All employer contributions to a KiwiSaver scheme for retirement benefits must be paid through Inland Revenue.

Other additional contributions may be paid:

- directly to SIL KiwiSaver: by completing and sending a Lump Sum Application Form (available from our website onpath.co.nz or by calling us) and a cheque made payable to "SIL KiwiSaver Scheme" to OnePath (NZ) Limited, Freepost 324, PO Box 7149, Wellesley Street, Auckland 1141.

- directly to SIL KiwiSaver by direct debit by completing and returning the Application Form and Direct Debit Form at the back of this Investment Statement to OnePath (NZ) Limited, Freepost 324, PO Box 7149, Wellesley Street, Auckland 1141; or
- to Inland Revenue by filling out the relevant deposit slip and making a payment at Inland Revenue's banker. Inland Revenue will need to be provided with certain information specified under the KiwiSaver Act 2006, such as your name, address, IRD number and/or any other information that Inland Revenue may require; or
- to Inland Revenue by an internet banking payment. Please contact Inland Revenue for details on how to make these payments.

Further details about making additional contributions are available from the Manager.

Transfers to SIL KiwiSaver Scheme

You may only be a member of one KiwiSaver scheme at a time. If you are currently a member of another KiwiSaver scheme, then by joining SIL KiwiSaver, you will be instigating the closure of your membership in your current scheme and initiating a transfer of your benefits to SIL KiwiSaver.

When received from your existing scheme, your transferred benefit will be invested into the investment option(s) you have selected, on the same basis that you have selected for ongoing contributions in your Application Form.

Transfers from an Australian complying superannuation scheme

You may be able to transfer your superannuation savings in an Australian complying superannuation scheme to SIL KiwiSaver if and when the legislation permitting such transfers comes into force. Please speak to your financial adviser for more information (including any taxation implications) in relation to this transfer. Further information can also be obtained by calling OnePath Client Services on 0800 737 575.

KiwiSaver incentives

\$1,000 Government kick-start

If, in joining this Scheme, it is the first time you have joined a KiwiSaver scheme, or if you were previously a member of a KiwiSaver Scheme but did not receive the \$1,000, the Government will make a contribution of \$1,000 to SIL KiwiSaver for your benefit. This may change in the future if legislation changes.

This Government contribution will be made approximately three months after your first contribution to SIL KiwiSaver.

If you have transferred from a CSF and you were a member of the CSF for more than three months, the Government contribution will be made as soon as practicable after the day on which Inland Revenue is given notice that you have transferred. The \$1,000 Government contribution will be credited across the funds you have chosen in the same proportions as your contributions (where you have chosen two or more funds).

Member tax credit

Member contributions to a KiwiSaver scheme are matched by a member tax credit of up to \$1,042.86 a year (approximately \$20 a week) on a dollar-for-dollar basis. This may change in the future if legislation changes. The member tax credit does not apply in respect of members:

- Under age 18; or
- who have reached their KiwiSaver end payment date (see *Withdrawals* on page 16); or
- Subject to certain limited exceptions, in respect of members who do not have their principal place of residence in New Zealand.

Any member tax credit will be paid on an annual basis into your account, and will be credited across the funds you have chosen in the same proportions as your contributions (where you have chosen two or more funds).

If your gross salary or wages is more than approximately \$52,000 you can contribute at the minimum 2% rate and receive the current maximum member tax credit (if eligible). If your gross salary or wages is less than this amount (or you don't receive salary or wages), you can still receive the maximum member tax credit by making voluntary contributions to your KiwiSaver account so that your contributions total \$1,042.86 each year. When you first join, your member tax credit entitlements will generally commence on the earlier of the date you become a member of the scheme and the first day of the month in which contributions are first deducted or first received by the Commissioner of Inland Revenue, and are calculated for the remaining year to 30 June on a proportional basis reflecting the number of days of entitlement in that year.

If it would be impracticable to pay any member tax credit to SIL KiwiSaver for crediting to your account, e.g. because you have withdrawn from SIL KiwiSaver without transferring to another KiwiSaver scheme or you have died or suffered serious illness as defined in the KiwiSaver Act 2006, the member tax credit will be paid directly to you by Inland Revenue. If you are transferring or have transferred from SIL KiwiSaver to another KiwiSaver scheme, we may request that any tax credit be paid to your new KiwiSaver scheme.

Alteration of contributions

You may choose between the available contribution rates (2%, 4% or 8%, of your gross salary or wages) by giving notice to your employer of the new rate.

You will continue to contribute at your chosen rate until:

- You elect to change your contribution rate (see options above); or
- You start new employment, in which case you will default to the 2% minimum rate unless you give your new employer a KiwiSaver deduction KS2 form choosing a 4% or 8% rate.

Your new rate will apply to the next payment of salary or wages that is calculated after your employer receives your instruction. Unless your employer agrees otherwise, you may only change your contribution rate at intervals no less than three months apart.

Contributions holiday

You are entitled to apply to Inland Revenue to cease making contributions to SIL KiwiSaver, i.e. take a contributions holiday, if:

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

If you apply for a contributions holiday on the grounds of financial hardship, the length of the contributions holiday will be three months (unless Inland Revenue agrees to a longer period). Any other contributions holiday can be for a period of between three months and five years. Inland Revenue will notify you before your contributions holiday ends and you may apply for a new contributions holiday.

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 wages.

This is subject to the proviso that no contributions holiday may be less than three months unless your employer agrees.

Further details about contributions holidays are available from OnePath.

Tax on employer contributions

Because SIL KiwiSaver is a KiwiSaver scheme, employer contributions for contributing employees aged 18 or over who have not reached the KiwiSaver end payment date are not subject to Employer's Superannuation Contribution Tax ("ESCT") (i.e. are payable tax free) up to a maximum, of 2% of your gross salary or wages.

For example, if your employer contributes 4% and you, the employee contribute 4% then half of your employer's contribution (i.e. 2% of an employee's gross salary or wages) is tax free, and the other half of your employer's contribution will be subject to ESCT.

The deduction and payment of ESCT is the responsibility of your employer.

Tax on KiwiSaver incentives

The \$1,000 initial Government kick-start contribution and any member tax credits are not taxable income or considered to be a gift to you for tax purposes.

What are the charges?

Management fee

The Manager charges a management fee for investment management and other functions. The fee is calculated on the gross asset value of each fund on each valuation day and paid monthly in arrears. The Manager's remuneration is determined by the Trustee.

Trustee fee

The annual fee for the Trustee is a dollar amount to cover the remuneration, travel and miscellaneous expenses of the Trustee. As a percentage of gross funds under management, the fee is currently approximately 0.02% per annum, but can be up to 0.075% per annum.

Expenses

The Trustee and the Manager may recover expenses such as audit, registry, custodian, legal fees and certain postage fees from SIL KiwiSaver, as well as losses due to refunding amounts incorrectly paid by any employers of SIL KiwiSaver members. In joining SIL KiwiSaver, you accept and authorise these deductions.

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

or a fund may enter into forward foreign exchange contracts with ANZ National Bank Limited.

Some of the funds invest in other managed funds (including listed OnePath-managed funds) in which fees and expenses are charged. Any fees and expenses charged by these managed funds will affect returns to SIL KiwiSaver members. Where any fee or expense incurred by a fund is subject to GST, that GST will be charged in addition to those fees and expenses and will also be an expense of that fund.

There is no double charging by OnePath of management fees on any investment by the funds in another unlisted OnePath-managed fund. For any investment by the funds in a listed fund managed by a related company of OnePath, the listed fund will charge management fees.

Payment of these fees

The management fees, trustee fees and expenses are met by SIL KiwiSaver by way of deduction from investment income and assets, and are reflected in the unit prices of the relevant funds.

Administration fee

The Manager currently charges each member in SIL KiwiSaver a fee of \$2.00 per calendar month for the day-to-day administration of member accounts. The fee is a fixed dollar value paid in arrears. Your unit balance will be adjusted accordingly. Where a member holds investments in more than one fund, the administration fee will only be charged once and will be deducted from the fund in which the member has the highest balance.

Current fee structure (by fund)					
	Administration fee	Entry fee	Exit fee	Switching fee	Management fee
SIL Cash Fund	\$2.00 per month charged once per investor regardless of the number of funds invested in	Nil	Nil	The first two switches p.a. are free, \$25 for subsequent transactions	0.50% p.a.
SIL New Zealand Fixed Interest Fund		Nil	Nil		0.75% p.a.
SIL International Fixed Interest Fund		Nil	Nil		0.75% p.a.
SIL Australasian Property Fund		Nil	Nil		1.00% p.a.
SIL International Property Fund		Nil	Nil		1.00% p.a.
SIL Australasian Share Fund		Nil	Nil		1.00% p.a.
SIL International Share Fund		Nil	Nil		1.00% p.a.
SIL Sustainable Growth Fund		Nil	Nil		1.20% p.a.
SIL Conservative Fund		Nil	Nil		0.85% p.a.
SIL Conservative Balanced Fund		Nil	Nil		0.85% p.a.
SIL Balanced Fund		Nil	Nil		0.90% p.a.
SIL Balanced Growth Fund		Nil	Nil		0.95% p.a.
SIL Growth Fund		Nil	Nil		1.00% p.a.

Entry fee

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

Exit/switching fees

As at the date of this Investment Statement, there is no exit fee applicable. Switches are transfers between investment funds within SIL KiwiSaver. At the discretion of the Trustee (as agreed with the Manager) you can switch the fund(s) your contributions are invested in and/or you can switch some or all of your existing investment between funds.

Each member's first two switches per annum are free. Thereafter, a switching fee may apply. Currently, this fee is \$25 for each subsequent switch transaction. The switching fee will be deducted from the fund the investment is switched from. Units held by you in that fund will be adjusted accordingly.

Tax treatment of switching and administration fees

All fees (including switching and administration fees) that are tax deductible will be offset against income attributed to you by SIL KiwiSaver and cannot be deducted in your personal tax return, even where they are charged directly to you.

Notes in relation to fees and expenses

Subject to the provisions of the KiwiSaver Act 2006, the Trustee may alter the fees set out above and introduce new fees from time to time. The Trustee may, at its discretion, agree reduced fees for particular groups of members so long as doing so does not prejudice any other members.

As at the date of this Investment Statement, GST will not be charged on the management, trustee, switching or administration fees but will be added to other fees or charges if applicable. The KiwiSaver Act 2006 requires certain fees charged by KiwiSaver schemes to be reasonable.

Investors or the Government Actuary can apply to the High Court for an order that an unreasonable fee be annulled or reduced. Any such application must be made within one year of the day that the fee is imposed or debited. When certain fees are increased, the Government Actuary must also be notified of those increases as soon as reasonably practicable.

Management Expense Ratio

A Management Expense Ratio ("MER") is used to indicate the level of fees and expenses of a fund (excluding transactional costs and the administration fee). The MER is not a separate fee.

The MER does not show the actual ongoing fees and any other expenses of the fund or any individual investor in the fund. It shows the rate of fees and other expenses of the fund as a percentage of the average size of the fund over the relevant financial year. The MER is shown before tax. Expenses from underlying managers are collected on the basis of what they disclose, and reliance is placed on their completeness.

Current fee structure (by fund)

The MER for the current financial year or any future period is not guaranteed. For example, if the average size of a fund reduces, generally the MER will increase.

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

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

Fund	MER (year ending 31 March 2010)	MER (year ending 31 March 2009)
SIL Cash Fund	1.00%	1.04%
SIL New Zealand Fixed Interest Fund	1.03%	1.05%
SIL International Fixed Interest Fund	1.04%	1.05%
SIL Australasian Property Fund	1.28%	1.31%
SIL International Property Fund	1.34%	1.32%
SIL Australasian Share Fund	1.28%	1.31%
SIL International Share Fund	1.30%	1.31%
SIL Sustainable Growth Fund	1.77%	n/a*
SIL Conservative Fund	1.14%	1.15%
SIL Conservative Balanced Fund	1.14%	1.15%
SIL Balanced Fund	1.19%	1.20%
SIL Balanced Growth Fund	1.24%	1.26%
SIL Growth Fund	1.29%	1.31%

* Note: The SIL Sustainable Growth Fund commenced investment activity in August 2008 so had not completed a full financial year at 31 March 2009.

What returns will I get?

Your returns from SIL KiwiSaver will be in the form of a lump sum, i.e. your investment will accumulate and be paid out to you at the time of withdrawal. SIL KiwiSaver does not make income distributions.

Returns are reflected in the value of the units held in the fund(s) excluding PIE tax attributable to investors. Returns for investors will be adjusted for any tax payable or tax rebates received by cancelling or issuing units in your fund(s) as described in the *Taxation* section on page 18.

The funds are valued on each normal business day.

Key factors that determine returns

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

Fund managers cannot control or guarantee the performance of investment markets, and investors should be aware that fluctuations in market supply and demand will be reflected in the changing market values of assets held in the funds. This means that the unit price for each of the funds may rise or fall and as a result the value of your investment may be either higher or lower than the amount(s) invested.

Other key factors that determine your returns are:

- The amount contributed to SIL KiwiSaver by you or on your behalf; and
- The investment performance of the fund(s) your contributions are invested in; and
- Fees, charges and expenses payable; and
- Taxes payable in respect of your investment, the funds and any benefits; and
- The basis for your making a withdrawal from SIL KiwiSaver.

Markets can go up and down, and this will be reflected in the investment performance for the funds. Detail on past and recent fund performance is available in the Prospectus and on our website onepath.co.nz

Withdrawals

Lock-in

Except in certain limited early withdrawal circumstances (described below), you may not make withdrawals from SIL KiwiSaver until your KiwiSaver end payment date, being the later of:

- The date on which you reach New Zealand Superannuation qualification age (currently age 65); and

- The date on which you have been a member of any KiwiSaver scheme or a member of a CSF (or collectively a CSF and a KiwiSaver scheme) for five years.

Once you are entitled to make withdrawals, they will be payable as a lump sum when requested by you. Subject to the rules determined from time to time by OnePath, you can leave your investment in SIL KiwiSaver indefinitely and you may also make withdrawals in instalments.

If you are eligible to withdraw funds (in accordance with any of the policies in this section), please call us and we will send you a withdrawal form. Under normal circumstances, you will receive your money (if entitled) within 10 business days following the next valuation of the funds. Your withdrawal will be credited directly to your bank account.

Subject to the KiwiSaver Act 2006, the Trustee can defer withdrawals from SIL KiwiSaver if the Trustee determines that, having regard to the realisation of assets required in order to make the withdrawal or any other circumstance, earlier withdrawal would be imprudent or impracticable.

Withdrawal on death

In the event of your death, your benefit will be paid, when requested, to your personal representatives (or, in the case of smaller amounts, in accordance with the provisions of the Administration Act 1969).

Other early withdrawals

For the purposes of the KiwiSaver Act 2006, you may be able to withdraw a benefit early in the following circumstances:

- For the purpose of purchasing your first home
- If you are suffering or likely to suffer from significant financial hardship
- If you are suffering from serious illness
- If you have permanently emigrated from New Zealand; or
- If required under any Act of Parliament.

Detailed information must be provided for these withdrawals to be permitted. In addition, the Trustee may require you to provide evidence of the facts necessary to establish your right to make a withdrawal. The requirements for these withdrawals are summarised below.

Further details about early withdrawals are available from OnePath.

Early withdrawal for purchasing your first home

You may be eligible to make a withdrawal for the purpose of purchasing your first home if:

- At least three years have passed since Inland Revenue received your first KiwiSaver contribution or you became a member of a KiwiSaver scheme; and
- You have never made a withdrawal from a KiwiSaver scheme for purchasing your first home before; and

- The relevant land is, or is intended to be, your principal place of residence; and
- You have never before owned a fee simple or stratum estate in land (except in certain circumstances relating to holding an estate in land as a trustee).

You may be able to make a withdrawal for the purpose of purchasing your first home in limited other circumstances permitted under the KiwiSaver Act 2006.

A first home deposit subsidy of up to \$5,000 may be available to certain people who save through a KiwiSaver scheme. Further information on the deposit subsidy and the eligibility criteria for the deposit subsidy can be found on the Housing New Zealand website – hnzc.govt.nz. Any deposit subsidy will be payable by the Government and not the relevant KiwiSaver scheme.

‘Second-chance’ home buyers who have a determination from Housing New Zealand that they are in the same financial situation as a first home buyer may be eligible for a first home ownership withdrawal or a first home deposit subsidy. Further details are available on the Housing New Zealand website – hnzc.govt.nz

Early withdrawal for significant financial hardship

You may make a withdrawal if the Trustee is reasonably satisfied that you are suffering or likely to suffer from significant financial hardship. The Trustee must be reasonably satisfied that reasonable alternative sources of funding have been explored and have been exhausted.

The Trustee may limit the amount permitted to be withdrawn to a specified amount that, in the Trustee’s opinion, is required to alleviate the particular hardship you are suffering.

Significant financial hardship includes significant financial difficulties that arise because of:

- Your inability to meet minimum living expenses; or
- Your inability to meet mortgage repayments on your principal family residence resulting in the mortgagee seeking to enforce the mortgage; or
- The cost of modifying a residence to meet special needs arising from you or your dependant’s disability; or

- The cost of medical treatment for an illness or injury to you or your dependant; or
- The cost of palliative care for you or your dependant; or
- The cost of a funeral for your dependant; or
- You suffering from a serious illness (as described below).

The application for a withdrawal for significant financial hardship must include a completed statutory declaration in respect of your assets and liabilities.

Early withdrawal for serious illness

You may make a withdrawal if the Trustee is reasonably satisfied that you are suffering from ‘serious illness’.

For this purpose, ‘serious illness’ is defined as meaning an injury, illness or disability that either results in you being totally and permanently unable to engage in work for which you are suited by reason of experience, education or training, or any combination of these things, or that poses a serious and imminent risk of death.

Early withdrawal for permanent emigration

If you permanently emigrate from New Zealand, you may:

- Make a withdrawal if at least one year has passed since you permanently emigrated from New Zealand; or
- Direct the Trustee to transfer your benefit to a foreign superannuation scheme authorised for that purpose under KiwiSaver legislation.

An application for a withdrawal or transfer to a foreign superannuation scheme after permanent emigration must include a completed statutory declaration in respect of you to the effect that you have permanently emigrated from New Zealand.

The application must also include proof to the satisfaction of the Trustee of your departure from New Zealand (for example evidence of confirmed travel arrangements, passport evidence and evidence of any necessary visas) and that you have resided at an overseas address at some time during the year following your departure from New Zealand.

Summary of withdrawal options

Withdrawal type	Government \$1,000 kick-start	Government member tax credits	Employer contributions	Member contributions
Retirement (65 or 5 years membership, whichever is later)	✓	✓	✓	✓
Significant financial hardship	–	–	✓	✓
Serious Illness	✓	✓	✓	✓
Permanent emigration	✓	–*	✓	✓
First home withdrawal	–	–	✓	✓
Death	✓	✓	✓	✓

* If and when the legislation permitting Trans-Tasman superannuation transfers comes into force, if you permanently emigrate from New Zealand to Australia you may direct the Trustee to transfer your benefit, including any member tax credits paid into your account since joining, to an Australian complying superannuation scheme but you will not be able to withdraw your funds.

Early withdrawals under an Act of Parliament

The Trustee must comply with any legislation that requires it to release funds from SIL KiwiSaver in accordance with that legislation, e.g. an order made under the Property (Relationships) Act 1976. For details on any tax implications that may arise due to making a full withdrawal, refer to the *Taxation* section below.

Other information about withdrawals

Note that your withdrawal will not include the \$1,000 Government kick-start contribution or member tax credits if you make a withdrawal for the purposes of purchasing your first home, or as a result of significant financial hardship. However, your account will remain open, containing the Government kick-start contribution and member tax credits and may receive further contributions.

If you permanently emigrate and you withdraw your investment, any member tax credits paid into your account since joining will be returned to the Government.

The amount of member tax credits paid to SIL KiwiSaver for your benefit may not be withdrawn before you provide a statutory declaration stating the periods for which your principal place of residence has been in New Zealand. The amount of a member tax credit may not be withdrawn to the extent to which the Trustee has notice that a claim for a member tax credit is wrong.

A member tax credit is not taxable or subject to GST.

There are no specified dates on which, or frequency with which, benefits will be paid. The amount of your investment will reflect the contributions made by you, or on your behalf, together with the investment returns from the fund(s) your contributions are invested in (net of fees, taxes, expenses and other liabilities).

Returns are unrealised until your money is actually withdrawn from SIL KiwiSaver.

The value of your investment, subject to adjustments for tax, and administration fees (which can reduce the value of your investment), can be calculated at any time by multiplying the number of units you hold in each fund by the unit price for those units.

Unit prices for each fund are usually calculated daily on each business day and will fluctuate upwards and downwards to reflect the value of the investments of the fund.

The unit price is available:

- On the OnePath website (onepath.co.nz)
- By contacting our Client Services team during normal business hours.

Past performance is not indicative of future performance.

No amount of returns, quantifiable as at the date of this Investment Statement and enforceable by members, has been promised. There are no specified dates on which, or frequency with which, benefits will be paid.

Subject to the KiwiSaver Act 2006, the Trustee can defer withdrawals from SIL KiwiSaver if the Trustee determines that, having regard to the realisation of assets required in order to make the withdrawal or any other circumstance, earlier withdrawal would be imprudent or impracticable.

The Trustee, Superannuation Investments Limited, is the person legally liable to pay benefits under SIL KiwiSaver. The Trustee has delegated to the Manager the functions of determining whether benefits are payable, calculating benefit entitlements and arranging for benefit payments.

There is no guarantee from the Crown or any other person in respect of SIL KiwiSaver or any investment fund of SIL KiwiSaver.

Taxation

SIL KiwiSaver elected to become a PIE from 1 October 2007.

As a PIE, SIL KiwiSaver attributes all its taxable income (or losses) between its investors, based on the number of units held by each investor. The Manager then calculates tax payable on such income attributed to each investor at their notified Prescribed Investor Rate (PIR).

Tax is then paid and losses dealt with as described under the *Tax on attributed PIE income* heading.

In order for SIL KiwiSaver to correctly calculate and pay tax on behalf of its investors, each investor must provide the Manager with their IRD number and applicable PIR at the time of joining SIL KiwiSaver and when those details change. **If you do not notify us of your correct PIR and IRD number, or have not notified us of these details in the past, you will be subject to tax on the income attributed to you by SIL KiwiSaver (attributed PIE income) at the default rate of 28%.** We will seek reconfirmation of these details with you annually. If your previously notified rate has not changed, you do not need to reconfirm, as we will continue to tax your attributed PIE income at the rate last notified by you. To assess your correct PIR, please refer to the table and/or see the diagram entitled *Which Prescribed Investor Rate (PIR) should I use?* on page 19.

The PIRs are as follows:

PIRs	Who is eligible?
10.5%	<ul style="list-style-type: none"> A New Zealand tax resident who has in either of the two income years before the current tax year earned: <ul style="list-style-type: none"> a) \$14,000 or less in taxable income (excluding attributed PIE income); and b) \$48,000 or less in total taxable income and attributed PIE income.
17.5%	<ul style="list-style-type: none"> A New Zealand tax resident who does not qualify for the 10.5% rate, and who has in either of the two income years before the current tax year earned: <ul style="list-style-type: none"> a) \$48,000 or less in taxable income (excluding attributed PIE income); and b) \$70,000 or less in total taxable income and attributed PIE income.
28%	<ul style="list-style-type: none"> A New Zealand tax resident who does not qualify for the 10.5% or 17.5% rates. A non-New Zealand tax resident who notifies this rate. When an investor does not provide both their PIR and IRD number, then this is the default rate.

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

Please note that Inland Revenue may notify us to disregard an investor's notified PIR and instead apply a different PIR.

Withdrawals

All withdrawals will be made by way of redemption of units.

You will not be taxed on amounts received when you redeem your units from SIL KiwiSaver. Refer to the *Tax on attributed PIE income* section which sets out when PIE tax is payable.

Tax on attributed PIE income

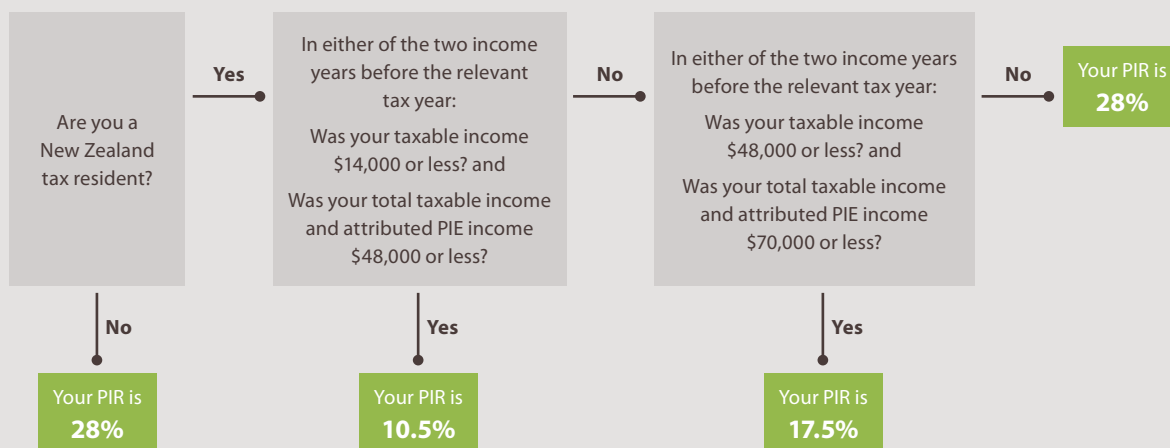
SIL KiwiSaver's tax liability on PIE income attributed to its investors will be recovered by cancelling units equal to the value of the tax liability. The tax liability will be recovered at the following times:

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

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

If the correct PIR has been notified, the tax paid on the attributed PIE income of investors will be a final tax, and no obligation to file a tax return (in respect of this investment) will arise. Nor will it impact on family assistance eligibility, student loan repayment obligations or child support payment obligations.

Which Prescribed Investor Rate (PIR) should I use?



Investors must advise the Manager if their PIR changes from a lower rate to a higher rate or if they cease to be a New Zealand tax resident. Failure to advise, or notifying a lower rate than that applicable, will mean the investor is personally liable to pay any resulting tax shortfall, including penalties and interest, and may be required to file a tax return.

Where the actual rate applicable is lower than that advised by an investor and tax has already been paid by SIL KiwiSaver, a refund will not be available.

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

Calculation of taxable income and loss

The Manager will calculate the taxable income and deductions of the SIL KiwiSaver in accordance with the provisions of the Income Tax Act 2007, with a PIE-specific exemption for any gains made on the disposal of New Zealand or certain Australian shares.

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

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

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

What are my risks?

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

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

You should consider taking professional advice prior to making an investment in the funds.

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

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

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

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

Investment risks

Specific investment risks include:

i) Market risk

The value of investments in the funds may rise or fall as a result of developments in economies and financial markets and, regulatory and political conditions. These factors can impact on overall markets as well as individual assets, securities or issuers. For example, changes in interest rates, credit spreads or equity markets may affect returns.

The selection and performance of individual assets, securities or issuers in the funds can impact returns you could receive from your investment, along with other risks such as borrowings within the individual asset, security or issuer and the risk of counterparty default.

ii) Currency risk

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

Funds have different levels of currency exposure depending on the asset classes they are invested in and the relevant hedging² benchmark. The hedging benchmark can range from being unhedged through to fully hedged depending on the asset class (before or after tax). For some funds and asset classes the hedging is managed passively at the benchmark level, for others we may alter currency hedging levels from time to time.

iii) Concentration risk

A fund's assets may be concentrated in a particular issuer, investment vehicle or type of investment vehicle, geographical area or industry. Such funds are subject to higher credit and default risks than funds having a more diversified portfolio and the value of that fund may be subject to greater market volatility. For example, the Cash Fund's assets are concentrated with a single bank (currently ANZ National Bank Limited).

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

iv) Liquidity risk

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

v) Derivatives

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

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

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

Other risks

- i) Subject to the KiwiSaver Act 2006, in certain circumstances the Trustee can defer withdrawals from SIL KiwiSaver. Refer to page 18 of this Investment Statement for further information.
- ii) Operational or systems failure may affect the funds or financial markets.
- iii) The Trustee or Manager (as applicable) may, subject to Trust Deed provisions, borrow. This may exaggerate the effect of any increase or decrease in the value of the fund's assets and increase the risk of insolvency.

Tax risks

There is a risk that changes in tax or other legislation may impact the return of your investment. Refer to the *Taxation* section on pages 18 to 20 of this Investment Statement for details of the risk of a deemed full withdrawal from a fund where the value of an investor's remaining units in that fund is not regarded as being sufficient to fund the fund's tax liability in respect of that investor.

If PIE status is lost, SIL KiwiSaver will be taxed as a widely held superannuation fund, at 30% (28% from 1 April 2011) rather than at investors' notified PIRs. The Fund also will not benefit from the PIE exemption for any gains made on the disposal of New Zealand or certain Australian shares.

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

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

Personal liability

There are no circumstances in which you will be obliged to pay any further money, apart from the amounts disclosed in the section headed *How much do I pay?* on page 11, any tax liability attributed to you and any tax liability you incur personally as a result of failing to advise your correct PIR and IRD number. In particular, you will not be liable to pay money to any person as a result of the insolvency of the Manager, SIL KiwiSaver, or a fund.

By investing in the funds, you are agreeing to indemnify the Trustee and the Manager for any shortfall if your investment is insufficient to meet your attributed tax liability arising from tax payable on your behalf as described in the *Taxation* section on page 18.

Termination

The Trustee may resolve to wind up SIL KiwiSaver. In certain circumstances set out in the KiwiSaver Act 2006, the Government Actuary may also require SIL KiwiSaver to be wound up.

In the event of SIL KiwiSaver or a fund being wound up, and after the payment of all creditors, costs and liabilities of the fund the Trustee will transfer your benefit to another KiwiSaver scheme of your choice or, if you do not make an election and your employer does not have a chosen KiwiSaver scheme, to a default KiwiSaver scheme as assigned by Inland Revenue. Members rank equally (among themselves) in the event of SIL KiwiSaver or a fund being wound up.

Can the investment be altered?

Contributions

You can choose between the available contribution rates 2%, 4% or 8%, of your gross salary or wages) by giving notice to your employer of the new rate.

You will continue to contribute at your chosen rate until:

- You elect to change your contribution rate (see options above); or
- You start new employment, in which case you will default to the 2% minimum rate unless you give your new employer a KiwiSaver deduction KS2 form choosing a 4% or 8% rate. Your new rate will apply to the next payment of salary or wages calculated after your employer receives your instruction.

Unless your employer agrees otherwise, you may only change your contribution rate at intervals no less than three months apart.

You are entitled to suspend your contributions to SIL KiwiSaver (i.e. take a contributions holiday) in the circumstances set out on page 11 under the heading *How much do I pay?*

Switching

At the discretion of the Trustee (as agreed with the Manager), you may switch your investment balance from one fund to another within SIL KiwiSaver. You may also redirect your ongoing contributions to another fund within SIL KiwiSaver.

The first two switches per annum are free. After that, a switching fee of \$25 may be charged for each switch. The amount of this fee may change from time to time.

The minimum switch amount is \$500 per fund and, where a partial switch is made, a minimum investment balance of \$1,000 must be maintained in the fund.

Your financial adviser (if you have one) may assist you with the switching process. After reading the latest Investment Statement, complete the Switch Request contained in that Investment Statement (please call OnePath on 0800 737 575 to ensure the Investment Statement you have is the most recent) and forward the Switch Request to OnePath Client Services.

Please ensure you receive and read the latest Investment Statement for SIL KiwiSaver before you choose to switch to one of the funds offered.

There may be a taxation impact when switching funds. For details on taxation impacts when switching funds, please refer to the *Taxation* section on page 18.

Transfers

You are entitled to transfer your investment from SIL KiwiSaver to another KiwiSaver scheme at any time by contracting directly with the provider of the new KiwiSaver scheme to become a member of that scheme. In certain limited circumstances, you may be compulsorily transferred between KiwiSaver schemes under the KiwiSaver Act 2006. Please note, you cannot partially transfer your investment from SIL KiwiSaver to another KiwiSaver scheme as you can only belong to one KiwiSaver scheme at a time.

Amendments

The Trustee may at any time:

- Alter minimum levels and increase or impose fees relating to investments.
- Alter the terms of the Trust Deed, subject to the KiwiSaver Act 2006, which, in certain limited circumstances, requires the consent of every member and beneficiary.

Changes to funds

Subject to the KiwiSaver Act 2006, the Trustee may from time to time terminate, withdraw or alter the funds contained in SIL KiwiSaver (including changing the investment objectives or strategies of particular funds) without notice to investors.

If any of these scenarios results in your assets being switched to an alternative fund, the Manager will notify you prior to this occurring.

The benchmarks and ranges may vary from time to time as agreed between the Trustee and the Manager. The age ranges and funds in the Lifetimes option may also be altered by the Manager as described on page 5.

Law changes

SIL KiwiSaver has been developed to comply with the KiwiSaver Act 2006. This Investment Statement contains a general summary only of KiwiSaver, and is based on KiwiSaver law current as at the date of this Investment Statement. The Act may be amended from time to time by the Government and any such amendment may impact on SIL KiwiSaver.

How do I cash in my investment?

Details on accessing a benefit are included under the heading *What returns will I get?* on page 16. The current process to withdraw your investment or a benefit (if you are eligible to do so) is to contact OnePath and we will send you the applicable withdrawal form.

You can transfer your investment from SIL KiwiSaver to another KiwiSaver scheme at any time by contacting the provider of the new KiwiSaver scheme to which you wish to transfer.

The Trustee may at any time resolve to wind up SIL KiwiSaver. In this event, your benefit will be transferred to another KiwiSaver scheme as set out under the heading *Termination* on page 21. The Government Actuary may order SIL KiwiSaver be wound up in certain circumstances set out in the KiwiSaver Act 2006.

You are not permitted to sell, assign or transfer your interest in SIL KiwiSaver to another person, unless required by the KiwiSaver Act 2006 or the provisions of any enactment.

Who do I contact with inquiries about my investment?

If you would like to know your KiwiSaver balance or view your transaction details, this can be accessed online at onepath.co.nz. OnePath will be able to assist with any other inquiries. However, we recommend you speak to your financial adviser in the first instance.

OnePath (NZ) Limited, Client Services
Level 27, ASB Bank Centre
135 Albert Street
PO Box 7149, Wellesley Street
Auckland

Tel: 0800 737 575
Fax: 09 356 4005 or 0800 425 737
Email: service@onepath.co.nz

OnePath does not give investment advice. Any advice regarding an investment in any of the funds should be sought from a financial adviser.

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

Should a problem arise, please contact OnePath Client Services and we will do our best to resolve your issue. Contact details are above under *Who do I contact with inquiries about my investment?*

In the unlikely event we are unable to help you, you may also contact the Trustee, the Government Actuary or the Insurance and Savings Ombudsman.

Trustee

You may contact the Trustee at:

Superannuation Investments Limited
Level 27, ASB Bank Centre, 135 Albert Street
Freepost 324 (no stamp required)
PO Box 7149, Wellesley Street
Auckland 1141

Tel: 09 356 4000 or
0800 737 575 (toll free outside Auckland)
Fax: 09 356 4005

Government Actuary

The Government Actuary can be contacted at:

The Government Actuary
Insurance and Superannuation Unit
Ministry of Economic Development
Level 6, 33 Bowen Street
PO Box 10 867, The Terrace, Wellington 6143

Tel: 04 913 3651
Fax: 04 916 3652

Insurance and Savings Ombudsman

The Insurance and Savings Ombudsman can be contacted at:

The Insurance and Savings Ombudsman
99-105 Customhouse Quay
PO Box 10-845, Wellington 6143
Tel: 04 499 7612

What other information can I obtain about this investment?

Further information about SIL KiwiSaver is contained or referred to in the most recent Prospectus and financial statements of SIL KiwiSaver.

A copy of the SIL KiwiSaver Prospectus and the most recent financial statements can be obtained free of charge by writing to or telephoning OnePath.

The Prospectus, financial statements and other documents required to be filed with the Registrar of Companies (including the Trust Deed) are filed on a public register at the Companies Office of the Ministry of Economic Development and are available for public inspection on the Companies Office website www.companies.govt.nz under *Search Other Registers*.

The documents may also be obtained (on payment of a fee, if applicable), by telephoning the Ministry of Economic Development Business Service Centre on 0508 266 726 or by emailing info@companies.govt.nz. The offer of securities to which this Investment Statement relates has not been approved by the Registrar of Companies.

Annual information

Each year you will receive:

- A statement showing details of your benefits in SIL KiwiSaver as at 31 March that year, including the amount of each type of contribution received on your behalf for that year;
- An annual report from the Trustee for the financial year, which will include a summary of the financial statements of SIL KiwiSaver, unless your account is inactive (an account in which no contribution has been received for at least two years). Members whose accounts are inactive may request an annual report; and
- A PIE tax certificate.

Other information available on request about the SIL KiwiSaver Scheme

The following documents may be inspected at the business office of OnePath at Level 27, ASB Bank Centre, 135 Albert Street, Auckland during normal business hours:

- An estimate of your current benefits
- A copy of the Trust Deed
- A copy of the most recent annual report and financial statements
- A copy of the most recent Prospectus and any associated documents
- A copy of the most recent Investment Statement.

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

Terms of membership

By becoming a member of SIL KiwiSaver, in accordance with the KiwiSaver Act 2006, you agree to be bound by the provisions of the Trust Deed of SIL KiwiSaver.

By becoming a member of SIL KiwiSaver, you authorise OnePath and the Trustee to:

- Use your IRD number for the purpose of, and to the extent necessary, for identifying you for the administration of SIL KiwiSaver but for no other purpose;
- Use information received in relation to you to promote other products of OnePath or related companies of OnePath to you; and
- Disclose information received in relation to you to third parties to the extent reasonably necessary to administer your investment or to promote other products of OnePath or related companies of OnePath to you.

You also acknowledge that where you have invested through a financial adviser, this information will be made available to that financial adviser and, in some instances, any other financial adviser or office support staff associated with the advisory practice. Your financial adviser may also have electronic access to the investment information.

Access to information received in relation to you is subject to strict security arrangements to maintain the appropriate levels of confidentiality. You have the right to access and correct this information by contacting OnePath or the Trustee. A fee may be payable. OnePath and the Trustee have also agreed certain arrangements with Inland Revenue relating to the use and disclosure of personal information.

How to invest

How to fill out your SIL KiwiSaver Scheme Application Form

Note: If your employer has selected SIL KiwiSaver, you may be admitted to SIL KiwiSaver without completing an Application Form. However, we recommend that you complete an Application Form.

To ensure correct interpretation of your details, please:

- Complete all details in black, ballpoint pen
- Print well within the boxes
- Use CAPITAL LETTERS
- Where you are given a choice of options, simply tick the appropriate box
- If you make a mistake, simply draw a line through the mistake and initial the change. Do not use correction fluid. Write the correct details above the designated boxes
- If there are not enough boxes, use any available space in the margins, or simply abbreviate.

Application Form

Complete the Application Form contained in 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

If you are allocated to SIL KiwiSaver because it is your employer's preferred scheme and you do not select a fund, your contributions will be attributed to the SIL Conservative Fund.

Cheque

Make your cheque payable to "SIL KiwiSaver Scheme" and cross it "account payee only".

Return form/s and cheque

Mail your application and other forms and cheque to:

OnePath (NZ) Limited, Freepost 324 (no stamp required)
PO Box 7149, Wellesley Street, Auckland 1141.

Your personal information

We take your privacy very seriously. Information you provide to OnePath will be kept strictly confidential and will be securely held by OnePath, Superannuation Investments Limited, Australia and New Zealand Banking Group Limited ("ANZ Group") and/or members of their respective groups of companies, or any other entity that provides services in relation to the funds. You have a right to access the information held by us by calling OnePath Client Services on 0800 737 575 or emailing service@onepath.co.nz and you may also request that it be corrected. A fee may be payable.

OnePath will make every effort to keep your personal information up to date. To assist us, please let us know of any changes in your personal details, such as your address.

How OnePath will use your information will depend on the purposes for which that information was collected. Generally OnePath may use this information to:

- consider your application for investments, products or services;
- administer and manage any investments, products or services provided to you; and
- conduct data processing and statistical analysis.

OnePath may disclose information about you to ANZ Group, agents or contractors for the above purposes.

OnePath and/or ANZ Group may use your personal information for the purpose of data matching and in doing so may collect information about you. 'Data matching' is the process of comparing your personal information with publicly available information and/or with information held by a reputable entity the OnePath and/or ANZ Group has an ongoing relationship with in order to better enable us to carry out any of the above purposes.

Our security standards are maintained and our technology regularly updated to provide protection for the information we hold. We do not sell, publish or give away your information.

Certain laws also require OnePath to disclose your information on request, for example the Tax Administration Act 1994.

If OnePath receives a request from certain agencies to release your information, OnePath may not be able to tell you that the request has been received. OnePath may also disclose information to the police, certain government agencies or other financial institutions where OnePath reasonably believes that the disclosure will assist in the investigation, detection and/or prevention of fraud or other criminal offences, such as money laundering. OnePath and ANZ Group are subject to anti-money laundering and terrorist financing legislation in force in New Zealand, Australia and other countries.

In this Investment Statement and the Application Form contained in this investment statement, money laundering includes any dealing with the proceeds of criminal activity and any dealing with funds or assets of any person or entity suspected of involvement in terrorism and any terrorist act.

Investor identification

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

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

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

Please note, in each of the following investor categories, 'certified' means that the document must be certified as a true copy of the original with an original signature by an OnePath-contracted financial adviser, lawyer, teacher, minister of religion, police officer, kaumatua, registered medical professional, justice of the peace or applicant's employer.

The name, position and telephone number of the certifier must also be clearly noted.

Personal investors

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

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

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

1. A certified photocopy of one of the following forms of photographic identification:
 - Appropriate pages of passport
 - Driver licence
 - NZ firearms licence
 - New Zealand Police Identification card
 - Photo credit card issued by a New Zealand financial institution
 - New Zealand Defence Forces card
 - New Zealand Certificate of Identity
 - New Zealand Photo Student ID

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

- Marriage certificate
- Birth certificate
- Credit or ATM card issued by a New Zealand bank, provided the signature is verified.

2. Evidence of your physical residential address, e.g. a copy of a utility bill not more than six months old.

Terms and conditions for investing on behalf of another person

Important terms

The '**Applicant**' of the investment is the person whose name and personal details appear on the Application Form. If you are enrolling an applicant under the age of 18 years, their name will appear on the Application Form, and they are therefore the Applicant.

A '**Guardian**' means the Applicant's legal guardian, and is usually his/her father and mother, but may be another person or persons. An Applicant will have no guardian if he/she is married, enters into a civil union, or starts a de facto relationship with all Guardians' express written consents or Family Court approval.

The '**Authorised Signatories**' are all of the Applicant's Guardians who sign the Application Form on behalf of the Applicant.

Investing under a Power of Attorney

Identification is required for the Applicant.

In addition, for the attorney, please also provide certified copies of each of the following documents:

1. A certified photocopy of one of the following forms of photographic identification, for the attorney:
 - Appropriate pages of passport
 - Driver licence
 - NZ firearms licence
 - New Zealand Police Identification card
 - Photo credit card issued by a New Zealand financial institution
 - New Zealand Defence Forces card
 - New Zealand Certificate of Identity
 - New Zealand Photo Student ID
2. A certified photocopy of the Power of Attorney
3. A certificate of Non-Revocation of Power of Attorney

Terms and conditions for investing on behalf of a minor

Enrolling a minor in the SIL KiwiSaver Scheme

Applicant who is 15 or under

Where the Applicant is 15 or under, the Application Form must be signed by all Guardians, and not the Applicant.

Any one Authorised Signatory can then instruct OnePath in relation to future transactions in respect of the Applicant's investment (e.g. withdrawals, transfers, switches, etc) in SIL KiwiSaver until the Applicant turns 16 (see the section headed 'Applicant who is 16 or 17' below).

Applicant who is 16 or 17

Where the Applicant is 16 or 17, the Application Form must be signed by both the Applicant and one Guardian. If the Applicant is 16 or 17 and does not have a Guardian, the Applicant alone may sign the Application Form.

Where the Applicant is 16 or 17, any one Authorised Signatory or the Applicant can instruct OnePath in relation to future transactions in respect of the Applicant's investment (e.g. withdrawals, transfers, switches, etc).

Turning 18

Once the Applicant turns 18 (i.e. becomes an 'Adult Applicant'), only the Adult Applicant will have the right to instruct over the investment.

Where the investment is held in the minor's name, the minor's IRD number and PIR must be provided.

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Application Form

SIL KiwiSaver Scheme

8 November 2010

Adviser's stamp:

Adviser's name:

Please mail this Application Form, together with your cheque (if applicable) payable to "SIL KiwiSaver Scheme" and any other relevant documentation to: **OnePath (NZ) Limited – Registry Services, Freepost 324, PO Box 7149, Wellesley Street, Auckland 1141.**

1 My details

Applications for investment in the SIL KiwiSaver Scheme shall only be accepted from people physically present in New Zealand

Are you a current investor in a OnePath, National Bank or ANZ managed fund? ☐ Yes ☐ No Investor number

Customer number (if applicable)

Are you transferring from another KiwiSaver provider? ☐ Yes ☐ No If yes, which provider?

We will arrange to transfer the proceeds from your current provider to this KiwiSaver scheme.

Name

Date of Birth DD / MM / YYYY IRD number

Gender ☐ Male ☐ Female Prescribed investor rate (PIR) (please tick one) ☐ 10.5% ☐ 17.5% ☐ 28%

If you do not provide your PIR, the default PIR of 28% will apply. Refer to page 19 to determine your applicable rate.

Please state your preferred contact details

Postal address

Residential address

(if different from above)

Email address

Daytime phone Mobile

Other phone Facsimile

2 My primary employer details

Are you an employee? ☐ Yes ☐ No

If Yes, please fill out your employer's details below. If No, please proceed to the section 'Contribution details'.

Company name

Postal address

Telephone Employer's IRD number

Name of payroll clerk

3 My secondary employer details

Do you have a secondary employer? ☐ Yes ☐ No

Company name

Postal address

Telephone Employer's IRD number

Name of payroll clerk

4 Contribution details

Employee contributions

If you are employed your contributions will be deducted directly from your salary.

Please select your contribution rate below:

I would like to contribute: ☐ 2% ☐ 4% ☐ 8% of my gross salary or wages

(if you do not select a contribution rate, your contributions will start at the default rate of 2% of your gross salary or wages and will be paid to the Scheme. Any Direct Debit you set up will be in addition to deductions from any salary or wages you earn.)

Regular or lump sum contributions

If you are making regular or lump sum contributions directly to the Scheme, either in addition to those from your salary or because you are self employed or not working, please complete the details below:

I wish to invest: \$, . ☐ fortnightly ☐ monthly

Commencing: DD / MM / YYYY (please complete the Direct Debit Form)

Lump sum contribution: \$, .

5 Investment fund selection

☐ If you wish to select the Lifetimes option, please tick this box

(If you select this option, you are not required to complete the investment allocation details below)

Percentage of contributions

(Not required in Lifetimes option. Minimum per fund of 10%)

Multi-sector funds

SIL Conservative Fund . %

SIL Balanced Fund . %

SIL Growth Fund . %

SIL Conservative Balanced Fund . %

SIL Balanced Growth Fund . %

Single-sector funds

SIL Cash Fund . %

SIL International Fixed Interest Fund . %

SIL International Property Fund . %

SIL International Share Fund . %

SIL New Zealand Fixed Interest Fund . %

SIL Australasian Property Fund . %

SIL Australasian Share Fund . %

SIL Sustainable Growth Fund . %

Total (Must total 100%)

. %

If no specific funds above are selected you will be automatically enrolled in the SIL Conservative Fund.

6 Identity confirmation

Over 18

Under the Financial Transactions Reporting Act 1996, we are required to verify the identity of all new investors.

Please complete section 6(A) on the next page if you are over 18. [Go to 6A](#)

Under 18

Under the Financial Transactions Reporting Act 1996 and the KiwiSaver rules for enrolling minors, we are required to verify the identity of the Applicant, and in addition, check the person signing this Application Form is a Guardian of the Applicant.

Please complete section 6(B) on the next page if you are enrolling a minor who is under 18. [Go to 6B](#)

Please complete section 6(C) on the next page if you are 16 or 17 and do not have a Guardian (because you are married, or in a civil union or a de facto relationship). [Go to 6C](#)

Verifying documents

The original identification can be copied and certified by a OnePath contracted adviser. Alternatively, copies can be certified by a lawyer, teacher, minister of religion, police officer, kaumatua, registered medical professional or Justice of the Peace.

6A Over 18

If you have attached a personal cheque (in your name) you do not need to provide any further identification.

Otherwise, please attach a copy of any one of the following identification (certified copies only):

- | | |
|---|--|
| <input type="checkbox"/> Passport | <input type="checkbox"/> Driver licence |
| <input type="checkbox"/> New Zealand Police Identification card | <input type="checkbox"/> Photo credit card issued by a New Zealand financial institution |
| <input type="checkbox"/> New Zealand Firearms licence | <input type="checkbox"/> New Zealand Defence Forces card |
| <input type="checkbox"/> New Zealand Certificate of Identity | <input type="checkbox"/> New Zealand Photo Student ID |

Please go to section 7 and sign section 7(A)

Go to 7A

6B Guardian enrolling an Applicant under 18

If the Guardian(s) is the Applicant's parent, please attach certified copies of:

- ☐ the Applicant's full birth certificate.
- ☐ one form of the following identification for each of the Guardians required to sign Section 7 (Signature of Applicant) of this Application Form:
 - ☐ Passport or ☐ Driver licence

If the Guardian is not the Applicant's parent, please attach:

- ☐ a certified copy of any one of the following:
 - ☐ a guardianship order issued by a New Zealand court;
 - ☐ an additional guardian appointment form approved by a New Zealand court; or
 - ☐ a copy of the Applicant's parent's will, appointing the person as a testamentary guardian, together with the parent's death certificate.
- ☐ the identification required in section 6(A) above for all Guardians
- ☐ the identification required in section 6(A) above for the Applicant

Please go to section 7 and sign:

section 7(B) if the Applicant is 16 or 17

Go to 7B

or section 7(C) if the Applicant is 15 or under

Go to 7C

6C 16 or 17 year old who is married, or in a civil union or a de facto relationship

Please attach:

- ☐ the identification required in section 6(A) above; and
- ☐ a certified copy of your marriage or civil union licence.

Contact OnePath for the documents that must be provided if you are in a de facto relationship.

Please go to section 7 and sign section 7(B)

Go to 7B

7 Signature of Applicant

I hereby apply for units in the SIL KiwiSaver Scheme (the "Scheme") upon the terms of the Investment Statement dated 8 November 2010. I have received and understood a copy of the Investment Statement dated 8 November 2010 to which this application relates and agree to the terms and conditions of the SIL KiwiSaver Scheme Trust Deed ("Trust Deed").

Superannuation Investments Limited ("Trustee") is the Trustee and Issuer of the Scheme. OnePath (NZ) Limited ("OnePath") is the Promoter and Administration and Investment Manager of the Scheme.

An investment in the Scheme does not represent deposits or liabilities of ANZ National Bank Limited ("ANZNB"). Units are subject to investment risk, including possible delays in repayment and loss of income and principal invested.

No entity* guarantees (either partially or fully) the capital value or performance of any products issued or managed by OnePath, including the Scheme.

* Please note, this includes OnePath, ANZNB, Australia and New Zealand Banking Group Limited ("ANZ Group"), the Trustee, their respective directors, any member of their respective groups of companies and any other person.

I have read the Investment Statement dated 8 November 2010, in which this Application Form was contained, setting out a summary of my rights, obligations and benefits as contained in the Trust Deed.

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

Personal information

I have read and understood the section entitled *Your personal information* in the Investment Statement dated 8 November 2010.

In addition, I agree that:

- OnePath, ANZNB, ANZ Group and the Trustee may disclose information from time to time relating to my investments to my financial adviser.
- OnePath may disclose my information to carefully selected third parties for the purposes of data matching, provided that those third parties are subject to an obligation of confidentiality.
- OnePath may obtain information and make such enquiries about me as OnePath may consider warranted from any source including ANZNB, ANZ Group and credit reference agencies for the above purposes.
- Anti-money laundering and terrorist financing legislation in force in New Zealand, Australia and other countries may also prohibit me from entering or concluding transactions which involve certain countries, persons or entities. As a result, I agree that OnePath, ANZNB, ANZ Group and/or the Trustee may delay or block any transaction, or refuse to pay any money without incurring any liability; or disclose any information concerning my investment or the transaction to the New Zealand Police or Australian Federal Police or any relevant authority in any country in order to ascertain whether the laws in that country apply to a transaction or are otherwise in compliance with those laws that aim to prevent or detect terrorist financing or money laundering, in the reasonable belief that the transaction may contravene those laws, and OnePath, ANZNB, ANZ Group and/or the Trustee will not incur any liability to me as a result of that action.

The agencies that are collecting and holding the information are OnePath, ANZNB, ANZ Group and/or the Trustee. I understand that I can request access to and correction of any information held about me by OnePath, ANZNB, ANZ Group and/or the Trustee. I will inform OnePath of any changes to the information provided by me to them.

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

I understand that the balance of my savings will fluctuate (move up and down) over time according to movements in the investment markets.

I understand that (except in special circumstances) I will not have full access to my funds until I reach the age of eligibility for New Zealand superannuation, currently set at 65 or after five years of membership (whichever is later).

Investment advice – Unless, and to the extent, otherwise agreed in writing, I acknowledge that:

- I have not received any investment advice tailored to my personal circumstances from OnePath, ANZNB, ANZ Group, the Trustee, or any member of their respective groups or companies; and
- choosing an investment option (or options) is solely my responsibility, and none of OnePath, ANZNB, ANZ Group, the Trustee, or any member of their respective groups of companies is to be regarded as representing or implying that any particular investment option (or options) is (or are) appropriate for my personal circumstances.

I acknowledge that my choice of an investment option (or options) will be a binding direction from me to the Trustee and the Scheme for the purposes of the Trustee Act 1956.

I confirm that I am eligible to invest in the Scheme.

Email/facsimile – I authorise OnePath, ANZNB, ANZ Group, the Trustee and any member of their respective groups of companies 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 OnePath's website. The email address and/or facsimile number that OnePath, ANZNB, ANZ Group, the Trustee, or any member of their respective groups of companies may provide information to and act on instructions from are as detailed in this Application Form (or as otherwise notified to OnePath, ANZNB or the Trustee in writing by me from time to time).

Liability limitation and indemnity – Important: Each person signing this Application Form acknowledges that none of OnePath, ANZNB, ANZ Group, the Trustee, or any member of their respective groups of companies accepts any responsibility or liability whatsoever for any damages, costs, expenses, losses or liabilities incurred by any person as a result of OnePath, ANZNB, ANZ Group, the Trustee, or any member of their respective groups of companies acting on any instructions from an authorised email address or facsimile number. Each person signing this Application Form agrees to indemnify in all respects and hold harmless OnePath, ANZNB, ANZ Group, the Trustee and any member of their respective groups of companies against all damages, costs, expenses, losses or liabilities which may arise by reason of any of the following:

- this Application Form not being signed by the correct persons; or
- OnePath, ANZNB, ANZ Group, the Trustee, or any member of their respective groups of companies accepting or acting on instructions from an authorised signatory or from an authorised email address or facsimile number.

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

- ☐ If you are an Applicant who is 18 or over, please complete section 7(A).
- ☐ If you are enrolling an Applicant who is 16 or 17, please complete section 7(B).
- ☐ If you are enrolling an Applicant who is 15 or under, please complete section 7(C).

7A Applicant over 18

Signature of Applicant

Enrolling an Applicant who is under 18

Different people are required to sign this Application Form, based on the age of the Applicant you are enrolling into the SIL KiwiSaver Scheme. Please complete the section below that relates to the current age of the Applicant:

7B Signature and details where the Applicant is 16 or 17

Both the Applicant who is 16 or 17 and one Guardian must sign this section. If the Applicant is 16 or 17 and is married, or in a civil union or de facto relationship, the Applicant alone may sign this section.

I confirm that I am the authorised signatory for the Applicant as evidenced by section 6. I confirm that I have read and accepted the terms and conditions for investing on behalf of a minor set out in the Investment Statement dated 8 November 2010 and the Application Form.

Signature of Guardian of Applicant

Signature of Applicant (aged 16 or 17)

7C Signature and details of Guardians where the Applicant is 15 or under

All Guardians must sign this section.

I/We confirm that I/we are the authorised signator(ies) for the Applicant as evidenced by section 6. I/We confirm that I/we have read and accepted the terms and conditions for investing on behalf of a minor set out in the Investment Statement dated 8 November 2010 and the Application Form.

Signature of Guardian (1)

Signature of Guardian (2)

Adviser use only

Adviser name

☐ I have verified the residential address provided on this Application Form and confirm it is the residential address of the member. (The residential address can be verified by checking the electoral role or telephone book; sighting a copy of a recent utility bill or correspondence sent to the member's residential address.)

Adviser signature Adviser code

Office use only

Adviser company Investor number
Commencement date Batch number

Investor identity verified and required identification documents received, where applicable

☐ Standard Staff member / GM signature Date

☐ Enhanced GM / CFO signature Date

This page has been left blank intentionally

Direct Debit Form

SIL KiwiSaver Scheme

8 November 2010

1 Bank instructions

Account Details

Name of Account

Customer (Acceptor) to complete Bank, Branch, Account Number and Suffix of Account to be debited

Bank

Branch

Account number

Suffix

Authority to accept Direct Debits

(Not to operate as an assignment or agreement)

Authorisation Code (User Number)

2 To: the Bank Manager

(Please print full postal address clearly for window envelope)

Bank and Branch

Address (PO Box)

PO Box

Suburb

City

Postcode

Amount

\$

Frequency

Start Date

I/We authorise you until further notice in writing to debit my/our account with all amounts which

OnePath (NZ) Limited

(hereinafter referred to as the "Initiator"), the registered Initiator of the above Authorisation Code, may initiate by Direct Debit.

I/We acknowledge and accept that the bank accepts this authority only on the conditions listed on the reverse of this form.

Information to appear on my/our bank statement

(To be completed by Initiator)

Payer particulars

Payer code

Payer reference

Authorised signature/s

Date

Authorised signature/s

Date

For bank use only

Approved <div style="border: 1px solid black; padding: 5px; text-align: center;"> 0844 <hr/> 09 04 </div>	Date received	Recorded by	Checked by	Bank stamp
--	---------------	-------------	------------	------------

Original – Retain at Branch

Copy – Forward to Initiator if requested

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.

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.

or

- (b) 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.
- (c) 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)."
- (d) May, upon the relationship which gave rise to this Authority being terminated, give notice to the Bank that no further Direct Debits are to be initiated under the Authority. Upon receipt of such notice the Bank may terminate this Authority as to future payments by notice in writing to me/us.

2. The Customer may:

- (a) At any time, terminate this Authority as to future payments by giving written notice of termination to the Bank and to the Initiator.
- (b) Stop payment of any Direct Debit to be initiated under this Authority by the Initiator by giving written notice to the Bank prior to the Direct Debit being paid by the Bank.
- (c) Where a variation to the amount agreed between the Initiator and the Customer from time to time to be direct debited has been made without notice being given in terms of 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 this Authority until actual notice of such event is received by the Bank.
- (b) In any event this Authority is subject to any arrangement now or hereafter existing between me/us and the Bank in relation to my/our account.
- (c) Any dispute as to the correctness or validity of an amount debited to my/our account shall not be the concern of the Bank except in so far as the Direct Debit has not been paid in accordance with this Authority. Any other disputes lie between me/us and the Initiator.
- (d) Where the Bank has used reasonable care and skill in acting in accordance with this Authority, the Bank accepts no responsibility or liability in respect of:
 - the accuracy of information about Direct Debits on bank statements; or
 - any variations between notices given by the Initiator and the amounts of Direct Debits.
- (e) The Bank is not responsible for, or under any liability in respect of, the Initiator's failure to give written advance notice correctly nor for the non-receipt or late receipt of notice by me/us for any reason whatsoever. In any such situation the dispute lies between me/us and the Initiator.
- (f) Notice given by the Initiator in terms of clause 1(a) to the debtor responsible for the payment shall be effective. Any communication necessary because the debtor responsible for payment is a person other than me/us is a matter between me/us and the debtor concerned.

4. The Bank may:

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

Switch Request

SIL KiwiSaver Scheme

8 November 2010

Please post the completed Switch Request to

OnePath, Freepost 324, PO Box 7149, Wellesley Street, Auckland 1141

(no stamp required) or fax to 0800 425 737. You will receive confirmation of this transaction shortly.

Please note, if you wish to transfer from another KiwiSaver scheme into the SIL KiwiSaver Scheme, you need to fill out the Application Form instead.

1 Investor details

IRD number	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Investment number	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>																								
Name	<table border="1" style="width:100%"> <tr> <td>Title</td> <td colspan="11">Surname / First name(s)</td> </tr> </table>												Title	Surname / First name(s)																						
Title	Surname / First name(s)																																			
Postal Address	<table border="1" style="width:100%"> <tr> <td colspan="4">Street Number</td> <td colspan="8">Street Name</td> </tr> <tr> <td colspan="4">Suburb</td> <td colspan="4">City</td> <td colspan="4">Postcode</td> </tr> </table>												Street Number				Street Name								Suburb				City				Postcode			
Street Number				Street Name																																
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Phone number	<input type="text"/>																																			
Email address	<input type="text"/>																																			
Your Prescribed Investor Rate (please tick one)	<input type="checkbox"/>	10.5%	<input type="checkbox"/>	17.5%	<input type="checkbox"/>	28%	Refer to page 19 to determine your applicable rate.																													
Which SIL KiwiSaver Scheme fund(s) are you currently investing in?																																				
<input type="text"/>																																				

2 Switching my existing investment

Switches will be actioned using the next valuation unit price following receipt of this request. Please state either a dollar amount or a percentage of the total investment to be switched.

☐ Please switch my existing investment into the Lifetimes option (please note, this will also switch your future contributions to the Lifetimes option)

Value to be switched	or	Units to be switched
\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>		<input type="text"/>
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\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>		<input type="text"/>

- Switch to
- Multi-sector funds**
- SIL Conservative Fund
 - SIL Conservative Balanced Fund
 - SIL Balanced Fund
 - SIL Balanced Growth Fund
 - SIL Growth Fund
- Single-sector funds**
- SIL Cash Fund
 - SIL New Zealand Fixed Interest Fund
 - SIL International Fixed Interest Fund
 - SIL Australasian Property Fund
 - SIL International Property Fund
 - SIL Australasian Share Fund
 - SIL International Share Fund
 - SIL Sustainable Growth Fund

Please indicate where your regular investment payment is to be directed:

☐ Continue current arrangement ☐ Redirect to switch fund/s as above ☐ Redirect to fund/s as overleaf

3 Breakdown of my future contributions

☐ Please switch my future contributions to the Lifetimes option (please note, this will also switch your existing investment into the Lifetimes option)

Please state the new percentage breakdown of your regular contributions and/or lump sum payments via Inland Revenue.

Regular investment (minimum per fund of 10%)

<input type="text"/>	%	SIL Conservative Fund
<input type="text"/>	%	SIL Conservative Balanced Fund
<input type="text"/>	%	SIL Balanced Fund
<input type="text"/>	%	SIL Balanced Growth Fund
<input type="text"/>	%	SIL Growth Fund
<input type="text"/>	%	SIL Cash Fund
<input type="text"/>	%	SIL New Zealand Fixed Interest Fund
<input type="text"/>	%	SIL International Fixed Interest Fund
<input type="text"/>	%	SIL Australasian Property Fund
<input type="text"/>	%	SIL International Property Fund
<input type="text"/>	%	SIL Australasian Share Fund
<input type="text"/>	%	SIL International Share Fund
<input type="text"/>	%	SIL Sustainable Growth Fund

This must total 100%

4 Declaration

☐ I have previously forwarded proof of identity

OR

☐ I attach a certified copy of one of the following documents

- Appropriate pages of passport
- Driver licence
- NZ firearms licence
- New Zealand Police identity card
- Photo credit card issued by a New Zealand financial institution
- New Zealand Defence Forces card
- New Zealand Certificate of Identity
- New Zealand Student Photo ID

Note: any form of identification received needs to be 'certified' with an original signature by an OnePath-contracted financial adviser, lawyer, teacher, minister of religion, police officer, kaumatua, registered medical professional, justice of the peace or applicant's employer. The name, position and telephone number of the certifier must also be clearly noted.

I have read the Investment Statement in which this switch request was contained, setting out a summary of rights, obligations and benefits as contained in the SIL KiwiSaver Scheme Trust Deed. If this declaration is signed under Power of Attorney, the attorney hereby certifies that he or she has not received notice of revocation of that order.

Signature Date

Please note: Any investment switch (including regular contributions) that you request will be applied to both member and employer contributions (if applicable).

Directory

OnePath (NZ) Limited

See page 11 for a list of the directors of the Manager/Promoter.

Auckland

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

Phone 09 356 4000 0800 737 575 (toll free)

Fax 09 356 4005 0800 425 737 (toll free)

Email service@onepath.co.nz

Web onepath.co.nz

Trustee

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

Auditor

KPMG
KPMG Centre
18 Viaduct Harbour Avenue
Auckland

Solicitor

Bell Gully
Level 22, Vero Centre
48 Shortland Street
Auckland

Banker

ANZ National Bank Limited

