

MAS KiwiSaver Scheme

Product Disclosure Statement

Issued by Medical Funds Management Limited
1 November 2023

mas



Signatory of:



This Product Disclosure Statement replaces the Product Disclosure Statement dated 23 June 2021.

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 disclose-register.companiesoffice.govt.nz. Medical Funds Management Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you make an investment decision.

1. Key information summary

What is this?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Medical Funds Management Limited (MFM, we, us, our) will invest your money and charge you a fee for its services.

The returns you receive are dependent on the investment decisions of MFM and of its investment managers 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 MAS KiwiSaver Scheme (the Scheme) offers 7 different Funds for you to invest in. These investment options are summarised in the table on the following page.

- More information about the investment target and strategy for each investment option is provided at **Section 3 'Description of your investment options'**.

Default Fund

When you join the Scheme, if you do not select one of the available options, your contributions will be automatically invested in the Balanced Fund.



Who manages the MAS KiwiSaver Scheme?

MFM is the manager of the Scheme.

- See **Section 7 'Who is involved?'** for more information.

How can you get your money out?

The Scheme is primarily designed to help you save for your retirement. This means that in most cases you cannot withdraw your investment until you reach your KiwiSaver Retirement Age. Refer to page 5 to find out what age this is for you.

In limited circumstances, you may apply to withdraw part or all of your investment early. These circumstances include buying your first home, experiencing significant financial hardship or a serious illness, or permanently emigrating.

In some circumstances we may defer processing a withdrawal request.

- More information is available in **Section 2 'How does this investment work?'**

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 of the PDS (What taxes will you pay?) on page 12** for more information.

Where can you find more key information?

MFM is required to publish quarterly updates for each Fund. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest Fund Updates are available at mas.co.nz/kiwisaver-documents. We will also give you copies of those documents on request.

Our Funds

| Fund name, description and investment objective | Risk indicator | Annual fund charges (estimated % of net asset value) |
|---|---|--|
| <p>Global Equities Fund</p> <p>Usually invests only in growth assets. Aims to provide higher returns over the long term.</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | 0.99% |
| <p>Aggressive Fund</p> <p>Invests around 90% in growth assets and around 10% in income assets. Aims to provide higher returns over the long term.</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | 0.99% |
| <p>Growth Fund</p> <p>Invests around 80% in growth assets and around 20% in income assets. Aims to provide strong returns over the long term.</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | 0.99% |
| <p>Balanced Fund</p> <p>Invests around 60% in growth assets and around 40% in income assets. Aims to provide a medium level of return over the medium to long term.</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | 0.99% |
| <p>Moderate Fund</p> <p>Invests around 60% in income assets and around 40% in growth assets. Aims to provide moderate returns over the short to medium term.</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | 0.95% |
| <p>Conservative Fund</p> <p>Invests around 80% in income assets and around 20% in growth assets. Aims to preserve capital while providing a steady return over the short to medium term.</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | 0.85% |
| <p>Cash Fund</p> <p>Invests in a range of cash and cash equivalent investments. Aims to achieve stable returns over the short term.</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | 0.25% |

See Section 4 'What are the risks of investing?' 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 mas.co.nz/fundfinder

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2. How does this investment work?

This Product Disclosure Statement (PDS) is an offer to join the MAS KiwiSaver Scheme, which is a registered KiwiSaver scheme under the Financial Markets Conduct Act 2013.

KiwiSaver is designed primarily to prepare for retirement. It may also be used to help buy your first home.

Why choose the MAS KiwiSaver Scheme?

- **A range of investment options** – choose from 7 different Funds to help you reach your investment goals.
- **Invest for a healthier planet** – invest with a focus on climate, restrict exposure to harmful sectors, and be represented at company meetings to advocate for positive change.
- **Actively managed** – investing with experienced managers focused on sustaining long-term investment performance.
- **Advice when you need it** – gain access to a nationwide network of MAS Advisers to help you with your investment decisions, at no additional cost.
- **Online account** – manage your investment online whenever it suits you.

These benefits are current at the date of this PDS and may change at any time.

Structure of the Scheme

The Scheme is a trust established under a trust deed (Trust Deed) entered into between Public Trust (the Supervisor) and us. The assets of the Funds are held by a custodian appointed by the Supervisor.

Your money is combined with that of other members in the relevant Fund. The interests of members are represented by units, which provide an equal interest in a Fund and are of equal value.

MFM (as the Manager) does not expect to make any distributions from the Scheme.

In certain circumstances, the assets of one Fund can be used to pay the liabilities of another Fund.

The value of units in each Fund will increase or decrease depending on the changing value of the underlying assets which the Fund is invested in.

The Funds are actively managed portfolios that provide a range of options to suit your investment goals.

Joining the Scheme

To join KiwiSaver you must be:

- a New Zealand citizen, or entitled to live in New Zealand permanently; and
- living or normally living in New Zealand.

You can join or transfer to the Scheme by completing the online application form at mas.co.nz/kiwisaver or the application form at the back of this PDS.

You may also join the Scheme through your employer if your employer has selected the Scheme as their preferred KiwiSaver scheme, or if you have opted into the Scheme through your employer.

- See **Section 10 ‘How to apply’** for more information on joining the Scheme.

When you join the Scheme there are some important things to consider. These include selecting a Fund or range of Funds, and how you may want to contribute to KiwiSaver.

Choosing your Fund

We'll invest your money in the Fund(s) you choose. It's important to do your research and choose the right one(s) for you. For help with choosing your Funds, visit mas.co.nz/fundfinder

If you don't choose a Fund, you'll be invested in the Balanced Fund.

- More information about the risks of investing is provided in **Section 4 ‘What are the risks of investing’**.

Making investments

Contributions can be made to your KiwiSaver account in a number of ways:

Contributions as an employee

If you are an employee, you'll need to choose a contribution rate of 3%, 4%, 6%, 8% or 10% of your gross salary or wages. This amount will be deducted from your after-tax pay. The minimum contribution rate is 3% of your before-tax pay and your employer will deduct this from your after-tax pay. If you don't choose a contribution rate your rate will be 3%.

If you change employers, your contribution rate will automatically be set at 3%.



Employer contributions

Your employer is generally required to contribute at least 3% of your before-tax pay, as long as you're:

- contributing to KiwiSaver from your pay; and
- aged 18 or over and not eligible for a retirement withdrawal.

It's a good idea to talk directly to your employer to confirm what their contributions will be.

Voluntary contributions

If you're self-employed, or if you want to make voluntary contributions, you (or anyone else) can make lump sum contributions by online banking or regular contributions by direct debit to your KiwiSaver account.

Currently there is no minimum amount you have to make as a voluntary contribution. However, we can change this from time to time.

Government contributions

If you're eligible, the Government contributes 50 cents for every \$1 you contribute, up to a maximum of \$521.43 per year.

There is no Government guarantee in respect of any KiwiSaver scheme or investment product of a KiwiSaver scheme, including any interest in the Funds.

Visit ird.govt.nz/kiwisaver for further information.

You can also add to your investment at any time, by investing an additional lump sum amount or regular investment. There is no minimum investment amount for additional contributions.

You can find more information about how to make contributions at mas.co.nz/kiwisaver-contributions

When you reach KiwiSaver Retirement Age (age 65)

If you're eligible for a retirement withdrawal, you're not required to contribute to your KiwiSaver account. However, you may continue to contribute if you wish.

Savings suspension

You can apply to temporarily stop contributions from your pay (this is known as a savings suspension).

Processing contributions

If we receive a contribution by 5pm on any given valuation day (which is generally every business day in Auckland and Wellington), we will process your contribution and issue units in the Fund(s) using the unit price for that day.

If your contribution is received after 5pm or on a non-business day, we will use the unit price for the next valuation day.

If we receive a contribution prior to processing your application form, we will hold your money in our subscriptions bank account.

Withdrawing your investments

You can withdraw your KiwiSaver savings once you reach your KiwiSaver Retirement Age (currently 65), or you can make a withdrawal earlier under certain conditions.

Reaching KiwiSaver Retirement Age

You can usually withdraw your KiwiSaver savings when you turn 65, but this will depend on when you joined KiwiSaver. If you joined KiwiSaver at age 60 or over before 1 July 2019, you'll also need to have been a member of a KiwiSaver scheme for 5 years. You can opt out of this 5-year requirement, but you'll no longer be eligible for Government contributions or compulsory contributions from your employer.

Once you reach your KiwiSaver Retirement Age, you can leave your savings in your KiwiSaver account, continue to contribute or start making lump sum or regular withdrawals.

Before you reach KiwiSaver Retirement Age

Early withdrawals

You may be able to make an early withdrawal under certain conditions with agreement by us or the Supervisor as applicable.

This table summarises the conditions for early withdrawals.

| Type of early withdrawal | What may be withdrawn | | | | |
|---|-----------------------|------------------------|--------------------------|---|--|
| | Member contributions | Employer contributions | Government contributions | Government \$1,000 kick-start contribution ² | Amounts transferred from an Australian complying superannuation fund |
| <p>First home withdrawal</p> <p>(Your home or land must be in New Zealand and you must have been a KiwiSaver member for three years. If you've previously owned a home or land, you may still be eligible¹. You can only make one first home withdrawal from KiwiSaver).</p> <p>You must also keep a minimum of \$1,000 in your KiwiSaver account.</p> | ✓ | ✓ | ✓ | ✗ | ✗ |
| Significant financial hardship | ✓ | ✓ | ✗ | ✗ | ✓ |
| Serious illness or life-shortening congenital condition | ✓ | ✓ | ✓ | ✓ | ✓ |
| Permanent emigration to Australia ³ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Permanent emigration to countries other than Australia ⁴ | ✓ | ✓ | ✗ | ✓ | ✗ |
| Retirement withdrawal of Australian savings (from age 60) ⁵ | ✗ | ✗ | ✗ | ✗ | ✓ |
| Death | ✓ | ✓ | ✓ | ✓ | ✓ |
| Court order | ✓ | ✓ | ✓ | ✓ | ✓ |

¹ For more information on the eligibility criteria for a KiwiSaver first home withdrawal, please refer to the MAS KiwiSaver Scheme – Other Material Information (OMI) document at mas.co.nz/kiwisaver

² You will have received a \$1,000 kick-start contribution from the Government if you first joined a KiwiSaver scheme before 2.00pm on 21 May 2015.

³ Your KiwiSaver savings can only be transferred to an Australian complying superannuation fund, not paid to you as a lump sum.

⁴ Withdrawals can only be made 1 year after your permanent emigration. Transfers can be made at any time.

⁵ Conditions apply. For further information, please refer to the MAS KiwiSaver Scheme – OMI document at mas.co.nz/kiwisaver

Savings transferred to KiwiSaver from a foreign superannuation scheme (other than from Australia) may lead to a tax liability or student loan repayment. You may be able to withdraw funds to meet these obligations.

Processing withdrawals

If we receive a correctly completed Withdrawal Form by 5pm on any given valuation day and the withdrawal is accepted, we will process your withdrawal using the unit price for that day. If your completed withdrawal request is received after 5pm or on a non-business day, we will use the unit price for the next valuation day.

A withdrawal request will generally be paid within 5 business days.

When you make a withdrawal, the amount you receive will reflect the value of the units redeemed as at the unit price on the valuation date, less any fees, taxes, expenses and other deductions from your account.

For further information on withdrawals, please refer to the MAS KiwiSaver Scheme – Other Material Information (OMI) document at mas.co.nz/kiwisaver

Transfers

You can transfer your money between KiwiSaver schemes whenever it suits you. However, you can only be a member of one scheme at a time, so you will have to transfer the entire amount.

How to switch between Funds

You have the flexibility to change your Fund(s) at any time, and there is no minimum amount to switch Fund(s).

You can make a Fund(s) switch by completing an Investment Strategy Change Request Form available at mas.co.nz/kiwisaver-documents

Deferring or suspending withdrawals, transfers and switches

We may defer or suspend processing of any withdrawal, transfer or switch request (where the law and Trust Deed allows) if we think these actions are in the best interest of members in the Scheme. An example of where this could apply includes where assets are unable to be priced due to conditions affecting financial markets.

3. Description of your investment options

A description of the strategy and objective for each Fund is provided on the next page.

How the Funds invest

The Statement of Investment Policy and Objectives (SIPO) sets out the investment policies and objectives for each Fund. We can make changes to the SIPO for any Fund at any time in accordance with the Trust Deed, the Financial Markets Conduct Act 2013 and with the approval of the Supervisor. Members will be given at least 1 month's prior notice of any material changes.

A copy of the most recent SIPO is available at mas.co.nz/kiwisaver. Further information about the assets in the Funds can be found in the Fund Updates at mas.co.nz/kiwisaver-documents

Investing in related funds

The Funds in the Scheme may invest into funds managed by us. We do not charge a fee for managing these underlying funds.

Responsible Investment

Responsible investment, including environmental, social and governance considerations, is taken into account in the investment policies and procedures of the Scheme as at the date of this PDS.

You can obtain an explanation of the extent to which responsible investments is taken into account in those policies and procedures on our website mas.co.nz/responsible-investments



Description of your investment options

| Global Equities Fund | Aggressive Fund | Growth Fund | Balanced Fund | Moderate Fund | Conservative Fund | Cash Fund | |
|--|---|--|--|--|--|---|---|
| Minimum suggested investment timeframe: 12 years | Minimum suggested investment timeframe: 11 years | Minimum suggested investment timeframe: 10 years | Minimum suggested investment timeframe: 7 years | Minimum suggested investment timeframe: 5 years | Minimum suggested investment timeframe: 3 years | Minimum suggested investment timeframe: No minimum | |
| <ul style="list-style-type: none"> This Fund is most suited to investors who are prepared to accept a higher level of investment risk to potentially achieve a higher return. Usually invests only in growth assets. Aims to provide higher returns over the long term. | <ul style="list-style-type: none"> This Fund is most suited to investors who are prepared to accept a higher level of investment risk to potentially achieve a higher return. Invests mainly in growth assets with a small allocation to income assets. Aims to provide higher returns over the long term. | <ul style="list-style-type: none"> This Fund is most suited to investors who are prepared to accept a high level of investment risk to potentially achieve a high return. Invests mainly in growth assets with a modest allocation to income assets. Aims to provide strong returns over the long term. | <ul style="list-style-type: none"> This Fund is most suited to investors who are prepared to accept a medium level of investment risk to potentially achieve a medium return. Invests mainly in growth assets with a moderate allocation to income assets. Aims to provide a medium level of return over the medium to long term. | <ul style="list-style-type: none"> This Fund is most suited to investors who are prepared to accept some investment risk to potentially achieve a moderate return. Invests mainly in income assets with a moderate allocation to growth assets. Aims to provide moderate returns over the short to medium term. | <ul style="list-style-type: none"> This Fund is most suited to investors who want to take a more cautious approach and accept a smaller amount of investment risk to potentially achieve a more stable return. Invests mainly in income assets with a modest allocation to growth assets. Aims to preserve capital while providing a steady return over the short to medium term. | <ul style="list-style-type: none"> This Fund is most suited to investors who require an investment with very low volatility. Invests in a range of cash and cash equivalent investments. Aims to achieve stable returns over the short term. | <p>Growth assets</p> <p>Include international and Australasian equities.</p> <p>Growth assets generally have higher levels of risk with the potential for higher returns.</p> |
| Risk indicator | | | | | | | |
| <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | <p>Potentially lower returns</p> <p>Potentially higher returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower risk Higher risk</p> | |
| Target asset mix | | | | | | | |
| <p>Growth assets 100%</p> <p>Income assets 0%</p> <p>International Equities 70%</p> <p>Australasian Equities 30%</p> | <p>Growth assets 90%</p> <p>Income assets 10%</p> <p>International Equities 62.5%</p> <p>Australasian Equities 27.5%</p> <p>International Fixed Interest 6.5%</p> <p>New Zealand Fixed Interest 3.5%</p> | <p>Growth assets 80%</p> <p>Income assets 20%</p> <p>International Equities 55.5%</p> <p>Australasian Equities 24.5%</p> <p>International Fixed Interest 12%</p> <p>New Zealand Fixed Interest 6.5%</p> <p>Cash and Cash Equivalents 1.5%</p> | <p>Growth assets 60%</p> <p>Income assets 40%</p> <p>International Equities 41.5%</p> <p>Australasian Equities 18.5%</p> <p>International Fixed Interest 22.5%</p> <p>New Zealand Fixed Interest 14%</p> <p>Cash and Cash Equivalents 3.5%</p> | <p>Growth assets 40%</p> <p>Income assets 60%</p> <p>International Equities 27.5%</p> <p>Australasian Equities 12.5%</p> <p>International Fixed Interest 35%</p> <p>New Zealand Fixed Interest 19.5%</p> <p>Cash and Cash Equivalents 5.5%</p> | <p>Growth assets 20%</p> <p>Income assets 80%</p> <p>International Equities 14%</p> <p>Australasian Equities 6%</p> <p>International Fixed Interest 45%</p> <p>New Zealand Fixed Interest 25%</p> <p>Cash and Cash Equivalents 10%</p> | <p>Growth assets 0%</p> <p>Income assets 100%</p> <p>Cash and Cash Equivalents 100%</p> | <p>Income assets</p> <p>Include international and New Zealand fixed interest, and cash and cash equivalents.</p> <p>Income assets generally have lower levels of risk and potential returns.</p> |

Funds may share the same risk indicator. However, there may be a range of return volatility within all the indicators. Growth assets such as equities are generally more volatile with greater up and down movement than income assets such as fixed interest. As such the higher the percentage of a Fund invested in growth assets, the higher the level of risk.

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.



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 (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 mas.co.nz/fundfinder

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

The risk indicator is not a guarantee of a Fund's future performance. The risk indicator is based on returns data for the 5 years to 30 September 2023. 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 Fund.

- The risk indicators for the investment options offered in this PDS can be found in the table in [Section 1 'Key information summary'](#).

General investment risks

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

Asset allocation risk

Funds that invest more in growth assets, such as equities, have higher potential returns. At the same time, they also have greater risks than funds that invest more in income assets such as cash or fixed interest.

Market risk

The value of our Funds can move up and down due to the overall performance of financial markets, which in turn are affected by factors such as changes in the economy, political events and investors' views and attitudes.

Currency risk

Many of our investments are denominated in foreign currencies. As the value of these currencies fluctuate relative to the New Zealand dollar, the value of the Fund can also change.

Interest rate risk

The market value of fixed interest securities changes when interest rates change. These fluctuations have a greater impact on Funds with more longer-term fixed interest investments.

Credit risk

The value of fixed interest investments is in part linked to the ability of a borrower to meet their future payment obligations. Doubts about a borrower's creditworthiness affects the value of funds that hold these types of investments.

Liquidity risk

Funds are sometimes unable to sell an investment when they want to or are forced to accept a lower price than would be expected in normal conditions. These difficulties can affect the value of the investment and returns.

Active management risk

Our investment managers actively manage the assets held in our Funds. Decisions made by the investment managers (such as how they will allocate money between asset classes, investment sectors and individual investments) may improve or reduce a Fund's returns.

For further information on the risks of investing, including some of the ways we go about mitigating the risks involved, please refer to the MAS KiwiSaver Scheme – OMI document at mas.co.nz/kiwisaver and on the Disclose Register – Offer Register at disclose-register.companiesoffice.govt.nz

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 MFM invests in other funds, those funds may also charge fees.

The fees you pay will be charged in two ways:

- **regular charges** (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term;
- **one-off fees** (currently none).

| Fund | Manager's basic fee | Other management and administrative charges <small>(estimated % of net asset value)</small> | Total annual fund charges <small>(estimated % of net asset value)</small> |
|-----------------|---------------------|--|--|
| Global Equities | 0.89% | 0.10% | 0.99% |
| Aggressive | 0.87% | 0.12% | 0.99% |
| Growth | 0.86% | 0.13% | 0.99% |
| Balanced | 0.85% | 0.14% | 0.99% |
| Moderate | 0.78% | 0.17% | 0.95% |
| Conservative | 0.66% | 0.19% | 0.85% |
| Cash | 0.24% | 0.01% | 0.25% |

Annual fund charges

The estimated annual fund charges are made up of:

- the Manager's basic fee; and
- other management and administrative charges.

Manager's basic fee

This fee covers management services provided to the Funds. The fee is calculated daily and will reduce a Fund's unit price.

The Supervisor also charges a fee. This is paid out of the Manager's basic fee, however, this may change in the future.

Other management and administrative charges

Each Fund incurs other costs and expenses such as legal, regulatory, audit and underlying fund charges. These charges are estimated.

The actual charges for the most recent Scheme year are available in the latest quarterly Fund Updates for the Scheme.

The estimated annual fund charges include GST as applicable.

Individual action fees

We do not currently charge establishment, contribution, switching, termination, transfer or withdrawal fees. This may change in the future.



Example of how fees apply to an investor

Emily invests \$10,000 in the Balanced Fund. She is not charged an establishment fee or contribution fee. This means the starting value of her investment is \$10,000.

She is charged management and administration fees, which work out to about \$99 (0.99% of \$10,000).

These fees might be more or less if her account balance has increased or decreased over the year.

Estimated total fees for the first year:

Fund charges: \$99

See the latest Fund Update for an example of the actual returns and fees investors were charged over the past year.

This example applies only to the Balanced Fund.

If you are considering investing in other Funds or 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 can change the Manager's basic fee in accordance with the Trust Deed and applicable law.

We can vary or introduce new fees, however, fees and expenses must not be unreasonable. Members will be given at least 1 month's notice of any new fee or fee increase.

MFM must publish a Fund Update for each Fund showing the fees actually charged during the most recent year. Fund Updates, including past updates, are available at mas.co.nz/kiwisaver-documents

For further information on fees, please refer to the MAS KiwiSaver Scheme – OMI document at mas.co.nz/kiwisaver

6. What taxes will you pay?

The Scheme is a portfolio investment entity. The amount of tax you pay is based on your prescribed investor rate (PIR). To determine your PIR, go to ird.govt.nz/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 rate applied to your PIE income is lower than your correct PIR, you will be required to pay any tax shortfall as part of the income tax year-end process. If the rate applied to your PIE income is higher than your PIR, any tax over-withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount will be refunded to you.

We may be notified by the Inland Revenue Department (IRD) to update your PIR and we will apply this to your account. You can provide us with a different PIR.

It is important that you provide us with both your PIR and IRD number, otherwise you will be taxed at the highest PIR.

7. Who is involved?

About MFM

MFM is the Manager of the Scheme and is a wholly owned subsidiary of Medical Assurance Society New Zealand Limited (MAS). You can contact MFM using the details below:

PO Box 957, Wellington 6140

Phone: **0800 800 627**

Email: info@mas.co.nz

Web: mas.co.nz

Who else is involved?

| | Name | Role |
|----------------------------|--|---|
| Supervisor | Public Trust | Supervises us to make sure we meet our responsibilities and obligations. |
| Custodian | JBWere (NZ) Nominees Limited | Holds the assets of the Scheme on behalf of members. |
| Operational Manager | MAS | Appointed by us to provide operational management of the Scheme. |
| Administration Manager | Link Market Services Limited | Maintains the register of Fund unit holders and provides administration services for members. |
| Unit Pricing Administrator | Apex Investment Administration (NZ) Limited | Calculates Fund unit prices. |
| Investment Managers | JBWere (NZ) Pty Limited Bancorp Treasury Services Limited | Decides what assets to invest in and monitors those assets. |

8. How to complain

In the first instance, you can make any complaints to us using these contact details:

MFM

PO Box 957, Wellington 6140

Phone: **0800 800 627**

Email: info@mas.co.nz

If we are unable to resolve your complaint, you can also contact Public Trust, the Supervisor, to assist you to resolve your complaint. The Supervisor can be contacted at:

Public Trust

Attn: General Manager, Corporate Trustee Services

Private Bag 5902, Wellington 6140

Phone: **0800 371 471**

Email: CTS.Enquiry@PublicTrust.co.nz

Need more help?

We are a member of an independent approved dispute resolution service provided by the Insurance and Financial Services Ombudsman (IFSO). If we are not able to resolve your complaint or you are dissatisfied with the outcome, you can contact IFSO using the details below.

IFSO

Level 2, Solnet House

70 The Terrace, Wellington 6143

Phone: **0800 888 202**

The IFSO will not charge a fee to any complainant to investigate or resolve a complaint.



9. Where you can find more information

Further information relating to the Scheme is available as follows:

| | |
|--|--|
| <p>Our website mas.co.nz/kiwisaver</p> | <ul style="list-style-type: none">• Other Material Information (OMI) document• Statement of Investment Objectives (SIPO)• Fund Updates• Annual Report <p>The website also provides useful information about KiwiSaver and how it works.</p> |
| <p>Disclose Register disclose-register.companiesoffice.govt.nz</p> | <ul style="list-style-type: none">• Further information relating to the Scheme including financial statements is available on the Disclose Register. |

We will send you an annual member statement and tax certificate each year.

A copy of the information on the Disclose Register is also available by contacting the Registrar of Financial Service Providers.

All this information is available free of charge and can also be provided by contacting us on **0800 627 738** or email masinvest@linkmarketservices.com

10. How to apply

To become a member of the MAS KiwiSaver Scheme, complete the online application form at mas.co.nz/kiwisaver or the application form at the back of this PDS.

If you need help, call us on 0800 627 738



MAS KiwiSaver Scheme

Application Form

1 November 2023



Please send completed form and supporting documents by post to:

MAS Superannuation
FREEPOST 884
PO Box 91976
Victoria Street West, Auckland 1142

For assistance:

Phone 0800 627 738
Email masinvest@linkmarketservices.com

i Important information

You can also become a member of the MAS KiwiSaver Scheme by completing the online application form at mas.co.nz/kiwisaver

We'll invest your money in the Fund(s) you choose. So, it's important to do your research and choose the right one(s) for you. For help with choosing your funds, visit mas.co.nz/fundfinder

For applicants under the age of 16 parents/guardians will need to complete this form. For applicants aged 16-17 the parents/guardian must cosign this form.

Please refer to section 6 of this form for more information.

1. Investor details

I am a New Zealand citizen or entitled to remain in New Zealand indefinitely and I am living in New Zealand.

Yes No

Full name

Email

Phone number

MAS Member number Date of birth

Occupation

Postal Address

Prescribed investor rate (PIR) 10.5% 17.5% 28%

(Please refer to the table in section 2 of this form to determine your applicable rate)

IRD number

2. PIR for individuals

| If in either of the last two income years | | |
|---|--|------------------|
| Your taxable income was | And your taxable income plus your PIE income was | Then your PIR is |
| \$0 – \$14,000 | \$0 – \$48,000 | 10.5% |
| \$0 – \$14,000 | \$48,001 – \$70,000 | 17.5% |
| \$14,001 – \$48,000 | \$0 – \$70,000 | 17.5% |

- In all other cases your PIR will be 28%.
- All non-resident investors have a PIR of 28%.
- Your PIE income is your attributable PIE income after subtracting any attributable PIE loss.
- If you do not notify the Manager of your PIR and/or IRD number, tax will be paid in respect of income attributed at the maximum PIR of 28%.

You can notify the Manager of any change to your PIR at any time. That notification will be effective from the start of the period in which the notification is made. The Manager cannot retrospectively change your notified PIR if a tax liability has already been calculated and paid.

3. Contribution details

From your pay if you're an employee

If you're new to KiwiSaver, or you would like to change your contributions, make sure to let your employer know so they can deduct your contributions from your pay. You will need to provide your employer with a KiwiSaver deduction form (KS2). You can get a KS2 from your employer or ird.govt.nz. If you don't choose a rate, the default rate will be 3%.

Health NZ and RNZCGP employees with superannuation splitting, please complete the Health NZ/RNZCGP Contributions Form available with this PDS.

Voluntary contributions for anyone

Please tick all the options below that apply. You can make additional lump sum contributions at any time.

Lump sum contribution via bank payment (direct credit)

Regular contribution. Please complete the Direct Debit Authority Form provided with this PDS.

4. How I wish to invest

Show how you wish your contributions to be divided among our seven Funds:

Funds (add up to 100%)

| Cash | Conservative | Moderate | Balanced | Growth | Aggressive | Global Equities |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <input type="text" value="0%"/> | <input type="text" value="0%"/> | <input type="text" value="0%"/> | <input type="text" value="0%"/> | <input type="text" value="0%"/> | <input type="text" value="0%"/> | <input type="text" value="0%"/> |

Important note: We suggest you invest in the Fund that matches your risk profile. For help with choosing your funds, visit mas.co.nz/fundfinder. You can invest everything in one Fund or divide across any or all seven Funds. If you do not indicate anything, we will invest 100% in the Balanced Fund.

5. Terms and Conditions and Declaration

Medical Funds Management Limited (the Manager) is the Manager of the MAS KiwiSaver Scheme (the Scheme). Medical Funds Management is a wholly owned subsidiary of Medical Assurance Society New Zealand Limited (MAS). MAS Group means MAS, the MAS Member's Trust, the Manager and all related companies. Public Trust is the Supervisor of the Scheme.

By completing this Application Form, you confirm that you have received and read the MAS KiwiSaver Scheme Product Disclosure Statement and that you agree to be bound by the Scheme's terms and conditions. These are set out in the Trust Deed (including any amendments made from time to time), Product Disclosure Statement, any online register entry and this Application Form. You;

- acknowledge that the value of your investment can move up and down over time.
- acknowledge that neither the Manager, the Supervisor, and no member of the MAS Group or any other person guarantees the performance or returns of the Scheme and Funds or the repayment of any capital. Your investment is subject to investment and other risks, including possible delays in withdrawal payments and loss of income or principal invested.
- confirm that if applicable, you have considered and compared the benefits of your current scheme before transferring to the MAS KiwiSaver Scheme.
- confirm that you have read the eligibility criteria for joining under **Section 2: 'How does this investment work?'** of the Product Disclosure Statement, and you are eligible to join the Scheme.
- consent to receiving information about your investment in the Scheme, from the Manager, the MAS Group and authorised agents including personalised annual account and tax statements, electronically (including by email and through accessing the Scheme website(s)).
- you acknowledge that investing in your choice of Fund(s) is solely your responsibility and neither the Manager, the Supervisor or any member of the MAS Group is to be regarded as representing or implying that any particular Fund is appropriate for your personal circumstances. The Product Disclosure Statement does not give financial advice and if you are unsure about which Fund(s) to choose you can seek advice from a MAS adviser; you can change your Fund(s) at any time.
- you acknowledge that in joining the Scheme, if you are not already a MAS member, by taking out a MAS product you will become one. MAS is a mutual society, owned by its Members and you can find out more about MAS at mas.co.nz.
- have read the Privacy Statement overleaf.

Privacy Statement

You understand that:

- The Manager and the MAS Group collect, store, use, and disclose your personal information in accordance with the MAS Privacy Statement which is available at mas.co.nz/privacy-statement for purposes relating to the administration, operation, management and marketing of the Scheme and accordingly they may:
 - use your information and disclose it to each other, the Supervisor, the Scheme administrator, the Financial Markets Authority, and any other person or entity where it is relevant to do so for the purposes set out above;
 - disclose your information to your MAS adviser.
- in accordance with the provisions of the Privacy Act 2020, you can access or correct your personal information by contacting the Manager at mas.co.nz. Any update to your information may be used to update other information held about you by any member of the MAS Group.
- your personal information may also be used by the Manager and the MAS Group to keep you informed about other financial opportunities, products and services of the Manager or of any MAS Group company, including by email, by text message or by any other electronic means. Such emails will include an unsubscribe facility.

6. Signature

I confirm that I have read and accept the Terms and Conditions and Declaration set out in Section 5.

Signature of investor
and/or parent(s)/guardian(s)*

Date

Name of investor and/or
parent(s)/guardian(s) if
investor is aged under 18
(please print clearly)

*For a child under the age of 16 years the account will be opened in the child's name however all parent (s)/guardian(s) will need to sign the application form and act as the authorised signatories of the account until the child's 16th birthday. An Oranga Tamariki guardian appointed by an order under the Oranga Tamariki Act 1989 may enrol minors aged under 16.

For minors aged 16 to 17, the parent or guardian, including any Oranga Tamariki guardian, must co-sign with the investor.

On a transfer for a minor aged under 16, one parent/guardian's signature is required.
On a transfer for a minor aged 16-17, the applicant may sign alone.

By signing you confirm you have read and accepted the terms and conditions specified in Section 5 on behalf of the investor named in Section 1.

7. Identification requirements

The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 requires MAS, on behalf of the Manager, to verify the identity of new investors and, periodically, reconfirm information about existing investors.

Please select one of the options below.

Option One: Electronic Identity Verification and Proof of Address

MAS can confirm the identity and/or New Zealand address of many of our investors electronically, with their permission. Please note that we use a third-party system not owned by MAS to conduct identity checks in this way.

I confirm that I give MAS authority to check my identity and/or address electronically using the documentation provided.

I have included a copy of my current NZ Passport (page showing name, date of birth, photo and signature) or NZ Driver Licence (front & back).

Please note, if this method fails to identify you, we will contact you to provide physical documents, as per Option Two below.

OR

Option Two: Certified copies of identity and address documents

If you have opted not to use Electronic Identity Verification, then you will need to provide certified copies of the following documentation:

Please provide us firstly with either

A certified copy of your current passport (page showing your name, date of birth, photo, and signature); or

A certified copy of your New Zealand driver licence showing your name, signature and expiry date **along with** one of: certified copy of a bank statement issued to you by a registered NZ bank (dated within the last 12 months); valid credit or debit card with name embossed and signature; birth certificate; citizenship certificate; Government agency letter (e.g. IRD, Electoral Commission, etc.) dated within the last 12 months; SuperGold card with photo, name and signature; or

A certified copy of your New Zealand firearms licence.

Secondly one of the following showing your name and residential address (which can't be more than 12 months old):

A certified copy of a utility bill (power, gas, water, landline phone, SKY or internet service); or

A certified copy of a document issued to you by a NZ Government agency (e.g. IRD, ACC, Ministry of Justice NZQA, or WINZ); or

A certified copy of a NZ council rates notice/valuation; or

A certified copy of a residential rental agreement.

Please refer to Applicants under the age of 18 section overleaf.

Who can certify your documents?

A MAS employee can verify your ID and proof of address. Alternatively, the following people can certify photocopies of original documents:

- Registered medical doctor
- Notary Public
- Justice of the Peace
- Member of the Police
- New Zealand lawyer
- New Zealand Chartered Accountant
- A person who has legal authority to take statutory declarations (or equivalent) in New Zealand.

The certifier must:

- See the original document and make a statement to the effect that the documents provided are true and correct copies and confirm the identity of the named individual;
- State their full name and their capacity to act as a certifier; and
- Date the certification (no more than three months prior to the date of the application).

The certifier cannot be related to you or a person living at the same address, or a party of the application.

When certification occurs overseas, copies of the required documentation must be certified by a person authorised by law to take statutory declarations.

Please note carefully the requirements above. If we need to ask for further information, this will delay the processing of your application.

Applicants under the age of 18

For a child under the age of 16 years the account will be opened in the child's name, however, all parent(s)/guardian(s) will need to sign the application form and act as the authorised signatories of the account until the child's 16th birthday. An Oranga Tamariki guardian appointed by an order under the Oranga Tamariki Act 1989 may enrol minors aged under 16.

For minors aged 16 to 17, the parent or guardian, including any Oranga Tamariki guardian, must co-sign with the investor.

On a transfer for a minor aged under 16, one parent/guardian's signature is required. On a transfer for a minor aged 16-17, the applicant may sign alone.

When opening an account for a child you will need to provide us with evidence of identity and address for the child, as applicable for the option you have chosen above.

The identification for the minor should have an identifiable link to the parent(s), i.e. birth certificate. If you are not the parent and are signing as a guardian, we require proof of your guardianship, e.g. Guardianship by Testimony or court appointed.

In addition, each parent/guardian who will have authority to act in respect of any accounts opened in the child's name must sign the application and must each provide separate Identity Verification (under one of the options above) completed in their own name.

For assistance:
Phone **0800 800 627**
Email **info@mas.co.nz**



MAS KiwiSaver Scheme

Direct Debit Authority Form



Please forward completed documents to:
masinvest@linkmarketservices.com

Or post to:

MAS Superannuation
FREEPOST 884
PO Box 91976
Victoria Street West, Auckland 1142

For assistance:

Phone 0800 627 738
Email masinvest@
linkmarketservices.com

1. Bank instructions

Account name

Customer to complete bank, branch, account number and suffix of account to be debited.

Account
number

Bank

Branch

Account number

Suffix

Bank

Branch

Town/city

MAS Member number

Authority

Authority to accept direct debits (Not to operate as an assignment or an agreement)

Authorisation code (User number)

0 6 0 9 9 3 3

Date dd-mm-yyyy

2. Payment instructions

I wish to invest

dd-mm-yyyy

Per*

\$

*Choose from weekly, fortnightly, monthly, quarterly, 6-monthly or annually. For monthly, quarterly, 6-monthly or annual periods, to ensure you receive your full government contribution, if eligible, please choose a start date on or before the 27th of the month.

Start date

dd-mm-yyyy

(allow at least five working days)

I/we authorise you until further notice in writing to debit my/our account with you all amounts which Medical Assurance Society New Zealand Limited (hereinafter referred to as the Initiator), Head Office, Level 3, PwC Center, 10 Waterloo Quay, Pipitea, Wellington 6011, PO Box 957, Wellington 6140, Telephone 0800 800 627, the registered initiator of the above authorisation code, may initiate by Direct Debit.

I/we acknowledge and accept that the Bank accepts this authority only upon the conditions listed overleaf.

Information to appear in my/our bank statement (to be completed by the Member)

Authorised Signature

Date

dd-mm-yyyy

Authorised Signature

Date

dd-mm-yyyy

For bank use only

| |
|--------------------------------|
| Approved 00993 01 91 |
|--------------------------------|

| |
|---------------|
| Date received |
|---------------|

| |
|-------------|
| Recorded by |
|-------------|

| |
|------------|
| Checked by |
|------------|

| |
|------------|
| Bank stamp |
|------------|

Original - retain at branch.

Duplicate - forward to initiator if requested.

3. Conditions of this authority to accept Direct Debits

1. The Initiator:
 - (a) Undertakes to give written notice to the Acceptor of the commencement date, frequency and amount at least 10 calendar days before the first Direct Debit is drawn (but not more than two calendar months). This notice will be provided either:
 - ii) in writing; or
 - iii) by electronic mail where the Investor has provided prior written consent to the Initiator. Where the Direct Debit system is used for the collection of payments which are regular as to frequency, but variable as to amounts, the Initiator undertakes to provide the Acceptor with a schedule detailing each payment amount and each payment date.
 - iii) In the event of any subsequent change to the frequency or amount of the Direct Debits, the Initiator has agreed to give advance notice at least 30 days before changes come into effect. This notice must be provided either:
 - in writing; or
 - by electronic mail where the Investor has provided prior consent to the Initiator.
 - (b) May, upon the relationship which gave rise to this Authority being terminated, give notice to the Bank that no further Direct Debits are to be initiated under the Authority. Upon receipt of such notice the Bank may terminate this Authority as to future payments by notice in writing to me/us.
 - (c) May, upon receiving an 'Authority Transfer Form' (dated after the day of this authority) signed by me/us and addressed to a bank to which I/we have transferred my/our bank account, initiate Direct Debits in reliance of that Transfer Form and this Authority for the account identified in the Authority Transfer Form.
2. The Investor may:
 - (a) At any time, terminate this Authority as to future payments by giving written notice of termination to the Bank and to the Initiator.
 - (b) Stop payment of any Direct Debit to be initiated under this Authority by the Initiator by giving written notice to the Bank prior to the Direct Debit being paid by the Bank.
 - (c) Where a variation in the amount agreed between the Initiator and the Investor from time to time be direct debited has been made without notice being given in terms of clause 1 a) above, request the Bank to reverse or alter any such Direct Debit initiated by the Initiator by debiting the amount of the reversal or alteration of the Direct Debit back to the Initiator through the Initiator's Bank, provided such request is not made more than 120 days from the date when the Direct Debit was debited to my/our account.
3. The Investor acknowledges that:
 - (a) This Authority will remain in full force and effect in respect of all Direct Debits passed to my/our account in good faith notwithstanding my/our death, bankruptcy or other revocation of this Authority until actual notice of such event is received by the Bank.
 - (b) In any event this Authority is subject to any arrangement now or hereafter existing between me/us and the Bank in relation to my/our account.
 - (c) Any dispute as to the correctness or validity of an amount debited to my/our account shall not be the concern of the Bank except in so far as the Direct Debit has not been paid in accordance with this Authority. Any other dispute lies between me/us and the Initiator.
 - (d) Where the Bank has used reasonable care and skill in acting in accordance with this Authority, the Bank accepts no responsibility or liability in respect of:
 - accuracy of information about Direct Debits on Bank Statements.
 - any variations between notices given by the Initiator and the amounts of Direct Debits.
 - (e) The Bank is not responsible for, or under any liability in respect of the Initiator's failure to give written advance notice correctly nor for the non-receipt or late receipt of notice by me/us for any reason whatsoever. In any such situation the dispute lies between me/us and the Initiator.
 - (f) Notice given by the Initiator in terms of clause 1 a) to the debtor responsible for the payment shall be effective. Any communication necessary because the debtor responsible for payment is a person other than me/us is a matter between me/us and the debtor concerned.
4. The Bank may:
 - (a) In its absolute discretion conclusively determine the order of priority payment by it of any monies pursuant to this or any other Authority, cheque or draft properly executed by me/us and given to or drawn on the Bank.
 - (b) At any time terminate this Authority as to future payments by notice in writing to me/us.
 - (c) Charge its current fees for this service in force from time to time.
 - (d) Upon receipt of an 'Authority to Transfer Form' signed by me/us from a bank to which my/our account has been transferred, transfer to that bank this authority to accept Direct Debits.



Health NZ/RNZCGP Contributions Form



Please forward completed documents to:
masinvest@linkmarketservices.com

Or post to:

MAS Superannuation
FREEPOST 884
PO Box 91976
Victoria Street West, Auckland 1142

For assistance:

Phone 0800 627 738
Email masinvest@linkmarketservices.com

i Important information

This form is for use by Health NZ employees, and registrars of the Royal New Zealand College of General Practitioners (RNZCGP).

Please note that the basis on which employer and employee contributions are calculated may differ between KiwiSaver and other superannuation schemes. Please check with your Health NZ or RNZCGP representative (as applicable) for the current position on splitting employee contributions specific to you.

1. Type of application

This is a new application

This is a change to my existing contributions

This is a change to my employer. My old employer was:

2. Your information

Full name

| | | |
|-------|-----------------|---------|
| Title | First names (s) | Surname |
|-------|-----------------|---------|

Member number

| | | | | |
|------------|---|-------|-----|-------|
| (if known) | Date of birth <table border="1" style="width: 100%;"><tr><td style="width: 20%;">dd</td><td style="width: 20%;">-mm</td><td style="width: 20%;">-yyyy</td></tr></table> | dd | -mm | -yyyy |
| dd | -mm | -yyyy | | |

Postal Address

| | | |
|--|------|----------|
| | City | Postcode |
|--|------|----------|

Phone number

| | | |
|------|------|--------|
| Home | Work | Mobile |
|------|------|--------|

Email

Prescribed investor rate (PIR)

| | | |
|-------|-------|-----|
| 10.5% | 17.5% | 28% |
|-------|-------|-----|

Please refer to ird.govt.nz/pir for more information on how to determine your PIR.

Employer

Employee number

| | |
|--|------------|
| | Department |
|--|------------|

