



Product Disclosure Statement

**Offer of units in the
Simplicity Investment Funds
27 October 2023**

This document replaces the product disclosure statement dated 21 September 2023.

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 companiesoffice.govt.nz/disclose. Simplicity NZ 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 make an investment decision.



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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. Simplicity NZ Limited (**Simplicity**) will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of Simplicity, 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 Simplicity Investment Funds (**Funds**) offer five diversified investment funds (**Diversified Funds**), the Homes and Income Investment Fund (**Thematic Fund**) and five sector specific funds (**Sector Funds**). Some of these investment options are summarised below. More information about the investment target and strategy for these investment options is provided at Section 3 (Description of your investment options).

The Sector Funds offered under this product disclosure statement (PDS) are listed below. 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 PDS and are available at simplicity.kiwi/investment-funds/documents

Who manages the Simplicity Investment Funds?

Simplicity NZ Limited (Simplicity, we, our, or us) is the manager of the Funds. See Section 7 (Who is involved?) for more information.

What are the returns?

Returns on your investment comes from:

- Any increase or decrease in the Fund's unit prices.
- Any distributions made from the Fund.

While permitted in the trust deed, it is not intended that distributions are made from the Funds, and any returns will be reflected in the unit price.

How can you get your money out?

You may at any time request the redemption of some or all of your investment. Minimum redemption amounts or minimum outstanding balances may apply (see below: Withdrawing your investments).

You will need to complete a redemption request in the prescribed format which is available from us on request or on our website simplicity.kiwi. Subject to relevant law, we may defer or suspend redemptions in some circumstances.

Your investment in the Funds can be sold in accordance with relevant law but there is no established market for trading these financial products. This means that you may not be able to find a buyer for your investment. We explain how you can withdraw your investment in Section 2 – How does this investment work?

How will your investment be taxed?

The Funds are portfolio investment entities (**PIEs**).

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?) for more information.

Where can you find out more key information?

Simplicity is 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 simplicity.kiwi. We will also give you copies of those documents on request.

Investment Options (Diversified Funds & Thematic Fund) summarised in this PDS

Fund name	Description	Fees
Defensive Investment Fund	<p>The Defensive Investment Fund provides investors with exposure to mostly income assets. There is limited exposure to growth assets (unlisted property).</p> <p>The return from the Fund is likely to be lower over the longer term (10 years or more) than the other Funds, but volatility[^] is likely to be lower than the other Funds.</p> <p>Risk indicator*</p> <p>< Potentially lower returns> < Potentially higher returns></p>  <p>< Potentially lower risk> < Potentially higher risk></p>	Annual fund charge 0.29% per annum (net asset value of fund)
Conservative Investment Fund	<p>The Conservative Investment Fund provides investors with a limited exposure to growth assets, but most of its investments are in income assets.</p> <p>The return from the Fund is likely to be lower over the longer term (10 years or more) than the Balanced Investment Fund but higher than the Defensive Investment Fund. Volatility[^] is likely to be higher than the Defensive Investment Fund but lower than the Balanced Investment Fund.</p> <p>Risk indicator*</p> <p>< Potentially lower returns> < Potentially higher returns></p>  <p>< Potentially lower risk> < Potentially higher risk></p>	Annual fund charge 0.29% per annum (net asset value of fund)
Balanced Investment Fund	<p>The Balanced Investment Fund provides investors with an exposure to a mix of growth and income assets.</p> <p>The returns from the Fund are likely to be lower over the longer term (10 years or more) than the Growth Investment Fund but higher than the Conservative Investment Fund. Volatility[^] is likely to be higher than the Conservative Investment Fund but lower than the Growth Investment Fund.</p> <p>Risk indicator*</p> <p>< Potentially lower returns> < Potentially higher returns></p>  <p>< Potentially lower risk> < Potentially higher risk></p>	Annual fund charge 0.29% per annum (net asset value of fund)

Fund name	Description	Fees
Growth Investment Fund	<p>The Growth Investment Fund provides investors with a limited exposure to income assets, but most of its investments are in growth assets.</p> <p>The return from the Fund is likely to be higher over the longer term (10 years or more) than the Balanced Investment Fund but lower than the High Growth Investment Fund. Volatility[^] is likely to be higher than the Balanced Investment Fund but lower than the High Growth Investment Fund.</p> <p>Risk indicator*</p> <p>< Potentially lower returns> < Potentially higher returns></p>  <p>< Potentially lower risk> < Potentially higher risk></p>	Annual fund charge 0.29% per annum (net asset value of fund)
High Growth Investment Fund	<p>The High Growth Investment Fund provides investors with the most exposure to growth assets.</p> <p>The return from the Fund is likely to be higher over the longer term (10 years or more) than the other Funds, but volatility[^] is likely to be higher than the other Funds.</p> <p>Risk indicator*</p> <p>< Potentially lower returns> < Potentially higher returns></p>  <p>< Potentially lower risk> < Potentially higher risk></p>	Annual fund charge 0.29% per annum (net asset value of fund)
Homes and Income Investment Fund	<p>The Homes and Income Investment Fund provides investors with an exposure to a mix of growth and income assets, with a focus on residential property.</p> <p>The returns from the Fund are expected to be a combination of stable returns in the short term from income assets such as residential mortgages and steady growth over the long term from investments in growth assets, primarily shares in an unlisted build-to-rent property company.</p> <p>Risk indicator*</p> <p>< Potentially lower returns> < Potentially higher returns></p>  <p>< Potentially lower risk> < Potentially higher risk></p>	Annual fund charge 0.29% per annum (net asset value of fund)

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.

*The risk indicator is not a guarantee of the Funds' future performance. The Defensive Investment Fund, Homes and Income Investment Fund, and High Growth Investment Fund do not have a 5-year return history. For the Defensive Investment Fund and High Growth Investment Fund, market index returns to 28 April 2023 have been used. For the Homes and Income Investment Fund, market index returns to 30 September 2023 have been used. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of these Funds.

[^] Volatility is how much the value of the fund's assets goes up and down over a given time period.

Investment Options (Sector Funds) summarised in Fund Updates

These funds are intended to form part of a diversified investment portfolio. A summary of the investment target and strategy, and other information about performance and fees, for each of the Sector Funds is contained in a separate fund update available at simplicity.kiwi/investment-funds/documents

Simplicity NZ Bond Fund

Simplicity Hedged Global Bond Fund

Simplicity NZ Share Fund

Simplicity Unhedged Global Share Fund

Simplicity Hedged Global Share Fund

2. How does this investment work?

The Funds are investment options in a managed investment scheme that is governed by a trust deed dated 3 March 2017.

Your money is pooled with that of other investors of the relevant Fund. However, the assets of one Fund cannot be used to cover the liabilities of another Fund. The interests of investors are represented by units, which confer an equal interest in a Fund and are of equal value.

The value of units in each Fund will change according to the changing value of the underlying assets in which the Fund has invested.

The key benefits of investing in the Funds are:

- a choice of Funds to help you meet your savings goals, all of which invest in a diverse range of investments globally.
- our nonprofit, on-line business model allows Simplicity to aim for the lowest fees in New Zealand for investors, which minimises the negative impact fees have on returns.
- experienced investment management. We manage the listed New Zealand assets and are responsible for a low cost, low turnover approach.
- we outsource our global investment management to DWS International GmbH (**DWS**) who have over 60 years of experience and are one of the world's leading asset managers, with over NZ \$1.39 trillion under management (as at 30 December 2022).
- most Diversified Funds and the Thematic Fund have a limited allocation to loans managed by us, secured by first mortgages over residential property. The loans are to Simplicity KiwiSaver Scheme members purchasing their first homes and are subject to conservative lending criteria. See the Other Material Information document at simplicity.kiwi for details of the lending criteria. These investments are included within the New Zealand fixed interest asset allocation.
- our Growth and High Growth Investment Funds have an allocation to unlisted securities issued by New Zealand businesses with high growth potential. Management of this investment is split between us and Icehouse Ventures Limited; the investment arm of The Icehouse Limited that was formed in 2001 to assist small to medium sized enterprises grow their businesses.
- all Diversified Funds and the Thematic Fund have an allocation to unlisted shares in Simplicity Living Limited; a company that develops and owns New Zealand residential property built to be rented out for the long term.

Structure of the Funds

The Funds are trusts and are governed by the trust deed (**Trust Deed**) between us and Public Trust, the supervisor of the Funds (**Supervisor**). The Funds' assets are held by Public Trust, which is the Supervisor and independent custodian of the Funds, on behalf of investors.

The Funds are investment options in a managed investment scheme. This means that your money is pooled with other investors' money and invested by Public Trust on our instructions. Your investment is represented by units in the Fund. A managed investment scheme can give you access to investments that you may not be able to access as an individual.

Distributions

It is not intended that distributions are made from the Funds. Any investment gains will be reflected in each Fund's unit price.

Making investments

Investments can be made by completing the application form on our website simplicity.kiwi.

There are different forms depending on the type of investor making the application. Applications are subject to a minimum initial investment of \$1,000 for individuals and joint accounts. For other entities such as trusts or companies, the minimum initial investment is \$50,000.

All investors must be either New Zealand based or New Zealand citizens resident overseas.

For information on how to invest in the Fund(s), see Section 10 (How to apply).

Withdrawing your investments

If you wish to make a redemption you must complete a redemption request in the prescribed format which is available from us on request or on our website simplicity.kiwi. Unless you arrange to make a regular withdrawal from your account, the minimum permitted withdrawal is \$1,000. The minimum permitted withdrawal amount may be waived at our discretion.

Once submitted, your redemption request is not able to be withdrawn. We have the ability, in certain circumstances, to suspend or defer redemptions. In the event that this should ever occur, you can still submit a redemption request and these will be processed, in the order in which they are received, once the suspension or deferral has been lifted.

If your withdrawal would result in your investment falling below \$1,000 (or \$50,000 for non-individuals), we may request the Supervisor to withdraw the balance of your holding and repay the proceeds back to you.

Withdrawal requests will be processed each business day in Auckland. The withdrawal value of the units will be paid to you, after adjustment for any tax payable (if applicable), within 30 business days from the date your withdrawal request is received. No person guarantees or promises the repayment of, or returns on, your investment in the Funds.

How to switch between funds

You are able to switch investments between the Funds. You can do this online via our member website that you can access once you have invested in the Funds. Valid switch requests will be completed at the next available unit price. A switch will be treated as a redemption from one fund and an application into another fund. We do not currently charge an entry/exit fee or a buy/sell spread.

3. Description of your investment options

This table shows details of each investment option.

Fund	Summary of investment objectives and strategy (including target investment mix)	Risk category	Minimum suggested investment timeframe
Defensive Investment Fund	<p>The Defensive Investment Fund target asset allocations are 95% in income assets (44% in New Zealand fixed interest, 36% in International fixed interest, and 15% in cash and cash equivalents), with 5% in growth assets (unlisted property).</p> <p>Its objective is to provide stable returns over the short term. It has higher proportions of investment in income assets, such as bonds and cash, while still providing an opportunity for positive real returns over the longer term by investing a small portion of the Fund in growth assets such as unlisted property.</p> <p>This option is suited to investors seeking lower volatility of returns.</p>	3	2 years
Conservative Investment Fund	<p>The Conservative Investment Fund target asset allocations are 23% in growth assets (17% International shares, 3.5% New Zealand shares, 2.5% unlisted property) and 77% in income assets (2% cash and cash equivalents, 33% New Zealand fixed interest, and 42% International fixed interest).</p> <p>Its objective is to minimise negative returns over the short term. It has higher proportions of investment in income assets, such as bonds, while still providing an opportunity for positive real returns over the longer term by investing a small portion of the Fund in growth assets such as shares and unlisted property.</p> <p>This option is suited to investors seeking lower volatility of returns.</p>	4	3 years
Balanced Investment Fund	<p>The Balanced Investment Fund target asset allocations are 59% in growth assets (43.5% International shares, 12% New Zealand shares, and 3.5% unlisted property) and 41% in income assets (2% cash and cash equivalents, 16.5% in New Zealand fixed interest, and 22.5% in International fixed interest).</p> <p>The Fund's objective is to minimise negative returns over the medium term through investment in income assets such as bonds, while providing an opportunity for positive real returns over the longer term by investing a reasonable proportion in growth assets such as shares and property.</p> <p>This option is suited to investors seeking medium term growth by lessening risk through broad diversification.</p>	4	6 years

Growth Investment Fund	<p>The Growth Investment Fund target asset allocations are 80% in growth assets (59% International shares, 16.5% New Zealand shares, and 4.5% unlisted property), and 20% in income assets (2% cash and cash equivalents, and 7.5% New Zealand fixed interest, 10.5% International fixed interest).</p> <p>Its objective is to achieve positive real returns over the long term through investment in growth assets, while lessening volatility through diversification of the Fund's assets.</p> <p>This option is suited to investors seeking long term growth able to tolerate greater volatility of returns.</p>	5	9 years
High Growth Investment Fund	<p>The High Growth Investment Fund target asset allocations are 98% in growth assets (73% in International shares, 15% in New Zealand shares and 10% in unlisted property), with 2% in income assets (2% in cash and cash equivalents).</p> <p>The objective is to provide the opportunity to achieve positive real returns over the longer term by investing mostly in growth assets such as shares and unlisted property.</p> <p>This option is suited to investors seeking long term growth and able to tolerate greater volatility of returns.</p>	5	10 years
The Homes and Income Investment Fund	<p>The Homes and Income Investment Fund target asset allocations are 25% in growth assets (25% shares in an unlisted property company) and 75% in income assets (40% in cash and cash equivalents, 25% in residential mortgages and 10% in community housing bonds).</p> <p>The Fund's objective is to minimise negative returns through investment in income generating assets such as community housing bonds and residential mortgages, while providing an opportunity for positive real returns over the longer term by investing a reasonable proportion in an unlisted build-to-rent property company.</p> <p>This option is suited to investors seeking steady growth through exposure to the New Zealand residential rental property market and residential mortgages.</p>	3	3 years

The statement of investment policy and objectives (**SIPO**) sets out the investment policies and objectives for each investment option. We may make changes to the SIPO from time to time without notifying you, if we decide a change is appropriate. Any such change can only be made following prior consultation with the Supervisor. See [simplicity.kiwi](https://www.simplicity.kiwi), the Disclose register companiesoffice.govt.nz/disclose or contact us for a copy of the current SIPO.

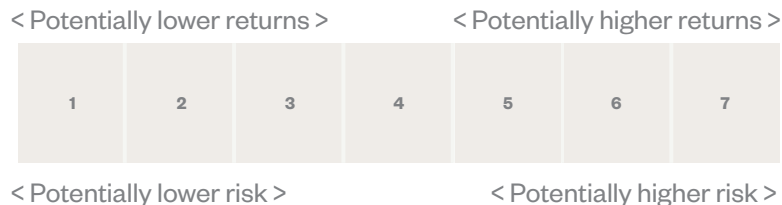
Responsible investment, including environmental, social, and governance considerations, are taken into account in the investment policies and procedures of the Funds as at the date of this product disclosure statement. You can obtain more details of the extent to which responsible investment is taken into account by reviewing our SIPO and Responsible Investment Policy at [simplicity.kiwi](https://www.simplicity.kiwi).

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.

Risk indicator*



See Section 3 (Description of your investment options) for the filled-in risk indicator for each of the Funds.

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 sorted.org.nz/tools/investor-profiler.

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.

The risk indicator is not a guarantee of the Funds' future performance. The Defensive Investment Fund, Homes and Income Investment Fund, and High Growth Investment Fund do not have a 5-year return history. For the Defensive Investment Fund and High Growth Investment Fund, market index returns to 28 April 2023 have been used. For the Homes and Income Investment Fund, market index returns to 30 September 2023 have been used. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of these Funds.

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 the Funds.

General investment risks

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

Investment risk	Description
Market risk	The value of investments may rise or fall as a result of developments in economies, financial markets, and regulatory or political conditions. The performance of individual assets, securities, and issuers can impact returns.
Liquidity risk	There is a risk that some assets of a Fund may not be able to be converted into cash, because of lack of a market in which to sell them, or if the market is disrupted. This particularly applies in the following circumstances: <ul style="list-style-type: none">the Defensive, Conservative, Balanced, Growth and Homes and Income Investment Funds all have exposure to loans secured by first mortgages over residential property where there is no active market to sell into.the Growth and High Growth Investment Funds have exposure to unlisted securities issued by New Zealand businesses with high growth potential.

Investment risk	Description
Liquidity risk (continued)	<ul style="list-style-type: none"> all Diversified Funds and the Homes and Income Investment Fund have an allocation to unlisted property through shares in an unlisted build-to-rent property company that develops and owns New Zealand residential property built to be rented out for the long term. <p>There may be increased liquidity risk to the below funds:</p> <ul style="list-style-type: none"> the Defensive Investment Fund has a benchmark allocation to illiquid assets of 20%. This includes 15% (range 0% to 20%) to loans secured by first mortgages over residential property and 5% (range 0% to 10%) to unlisted property investments. the High Growth Investment Fund has a benchmark allocation to illiquid assets of 17.5%. This includes 10% (range 0% to 15%) to unlisted property investments and 7.5% (range 0% to 10%) to unlisted securities issued by New Zealand businesses. The Homes and Income Investment Fund has a benchmark allocation to illiquid assets of 60%. This includes 25% (range 0% to 50%) to shares in an unlisted build-to-rent property company, 25% (range of 0% to 50%) to loans secured by first mortgages over residential property and 10% (range of 0% to 15%) to community housing bonds. <p>See the SIPO and the Other Material Information (OMI) for more details.</p>
Interest rate risk	<p>The market value of fixed interest securities changes when interest rates change. The impact this has on a Fund will depend on the term of the fixed investment and the fixed interest rate relative to market rates. If the general level of interest rates rises, the value of fixed interest securities falls.</p> <p>There may be increased interest rate risk to the below Funds:</p> <ul style="list-style-type: none"> the Defensive, Conservative, Balanced, Growth and Homes and Income Investment Funds all have exposure to loans secured by first mortgages over residential property. Rising interest rates may impact on borrowers' ability to meet their loan obligations leading to loan defaults and impairment which may reduce the return to investors.
Currency risk	<p>We have a policy of hedging overseas share investments 65% to the NZ dollar. There may be fluctuations in value, and the actual percentage may vary. There may also be additional requirements to pay for the cost of hedging if the NZ dollar falls relative to other currencies.</p>
Credit risk	<p>Credit risk is where the issuer of fixed interest securities may fail to pay interest and repay principal, or where negative perceptions of the issuer's ability to make such payments may cause the price, and therefore value, of their securities to decline.</p>
Market concentration risk	<p>All Diversified Funds and the Homes and Income Investment Fund have an exposure to shares in an unlisted build-to-rent property company. Fund returns may be impacted if there is a reduction in the value of residential property which impacts the value of these shares. The Homes and Income Investment Fund has a higher benchmark allocation (25%) to the company's shares than the Diversified Funds and is more exposed to this risk.</p>

Specific risk	Description
Geographical concentration risk	All Diversified Funds and the Homes and Income Investment Fund have an exposure to residential property through investing in shares in an unlisted build-to-rent property company - currently a significant proportion of the company's underlying properties are located the Auckland region which increases the company's exposure to external events such as natural disasters and localised economic factors that may impact the value of its shares. The Homes and Income Investment Fund has a higher benchmark allocation (25%) to the company's shares than the Diversified Funds and is more exposed to this risk.
Property development risk	All Diversified Funds and the Homes and Income Investment Fund have exposure to residential property development through investing in an unlisted build-to-rent property company. There are risks that this company faces, such as increases in construction costs or construction delays and changes in property valuations, which could have a negative impact on the value of its shares. The Homes and Income Investment Fund has a higher benchmark allocation (25%) to the company's shares than the Diversified Funds and is more exposed to this risk.
Loan default risk	All Diversified Funds (except the High Growth Investment Fund) and the Homes and Income Investment Fund have an exposure to loans secured by first mortgages over residential properties. While the lending criteria are conservative, there is a risk that a borrower defaults and the full value of the loan is not recovered. The Homes and Income Investment Fund has a higher benchmark allocation (25%) to these assets than the Diversified Funds and is more exposed to this risk.
Funding risk	Simplicity controls the shares in an unlisted build-to-rent property company and allows this company to borrow to fund its operations, subject to certain limitations. There is a risk that a reduction in the availability of credit (including refinancing of existing loans) as a result of market conditions such as rising or persistent high interest rates, forces the company to sell property to service or repay loans on demand. A forced sale does not guarantee full repayment of the loan amount. This could negatively impact the impact the value of the company's shares. The Homes and Income Investment Fund has a higher benchmark allocation (25%) to the company's shares than the Diversified Funds and is more exposed to this risk.

5. What are the fees?

You will be charged fees for investing in the Funds. Fees are deducted from your investment and will reduce your returns. 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 (for example, exit fees). We do not currently charge one-off fees.

The Funds' fees are as follows:

Fund	Investment management fee % p.a.	Estimate of fund expenses % p.a.	Total annual fund charges % p.a.	Other charges
Defensive Investment Fund	0.29%	0.00%	0.29%	None
Conservative Investment Fund	0.29%	0.00%	0.29%	None
Balanced Investment Fund	0.29%	0.00%	0.29%	None
Growth Investment Fund	0.29%	0.00%	0.29%	None
High Growth Investment Fund	0.29%	0.00%	0.29%	None
Homes and Income Investment Fund	0.29%	0.00%	0.29%	None

Fees	What it covers
Annual fund charges	<p>Total annual fund charges include an annual investment management fee of 0.29% per annum charged on the total funds under management.</p> <p>These charges cover the fees of Simplicity, DWS, the Supervisor, the Custodian and the Administration Manager. They also pay for other charges and expenses such as accounting and audit fees.</p> <p>The annual fund charges exclude transaction costs incurred by the funds in which the Funds invests, and any hedging costs.</p>
Other charges	<p>None.</p> <p>If the actual Fund expenses, and expenses of Simplicity are higher they may be deducted from the Fund.</p>

All fees are disclosed on a before-tax basis. GST will be added to fees and may be included in some expenses, where applicable. Fees may be increased in accordance with the provisions of the Trust Deed (see the Disclose register at companiesoffice.govt.nz/disclose).

There are currently no performance-based fees charged in respect of the Funds.





Individual action fees

We do not currently charge subscription, establishment, termination, or redemption (withdrawal) fees, and we intend that, for the foreseeable future, we will not introduce any such fees. However, we could charge these or other fees in the future. Accordingly, you may be charged other fees on an individual basis for investor-specific decisions or actions. See the Disclose register at companiesoffice.govt.nz/disclose for more information.

Example of how fees apply to an investor:

Ian invests \$10,000 in the Growth Investment Fund. The starting value of his investment is \$10,000. He is charged management fees, which work out about \$29 (0.29% of \$10,000) per year. These fees will be

Estimated total fees for the first year :

	Fund Charges	\$29	(0.29% of \$10,000)
	Membership Fee	NIL	
	Individual Action Fee	NIL	
	Total Fees	\$29	

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

This example applies only to the Growth Investment 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

The existing fees may be changed or new fees imposed in accordance with the Trust Deed and applicable law upon giving you 90 days written notice.

Every three months, we 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 simplicity.kiwi and on the Funds' register entries at companiesoffice.govt.nz/disclose.

6. What taxes will you pay?

The Funds are 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 ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate. If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue. 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 by Inland Revenue.

See the OMI document on our website simplicity.kiwi or on the Disclose register at companiesoffice.govt.nz/disclose for more information about the tax consequences of an investment in the Funds.

7. Who is involved?

About Simplicity

Simplicity is the manager of the Funds. We are 100% owned by the Simplicity Foundation.

Our aim is to make members better off by offering a low cost investment funds, consistent with the governing principles, purpose and philosophy as described in the SIPO.

We donate 15 percent of the fees we charge to the Simplicity Foundation, which donates to New Zealand charities.

We can be contacted at:

PO Box 33485

Takapuna, Auckland 0740

Phone: 022 548 0212

Email: info@simplicity.kiwi

Who else is involved?

	Name	Role
Supervisor	Public Trust	Supervises the functions performed by the manager of the Funds.
Custodian	Public Trust	Simplicity Nominees Limited is a subsidiary of Public Trust that holds the assets of the Funds on trust.
Administration Manager	Apex Investment Administration (NZ) Limited	Provides registry, accounting, pricing and valuation services for the Funds.
Investment Manager	DWS International GmbH (DWS)	Provides management of international securities.
Investment Manager (investment in the Growth Investment Fund and High Growth Investment Fund only)	Icehouse Ventures Limited	Provides funds that invest in New Zealand businesses with high growth potential.

8. How to complain

If you have a complaint, please contact us. We can be contacted at:

Simplicity NZ Limited
Managing director
PO Box 33485
Takapuna
Auckland 0740
New Zealand

Phone: 022 548 0212

Email: info@simplicity.kiwi

You can also contact the Supervisor at:

Public Trust
Corporate Trustee Services
Private Bag 5902
Wellington 6140

Phone: 0800 371 471

Email: cts.enquiry@publictrust.co.nz

If Simplicity or the Supervisor are unable to resolve your complaint, you can complain to Financial Services Complaints Ltd - A Financial Ombudsman Service (FSCL). They can be contacted at:

Complaint Investigation Officer
Level 4, 101 Lambton Quay
PO Box 5697
Wellington 6145

Phone: 0800 347 257

Email: info@fscl.org.nz

FSCL will not charge you a fee to investigate or resolve a complaint.

9. Where can you find more information?

Further information relating to the Funds, including financial statements, annual reports, annual and quarterly fund updates, the Trust Deed and SIPO, is available on the Disclose register at **companiesoffice.govt.nz/disclose**. A copy of the information on the Disclose register is available on request from the Registrar of Financial Service Providers.

The above information is also available free of charge on our website at **simplicity.kiwi** including our contact details. You may also obtain a copy of the application form and an estimate of your current benefits free of charge by contacting us.

You will also 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 will also be asked to confirm your IRD number and PIR.

You can obtain general information about us and the Funds on our website at **simplicity.kiwi**.

10. How to apply

It's easy. Go to our website: **simplicity.kiwi**.