

Product Disclosure Statement

Offer of membership of the New Zealand Fire Service Superannuation Scheme Issued by FireSuper Trustee Limited

Dated: 28 September 2018

This is a replacement product disclosure statement (**PDS**). It replaces the PDS for the offer of membership of the New Zealand Fire Service Superannuation Scheme dated 12 July 2017. 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.business.govt.nz/disclose. FireSuper Trustee Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.

1 KEY INFORMATION SUMMARY

What is this?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. FireSuper Trustee Limited (**Us** or **We**) will invest your money and charge you a fee for our services. The returns you receive are dependent on our investment decisions and of our investment manager(s) 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 New Zealand Fire Service Superannuation Scheme (**Scheme**) offers you a choice of four investment options. You can choose one or a combination of investment options.

These investment options are summarised below. More information about the investment target and strategy for each investment option is provided at Section 3, 'Description of your investment option(s)' on page 15.

See Section 4, 'What are the risks of investing' on page 16 for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator. To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at <https://www.sorted.org.nz/#/tools/investor-kickstarter>.

Growth option

The Growth option invests in a targeted 85:15 split of growth assets (such as shares and property) and income assets (such as fixed income and cash). It is constructed with an expectation of providing a long term (10 years plus) return after tax and investment expenses of approximately 3-3.5% p.a. above inflation.

Risk indicator:

⇐ Potentially lower returns			Potentially higher returns ⇒			
1	2	3	4	5	6	7
⇐ Lower risk			Higher risk ⇒			

Fees for Growth option

Estimated fund charges:	0.93% p.a. of the net asset value of the fund
Other charges	Early access withdrawal fee of \$68.50 per withdrawal. Deferred members only: Partial withdrawal fee of \$68.50 for 5 th and subsequent withdrawals in a Scheme year.

Balanced option

The Balanced option invests in a targeted 58.5:41.5 split of growth assets (such as shares and property) and income assets (such as fixed income and cash). It is constructed with an expectation of providing a long-term (10 years plus) return after tax and investment expenses of approximately 2-2.5% p.a. above inflation.

Risk indicator:

← Potentially lower returns			Potentially higher returns →			
1	2	3	4	5	6	7
← Lower risk			Higher risk →			

Fees for Balanced option

Estimated fund charges:	0.86% p.a. of the net asset value of the fund
Other charges	<p>Early access withdrawal fee of \$68.50 per withdrawal.</p> <p>Deferred members only: Partial withdrawal fee of \$68.50 for 5th and subsequent withdrawals in a Scheme year.</p>

Conservative option

The Conservative option invests in a targeted 20:80 split of growth assets (such as shares) and income assets (such as fixed income and cash). It is constructed with an expectation of providing a long-term (10 years plus) return after tax and investment expenses of approximately 1-1.5% above inflation.

Risk indicator:

← Potentially lower returns			Potentially higher returns →			
1	2	3	4	5	6	7
← Lower risk			Higher risk →			

Fees for Conservative option

Estimated fund charges:	0.64% p.a. of the net asset value of the fund
Other charges	<p>Early access withdrawal fee of \$68.50 per withdrawal.</p> <p>Deferred members only: Partial withdrawal fee of \$68.50 for 5th and subsequent withdrawals in a Scheme year.</p>

Cash option

The Cash option invests 100% in cash. It is constructed with an expectation of providing a return after tax and investment expenses broadly in line with the after-tax movement of the S&P/NZX Bank Bills 90-Day Index.

Risk indicator:

← Potentially lower returns				Potentially higher returns →		
1	2	3	4	5	6	7
← Lower risk				Higher risk →		

Fees for Cash option

Estimated fund charges:	0.36%p.a. of the net asset value of the fund
Other charges	Early access withdrawal fee of \$68.50 per withdrawal. Deferred members only: Partial withdrawal fee of \$68.50 for 5 th and subsequent withdrawals in a Scheme year.

The following other charges are also payable in respect of the above investment options:

- Benefit quotation fee of \$68.50 per written quote provided.
- Switching fee of \$68.50 per switch of investment option (first switch is free).

See section 5 for further information on fees.

Who manages the Scheme?

The manager and trustee of the Scheme is FireSuper Trustee Limited.

See section 7 of the PDS, 'Who is involved?' on page 21 for more information.

How can you get your money out?

The main purpose of the Scheme is to provide retirement benefits to the Scheme's members and, in most cases, you won't be able to access your savings until you retire or cease employment with the Fire Service.

Subject to the lock-in applying to the Complying Fund Section (defined below), you may withdraw all or part of your money from your Retirement Accumulation (defined below) in the following circumstances: (A) Retirement; (B) Resignation and Retrenchment; (C) Loss of Medical Fitness; (D) Loss of Physical Fitness; (E) Death; (F) Hardship - Canterbury Earthquakes; and (G) Early Access Benefit.

See Section 2, 'How does this investment work?' on page 7 for more information.

How will your investment be taxed?

The Scheme is not a portfolio investment entity (**PIE**). See section 6 of the PDS, 'What taxes will you pay?' on page 20.

Where can you find more key information?

We are required to publish annual updates for each investment option. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at <http://www.firesuper.superfacts.co.nz/>. We will also give you copies of those documents on request.

CONTENTS

	Page number
1 KEY INFORMATION SUMMARY.....	2
2 HOW DOES THIS INVESTMENT WORK?.....	7
3 DESCRIPTION OF YOUR INVESTMENT OPTION(S).....	15
4 WHAT ARE THE RISKS OF INVESTING?.....	16
5 WHAT ARE THE FEES?	18
6 WHAT TAXES WILL YOU PAY?	20
7 WHO IS INVOLVED?.....	21
8 HOW TO COMPLAIN	22
9 WHERE YOU CAN FIND MORE INFORMATION.....	23
10 HOW TO APPLY	24

2 HOW DOES THIS INVESTMENT WORK?

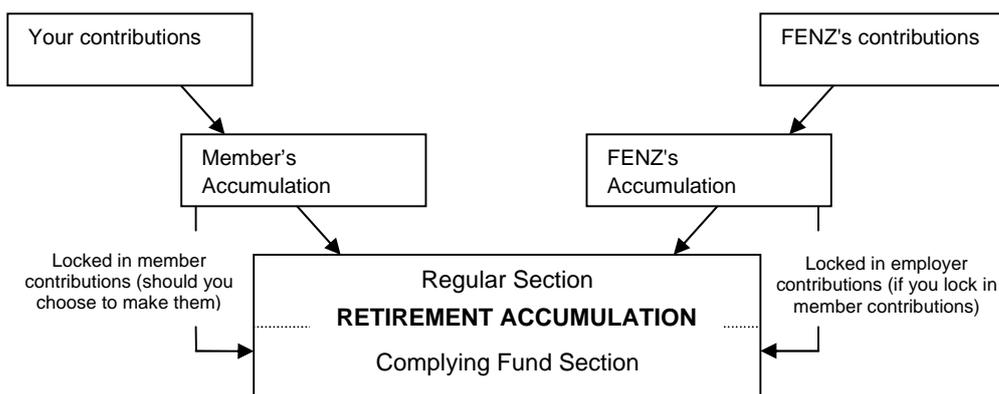
The Scheme is a restricted workplace savings scheme registered under the Financial Markets Conduct Act 2013 (**Act**). The Scheme is a trust and is governed by a trust deed (**Deed**). The main purpose of the Scheme is to help you save for your retirement. It also provides other benefits as set out below.

We are responsible for the administration of the Scheme and the management of the investments where your money is pooled with other investors' money for investment purposes.

You contribute some of your pay to the Scheme. Your contributions are held in an account called the **Member's Accumulation**. Fire and Emergency New Zealand (**FENZ**) also contributes money to an account called the **FENZ Accumulation**. All your accounts together are called your **Retirement Accumulation**.

There are two sections of your Retirement Accumulation: the regular section (**Regular Section**) and the complying superannuation fund section (**Complying Fund Section**). Each section has different rules and benefits. By default your contribution and FENZ's contribution go into the Regular Section. However, you can choose for some of your contribution and some of FENZ's contribution to go into the Complying Fund Section instead. The Complying Fund Section has rules and benefits that are similar to a KiwiSaver scheme. If you contribute to the Complying Fund Section, the Government will also make a contribution.

The following diagram shows how this works.



Your Retirement Accumulation is invested into one or more investment options of your choice. Over time, the value of your Retirement Accumulation increases or decreases depending on the performance of the investment option(s) you have chosen and other factors, such as any fees you pay and the expenses of running the Scheme.

The Scheme provides four investment options: Growth, Balanced, Conservative, and Cash. You can choose to invest in one or more investment option(s). Your Retirement Accumulation will be invested in the default Balanced option if you don't make a selection. Each investment option is invested in wholesale investment funds managed by professional fund managers.

We calculate how each investment option has performed and credit or debit your Retirement Accumulation based on the performance of your investment option(s) allowing also for tax and fees. The amounts credited or debited are called "returns" (which may be positive or negative). No one guarantees the performance of the investment options.

You become entitled to withdraw some or all of your Retirement Accumulation as a cash payment on the occurrence of certain events. Because the Scheme is a retirement savings scheme, you can generally only get a benefit on retirement, ceasing service or other extraordinary events such as losing your medical fitness.

Assets of an investment option are available to be applied to meet other liabilities of the Scheme. However, we believe it is very unlikely that this will occur.

Joining the Scheme

You can join the Scheme if you're a Firefighter, Trainee Firefighter, Officer, Control Room Operator, Black Watch Staff Member, Community Safety Team Member, Mechanic, National Commander, Deputy National Commander, Regional Commander or Executive Officer.

You can join from your first day of employment with FENZ but if you don't join within three months, you can only join with our consent.

You can join the Scheme even if you're already a member of a KiwiSaver scheme. However, you may have to contribute to both this Scheme and your KiwiSaver scheme unless, for example, you can get a contributions holiday from your KiwiSaver scheme. For as long as FENZ contributes to your Retirement Accumulation in this Scheme it may not also contribute to your KiwiSaver scheme.

To become a member, please complete the application form at the end of this PDS.

Making investments

Your regular contribution

The standard contribution rate of your "**superable salary**" to your Retirement Accumulation is 6%.

This is deducted from your salary or wages. "Superable salary" means:

<i>If you're a:</i>	<i>Your "superable salary" is:</i>
<ul style="list-style-type: none"> • Firefighter • Trainee Firefighter • Officer • Control Room Operator • Black Watch Staff Member • Community Safety Team Member 	The annual amount of your "total weekly wage" plus bonuses or allowances made with every wage payment and for which no specific claim has to be made by you.
<ul style="list-style-type: none"> • Mechanic 	Your annual wage plus any industrial allowances you receive.
<ul style="list-style-type: none"> • National Commander • Deputy National Commander • Regional Commander • Executive Officer 	Your annual salary plus the assessed value of the free benefit received for accommodation.

If you're temporarily absent from service without pay, or on reduced pay, your "superable salary" will be an amount agreed between you, FENZ and us.

Reduction or suspension of your contributions

There may be circumstances where you cannot continue to contribute at the 6% rate set out above. In those circumstances, you can ask us to reduce your contribution rate for a maximum period of two years only.

If we allow you to reduce your contribution rate, your minimum benefits on death, Loss of Medical Fitness and Loss of Physical Fitness will be adjusted downwards accordingly.

Regular Section and Complying Fund Section

By default, your contributions will go into the Regular Section of your Retirement Accumulation. However, you can choose to direct either 3% or 4% of your superable salary to the Complying Fund Section instead of the Regular Section. If you choose 3%, the remaining 3% of your contribution goes into the Regular Section. If you choose 4%, the remaining 2% of your contribution goes to the Regular Section.

FENZ's regular contribution

For every \$1.00 you contribute during your employment with the Fire Service, FENZ contributes \$1.52 after tax.¹

If you don't contribute to the Complying Fund Section, all of FENZ's contribution goes into the Regular Section of your Retirement Accumulation.

If you do contribute to the Complying Fund Section (whether at 3% or 4%) FENZ takes an amount equal to 3% of your superable salary from its contribution and puts this into the Complying Fund Section of your Retirement Accumulation. FENZ then puts the rest of its contribution in the Regular Section.

FENZ can stop making contributions to the Regular Section of your Retirement Accumulation in certain circumstances. Please contact us for further information on this.

Government contribution - Complying Fund Section only

For every \$1.00 you contribute to the Complying Fund Section of your Retirement Accumulation, the New Zealand Government contributes \$0.50, up to a maximum of \$521.43 a year. If you're also a member of a KiwiSaver scheme this will be paid to whichever scheme applies first. Any remaining tax credit will be paid to the other scheme.

Unlike a KiwiSaver scheme, the Complying Fund Section does not allow you to make a withdrawal for the purchase of a first home or to withdraw your money on permanent emigration from New Zealand.

Transfers in

With our consent you can transfer amounts held for you in other superannuation schemes, but not KiwiSaver schemes. If the scheme you transfer from is a complying superannuation fund, your transfer will be put into the Complying Fund Section; otherwise it will go to the Regular Section. Transfers don't attract a contribution from FENZ.

Voluntary contributions

¹ If you're on a total remuneration package you will effectively be paying for FENZ's contribution by way of salary reduction.

You can make additional voluntary contributions (**Voluntary Contribution**) to your Retirement Accumulation but only with our consent. Voluntary Contributions don't attract a contribution from FENZ. You can only make a Voluntary Contribution through the Fire Service payroll system.

Additional Voluntary Contributions must:

- be calculated as a percentage of your salary or wages;
- not exceed 10% of your salary or wages; and
- otherwise be made in accordance with the requirements of paragraphs (a), (c) and (d) of the definition of 'limited employer superannuation scheme' in clause 20A of the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011 (as amended).

FENZ's special contribution

FENZ will make a special contribution to top-up your Retirement Accumulation to ensure your Benefit on death, Loss of Medical Fitness or Loss of Physical Fitness is, at a minimum, double your annual superable salary.²

How long you have to keep contributing

Regular Section

You have to keep making regular contributions to the Regular Section until:

- We allow you to reduce contributions;
- You become eligible for a benefit; or
- You elect to discontinue contributing to the Regular Section by giving written notice to us.

If you elect to discontinue contributing to the Regular Section, we will hold the Regular Section of your Retirement Accumulation for you until you become eligible for a benefit from the Regular Section.

Complying Fund Section

You must keep making regular contributions to the Complying Fund Section of your Retirement Accumulation until you reach New Zealand Superannuation qualification age (**NZ Super Age**, currently 65) and have been contributing to the Complying Fund Section for at least five years, unless we allow you to discontinue contributing to the Complying Fund Section.

You can apply to us for a break from contributing to the Complying Fund Section (this is called a "contributions holiday") in certain circumstances and subject to certain conditions. Please contact us for further information on this.

If you take a contributions holiday from the Complying Fund Section, you will contribute to the Regular Section at the full 6% rate unless you have reduced or suspended your contributions to the Regular Section.

² Except where you're less than 2 years out from NZ Super Age and the amount the superable salary you would have earned until you reach NZ Super Age would be less than double your superable salary. In that case the amount of the top-up will be to that lesser amount.

While you're on a contributions holiday, FENZ will direct all of its contributions (as adjusted for any reduction or suspension in your contributions) to the Regular Section of your Retirement Accumulation.

Withdrawing your investments

Benefits

Retirement

If you retire or leave service from the Fire Service on or after reaching NZ Super Age:

- you're entitled to all of the Regular Section of your Retirement Accumulation; and
- if you have been a member of the Scheme (or other complying superannuation fund or KiwiSaver scheme) for at least 5 years, you're entitled to the balance of the Complying Fund Section of your Retirement Accumulation. You will need to complete a Statutory Declaration prior to any benefit being paid from the Complying Fund Section.

The minimum retirement benefit is the amount of your contributions to the Scheme, including any transfers from other superannuation schemes to the Scheme.

Resignation and Retrenchment

If, before NZ Super Age, you resign from the Fire Service or you cease to be eligible to be a Scheme member as a result of retrenchment by FENZ:

- You're entitled to all of the Regular Section of your Retirement Accumulation; but
- If you elect to remain a member, the Complying Fund Section of your Retirement Accumulation will be held for you until you become eligible for a benefit on or after NZ Super Age, or other permitted withdrawal (set out below). If you don't elect to remain a member, it will be transferred to a KiwiSaver scheme.

The minimum resignation and retrenchment benefit payable is the amount of your contributions to the Scheme, including any transfers from other superannuation schemes to the Scheme.

Loss of Medical Fitness

If, before NZ Super Age, FENZ requires you to leave the Fire Service because two doctors it has nominated certify that you're substantially medically unfit to perform duties FENZ considers suitable for you (Loss of Medical Fitness):

- You're entitled to all of the Regular Section of your Retirement Accumulation; and
- If we consider you're also suffering from "serious illness" (i.e., injury, illness or disability that results in you being totally and permanently unable to engage in work for which you're suited by reason of experience, education, or training or any combination of those things or that poses a serious and imminent risk of death) we may pay you up to 100% of the Complying Fund Section of your Retirement Accumulation; but
- If we don't consider you're also suffering from "serious illness" the Complying Fund Section of your Retirement Accumulation will be held for you until you become eligible for a benefit on or after NZ Super Age, or other permitted withdrawal (including "serious illness").

If, on Loss of Medical Fitness, your Retirement Accumulation is less than double your annual superable salary plus the amount(s) of any early access benefit(s) paid, we will top-up your Retirement Accumulation so that it is as if your Retirement Accumulation was double your annual superable salary.³ However:

- If you're less than two years out from NZ Super Age and the amount of annual superable salary you would earn before you reach NZ Super Age is less than double your annual superable salary, the top-up will be to that lesser amount; and
- If you're on a reduced contribution rate (i.e. less than 6% of superable salary) the calculation of what is double your superable salary will be adjusted downwards accordingly.

Loss of Physical Fitness

If, before NZ Super Age, FENZ requires you to leave the Fire Service because you cannot meet its physical fitness standards and you cannot or don't respond to remedial action (Loss of Physical Fitness):

- You're entitled to all of the Regular Section of your Retirement Accumulation;
- If we consider you're also suffering from "serious illness" we may pay you up to 100% of the Complying Fund Section of your Retirement Accumulation;
- If we don't consider you're suffering from "serious illness" the Complying Fund Section of your Retirement Accumulation will be held for you until you become eligible for a benefit on or after NZ Super Age, or other permitted withdrawal (such as "serious illness").

If, on Loss of Physical Fitness, your Retirement Accumulation is less than double your annual superable salary plus the amount(s) of any early access benefit(s) paid, we will top-up your payment so that it is as if your Retirement Accumulation was double your annual superable salary.³ However:

- If you're less than two years out from NZ Super Age and the amount of superable salary you would earn before you reach NZ Super Age is less than double your annual superable salary, the top-up will be to that lesser amount; and
- If you're on a reduced contribution rate (i.e., less than 6% of superable salary) the calculation of what is double your annual superable salary will be adjusted downwards accordingly.

Payment for the above benefits is generally made within 15 working days of ceasing employment with the New Zealand Fire Service.

Death

If you die while still employed with the Fire Service, we will pay out all of your Retirement Accumulation. If, on death, your Retirement Accumulation is less than double your annual superable salary plus the amount(s) of any early access benefit(s) paid we will top-up the payment to double your annual superable salary.³ However if you were on a reduced contribution rate at the time of your death (i.e. less than 6% of superable salary) the calculation of what is double your annual superable salary will be adjusted downwards accordingly.

³ The top-up is first paid from Reserve Fund B and, if there isn't enough in the Reserve Fund, FENZ will make the special contribution as set out under the heading "FENZ's special contribution" on page 10.

On the application form, you can let us know who you would like to receive your death benefit and how much of your Retirement Accumulation you would like them to receive. The person(s) you notify are called "beneficiaries" (**Beneficiaries**). You can change your Beneficiaries from time to time by completing a change in personal details form available from www.firesuper.superfacts.co.nz or by calling the Helpline.

If you don't notify us of any Beneficiaries, your death benefit will be paid to the administrators or executors of your estate. If you do notify us of Beneficiaries, we will take into account your wishes and will generally follow them. However, we don't have to follow your wishes and, at our discretion, can instead pay your death benefit to the administrators or executors of your estate or to your Beneficiaries in different amounts to what you notified.

Hardship - Canterbury Earthquakes

We may, in our discretion, pay you up to 50% of your Retirement Accumulation in certain specific situations where you suffered hardship arising from the Canterbury Earthquake of 2010 and aftershock of 2011. There are certain specific requirements and conditions that must be met. Please see the offer register at www.business.govt.nz/disclose for further information.

Early access benefit

Upon application we may, in our discretion, pay you an early access benefit:

- Which is no greater than the sum of 50% of your Member's Accumulation at the time of the application to us.
- Where only the Member's Accumulation may be used to pay an early access benefit and in no circumstances shall FENZ Accumulations be available to provide for an early access benefit.
- Where an early access benefit shall not be accessed until the aggregate value of the FENZ Accumulation and Member's Accumulation exceeds the value of three times the member's Salary.
- Where a member shall not be entitled to receive an early access benefit more than twice during the period of his or her membership and we shall not approve a second payment of an early access benefit to a Member until at least five years have passed since the first payment of an early access benefit was made to that member.
- Where any early access benefit(s) paid to a member shall be taken into account where a member subsequently becomes entitled to an additional benefit payment for Loss of Medical Fitness, Loss of Physical Fitness or Death set out in this section above.

We may determine at our sole discretion that early access benefits will no longer be granted.

Continued membership after you cease service

If you cease service from the Fire Service you can continue to be a member of the Scheme by advising us within one month of your cessation of service of your wish to do so. If you do:

- And you're a member of the Complying Fund Section as your contributions to the Scheme will have ceased you will no longer be entitled to the Government contribution.
- You can make four free withdrawals a year from your Retirement Accumulation. Additional withdrawals can be made for a fee of \$68.50.

- Your investment option(s) will continue to be credited or debited with interest on the same basis as other members.

You can utilise the regular drawdown facility at no cost to you, by withdrawing a regular monthly amount specified by you. You can cease or change the amount of your monthly withdrawal at any time.

Winding up

You may also receive a benefit from the Scheme in the event the Scheme is wound up.

Transfers out

If you leave the Fire Service you can transfer your Retirement Accumulation to another superannuation scheme or KiwiSaver scheme. The Complying Fund Section of your Retirement Accumulation can only be transferred to another complying superannuation fund or KiwiSaver scheme. You may be able to transfer your Retirement Accumulation from the Scheme to another superannuation scheme or KiwiSaver scheme while you're still with the Fire Service.

How to switch between funds

You can switch your investment option(s) up to twice in the Scheme's financial year (01 April to 31 March) by logging into www.firesuper.superfacts.co.nz and clicking "Your Investments". Your first switch in the Scheme's financial year is free. A fee is charged for any subsequent switches as set out in Section 5, 'What are the fees?' on page 18.

3 DESCRIPTION OF YOUR INVESTMENT OPTION(S)

This table shows details of each investment option.

Name of the fund	Summary of investment objectives and investment strategy (including target investment mix)	Risk category	Minimum suggested timeframe for holding the investment
Growth option	The Growth option invests in a targeted 85:15 split of growth assets (such as shares and property) and income assets (such as fixed income and cash). Its objective is to provide a long-term return after tax and investment expenses of approximately 3-3.5% p.a. above inflation.	4	10 years
Balanced option	The Balanced option invests in a targeted 58.5:41.5 split of growth assets (such as shares and property) and income assets (such as fixed income and cash). Its objective is to provide a long-term return after tax and investment expenses of approximately 2-2.5% p.a. above inflation.	3	7 years
Conservative option	The Conservative option invests in a targeted 20:80 split of growth assets (such as shares) and income assets (such as fixed income and cash). Its objective is to provide a long-term return after tax and investment expenses of approximately 1-1.5% above inflation.	2	3 years
Cash option	The Cash option invests 100% in cash. Its objective is to provide a return after tax and investment expenses broadly in line with the after-tax movement of the S&P/NZX Bank Bills 90-Day Index.	1	No minimum

We regularly review the Scheme's statement of investment policy and objectives (**SIPO**), which sets out the investment policies and objectives for each investment option. The latest version of the SIPO is available on the scheme register at www.business.govt.nz/disclose.

We may change the SIPO from time to time. Any changes to the SIPO will be advised in either the Scheme's annual report or will be noted on the Scheme's website at www.firesuper.superfacts.co.nz.

Further information about the assets in each fund can be found in the fund updates at www.firesuper.superfacts.co.nz.

4 WHAT ARE THE RISKS OF INVESTING?

Understanding the risk indicator

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

⇐ Potentially lower returns				Potentially higher returns ⇒		
1	2	3	4	5	6	7
⇐ Lower risk				Higher risk ⇒		

The risk indicators for each fund offered by the Scheme are shown in the tables in Section 1, 'Key information summary' on page 2.

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

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

Note that even the lowest category does not mean a risk-free investment, 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 a fund's future performance. The risk indicator is based on the returns data for the five years to 30 June 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 this fund.

General investment risks

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

Risk	Description
Market risk	From time to time market conditions will materially and adversely affect the Scheme's investments. Risks related to market conditions include: movements in the general price level of an investment, changes in demand and supply in the market or sectors in which an investment is made, and changes in political, economic and regulatory conditions.
Investment return risk	Investment assets offering the highest returns also carry with them the highest risk. Those investment options in the Scheme that have more growth assets (such as shares) are likely to be more risky and those that have more income assets (such as fixed interest and cash) are likely to be less risky.
Currency risk	Some of the Scheme's investments are made in currencies other than New Zealand dollars. While currency fluctuations can affect returns positively there is also a risk they can affect returns negatively.

Liquidity risk	This is the risk that the Scheme may not be able to meet its monetary obligations in a timely manner. This would arise if we are unable to cash up investments in time to pay benefits to members or meet other financial obligations.
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Other specific risks

Under the Deed, FENZ is entitled to cease contributing to the Regular Section of your Retirement Accumulation on six months' notice. We are not aware of any intention of FENZ to cease contributions, but if this did occur your regular savings would be reduced by the amount of FENZ's contributions.

5 WHAT ARE THE FEES?

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

- regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term:
- one-off fees (for example, benefit quotation and switching fees).

Name of the fund	Total estimated annual fund charges (of the net asset value of the fund)(p.a.)*
Growth option	0.93%
Balanced option	0.86%
Conservative option	0.64%
Cash option	0.36%

*The total estimated annual fund charges represent an estimate of the investment consultant and management costs, administration costs, independent trustee's fees, secretary fees, and any other fees and expenses payable by the Scheme that are deducted from investment returns before they are applied to your accounts. These charges exclude transaction costs by the funds in which the Scheme invests.

Various individual action fees

Benefit quotation fee of \$68.50 per written quote provided.

Switching fee of \$68.50 per switch of investment option (first switch is free).

Early access benefit fee of \$68.50 per early access benefit paid.

Deferred members only: Partial withdrawal fee of \$68.50 per fifth and subsequent withdrawal in any Scheme year.

These individual action fees are payable from your Retirement Accumulation.

An investor may be charged other fees on an individual basis for investor-specific decisions or actions. Further information about these fees can be found in the Scheme's register entry at www.business.govt.nz/disclose.

Example of how fees apply to investors

Mrs Williams invests \$10,000 in the Balanced Fund. She is not charged an establishment fee or a contribution fee.

This brings the starting value of her investment to \$10,000.

She is charged management fees, which work out to about \$86 (0.86% of \$10,000). These fees might be more or less if her account balance has increased or decreased over the year.

Over the next year, Mrs Williams pays other charges of \$0.

Estimated total fees for the first year

Individual action fees:	\$0
Fund charges:	\$86
Other charges:	\$0

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

This example applies only to the Balanced Fund. If you're considering investing in other funds or investment options in the Scheme, this example may not be representative of the actual fees you may be charged.

The fees can be changed

The fees for investment consultant, investment management, administration, and secretarial services, the independent trustee, and the individual action fees, are reviewed from time to time and may be increased with our agreement.

We will give you notice if we consider that a change to the policy for allocating fees and expenses is required.

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

6 WHAT TAXES WILL YOU PAY?

The Fund is not a PIE and is currently taxed at the rate of 28% on all taxable investment income.

Tax can have significant consequences for investments.

If you have any queries relating to the tax consequences of the investment, you should obtain professional advice on those consequences.

7 WHO IS INVOLVED?

About FireSuper Trustee Limited

The current trustee of the Scheme, who is also responsible under the Act for managing the Scheme, is FireSuper Trustee Limited. We are owned by FENZ (50%) and by the New Zealand Professional Firefighters Union Incorporated (50%).

We can be contacted at:

Jan Barber, Scheme Secretary, Mercer (N.Z.) Limited, PO Box 2897, Wellington 6140

Telephone: (04) 8192600

Email: jan.barber@mercer.com

Who else is involved?

	Name	Role
Administration Manager	Mercer (N.Z.) Limited	Provides administration services.
Scheme Secretary	Mercer (N.Z.) Limited	Provides secretarial services.
Investment Consultant	Russell Investment Group Limited	Assist with the selection of fund managers and the development of the investment options.

See the other material information document on the offer register which can be found at www.business.govt/disclose.

8 HOW TO COMPLAIN

Any complaints about your investment can be given to us using the following contact details:

FireSuper Trustee Limited
Jan Barber, Scheme Secretary, Mercer (N.Z.) Limited, PO Box 2897, Wellington 6140

Telephone: (04) 8192600

Email: jan.barber@mercerc.com

We are a member of Financial Services Complaints Limited (**FSCL**), a dispute resolution scheme approved under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

If you have made a complaint to us and it has not been resolved within 40 days or if you're dissatisfied with the proposed resolution, you can refer your complaint to:

Financial Services Complaints Limited
4th Floor, 101 Lambton Quay
PO Box 5967, Wellington 6145

Telephone: 0800 347257 or (04) 7423725

Email: info@fscl.org.nz

FSCL won't charge a fee to any complainant to investigate or resolve a complaint.

9 WHERE YOU CAN FIND MORE INFORMATION

Further information relating to the Scheme and membership interests in the Scheme (for example, financial statements) is available on the offer register and the scheme register which can be found at www.business.govt/disclose. A copy of the information on the offer register and the scheme register is available on request to the Registrar of Financial Service Providers.

Fund updates relating to the Scheme and to each of the investment options and other information are available at www.firesuper.superfacts.co.nz or on request to Mercer.

You can request information and get answers to your questions by calling the Scheme's toll free helpline.

0800 MY SUPER (08006978737)

There is someone available to take your call any time between 9:00am and 7:00pm, Monday to Friday (excluding public holidays).

You can also contact Mercer as follows:

Postal address: New Zealand Fire Service Superannuation Scheme
 c/- Mercer (NZ) Limited
 PO Box 1849
 Wellington 6140

Email: nzfire.super@mercerc.com

If you request a written benefit quotation, a fee of \$68.50 per written quote provided will be charged.

All other information can be obtained from us or Mercer without charge.

10 HOW TO APPLY

You can apply for membership of the Scheme by completing the application form at the end of this PDS and sending it in the manner set out in the application form.



NEW ZEALAND FIRE SERVICE SUPERANNUATION SCHEME

APPLICATION FOR MEMBERSHIP

Name Title: Mr/Mrs/Ms/Miss
Surname Given Names (Please circle one)

Home Address

Job Title Location IRD No

Date of Birth ___ / ___ / _____ E-Mail address.....

Please attach a copy of identity proof such as a driver's licence, birth certificate, or passport.

CONTRIBUTIONS

As a member of the Scheme you are required to contribute 6% of your superable salary. The definition of superable salary varies, depending on your job title.

You can also choose to contribute more than 6% of your salary by submitting a voluntary contribution form. The form can be found on the Scheme website www.firesuper.superfacts.co.nz.

Complying Fund Section

I do not wish to have contributions paid into the Complying Fund Section of my Retirement Accumulation;

OR

I wish to have contributions of 3%* 4% of my superable salary paid into the Complying Fund Section of my Retirement Accumulation.

*This is the minimum contribution to the Complying Fund Section.

If you are contributing to the Complying Fund section, please include your IRD number at the top of this page.

Fire and Emergency New Zealand (FENZ) will contribute 3% to the Complying Fund Section (with the balance of its contribution paid to the Regular Section of your Retirement Accumulation).

I understand that unless the Trustee considers that I am suffering from a serious illness, access to the Complying Fund Section of my Retirement Accumulation is not permitted until the later of the date when:

- I would normally qualify for New Zealand Superannuation (currently age 65); or
- I complete five years' membership of a complying superannuation fund (such as the Scheme) or a KiwiSaver scheme.

See pages 8 to 11 of the Scheme's Product Disclosure Statement (PDS) for more information about contributions.

INVESTMENT OPTIONS

The Scheme offers you a choice of four investment options. You may choose one or more of the following, but they must total 100%.

I choose the following investment option or combination of investment options.

Investment Option				Total
Cash	Conservative	Balanced	Growth	
%	%	%	%	100%

I understand that:

- ▶ If I do not choose an option, my contributions to the Scheme will be invested in the Balanced Option until I make a selection.
- ▶ I can change my investment option(s) up to twice in the Scheme’s financial year (1 April to 31 March) on the Scheme website www.firesuper.superfacts.co.nz.

Refer to page 15 of the Scheme’s PDS for more information about the investment options.

DECLARATION

I have received a copy of the Scheme’s PDS and agree to the terms and conditions contained in the Trust Deed governing the Scheme.

I authorise:

- ▶ FENZ to deduct from my earnings the amount required to cover my contributions and to pay such contributions to the Trustee;
- ▶ FENZ to give the Trustee the information set out on this form and any other personal information required for the purposes of the Scheme from time to time
- ▶ the Trustee to disclose any personal information relating to me to the Commission, any auditor, adviser or administrator as necessary for the purposes of the Scheme and to obtain personal information from those sources.

I understand that:

- ▶ my membership of the Scheme will take effect from the date my application is accepted by the Trustee;
- ▶ if I do not join the Scheme within three months of commencing permanent employment with FENZ, I will be required to provide a personal statement to support this application;
- ▶ By providing my e-mail address I consent to receive information about the Scheme electronically, I must update my communication preferences at www.firesuper.superfacts.co.nz.

Signed Date

Member to check that all sections of the form have been completed before returning to Payroll Manager.

<u>TO BE COMPLETED BY THE PAYROLL MANAGER</u>	
Employee Number:	Date joined Fire Service:
Date deductions commence:	Commencing salary:
I confirm that:	
(a) I have verified the identity of the applicant and hold a record of such verification;	
(b) The applicant has accepted all of the Terms and Conditions;	
(c) If the member is contributing to the Complying Fund Section they are aged over 18 and under age 65.	
Signed.....	Date:
Position Title	National Headquarters



NEW ZEALAND FIRE SERVICE SUPERANNUATION SCHEME BENEFICIARY FORM

APPLICANT DETAILS:

Name Title Mr/Mrs/Ms/Miss
Surname *Given Names* *(Please circle one)*

Date of Birth
Day / Month / Year

I advise that if I die I would like the Trustee to pay my benefit from the Scheme (excluding any balance in the Complying Fund Section of my Retirement Accumulation) to the person/s shown below. If more than one person is shown I would like the benefit to be shared in the proportions indicated. I understand that by law any amount held for me in the Complying Fund Section of my Retirement Accumulation must be paid to my estate.

Please note:
You may nominate any person or people to whom you would like your benefit paid. You may also nominate (see below) your personal representatives, who are the executors of your will or the administrators of your estate.
While the Trustee will take your wishes into account, it does have absolute discretion in deciding to whom and in what proportions the benefit is paid.

BENEFICIARY DETAILS:

1. Name:
Address:
Relationship..... Proportion of Benefit..... %*

2. Name:
Address:
Relationship..... Proportion of Benefit..... %*

3. Name:
Address:
Relationship..... Proportion of Benefit..... %*

My personal representatives Proportion of Benefit..... %*

***The percentages you nominate must equal 100% when totalled.**

I declare that this nomination revokes any previous nomination made by me.

Signature.....

Date.....