supereasy

PRODUCT DISCLOSURE STATEMENT
SuperEasy KiwiSaver Superannuation Scheme

Offer of membership of the

SuperEasy KiwiSaver Superannuation Scheme

31 March 2020

Issued by Local Government Superannuation Trustee Limited

This document is a replacement product disclosure statement. It replaces the product disclosure statement for the SuperEasy KiwiSaver Superannuation Scheme dated 15 August 2019.

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

1 Key information summary

What is this?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Local Government Superannuation Trustee Limited (**Trustee**) will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of the Trustee 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 SuperEasy KiwiSaver Superannuation Scheme (**Scheme**) offers 5 different investment options for you to invest into. You can choose one investment option or a combination of investment options.

These investment options are summarised below. More information about the investment target and strategy for each investment option is provided at Section 3, 'Description of your investment option(s)'.

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 https://www.sorted.org.nz/tools/investor-kickstarter.

<table>
<tr><th>Fund name</th><th>Brief description of fund, its investment objectives, and risk indicator</th><th>Estimated annual fund charges from 1 April 2020 (p.a. of the Fund's net asset value)</th></tr>
<tr><td>Aggressive Fund</td><td>The Aggressive Fund target asset allocations are 90% in growth assets and 10% in income assets.

Its objective is to achieve a high level of real returns over the medium to long term, accepting that the returns may be subject to significant short term variations.

Risk indicator
<table>
<tr><td colspan="3">◀ Potentially lower returns</td><td colspan="4">Potentially higher returns ▶</td></tr>
<tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td></tr>
<tr><td colspan="3">◀ Lower risk</td><td colspan="4">Higher risk ▶</td></tr>
</table></td><td>0.50% (including estimated in-fund costs of 0.06%)</td></tr>
</table>

Fund name	Brief description of fund, its investment objectives, and risk indicator	Estimated annual fund charges from 1 April 2020 (p.a. of the Fund’s net asset value)
Growth Fund	The Growth Fund target asset allocations are 70% in growth assets and 30% in income assets. Its objective is to achieve positive real returns over the medium to long term, while managing volatility through diversification of the Fund’s assets. **Risk indicator** ◀ Potentially lower returns / Potentially higher returns ▶ 1 / 2 / 3 / **4** / 5 / 6 / 7 ◀ Lower risk / Higher risk ▶	0.49% (including estimated in-fund costs of 0.05%)
Balanced Fund	The Balanced Fund target asset allocations are 50% in growth assets and 50% in income assets. Its objective is to reduce the likelihood of negative returns over the short to medium term, while still providing a reasonable opportunity for positive real returns over the longer term. **Risk indicator** ◀ Potentially lower returns / Potentially higher returns ▶ 1 / 2 / **3** / 4 / 5 / 6 / 7 ◀ Lower risk / Higher risk ▶	0.49% (including estimated in-fund costs of 0.05%)
Conservative Fund	The Conservative Fund target asset allocations are 20% in growth assets and 80% in income assets. Its objective is to reduce the likelihood of negative returns over the short term, while still providing an opportunity for positive real returns over the longer term. **Risk indicator** ◀ Potentially lower returns / Potentially higher returns ▶ 1 / 2 / **3** / 4 / 5 / 6 / 7 ◀ Lower risk / Higher risk ▶	0.47% (including estimated in-fund costs of 0.03%)

<table>
<tr><th>Fund name</th><th>Brief description of fund, its investment objectives, and risk indicator</th><th>Estimated annual fund charges from 1 April 2020 (p.a. of the Fund’s net asset value)</th></tr>
<tr><td>Automatic Fund</td><td>
The Automatic Fund is a life cycle investment option. Each month, between the ages of 20 and 80, the Automatic Fund will automatically and smoothly change a member’s target investments to a more conservative mix.
Its objective is to achieve the optimum long term outcome by accepting a higher investment risk and return volatility in the early stages of a member’s working life as a trade-off for potentially higher returns.
Risk indicators
Age 20:
<table>
<tr><td colspan="4">◀ Potentially lower returns</td><td colspan="3">Potentially higher returns ▶</td></tr>
<tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td></tr>
<tr><td colspan="4">◀ Lower risk</td><td colspan="3">Higher risk ▶</td></tr>
</table>
Age 40:
<table>
<tr><td colspan="4">◀ Potentially lower returns</td><td colspan="3">Potentially higher returns ▶</td></tr>
<tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td></tr>
<tr><td colspan="4">◀ Lower risk</td><td colspan="3">Higher risk ▶</td></tr>
</table>
Age 60:
<table>
<tr><td colspan="4">◀ Potentially lower returns</td><td colspan="3">Potentially higher returns ▶</td></tr>
<tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td></tr>
<tr><td colspan="4">◀ Lower risk</td><td colspan="3">Higher risk ▶</td></tr>
</table>
Age 80:
<table>
<tr><td colspan="4">◀ Potentially lower returns</td><td colspan="3">Potentially higher returns ▶</td></tr>
<tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td></tr>
<tr><td colspan="4">◀ Lower risk</td><td colspan="3">Higher risk ▶</td></tr>
</table>
See page 12 for more information about the asset mix at each age.
</td><td>
0.50%
0.49%
0.49%
0.47%
In each case including estimated in-fund costs ranging from 0.03%-0.06%
</td></tr>
</table>

Administration fee: $54 per member per annum. You will be charged $4.50 once a month, regardless of the number of investment options you have chosen.

Who manages the SuperEasy KiwiSaver Superannuation Scheme?

Local Government Superannuation Trustee Limited (**Trustee, we**, **our**, or **us**) is the trustee of the Scheme.

See Section 7 ‘Who is involved?’ for more information.

How can you get your money out?

You can usually get your money out of KiwiSaver once you have turned 65. However, a five-year membership requirement also applies if you first joined KiwiSaver (or a complying superannuation fund) before 1 July 2019. From 1 April 2020 you are able to opt out of that requirement. If the five-year requirement doesn’t apply, you can get your money out of KiwiSaver once you have turned 65.

Any amount transferred from an Australian complying superannuation fund (excluding positive or negative returns on that amount), up to your account balance, can be withdrawn when you reach age 60, if you have ‘retired’ in terms of the relevant Australian legislation.

Early withdrawals may also be available for the purchase of a first (or in limited circumstances, second) home, significant financial hardship, serious illness, permanent emigration, death, and to pay tax or student loan liabilities on foreign superannuation transfers.

Subject to relevant law, we may defer payment of a benefit in certain circumstances.

See Section 2 ‘How does this investment work?’ for more information about how you can get your money out and limits that apply.

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 17 for more information.

Where can you find more key information?

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

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2 How does this investment work?

This Product Disclosure Statement (**PDS**) contains an offer of membership of the SuperEasy KiwiSaver Superannuation Scheme (**Scheme**). The Scheme is a registered restricted KiwiSaver scheme under the Financial Markets Conduct Act 2013 (**FMCA**).

As the Scheme is a restricted scheme, only those persons outlined below may become members of the Scheme. Restricted status also means that one of the directors of the Trustee holds a licence under the FMCA.

KiwiSaver is a long-term savings scheme designed to help you save for your retirement. You may also be able to receive benefits in limited other circumstances. See page 9 for more information about how you can get your money out.

The key benefits of the Scheme are:

- your money is pooled with other members' money and invested by us, giving you greater access to investments you may not otherwise be able to access as an individual
- choice of a range of investment funds to enable you to select the option that is most appropriate for your circumstances and appetite for volatility – see Section 3 'Description of your investment option(s)' for more information
- access to the Automatic Fund, an investment option which automatically and smoothly changes your target investments to a more conservative mix each month between the ages of 20 and 80
- your investment is managed by experienced professionals.

Structure of the Scheme

The Scheme is governed by a trust deed between us and Civic Financial Services Limited (**Civic**), the Administration Manager of the Scheme.

The Scheme is a managed fund. This means that your money is pooled with other members' money and invested in underlying funds by the Trustee. A managed fund can give you access to investments that you may not be able to access as an individual.

Your contributions and any contributions from your employer are allocated to separate accounts in the Scheme known as your member's account and your employer's account. These accounts are invested in one or more of the available investment options (Aggressive Fund, Growth Fund, Balanced Fund, Conservative Fund, or the Automatic Fund) selected by you, and their value varies in accordance with the returns achieved by the investment options chosen. As a member of the Scheme, you have an interest in your share of the assets held in the investment options you are invested in.

The investment options are run independently of one another. This means that the assets of one investment option are not generally available to be applied to meet the liabilities of any other investment option in the Scheme, unless there is a winding up of the Scheme or an investment option has no assets remaining to meet its liabilities.

The Scheme is a defined contribution scheme. This means that the benefits you receive depend on the contributions paid to your accounts, the returns of the investment options chosen, and the money deducted from your accounts (for example, for fees and taxes). The value of your accounts will change during the lifetime of your membership.

Joining KiwiSaver

New Zealand citizens and those eligible to be in New Zealand indefinitely in terms of the Immigration Act 2009, and who are or normally are living in New Zealand, can become a member of KiwiSaver. You can also join KiwiSaver if you are a state services employee who is serving outside New Zealand, on New Zealand terms and conditions, in a jurisdiction where offering KiwiSaver membership is lawful.

Joining the Scheme

Who can join

If you are already a KiwiSaver member, you can transfer your savings between KiwiSaver schemes at any time, even if you do not meet the above criteria. However, to join the Scheme you will need to meet the criteria below. If you are already in KiwiSaver you should consider any benefits you currently receive before switching schemes. We also recommend that you seek financial advice.

In order to join the Scheme, you must:

a be employed by a Local Authority or a Council Controlled Organisation;

b belong to, or be employed by, the New Zealand Society of Local Government Managers Incorporated, New Zealand Local Government Association Incorporated, or Civic;

c be employed by Jardine Lloyd Thompson Limited; or

d be an immediate family member of, or wholly or partially financially dependent on, a person in one or more of the classes of persons described in paragraphs a to c above.

'Immediate family member' in relation to a person means a spouse, civil union partner, de facto partner, parent, child, step-parent, or step-child.

In paragraphs a to c the reference to a particular employer includes any administrator, successor, or assign of that employer.

Opting out

If your employer has chosen the Scheme as their preferred KiwiSaver scheme, and you are not already a KiwiSaver member, if you are 18 or older you will automatically be enrolled into the Scheme when you start employment. If you have been automatically enrolled, you can choose to opt out between 14 to 56 days from the day you started your new job. You can also join the Scheme by filling out an application form.

To become a member of the Scheme, please contact us, or your employer, for an application form.

Your investment options

Once a member, you can choose one or a combination of the investment options, and you are able to switch investments between the options. If you choose more than one option, you must invest at least 20% in each option and your choices must add up to 100%. If you do not select an investment option, we will invest your money in the Automatic Fund, as the Scheme's default option.

Making investments

If you're employed, KiwiSaver contributions are normally taken out of your pre-tax (gross) salary or wages at a rate of 3%, 4%, 6%, 8% or 10%. If you do not choose a rate, you will contribute at 3%. You can also make voluntary contributions at any time. If you are contributing to KiwiSaver, you may also be entitled to an employer contribution of 3% of your pre-tax salary or wages. Tax is deducted from employer contributions.

You can also make voluntary contributions by regular or lump sum payments. The minimum additional regular contribution is $520 per annum, the minimum increase in additional regular contributions is $260 per annum and the minimum lump sum contribution is $500. Any additional regular or lump sum contribution you make may or may not attract a subsidy from your employer. Additional regular contributions are to be paid to the IRD on a monthly basis.

New Zealand residents aged 18 or older who have not reached their Qualifying Date (see below) are usually entitled to receive a Government Contribution to match their own contributions, at the rate of 50 cents for each dollar contributed, up to a maximum Government Contribution of $521.43 per year, which is allocated to your member's account. You will stop being eligible for Government Contributions from the earlier of your Qualifying Date and the date you make a withdrawal other than in circumstances listed in the table below.

You can change your contribution rate or take a 'savings suspension', subject to some restrictions. You can also stop contributing to the Scheme when you reach your Qualifying Date (see below).

You may also be able to transfer savings from an existing New Zealand or overseas superannuation scheme. To transfer from an Australian complying superannuation fund you will need to have permanently emigrated to New Zealand.

The minimums above may change in the future.

Withdrawing your investments

You are eligible to withdraw when you reach your **Qualifying Date**, usually being the age you qualify for New Zealand Superannuation (currently 65), but if you first joined KiwiSaver or a complying superannuation fund before 1 July 2019, your Qualifying Date is the later of the date you become eligible for New Zealand Superannuation and the date that is five years from the date you first joined KiwiSaver or a complying superannuation fund. You will still be eligible to make a withdrawal after you become eligible to receive New Zealand Superannuation, even if you haven't completed five years membership by then. However, if you opt to make a withdrawal before reaching your Qualifying Date in circumstances other than those listed in the table below, you will cease to be eligible for Government Contributions and your employer could stop their contributions.

You may be able to make a withdrawal in other limited circumstances, as follows:

Withdrawal type	What can I withdraw?				
	Member contribution	Employer contribution	Government contribution	$1,000 kick-start (if any)[3]	Savings transferred from an Australian complying superannuation fund[4]
Retirement (on or after your Qualifying Date)	√	√	√	√	√
Purchase of first home[1]	√	√	√	–	–
Significant financial hardship	√	√	–	–	√
Serious illness	√	√	√	√	√
Permanent emigration (other than to Australia)	√	√	–	√	–
Permanent emigration to Australia[2]	√	√	√	√	√
Death	√	√	√	√	√
Retirement withdrawal of Australian savings from age 60	–	–	–	–	√

[1] You must leave at least $1,000 in your account after the withdrawal. Even if you have owned a home before, you may still be able to make a withdrawal in certain circumstances if Kāinga Ora accepts that you are in the same financial position as would be expected if you have never owned a property.

[2] Your savings will be transferred to an Australian complying superannuation fund.

[3] You will only have received a $1,000 kick-start contribution from the Crown if you first joined KiwiSaver before 2.00pm on 21 May 2015.

[4] If you have 'retired' in terms of the relevant Australian legislation.

In addition:

- When you reach your Qualifying Date, you may withdraw part or all of your retirement benefit. You may also choose to leave your retirement benefit in the Scheme and make withdrawals later.
- If you make a withdrawal to purchase a first or subsequent home you may also be able to receive a KiwiSaver HomeStart grant of up to $10,000 from the Crown. See www.kaingaora.govt.nz for more information, including the terms, conditions, and eligibility criteria.
- If you have transferred from a foreign superannuation scheme, there are rules in place that may allow you to withdraw an amount to cover any New Zealand tax liability and/or student loan repayment obligations that relate to the transfer.
- We may also have to release some or all of your money under a Court order.
- You can transfer to another KiwiSaver scheme you are eligible to join at any time. However, you can only be a member of one KiwiSaver scheme at a time, so if you join another KiwiSaver scheme you will cease to be a member of this Scheme.

Once we are satisfied you have become entitled to a benefit and apply for a withdrawal, we will normally process your application within 1 – 4 weeks. Subject to all relevant law, we can defer payment of a benefit for any period we see fit if we are satisfied that payment may affect the status of the Scheme as a KiwiSaver scheme. You may make a partial or full withdrawal of the amount you are entitled to withdraw. We may set terms and conditions for partial withdrawals (such as limits on how often a partial withdrawal can be made, and how much is required to be withdrawn). Currently, the minimum amount for a partial withdrawal is $1,000.

See the Scheme's register entry for more information about withdrawals. See www.supereasy.co.nz or contact us for the required forms. You will need to satisfy certain legal requirements (including providing evidence of entitlement to withdraw) and our processes before you can make a withdrawal.

No person, including the Crown, guarantees the performance or obligations of any KiwiSaver scheme.

How to switch between funds

You are able to switch investments between investment options, subject to you investing a minimum of 20% in any chosen option and your choices adding up to 100%.

You can do so by completing a 'Change of Fund Application' which can be downloaded from our website www.supereasy.co.nz, and emailing this to admin@civicfs.co.nz, or sending to us at our address set out at Section 7.

3 Description of your investment option(s)

This table shows details of each investment option. As the Automatic Fund has target asset allocations set by us and which depend on the member's age, the table also shows details of sample life cycle stages within the Automatic Fund for investors at ages 20, 40, 60, and 80.

Fund name	Summary of investment objectives and strategy (including target investment mix)	Risk category (lower risk involves potentially lower returns and higher risk involves potentially higher returns)	Minimum suggested investment time frame and suitability
Aggressive Fund	The Aggressive Fund target asset allocations are 90% in growth assets and 10% in income assets. Its objective is to achieve a high level of real returns over the medium to long term primarily through investment in equities, accepting that the returns may be subject to significant short term variations.	4	10+ years This option is suitable for members willing to take a reasonable risk for potentially higher returns over the longer term through selected domestic and international asset classes with perceived growth potential.
Growth Fund	The Growth Fund target asset allocations are 70% in growth assets and 30% in income assets. Its objective is to achieve positive real returns over the medium to long term through investment in growth assets, while managing volatility through diversification of the Fund's assets.	4	8+ years This option is suited to members seeking long term growth with risk limited by broad diversification.
Balanced Fund	The Balanced Fund target asset allocations are 50% in growth assets and 50% in income assets. Its objective is to reduce the likelihood of negative returns over the short to medium term through higher proportions of investment in defensive assets, such as cash and bonds, while still providing a reasonable opportunity for positive real returns over the longer term by investing a reasonable proportion of the Fund in growth assets such as equities and property.	3	6+ years This option is suited to members seeking medium term growth with risk limited by broad diversification.

Fund name	Summary of investment objectives and strategy (including target investment mix)	Risk category (lower risk involves potentially lower returns and higher risk involves potentially higher returns)	Minimum suggested investment time frame and suitability
Conservative Fund	The Conservative Fund target asset allocations are 20% in growth assets and 80% in income assets. Its objective is to reduce the likelihood of negative returns over the short term. It has higher proportions of investment in defensive assets, such as cash and bonds, while still providing an opportunity for positive real returns over the longer term by investing a smaller proportion of the Fund in growth assets such as equities and property.	3	2+ years This option is suited to members seeking lower returns with expected lower risk volatility.
Automatic Fund Each month, between the ages of 20 and 80, the Automatic Fund will automatically and smoothly change a member's target investments to a slightly more conservative mix. Thus the member's target exposure to income assets such as fixed interest securities and cash is slightly increased every month and the exposure to growth assets is correspondingly decreased.	The Automatic Fund target asset allocations are as follows for the following stages: - Age 20: 95% growth, 5% income assets - Age 40: 75% growth, 25% income assets - Age 60: 55% growth, 45% income assets - Age 80: 25% growth, 75% income assets The investment objectives of the Automatic Fund are to achieve the optimum long term outcome by accepting a higher investment risk and return volatility in the early stages of a member's working life as a trade for higher returns. When a member is younger, the Automatic Fund provides greater exposure to investments with the potential for growth such as overseas and New Zealand equities.	Age 20: 4 Age 40: 4 Age 60: 3 Age 80: 3	Age 20: 10+ years Age 40: 8+ years Age 60: 6+ years Age 80: 2+ years This option is suitable for members who wish to start with a relatively high proportion of growth assets, but for that proportion to reduce over time, and who want the rebalancing done on a monthly basis without having to organise this for themselves.

Responsible investment, including environmental, social, and governance considerations, is not taken into account in the investment policies and procedures of the Scheme as at the date of this product disclosure statement. The Trustee is mindful of applying the principles of socially responsible and ethical investments and has approximately 10% of the global shares mandate invested with the AMP Capital Responsible Investment Leaders Global Shares Fund.

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 desirable, after taking advice from the Scheme's Consulting Actuary. See the Scheme's website www.supereasy.co.nz, register entry or contact us for a copy of the current SIPO. Material changes to the SIPO will be described in the Scheme's annual report.

Further information about the assets in the investment options can be found in the fund updates at www.supereasy.co.nz.

4 What are the risks of investing?

Understanding the risk indicator

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

◀ Potentially lower returns				Potentially higher returns ▶		
1	2	3	4	5	6	7
◀ Lower risk						Higher risk ▶

See the table on pages 2 – 4 for the filled-in risk indicator for each investment option.

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 https://www.sorted.org.nz/tools/investor-kickstarter.

Note that even the lowest category does not mean a risk-free investment.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years to 30 June 2019. 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 investment option.

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 return risk, market risk, company risk, credit risk, and currency risk.

Investment risk	Description
Investment return risk	Events affecting investments cannot always be foreseen. Underlying assets will rise and fall in value and returns from time to time may be negative.
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.
Company risk	This is the financial uncertainty faced by an investor who holds securities in a specific firm. Company risk can be mitigated through diversification; by purchasing securities in additional companies and uncorrelated assets, investors can limit a portfolio's exposure to the ups and downs of a single company's performance.
Credit risk	The Scheme may become insolvent and be placed into receivership, liquidation, or statutory management, or otherwise be unable to meet its financial obligations. If this occurs, members may not recover the full amount of their interest in the Scheme.

Investment risk	Description
Currency risk	As some of the assets in the funds are invested overseas, returns in New Zealand can be affected by movements between the New Zealand dollar and overseas currencies. If the New Zealand dollar goes up, the relative value of these assets goes down. If the New Zealand dollar goes down, the relative value of these assets goes up.

The Trustee is not aware of any circumstances that exist or are likely to arise that significantly increase the risk to returns for investors, other than circumstances already reflected in the risk indicator.

See the 'Other material information' document on the Scheme's register entry at disclose-register.companiesoffice.govt.nz for more information about risks.

5 What are the fees?

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

- regular charges (for example, 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 – although we do not currently charge these).

The Scheme's fees are as follows:

Fund	Total annual fund charges from 1 April 2020 (p.a. estimated)	Administration fee
Aggressive Fund	0.50% p.a.* of the Fund's net asset value.	$54 per annum per member (charged $4.50 per month, regardless of how many investment options you choose).
Growth Fund	0.49% p.a.* of the Fund's net asset value.	
Balanced Fund	0.49% p.a.* of the Fund's net asset value.	
Conservative Fund	0.47% p.a.* of the Fund's net asset value.	
Automatic Fund Age 20	0.50% p.a.* of the investment option's net asset value.	
Automatic Fund Age 40	0.49% p.a.* of the investment option's net asset value.	
Automatic Fund Age 60	0.49% p.a.* of the investment option's net asset value.	
Automatic Fund Age 80	0.47% p.a.* of the investment option's net asset value.	
*In each case this includes estimated in-fund costs.		

The fees outlined above cover the following:

Fee	What it covers
Annual fund charges	The annual fund charges comprise: • from 1 April 2020, an annual management fee of 0.44% per annum expressed as a percentage of the Fund's net asset value, deducted from the Scheme. Prior to 1 April 2020 this fee was 0.50% per annum. This fee covers Civic's management of the Scheme, as well as the Scheme's underlying fund manager fees, and other scheme-related charges and expenses paid by Civic as Administration Manager. • fees and expenses recovered from the underlying funds we invest in (referred to as 'in-fund costs') which vary between investment options as follows: ○ Aggressive Fund 0.06% ○ Growth Fund 0.05% ○ Balanced Fund 0.05% ○ Conservative Fund 0.03% ○ Automatic Fund range from 0.03%-0.06% The in-fund costs are not fixed as the actual amount of these costs will vary slightly from year to year based on average balances. This means that this component of the annual fund charges can only be estimated. The annual fund charges exclude transaction costs incurred by the funds in which the Scheme invests.
Administration fee	Paid to Civic for the administration services it provides to the Scheme. This fee is paid from your member account, at the rate of $4.50, monthly in arrears from the start of your membership.

All fees are disclosed on a before-tax basis. GST will be added to fees and may be included in some expenses, where applicable.

There are no performance based fees charged by the Scheme.

Individual action fees

We do not currently charge contribution, establishment, termination, or 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 Scheme's register entry at disclose-register.companiesoffice.govt.nz for more information.

Example of how fees apply to an investor from 1 April 2020

Ian invests $10,000 in the Growth Fund. The starting value of his investment is $10,000. He is charged management fees and in-fund costs, which work out to about $49 (0.49% of $10,000). These fees might be more or less if his account balance has increased or decreased over the year.

Over the next year, Ian pays other charges (administration fee) of $54.

Estimated total fees for the first year

Individual action fees: $0

Fund charges (management fees and in-fund costs): $49

Other charges (administration fee): $54

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 Growth 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 are entitled to alter charges (including increasing fees or introducing new fees) at any time. There are no limits on the charges that may be set, subject to the requirement under the KiwiSaver Act 2006 to not charge unreasonable fees. Details of the current charges are set out above and in the annual financial statements of the Scheme.

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

6 What taxes will you pay?

The Scheme is a portfolio investment entity (PIE). The amount of tax you pay is based on your prescribed investor rate (**PIR**). To determine your PIR, go to www.ird.govt.nz/topics/income-tax/types-of-income/income-from-pies. 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 advised PIR is lower than the correct PIR, you will need to complete a personal tax return and pay any tax shortfall, interest, and penalties. If the default rate or the advised PIR is higher than the correct PIR, you will not get a refund of any overpaid tax.

See the 'Other material information' document on the Scheme's register entry at disclose-register.companiesoffice.govt.nz for more information about the tax consequences of an investment in the Scheme.

7 Who is involved?

About Local Government Superannuation Trustee Limited

The current trustee of the Scheme, who is also responsible under the FMCA for managing the Scheme, is Local Government Superannuation Trustee Limited.

We can be contacted at:

Level 7, Civic Assurance House
116 Lambton Quay
PO Box 5521
Wellington 6140

Telephone 04 978 1250

Who else is involved?

	Name	Role
Custodian	Local Government Superannuation Trustee Limited	We hold the Scheme's assets in our capacity as trustee of the Scheme.
Administration Manager	Civic Financial Services Limited.	Appointed by us to administer the Scheme, including implementing our investment decisions.
Underlying Fund Managers	AMP Capital Investors (New Zealand) Limited and ANZ New Zealand Investments Limited	Manages the underlying funds in which the Scheme's assets are invested.

8 How to complain

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

Level 7, Civic Assurance House
116 Lambton Quay
PO Box 5521
Wellington 6140

Telephone 04 978 1250

If we are unable to resolve your complaint, you can complain to the Insurance & Financial Services Ombudsman Scheme (**IFSO**). The IFSO can be contacted at:

Office of the Insurance and Financial Services Ombudsman Scheme
Level 2, Solnet House
70 The Terrace
PO Box 10-845
Wellington 6143

Telephone 04 499 7612

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, including financial statements, annual reports, annual fund updates, the Scheme's trust deed, and SIPO, is available on the offer register and the scheme register at disclose-register.companiesoffice.govt.nz. A copy of the information on the offer register or scheme 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 www.supereasy.co.nz or by contacting us at admin@civicfs.co.nz.

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 Scheme on our website at www.supereasy.co.nz.

10 How to apply

You can apply for membership in the Scheme by completing an application form and submitting it to the Scheme's Administration Manager:

Civic Financial Services Limited
PO Box 5521
Wellington 6140

or to

admin@civicfs.co.nz

Please contact us, or your employer, for an application form.

www.supereasy.co.nz