

Brooklands (NZ) Superannuation Scheme No. 1 Investment Statement

Qualifying Recognised Overseas Pension Scheme (**QROPS**)

Prepared as at 30 April 2012

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:

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

The Financial Markets Authority regulates conduct in financial markets

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

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

Financial advisers can help you make investment decisions

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

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

When seeking or receiving financial advice, you should check—

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

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

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

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

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

Receiving financial advice outside New Zealand

If you receive financial advice outside New Zealand from a financial adviser who is not based in New Zealand then that financial adviser may not be regulated by the Financial Markets Authority. That financial adviser may not be required to provide you with a disclosure statement, to disclose conflicts of interest to you, to be registered on the financial service providers register or to belong to a disputes resolution scheme. If you have questions about how your financial adviser is regulated, you should refer these questions to him or her.

This document is an Investment Statement for the purposes of the Securities Act 1978.

What sort of investment is this?

The Brooklands (NZ) Superannuation Scheme No. 1 (**Scheme**) is a registered superannuation scheme which has been accepted as a Qualifying Recognised Overseas Pension Scheme (**QROPS**) by Her Majesty's Revenue & Customs in the United Kingdom (**HMRC**) under reference number 503889.

The Scheme is a "portfolio investment entity" (**PIE**) for New Zealand tax purposes. This means that the income of the Scheme is attributed to each Member and the Scheme pays tax on that income on behalf of the Member at the Member's prescribed investor rate. Investors should be aware that the Trustee is empowered to take any action necessary for the purposes of complying with the PIE rules under applicable tax law. This includes matters such as adjusting a Member's interest in the Scheme.

Membership of the Scheme is open to all natural persons who are eligible to join as individual members (**Members**). Under the Scheme each Member has an individual account (**Member's Account**) in which the Member's interest in the Scheme is recorded. The balance of a Member's Account consists of cash and the value of investments made for or on behalf of the Member less any liabilities attributable to the Member.

Investment Portfolios

The Scheme is established principally for the purpose of providing retirement benefits to Members and the Member's dependants and relations (**Beneficiaries**) who are natural persons.

As at the date of this Investment Statement, Members may invest in one or more Investment Portfolios. Each Investment Portfolio invests into a range of building block funds, combined in different proportions with the intention of catering to a range of preferred risk/return profiles. Each building block fund brings exposure to different asset classes and strategies. The Investment Portfolios and the building block funds into which they invest are as follows:

Cautious

Benchmark	1 month LIBOR + 1%
Target Volatility	Global Corporate Bond Index less 2%
Concentration Risk	Lower
Suggested Minimum Investment Time Horizon	5 years

Suitable for investors who are cautious by nature or close to retirement and who seek steady growth but are willing to forego possible higher returns for steady performance and less volatility. Returns from this strategy should be slightly better than those available from a high street deposit account, although the value of the investment could fall as well as rise. Investors in this strategy would feel uncomfortable if their investments rose and fell in value rapidly. This strategy will maintain a broad spread of investments, including higher exposure to less volatile asset classes such as money market funds, government bonds and absolute return strategies to help guard against significant falls in equity markets.

Example Asset Allocation*

Asset class	Building Block fund	Allocation %
Traditional Assets	CF AR Cautious Multi Asset	20.00%
Fixed Income Strategies	FA AR Alternative Income	7.50%
Fixed Income	EFA Multi Asset Income	20.00%
Alternative Investments	FA AR Diversified Alternative Assets	17.50%
Absolute Return Strategies	FA AR Vexus Multi Strategy Fund	10.00%
Absolute Return Strategies	EFA Diversity Portfolio Strategy	20.00%
International Equity	CF Richmond Core	5.00%
Growth Strategies	FA AR Global Systemic Alpha	0.00%
TOTAL		100.00%

**(These asset allocations are indicative as at the date of this Investment Statement, and may change depending on circumstances, market views etc. No assumptions should be made that similar asset allocations will be profitable or suitable.)*

Conservative

Benchmark	1 month LIBOR + 2.5%
Target Volatility	Global Corporate Bond Index less 1%
Concentration Risk	Medium
Suggested Minimum Investment Time Horizon	5 years

Suitable for investors who are conservative by nature or close to retirement and who seek steady growth but are willing to forego possible higher returns for steady performance and less volatility. Returns from this strategy should be better than those available from a high street deposit account, although the value of the investment could fall as well as rise. Investors in this strategy would feel uncomfortable if their investments fell significantly in value in any one year. This strategy will maintain a broad spread of investments, including higher exposure to less volatile asset classes such as fixed income and absolute return strategies to help guard against significant falls in equity markets.

Example Asset Allocation*

Asset class	Building Block fund	Allocation %
Traditional Assets	CF AR Cautious Multi Asset	20.00%
Fixed Income Strategies	FA AR Alternative Income	7.50%
Fixed Income	EFA Multi Asset Income	20.00%
Alternative Investments	FA AR Diversified Alternative Assets	12.50%
Absolute Return Strategies	FA AR Vexus Multi Strategy Fund	10.00%
Absolute Return Strategies	EFA Diversity Portfolio Strategy	20.00%
International Equity	CF Richmond Core	5.00%
Growth Strategies	FA AR Global Systemic Alpha	5.00%
TOTAL		100.00%

*(These asset allocations are indicative as at the date of this Investment Statement, and may change depending on circumstances, market views etc. No assumptions should be made that similar asset allocations will be profitable or suitable.)

Balanced

Benchmark	1 month LIBOR + 3%
Target Volatility	Global Corporate Bond Index%
Concentration Risk	Medium
Suggested Minimum Investment Time Horizon	5 years

Suitable for investors who are seeking longer term growth potential with at least a medium term time horizon and who are prepared to accept a moderate level of volatility of returns as the price for potential growth. This strategy is designed to balance risk and reward and is appropriate for investors looking for higher returns than those available from a high street deposit account and willing to accept a certain amount of fluctuation in the value of their investments as a result. Investors in this strategy would feel uncomfortable if their investments were to fall significantly in value in any one year. This strategy will maintain a broad spread of assets, but with a greater emphasis on equities.

Example Asset Allocation*

Asset class	Building Block fund	Allocation %
Traditional Assets	CF AR Cautious Multi Asset	20.00%
Fixed Income Strategies	FA AR Alternative Income	5.00%
Fixed Income	EFA Multi Asset Income	20.00%
Alternative Investments	FA AR Diversified Alternative Assets	12.50%
Absolute Return Strategies	FA AR Vexus Multi Strategy Fund	12.50%
Absolute Return Strategies	EFA Diversity Portfolio Strategy	17.50%
International Equity	CF Richmond Core	7.50%
Growth Strategies	FA AR Global Systemic Alpha	5.00%
TOTAL		100.00%

*(These asset allocations are indicative as at the date of this Investment Statement, and may change depending on circumstances, market views etc. No assumptions should be made that similar asset allocations will be profitable or suitable.)

Progressive

Benchmark	1 month LIBOR + 3.5
Target Volatility	Global Corporate Bond Index plus 1%
Concentration Risk	High
Suggested Minimum Investment Time Horizon	6 years

Suitable for investors willing to accept a higher level of risk on their investments in return for potentially higher returns in the longer run. Investors in this strategy are willing to accept greater variability of returns and quite substantial fluctuations in the value of their investments as a result. They would feel comfortable if their investments fell in value more than 3 months in any one year and

would see this as a time to “ride out the storm” rather than a time to invest more. This strategy will maintain a higher exposure to more volatile investments, including equities and commodities.

Example Asset Allocation*

Asset class	Building Block fund	Allocation %
Traditional Assets	CF AR Cautious Multi Asset	20.00%
Fixed Income Strategies	FA AR Alternative Income	5.00%
Fixed Income	EFA Multi Asset Income	17.50%
Alternative Investments	FA AR Diversified Alternative Assets	12.50%
Absolute Return Strategies	FA AR Vexus Multi Strategy Fund	12.50%
Absolute Return Strategies	EFA Diversity Portfolio Strategy	17.50%
International Equity	CF Richmond Core	7.50%
Growth Strategies	FA AR Global Systemic Alpha	7.50%
TOTAL		100.00%

**(These asset allocations are indicative as at the date of this Investment Statement, and may change depending on circumstances, market views etc. No assumptions should be made that similar asset allocations will be profitable or suitable.)*

Adventurous

Benchmark	1 month LIBOR + 4%
Target Volatility	Global Corporate Bond Index plus 2%
Concentration Risk	High
Suggested Minimum Investment Time Horizon	7 years

Suitable for investors willing to accept a much higher level of risk on their investments in return for potentially higher returns in the longer run. Investors in this strategy are willing to accept what might be significant short term fluctuations in the value of their investments as a result. They would feel comfortable if their investments fell in value more than 3 months in any one year and might well see this as an ideal time to invest more. This strategy will maintain a higher exposure to more volatile investments, including equities and commodities.

Example Asset Allocation*

Asset class	Building Block fund	Allocation %
Traditional Assets	CF AR Cautious Multi Asset	20.00%
Fixed Income Strategies	FA AR Alternative Income	5.00%
Fixed Income	EFA Multi Asset Income	12.50%
Alternative Investments	FA AR Diversified Alternative Assets	10.00%
Absolute Return Strategies	FA AR Vexus Multi Strategy Fund	15.00%
Absolute Return Strategies	EFA Diversity Portfolio Strategy	15.00%
International Equity	CF Richmond Core	10.00%
Growth Strategies	FA AR Global Systemic Alpha	12.50%
TOTAL		100.00%

**(These asset allocations are indicative as at the date of this Investment Statement, and may change depending on circumstances, market views etc. No assumptions should be made that similar asset allocations will be profitable or suitable.)*

Building Block Funds

As noted above, each Investment Portfolio is comprised of different levels of investment across a range of Building Block Funds. A brief description of each Building Block Fund follows:

CF AR Cautious Multi-Asset Fund

The objective of CF AR Cautious Multi-Asset Fund is to achieve annual returns through both capital appreciation and income receipts of 2% over 1 month £ LIBOR, regardless of market conditions. The

fund aims to invest conservatively in a globally diversified portfolio that may include equities, bonds, money market instruments, cash, derivative instruments, forward transactions, collective investment schemes and other instruments as the Investment Manager may consider appropriate in achieving the overall objective of the fund. The fund will comprise a mixture of income-generating assets and assets with scope for capital growth in real terms.

FA AR Alternative Income Fund

The objective of the FA AR Alternative Income Fund is to target 7% income yields whilst seeking to provide positive absolute returns for investors in all market conditions over a full market cycle. The fund invests in a broad selection of asset classes including fixed income, equity income, commodities, private equity, life settlements, cash instruments and derivatives. The fund is designed to provide for a short to medium term investment providing regular income and with low to moderate risk.

EFA AR Multi Asset Income Fund

The EFA AR Multi Asset Income Fund seeks to provide an income in the range of 5.0 - 6.5% p.a. (this is the anticipated current yield - please note that this range is not fixed and will vary according to market conditions). The fund aims to make quarterly distributions for regular income, to actively invest in a wide range of assets including equities, bonds, property and convertibles, drawing on a global investment strategy and to deliver positive total returns on an annual basis.

FA AR Diversified Alternative Assets Fund

The objective of the FA AR Diversified Alternative Assets Fund is to generate attractive cash plus, risk adjusted returns over the long-term and to protect investment capital at all times, especially in uncertain market environments, with controlled volatility and lower correlation in relation to the financial markets. The fund is a multi-asset class portfolio which invests across a broad range of asset classes including alternatives, absolute return strategies and uncorrelated investments. The fund seeks to provide a medium to long term investment with moderate risk.

FA AR Vexus Multi-Strategy Fund

The objective of the FA AR Vexus Multi-Strategy Fund is to generate significant and consistent capital appreciation. The target is to provide net returns in excess of 15% over any given full market cycle. The fund invests in a broad range of asset classes including equities, commodities, fixed income, currencies and related instruments. The fund seeks to provide a long term investment with moderate to high risk.

EFA Diversity Portfolio Strategy Fund

The EFA Diversity Portfolio Strategy Fund aims to deliver capital growth in the medium to long term through investing in a range of asset classes where the sources of returns may differ from the wider equity market. By combining these asset classes, each with different investment characteristics, the fund seeks to provide a less volatile return than equities.

CF Richmond Core Fund

The investment objective of the CF Richmond Core Fund is to provide a combination of capital growth and income through investment in a diversified portfolio of equities, bonds, collective investment schemes and cash. There may be occasions where the focus is on certain geographical areas or sectors. The portfolio may from time to time hold a high proportion of cash or money market instruments.

FA AR Global Systematic Alpha

The FA AR Global Systematic Alpha Fund invests in single manager funds which pursue primarily rule based, directional, absolute return strategies. The best way to describe such strategies is dynamic global asset allocation based on following trends, using computer generated signals for entry, exit and position sizing. The fund targets 12 - 15% per annum, but brings with it comparable volatility.

Cash Fund

Cash will be placed in an on-call account with a suitably recognised bank of the Trustee's choice. Interest may or may not be credited to the account by the bank.

Member contributions will be held in the Cash Fund until an Investment Request is completed by the Member advising how the Member's contributions are to be invested in each Investment Portfolio.

Change to investment objectives and policy

The investment objectives and policies of the Investment Portfolios are subject to change at any time.

On joining the Scheme, Members must complete an Investment Request in a form prescribed by the Trustee. An Investment Request must state the Investment Portfolio(s) in which any amounts credited to the Member's Account are to be invested and, if investment in more than one Investment Portfolio is requested, the proportion in which such amount is to be invested.

Who is involved in providing it for me?

Scheme

The name of the Scheme is "Brooklands (NZ) Superannuation Scheme No. 1". The Scheme is a defined contribution superannuation scheme and was established by a Trust Deed dated 11 November 2010 (**Trust Deed**). The Trust Deed was amended by a Deed of Amendment dated 22 March 2012 which took effect from 6 April 2012. The Scheme was registered with the Financial Markets Authority as a registered superannuation scheme on 20 June 2011.

Trustee

As at the date of this Investment Statement, the Trustee of the scheme is Brooklands Trustees (NZ) Limited. The Trustee can be contacted at:

Brooklands Trustees (NZ) Limited
 c/o Aspire Training and Business Solutions Limited
 Level 4, Pharmacy House
 127 Dixon Street
 Wellington
 New Zealand

The contact details for the Trustee may change from time to time. Current details can be obtained from the Brooklands Pensions website www.brooklandspensions.com.

As at the date of this Investment Statement, the registered office of the Trustee is:

Brooklands Trustees (NZ) Limited
 c/o DLA Phillips Fox
 Level 5, 50-64 Customhouse Quay
 PO Box 2791
 Wellington
 New Zealand

Administration Manager

The Trustee has control over and is primarily responsible for the administration and management of the Scheme. The registered office of the Trustee is:

Brooklands Trustees (NZ) Limited
 c/o DLA Phillips Fox
 Level 5, 50 - 64 Customhouse Quay
 PO Box 2791
 Wellington
 New Zealand

The Trustee has contracted out some of the administration of the Scheme to Strategic Admin Solutions FZC LLC, although the Trustee retains control over and remains primarily responsible for the administration and management of the Scheme. This contracting arrangement means that Strategic Admin Solutions FZC LLC is considered to be the “administration manager” (**Administration Manager**) for the purposes of the Superannuation Schemes Act 1989 and the Securities Regulations 2009. As at the date of this prospectus, the address of Strategic Admin Solutions FZC LLC is:

Strategic Admin Solutions FZ LLC
Floor 3, Building 4
PO Box 345804
Dubai Outsource Zone
Dubai, UAE

The address of the Administration Manager (and the contact details for the Trustee) may change from time to time. Current details can be obtained from the Brooklands Pensions website www.brooklandspensions.com.

Investment Manager

Absolute Return Investment Advisers (ARIA) Limited (**Investment Manager**) (a limited company registered in England and Wales under company no: 7091239. Authorised and Regulated by the United Kingdom Financial Services Authority under FSA registration no: 527557) is the investment manager of the Scheme and the Investment Portfolios. As at the date of this Investment Statement, the Investment Manager's address is:

Absolute Return Investment Advisers (ARIA) Limited
4 Duke Street
Richmond
Greater London TW9 1HP
United Kingdom

The address of the Investment Manager may change from time to time. Current details can be obtained from the Investment Manager's website www.ariacm.com.

Custodian

As at the date of this Investment Statement, the custodian is SEI Investments (Europe) Limited (**Custodian**). The address of the Custodian is:

SEI Investments (Europe) Limited
Time & Life Building
1 Bruton Street
4th Floor
London W1J 6TL
United Kingdom

The address of the Custodian may change from time to time. Current details can be obtained from the Custodian's website www.seic.com/enUK/.

Promoters

Brooklands Trustees (NZ) Limited and International Pension Consultancy FZC, trading as "Brooklands International" are promoters of the Scheme (together known as "**Brooklands Pensions**"). The promoters can be contacted at the address of the Trustee detailed above. International Pension Consultancy FZC's principal place of business is:

International Pension Consultancy FZC
Floor 3, Building 4
PO Box 345804
Dubai Outsource Zone
Dubai, UAE

Auditors

WHK Wellington Partnership are the auditors of the Scheme (**Auditors**). The Auditors can be contacted at:

WHK Wellington Partnership
Level 6, Westfield Tower
45 Knights Road
Lower Hutt
Wellington
New Zealand

The address of the auditor may change from time to time. Current details can be obtained from the auditor's website www.whk.co.nz/wellington/.

How much do I pay?

On joining, you choose how much you contribute in the manner specified in your Investment Request. This could come in the form of personal contributions or the transfer of pension funds into the scheme. After your initial contribution there is no obligation to make further contributions, however, you may make additional contributions as agreed from time to time with the Trustee.

There are no minimum or maximum contribution requirements for Members.

Payments by cheque must be made out to the Brooklands (NZ) Superannuation Scheme No. 1 and forwarded to the Trustee at the address below:

Brooklands Trustees (NZ) Ltd
Floor 3, Building 4
PO Box 345804
Dubai Outsource Zone
Dubai, UAE

You may at any time, but subject to the Superannuation Schemes Act 1989, apply to the Trustee to transfer any amount accepted by the Trustee into this Scheme from any other superannuation scheme or pension plan (**Transferring Plan**). The amount transferred, which may include a transfer of assets, will be credited to your Member's Account. The Trustee must have regard to any restriction or limitations or conditions imposed on the Trustee by trustees of the Transferring Plan. You may be charged a fee for transferring your interest in the Transferring Plan to the Scheme - see the section headed "What are the charges?" on page 10.

Notwithstanding the above you may apply to the Trustee to transfer **UK Tax-Relieved Scheme Funds** to the Scheme. UK Tax-Relieved Scheme Funds means the sum of your UK tax-relieved fund and your relevant transfer fund as defined respectively by regulations 2 and 3 of The Pension Schemes (Applications of UK Provisions to Relevant Non-UK Schemes) Regulations 2006(b) (UK). The Transfer Value of any UK Tax-Relieved Scheme Funds transferred (**Transfer Value**) will be credited to your Member's Account subject to the following terms and conditions:

- the Trustee will designate at least 70% of the Transfer Value for the purposes of providing you with an "income for life" (as determined by the Trustee),
- the pension benefits and any lump sum associated with those pension benefits payable to you under the Scheme, to the extent that they relate to the UK Tax-Relieved Scheme Funds, are payable no earlier than the time at which you attain the age of 55 unless you are in ill health (as that term is used in the Finance Act 2004 (UK)), and
- such other terms and conditions as are agreed between the scheme manager of any pension scheme from which the Transfer Value is to be transferred and the Trustee and/or such other terms and conditions as the Trustee may determine as being necessary or desirable or in the interests of you or the Scheme.

All amounts recorded in Member's Accounts are to be denominated in New Zealand Dollars or such other currency or currencies as determined by the Trustee from time to time, provided that the

denomination of amounts in the currency or currencies so determined shall be in accordance with all applicable law, including any relevant accounting standards.

There is no cooling off period.

What are the charges?

The following fees are payable by Members of the Scheme:

Establishment fee

Establishment fee..... \$1200

On joining the Scheme you pay the Trustee an establishment fee for establishing your Member Account. You must pay this fee directly to the Trustee. It is not deducted from your Member's Account. The other charges set out in this section are payable in addition to the establishment fee.

Annual fee

Annual fee \$1600

Each year you will pay the Trustee a fee for various services that the Trustee provides to the Scheme. The services provided include trustee services, administration management and registry services. This fee is deducted from your Member Account on opening your Member Account and annually thereafter on the anniversary of opening of your Member's Account.

Transfer in / out to another scheme

Exit charge (charge for transferring out) \$Zero

Most competing schemes charge their members for transferring their entitlements to another scheme. This acts as a penalty and disincentive to transfer out of those schemes. We are confident in our product range and administration so impose no penalty if you transfer to another scheme.

Establishment fee may be refunded Refund

If you transfer to or from another Brooklands Pensions scheme and the scheme into which you transfer has a lower establishment fee than the scheme that you have transferred from, Brooklands Pensions will refund you the difference between the establishment fees. This refund will be paid into your member account with the scheme that you transfer to.

Payment of benefits

Each Lump Sum..... \$600
.....plus 1.00% of the remaining value of the Member's Account

Where your benefit is paid in the form of a lump sum withdrawal in accordance with the benefits described under the heading "How do I cash in my investment?" on page 16, you will pay the Trustee the fee set out above for arranging the lump sum payment. This fee is deducted from your Member Account. Where there is an insufficient amount remaining in your Member Account, the fee will be deducted from any lump sum payment being made.

Income Drawdown (Establish) \$200 each

Where you have arranged with the Trustee for a benefit to be withdrawn in the form of a periodic cash payment as described under the heading "How do I cash in my investment?" on page 16, you will pay the Trustee the fee set out above for establishing that periodic payment facility. This fee is a one-off fee deducted from your Member Account on establishing or varying that periodic payment facility. Where there is an insufficient amount remaining in your Member Account, the fee will be deducted from any periodic cash payment being made.

Annual Pension Payment..... \$400 p.a.

Where you have arranged with the Trustee for regular income to be payable in respect of an income drawdown event, as described under the heading “How do I cash in my investment?” on page 16, you will pay the Trustee the fee set out above annually for that regular payment facility. Where there is an insufficient amount remaining in your Member Account, the fee will be deducted from any periodic cash payment being made.

Investment management

*Annual investment management charge (including trail commission)..... 1.25%
.....of net asset value of the Investment Portfolio (NAV)*

For investment in the Cash Fund and each Investment Portfolio you will pay the annual Investment Management charge referred to above. 0.5% of the 1.25% fee will be paid to your introducing financial adviser as trail commission. The remaining 0.75% of the 1.25% will be paid to the Investment Manager for investment management and custodial services. These fees are deducted from your Member Account.

Initial Commission Up to 7%

Your introducing financial adviser may charge you the fee referred to above for introducing you to the Scheme. This fee is agreed between you and the introducing financial adviser. This fee is not paid to the Trustee or to the Scheme.

Alteration of fees

The Trustee may alter any of the fees referred to above (with the exception of Initial Commission which is agreed between you and your introducing financial adviser) at any time, at its discretion.

General

The fees set out above are the maximum fees payable by Members and the Trustee reserves the right to charge lower fees to any Member at its discretion. If you do not hold New Zealand Dollars then the fees set out above will be collected in Pounds Sterling at the set exchange rate of 1NZD = 0.5GBP. The Trustee reserves the right to alter these fees and reset the exchange rate at 31 December each year. To confirm current fees/exchange rate please contact the Administration Manager or your introducing financial adviser.

All fees are stated on a GST exclusive basis. Under current law some fees are wholly or partially exempt from GST. If GST is payable on any of the fees then the GST component is payable in addition to the fee stated.

What returns will I get?

Returns from the Scheme are paid to you in the form of benefits.

Factors that may affect returns

The amount that is in your Member Account and that you get when making a withdrawal will depend on such factors as:

- The amount you, other persons and your employer have contributed.
- The amount transferred to the Scheme from a UK pension scheme.
- The returns on the Investment Portfolios (which may vary).
- Fees and expenses.
- Taxation.
- Withdrawals and transfers.

The amount of your returns, therefore, is not quantifiable as at the date of this Investment Statement. Because the payment of your withdrawal depends on when you become eligible for the withdrawal the

dates on which the returns will be paid to you are unknown as at the date of this Investment Statement. Your benefit will be payable in accordance with the terms of the Trust Deed.

Taxation

The information in this section is intended as general guidance only and is an indication of the relevant legislation in effect as at the date of this Investment Statement. The application of tax law is fact specific. You should seek professional tax advice specific to your individual circumstances prior to investing in the Scheme so that you clearly understand the taxation implications of such an investment. Neither the Trustee nor any other person accepts any responsibility for the taxation consequences of your investment in the Scheme.

Portfolio Investment Entities

Capital gains derived by PIEs in relation to New Zealand and most listed Australian companies are not subject to tax. Investments in certain offshore equities are taxed under the Fair Dividend Rate method, with a deemed return of 5% of the market value.

The Scheme is a Portfolio Investment Entity (**PIE**). Under the PIE tax regime, the Scheme attributes its taxable income to its Members and pays tax (if any) on each Member's attributed income on that Member's behalf and at that Member's prescribed investor rate (**PIR**). The Scheme will adjust a Member's interest in the Scheme to reflect the tax paid.

New Zealand tax residents

The PIRs for New Zealand tax resident individuals are 10.5%, 17.5% and 28%.

Members will be eligible for a 10.5% PIR if their taxable income in either of the two immediately prior tax years did not exceed both:

- \$14,000 (excluding PIE income); and
- \$48,000 (including PIE income).

Members who do not qualify for the 10.5% rate are eligible for the 17.5% PIR if their taxable income in either of the two immediately prior tax years did not exceed both:

- \$48,000 (excluding PIE income); and
- \$70,000 (including PIE income).

If a Member does not qualify for either the 10.5% PIR or the 17.5% PIR (or does not provide the Trustee with a valid IRD number and notify the Trustee of their PIR), their PIR will be 28%. The maximum tax rate for a Member is 28%.

If a Member provides their correct PIR, they will not be required to include the attributed taxable income in their tax return. If a Member provides a PIR that is lower than their correct PIR, they may have to include the attributed taxable income in their tax return. If a Member provides a PIR that is higher than their correct PIR, they will not be able to receive a refund of the overpayment of tax.

Non-New Zealand tax residents

The Scheme is a "foreign investment zero-rate" PIE. This means that Members who are not New Zealand tax residents can elect to be "notified foreign Investors" by selecting the 0% PIR on the Application Form and providing the required information, including their tax file number (or its equivalent) in their local jurisdiction. Notified foreign investors are eligible for a PIR of 0% meaning that no New Zealand PIE tax will be payable by the Scheme on their attributed income.

Members that are not tax resident in New Zealand and do not elect to be "notified foreign investors" will have a PIR of 28% and will be subject to New Zealand PIE tax on their attributed income at that rate.

General

Members must advise the Trustee of their PIR and IRD number (if any) when applying for membership of the Scheme. Members must also advise the Trustee if their PIR or notified foreign investor status changes at any time. If a Member does not provide their PIR to the Trustee they will

automatically be taxed at the maximum default rate of 28%. If a Member provides an incorrect PIR they may be liable for any additional income tax.

If the Commissioner of Inland Revenue considers the PIR or notified foreign investor status notified by a Member to be incorrect, the Commissioner can require the Trustee to disregard that PIR and instead apply a different PIR to that Member's attributed income.

Taxable income is attributed annually to 31 March, or at any time a benefit is paid to or in respect of a Member from the Scheme.

There may be changes to the taxation legislation and tax rates in the future which may impact each Member differently. Members should always seek independent professional taxation advice for their individual circumstances.

QROPS

At the date of this Investment Statement the Scheme is a QROPS, meaning that certain UK tax treatment may apply to Members who have transferred funds into the Scheme from a UK-registered pension scheme or funds which otherwise have UK tax relieved status. If the Scheme loses its QROPS status your UK tax implications may change in relation to transfers into the Scheme. Neither the Trustee nor any other person will be responsible for any tax consequences arising for Members in this eventuality.

Liability to pay returns

The Trustee is the person who is legally liable to pay any returns to you.

None of the Trustee, the promoters, or any other person guarantees or promises the return of capital or income from the Scheme.

Termination of the Scheme

The Trustee may resolve to terminate the Scheme by giving notice to the Members.

If and whenever the Scheme is terminated the Scheme assets shall be realised and subject to the payment of all costs, charges and expenses properly payable thereat, the net proceeds of such realisation and any monies then in hand shall be applied at that date (**Relevant Date**) for the benefit of the Members and other Beneficiaries and every benefit shall be of such amount as the Trustees shall consider appropriate having regard to the rights or prospective rights of each such person provided that:

- The total value of the benefits payable in respect of each Beneficiary shall be equal to the amount of the Member's Account at the Relevant Date.
- The Trustees may in lieu of making provision for any Beneficiary under this Rule make a transfer to another scheme of which such Beneficiary becomes a member.

The balance of the Scheme assets (if any) remaining after benefits to and in respect of the Members and other Beneficiaries have been paid or secured shall be distributed among the Members in the proportion the value of the Member's Account at the Relevant Date bears to the balance of the Fund at the Relevant Date.

What are my risks?

All investments carry risk. There are risks associated with the Scheme that could affect Members' ability to recover the amount of their contributions or impact on the returns payable from the Scheme as described in this Investment Statement. The principal risks applying to the Scheme that could affect returns (and which are common to most superannuation schemes generally) are:

- **Investment risk:** The risk of negative movements in the value of investments of a Member. The investment risk associated with each Member depends upon the Member's mix of investment assets. Generally, investment assets that offer the highest potential returns also have the highest risk. Members who have higher exposure to shares will generally suffer

bigger and more frequent investment losses and gains over the long term than accounts that carry a high weighting of fixed interest assets.

- **Liquidity risk:** The risk of the Scheme not being able to meet monetary obligations in a timely manner. The risk arises where there is a mismatch between the maturity profile of investments and the amounts required to pay withdrawals.
- **Regulatory risk:** The risk of future changes to tax, or general superannuation legislation which could affect the operation of the Scheme or Members' interests in the Scheme, or of the Trust Deed being amended in a manner required or permitted by Law that has the effect of reducing Members' interests in the Scheme.
- **Credit risk:** The risk of the Scheme becoming insolvent and being placed into receivership, liquidation or statutory management or being otherwise unable to meet its financial obligations. If this occurs, Members may not recover the full amount of their interest in the Scheme.
- **Administration risk:** The risk of a technological or other failure impacting on the Scheme or financial markets in general.
- **Currency risk:** Currency fluctuations where the underlying investment assets are denominated in or hedged to currencies other than the Member's base currency will affect returns. Returns will also be impacted where the Investment Portfolio is denominated in or hedged to currencies other than the Member's base currency.
- **Tax risk:** The rate of tax and the basis on which tax is imposed may change. Tax risk exists in relation to the underlying investments of the Scheme and the returns it will make.
- **UK Tax risk:** The risk that a transfer or withdrawal of UK Tax Relieved Scheme Funds to or withdrawal of such funds from the Scheme will give rise to a Member's liability for UK tax on that withdrawal.

Recent turmoil in the global credit and financial markets has resulted in significant investment losses across most asset classes. For Members, that highlights investment risks and emphasises the likelihood that Member Account balances will be less than the initial investment, especially in the short term.

From time to time market conditions will materially and adversely affect the Scheme's investments. Members should be prepared to experience short term declines in their Member Account balances. It is foreseeable that, due to a decline in the value of investments of the Scheme, a Member may receive less from the Scheme than the contributions made by that Member or that Member's Benefits may reduce over time. Members are advised to consult a professional adviser before making a decision to invest.

Consequences of insolvency

Members have no liability to pay money to any person as a result of the insolvency of the Scheme.

If the Scheme becomes insolvent, it will be wound up in accordance with the termination procedures under the Trust Deed. Claims on the assets of the Scheme that will rank ahead of members in the event of the Scheme being put into liquidation or being wound up will include any outstanding Trustee expenses (including fees) or liabilities of the Scheme, any claims preferred at law, tax and the costs of winding up the Scheme.

Can the investment be altered?

Contributions

There are no minimum or maximum contribution requirements for Members.

You and other persons may make additional contributions as agreed from time to time with the Trustee.

Switching

You may apply to the Trustee to switch how much of your Member Account is invested in each of the Investment Portfolios. The ability to switch your investments in this manner is at the discretion of the Trustee. To make an application to switch you must complete a new Investment Request form.

Changing the Normal Retirement Date

As at the date of this Investment Statement, the normal retirement date for a Member (**Normal Retirement Date**) is that Member's 55th birthday. The Trustee may increase the Normal Retirement Date at its absolute discretion. The Trustee may do this, for example, to ensure that the Scheme retains its QROPS status or remains eligible to be registered as a superannuation scheme. Any increase in the Normal Retirement Date will only apply to Members that join the Scheme after the Trustee has made such an increase. The Normal Retirement Date that applied to existing Members immediately before any such increase will continue to apply for those existing Members.

Trustee's powers

The Trustee may take whatever actions are necessary to comply with any requirements which are obligatory or which the Trustee may elect in respect of the apportionment or allocation of taxation or benefits under the tax laws of New Zealand (**Income Tax Law**).

While the Scheme is a PIE, the Trustee may take all steps necessary to ensure that the Scheme is eligible or continues to be eligible as a PIE or otherwise to comply with the requirements of Income Tax Law relevant to PIEs. This could include crediting or debiting Member Accounts and divesting investments.

The Trustee may elect that the Scheme cease to be a PIE at its discretion, and may allocate the costs of being a PIE as it considers appropriate. The Trustee shall ensure that any PIE Tax is attributed to Members taking into account such matters as the Trustee, acting reasonably, considers appropriate.

Trust Deed

Subject to the Superannuation Schemes Act 1989, the Trustee may amend the Trust Deed provided that the amendment does not:

- vary the main purpose of the Scheme, namely to provide retirement benefits to Members and their Beneficiaries;
- have the effect of:
- reducing, postponing or otherwise adversely affecting the benefits whether vested, contingent or discretionary, that may in due course flow from or are attributable to, membership of the Scheme up to the date the amendment is made; or
- removing any right of the Members or Beneficiaries to participate in the management of the Scheme; or
- increasing the contributions, fees, or charges payable by any Member,

without the written consent of every Member, and of every other Beneficiary who is in receipt of a Benefit under the Scheme at the date the amendment is made, who would be adversely affected by the amendment.

Law changes

The Superannuation Schemes Act 1989 of New Zealand, the Finance Act 2004 (UK) and other laws may be amended from time to time, and any such amendment may have an impact on the Scheme.

How do I cash in my investment?

The entitlements to benefits and withdrawals set out below are subject to any conditions which may be imposed as a result of the transfer of an amount from another superannuation or pension scheme. These are described in more detail below under the sub-heading "Transfers" on page 17.

Entitlement to benefits and withdrawals will also be subject to the Trustee's general discretion to decline benefits as described in more detail below under the sub-heading "Trustee's discretion to decline benefit payments" on page 16. In particular, please note that transfers to the Scheme from a UK pension plan or of other UK Tax-Relieved Scheme Funds are likely to be subject to the conditions set out in the heading "Transfers" on page 17.

Furthermore, please be aware that if you have transferred UK Tax-Relieved Schemes Funds to the Scheme, the QROPS rules restrict benefit payments the Trustee can make to you. The payments that the Trustee can make are restricted to those it could make if the Scheme were a registered pension scheme in the UK. These restrictions last until you have been a non-UK tax resident for five clear and complete UK tax years. The UK tax year runs from 6 April in one calendar year to 5 April in the next. This restriction applies to all QROPS and is not unique to the Scheme.

Withdrawals

Normal Retirement Date

A Member who has reached Normal Retirement Date shall be entitled:

- On the giving of one week's written notice to the Trustee, to a lump sum payment equal to the value of the Member's Account;
- Periodic cash payments at a time and frequency agreed with the Trustee provided, however the maximum amount payable to a Member shall be the value of a Member's Account at the relevant time.

Early Withdrawal

If a Member wishes to receive a benefit from the Scheme before the Member's Normal Retirement Date, the Member may, with the consent of the Trustee, be entitled to an early withdrawal to the maximum value of their Member's Account at any time between the Member's 50th birthday and the Normal Retirement Date. Consent to an early withdrawal will only be granted where the Trustee, in its sole and absolute discretion, considers that the Member's circumstances justify such early withdrawal.

Early Withdrawal due to Hardship

Early withdrawal may also be permitted, at the discretion of the Trustee, where the Member can show that they are subject to hardship or are likely to suffer hardship.

Withdrawal at Death

The Trustee shall have the power at any time after a Member's death:

- To pay all or part of such lump sum benefit to the Member's estate; and/or
- To pay or apply all or part of such benefit to or for the benefit of:
 - Any one or more of that Member's Dependents; and/or
 - Any one or more of that Member's Relations; and/or
 - Any nominated Beneficiaries.

In exercising its discretion as to the payment of benefits at death the Trustee may have regard to but shall not be bound by any wishes notified to the Trustees by the Member.

Trustee's discretion to decline benefit payments

The Trustee may decline to allow a withdrawal or benefit if the Trustee considers that the withdrawal or payment of the benefit may be prejudicial to the status or treatment of the Scheme, to any Member

of the Scheme or to any contribution made by or for a Member under the Scheme under any law (for example, the tax status of the Scheme).

Transfers

Subject to the Superannuation Schemes Act 1989, you may at any time, apply to the Trustee to transfer any amount accepted by the Trustee into this Scheme from a Transferring Plan. The Transfer Value will be credited to your Member Account. The Trustee must have regard to any restriction or limitations or conditions imposed on the Trustee by trustees of the Transferring Plan. You may be charged a fee for transferring your interest in the Transferring Plan to the Scheme. See above under the heading “What are the charges?” on page 10.

Notwithstanding the above a Member may apply to the Trustee to transfer UK Tax-Relieved Scheme Funds to the Scheme. The Transfer Value of any UK Tax-Relieved Scheme Funds transferred will be credited to the Member's Account subject to the following terms and conditions:

- The Trustee will designate at least 70% of the Transfer Value for the purposes of providing the Member with an “income for life” (in such manner as is determined by the Trustee);
- The pension benefits and any lump sum associated with those pension benefits payable to the Member under the Scheme, to the extent that they relate to the UK Tax-Relieved Scheme Funds, are payable no earlier than the time at which the Member attains the age of 55 unless the Member is in ill health (as that term is used in the Finance Act 2004 (UK)); and
- Such other terms and conditions as are agreed between the scheme manager of any pension scheme from which the Transfer Value is to be transferred and the Trustee and/or such other terms and conditions as the Trustee may determine as being necessary or desirable or in the interests of the Member or the Scheme.

The Trustee may, at the written request of a Member, transfer to another superannuation or pension plan nominated by the Member (**Transferee Plan**), an amount not exceeding the maximum value of the Member's Account of the relevant Member. If any benefit is transferred from the Scheme to a Transferee Plan the Transfer Value, which may include a transfer of assets, shall be transferred subject to such terms and conditions as agreed between the Transferee Plan trustees and the Trustee.

Reporting to HMRC

The Trustee must report to HMRC about benefit payments it makes to Members with UK tax-relieved scheme funds in the Scheme. The Trustee will report these benefit payments until the later of ten years after the date of the transfer of UK tax-relieved scheme funds and the Member being non-UK tax resident for five clear and complete UK tax years.¹ By applying to transfer UK tax-relieved scheme funds to the Scheme, you consent to the Trustee making these and such other reports as are required by the Finance Act 2004 (UK) and regulations made under that Act.

Wind up

The Trustee may resolve to terminate the Scheme by giving notice to the Members.

If and whenever the Scheme is terminated the Fund shall be realised and subject to the payment of all costs charges and expenses properly payable thereat, the net proceeds of such realisation and any monies then in hand shall be applied at that date (**Relevant Date**) for the benefit of the Members and other Beneficiaries and every benefit shall be of such amount as the Trustees shall consider appropriate having regard to the rights or prospective rights of each such person provided that:

- The total value of the benefits payable in respect of each Beneficiary shall be equal to the amount of the Member's Account at the Relevant Date.
- The Trustees may, in lieu of making payment to the Member as above, make a transfer to another scheme of which such Beneficiary becomes a member.

¹ The UK tax year runs from 6 April in one calendar year to 5 April in the next.

The balance of the Scheme (if any) remaining after benefits to and in respect of the Members and other Beneficiaries have been paid or secured shall be distributed among the Members in the proportion the value of the Member's Account at the Relevant Date bears to the balance of the Fund at the Relevant Date.

No secondary market

Members' interests in the Scheme are not able to be sold or otherwise transferred, either in whole or in part.

Who do I contact with inquiries about my investment?

You can direct questions in writing to your financial adviser.

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

If you are not satisfied with the service you have received from us you should contact your financial adviser in the first instance.

The Trustee also has an internal complaints process and undertakes to investigate your concerns promptly and fairly. You may contact a director of the Trustee to make a complaint at:

Brooklands Trustees (NZ) Limited
c/o Aspire Training and Business Solutions Limited
Level 4, Pharmacy House
127 Dixon Street
Wellington
New Zealand
Tel: +64 4 479 6681

The Trustee is a member of an independent dispute resolution scheme operated by Financial Services Complaints Limited (**FSCL**) and approved by the Ministry of Consumer Affairs. The Trustee has 40 days to respond to your complaint. If your complaint is unresolved after 40 days or if you are not satisfied by the Trustee's response, you may refer the matter to FSCL by emailing info@fscl.org.nz or calling FSCL on 0800 347 257. Full details of how to access the FSCL scheme can be obtained on their website www.fscl.org.nz. There is no cost to you to use the services of FSCL. FSCL's physical address is:

Financial Services Complaints Limited
Level 13, 45 Johnston Street
Wellington
New Zealand

What other information can I obtain about this investment?

Trust Deed, Prospectus and Financial Statements

Other information about the Scheme and the securities is contained or referred to in the Trust Deed, registered prospectus and financial statements (once available) for the Scheme.

A copy of the Trust Deed, registered prospectus and the most recent financial statements of the Scheme and the annual report of the Scheme (once available) are available on request from Trustee during normal business hours, free of charge. Copies of these documents (except the annual report) along with any material contracts set out in the registered prospectus may be viewed on the Companies Office website www.companies.govt.nz under "Search Other Registers" by searching the Scheme's name.

Annual information

The Trustee will send to each member on an annual basis, in electronic form where the member has agreed to accept such annual information in this form:

- The annual report of the Scheme;
- An investor tax statement.

On request information

Upon contacting the Trustee, the following documents or information can be requested free of charge:

- A copy of the Scheme's Trust Deed;
- The current value of your Member Account;
- The prospectus for the Scheme;
- A copy of financial statements for the Scheme and any auditor's report (once available);
- The most recent annual report of the Scheme (once available); and
- A copy of the most recent Investment Statement.