

## Fund Update

### SuperLife Invest

### NZ Cash Fund

For the quarter ended 30 June 2017.

This fund update was first made publicly available on 25 July 2017.

### What is the purpose of this update?

This document tells you how the NZ Cash 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 Cash Fund is designed to provide a return (after tax, fees and other expenses) that reflects the after-tax return on the New Zealand cash market.

Total value of the fund:	\$152,477,898
Number of investors in the fund:	49
The date the fund started:	28 October 2016

### What are the risks of investing?

#### Risk indicator for the NZ Cash 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 [www.sorted.org.nz/tools/investor-kickstarter](http://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 30 June 2017. 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 investment management risk. In particular, while SuperLife Invest's philosophy is that a passive approach to investing will deliver better long-term results, we make some active management decisions. There is a risk that this may result in the fund achieving a return that is lower than its investment objective.

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 about the risks of investing in SuperLife Invest.

### 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)	2.21%

The market index annual return is based on the annual return of the S&P/NZX Bank Bills 90-Day 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 Cash Fund are charged fund charges. These are as follows:

	% per annum of fund's net asset value
<b>Total fund charges (estimate)</b>	0.42% <sup>2</sup>
Which are made up of:	
<b>Total management and administration charges (estimate)</b>	0.42% <sup>2</sup>
Including:	
Manager's basic fee	0.25%
Other management and administration charges (estimate)	0.17% <sup>2</sup>
<b>Total performance-based fees</b>	0.00%
<b>Other charges</b>	<b>Dollar amount per investor</b>
Administration fee	\$12 per annum
Paper statements fee	\$18 per annum <sup>3</sup>

Investors will not be charged individual action fees for specific actions or decisions. See the "Other Information – Fees" document on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) for more information about the fees investors are charged.

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

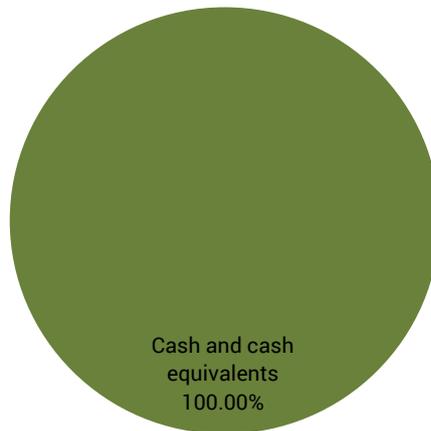
### Example of how this applies to an investor

Jess had \$10,000 in the fund on 28 October 2016 and did not make any further contributions. On 30 June 2017, Jess received a return after fund charges were deducted of \$133 (that is 1.33% of her initial \$10,000). Jess paid other charges of \$8 (Jess received statements and other SuperLife communications electronically and was not charged the paper statements fee). This gives Jess a total return after tax of \$125 for the 8 months and 3 days.

### What does the fund invest in?

#### Actual investment mix

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	100.00%
New Zealand fixed interest	-
International fixed interest	-
Australasian equities	-
International equities	-
Listed property	-
Unlisted property	-
Commodities	-
Other	-

## Top ten investments

Name	% of fund's net asset value	Type	Country	Credit rating (if applicable)
Nikko AM Wholesale NZ Cash Fund	30.15%	Cash and cash equivalents	New Zealand	
SBS 02/08/17 3.71% TD	5.27%	Cash and cash equivalents	New Zealand	BBB
ASB Bank Ltd 08/03/19 FRN	5.01%	Cash and cash equivalents	New Zealand	AA-
Kiwibank Ltd 13/05/19 FRN	4.45%	Cash and cash equivalents	New Zealand	AA+
Inland Revenue Deposit 28/08/17 RCD	3.30%	Cash and cash equivalents	New Zealand	AAA
ANZ Bank New Zealand Ltd 22/03/19 FRN	3.08%	Cash and cash equivalents	New Zealand	AA-
Fonterra Cooperative Group Ltd 24/10/17 FRN	2.80%	Cash and cash equivalents	New Zealand	A
Kiwibank Ltd 13/10/17 3.12% TD	2.26%	Cash and cash equivalents	New Zealand	AA
China Construction Bank 23/02/18 3.40% TD	2.24%	Cash and cash equivalents	New Zealand	A
Westpac Bk Corp 20/06/18 3.13% TD	2.21%	Cash and cash equivalents	New Zealand	AA-

The top 10 investments make up 60.77% of the fund's net asset value.

## 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
Paul James Baldwin	Director	6 months	Head of NZX Wealth Technologies - NZX	11 months
Michael John Chamberlain	Head of SuperLife Funds Management - NZX	2 years and 5 months	Director - SuperLife	18 years and 6 months
Guy Roulston Elliffe	Director	1 year and 7 months	Corporate Governance Manager - ACC	2 years and 2 months
Bevan Keith Miller	Director	3 years and 10 months	Chief Financial Officer - NZX	4 years and 6 months
Alister John Williams	Director	1 year and 7 months	Investment Manager - Trust Management	2 years and 5 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 4 months of market index returns.
- 2 Estimates have been used to calculate the other management and administration charges. These estimates are based on our experience in respect of the other SuperLife managed investment schemes we manage and assume that the fund's actual investment mix will be consistent with the target investment mix set out in this fund update.
- 3 You will only be charged this fee if you choose to receive statements and other SuperLife communications in paper form.