



26 March 2021

# Product Disclosure Statement

## Lifetime Retirement Income Fund

Issued by Lifetime Asset Management Limited (Lifetime). 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 [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

Lifetime 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.

## SECTION 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. Lifetime Asset Management Limited (**Lifetime, we, us, or our**) will invest your money and charge you a fee for its services.

The returns you receive are dependent on the investment decisions of Lifetime and its investment managers and the performance of the investments. The value of those investments may go up or down. The types of investments and the fees you will be charged are described in this document.

### Who manages the Lifetime Retirement Income Fund?

Lifetime is the Manager of the Fund. See Section 7 'Who is involved?' for more information.

### What are the returns?

Once you elect to start receiving Retirement Income this will be paid from both the redemption of some of your units, and also a share in the earnings on your investment. This will be paid fortnightly (or monthly if you elect).

### How can you get your money out?

You can choose to start receiving your Retirement Income (either fortnightly or monthly) at any time after you are aged 60 and over (or at an age outside this range if we expressly agree this with you).

You may also, at any time, request a lump sum withdrawal of some or all of your current interest in the Fund, being the value of your account balance at that time less any fees, expenses and tax owing.

To retain your investment in the Fund any withdrawal must leave a minimum balance of \$25,000.

Your investment in the Fund cannot be sold or transferred to anyone else.

See Section 2 'Withdrawing your investments?' for further details.

### How will your investment be taxed?

The Fund 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 'What taxes will you pay?' for more information.

### Where can you find more key information?

Lifetime is required to publish quarterly updates for the Fund. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund update, when available, is available at [lifetimeincome.co.nz](http://lifetimeincome.co.nz). We'll also give you copies of those documents on request.

## What will your money be invested in?

<b>Fund Name</b>	Lifetime Retirement Income Fund (Fund)
<b>Investment Objective</b>	Invests in diversified index funds with underlying exposure to international and Australasian equities and fixed interest. The Fund's investment objective is to maintain sufficient capital to support the provision of retirement income for life, delivering a target return of 4.50% per-annum (before taxes and fees) over the long term and limit average annualised volatility between 5.0% and 10.0% over the long-term.
<b>Risk Indicator*</b>	<div><div>Potentially lower returns</div><div>Potentially higher returns</div><div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div><div>6</div><div>7</div></div><div>Lower risk</div><div>Higher risk</div></div> <p>See Section 4 'What are the risks of investing?' for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator. To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at <a href="https://sorted.org.nz/tools/investor-kickstarter">sorted.org.nz/tools/investor-kickstarter</a></p>
<b>Estimated Annual Fund Charge</b> Per-annum percentage of the net asset value of the Fund	1.35%
<b>Buy / Sell Spread</b>	0.125%

\*The risk indicator is not a guarantee of the Funds' future performance. The Fund does not have a 5-year return history. Accordingly, the risk indicators were prepared using market index returns to 31 December 2020 and as a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the Fund.

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## SECTION 2

# How does the investment work?

The Fund is designed to help you turn your retirement savings into a variable **Retirement Income** that is reviewed each year to provide that there is a high prospect of your income lasting your lifetime.

For definitions of capitalised terms used in this document, see the glossary on page 15.

To calculate an annual amount of Retirement Income you can withdraw in the knowledge your investment is being managed to have the high prospect of lasting your lifetime.

We apply your date of birth, personal tax rate, gender, and expected investment returns to calculate an Annuity Factor.

We then apply your Annuity Factor to the amount you wish to invest to determine your Annual Retirement Income.

Your Annual Retirement Income is not guaranteed, it is Lifetime's estimate of the level of your Annual Retirement Income for you based on the amount you wish to invest.

If severe or adverse market volatility were to materially affect your account balance Lifetime may propose a Retirement Income Review more frequently than annually.

We do not provide financial advice and we recommend that you seek financial advice if you have questions about whether this investment is appropriate for you.

### Your Retirement Income

**Your tax paid Retirement Income is paid fortnightly or monthly and can commence at age 60 and over (or at an age outside this range if we expressly agree this with you).**

Your Retirement Income is made via electronic transfer to your nominated New Zealand bank account. Payments will only be made to New Zealand bank accounts.

Every year, we recalculate your Annual Retirement Income according to your changed age, your account balance, expected investment returns and your personal tax rate. We advise you of what your proposed Retirement Income will be for the next 12 months. Your Annual Retirement Income can go up or down.

### INCOME IMMEDIATELY

When you choose to invest in the Fund, you will complete an application form. Lifetime will then confirm your current proposed Annual Retirement Income and the amount you will receive each fortnight (or month depending on your choice of payment period).

### INCOME IN THE FUTURE




You can invest in the Fund today and commence regular tax-paid Retirement Income payments in the future. We will ask you to identify when you would like to commence income payments and we then calculate your projected future Annual Retirement Income and update the projection every year during your Annual Retirement Income Review.

### INCOME FOR THE INDIVIDUAL

You can ask us to alter your Annual Retirement Income. For example, if you wish you may receive a larger Annual Retirement Income. We note for your information that if you request a larger Annual Retirement Income, the payments are less likely to last your lifetime.

## Investment Strategy

The Fund invests your money in:

-  diversified index funds managed by experienced investment managers (Vanguard Asset Management Limited and Harbour Asset Management Limited); and
-  cash and cash equivalents and
-  contracts to manage currency risks.

The Fund's investment objective is to preserve capital to support the provision of retirement income with a high prospect of lasting a lifetime, delivering a target return of 4.50% per-annum (before taxes and fees) over the long-term and limit average annualised volatility to between 5.0% and 10.0% over the long-term.

We have appointed Milliman Pty Limited (Milliman) as the Fund's investment adviser manager. Founded in 1947, Milliman is among the world's largest providers of actuarial and related products and services. Milliman Financial Risk Management (Milliman FRM) began as a business unit within

Milliman, Inc. in 1998 to provide investment advisory, overlay and consulting services with over \$240 billion in funds under management (as of 30 June 2020).




Milliman provide a risk management overlay to support the preservation of capital. The risk management overlay is a risk management strategy that seeks to stabilise portfolio volatility (risk) at a target level of 7.5% within a range of 5-10%, capture growth in rising markets, and defend against losses during major market declines.

The risk management process manages the risk of the portfolio by varying the effective cash and share exposure. The process also rebalances the Fund's

assets from time to time within the guidelines set out in the Rebalancing Policy.

## Income Strategy

Lifetime calculates your Annuity Factor based on the following information:

-  gender and age (to which Lifetime applies associated life expectancy assumptions)
-  your prescribed investor rate (**PIR**)(tax rate)
-  current and forecast investment returns of the Fund

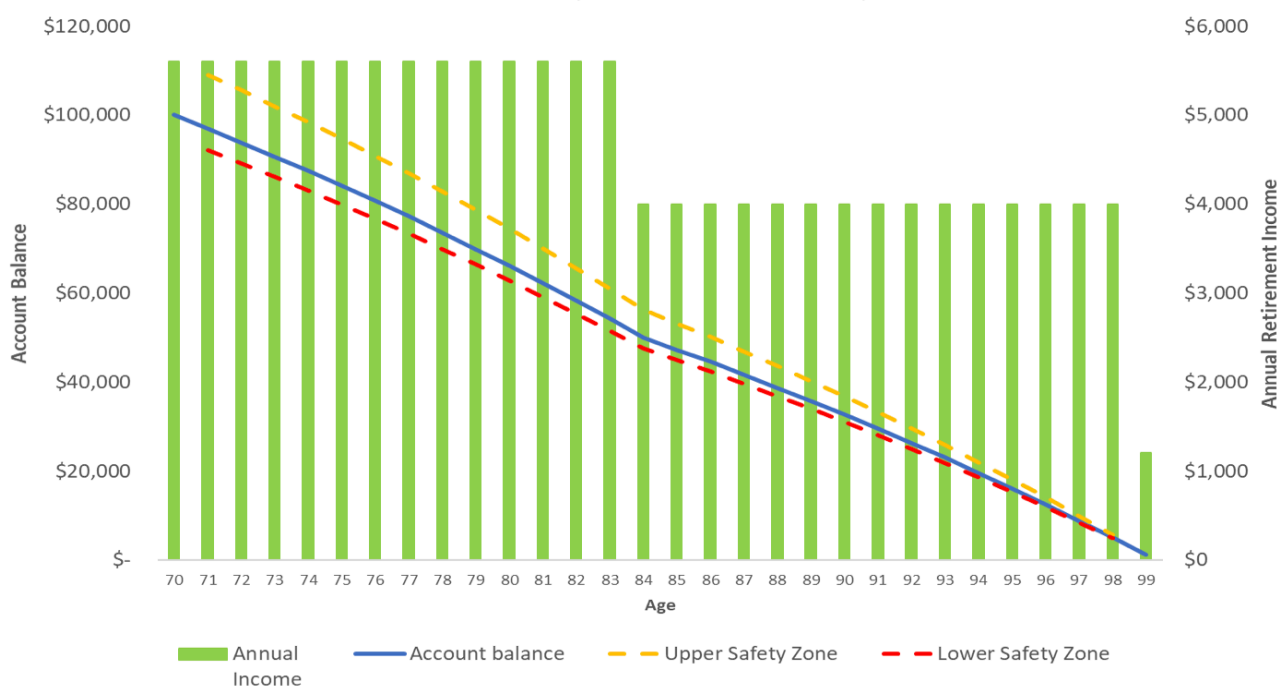
We then apply your Annuity Factor to your Account Balance to derive your Annual Retirement Income.

## Example - How the fund works

The illustration below is based on the following assumptions:

<b>Gender</b> Female	<b>Investment Returns (Gross p.a)</b> 4.50%
<b>Age Now</b> 70	<b>Fees (average management fee p.a)</b> 1.35%
<b>Initial Investment*</b> \$100,000	<b>Net Investment Returns p.a.</b> 2.60%
<b>Tax (PIR) Rate</b> 17.50%	<b>Volatility p.a</b> 7.50%
<b>Target Age</b> 94	<b>Annual Income age 70-84</b> \$5,600 p.a.
<b>94 Duration</b> 24 years	<b>Annual Income age 85-99</b> \$4,000 p.a.

### EXAMPLE - 70 YEAR OLD FEMALE INVESTOR COMMENCING LIFETIME INCOME PAYMENTS IMMEDIATELY





## RETIREMENT INCOME

In this illustration the investor is projected to receive an Annual Retirement Income of \$5,600 (right hand side of the graph above) after fees and taxes each year for 14 years (age 70 until age 84). This is based on a Target Age at age 70 of living to age 94. If the 70 year old investor lives to age 84, the income level is reviewed and potentially lowered to \$4,000 per annum after fees and taxes. The potential reduction in income reflects that having reached the age of 84 the investor is preferring a higher Target Age (as they may well live longer than to age 94). As a consequence income payments are recalibrated to recognise a higher Target Age of 99.

## ACCOUNT BALANCE

The opening account balance at age 70 is \$100,000 and falls to nil at age 99 (left hand side of the graph above). The residual account balance can be withdrawn at any time (prior to age 99). Reductions in the account balance will result in reductions to estimated Annual Retirement Income.

## SAFETY ZONES

These are detailed in the illustration by the broken yellow and red lines. This reflects the potential for different actual investment returns to result in a different account balance to that projected. Each year when the Annual Retirement Income Review is carried out, if the account balance is outside the safety zones, then the Annual Retirement Income for the following year will likely need to change.

All examples and graphs are for illustration purposes only and shouldn't be regarded as a forecast for your investment, future performance, Annual Retirement Income payments or the Annual Annuity Factor.

An assumption of 4.5% per annum gross return (before taxes and fees have been deducted) has been made over future investment returns of the Fund. Fees and taxes are as detailed in Section 5 'What are the fees?'. The investor's life expectancy includes a conservative margin on current life expectancy. Different assumptions will produce different outcomes. For example, if the assumed investment returns are higher than those used in the projection, Annual Retirement Income payments can be higher. Conversely, if assumed investment returns are lower, Annual Retirement Income payments can be lower.

## INCOME FOR THE INDIVIDUAL

When we review an investor's Annual Retirement Income we consider their individual characteristics (age, gender, tax rates, mortality). When we propose an Annual Retirement Income investors are given the opportunity to request the inclusion of personal circumstances in the calculation, for example, a personal decision to select a Target Age (age of expected death) lower or higher than recommended by Lifetime.

## Structure of the Fund

### Registration

The Fund is a registered managed investment scheme under the Financial Markets Conduct Act 2013. This means your money is pooled with other investors' money and invested by the Custodian on our instructions. Your investment is represented by units in the Fund.

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

### Legal Structure

The Fund is structured as a trust and is governed by the Trust Deed between Lifetime and its Supervisor, Public Trust.

The Custodian, Public Trust Lifetime Income Nominees Limited holds the Fund's assets on trust and separate from the assets of Lifetime.

### Distributions

Apart from your Retirement Income payments, we don't expect to make any distributions from the Fund.

## Making an Investment

In order to make an investment into the Fund, you must be a person who is resident in New Zealand at the time of making the investment, unless Lifetime otherwise determines that you are eligible.

You may invest as an individual, or jointly with a partner. In addition, joint investors must be in a relationship (i.e. de facto, civil union, marriage or a relationship determined by Lifetime to be similar in nature to those relationships). The Annuity Factor for joint investors will be based on the age of the younger investor.

The minimum initial investment amount is \$25,000. We can, however, accept applications below the minimum initial investment amount at our discretion.

### ADDING TO AN EXISTING INVESTMENT

You can add to an existing investment at any time. Upon receiving additional money for an existing investment, Lifetime will recalculate your Annual Retirement Income or projected Annual Retirement Income. There is a minimum of \$5,000 when adding to an existing investment. We can, however, accept applications below the minimum additional investment amount at our discretion.

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

## Withdrawing your investments

### RETIREMENT INCOME

#### Income Immediately

When you choose to invest in the Fund and





receive your Retirement Income immediately you are given the option to select from:

- Lifetime's current proposed Annual Retirement Income; or
- Your selected Individual Annual Retirement Income

#### Income in the Future

If you choose to invest today and receive an income on a future date, you will be given projected Annual Retirement Income, based on your current Annuity Factor, which can change dependent on when you choose to start your Retirement Income and whether you add to, or withdraw from, your investment. Your Annual Retirement Income is finalised 10 working days before you start receiving an income.

### WHEN IT COMES TO RECEIVING YOUR RETIREMENT INCOME, YOU CHOOSE:

-  When to start receiving your Retirement Income, at any time from the age of 60 (or at an age outside this range if we expressly agree this with you).
-  Whether you would like to receive your Retirement Income fortnightly or monthly.
-  The Annual Retirement Income that best suits you.
-  You can also, choose to start and stop your Retirement Income at any time.

To discover your Annual Retirement Income talk to the team at Lifetime:

Email [retire@lifetimeincome.co.nz](mailto:retire@lifetimeincome.co.nz) or

Phone us on **0800 254 338**.

## Redemption of your investment

### Partial Withdrawal

You can make a partial withdrawal at any time, but you must retain a minimum account balance of \$25,000 (unless we agree otherwise).

There is no limit on the number of partial withdrawals you can make from the Fund.

If you choose to make a partial withdrawal this will trigger an Interim Retirement Income Review.

### Full Withdrawal

You can make a full withdrawal of your investment in the Fund at any time.

If you're receiving Retirement Income it will then stop.

Your withdrawal will be paid to you, after adjustment for any fees, expenses and tax payable (if applicable), usually within 30 days from the date your withdrawal request is received.



## SECTION 3

# Description of your investment option

Fund Name	Investment objectives and strategy summary (including target investment mix)	Minimum suggested investment timeframe
Lifetime Retirement Income Fund	<p>Invests in diversified index funds with underlying exposure to international and Australasian equities and fixed interest. The Fund's investment objective is to maintain sufficient capital to support the provision of retirement income for life, delivering a target return of 4.50% per-annum (before taxes and fees) over the long-term and to limit average annualised volatility to between 5.0% and 10.0% over the long-term.</p> <p><b>Risk Indicator*</b></p> <div> <div> Potentially lower returns </div> <div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> <div> Lower risk Higher risk </div> </div> <div> Potentially higher returns </div> </div>	<p>There is no minimum timeframe as the Fund is designed to help you turn your retirement savings into a Retirement Income that is likely to last for the rest of your life. We think the Fund is suited to New Zealanders wanting to plan for a known income in retirement.</p> <p>*The risk indicator is not a guarantee of the Fund's future performance. The Fund does not have a 5-year return history. Accordingly, the risk indicators were prepared using market index returns to 31 December 2020 and as a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the Fund.</p>

Asset Classes	Benchmark Allocation	Maximum Range
<b>Growth Assets</b>		
Australasian Equities	15%	0-20%
International Equities	48%	0-60%
<b>Total Growth Assets</b>	<b>63%</b>	
<b>Income Assets</b>		
NZ Fixed Interest	5%	0-12%
Australian Fixed Interest	7%	0-12%
International Fixed Interest	18%	0-35%
Cash and Cash Equivalents	7%	0-70%
<b>Total Income Assets</b>	<b>37%</b>	
<b>Total</b>	<b>100%</b>	

The Statement of Investment Policy and Objectives (SIPO) sets out the investment policies and objectives for the Fund. We will regularly review the SIPO and may change the SIPO from time to time after consulting with the Supervisor. We do not routinely notify you of changes, however, a description of any material changes will be included in the Fund's Annual Report. Where required by the Trust Deed or law, you will receive notice of material changes before they occur. The SIPO is available from the Scheme Register at **disclose-register.companiesoffice.govt.nz**

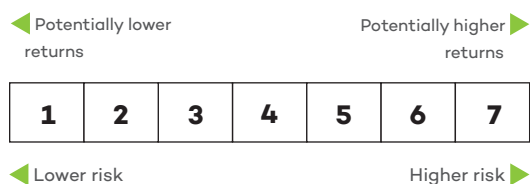
Further information about the assets in the Fund can be found in the fund updates on the Offer Register at **disclose-register.companiesoffice.govt.nz**

## SECTION 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.



For the risk indicator for the Fund, see Section 3 'Description of your investment option'.

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

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [sorted.org.nz/tools/investor-kickstarter](https://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 market index returns data for the 5-year period to 31 December 2020. Market index data, and not historical returns data, was used because the fund is newly established. As a result of those returns being used, the risk indicator may provide a less reliable indicator of the potential volatility.

While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest fund update for the Fund on the Offer Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz)

### General investment risks

Some of the things that may cause the Fund's value to move up and down, which affect the risk indicator, are market risk, liquidity risk, interest rate risk and currency risk.

Investment Risks	Description
<b>Market Risk</b>	The value of investments may rise or fall as a result of developments in economies, financial markets, and regulatory or political conditions. The performance of individual assets, securities, and issuers can impact returns.
<b>Liquidity Risk</b>	There is a risk that some assets of the Fund may not be able to be converted into cash, because of a lack of a market in which to sell them, or if the market is disrupted. Lifetime ensures that the large majority of the Fund's assets are invested in other highly liquid underlying investment funds and in cash to meet the expected liquidity requirements of investors.
<b>Interest Rate Risk</b>	The market value of fixed interest securities can change because of changes in interest rates. The impact this has on the Fund will depend on the term of the fixed investment, and the interest rate relative to market rates.
<b>Currency Risk</b>	Most of the assets in the Fund are invested overseas. This means that returns expressed in New Zealand dollars can be affected by movements between the New Zealand dollar and overseas currencies. If the New Zealand dollar goes up, the relative value of these assets goes down. If the New Zealand dollar goes down, the relative value of these assets goes up. The Fund seeks to manage this risk by engaging Milliman Pty Limited to undertake currency hedging, so that funds with an underlying base currency of Australian dollars are to the extent possible 100% hedged back to New Zealand dollars.
<b>Derivatives Risk</b>	The Manager may use derivatives in the management of the Fund, both to aim to reduce or increase the volatility of the Fund's investments. There is no guarantee that this aim will be achieved. Derivative use is anticipated to limit both the downside and the upside potential of the Fund's investments.

Investment Risks	Description
Calculation Risk	The target ages used in the annuity rates are based on actual historical experience of mortality in New Zealand and calculated using standard actuarial principles and reviewed every year for accuracy. Notwithstanding an error in the calculation could lead to investor either having insufficient savings to last their lifetime or alternatively reaching their expected life expectancy with an account balance remaining that could have been used to generate an income during their retired life.
Active Risk Management - Asset Concentration	Lifetime uses an active management approach to reduce volatility to preserve capital. The management is outsourced to Milliman Inc. The Fund can hold permitted asset classes and securities in any proportion or concentration, meaning that the Fund may not be diversified. For example, the Portfolio in extreme market conditions may be predominantly invested in cash to protect capital over return.
Counterparties	The Fund's performance is dependent on the parties to the financial transactions or contracts that it enters into meeting their obligations. There is a risk that the Fund returns may be adversely affected if a party to a financial transaction involving the Fund fails to meet its obligations.
Other Specific Risks	
Longevity Risk	Annual income levels are calculated to last a lifetime. An investor's lifetime is based on the New Zealand Cohort Life tables, plus a safety margin. As investors age they are likely to live longer. We annually recalibrate the income levels to reflect the investors aging (and market movements in asset values) to ensure their income levels reflect their life expectancy. In a situation such as an unforeseen health care development which meant large numbers of people were likely to live longer than 99 we would lower income rates to reflect longer life. Rates are not guaranteed.
The Fund is new and may not be successful	The Fund only opened for investment in March 2021 and so is newly established, only has a limited performance history and there is a risk that there will not be sufficient demand for the Fund to make it economically viable. If we receive insufficient investment in the Fund to make it economically viable, the Fund will be wound up. If the Fund is wound up, you will be returned your current investment in the Fund net of tax and the deduction of costs and fees together with any adjustment for investment performance and any amounts you may have withdrawn. Costs may include the costs of establishing and winding up the Fund and, depending on the level of investment in the Fund at that time, may represent a material portion of your investment. At this time, we are unable to assess whether there will be sufficient demand for the Fund.

Details of other general risks can be found in the 'Other Material Information' document on the Offer Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz)

## SECTION 5

# What are the fees?

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

- regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term;
- one-off fees (for example, exit fees – although we don't currently charge these).

These fees are as follows:

**Estimated Annual Fund Charge**  
(Per-annum estimate of the net  
asset value of the Fund)

**1.35%**

Description of the fee categories:	How the fee is paid?
<p>Estimated annual fund charge</p> <p>Used to pay for the investment management services (including those of the underlying funds' investment managers), the actuarial process and calculation of our Annual Annuity Factors, and to pay for the general administration of the Fund (i.e. accounting, audit, establishment, legal and regulatory compliance costs) and administration costs of the Fund.</p> <p>The total annual fund charge is based on <b>fixed</b> fees, except for an <b>estimate</b> of 0.35% per annum in respect of the investment management fee charged by the underlying funds' investment managers.</p>	<p>Calculated daily as a percentage of the net asset value of the Fund and will reduce the Fund unit price and therefore reduce the value of your units in the Fund.</p>

## Buy / Sell spread

When you invest or withdraw from the Fund, you'll be charged a buy/sell spread. The buy/sell spread is paid to the underlying investment managers (and not to us). It's designed to ensure any transaction costs incurred as a result of an investor investing or withdrawing from the Fund are borne by that investor, and not other investors in the Fund.

Indicative buy spread	0.125% of investment allocated to the Fund
Indicative sell spread	0.125% of withdrawal from the Fund

Under the Trust Deed, we determine the buy/sell spreads based on what we consider to be a fair amount payable having regard to expected transaction costs. We may change the buy/sell spreads from time to time, and will update the PDS for the Fund if we do so. More information about the buy/sell spreads can be found in the "Other Material Information" for the Lifetime Retirement Income Fund which can be found on the Offer Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz)

There are currently no other individual action fees charged by the Fund.

## Example of how fees apply to an investor

Susan is aged 70, she invests \$100,000 in the fund and chooses to start receiving her Retirement Income immediately. A buy/sell spread of about \$125.00 (0.125% of \$100,000) is included into the unit price that she pays for her investment. This brings the starting value of her investment to \$99,875.00.

She is also charged management and administration fees, which workout to about \$1,348.31 (1.35% of \$99,875.00)

Fund establishment and operating expenses are also charged to the fund.

Estimated total fees in the first year:

Buy / Sell spread	\$125.00
Fund Charges	\$1,348.31

Once the Fund has been operating for a year, you will be able to see the latest fund update for an example of the actual returns and fees investors were charged over the past year.

## GST

All fees are stated on a GST inclusive basis.

## The fees can be changed

Fees can be altered or waived in accordance with the Trust Deed and applicable law. In particular, we may waive or decrease part or all of any existing fees without notice to you and may increase the existing fees or charge new fees upon giving you at least one months' notice.

We must publish a fund update for the Fund showing the fees actually charged during the most recent year. Fund updates, including past updates, are available at [lifetimeincome.co.nz](https://lifetimeincome.co.nz)

## SECTION 6

# What taxes will you pay?

The Fund is a portfolio investment entity (**PIE**). The amount of tax you pay is based on your prescribed investor rate (**PIR**). To determine your PIR, go to [ird.govt.nz/topics/income-tax/types-of-income/income-from-pies/portfolio-investment-entities-for-new-zealand-residents](http://ird.govt.nz/topics/income-tax/types-of-income/income-from-pies/portfolio-investment-entities-for-new-zealand-residents). 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.

For more information about the tax consequences, see the 'Other Material Information' document on the Offer Register at [disclose-register.companiesoffice.govt.nz](http://disclose-register.companiesoffice.govt.nz)

## SECTION 7

# Who is involved?

### About Lifetime Asset Management Limited

Lifetime is the Manager and the Investment Manager of the Fund. More information can be found at [lifetimeincome.co.nz](http://lifetimeincome.co.nz) We can be contacted at:

Lifetime Asset Management Limited  
Level 3, 120 Featherston Street  
Wellington Central  
Wellington 6011

Email: [retire@lifetimeincome.co.nz](mailto:retire@lifetimeincome.co.nz)  
Phone: **0800 254 338**

Who else is involved?	Name	Role
Supervisor	Public Trust	Supervises the Manager of the Fund.
Custodian	Public Trust Lifetime Income Nominees Limited ( <i>a subsidiary of Public Trust</i> )	Holds the assets of the Fund on trust.
Administration Manager	MMC Limited	Provides registry, accounting, pricing and valuation services for the Fund.
Sub Investment Manager	Milliman Pty Ltd	Sub Investment manager of the Fund.
Managers of underlying investments	• Vanguard Asset Management Limited • Harbour Asset Management Limited	Manage underlying investment funds into which Lifetime invests the assets of the Fund.
	• ANZ New Zealand Investments Limited	Bank with which cash is held 'On Call'

## SECTION 8

# How to complain

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

Lifetime Asset Management Limited  
Level 3, 120 Featherston Street  
Wellington Central  
Wellington 6011

Email: [retire@lifetimeincome.co.nz](mailto:retire@lifetimeincome.co.nz)  
Phone: **0800 254 338**

You can also contact the Supervisor, Public Trust at:

Public Trust  
Level 8, 22 – 28 Willeston Street  
Wellington 6011

Email: [cts.enquiry@publictrust.co.nz](mailto:cts.enquiry@publictrust.co.nz)  
Phone: **0800 371 471**

If we are unable to resolve your complaint, you can complain to Financial Services Complaints Limited (**FSCL**). FSCL is an approved dispute resolution scheme under the Financial Service Providers (Registration and Dispute Resolution) Act 2008. FSCL is independent from Lifetime. They can be contacted at:

Financial Services Complaints Limited  
Floor 4, 101 Lambton Quay  
Wellington Central  
Wellington 6011

Email: [info@fscl.org.nz](mailto:info@fscl.org.nz)  
Phone: **0800 347 257**

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

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## SECTION 9

# Where you can find more information

Further information relating to the Fund, including financial statements, annual reports and quarterly fund updates, the Trust Deed and SIPO are available at [disclose-register.companiesoffice.govt.nz](http://disclose-register.companiesoffice.govt.nz). A copy of this information is available on request from the Registrar of Financial Service Providers.

The above information is also available free of charge at [lifetimeincome.co.nz](http://lifetimeincome.co.nz) or by contacting us.

You'll be sent an annual tax statement which will include the amount of PIE income attributed to you and the amount of PIE tax paid at your PIR. You'll also be asked to confirm your IRD number and PIR.

You can obtain general information about us and the Fund at [lifetimeincome.co.nz](http://lifetimeincome.co.nz)

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## SECTION 10

# How to apply

It is easy!

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**Read the relevant documents**

Read this document (and the other information available about this investment on the websites noted in the section immediately above) and take any advice, as required, to ensure you understand the investment.

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<b>Request a Retirement Income proposal</b>	<p>Please contact us directly for your current proposed Annual Retirement Income.</p> <p>Our Annual Annuity Factor is reviewed and updated according to market conditions.</p>
<b>Complete, sign and send to us a valid application form</b>	<p>Please ensure that all relevant sections of the application form have been completed, and that you sign and date the form.</p> <p>If your application form is incomplete, we will not be able to proceed with your investment until the required information is provided. In these situations, we will attempt to contact you or your financial adviser</p>
<b>Provide us with any required documentation, including identity verification documents / information</b>	<p>In order to comply with various laws and requirements we require some documentation from you. For example, we require verification of your identity, address and nominated bank account, before we can accept your application.</p> <p>Full details of the documentation we require are set out in the application form.</p>
<b>Provision of investment funds</b>	<p>Applications are accepted at our discretion.</p> <p>If your application to invest is accepted, we will notify you and provide you with payment details. You can provide your investment funds via:</p> <p><b>Internet banking:</b> You can arrange for the funds to be transferred to the Custodian through your bank's online internet banking system.</p> <p><b>Cheque:</b> You can also pay by cheque by making the cheque payable to "Public Trust Lifetime Income Nominees Limited" and crossing it 'non-transferable'.</p>

## GLOSSARY

Key Terms	Meaning
<b>Retirement Income</b>	Retirement Income payments paid to an investor either fortnightly or monthly and at any time from age 60.
<b>Annuity Factor</b>	The factor that is applied to your account balance to derive your proposed Annual Retirement Income aimed at providing you an income for life.
<b>Annual Retirement Review</b>	The process by which your Annual Retirement Income is reset each year for the forthcoming year. Lifetime will contact you approximately 10 working days before your birthday with any resets implemented on your birthday.
<b>Income Immediately</b>	Investing into the Fund and drawing an income immediately using the current proposed Annual Retirement Income, which may change year to year as part of the Annuity Factor Review.
<b>Income in the Future</b>	The projected Annual Retirement Income for the age you expect to commence your Retirement Income.
<b>Rebalancing Policy</b>	The Fund rebalances regularly to ensure the investment exposure remain within the limits set out in the funds Statement of Investment Policies & Objectives. If the asset values increase or decrease such that they are no longer within the maximum ranges they are bought or sold to ensure they remain within the stated ranges.
<b>Income For The Individual</b>	An individual's Annual Retirement Income that reflects any unique personal circumstances.
<b>Account Balance</b>	The value of available money within your account.
<b>Interim Retirement Income Review</b>	We will reset your Annual Retirement Income when you add to your existing investment or withdraw part of your existing investment. If severe or adverse market volatility were to substantially affect your account by a factor of more than 10% Lifetime can, if it considers appropriate, propose an Interim Retirement Income Review.

