

SuperLife KiwiSaver scheme

Product Disclosure Statement

Offer of membership of the SuperLife KiwiSaver scheme

Issued by Smartshares Limited

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on www.disclose-register.companiesoffice.govt.nz

Smartshares Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.

This is a replacement product disclosure statement. It replaces the product disclosure statement dated 8 February 2019.



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

What will your money be invested in?

The SuperLife KiwiSaver scheme (**Scheme**) has a range of investment options, which you can combine any way you choose:

- ▶ **SuperLife Age Steps:** An investment option where the mix of income and growth assets is automatically set based on your age. As you get older, the proportion of your investment in growth assets will be reduced, lowering the expected size of the ups and downs in the value of your investment.
- ▶ **Ethical fund:** A socially responsible balanced fund which excludes assets that do not meet the fund's defined ethical investment standards (which are available at www.superlife.co.nz/investment/ethical/ethica).
- ▶ **Diversified funds:** Funds that provide a range of risk-return profiles. The funds invest in a mix of the main investment asset classes of cash, fixed interest, shares and property. If you invest in a diversified fund, it's up to you to change funds if your risk-return profile changes.
- ▶ **Sector funds:** Funds invested in New Zealand, Australian and international markets that you can use to set your own investment strategy. Each sector fund invests in one of the main investment asset classes of cash, fixed interest, shares and property. If you invest in the sector funds, it's up to you to change funds if your investment strategy changes.

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

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

Who manages the Scheme?

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

How can you get your money out?

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

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

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

How will your investment be taxed?

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

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

Where can you find more key information?

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



Investment options summarised in this product disclosure statement

Funds						
Fund	Target income assets	Target growth assets	Description and investment objective	Risk indicator	Fund charges (% per annum of the fund's net asset value)	
Ethica	40%	60%	Invests in a mix of income and growth assets. Designed for investors that want a balanced investment option. A socially responsible fund which excludes assets that do not meet the fund's defined ethical investment standards. Negative annual returns may occur once in every 5–7 years on average.	<p>Potentially lower return Potentially higher return</p>	0.70%	
SuperLife Income	100%	–	Invests in income assets. Designed for investors that want an investment in New Zealand and international fixed interest. Negative annual returns may occur once in every 7–10 years on average.	<p>Potentially lower return Potentially higher return</p>	0.56%	
SuperLife Conservative	70%	30%	Invests mostly in income assets. Designed for investors that want a conservative investment option. Negative annual returns may occur once in every 7–10 years on average.	<p>Potentially lower return Potentially higher return</p>	0.57%	
SuperLife Balanced	40%	60%	Invests in a mix of income and growth assets. Designed for investors that want a balanced investment option. Negative annual returns may occur once in every 5–7 years on average.	<p>Potentially lower return Potentially higher return</p>	0.60%	
SuperLife Growth	20%	80%	Invests mostly in growth assets. Designed for investors that want a growth investment option. Negative annual returns may occur once in every 3–5 years on average.	<p>Potentially lower return Potentially higher return</p>	0.61%	
SuperLife High Growth	1%	99%	Invests in growth assets. Designed for investors that want an aggressive investment option that invests in shares and property. Negative annual returns may occur once in every 2–4 years on average.	<p>Potentially lower return Potentially higher return</p>	0.63%	
NZ Cash Fund	100%	–	Invests in New Zealand cash and cash equivalent assets (including term deposits). Designed for investors that want a defensive investment option that provides a return (after tax, fees and other expenses) that reflects the after-tax return on the New Zealand cash market.	<p>Potentially lower return Potentially higher return</p>	0.52%	



SuperLife Age Steps

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

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

Investor's age	Target income assets	Target growth assets	Risk indicator	Fund charges (% per annum of the fund's net asset value)
20 years	5%	95%		0.63%
30 years	20.8%	79.2%		0.62%
40 years	20.8%	79.2%		0.62%
50 years	25.8%	74.2%		0.61%
60 years	43.1%	56.9%		0.60%
70 years	60.4%	39.6%		0.58%
80 years	90%	10%		0.56%

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

You will only be charged a financial adviser fee if you have a financial adviser and have agreed with your adviser that he/she will be paid a fee for providing you financial advice. The amount of this fee is agreed between you and your financial adviser and set out in the application form.

The maximum financial adviser fee you can agree with your financial adviser is: (a) 0.50% per annum of your account balance; or (b) \$500 per annum.

See section 4 for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator. To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-kickstarter.



Investment options summarised in fund updates

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

Sector funds

Each of the sector funds invests in one asset class.

Cash

NZ Cash Fund

NZ Cash ETF Fund

UK Cash Fund

Fixed interest

NZ Bonds Fund

Overseas Bonds Fund

Overseas Non-government Bonds Fund

Property

NZ Property Fund

Australian Property Fund

Global Property Fund

New Zealand shares

NZ Shares Fund

NZ Top 50 Fund

NZ Top 10 Fund

NZ Dividend Fund

NZ Mid Cap Fund

Australian shares

Australian Shares Fund

Australian Top 20 Fund

Australian Dividend Fund

Australian Financials Fund

Australian Resources Fund

Australian Mid Cap Fund

International shares

Overseas Shares (Currency Hedged) Fund

Overseas Shares Fund

Asia Pacific Fund

Emerging Markets Fund

Europe Fund

Total World Fund

US 500 Fund

US Large Growth Fund

US Large Value Fund

US Mid Cap Fund

US Small Cap Fund



Table of Contents

1. Key information summary	2
2. How does this investment work?	7
3. Description of your investment options	11
4. What are the risks of investing?	15
5. What are the fees?	17
6. What taxes will you pay?	19
7. Who is involved?	20
8. How to complain	21
9. Where you can find more information	22
10. How to apply	22



2. How does this investment work?

The Scheme offers the following investment options:

- ▶ **SuperLife Age Steps:** An investment option where the mix of income and growth assets is automatically set based on your age. As you get older, the proportion of your investment in growth assets will be reduced, lowering the expected size of the ups and downs in the value of your investment.
- ▶ **Ethical fund:** A socially responsible balanced fund which excludes assets that do not meet the fund's defined ethical investment standards (which are available at www.superlife.co.nz/investment/ethical/ethica).
- ▶ **Diversified funds:** Funds that provide a range of risk-return profiles. The funds invest in a mix of the main investment asset classes of cash, fixed interest, shares and property. If you invest in a diversified fund, it's up to you to change funds if your risk-return profile changes.
- ▶ **Sector funds:** Funds invested in New Zealand, Australian and international markets that you can use to set your own investment strategy. Each sector fund invests in one of the main investment asset classes of cash, fixed interest, shares and property. If you invest in the sector funds, it's up to you to change funds if your investment strategy changes.

You also have the flexibility to combine the investment options.

The principles that underlie the Scheme's broad investment philosophy are:

- ▶ **Passive:** We believe that a passive approach to investing will deliver better long-term results. Passive investing means we will either invest in a fund designed to track an index or in a number of assets for the long term. We do not think that constantly changing our investments (that is, trading regularly and seeking short-term gains), consistently adds value to investors.
- ▶ **Cost effective:** We make decisions based on what is practical, sensible and for the long term. All decisions must be cost effective – the return to you is improved by the careful management of costs.

- ▶ **Diversified:** We believe that better and more consistent outcomes result from diversification. Diversification is about investing in a number of investments and reducing your risk by doing so.
- ▶ **Simple:** We aim to keep things simple.

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

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

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

Your money goes into an account in your name. This account is invested in one or more of the investment options chosen by you (or, if you do not choose an investment option, then SuperLife Age Steps will be used).

As an investor, you have an interest in the Scheme. However, your interest does not give you any right to any particular asset of a fund.

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

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

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



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

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

Joining the Scheme

If you are not a KiwiSaver member

If you are not yet a KiwiSaver member, you can join the Scheme if you are:

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

If you are already a KiwiSaver member

If you are already a member of another KiwiSaver scheme, you can transfer your investment into the Scheme (even if you do not meet the criteria set out above). You can only be a member of one KiwiSaver scheme at a time.

If you have been automatically enrolled in the Scheme

If your employer has chosen the Scheme as its preferred KiwiSaver scheme and you are not already a KiwiSaver member, you will automatically be enrolled in the Scheme when you start your job (you can choose to opt out between 14 and 56 days from the date you start your job). Any special conditions that apply where an employer has chosen the Scheme as its preferred KiwiSaver scheme are set out in the PDS Supplement for your employer (**PDS Supplement**), which will be provided to automatically enrolled employees, together with this product disclosure statement.

Making investments

If you are employed, contributions will be taken out of your gross (before-tax) salary or wages at the rate you have told your employer (3%, 4%, 6%, 8% or 10%). You can also make voluntary contributions at any time. If you are contributing to KiwiSaver, you may also be entitled to an employer contribution of 3% of your gross (before-tax) salary or wages. Tax will be deducted from your employer contributions.

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

If you are between the ages of 18 and 65, you may be eligible to receive a Government contribution at the rate of 50 cents for each dollar you contribute, up to a maximum of \$521.43 per year.

You can contribute to the Scheme in the following ways:

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

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

You can change your contribution rate or take a savings suspension, subject to some restrictions.

If you have permanently emigrated from Australia to New Zealand, or if you are a New Zealander returning from Australia, you may be able to transfer your money in an Australian complying superannuation scheme into the Scheme.

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



Withdrawing your investments

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

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

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

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

Early withdrawal type	What you can withdraw			
	Member contribution	Employer contribution	Government contribution	Savings transferred from an Australian complying superannuation scheme
Purchase of first home ¹	✓	✓	✓	–
Significant financial hardship ²	✓	✓	–	✓
Serious illness	✓	✓	✓	✓
Permanent emigration (other than to Australia)	✓	✓	–	–
Permanent emigration (to Australia) ³	✓	✓	✓	✓
Retirement withdrawal of Australian savings from age 60	–	–	–	✓

¹ For a purchase of first home withdrawal, you must leave at least \$1,000, plus any money you transferred from an Australian complying superannuation scheme, in your account after the withdrawal.

² If you received the \$1,000 kick-start contribution from the Government, you cannot withdraw this contribution when making a significant financial hardship withdrawal.

³ Your investment will be transferred to an Australian complying superannuation scheme (which is an Australian superannuation scheme that has membership criteria similar to KiwiSaver).

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

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

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



How to switch between investment options

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

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

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

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



3. Description of your investment options

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

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

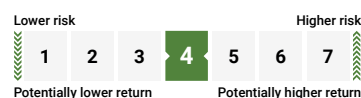
► **Growth assets:** Growth assets include shares and property. With shares and property, we would expect positive returns that are higher than the returns for cash and fixed interest over the long term, but at times returns can be negative over the short to medium term. These negative returns can be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

To help you understand what type of investor you are, you can seek financial advice or work it out at www.sorted.org.nz/tools/investor-kickstarter.

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

Ethica

www.sorted.org.nz fund type:
BALANCED

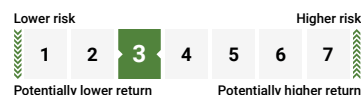


8 years

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

- 1% Cash and cash equivalents
- 13% NZ fixed interest
- 26% International fixed interest
- 40% Income assets
- 14.5% Australasian equities
- 38% International equities
- 7.5% Listed property
- 60% Growth assets

SuperLife Income



5 years

Invests in income assets. Designed for investors that want an investment in New Zealand and international fixed interest. Negative annual returns may occur once in every 7–10 years on average.

- 1% Cash and cash equivalents
- 34% NZ fixed interest
- 65% International fixed interest
- 100% Income assets



Funds		
Description, investment objective and target investment mix	Risk indicator	Minimum suggested investor timeframe
<p>SuperLife Conservative</p> <p>www.sorted.org.nz fund type: CONSERVATIVE</p> <p>Invests mostly in income assets. Negative annual returns may occur once in every 7 – 10 years on average.</p> <ul style="list-style-type: none"> ▶ 1% Cash and cash equivalents ▶ 24% NZ fixed interest ▶ 45% International fixed interest ▶ 70% Income assets ▶ 6.5% Australasian equities ▶ 16% International equities ▶ 7.5% Listed property ▶ 30% Growth assets 	<p>Lower risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>	6 years
<p>SuperLife Balanced</p> <p>www.sorted.org.nz fund type: BALANCED</p> <p>Invests in a mix of income and growth assets. Negative annual returns may occur once in every 5 – 7 years on average.</p> <ul style="list-style-type: none"> ▶ 1% Cash and cash equivalents ▶ 13% NZ fixed interest ▶ 26% International fixed interest ▶ 40% Income assets ▶ 14.5% Australasian equities ▶ 38% International equities ▶ 7.5% Listed property ▶ 60% Growth assets 	<p>Lower risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>	8 years
<p>SuperLife Growth</p> <p>www.sorted.org.nz fund type: GROWTH</p> <p>Invests mostly in growth assets. Negative annual returns may occur once in every 3 – 5 years on average.</p> <ul style="list-style-type: none"> ▶ 1% Cash and cash equivalents ▶ 6.5% NZ fixed interest ▶ 12.5% International fixed interest ▶ 20% Income assets ▶ 20% Australasian equities ▶ 52.5% International equities ▶ 7.5% Listed property ▶ 80% Growth assets 	<p>Lower risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>	9 years
<p>SuperLife High Growth</p> <p>Invests in growth assets. Designed for investors that want an investment in shares and property. Negative annual returns may occur once in every 2 – 4 years on average.</p> <ul style="list-style-type: none"> ▶ 1% Cash and cash equivalents ▶ 1% Income assets ▶ 25.5% Australasian equities ▶ 66% International equities ▶ 7.5% Listed property ▶ 99% Growth assets 	<p>Lower risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>	10 years
<p>NZ Cash Fund</p> <p>www.sorted.org.nz fund type: DEFENSIVE</p> <p>Invests in New Zealand cash and cash equivalent assets (including term deposits). Designed to provide a return (after tax, fees and other expenses) that reflects the after-tax return on the New Zealand cash market.</p> <ul style="list-style-type: none"> ▶ 100% Cash and cash equivalents ▶ 100% Income assets 	<p>Lower risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>	None



SuperLife Age Steps

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

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

Investor's age	Target investment mix	Risk indicator	
20 years	<ul style="list-style-type: none"> ▶ 1% Cash and cash equivalents ▶ 1.4% NZ fixed interest ▶ 2.6% International fixed interest ▶ 5% Income assets 	<ul style="list-style-type: none"> ▶ 24.5% Australasian equities ▶ 63.3% International equities ▶ 7.2% Listed property ▶ 95% Growth Assets 	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>
30 years	<ul style="list-style-type: none"> ▶ 1% Cash and cash equivalents ▶ 6.8% NZ fixed interest ▶ 13% International fixed interest ▶ 20.8% Income assets 	<ul style="list-style-type: none"> ▶ 20.4% Australasian equities ▶ 52.8% International equities ▶ 6% Listed property ▶ 79.2% Growth Assets 	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>
40 years	<ul style="list-style-type: none"> ▶ 1% Cash and cash equivalents ▶ 6.8% NZ fixed interest ▶ 13% International fixed interest ▶ 20.8% Income assets 	<ul style="list-style-type: none"> ▶ 20.4% Australasian equities ▶ 52.8% International equities ▶ 6% Listed property ▶ 79.2% Growth Assets 	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>
50 years	<ul style="list-style-type: none"> ▶ 1% Cash and cash equivalents ▶ 8.5% NZ fixed interest ▶ 16.3% International fixed interest ▶ 25.8% Income assets 	<ul style="list-style-type: none"> ▶ 19.1% Australasian equities ▶ 49.5% International equities ▶ 5.6% Listed property ▶ 74.2% Growth Assets 	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>
60 years	<ul style="list-style-type: none"> ▶ 13.4% Cash and cash equivalents ▶ 10.2% NZ fixed interest ▶ 19.5% International fixed interest ▶ 43.1% Income assets 	<ul style="list-style-type: none"> ▶ 14.7% Australasian equities ▶ 37.9% International equities ▶ 4.3% Listed property ▶ 56.9% Growth Assets 	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>
70 years	<ul style="list-style-type: none"> ▶ 20.8% Cash and cash equivalents ▶ 13.6% NZ fixed interest ▶ 26% International fixed interest ▶ 60.4% Income assets 	<ul style="list-style-type: none"> ▶ 10.2% Australasian equities ▶ 26.4% International equities ▶ 3% Listed property ▶ 39.6% Growth Assets 	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>
80 years	<ul style="list-style-type: none"> ▶ 30.7% Cash and cash equivalents ▶ 20.4% NZ fixed interest ▶ 38.9% International fixed interest ▶ 90% Income assets 	<ul style="list-style-type: none"> ▶ 2.6% Australasian equities ▶ 6.6% International equities ▶ 0.8% Listed property ▶ 10% Growth Assets 	<p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower return Potentially higher return</p>



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

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

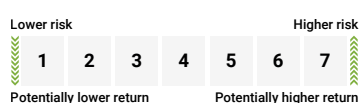
Further information about the assets in each investment option can be found in the fund updates at www.superlife.co.nz.



4. What are the risks of investing?

Understanding the risk indicator

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



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

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the investment option's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-kickstarter.

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

This risk indicator is not a guarantee of an investment option's future performance. The risk indicator is based on the returns data for 5 years to 31 December 2018. While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest fund update for each of the investment options.

General investment risks

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

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

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



Other specific risks

There are other risks that may affect returns for investors, which are not reflected in the risk indicator. These risks include investment management risk. In particular, while the Scheme's investment philosophy is that a passive approach to investing will deliver better long-term results, we make some active management decisions. There is a risk that this may result in a fund achieving a return that is lower than the investment objective for the fund.

See the 'Other Material Information' document on the offer register at www.disclose-register.companiesoffice.govt.nz for further information about the risks of investing in the Scheme.



5. What are the fees?

You will be charged fees for investing in the Scheme. Fees are deducted from your investment and will reduce your returns. The fees you pay will be charged in two ways:

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

These are as follows:

Funds		
Fund	Fund charges (% per annum of the fund's net asset value)	Other fees and individual action fees
Ethica	0.70%	Administration fee - \$30 a year (regardless of the number of investment options you invest in, or the number of times you change investment options). Financial adviser fee - you will only be charged this fee if you have a financial adviser and have agreed with your adviser that he/she will be paid a fee for providing you financial advice. The amount of this fee is to be agreed between you and your financial adviser and set out in the application form. The maximum financial adviser fee you can agree with your financial adviser is: (a) 0.50% per annum of your account balance; or (b) \$500 per annum.
SuperLife Income	0.56%	
SuperLife Conservative	0.57%	
SuperLife Balanced	0.60%	
SuperLife Growth	0.61%	
SuperLife High Growth	0.63%	
NZ Cash Fund	0.52%	
SuperLife Age Steps		
Investor's age	Fund charges (% per annum of the fund's net asset value)	
20 years	0.63%	
30 years	0.62%	
40 years	0.62%	
50 years	0.61%	
60 years	0.60%	
70 years	0.58%	
80 years	0.56%	

The fund charges for investing in the full range of sector funds are available at www.superlife.co.nz.



The fund charges set out on page 17 are deducted from, and reflected in the value of, the fund. The fund charges include the fees and costs charged by the supervisor and custodian (together with the fees and costs charged by any other funds we invest in). They also include our regulatory and compliance costs.

The administration fee is deducted from your account balance each month.

The financial adviser fee (if applicable) is deducted from your account balance each day and paid to your financial adviser. We do not charge any other fees on an individual basis for investor-specific decisions or actions.

The financial adviser fee is not deducted when we calculate the PIE tax a member pays. This means that if you are being charged this fee, you should discuss with your accountant or tax adviser whether you can seek a deduction for this fee by including it in your tax return. The annual tax statements we send you will set out how much you have paid in financial adviser fees.

We will stop charging you the financial adviser fee if you tell us to stop (for example, if you no longer use your financial adviser).

We may, in exceptional circumstances, deduct costs that relate to the Scheme that arise outside the ordinary course of business from a fund (such occasions are likely to be very rare).

Example of how fees apply to an investor

Brett invests \$10,000 in SuperLife Growth. He is charged fund charges, which work out to about \$61 (0.61% of \$10,000). These fees might be more or less if his account balance has increased or decreased over the year.

Over the next year, Brett pays other charges of \$30 (Brett does not have a financial adviser and was not charged the financial adviser fee).

Estimated total fees for the first year

Fund charges: \$61

Other charges: \$30

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

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

The fees can be changed

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

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



6. What taxes will you pay?

The Scheme is a portfolio investment entity (PIE). The amount of tax you pay is based on your prescribed investor rate (**PIR**). To determine your PIR, see the diagram at the back of the application form attached to this product disclosure statement. If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department. It is your responsibility to tell us your PIR when you invest or if your PIR changes. If you do not tell us, a default rate may be applied. If the advised PIR is lower than the correct PIR, you will need to complete a personal tax return and pay any tax shortfall, interest and penalties. If the default rate or the advised PIR is higher than the correct PIR, you will not get a refund of any overpaid tax.



7. Who is involved?

About the manager

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

Our contact details are:

Smartshares Limited
PO Box 105262
Auckland 1143

Telephone: 0800 27 87 37

Email: superlife@superlife.co.nz

Who else is involved?

	Name	Role
Supervisor	Public Trust	Supervises our operations to protect the interests of investors.
Custodian	Public Trust (acting through its nominee company, SuperLife Nominees Limited)	Holds the Scheme's assets on behalf of investors.
Investment adviser	MyFiduciary Limited	Provides investment advisory and related services in respect of the ethical fund and diversified funds.



8. How to complain

Manager

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

Complaints – SuperLife
Smartshares Limited
PO Box 105262
Auckland 1143

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

Supervisor

If you make a complaint to us, and the complaint cannot be resolved, you may refer it to the supervisor at:

Complaints
Public Trust
PO Box 1598
Shortland Street
Auckland 1140

Telephone: 0800 371 471
Email: cts.enquiry@publictrust.co.nz

Independent dispute resolution scheme

We are a member of the Financial Services Complaints Limited Scheme (the supervisor is also a member), which is an independent dispute resolution scheme.

If you make a complaint to us (or the supervisor), and the complaint cannot be resolved, you may refer it to Financial Services Complaints Limited at:

Financial Services Complaints Limited
PO Box 5967
Wellington 6140

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

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



9. Where you can find more information

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

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

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

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

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

10. How to apply

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

SuperLife KiwiSaver scheme application form

To apply to join the SuperLife KiwiSaver scheme (**Scheme**), go to www.superlife.co.nz, or complete this application form and email it to us at superlife@superlife.co.nz or post it to us at PO Box 105262, Auckland 1143.

1. Personal details (Member)

First and middle names:

Surname:

Preferred name:

Title (Mr, Mrs, Ms, etc.):

Date of birth (dd/mm/yyyy):

Phone:

Mobile:

Email:

Home address:

Town/City:

Post code:

Postal address (if different):

Town/City:

Post code:

IRD number:

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Prescribed Investor Rate (**PIR**): (Tick one)

10.5% 17.5% 28%

To work out your PIR, see the diagram at the back of this application form

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

 No

 Yes – Country: _____



2. Identity verification

To comply with legal requirements, we must verify your identity and confirm your residential address. We can try to do this electronically, but not everyone can be verified electronically. By providing the information below, you consent to us trying to verify your identity and address electronically. If we are unable to do so, we will contact you for more information.

Country of citizenship	+	Vehicle number plate (if applicable)
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Only include the plate number if the vehicle is registered in your name.

Complete details for at least one of the following rows:

NZ drivers licence number	+	Card version
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The number is printed on your licence under the note '5a'

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

NZ passport number	+	Expiry date
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Make sure your name entered on page 1 exactly matches the name shown on your passport, including middle name(s)

NZ birth certificate number

Make sure your name entered on page 1 is your current official name, including middle name(s)

NZ citizenship number	+	Country of birth
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Make sure the country of birth entered above, and your name entered on page 1, exactly match the details shown on the citizenship certificate, including middle name(s)

3. Communications

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

4. Savings

Employees

Complete this part if you are an employee

If you are employed, your regular contributions will be made by your employer at the rate you have advised your employer (either 3%, 4%, 6%, 8% or 10% of your gross (before-tax) salary or wages). If you would like to change this rate, contact your employer directly. If you want to save extra, please complete the attached direct debit authority form and return it with this application form.

Contribution rate: (Tick one) 3% 4% 6% 8% 10%

My employer's details are (if you want to contribute in respect of other employers, please provide their details on a separate piece of paper):

Employer's name: _____

Employer's address: _____

Town/City: _____

Post code: _____

Non-employees

Complete this part if you are not an employee

You can save any recurring amount you specify and any one-off amounts. Your agreed recurring savings will be direct debited from your bank account each week or fortnight or month until you choose to stop them. If you want to make recurring savings, please complete the attached direct debit authority form and return it with this application form. There are no minimum or maximum savings levels.

I want to save an initial sum of \$ _____

and I want to save \$ _____ each

(Tick one) Week Fortnight Month



5. Investment strategy

Tick one investment strategy option

Investment strategy option

SuperLife Age Steps SuperLife Age Steps automatically sets the proportion of your investment in income and growth assets based on your age. As you get older, the proportion of your investment in more volatile growth assets will be reduced, lowering the expected size of the ups and downs in the value of your investment.

Ethical fund

Ethica Invests in a mix of income and growth assets. Designed for investors that want a balanced investment option. A socially responsible fund which excludes assets that do not meet the fund's defined ethical investment standards.

Diversified funds

SuperLife Income Invests in income assets. Designed for investors that want an investment in New Zealand and international fixed interest.

SuperLife Conservative Invests mostly in income assets. Designed for investors that want a conservative investment option.

SuperLife Balanced Invests in a mix of income and growth assets. Designed for investors that want a balanced investment option.

SuperLife Growth Invests mostly in growth assets. Designed for investors that want a growth investment option.

SuperLife High Growth Invests in growth assets. Designed for investors that want an aggressive investment option that invests in shares and property.

Cash

NZ Cash Fund Invests in New Zealand cash and cash equivalent assets (including term deposits). Designed for investors that want a defensive investment option that provides a return (after tax, fees and other expenses) that reflects the after-tax return on the New Zealand cash market.

Set your own investment strategy

My Mix If you tick this option, please complete the My Mix investment strategy section on page 8.

6. Personal information

The information in this application form, and any information you provide us at later dates, will be collected, used, stored and disclosed as set out in our privacy policy at www.superlife.co.nz/legal/privacy-policy.

7. Member agreement

Do not complete this section if the member is under age 16

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

I authorise you to receive contributions from Inland Revenue for my KiwiSaver account and to contact my existing KiwiSaver provider (if any), providing personal information as necessary, to transfer all balances to my account.

I understand that SuperLife will send me statements and other communications by email, unless I request that they be sent by post.

Member signature:

Date: (dd/mm/yyyy)



8. Financial adviser (if applicable)

Complete this section if you have a financial adviser and have agreed with the adviser that he/she will be paid a fee for providing you with financial advice

Financial adviser fee:

_____ % per annum of your account balance or \$ per annum (complete the fee amount you have agreed with your adviser).
The maximum financial adviser fee you can agree with your financial adviser is: (a) 0.50% per annum of your account balance; or (b) \$500 per annum.

Financial adviser details

Name:

Company name:

Phone:

Mobile:

Email:

I instruct you to charge me the financial adviser fee and pay it to my financial adviser. I authorise you to disclose information about me and my investments to my financial adviser (and his/her company). I understand that the financial adviser fee will be deducted from my account balance.

I will tell you if I want you to stop charging the financial adviser fee (for example, if I no longer use my financial adviser).

Member signature:

Date: (dd/mm/yyyy)

The financial adviser must have signed a Financial Adviser Agreement with us.



9. Members under age 18 (if applicable)

Complete this section if the member is under age 18

Under age 16

If the member is under age 16, the member does not need to sign on page 3, but the member's guardian(s) must sign and provide their details below. If the member has joint guardians, both guardians must sign and provide details (even if the guardians are the member's parents and they have separated).

Age 16 or age 17

If the member is age 16 or 17, the member must sign on page 3 and any one of the member's guardians must sign and provide his/her details below.

I/We confirm that I/we have received the SuperLife KiwiSaver scheme Product Disclosure Statement and apply on behalf of the member to join the Scheme.

I/We confirm that I am/we are the legal guardian(s) of the member and provide evidence of my/our identity and of my/our guardianship status (for example, a copy of the member's birth certificate or a guardian statutory declaration form – you can obtain this form by calling 0800 27 87 37 or emailing superlife@superlife.co.nz).

1st Guardian signature:

2nd Guardian signature:
(if member under age 16)

Date: (dd/mm/yyyy)

Date: (dd/mm/yyyy)

Guardian(s) details

1st Guardian

First and middle names: _____

Surname: _____

Date of birth: (dd/mm/yyyy) _____

Phone: _____

Mobile: _____

Email: _____

Home address: _____

Town/City: _____

Post code: _____

2nd Guardian (if member under age 16)

First and middle names: _____

Surname: _____

Date of birth: (dd/mm/yyyy) _____

Phone: _____

Mobile: _____

Email: _____

Home address: _____

Town/City: _____

Post code: _____



10. My Mix investment strategy (if applicable)

Complete this section if you have ticked the 'set your own investment strategy' option on page 3

		Initial investment \$ or %	Future investment \$ or %	My Mix instructions
Ethical fund				<p>Income</p> <p>Each fund receives income (for example, interest and dividends) as part of its overall investment return. Our standard practice is to automatically reinvest the income into the fund it came from. However, another option is to invest the income into the NZ Cash Fund – this may be a better option for you, particularly if you have reached age 65 and are making regular withdrawals from the Scheme.</p> <p>Tick one income option:</p> <p><input type="checkbox"/> I want each fund's income reinvested into the fund it came from (standard practice).</p> <p><input type="checkbox"/> I want each fund's income invested in the NZ Cash Fund.</p>
	Ethica			
Diversified funds				<p>Rebalancing</p> <p>Over time, market movements will change the proportions of your investments so that they differ from the proportions you set in your My Mix investment strategy. The following options let you choose whether we rebalance your investments (i.e. move money between your funds) to maintain these proportions.</p> <p>Tick one rebalancing option:</p> <p><input type="checkbox"/> Option 1 – Standard rebalancing</p> <p>Our standard practice is to regularly rebalance your investments (normally each month) to maintain the proportions you set in your My Mix investment strategy.</p> <p><input type="checkbox"/> Option 2 – No rebalancing</p> <p>You can choose not to have your investments rebalanced. If you choose this option, the proportions of your investments will change with market movements.</p> <p><input type="checkbox"/> Option 3 – Regular withdrawal rebalancing</p> <p>This option is designed for investors that want to: (a) reduce the risk of withdrawing money from funds that invest in shares and property at a time when the value of those funds has fallen; and/or (b) maintain a minimum level of cash and/or fixed interest.</p> <p>If you choose this option, we will regularly rebalance your investments (normally each month) to maintain the proportions set in your My Mix investment strategy; however, we will only rebalance by moving money from higher volatility funds (for example, funds that invest in shares and property) to lower volatility funds (for example, funds that invest in fixed interest and cash), and will not move money the other way – this may be a better option for you, particularly if you have reached age 65 and are making regular withdrawals from the Scheme.</p>
	SuperLife Income			
	SuperLife Conservative			
	SuperLife Balanced			
	SuperLife Growth			
	SuperLife High Growth			
Sector funds				
Cash	NZ Cash Fund			
	NZ Cash ETF Fund			
	UK Cash Fund			
Fixed interest	NZ Bonds Fund			
	Overseas Bonds Fund			
	Overseas Non-government Bonds Fund			
Property	NZ Property Fund			
	Australian Property Fund			
	Global Property Fund			
New Zealand shares	NZ Shares Fund			
	NZ Top 50 Fund			
	NZ Top 10 Fund			
	NZ Dividend Fund			
	NZ Mid Cap Fund			
Australian shares	Australian Shares Fund			
	Australian Top 20 Fund			
	Australian Dividend Fund			
	Australian Financials Fund			
	Australian Resources Fund			
	Australian Mid Cap Fund			
International shares	Overseas Shares (Currency Hedged) Fund			
	Overseas Shares Fund			
	Asia Pacific Fund			
	Emerging Markets Fund			
	Europe Fund			
	Total World Fund			
	US 500 Fund			
	US Large Growth Fund			
	US Large Value Fund			
	US Mid Cap Fund			
US Small Cap Fund				

If you have entered \$ amounts in the initial investment and/or future investment column(s) above, they must add up to the initial savings amount and/or recurring savings amount specified in the savings section on page 2. If you have entered % amounts, they must add up to 100%.

Work out your prescribed investor rate (PIR)

There are three rates that can apply to individual investors – **10.5%**, **17.5%** or **28%**. If you are a New Zealand resident for tax purposes and have earned more than \$48,000 a year in salary or wages in both of the last two income years, your PIR will be 28%. However, if you earned less than \$48,000 in one or both of the last two income years, your PIR may be 10.5% or 17.5% - use the diagram below to work out your rate or you can ask your financial adviser.



Note – If for the two previous income years you qualify for two rates, your PIR is the lower rate. For example, if last year the rate is 17.5% and the year before that the rate is 10.5%, your PIR would be 10.5%.

You can see your PIR on your SuperLife statement. It is also available online or by contacting us. You must tell us if your PIR changes.

If you do not tell us your IRD number and PIR, the 28% default rate will apply.

Income year is the period from 1 April to 31 March in the following year.

Taxable income includes salary or wages, rental income, income from non-portfolio investment entity (**PIE**) investments (for example, bank accounts, term deposits, shares, bonds and non-PIE managed investment schemes) and income earned outside of New Zealand. It does not include PIE income.

PIE income is the net (after deducting any PIE losses) income which you have earned from a PIE.

Direct debit authority form

To set up a recurring direct debit from your bank account to SuperLife, complete this form and email it to us at superlife@superlife.co.nz or post it to us at PO Box 105262, Auckland 1143.

Personal and contribution details

Member name(s): _____

Member IRD number: _____

Direct debit start date (required): _____

Direct debit amount \$ _____

Frequency: (Tick one) Weekly Fortnightly Monthly

Payment to: (Tick one)

SuperLife Invest SuperLife KiwiSaver scheme SuperLife workplace savings scheme Insurance

Instructions: (Tick one)

- Set up a direct debit
- Change the bank account an existing direct debit is paid from
- Change the amount and/or frequency of an existing direct debit

Direct debit authority

Bank account details

Name of bank: _____ Name of bank account holder: _____

Bank account number from which payments are to be made:

(Please attach a deposit slip or bank statement to ensure your number is loaded correctly)

Information to appear on bank statement

Payer particulars: S U P E R L I F E

Payer code:

Payer reference:

Approved:
1827

01 | 15

Authorisation Code

1218283

Authorisation

I/We authorise you to debit my/our account with the amounts of direct debits from SuperLife (the initiator) with the authorisation code specified on this authority in accordance with this authority until further notice. I/We agree that this authority is subject to the bank's terms and conditions that relate to my/our account, and the specific terms and conditions set out over the page.

Account holder signature(s): _____ Date: _____



Specific terms and conditions

You may ask your bank to reverse a direct debit up to 120 calendar days after the debit if you don't receive written notice of the amount and date of each direct debit from the initiator, or you receive written notice but the amount or the date of debiting is different from the amount or the date specified on the notice.

The initiator is required to give you written notice of the amount and date of each direct debit in a series of direct debits no later than the date of the first direct debit in the series. The notice is to include the dates of the debits and the amount of each direct debit.

If the bank dishonours a direct debit but the initiator sends the direct debit again within five business days of the dishonour, the initiator is not required to give you a second notice of the amount and date of the direct debit.

Insurance only – if the initiator proposes to change an amount or date of a direct debit specified in the notice, the initiator is required to give you notice no less than 30 calendar days before the change or, if the initiator's bank agrees, no less than ten calendar days before the change.