

# SBS Wealth Investment Funds Product Disclosure Statement

As at 2 September 2024

This is a replacement product disclosure statement ("PDS") for the PDS dated 27 June 2024.



SBS Wealth Limited ("SBS Wealth") is the issuer of this offer. SBS Wealth is a wholly owned subsidiary of Southland Building Society, operating as "SBS Bank". 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](http://www.disclose-register.companiesoffice.govt.nz). SBS Wealth has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you to make an investment decision.

# 1. Key information summary

## What is this?

Each of the SBS Wealth Investment Funds Portfolios offered under this Product Disclosure Statement (“PDS”) is a managed investment scheme. Your money will be pooled with other investors’ money and invested in various investments. SBS Wealth Limited (“SBS Wealth”, “we”, “us”, “Manager”) will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of SBS Wealth 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?

There are four investment portfolios offered under this PDS. Each portfolio is a separate managed investment scheme. They are each referred to as a “Fund” and collectively as “Funds” or “SBS Wealth Investment Funds Portfolios”.

There are four investment strategies offered under this PDS. They are each referred to as a “Strategy” and collectively as “Strategies”. Each Strategy is an investment in a combination of Funds in a pre-determined asset allocation according to the risk profile of that Strategy.

The investment options are summarised below. More information about the investment target and strategy for each Strategy and Fund is provided at [Section 3. Description of your investment option\(s\) on page 7](#).

## Funds

Fund name	Description	Risk indicator	Annual fund charges (p.a. estimated)
<b>SBS Wealth New Zealand Bond Portfolio</b>	The Fund aims to provide investors with a core and lower risk exposure to New Zealand fixed interest debt securities and a gross return above the return of the Benchmark on a rolling three-year basis i.e. before tax, fees, and other expenses.	LOWER RISK (Potentially Lower returns) ← 1 2 3 4 5 6 7 → HIGHER RISK (Potentially Higher returns)	0.80% of net asset value
<b>SBS Wealth World Bond Portfolio</b>	The Fund aims to provide investors with a broadly diversified portfolio of international investment grade income securities primarily through a large pool of offshore income producing investments.	← 1 2 3 4 5 6 7 →	0.80% of net asset value
<b>SBS Wealth Australasian Equity Portfolio</b>	The Fund aims to achieve capital growth and returns over the long-term through investing primarily in a portfolio of Australasian equities, either directly or indirectly via an underlying fund diversified across various sectors.	← 1 2 3 4 5 6 7 →	1.20% of net asset value
<b>SBS Wealth World Equity Portfolio</b>	The Fund aims to achieve capital growth and returns over the long-term through investment primarily in a portfolio of international equities, either directly or indirectly via an underlying fund diversified across various sectors.	← 1 2 3 4 5 6 7 →	1.20% of net asset value

## Strategies

Strategy name	Description	Risk indicator	Annual fund charges (p.a. estimated)
<b>Conservative Strategy</b>	The Strategy aims to achieve low to medium capital growth and returns over the medium term, with an emphasis on stable returns.	<p>LOWER RISK (Potentially Lower returns)      HIGHER RISK (Potentially Higher returns)</p> <p>← 1 2 3 4 5 6 7 →</p>	0.92% of net asset value
<b>Balanced Strategy</b>	The Strategy aims to achieve medium capital growth and returns over the medium to long term, with an emphasis on balancing capital growth with stable returns.	<p>← 1 2 3 4 5 6 7 →</p>	1.04% of net asset value
<b>Growth Strategy</b>	The Strategy aims to achieve high capital growth and returns over the long term.	<p>← 1 2 3 4 5 6 7 →</p>	1.12% of net asset value
<b>High Growth Strategy</b>	The Strategy aims to achieve higher capital growth and returns over the long term.	<p>← 1 2 3 4 5 6 7 →</p>	1.20% of net asset value

See [Section 4. What are the risks of investing? on page 11.](#) 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.sbswealth.co.nz](http://www.sbswealth.co.nz) and <https://sorted.org.nz/tools/investor-profiler>.

## Who manages the SBS Wealth Investment Funds?

The Manager of the Funds is SBS Wealth Limited. See [Section 7. Who is involved? on page 14](#) for more information.

## How can you get your money out?

You can withdraw your investment at any time by submitting a request to redeem some or all of your investment. You will typically receive payment within 10 business days once we have received your redemption request.

In certain circumstances, we can suspend withdrawals from a Fund for up to three months (or for longer than three months with the Supervisor's agreement). See [Section 2. How does this investment work? on page 5](#) for more information.

Your investment in these Strategies and Funds can be sold but there is no established market for trading these financial products. This means that you may not be able to find a buyer for your investment.

## How will your investment be taxed?

Each Fund offered under this PDS 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").

To determine your PIR go to [www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate](http://www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate).

See [Section 6. What taxes will you pay? on page 13](#) for more information.

## Where can you find more key information?

We are required to publish quarterly updates for each investment option. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz). We will also give you copies of those documents on request.

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Investments in the Funds do not represent deposits or liabilities of SBS Wealth or its parent company Southland Building Society, operating as “SBS Bank” (or any other member of the SBS Bank group) and are subject to investment risk. The investment risk includes possible delays in repayment and loss of income or contributions invested. Historical returns are no guarantee of future performance. The principal and returns of the Funds (including their capital value and performance) are not guaranteed or secured in any way by SBS Wealth or by its parent SBS Bank (or any other member of the SBS Bank group), the Government, the Supervisor, or any other person.

## 2. How does this investment work?

This PDS contains an offer of units in the SBS Wealth New Zealand Bond Portfolio (“**New Zealand Bond Portfolio**”), SBS Wealth World Bond Portfolio (“**World Bond Portfolio**”), SBS Wealth Australasian Equity Portfolio (“**Australian Equity Portfolio**”) and the SBS Wealth World Equity Portfolio (“**World Equity Portfolio**”). Collectively the “**Funds**”. Each of the Funds is a managed investment scheme that is governed by a consolidated master trust deed and establishment deed dated 1 November 2016.

The money you invest buys units in the Fund(s) you have chosen or as pre-determined through your selected Strategy.

Each Fund invests in assets, such as shares, either directly or indirectly through other funds. The units do not give you legal ownership of the Fund’s assets but they do give you rights to the returns from the assets.

When you invest in a Fund, your money is pooled together with other investors’ money. We use this pool to buy investments for the Fund. This means you may have access to a wider range of investment choices and greater buying power than you would usually have if investing alone.

Units in the relevant Fund(s) are issued to reflect your contributions. Each unit has a price calculated each business day based on the value of the Fund’s assets at the time, which may go up or down.

The Funds are separately accounted for and the assets of one Fund are not available to meet the liabilities of another.

The Funds offered under this PDS do not make distributions. Accordingly, any income of the Funds is reflected in their unit price. The return on your investment comes from any increase or decrease in the unit price.

### Significant features and benefits

#### We’re with you:

You will need to decide which option is right for you, but you don’t need to do this alone. We have a range of tools to assist you with finding out what Fund or Strategy may be right for you.

#### Strategy Series:

These are not separate funds. Each Strategy is an investment in a combination of Funds reflecting a pre-determined asset allocation according to the risk profile of that Strategy.

#### Self-select:

You can choose to invest in any Fund in proportions that you decide, taking into account your own personal financial goals.

#### Annual rebalancing:

We will rebalance your investments annually on or about 20th April to restore your investment mix back to the investment proportions of your selected Strategy or self-select allocation you have nominated (unless we notify you otherwise).

#### Investment Expertise:

Our experienced investment team actively manage your investments on a strategic basis. This is mixed with academically researched asset class portfolio construction, ESG considerations and an appropriate level of risk for investors.

#### Responsible Investment:

We integrate environmental, social, and governance (ESG) considerations into our investment decisions with the aim of acting ethically, to ensure your investments are grown with care.

### Making investments

You can apply to invest in any Strategy, Fund or combination of Funds by completing the application form at [www.sbswealth.co.nz](http://www.sbswealth.co.nz). All lump sums and regular contributions will be allocated to your account based on your investment profile. Your investment profile is your Strategy or self-selected allocation to each Fund(s) at the point of application for units unless we are instructed otherwise.

Investments of any amount can usually be made, provided the initial investment is at least \$500 and all subsequent deposits meet the requirements as described below:

Deposit type	Minimum amount	Frequency
Lump Sum	\$50	Any time
Regular Deposit	\$0	Weekly, Fortnightly, Monthly

We can alter these minimum amounts (and the permitted manner and frequency of deposits) at any time.

Where you are investing through a custodial administration service, you will need to make payment to the provider of that service by following the process it has.

See the “Other Material Information” document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about making investments.

## Withdrawing your investments

All lump sums and regular withdrawals will be withdrawn from your account based on your investment profile. Your investment profile is your Strategy or self-selected allocation to each Fund(s) at the point of application for units unless we are instructed otherwise.

You can usually withdraw part or all of your investment at any time. To complete a withdrawal please complete the Withdrawal Form at [www.sbswealth.co.nz](http://www.sbswealth.co.nz). Withdrawals are processed every business day. The Funds are T+2 Funds which mean that any redemption of units will be applied two business days following acceptance of your completed withdrawal form.

The Funds are valued, and the proceeds are then credited to your nominated New Zealand bank account. When you redeem all or part of your investment from a Fund, we will redeem your investment for that Fund adjusted for any applicable PIE tax.

**Minimum withdrawal amounts apply:** if you are not making a full withdrawal the minimum withdrawal amount can be found in the table below.

Withdrawal type	Minimum amount	Frequency
Lump Sum	\$100	Any time
Regular Withdrawal	\$100	Monthly, Fortnightly

We can alter these minimum amounts (and the permitted manner and frequency of withdrawals) at any time.

**Minimum balances apply:** We can also set a minimum balance that must remain in your account. Currently you must have a minimum balance of \$500. This would require you to make a full withdrawal if your account balance fell below the minimum amount. We can waive or alter these minimum balances at any time in general or specific cases.

**Investment through a custodial administration service:** Where investments are made through a custodial administration service you will need to request a withdrawal by following the process the provider of that service has. They will be able to provide you with details.

**Suspension Powers:** In certain circumstances we may need to suspend or delay payment of withdrawals for up to three months. See the “Other Material Information” document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information.

## How to switch between funds

You can change the Strategy, Fund or Funds you are invested in at any time, subject to any terms we may have. You can do this by completing the Investment Profile Change Form which can be found at [www.sbswealth.co.nz](http://www.sbswealth.co.nz). We will then switch your existing investment and future contributions to reflect your updated investment profile on the next valuation date.

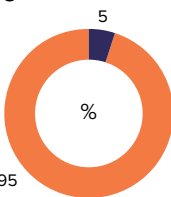
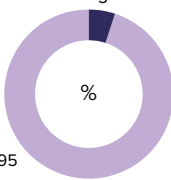
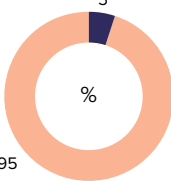
Where investments are made through a custodial administration service you will need to request a switch by following the process the provider of that service has. They will be able to provide you with details.

A switch will be treated as a redemption from one Fund or Funds and an application for units in the other Fund or Funds. PIE tax will be applied to the redemptions.

See the “Other Material Information” document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about switching between Funds.

### 3. Description of your investment option(s)

#### Funds

New Zealand Bond Portfolio	
<p><b>Investment objective:</b> Aims to provide investors with a core and low risk exposure to New Zealand fixed interest debt securities; and to provide a gross return above the return of the Benchmark on a rolling three-year basis i.e. before tax, fees, and other expenses.</p> <p><b>Investment strategy:</b> The Fund will invest in a broad spread of government and non-government securities primarily of investment grade quality. Any unrated securities will comply with our strict policy criteria through the manager’s internal credit ratings process. The risk return trade-off for the Fund is that it will invest in income-producing assets as opposed to assets that are focused primarily on providing capital growth over the long term. As a result, over the long term, the Fund should produce a more consistent profile of capital growth. This growth is likely to fluctuate depending on market conditions, although should be in line with the benchmark fluctuations.</p>	<p><b>Target investment mix:</b></p>  <p>5 95 %</p> <ul style="list-style-type: none"> <li><span style="color: blue;">■</span> Cash</li> <li><span style="color: orange;">■</span> New Zealand Fixed Interest</li> </ul> <hr/> <p><b>Risk indicator:</b></p> <p>LOWER RISK (Potentially Lower returns) ← 1 2 3 4 5 6 7 → HIGHER RISK (Potentially Higher returns)</p> <p><b>Recommended minimum investment timeframe:</b> 3 years</p>
World Bond Portfolio	
<p><b>Investment objective:</b> Aims to provide investors with a broadly diversified portfolio of international investment grade income securities, and to provide a gross return in line with or greater than the composite of the Bloomberg Barclays Global Aggregate Index fully hedged to the New Zealand dollar and the NZ Cash Index, over a rolling three- year basis.</p> <p><b>Investment strategy:</b> The Fund will invest primarily in a portfolio of international investment grade income securities, with a small amount held in cash.</p>	<p><b>Target investment mix:</b></p>  <p>5 95 %</p> <ul style="list-style-type: none"> <li><span style="color: blue;">■</span> Cash and cash equivalents</li> <li><span style="color: purple;">■</span> International fixed interest</li> </ul> <hr/> <p><b>Risk indicator:</b></p> <p>LOWER RISK (Potentially Lower returns) ← 1 2 3 4 5 6 7 → HIGHER RISK (Potentially Higher returns)</p> <p><b>Recommended minimum investment timeframe:</b> 3 years</p>
Australasian Equity Portfolio	
<p><b>Investment objective:</b> Aims to achieve capital growth and returns over the long-term, and to provide a gross return above the return of the composite Australasian Equity and NZ Cash Indices with net dividends reinvested on a rolling three-year basis</p> <p><b>Investment strategy:</b> The Fund will invest primarily in a portfolio of New Zealand and Australian equities, diversified sectorally, with a small amount held in cash. The strategy considers both financial return and environmental, social, and governance good.</p>	<p><b>Target investment mix:</b></p>  <p>5 95 %</p> <ul style="list-style-type: none"> <li><span style="color: blue;">■</span> Cash and cash equivalents</li> <li><span style="color: orange;">■</span> Australasian equities</li> </ul> <hr/> <p><b>Risk indicator:</b></p> <p>LOWER RISK (Potentially Lower returns) ← 1 2 3 4 5 6 7 → HIGHER RISK (Potentially Higher returns)</p> <p><b>Recommended minimum investment timeframe:</b> 7 years</p>

### World Equity Portfolio

**Investment objective:** Aims to achieve capital growth and returns over the long term, and to provide a gross return above the return of the composite International Equity and NZ Cash Indices on a rolling three-year basis.

**Investment strategy:** The Fund will invest primarily in a portfolio of international equities, diversified sectorally, with a small amount held in cash. The strategy considers both financial return and environmental, social, and governance factors.

**Target investment mix:**

International equities	95%
Cash and cash equivalents	5%

**Risk indicator:**

LOWER RISK (Potentially Lower returns) ← 1 2 3 4 5 6 7 → HIGHER RISK (Potentially Higher returns)

**Recommended minimum investment timeframe:** 7 years

For more information about benchmarks, please refer to our most current version of the SIPO which can be found on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) or on our website at [www.sbswealth.co.nz](http://www.sbswealth.co.nz).

## Strategies

### Conservative Strategy

**Investment objective:** To achieve low to medium capital growth and returns over the medium term, with low to medium ups and downs in value.

**Investment strategy:** The strategy will invest in a portfolio of equities and fixed interest, diversified globally and domestically, indirectly via underlying funds. The strategy will invest primarily in income-producing assets as opposed to assets that are focused on providing capital growth over the long term. As a result, over the medium term, the Strategy may not produce much in the way of capital growth but should produce stable returns.

**Target Investment mix:\***

Cash and cash equivalents	5%
New Zealand fixed interest	23.75%
International fixed interest	42.75%
Australasian equities	7.6%
International equities	20.9%

**Risk indicator:**

LOWER RISK (Potentially Lower returns) ← 1 2 3 4 5 6 7 → HIGHER RISK (Potentially Higher returns)

**Recommended minimum investment timeframe:** 3 years

### Balanced Strategy

**Investment objective:** To achieve medium capital growth and returns over the medium to long term, with medium ups and downs in value.

**Investment strategy:** The strategy will invest in a portfolio of equities and fixed interest, diversified globally and domestically, indirectly via underlying funds. The strategy will invest in a balance of income-producing assets and assets that are focused on providing capital growth over the long term. As a result, over the medium to long term, the strategy aims to balance capital growth with stable returns.

**Target Investment mix:\***

Cash and cash equivalents	5%
New Zealand fixed interest	14.25%
International fixed interest	42.75%
Australasian equities	14.25%
International equities	14.25%

**Risk indicator:**

LOWER RISK (Potentially Lower returns) ← 1 2 3 4 5 6 7 → HIGHER RISK (Potentially Higher returns)

**Recommended minimum investment timeframe:** 5 years

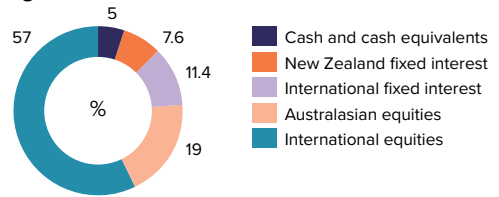


**Growth Strategy**

**Investment objective:** To achieve low to high capital growth and returns over the long term, with high ups and downs in value.

**Investment strategy:** The strategy will invest in a portfolio of equities and fixed interest, diversified globally and domestically, indirectly via underlying funds. The strategy will invest primarily in growth-producing assets as opposed to assets that are focused on providing income over the long term. As a result, over the long term, the strategy may not produce much in the way of income but should produce long term capital growth.

**Target Investment mix:\***



**Risk indicator:**



**Recommended minimum investment timeframe:**

6 years

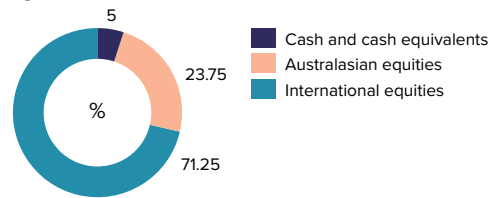
**High Growth Strategy**

**Investment objective:** To achieve higher capital growth and returns over the long term, with high ups and downs in value.

**Investment strategy:** The strategy will invest in a diversified portfolio of Australasian and international equities, indirectly via underlying funds.

The strategy will invest in growth-producing assets as opposed to assets that are focused on providing income over the long term. As a result, over the long term, the strategy may not produce much in the way of income but should produce long term capital growth.

**Target Investment mix:\***



**Risk indicator:**

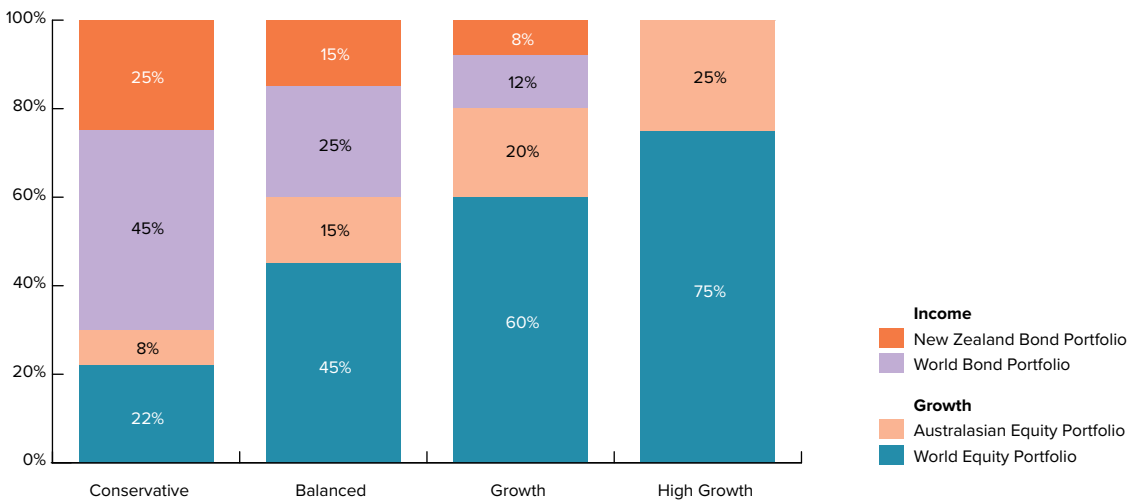


**Recommended minimum investment timeframe:**

7 years

\*Allocation to each Fund

**Allocation to each Fund**



We can change the Fund exposures for each Strategy at any time. If you are invested in a Strategy, we will notify you of any such change and adjust your contributions and accumulated balance(s) accordingly, if applicable.

## Changes to the SIPO

We can change the Statement of Investment Policy and Objectives (“**SIPO**”) for the Scheme in accordance with the Trust Deed and the Financial Markets Conduct Act 2013. We and the Supervisor must agree in writing to any changes to the SIPO. For material changes, we will provide 30 days’ notice in advance to all existing investors of the proposed change.

Any changes to the SIPO will be lodged with the Registrar of Financial Service Providers within 5 working days of the change taking effect. The most current version of the SIPO is available on the disclose Register schemes register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

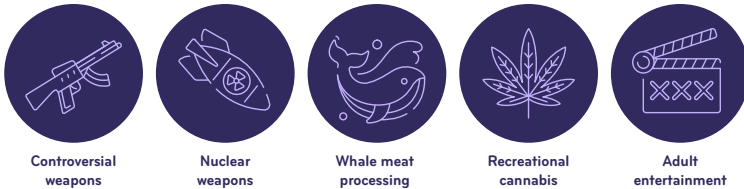
Further information about the assets in each investment option can be found in the fund updates at [www.sbswealth.co.nz](http://www.sbswealth.co.nz).

## Responsible Investment

Responsible investment, including environmental, social, and governance considerations, is taken into account in the investment policies and procedures of the scheme as at the date of this product disclosure statement. You can obtain an explanation of the extent to which responsible investment is taken into account in our Responsible Investment Brochure at [www.sbswealth.co.nz](http://www.sbswealth.co.nz).

Our Responsible Investment approach is guided by our stewardship principles of “driving change over time, not over night” and “focus on opportunities, not just exclusions.” This is reflective of the nature of our investment strategy, which recognises the need for improvement but also the need to “keep the lights on” in the meanwhile.

We screen our investable universe for the following types of investments and exclude exposure to them.



We also minimise investment in companies involved with the following.



This list is not exhaustive and may change and societal issues bring into relevance new considerations.

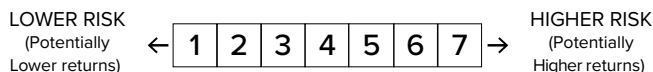
## 4. What are the risks of investing?

### 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.

### Example risk indicator



The filled-in risk indicator for each Fund can be found in [Section 3. Description of your investment option\(s\) on page 7](#).

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 [www.sbswealth.co.nz](http://www.sbswealth.co.nz).

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

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 2024. 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 updates for these funds.

### General investment risks

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

**Investment return risk:** Investment return risk is the risk that returns from the Funds' investments will be negative or lower than expected, affecting the value of your investment in the Funds.

**Market risk:** Investments generally are affected by movements in market demand and supply, economic conditions, market sentiment, political events, natural disasters, pandemics, and consumer demand. This is of significance to the Funds offered under this PDS as the assets of those Funds are market linked.

**Currency risk:** Currency risk is the risk of exchange rate fluctuations between the New Zealand dollar (the currency in which the Funds are valued) and foreign currencies. Currency risk will affect Funds where investments are made outside of New Zealand. To help mitigate the potential impact of currency movements, Funds with non-Australian dollar foreign currency exposure use varying levels of hedging. The currency management policy for each Fund is detailed in the SIPO.

**Credit risk:** Credit risk is the risk of a Fund or of any investment becoming insolvent, or being placed into receivership, liquidation, or statutory management or being otherwise unable to meet its financial obligations.

**Company risk:** Company risk is the risk faced by an investor who holds financial products of a particular company and therefore has exposure to the fluctuations in that company's performance.

**Liquidity risk:** Liquidity risk is the risk that due to market disruption, we may not be able to easily convert some investments into cash. This may cause the suspension of one or more Funds. Refer to our Liquidity Risk Management Policy for further information.

### Other specific risks

**Asset allocation risk:** Over a longer time-frame, the selection of an incorrect risk profile or a change in risk profile in response to current market events by an investor can have significant impacts on potential outcomes in the long run.

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

See the "Other Material Information" document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about risk.

## 5. What are the fees?

You will be charged fees for investing in the SBS Wealth Investment Funds or Strategies. 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, contribution fees and withdrawal fees — although these are not currently charged).

Fund name	Total annual fund charges (estimated)	Other Charges
New Zealand Bond Portfolio	0.80%	Financial adviser fees (if applicable)
World Bond Portfolio	0.80%	
Australasian Equity Portfolio	1.20%	
World Equity Portfolio	1.20%	

Strategy name	Total annual fund charges (estimated)	Other Charges
Conservative	0.92%	Financial adviser fees (if applicable)
Balanced	1.04%	
Growth	1.12%	
High Growth	1.20%	

\* The total estimated annual fund charges for each Fund are made up of:

- an annual management fee; and
- various administration charges.

These are described further below.

Annual administration charges include estimates of underlying fund charges. Actual charges will depend on the performance of the underlying funds and investment managers and may vary from the estimates. Actual charges over the most recent completed financial year are available in the latest fund updates.

The total estimated annual fund charges for each Strategy is based on the amount allocated to each underlying Fund and its associated fees and costs. All fees are disclosed as a % of the net asset value. GST will be included in some expenses, where applicable.

**Management fees:** Each Fund has an annual management fee, which is used to pay for the investment management services and the administration costs of the Fund. The fee is deducted from, and reflected in the unit price, of the Funds concerned. Fees are stated inclusive of GST where applicable.

**Administration charges:** This covers expenses incurred in running the Funds (e.g. accounting, audit, and regulatory compliance costs). This also covers the Supervisor's annual fee (for the services it provides) and an estimate of fees and expenses incurred by the underlying funds. These fees are deducted from, and reflected in the unit price of the Funds concerned.

**Other charges:** There are currently no other fees or costs charged by any person in respect of the Funds. However, note that if you invest through a custodial administration service, that service may charge fees in respect of the service (distinct from the fees paid in respect of the Funds).

Your financial adviser can charge certain financial adviser fees if they have an agreement with us and you have authorised the fee to be deducted from your account balance and paid to them. Financial Adviser fees (if applicable) are paid monthly or, if it is ad hoc financial advice being provided, paid as a one-off fee. For further information about financial adviser fees please contact us.

**Individual action fees:** We do not currently contribution, establishment, termination, withdrawal fees or buy/sell costs, but we could charge these or other fees in the future, subject to giving affected investors at least 30 days' prior notice.

We are entitled to charge a maximum exit fee on all Funds of 5% of the amount withdrawn but we do not currently charge this.

See the "Other Material Information" document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about fees

Example of how fees apply to an investor	Estimated total fees for the first year	
<p>Kate invests \$10,000 in the World Equity Portfolio. She is charged management and administration fees, which work out to be about \$120 (1.20% of \$10,000). These fees might be more or less if the value of her investment has increased or decreased over the year.</p> <p>Over the next year, Kate pays no other charges. For this example, an assumption has been made that there are not any financial adviser fees that her financial adviser may charge.</p>	<b>Individual action fees:</b>	\$0
	<b>Fund charges:</b>	\$120
	<b>Other charges:</b>	\$0

See the latest fund updates for an example of the actual returns and fees investors were charged over the past year. This example applies only to the World Equity Portfolio. If you are considering investing in another Fund, or investment option, this example may not be representative of the actual fees you may be charged.

### The fees can be changed

We may agree with the Supervisor to vary the fees from time to time. Fees not currently charged may also be introduced at any time as permitted by the Trust Deed.

We are required to publish quarterly updates for each investment option. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz). The manager will also give you copies of those documents on request.

## 6. What taxes will you pay?

Each Fund is a portfolio investment entity. The amount of tax you pay is based on your prescribed investor rate (PIR). To determine your PIR, go to [www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate](http://www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate). If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department. It is your responsibility to tell us your PIR when you invest or if your PIR changes. If you do not tell us, a default rate may be applied. If the rate applied to your PIE income is lower than your correct PIR, you will be required to pay any tax shortfall as part of the income tax year-end process. If the rate applied to your PIE income is higher than your PIR, any tax over- withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount will be refunded to you. See the "Other Material Information" document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about tax.

## 7. Who is involved?

### About SBS Wealth Limited

We are the Manager of the Funds and are a wholly owned subsidiary of Southland Building Society (trading as SBS Bank).

Our registered office is: c/- SBS Bank, 51 Don Street, Invercargill. We can be contacted by:

Email to [contact@sbswealth.co.nz](mailto:contact@sbswealth.co.nz)

Online at [www.sbswealth.co.nz](http://www.sbswealth.co.nz)

Calling 0800 727 935

Writing to SBS Wealth Limited  
PO Box 10445  
Wellington 6140

### Who else is involved?

Name		Role
Supervisor	Trustees Executors Limited	Responsible for supervising the performance of our duties and ensuring the Funds' assets are appropriately held
Custodian	T.E.A. Custodians Limited	Holds the assets of the Funds on trust for investors
Administration Manager	Trustees Executors Limited	Provides unit pricing and registry services

## 8. How to complain

Any complaints about the Funds should be directed to the Chief Executive Officer at:

### SBS Wealth Limited

Email to [customercomplaints@sbswealth.co.nz](mailto:customercomplaints@sbswealth.co.nz)  
Writing to Chief Executive Officer  
SBS Wealth Limited  
PO Box 10445  
Wellington 6140  
Phone at 0800 727 935

You can also complain to the Supervisor at:

### Trustees Executors Limited

Email to [cts@trustees.co.nz](mailto:cts@trustees.co.nz)  
Online at [www.trustees.co.nz](http://www.trustees.co.nz)  
Calling 0800 878 783  
Writing to The Client Manager  
Trustees Corporate Supervision  
Trustees Executors Limited  
PO Box 4197  
Auckland 1140

If an issue cannot be resolved with the Manager you can also contact the approved independent dispute resolution scheme for the Manager at:

### Banking Ombudsman Scheme

Email to [help@bankomb.org.nz](mailto:help@bankomb.org.nz)  
Calling 0800 805 950  
Writing to Freepost 218002  
PO Box 25327  
Wellington 6146

If the Supervisor hasn't been able to resolve your complaint in a way that you think is satisfactory, you can also contact the approved independent dispute resolution scheme for the Supervisor at:

### Financial Services Complaints Limited

Email to [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)  
Calling 0800 347 257  
Writing to PO Box 5967  
Wellington 6140

*Neither of the above schemes will charge a fee to any complainant to investigate or resolve a complaint.*

## 9. Where you can find more information

Further information relating to the Funds, including financial statements, annual reports, quarterly fund updates, and the Trust Deed and SIPO for the Funds is available on the offer registers and the scheme registers at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

A copy of any information on the offer register and the scheme register is available on request to the Registrar. You may also obtain a copy of any of the documents on the offer register or scheme register and certain other scheme information on written request to SBS Wealth (for contact details, see [Section 7. Who is involved? on page 14](#)).

The fund updates and unit price history can be found on [www.sbswealth.co.nz](http://www.sbswealth.co.nz) or obtained on written request from SBS Wealth.

You will also be sent an annual tax statement, which will include the amount of PIE income allocated to you and the amount of tax paid at your chosen PIR.

You can get in touch with one at [www.sbswealth.co.nz/contact-us](http://www.sbswealth.co.nz/contact-us) or by calling us at 0800 727 935.

You will not be charged any fee to access this information.

## 10. How to apply

Its easy! You can apply at our website [www.sbswealth.co.nz](http://www.sbswealth.co.nz).

To be eligible to apply you must be aged 18 or over and not a “reportable person” within the meaning of that expression as it is used in the Tax Administration Act 1994. Reportable persons include those individuals with an obligation to file a annual tax return in a country other than New Zealand. This also applies to all parties associated with entities such as trusts and companies.



