

# Fund Update

## SuperLife Invest

### NZ Dividend ETF Fund

For the quarter ended 31 December 2016

This Fund Update was first made publicly available on 13 February 2017.

### What is the purpose of this update?

This document tells you how the NZ Dividend ETF Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Smartshares Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

### Description of this fund

The NZ Dividend ETF Fund invests in the Smartshares Exchange Traded Funds' NZ Dividend Fund.

Total value of the fund:	\$1,640,690
Number of investors in the fund:	9
The date the fund started:	28 October 2016

### What are the risks of investing?

#### Risk indicator for the NZ Dividend ETF Fund <sup>1</sup>



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at <https://www.sorted.org.nz/tools/investor-kickstarter>

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 31 December 2016. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

### Other specific risks

There are other risks that may increase the risk to returns for investors, which are not reflected in the risk indicator. These risks include underlying fund tracking risk. In particular, the fund invests in an exchange traded fund, which is designed to track the return on a specific index. Tracking difference may occur when the weighting of each of the financial products included in the index changes, and the fund that tracks the index is not able to exactly match that change. There is a risk that this may result in the fund achieving a return that is lower than the index being tracked by the fund.

See the “Other Information – Risks” document on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) for further information.

### How has the fund performed?

	Past year
<b>Annual return</b> (after deductions for charges and tax)	Not applicable
<b>Annual return</b> (after deductions for charges but before tax)	Not applicable
<b>Market index annual return</b> (reflects no deduction for charges and tax)	12.66%

The market index annual return is based on the annual return for the S&P/NZX 50 High Dividend Index. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose)

### What fees are investors charged?

Investors in the NZ Dividend ETF Fund are charged fund charges. These are as follows:

	% per annum of fund’s net asset value
<b>Total fund charges (estimate)</b>	0.49%
Which are made up of:	
<b>Total management and administration charges (estimate)</b>	0.49%
Including:	
Manager’s basic fee	0.25%
Other management and administration charges (estimate)	0.24%
<b>Total performance-based fees</b>	0.00%
<b>Other charges</b>	Dollar amount per investor
Administration fee	\$12 per annum
Paper statements fee	\$18 per annum <sup>2</sup>

See the “Other Information – Fees” document on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) for further information about the fees you will be charged for investing in the SuperLife Invest.

Small differences in fees and charges can have a big impact on your investment over the long term.

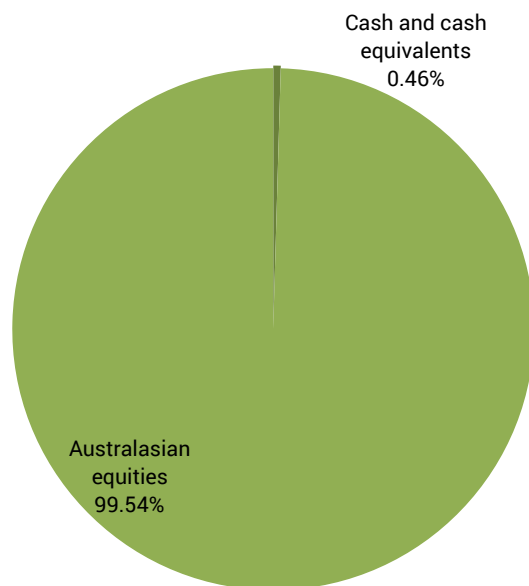
### Example of how this applies to an investor

Jess had \$10,000 in the fund on 28 October 2016 and did not make any further contributions. On 31 December 2016, Jess incurred a loss after fund charges were deducted of -\$17 (that is -0.17% of her initial \$10,000). Jess paid other charges of \$2 (Jess received statements and other SuperLife communications electronically and was not charged the paper statements fee). This gives Jess a total loss after tax of -\$19 for the 2 months and 4 days.

### What does the fund invest in?

#### Actual investment mix<sup>3</sup>

This shows the types of assets that the fund invests in.



### Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

Asset Category	Target asset mix
Cash and cash equivalents	-
New Zealand fixed interest	-
International fixed interest	-
Australasian equities	100.00%
International equities	-
Listed property	-
Unlisted property	-
Commodities	-
Other	-

### Top ten investments

Name	% of fund net assets	Type	Country	Credit rating (if applicable)
Fletcher Building Limited	12.56%	Australasian equities	New Zealand	
Spark New Zealand Limited	9.60%	Australasian equities	New Zealand	
Meridian Energy Limited	7.45%	Australasian equities	New Zealand	
Contact Energy Limited	7.12%	Australasian equities	New Zealand	
Sky Network Television Limited	5.84%	Australasian equities	New Zealand	
Air New Zealand Limited	5.65%	Australasian equities	New Zealand	
Z Energy	5.00%	Australasian equities	New Zealand	
Mercury NZ Limited	4.65%	Australasian equities	New Zealand	
Sky City Entertainment Group Limited	4.10%	Australasian equities	New Zealand	
Genesis Energy Limited	3.88%	Australasian equities	New Zealand	

The top 10 investments make up 65.85% of the fund.

### Currency hedging

Not applicable.

### Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund:

Name	Current position	Time in current position	Previous or other positions	Time in previous / other position
Timothy Oliver Bennett	Director	3 years and 4 months	Chief Executive Officer - NZX	4 years and 7 months
Michael John Chamberlain	Head of SuperLife Funds Management	1 year and 11 months	Director - SuperLife Limited	18 years and 6 months
Guy Roulston Elliffe	Director	1 year and 1 month	Corporate Governance Manager - ACC	1 year and 8 months
Bevan Keith Miller	Director	3 years and 4 months	Chief Financial Officer - NZX	4 years
Alister John Williams	Director	1 year and 1 month	Investment Manager - Trust Management	1 year and 11 months

### Further information

You can also obtain this information, the Product Disclosure Statement for SuperLife Invest, and some additional information, from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose)

### Notes

- 1 Market index returns (as well as actual returns) have been used to complete the risk indicator, as the fund has not been in existence for 5 years. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund. The risk indicator for the fund uses 4 years and 9 months of market index returns.
- 2 You will only be charged this fee if you choose to receive statements and other SuperLife communications in paper form.
- 3 The NZ Dividend ETF Fund invests in listed property trusts included in the S&P/NZX 50 High Dividend Index. This is included in its asset allocation to Australasian equities.