

11 April 2017

SuperLife KiwiSaver scheme

Product Disclosure Statement

Offer of membership of the SuperLife
KiwiSaver scheme

Issued by Smartshares Limited

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on www.business.govt.nz/disclose. Smartshares Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.



1. Key information summary

This is a replacement product disclosure statement. It replaces the product disclosure statement dated 2 November 2016.

What is this?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Smartshares Limited (**we, our** or **us**) will invest your money and charge you a fee for our services. The returns you receive are dependent on our investment decisions and the performance of the investments. The value of those investments may go up or down. The types of investments and the fees you will be charged are described in this document.

What will your money be invested in?

The SuperLife KiwiSaver scheme (**Scheme**) has 40 funds and SuperLife^{Age Steps}. These investment options are as follows:

- ▶ **SuperLife^{Age Steps}:** A life cycle investment option where the mix of income and growth assets is set based on your age. As you get older, the proportion of your investment in growth assets will be reduced, lowering the expected size of the ups and downs in the value of your investment.
- ▶ **Managed funds:** A series of funds that provide a range of risk-return profiles. The funds invest in a mix of the sector and ETF funds (except for Ethica, which invests directly in income and growth assets). It is your responsibility to choose a managed fund, and to change the managed fund if your risk-return profile changes.
- ▶ **Sector and ETF funds:** A series of funds invested in New Zealand and international markets that you can use to set your own investment strategy across the main investment asset classes of cash, fixed interest, shares and property. It is your responsibility to choose the mix of the sector and ETF funds, and to change the sector and ETF funds if your investment strategy changes.

You also have the flexibility to combine the investment options.

Some of these investment options are summarised on pages 3 to 4. More information about the investment target and strategy for each of these investment options is provided in section 3.

The other investment options offered under this product disclosure statement are listed on page 5. A summary of the investment target and strategy, and other information about performance and fees, for each of these investment options is contained in a separate fund update. These fund updates should be read together with this product disclosure statement and are available at www.superlife.co.nz.

Who manages the Scheme?

Smartshares Limited is the manager of the Scheme. See section 7 for more information.

How can you get your money out?

You can withdraw your investment when you reach the age to qualify for New Zealand superannuation (currently age 65), as long as you have been a member of a KiwiSaver scheme (or a superannuation scheme that has membership criteria similar to KiwiSaver and you transferred from that scheme) for at least five years.

You can transfer your investment to another KiwiSaver scheme at any time.

In certain circumstances, you may be able to make an early withdrawal. These circumstances include the purchase of a first home, financial hardship and serious illness. See section 2 for more information.

How will your investment be taxed?

The Scheme is a portfolio investment entity (**PIE**).

The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (PIR). This can be 10.5%, 17.5% or 28%. See section 6 for more information.

Where can you find more key information?

We are required to publish quarterly updates for each investment option. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at www.superlife.co.nz. We will give you copies of those documents on request.



Investment options summarised in this product disclosure statement

Managed funds					
Fund	Target income assets	Target growth assets	Description and investment objective	Risk indicator	Fund charges (% per annum of the fund's net asset value)
SuperLife ^{Income}	100%	–	Invests in income assets. Designed for investors that want a "defensive" investment option that invests in New Zealand and international fixed interest. Negative annual returns may occur once in every 7 – 10 years on average.		0.55%
SuperLife ³⁰	70%	30%	Invests mostly in income assets, with a small amount of growth assets. Designed for investors that want a "conservative" investment option. Negative annual returns may occur once in every 7 – 10 years on average.		0.56%
Ethica	40%	60%	Invests in a mix of income and growth assets. Designed for investors that want a "balanced" investment option. A socially responsible fund which excludes assets that do not meet the fund's defined ethical investment standards. Negative annual returns may occur once in every 5 – 7 years on average.		0.69%
SuperLife ⁶⁰	40%	60%	Invests in a mix of income and growth assets. Designed for investors that want a "balanced" investment option. Negative annual returns may occur once in every 5 – 7 years on average.		0.59%
SuperLife ⁸⁰	20%	80%	Invests mostly in growth assets, with a small amount of income assets. Designed for investors that want a "growth" investment option. Negative annual returns may occur once in every 3 – 5 years on average.		0.60%
SuperLife ¹⁰⁰	–	100%	Invests in growth assets. Designed for investors that want an "aggressive" investment option that invests in shares and property. Negative annual returns may occur once in every 2 – 4 years on average.		0.62%



SuperLife^{Age Steps}

SuperLife^{Age Steps} automatically adjusts the proportion of your investment in income and growth assets depending on your age. As you get older, the proportion of your investment in more volatile growth assets will be reduced, lowering the expected size of the ups and downs in the value of your investment. This option may be suitable if you are saving for retirement (assumed to be age 65), and assumes you will continue to invest your savings and spend them over your retirement period.

The information set out below is a representative sample of the age steps. Information about all the age steps is available at www.superlife.co.nz/agesteps.

Investor's age	Target income assets	Target growth assets	Risk indicator	Fund charges (% per annum of the fund's net asset value)
20 years	4%	96%		0.62%
30 years	20%	80%		0.61%
40 years	20%	80%		0.61%
50 years	25%	75%		0.60%
60 years	42.5%	57.5%		0.59%
70 years	60%	40%		0.57%
80 years	90%	10%		0.55%

* Market index returns (as well as actual returns) have been used to complete the risk indicators for SuperLife^{Income}, SuperLife⁸⁰ and SuperLife¹⁰⁰, as these funds have not been in existence for 5 years. Market index returns (as well as actual returns) have also been used to complete the risk indicators for SuperLife^{Age Steps}, as each step invests in SuperLife^{Income} and SuperLife¹⁰⁰ (together with the NZ Cash Fund). As a result, the risk indicators may provide a less reliable indicator of the potential future volatility of these investment options. The risk indicators for SuperLife^{Income}, SuperLife⁸⁰ and SuperLife¹⁰⁰ use 1 year and 6 months of market index returns.

The Scheme has an administration fee. The cost to you is \$30 a year (regardless of the number of investment options you choose to invest in, or the number of times you change your investment options). It is deducted at \$2.50 each month.

The Scheme has a transfer fee. You will be charged this fee if you transfer your investment to another KiwiSaver scheme. The fee is \$100.

See section 4 for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator. 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.



Investment options summarised in fund updates

The following sector and ETF funds give you the flexibility to set your own investment strategy.

Sector funds

Each of the sector funds invests almost entirely in one asset class.

NZ Cash Fund

NZ Bonds Fund

Overseas Bonds Fund

Overseas Non-government Bonds Fund

Property Fund

NZ Shares Fund

Australian Shares Fund

Overseas Shares (Currency Hedged) Fund

Overseas Shares Fund

Emerging Markets Fund

UK Cash Fund

ETF funds

Each of the ETF funds invests almost entirely in the equivalent Smartshares Exchange Traded Fund.

NZ Cash ETF Fund

NZ Bond ETF Fund

Global Bond ETF Fund

NZ Dividend ETF Fund

NZ Top 50 ETF Fund

NZ Top 10 ETF Fund

NZ Mid Cap ETF Fund

NZ Property ETF Fund

Australian Top 20 ETF Fund

Australian Dividend ETF Fund

Australian Financials ETF Fund

Australian Property ETF Fund

Australian Resources ETF Fund

Australian Mid Cap ETF Fund

Total World ETF Fund

US 500 ETF Fund

Europe ETF Fund

Asia Pacific ETF Fund

US Large Growth ETF Fund

US Large Value ETF Fund

US Mid Cap ETF Fund

US Small Cap ETF Fund

Emerging Markets ETF Fund



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2. How does this investment work?

The Scheme offers the following investment options:

- ▶ **SuperLife^{Age Steps}**: A life cycle investment option where the mix of income and growth assets is set based on your age. As you get older, the proportion of your investment in growth assets will be reduced, lowering the expected size of the ups and downs in the value of your investment.
- ▶ **Managed funds**: A series of funds that provide a range of risk-return profiles. The funds invest in a mix of the sector and ETF funds (except for Ethica, which invests directly in income and growth assets). It is your responsibility to choose a managed fund, and to change the managed fund if your risk-return profile changes.
- ▶ **Sector and ETF funds**: A series of funds invested in New Zealand and international markets that you can use to set your own investment strategy across the main investment asset classes of cash, fixed interest, shares and property. It is your responsibility to choose the mix of the sector and ETF funds, and to change the sector and ETF funds if your investment strategy changes.

You also have the flexibility to combine the investment options.

The Scheme's philosophy, which underpins how we implement the investment strategy for each investment option, is:

- ▶ **Passive**: We believe that a passive approach to investing will deliver better long-term results. Passive investing means we will either invest in a fund designed to track an index or in a number of assets for the long term. We do not think that constantly changing our investments (that is, trading regularly and seeking short-term gains), consistently adds value to investors.
- ▶ **Cost effective**: We make decisions based on what is practical, sensible and logical for market conditions, and for the long term. All decisions must be cost effective – the return to you is improved by the careful management of costs.
- ▶ **Diversification**: We believe that better and more consistent outcomes result from diversification. Diversification is about investing in a number of investments and reducing your risk by doing so.
- ▶ **Simple**: We aim to keep things simple.

The Scheme is a KiwiSaver scheme under the Financial Markets Conduct Act 2013. To protect the interests of investors, the Scheme's investments are held by independent custodians, and our operations are supervised by an independent supervisor, Public Trust. The Scheme is established as a trust and is governed by a trust deed between the supervisor and us.

To minimise administration costs and keep fees low, the Scheme invests in assets by investing in SuperLife Invest, which is a managed investment scheme also managed by us. We do not charge you additional fees because the Scheme invests in this way.

Your money is pooled and invested with other investors' money. Contributions are made by you and your employer.

Your contributions go into your member account. Your employer's contributions go into your employer account. Any voluntary contributions go into your voluntary account. Each of these accounts is in your name and is invested in one or more of the investment options chosen by you (or, if you do not choose an investment option, SuperLife^{Age Steps}).

As an investor, you have an interest in the Scheme overall and the funds you are invested in. Your interest does not give you any right to any particular asset of a fund.

When you become eligible to withdraw your investment, you can do so by redeeming your interest in the Scheme for cash.

All funds have assets (the investments of the fund) and liabilities (the fees, taxes and other costs payable by the fund). All liabilities incurred in respect of a fund will be met in the first instance from the assets of that fund. If the investments in a fund are not sufficient to meet its liabilities, the investments in another fund may be used to meet those liabilities.

There is no Crown guarantee of any KiwiSaver scheme or investment product of a KiwiSaver scheme.



Responsible investment, including environmental, social, and governance considerations, is not taken into account in the investment policies and procedures of the Scheme as at the date of this product disclosure statement. However, responsible investment is taken into account in the investment policies and procedures for Ethica).

The information about KiwiSaver set out below is only a summary. For more information, go to www.kiwisaver.govt.nz.

Joining the Scheme

You can join the Scheme if you are:

- ▶ younger than age 65;
- ▶ living or normally living in New Zealand; and
- ▶ a New Zealand citizen, or entitled to live in New Zealand indefinitely.

You can only belong to one KiwiSaver scheme at a time. If you join the Scheme and are already a member of another KiwiSaver scheme, we will arrange for your investment in the other KiwiSaver scheme to be transferred to the Scheme.

To join the Scheme, you can apply at www.superlife.co.nz or complete an application form and provide it to us. Alternatively, if your employer has chosen the Scheme as its preferred KiwiSaver scheme and you are not already a KiwiSaver member, you will automatically be enrolled in the Scheme when you start your job (you can choose to opt out between 14 to 56 days from the date you start your job). Any special conditions that apply where an employer has chosen the Scheme as its preferred KiwiSaver scheme are set out in the supplement for your employer, which will be provided to automatically enrolled employees, together with this product disclosure statement.

Making investments

If you are employed, contributions will be taken out of your gross (before-tax) salary or wages at a rate of 3%, 4%, or 8%. If you do not select a rate, contributions will be taken at 3%. You can also make voluntary contributions at any time. If you are contributing to KiwiSaver, you may also be entitled to an employer contribution of 3% of your gross (before-tax) salary or wages. Tax will be deducted from your employer contributions.

If you are self-employed or not working, you can make voluntary contributions by regular or lump sum payments. There is no minimum contribution amount.

You may also be eligible to receive a member tax credit from the Government at the rate of 50 cents for each dollar you contribute, up to a maximum of \$521.43 per year.

You can contribute to the Scheme in the following ways:

Contribution method	Employment status			
	If you are employed	If you are self-employed*	If you are not working	If you are under 18
Payment through PAYE via your employer	✓	✓	–	✓
Regular payment by direct debit to us	✓	✓	✓	✓
Lump sum payment by direct debit to us or via the Inland Revenue Department	✓	✓	✓	✓

* If you are self-employed and pay yourself through the PAYE system, you will be treated as an employee and will need to make employer contributions.

You can change your contribution rate or take a contributions holiday, subject to some restrictions.

You can also transfer money into the Scheme from another KiwiSaver, workplace savings or superannuation scheme.

Your contributions will be invested in the investment options you have chosen. If you do not choose an investment option, the contributions will be invested in SuperLife^{Age Steps}.



Withdrawing your investments

KiwiSaver is a savings initiative to help set you up for your retirement. This means that you will not usually be able to withdraw your investment until the later of:

- ▶ when you reach the age to qualify for New Zealand superannuation (currently age 65); and
- ▶ five years after you joined (a) a KiwiSaver scheme; or (b) a superannuation scheme that has membership criteria similar to KiwiSaver (and you transferred from that superannuation scheme).

Once you are able to withdraw your investment, you may withdraw your investment by making regular or lump sum withdrawals or by withdrawing the full amount. You may also continue to make contributions to the Scheme.

Early withdrawals are permitted in limited circumstances. The main types of early withdrawals available and what you can withdraw are set out below.

Withdraw type	What you can withdraw			
	Member contribution	Employer contribution	Member tax credit	Savings transferred from an Australian complying superannuation scheme
Purchase of first home*	✓	✓	✓	–
Significant financial hardship	✓	✓	–	✓
Serious illness	✓	✓	✓	✓
Permanent emigration (other than to Australia)	✓	✓	–	–
Permanent emigration (to Australia)**	✓	✓	✓	✓
Retirement withdrawal of Australian savings from age 60	–	–	–	✓

* You must leave \$1,000 in your account after the withdrawal.

** Your investment will be transferred to an Australian superannuation scheme that has membership criteria similar to KiwiSaver.

You can also transfer your investment to another KiwiSaver scheme at any time. You can only be a member of one KiwiSaver scheme at a time.

If you die, we will pay your investment to your personal representatives (the executors or administrators of your estate). Withdrawals may also be required by law (for example, if a court orders the release of money from your SuperLife accounts).

We may, in limited circumstances, suspend processing withdrawal requests (including where we cannot sell enough assets of a fund to satisfy a withdrawal request, or if we consider a withdrawal could be detrimental to other investors in a fund).



How to switch between investment options

You can switch your investment from one investment option to another investment option at any time free of charge.

You have the flexibility to leave your existing investment in your current investment options, and just change the investment options that your future contributions are allocated to.

You can do this at www.superlife.co.nz or by completing a change investment strategy form (which is available online) and providing it to us.

We may, in limited circumstances, suspend processing requests to switch between investment options.



3. Description of your investment options

The managed funds invest in income and growth assets. No one knows for certain how these types of assets are going to perform, but based on our experience we would expect the following characteristics:

► **Income assets:** Income assets include cash and fixed interest. With cash, we would expect positive returns, but lower than the returns for other assets over the long term. Investing in cash is suitable when money may be required in the short term (0 – 3 years). With fixed interest, we would expect positive returns that are higher than the returns for cash over 3 – 5 years, but at times returns can be negative over the shorter term. Investing in fixed interest is suitable when money may be required in the medium term (3 – 10 years).

► **Growth assets:** Growth assets include shares and property. With shares and property, we would expect positive returns that are higher than the returns for cash and fixed interest over the long term, but at times returns can be negative over the short to medium term. These negative returns can be quite large. Investing in shares and property is suitable when money can be invested for the long term (7 years plus).

Each of the managed funds target specific risk and return outcomes and will be appropriate for a particular investor type. To help you understand what type of investor you are, you can seek financial advice or work it out at www.sorted.org.nz/tools/investor-kickstarter.

Managed funds		
Description, investment objective and target investment mix	Risk indicator	Minimum suggested investor timeframe
<p>SuperLife^{Income}</p> <p>www.sorted.org.nz fund type: DEFENSIVE</p> <p>Invests in income assets. Designed for investors that want an investment that invests in New Zealand and international fixed interest. Negative annual returns may occur once in every 7 – 10 years on average.</p> <ul style="list-style-type: none"> ► 50% NZ fixed interest ► 50% International fixed interest ► 100% Income assets 		5 years
<p>SuperLife³⁰</p> <p>www.sorted.org.nz fund type: CONSERVATIVE</p> <p>Invests mostly in income assets, with a small amount of growth assets. Negative annual returns may occur once in every 7 – 10 years on average.</p> <ul style="list-style-type: none"> ► 5% Cash and cash equivalents ► 32.5% NZ fixed interest ► 32.5% International fixed interest ► 70% Income assets ► 11% Australasian equities ► 14% International equities ► 5% Listed property ► 30% Growth assets 		6 years

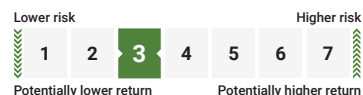


Managed funds

Description, investment objective and target investment mix	Risk indicator	Minimum suggested investor timeframe
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Ethica

www.sorted.org.nz fund type:
BALANCED



8 years

Invests in a mix of income and growth assets. A socially responsible fund which excludes assets that do not meet the fund's ethical investment standards. Negative annual returns may occur once in every 5–7 years on average.

- ▶ 5% Cash and cash equivalents
- ▶ 35% NZ fixed interest
- ▶ 40% Income assets
- ▶ 25% Australasian equities
- ▶ 25% International equities
- ▶ 10% Listed property
- ▶ 60% Growth assets

SuperLife⁶⁰

www.sorted.org.nz fund type:
BALANCED



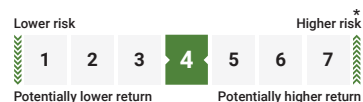
8 years

Invests in a mix of income and growth assets. Negative annual returns may occur once in every 5–7 years on average.

- ▶ 5% Cash and cash equivalents
- ▶ 15% NZ fixed interest
- ▶ 20% International fixed interest
- ▶ 40% Income assets
- ▶ 20% Australasian equities
- ▶ 32.5% International equities
- ▶ 7.5% Listed property
- ▶ 60% Growth assets

SuperLife⁸⁰

www.sorted.org.nz fund type:
GROWTH



9 years

Invests mostly in growth assets, with a small amount of income assets. Negative annual returns may occur once in every 3–5 years on average.

- ▶ 5% Cash and cash equivalents
- ▶ 5% NZ fixed interest
- ▶ 10% International fixed interest
- ▶ 20% Income assets
- ▶ 24% Australasian equities
- ▶ 46% International equities
- ▶ 10% Listed property
- ▶ 80% Growth assets

SuperLife¹⁰⁰

www.sorted.org.nz fund type:
AGGRESSIVE



10 years

Invests in growth assets. Designed for investors that want an investment that invests in shares and property. Negative annual returns may occur once in every 2–4 years on average.

- ▶ 33% Australasian equities
- ▶ 55% International equities
- ▶ 12% Listed property
- ▶ 100% Growth assets



SuperLife^{Age Steps}

SuperLife^{Age Steps} automatically adjusts the proportion of your investment in income and growth assets depending on your age. As you get older, the proportion of your investment in more volatile growth assets will be reduced, lowering the expected size of the ups and downs in the value of your investment. This option may be suitable if you are saving for retirement (assumed to be age 65), and assumes you will continue to invest your savings and spend them over your retirement period.

The information set out below is a representative sample of the age steps. Information about all the age steps is available at www.superlife.co.nz/agesteps.

Investor's age	Target investment mix	Risk indicator
20 years	<ul style="list-style-type: none"> ▶ 2% NZ fixed interest ▶ 2% International fixed interest ▶ 4% Income assets ▶ 32% Australasian equities ▶ 53% International equities ▶ 11% Listed property ▶ 96% Growth Assets 	
30 years	<ul style="list-style-type: none"> ▶ 10% NZ fixed interest ▶ 10% International fixed interest ▶ 20% Income assets ▶ 26% Australasian equities ▶ 44% International equities ▶ 10% Listed property ▶ 80% Growth Assets 	
40 years	<ul style="list-style-type: none"> ▶ 10% NZ fixed interest ▶ 10% International fixed interest ▶ 20% Income assets ▶ 26% Australasian equities ▶ 44% International equities ▶ 10% Listed property ▶ 80% Growth Assets 	
50 years	<ul style="list-style-type: none"> ▶ 12.5% NZ fixed interest ▶ 12.5% International fixed interest ▶ 25% Income assets ▶ 25% Australasian equities ▶ 41% International equities ▶ 9% Listed property ▶ 75% Growth Assets 	
60 years	<ul style="list-style-type: none"> ▶ 12.5% Cash and cash equivalents ▶ 15% NZ fixed interest ▶ 15% International fixed interest ▶ 19% Australasian equities ▶ 31.5% International equities ▶ 7% Listed property ▶ 57.5% Growth Assets 	
70 years	<ul style="list-style-type: none"> ▶ 20% Cash and cash equivalents ▶ 20% NZ fixed interest ▶ 20% International fixed interest ▶ 13% Australasian equities ▶ 22% International equities ▶ 5% Listed property ▶ 40% Growth Assets 	
80 years	<ul style="list-style-type: none"> ▶ 30% Cash and cash equivalents ▶ 30% NZ fixed interest ▶ 30% International fixed interest ▶ 3% Australasian equities ▶ 6% International equities ▶ 1% Listed property ▶ 10% Growth Assets 	

* Market index returns (as well as actual returns) have been used to complete the risk indicators for SuperLife^{Income}, SuperLife⁸⁰ and SuperLife¹⁰⁰, as these funds have not been in existence for 5 years. Market index returns (as well as actual returns) have also been used to complete the risk indicators for SuperLife^{Age Steps}, as each step invests in SuperLife^{Income} and SuperLife¹⁰⁰ (together with the NZ Cash Fund). As a result, the risk indicators may provide a less reliable indicator of the potential future volatility of these investment options. The risk indicators for SuperLife^{Income}, SuperLife⁸⁰ and SuperLife¹⁰⁰ use 1 year and 6 months of market index returns.



The Statement of Investment Policy and Objectives (**SIPO**) for the Scheme sets out the investment policies and objectives for the Scheme. The SIPO also sets out the target investment mix and investment mix ranges (minimum and maximum limits) for each fund. We may change the SIPO at any time, but will give you at least 30 days' notice of any change that is expected to have a material effect on you.

The SIPO is available at www.superlife.co.nz. Material changes to the SIPO will be described in the Scheme's annual report.

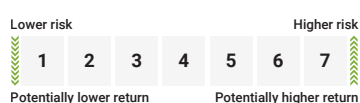
Further information about the assets in each investment option can be found in the fund updates at www.superlife.co.nz.



4. What are the risks of investing?

Understanding the risk indicator

Managed funds in New Zealand must have a standard risk indicator. The risk indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment. You can compare funds using the risk indicator.



See section 3 for the risk indicators which have been calculated for each of the investment options described in this product disclosure statement.

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the investment option's assets goes up and down (volatility). 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.

Note that even the lowest category does not mean a risk-free investment, and there are other risks (described under the heading "Other specific risks") that are not captured by this rating.

This risk indicator is not a guarantee of an investment option's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest fund update for each of the investment options.

General investment risks

When you invest, there is always a risk that the outcome is not what you expected or hoped for. This could be because: (a) the return on your investment was negative or low; or (b) your chosen investment strategy was not always suited to your goals.

Some of the things that may cause a fund's value to move up and down, which affect the risk indicator, are:

- ▶ **Market risk:** The risk that a market or a sector of a market that a fund invests in declines.
- ▶ **Individual financial product risk:** The risk that changes in the financial condition or credit rating of an issuer of a financial product causes the value of a financial product held by a fund to decline.
- ▶ **Liquidity risk:** The risk that an investment is difficult to buy or sell and a fund suffers a loss as a result.
- ▶ **Currency risk:** The risk that changes in exchange rates cause the value of an international investment to reduce.
- ▶ **Credit risk:** The risk that issuers of fixed interest or cash investments do not pay interest and/or capital repayments when these are due.
- ▶ **Interest rate risk:** The risk that interest rates rise and the value of investments (in particular, fixed interest and cash investments) reduce.



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 the Scheme's philosophy is that a passive approach to investing will deliver better long-term results, we make some active management decisions (largely around the proportions of the asset classes that make up each investment mix). There is a risk that this may result in a fund achieving a return that is lower than the investment objective for the fund.

See the "Other Information – Risks" document on the offer register at www.business.govt.nz/disclose for further information about the risks of investing in the Scheme.



5. What are the fees?

You will be charged fees for investing in the Scheme. Fees are deducted from your investment and will reduce your returns. If we invest in other funds, those funds may also charge fees. The fees you pay will be charged in two ways:

- ▶ regular charges (for example, fund charges). Small differences in these fees can have a big impact on your investment over the long term; and
- ▶ one-off fees (for example, a transfer fee).

These are as follows:

Managed funds		
Fund	Fund charges (% per annum of the fund's net asset value)	Other charges and individual action fees
SuperLife ^{Income}	0.55%	<p>The Scheme has an administration fee. The cost to you is \$30 a year (regardless of the number of investment options you invest in, or the number of times you change investment options). It is deducted at \$2.50 each month.</p> <p>The Scheme has a transfer fee. You will be charged this fee if you transfer your investment to another KiwiSaver scheme. The fee is \$100.</p>
SuperLife ³⁰	0.56%	
Ethica	0.69%	
SuperLife ⁶⁰	0.59%	
SuperLife ⁸⁰	0.60%	
SuperLife ¹⁰⁰	0.62%	
SuperLife^{Age Steps}		
Investor's age	Fund charges (% per annum of the fund's net asset value)	
20 years	0.62%	
30 years	0.61%	
40 years	0.61%	
50 years	0.60%	
60 years	0.59%	
70 years	0.57%	
80 years	0.55%	



The fund charges set out on page 17 are deducted from, and reflected in the value of, the fund. The fund charges include the fees and costs charged by the supervisor and custodians (together with the fees and costs charged by any other funds we invest in). They also include our regulatory and compliance costs. Some of these costs are not fixed, so the fund charges set out on page 17 include an estimate of these costs.

The administration fee is deducted from your account balance each month. The transfer fee is deducted from the amount transferred to the other KiwiSaver scheme.

We do not charge any other fees on an individual basis for investor-specific decisions or actions.

See the "Other Information – Fees" document on the offer register at www.business.govt.nz/disclose for further information about the fees you will be charged for investing in the Scheme.

Example of how fees apply to an investor

Brett invests \$10,000 in SuperLife⁸⁰. He is charged fund charges, which work out to about \$60 (0.60% of \$10,000). These fees might be more or less if his account balance has increased or decreased over the year.

Over the next year, Brett pays other charges of \$30.

Estimated total fees for the first year

Fund charges: \$60

Other charges: \$30

See the latest fund update for SuperLife⁸⁰ for an example of the actual returns and fees investors were charged over the past year.

This example applies only to SuperLife⁸⁰. If you are considering investing in other investment options in the Scheme, this example may not be representative of the actual fees you may be charged.

The fees can be changed

We may change the fees and charges payable by an investor at any time. Where we increase a fee or charge, we will give you notice of the change.

We must publish a fund update for each investment option showing the fees actually charged during the most recent year. Fund updates, including past updates, are available at www.superlife.co.nz.



6. What taxes will you pay?

The Scheme is a portfolio investment entity (**PIE**). The amount of tax you pay is based on your prescribed investor rate (**PIR**). To determine your PIR, go to www.ird.govt.nz/toii/pir. If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department. It is your responsibility to tell us your PIR when you invest or if your PIR changes. If you do not tell us, a default rate may be applied. If the advised PIR is lower than the correct PIR, you will need to complete a personal tax return and pay any tax shortfall, interest and penalties. If the default rate or the advised PIR is higher than the correct PIR, you will not get a refund of any overpaid tax.



7. Who is involved?

About the manager

Smartshares Limited is a managed investment scheme manager. It offers New Zealand's broadest range of passive funds and is a wholly-owned subsidiary of NZX Limited.

Our contact details are:

Smartshares Limited
PO Box 105262
Auckland 1143

Telephone: 0800 27 87 37

Email: superlife@superlife.co.nz

Who else is involved?

	Name	Role
Supervisor	Public Trust	Supervises our operations to protect the interests of investors.
Custodian	Public Trust (acting through its nominee company, SuperLife Nominees Limited)	Holds the Scheme's assets on behalf of investors.



8. How to complain

Manager

Complaints about your investment or the Scheme can be made to us at:

Complaints – SuperLife
Smartshares Limited
PO Box 105262
Auckland 1143

Telephone: 0800 27 87 37
Email: superlife@superlife.co.nz

Supervisor

Complaints can also be made to the supervisor at:

Complaints
Public Trust
PO Box 1598
Shortland Street
Auckland 1140

Telephone: (09) 985 5300
Email: enquiry@trustee.co.nz

Independent dispute resolution scheme

We are a member of the Financial Services Complaints Limited Scheme (the supervisor is also a member), which is an independent dispute resolution scheme. If you make a complaint to us (or the supervisor), and the complaint cannot be resolved, you may refer it to Financial Services Complaints Limited at:

Financial Services Complaints Limited
PO Box 5967
Wellington 6140

Telephone: 0800 347 257
Email: complaints@fscl.org.nz

The Financial Services Complaints Limited Scheme will not charge you a fee to investigate or resolve a complaint.



9. Where you can find more information

Further information relating to the Scheme and investment options, including financial statements, annual reports, fund updates and the SIPO, is available on the offer register and the scheme register at www.business.govt.nz/disclose. A copy of the information on the offer register or scheme register is available on request to the Registrar of Financial Service Providers.

The information set out above is available at www.superlife.co.nz or by contacting us. You can obtain an estimate of the value of your investment online or via a phone app or by contacting us. This information is available free of charge. See section 7 for our contact details.

You will be sent annual tax statements, which will include the amount of PIE income attributed to you and the amount of PIE tax paid at your PIR.

You can obtain general information about the Scheme and investment options at www.superlife.co.nz.

If your employer has chosen the Scheme as its preferred KiwiSaver scheme and you are automatically enrolled in the Scheme when you start your job, special conditions may apply. These special conditions will be set out in the supplement for your employer, which will be provided to automatically enrolled employees, together with this product disclosure statement. The supplement for your employer is also available by contacting us. See section 7 for our contact details.

10. How to apply

To invest in the Scheme, you can apply at www.superlife.co.nz or complete the application form attached to this product disclosure statement and send it to us.



Application Form

SuperLife KiwiSaver scheme

To apply to join the SuperLife KiwiSaver scheme (**Scheme**), you can do so online at www.superlife.co.nz, or complete the form and email to us at superlife@superlife.co.nz or post to us at P.O. Box 105262, Auckland 1143.

Your details

First names:	
Surname:	
Preferred name:	
Title (Mr, Mrs, Ms, Miss, Dr):	
Date of birth (dd/mm/yyyy):	
Phone:	
Mobile:	
Email:	
Home address:	
Town/city:	Post code:
Postal address (if different):	
	Post code:

IRD number: (You must enter your IRD number)
 - -

Prescribed Investor Rate (PIR):
 10.5% 17.5% 28%

Your PIR will be 28% unless you qualify for a 10.5% or 17.5% rate - see the PIR guide for more information.

In the last 12 months, have you, any member of your immediate family, or any close business associate, been engaged in a role overseas that was, or is, related to political office or foreign public service?

NO
 YES – Country _____

Savings

Employees – Your savings level & employer details, if you are an employee

If you are an employee, you can save at 3%, 4% or 8% of your gross taxable pay through the PAYE system. If you want to save extra on a voluntary basis, contact us for a direct debit form.

(Tick your choice) 3% (default) or 4% or 8%

My employer's details are (if you want to contribute in respect of other employers, please provide details separately):

Employer's name:

Employer's address:

Town/city: Post code:

Employer IRD number (complete if known) - -

Non-employees – Your savings level, if you are not an employee (including the self employed, non-working spouses)

If you are not an employee, you can save any regular amount you specify and any one-off amounts. Your agreed regular savings will be direct debited from your bank account each month (or week or fortnight) until you choose to stop them. If you wish to make regular savings you must also complete a direct debit form; return it with your membership form. There are no minimum or maximum savings levels.

I wish to save an initial sum of \$ and I wish to save \$ each week/fortnight/month (delete as applicable).

Communications

Statement frequency: Monthly Quarterly (default) Annually (31 March) Weekly



Identity and address verification

To meet the requirements under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, we must verify your identity and residential address. We can try to do this electronically, but not everyone can be verified electronically. By completing the information below, you consent to us trying to verify your identity electronically.

Country of citizenship

Vehicle Registration number
(if applicable)

Number plate. Only include the plate number if the vehicle is registered in your name.

Complete details for at least one of the following:

NZ Drivers licence

NZ Drivers Licence number – The number is printed on your licence under the note '5a'

Card version – The version is printed on your licence under the note '5b'

NZ Passport

NZ Passport number – Make sure your name entered on the previous page exactly matches the name shown on your passport, including middle name(s)

Passport expiry date.

NZ Birth certificate

NZ Birth certificate number – Make sure the name entered on the previous page is your current official name, including middle name(s)

NZ Citizenship

NZ citizenship number – Make sure the Country of birth, and your name entered on the previous page, exactly match the details shown on the Citizenship Certificate, including middle name(s)

Country of birth

Investment strategy

Your savings will be invested in SuperLife ^{Age Steps}, unless you choose differently from the range of investment options below. If you choose the "My Mix" option, you must then create your own investment strategy of the different funds on page 3.

Tick one investment strategy to make your investment choice.

Investment strategy option	Initial lump sum	Future regular contributions	
1. SuperLife ^{Age Steps}	<input type="checkbox"/>	<input type="checkbox"/>	SuperLife ^{Age Steps} automatically adjusts the proportion of your investment in income and growth assets depending on your age. As you get older, the proportion of your investment in growth assets will be reduced, lowering the expected size of the ups and downs in the value of your investment.
Standard risk/return options			
2. NZ Cash Fund	<input type="checkbox"/>	<input type="checkbox"/>	Designed for the investor wanting their account invested in cash investments.
3. SuperLife ^{Income}	<input type="checkbox"/>	<input type="checkbox"/>	Designed for the investor wanting their account invested in NZ and global bonds.
4. SuperLife ³⁰	<input type="checkbox"/>	<input type="checkbox"/>	} Designed for the investor wanting "conservative", "balanced" or "growth" style options. The number e.g. ⁶⁰ represents the percentage in shares and property, SuperLife ³⁰ is the most conservative. See section 3 of the PDS for a full description.
5. SuperLife ⁶⁰	<input type="checkbox"/>	<input type="checkbox"/>	
6. SuperLife ⁸⁰	<input type="checkbox"/>	<input type="checkbox"/>	
7. SuperLife ¹⁰⁰	<input type="checkbox"/>	<input type="checkbox"/>	
Socially Responsible Investment option			
8. Ethica	<input type="checkbox"/>	<input type="checkbox"/>	A "balanced" investment option that does not invest in assets that do not meet its ethical investment standards.
Create your own strategy/portfolio			
9. My Mix	<input type="checkbox"/>	<input type="checkbox"/>	If you tick "My Mix", you must also enter the percentage you want to put in each of the individual funds in "My Mix strategy" over the page.



My Mix strategy – use this page if you wish to create your own strategy

If you ticked investment option 9 under the investment strategy section, i.e. "My Mix", you must complete this section, otherwise leave it blank. Investors choosing sector fund and ETF fund options should read the latest fund update available at www.superlife.co.nz, for details of the fund's strategy, composition and performance.

		Lump Sum \$ or %	Regular Savings \$ or %	Auto rebalancing of My Mix
Managed funds	SuperLife ^{Income}			<p>The standard practice is that your account balance will, from time to time, be rebalanced to maintain the overall strategy in line with your chosen investment strategy.</p> <p>If you do not want to have the standard automatic rebalancing, tick the box below. Otherwise, leave it blank. If you have chosen an investment strategy other than "My Mix", automatic rebalancing always applies.</p> <p><input type="checkbox"/> I do not want auto rebalancing to apply to my chosen "My Mix" strategy.</p>
	SuperLife ³⁰			
	Ethica			
	SuperLife ⁶⁰			
	SuperLife ⁸⁰			
	SuperLife ¹⁰⁰			
Sector funds	NZ Cash Fund			
	NZ Bonds Fund			
	Overseas Bonds Fund			
	Overseas Non-govt Bonds Fund			
	Property Fund			
	NZ Shares Fund			
	Australian Shares Fund			
	Overseas Shares (Currency Hedged) Fund			
	Overseas Shares Fund			
	Emerging Markets Fund			
UK Cash Fund				
ETF funds	NZ Cash ETF Fund			
	NZ Bond ETF Fund			
	Global Bond ETF Fund			
	NZ Dividend ETF Fund			
	NZ Top 50 ETF Fund			
	NZ Top 10 ETF Fund			
	NZ Mid Cap ETF Fund			
	NZ Property ETF Fund			
	Australian Top 20 ETF Fund			
	Australian Dividend ETF Fund			
	Australian Financials ETF Fund			
	Australian Property ETF Fund			
	Australian Resources ETF Fund			
	Australian Mid Cap ETF Fund			
	Total World ETF Fund			
	US S&P 500 ETF Fund			
	Europe ETF Fund			
	Asia Pacific ETF Fund			
	US Large Growth ETF Fund			
	US Large Value ETF Fund			
	US MidCap ETF Fund			
	US Small ETF Fund			
	Emerging Markets ETF Fund			
Total				

Note: The total if entered as "\$" must equal either the regular contribution or the initial lump sum. The total if entered as "%" must equal 100%.



Privacy Act

This form collects personal information that is needed from you in connection with applying to join the Scheme. All information is being received, collected and held by the Scheme's manager, Smartshares Limited, PO Box 105262, Auckland City 1143. Smartshares Limited may pass this information to the supervisor, administrators, and other third parties as required, to the extent necessary for the purposes of providing and managing your account. If you have provided your email address, or if you provide it at any later date, you consent to receiving electronic marketing communications from Smartshares about the Scheme and additional services that may be of interest to you. You may elect to not receive electronic marketing communications at any time. You can see and correct this information, subject to the provisions of the Privacy Act 1993.

Your agreement

I have received the SuperLife KiwiSaver scheme Product Disclosure Statement and apply to join the Scheme.

I authorise the Scheme's manager, Smartshares Limited, to receive contributions from Inland Revenue for my KiwiSaver account and to contact my existing KiwiSaver provider (if any), providing personal information as necessary, to transfer all balances to my account. I understand that the Scheme will send me statements and other communication materials by email, unless I provide no valid email address or request otherwise, in which case by post. I consent to my identity and address being verified electronically and I authorise you to undertake this.

Your signature:

Date:

(dd/mm/yyyy)



Members under 18

(Please read and complete the section below as necessary)

Under age 16

The member's guardian(s) must sign the membership form above. If the guardianship of the child under age 16 is held jointly, both guardians must sign to enrol the child in KiwiSaver. If the guardianship is held jointly by parents and the parents are separated or a parent is living with a new partner, both the parents still continue to have the joint guardianship of the child and each must sign the membership form to enrol the child in KiwiSaver.

Age 16 or age 17

The details of the guardian who co-signs the membership form must be completed below. The member must sign the membership form above and any one of the member's guardians must sign the membership form below unless the member does not have a guardian i.e. the member is married, in a civil union or has a de-facto partner. If this is the case, please attach evidence of your relationship status.

Relationship of Guardians

Married Civil Union De-facto partner Separated Divorced Other: _____

Signatures of guardians as appropriate

I/we confirm that I/we have received the **SuperLife KiwiSaver scheme Product Disclosure Statement** and apply on behalf of the member to join the Scheme. I/we confirm that I/we am the legal guardian of the member and provide evidence of my identity and of the guardianship status, e.g. a copy of the birth certificate of the member or a Guardian statutory declaration form (you can obtain this form by calling **0800 27 87 37** or emailing superlife@superlife.co.nz).

Signature:	Signature: (joint guardian if member younger than 16)
<div style="border: 1px solid black; height: 60px; width: 100%;"></div>	<div style="border: 1px solid black; height: 60px; width: 100%;"></div>
Date: <input type="text"/> (dd/mm/yyyy)	Date: <input type="text"/> (dd/mm/yyyy)

The guardian(s) details

1st Guardian	
Name:	
Title (Mr, Mrs, Ms, Miss, Dr):	
Date of birth (dd/mm/yyyy):	
Phone:	
Mobile:	
Email:	
Home address:	
Town/city:	Post code:

2nd Guardian (if applicable – noting where different)	
Name:	
Title (Mr, Mrs, Ms, Miss, Dr):	
Date of birth (dd/mm/yyyy):	
Phone:	
Mobile:	
Email:	
Home address:	
Town/city:	Post code: