



# Lifetime

RETIREMENT INCOME

9 March 2026

## Product Disclosure Statement

### Lifetime Retirement Funds

This document replaces the Product Disclosure Statement dated 28 November 2025.

Issuer and Manager: 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 advice provider 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, Manager, 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 of 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.

## What will your money be invested in?

The Lifetime Retirement Funds (**Scheme**) has a range of funds for you to choose from. This Product Disclosure Statement (**PDS**) offers five investment options (**Funds**). These Funds are summarised on page 3. More information about the investment target and strategy for each Fund is provided at Section 3.

## Who manages the Scheme?

Lifetime is the Manager of the Scheme.

See Section 7 'Who is involved?' for more information.

## How can you get your money out?

Generally, you can request to withdraw some or all of your investment in the Funds at any time, being the value of your account balance at that time less any fees, expenses and tax owing. There are minimum withdrawal amount requirements, and you must maintain the minimum on-going balance for each Fund you invest in (unless we agree otherwise).

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

If you are invested in the Lifetime Retirement Income Fund, you can choose to start receiving a Retirement

Income (either fortnightly or 4-weekly) at any time after you are aged 65 and over (or at a younger age if we expressly agree this with you). Your retirement income is designed to be drawn partly from your capital and partly from investment earnings, with an anticipated long-term split of approximately 60/40.

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

## How will your investment be taxed?

The Scheme is a Portfolio Investment Entity (**PIE**). The amount of tax you pay in respect of a PIE is based on your Prescribed Investor Rate (**PIR**). This can be 0%, 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 each Fund. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at [lifetimeincome.co.nz](http://lifetimeincome.co.nz). The Manager will also give you copies of those documents on request.

## The Funds

Fund Name	Description and investment objective	Risk Indicator*
<b>Lifetime Retirement Income Fund</b>	Invests primarily in growth assets with a moderate exposure to income assets. Aims to maintain sufficient capital to support the provision of retirement income for life, with a target return currently set at 5.50% per annum (before taxes and fees) over the long term and to limit average annualised volatility between 5.0% and 10.0% over the long-term at a target level of 7.5%.	<p>◀ Potentially lower returns      Potentially higher returns ▶</p> <p>1 2 3 4 5 6 7</p> <p>◀ Lower risk      Higher risk ▶</p>
<b>Lifetime Cash Fund</b>	Invests in a range of cash and cash equivalent investments. Seeks to track the S&P/NZX Bank Bills 90-Day Index (before annual fund charge and tax). Expected to experience low volatility.	<p>◀ Potentially lower returns      Potentially higher returns ▶</p> <p>1 2 3 4 5 6 7</p> <p>◀ Lower risk      Higher risk ▶</p>
<b>Lifetime Conservative Fund</b>	Invests mainly in income assets with some exposure to growth assets. Seeks to track composite indices** (before annual fund charge and tax). Expected to experience low to medium volatility.	<p>◀ Potentially lower returns      Potentially higher returns ▶</p> <p>1 2 3 4 5 6 7</p> <p>◀ Lower risk      Higher risk ▶</p>
<b>Lifetime Balanced Fund</b>	Invests primarily in growth assets with a moderate exposure to income assets. Seeks to track composite indices** (before annual fund charge and tax). Expected to experience medium to high volatility.	<p>◀ Potentially lower returns      Potentially higher returns ▶</p> <p>1 2 3 4 5 6 7</p> <p>◀ Lower risk      Higher risk ▶</p>
<b>Lifetime Growth Fund</b>	Invests mainly in growth assets with some exposure to income assets. Seeks to track composite indices** (before annual fund charge and tax). Expected to experience high volatility.	<p>◀ Potentially lower returns      Potentially higher returns ▶</p> <p>1 2 3 4 5 6 7</p> <p>◀ Lower risk      Higher risk ▶</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 [sorted.org.nz/tools/investor-profiler](https://sorted.org.nz/tools/investor-profiler)

Fund Name	Annual fund charge (estimated)	Buy/Sell spread (indicative)
<b>Lifetime Retirement Income Fund</b>	1.35%	0.03% / 0.02%
<b>Lifetime Cash Fund</b>	0.65%	0.00% / 0.00%
<b>Lifetime Conservative Fund</b>	1.00%	0.03% / 0.02%
<b>Lifetime Balanced Fund</b>	1.00%	0.03% / 0.02%
<b>Lifetime Growth Fund</b>	1.00%	0.02% / 0.02%

The estimated annual fund charge is calculated daily as a percentage of the net asset value of the Fund. All fees include GST where applicable. See Section 5 – What are the fees? for more information about the fees charged.

\* The Funds do not have a 5-year return history. Accordingly, the risk indicator for the Lifetime Retirement Income Fund has been calculated using market index returns for the period 1 January 2021 to 30 April 2021 and actual returns for the period 1 May 2021 to 31 December 2025. The risk indicators for the Lifetime Cash, Conservative, Balanced and Growth Funds have been calculated using market index returns for the period 1 January 2021 to 31 October 2024 and actual returns for the period 1 November 2024 to 31 December 2025. As a result, the risk indicators may provide a less reliable indicator of the potential future volatility of these funds.

\*\*For more information on the benchmark indices of these Funds please refer to the SIPO.

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## SECTION 2

# How does this investment work?

Lifetime Retirement Funds is a managed investment scheme registered under the Financial Markets Conduct Act 2013. The Scheme is a trust governed by a trust deed between Lifetime and Public Trust (**Supervisor**). The assets of the Funds are held by a custodian appointed by the Supervisor.

Your money is pooled with other investors' money and invested in various assets. Your investment is represented by units in the Fund you are invested in. The value of units in each Fund will change according to the changing value of the underlying assets in which the Fund has invested.

The Scheme offers five Funds. Each Fund has a different investment objective and strategy, and different levels of risk and expected return. You can choose to invest in one or more Funds.

No distributions are made from the Funds. The return on your investment is reflected in the unit price.

The assets of one Fund are available to be applied to meet the liabilities of any other Fund in the Scheme.

### Benefits of investing in the Funds include:

- Accessing investments that you might not otherwise be able to invest in.
- Investments are managed by experienced professionals.

### LIFETIME RETIREMENT INCOME FUND

The Lifetime Retirement Income Fund (**LRIF**) is designed to help you turn your retirement savings into a variable Retirement Income (regular payments made to you at any age after you are aged 65 and over (or at a younger age if we expressly agree this with you)) and is reviewed each year to provide a high prospect of your income lasting your lifetime.

To calculate the annual amount of Retirement Income:

1. We apply your age (when your income starts), tax rate, gender, and expected investment returns to calculate your Annuity Factor.
2. We then apply your Annuity Factor and your lifestyle choices (such as spending more earlier

in retirement or adding an inflation adjustment) to the amount you wish to invest to determine your annual Retirement Income.

The Annuity Factor for joint investors will be based on the longest life expectancy.

For Trusts, Retirement Income will be determined and agreed in consultation with the Trustees (please see the 'Other Material Information' document for more details).

For more information about calculating your Retirement Income and Annuity Factor, and definitions of capitalised terms relating to LRIF, see the 'Other Material Information' document which can be found on the Offer Register at **disclose-register.companiesoffice.govt.nz** (click 'Search for an offer' and search for 'Lifetime Retirement Funds').

Your annual Retirement Income is not guaranteed. It is Lifetime's estimate for you based on the amount you wish to invest, when you would like your Retirement Income payments to start, and how long you would like your Retirement Income to last.

Lifetime may propose an Interim Retirement Income Review (where your annual Retirement Income calculation is reset) if:

- you choose to add to or withdraw part of your existing investment; or
- severe or adverse market volatility were to materially affect your account balance by a factor of more than 10%.

### Your Retirement Income

When you invest in the LRIF, Lifetime will confirm your current proposed annual Retirement Income and the amount you will receive each fortnight or 4-weekly.

Every year, we recalculate your annual Retirement Income. We advise you what your proposed Retirement Income will be for the next 12 months. Your annual Retirement Income can go up or down year-on-year. We will contact you about your Retirement Income approximately 10 working days before your birthday, with any changes implemented on your birthday on your birthday. The review month for Trusts will be agreed with the Trustees.

## LIFETIME CASH, LIFETIME CONSERVATIVE, LIFETIME BALANCED AND LIFETIME GROWTH FUNDS

These funds are designed to help you reach your investment and savings goals.

### Making investments

#### WHO CAN INVEST

To invest in the Scheme, you must be a person who is resident in New Zealand at the time of making the investment.

You may invest as an individual, or jointly with a partner. Joint investors must be in a relationship (e.g. de facto, civil union, marriage).

A Trust may also invest into the Scheme.

#### HOW YOU INVEST

To invest in the Funds, you can complete the online application form available at [lifetimeincome.co.nz](http://lifetimeincome.co.nz) or contact us for a form. Investments can be made via online banking (for lump sums) or by completing a direct debit form (for regular investments) available at [lifetimeincome.co.nz](http://lifetimeincome.co.nz)

We may accept or decline any application either in whole or part at our discretion.

Once your application is accepted your units will be issued at the unit price for the Fund(s) you have chosen applying on the next valuation day after your application is accepted and processed. Valuation days are every day that is a business day in Auckland and Wellington, unless valuations are suspended or delayed due to unforeseen circumstances.

#### HOW MUCH CAN YOU INVEST?

- **LIFETIME RETIREMENT INCOME FUND**

The minimum initial lump sum investment amount is \$25,000. You can add to your existing investment at any time (minimum \$5,000). Upon receiving additional money for an existing investment, we will recalculate your annual Retirement Income or projected annual Retirement Income.

We may accept investments in the LRIF below any minimum amount at our discretion.

- **LIFETIME CASH, LIFETIME CONSERVATIVE, LIFETIME BALANCED AND LIFETIME GROWTH FUNDS**

The minimum initial lump sum investment amount in each of these funds is \$1,000. You can add to your existing investment at any time, by either making lump sum investments (minimum \$500 per fund) or regular investments (of any amount and frequency).

We may accept investments in these funds below any minimum amount at our discretion.

### Withdrawing your investments

#### MAKING A WITHDRAWAL

You can make a partial or full withdrawal from the Funds by completing a withdrawal form which is available at [lifetimeincome.co.nz](http://lifetimeincome.co.nz).

Your withdrawal will be determined at the unit price applying on the valuation day that the withdrawal is processed and will be paid to you, after adjustment for any fees, expenses and tax payable (if applicable), usually within 30 business days from the date your withdrawal request is received.

We can defer or suspend the payment of withdrawals from a Fund(s) if we believe that making payments is not practicable or in the best interests of all investors in that Fund(s). We may also separate out certain assets and make special arrangements for those assets, which is referred to as 'side-pocketing'. This may affect you accessing part of your investment. We may also require you to reduce your investment in the Fund(s) to ensure the Scheme maintains its PIE eligibility.

Payments will only be made via electronic transfer to your nominated New Zealand bank account under your name.

- **LIFETIME RETIREMENT INCOME FUND**

#### Income Immediately

When you choose to invest in the LRIF you are given the option to select:

- Lifetime's current proposed annual Retirement Income; or
- Your selected individual annual Retirement Income.

### Income in the Future

You can choose to invest today and receive an income on a future date. When you invest, you will be given a projected annual Retirement Income, based on your current Annuity Factor. The projected annual Retirement Income which can change depending 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.

In the case of a Trust, income calculations and payments will be determined and agreed in consultation with the Trustees, before the income payment start day.

### When it comes to receiving your Retirement Income, your lifestyle choices include:

- When to start receiving your Retirement Income, at any time from the age of 65 or over (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 4-weekly.\*

If you would like to have more in the early years of your retirement?\*

- If you would like your Retirement Income inflation adjusted. Note it is not a CPI aligned adjustment.\*
- How long you would like your Retirement Income to last.\*
- You can also, choose to start and stop your Retirement Income at any time.\*

\*For trusts as agreed with the trustees.

### Partial and Full Withdrawals

You can make partial withdrawals from the LRIF at any time, but you must maintain a minimum balance of \$25,000 (unless we agree otherwise). A partial withdrawal will trigger an Interim Retirement Income Review.

You can also make a full withdrawal of your investment in the LRIF at any time. If you're receiving Retirement Income, it will then stop. If you make a full withdrawal, your account will close.

We may waive or vary the minimum balance requirements for the LRIF at our discretion.

- **LIFETIME CASH, LIFETIME CONSERVATIVE, LIFETIME BALANCED AND LIFETIME GROWTH FUNDS**

### Partial and Full Withdrawals

You can make partial withdrawals from these funds at any time, but you must maintain a minimum balance of \$1,000 in the fund(s) you are invested in after any withdrawal (unless we agree otherwise).

You can make a full withdrawal of your investment in these funds at any time. If you make a full withdrawal, your account will close.

We may waive or vary the minimum balance requirements for the Funds at our discretion.

### How to switch between funds

You can switch some or all of your investment to another Fund(s) in the Scheme. You must maintain the minimum balance in each Fund you are invested in. We can set requirements for switching, including minimum switching amounts, restrictions on redirecting investments to another Fund(s) or introducing a switching fee.

To make a switch, you will need to complete a switch form which is available at [lifetimeincome.co.nz](http://lifetimeincome.co.nz)

SECTION 3

# Description of your investment options

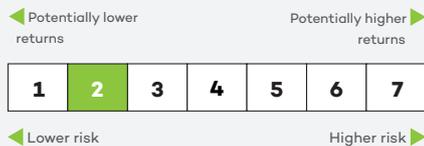
Fund Name	Investment objectives and strategy summary	Target Investment Mix
<b>Lifetime Retirement Income Fund</b>	<p><b>Investment objective:</b> to maintain sufficient capital to support the provision of retirement income for life, with a target return currently set at 5.50% per annum (before taxes and fees) over the long-term and to limit average annualised volatility between 5% and 10% over the long-term at a target level of 7.5%.</p> <p>The LRIF employs a Risk Management Overlay (<b>RMO</b>), to support the preservation of capital. The RMO seeks to stabilise portfolio volatility (risk), capture growth in rising markets, and defend against losses during major market declines. The RMO manages the risk of the LRIF by varying the effective cash and share exposure. For more information refer to the SIPO.</p> <p><b>Investment strategy:</b> invest primarily in growth assets with a moderate exposure to income assets.</p>	<p>Australasian Equities 16%</p> <p>International Equities 36%</p> <p>Listed Property 6.5%</p> <p>Unlisted Listed Property 2%**</p> <p>Other (Listed Infrastructure) 2.5%</p> <p><b>Total Growth Assets 63%</b></p> <p>Cash and Cash Equivalents 9%</p> <p>New Zealand Fixed Interest 14%</p> <p>International Fixed Interest 14%</p> <p><b>Total Income Assets 37%</b></p>
<b>Lifetime Cash Fund</b>	<p><b>Investment objective:</b> seeks to track the S&amp;P/NZX Bank Bills 90-Day Index (before annual fund charge and tax).</p> <p><b>Investment strategy:</b> invest in a range of cash and cash equivalent investments.</p>	<p>Cash and Cash Equivalents 100%</p> <p><b>Total Income Assets 100%</b></p>
<b>Lifetime Conservative Fund</b>	<p><b>Investment objective:</b> seeks to track composite indices*** (before annual fund charge and tax).</p> <p><b>Investment strategy:</b> invest mainly in income assets with some exposure to growth assets.</p>	<p>Australasian Equities 4%</p> <p>International Equities 11%</p> <p>Listed Property 3.5%</p> <p>Other (Listed Infrastructure) 1.5%</p> <p><b>Total Growth Assets 20%</b></p> <p>Cash and Cash Equivalents 10%</p> <p>New Zealand Fixed Interest 35%</p> <p>International Fixed Interest 35%</p> <p><b>Total Income Assets 80%</b></p>
<b>Lifetime Balanced Fund</b>	<p><b>Investment objective:</b> seeks to track composite indices*** (before annual fund charge and tax).</p> <p><b>Investment strategy:</b> invest primarily in growth assets with a moderate exposure to income assets.</p>	<p>Australasian Equities 15%</p> <p>International Equities 35%</p> <p>Listed Property 7%</p> <p>Other (Listed Infrastructure) 3%</p> <p><b>Total Growth Assets 60%</b></p> <p>Cash and Cash Equivalents 5%</p> <p>New Zealand Fixed Interest 17.5%</p> <p>International Fixed Interest 17.5%</p> <p><b>Total Income Assets 40%</b></p>
<b>Lifetime Growth Fund</b>	<p><b>Investment objective:</b> seeks to track composite indices*** (before annual fund charge and tax).</p> <p><b>Investment strategy:</b> invest mainly in growth assets with some exposure to income assets.</p>	<p>Australasian Equities 20%</p> <p>International Equities 45%</p> <p>Listed Property 10.5%</p> <p>Other (Listed Infrastructure) 4.5%</p> <p><b>Total Growth Assets 80%</b></p> <p>Cash and Cash Equivalents 2%</p> <p>New Zealand Fixed Interest 9%</p> <p>International Fixed Interest 9%</p> <p><b>Total Income Assets 20%</b></p>

### Risk Indicator\*



### Minimum suggested investment timeframe

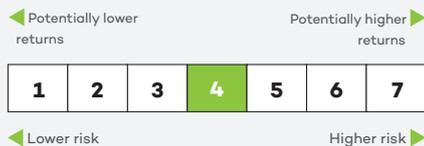
There is no minimum timeframe as the LRIF is designed to help you turn your retirement savings into a Retirement Income that is likely to last for the rest of your life.



**1 year**



**3 years**



**5 years**



**7 years**

The Statement of Investment Policy and Objectives (**SIPO**) sets out the investment policies and objectives for each 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 Scheme's annual report. Where required by the Scheme's trust deed, Fund establishment deeds, 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** (click 'Search for a Scheme' and search for 'Lifetime Retirement Funds').

Further information about the assets in the Funds can be found in the fund updates on the Offer Register at **disclose-register.companiesoffice.govt.nz** (click 'Search for an offer' and search for 'Lifetime Retirement Funds').

*\*The Funds do not have a 5-year return history. Accordingly, the risk indicator for the Lifetime Retirement Income Fund has been calculated using market index returns for the period 1 January 2021 to 30 April 2021 and actual returns for the period 1 May 2021 to 31 December 2025. The risk indicators for the Lifetime Cash, Conservative, Balanced and Growth Funds have been calculated using market index returns for the period 1 January 2021 to 31 October 2024 and actual returns for the period 1 November 2024 to 31 December 2025. As a result, the risk indicators may provide a less reliable indicator of the potential future volatility of these funds.*

*\*\*The benchmark asset allocation for unlisted residential property investment at the date of the PDS is 2%. Over time, it is intended that the benchmark asset allocation will increase to 8% as the level of investment in residential properties by the Lifetime Wholesale Residential Property Fund increases.*

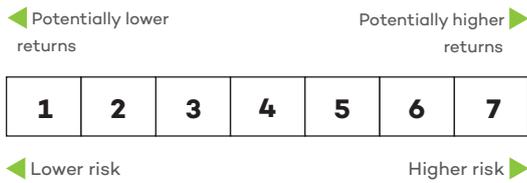
*\*\*\*For more information on the benchmark indices of these funds please refer to the SIPO.*

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 each Fund, see Section 3 ‘Description of your investment options’.

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-profiler](https://sorted.org.nz/tools/investor-profiler).

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 5-year period to 31 December 2025.

While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest fund update for each Fund.

## 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:

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 environmental (including climate change), regulatory or political conditions. The performance of individual assets, securities, and issuers can impact returns.
<b>Asset Allocation Risk</b>	The risk for each Fund is largely determined by the mix of assets. A Fund with more growth assets will have more volatility and risk but a higher potential returns than a Fund with more in income assets.
<b>Manager Risk</b>	A Fund could underperform because of the way we, or an underlying fund manager that we have selected, manages the Fund’s investments.
<b>Liquidity Risk</b>	There is a risk that some assets of a 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.
<b>Interest Rate Risk</b>	The market value of fixed interest investments can change because of changes in interest rates. The impact this has on a Fund will depend on the term of the fixed investment and the interest rate relative to market rates.
<b>Currency Risk</b>	The returns of the Funds with overseas investments can be affected by changes in the value of the New Zealand dollar and overseas currencies. Currency hedging is used to reduce currency risk for some overseas investments.
<b>Credit Risk</b>	The risk that the value of fixed interest investments fall due to a borrower not making interest payments or capital repayments when due. This can affect the value of Funds that hold these types of investment.
<b>Counterparties Risk</b>	A 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 a Fund’s returns may be adversely affected if a party to a financial transaction involving the Fund fails to meet its obligations.

Investment Risks	Description
Non-segregation Risk	The assets of the Scheme comprise a single trust fund. This means the Funds within the Scheme are not segregated. In the first instance all liabilities incurred in relation to a Fund must first be met from that Fund's assets. However, In the unlikely event that that the assets of a fund are insufficient to meet that fund's liabilities, Lifetime does have the ability to call on the assets of any other Fund within the Scheme to meet the liabilities of the Fund in such equitable manner as Lifetime decides. Lifetime can only do this having first consulted with the Supervisor. Because of the way the Scheme is managed, it is unlikely that Lifetime will ever be required to do this.

### Other Specific Risks

There are other factors that may impact investors' returns and that are not reflected in the risk indicators. These risks are:

#### LIFETIME RETIREMENT INCOME FUND

Valuation Risk	The LRIF's unlisted New Zealand residential property assets will be valued less frequently than the other asset classes. The LRIF's unit prices are based on the latest market information. For securities or stocks that are illiquid or trade infrequently this pricing may not fully reflect the price available to either buyers or sellers. Accordingly, there is a risk that the quoted unit price may change when these assets are revalued following a transaction.
Liquidity Risk	<p>There is a potential future risk that by investing in unlisted illiquid residential New Zealand property assets, the assets may be unable to be sold to obtain cash to meet unitholders' withdrawal requests.</p> <p>Lifetime ensures that the large majority of the LRIF's assets are invested in other highly liquid underlying funds and in cash to meet the expected liquidity requirements of investors. Lifetime utilises liquidity management tools which may mean that investors are not able to withdraw some or all of their investment at all times. These include suspension and deferral of withdrawals and side-pocketing. For more information see the 'Other Material Information' document on the Offer Register at <a href="https://disclose-register.companiesoffice.govt.nz">disclose-register.companiesoffice.govt.nz</a> (click 'Search for an offer' and search for 'Lifetime Retirement Funds').</p>
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, the use of historical mortality figures could lead to an 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	The LRIF uses an active management approach to reduce volatility to preserve capital. The LRIF can hold permitted asset classes and securities in any proportion or concentration, meaning that the LRIF may not be diversified. For example, the LRIF in extreme market conditions may be predominantly invested in cash to protect capital over return.
Derivatives Risk	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.
Longevity Risk	Annual income levels are calculated to last a lifetime. An investors lifetime is based on the New Zealand Cohort Life tables, with 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 years of age we would lower income rates to reflect longer life. Rates are not guaranteed.

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) (click 'Search for an offer' and search for 'Lifetime Retirement Funds').

## SECTION 5

# What are the fees?

You will be charged fees for investing in the Funds. 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:

### Annual fund charges

Fund Name	Annual fund charge (estimated)
Lifetime Retirement Income Fund	1.35%
Lifetime Cash Fund	0.65%
Lifetime Conservative Fund	1.00%
Lifetime Balanced Fund	1.00%
Lifetime Growth Fund	1.00%

### Individual action fees

#### BUY/SELL SPREAD

When you enter or leave a Fund (except the Lifetime Cash Fund), you'll be charged a buy/sell spread. The buy/sell spread is paid to the relevant Fund (and not to us). It's designed to ensure any transaction costs incurred as a result of an investor buying or selling units in the relevant Fund are borne by that investor, and not other investors in that Fund. Any difference between spread costs charged and transaction costs incurred remain in the relevant Fund and is reflected in that Fund's investment returns. The indicative buy/sell spreads at the date of this PDS are as follows:

Fund Name	Buy/Sell spread (indicative)
Lifetime Retirement Income Fund	0.03% / 0.02%
Lifetime Cash Fund	0.00% / 0.00%
Lifetime Conservative Fund	0.03% / 0.02%
Lifetime Balanced Fund	0.03% / 0.02%
Lifetime Growth Fund	0.02% / 0.02%

The annual fund charge is calculated daily as a percentage of the net asset value of each Fund and will reduce the Fund's unit price, reducing the value of your units in the Fund. The total annual fund charge is based on fixed percentage fees, except for estimates in respect of fund expenses and estimated fees and expenses of underlying funds.

The annual fund charge is made up of our management fee, the supervisor's fee, the custodian's fee, fund administration fees and costs, fees and expenses for investment management services (including those of the underlying funds' investment managers), and the general expenses of the Funds (such as accounting, audit, establishment, marketing, legal and regulatory compliance costs). The Lifetime Retirement Income Fund's annual fund charge also includes the cost of the actuarial process and calculation of the annual Annuity Factor.

The estimated annual fund charge does not include trading expenses (the actual costs incurred in buying and selling of assets in a Fund, such as brokerage and spreads). These are a separate cost for each Fund in addition to the annual fund charge.

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.

#### FINANCIAL ADVISER FEE

At your request, we will deduct a financial adviser fee that you have agreed with your financial adviser for providing you with financial advice. If a fee is charged, it will be deducted from your investment each month and paid to your financial adviser.

Lifetime does not currently charge any other individual action fees charged by the Funds.

For more information about fees see the 'Other Material Information' document which can be found on the Offer Register at **disclose-register.companiesoffice.govt.nz** (click 'Search for an offer' and search for 'Lifetime Retirement Funds').

## Example of how fees apply to an investor

Susan is aged 70 and invests \$100,000 in the Lifetime Retirement Income Fund and chooses to start receiving her Retirement Income immediately. A buy spread of 0.03% is incorporated in the unit price that she pays for her initial investment. This equates to \$30.00. This brings the starting value of her investment to \$99,970.00.

She is also charged management and administration fees, which work out to about \$1,349.60 (1.35% of \$99,970.00). These fees might be more or less if her account balance increased or decreased over the year.

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

Estimated total fees for the first year:

Buy / Sell spread	\$30.00
Fund Charges	\$1,349.60

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

This example applies only to the Lifetime Retirement Income Fund. If you are considering investing in other funds in the Scheme, this example may not be representative of the actual fees you may be charged.

## GST

All fees include GST where applicable.

## 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 month's notice.

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 [lifetimeincome.co.nz](http://lifetimeincome.co.nz)

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## SECTION 6

# What taxes will you pay?

The Scheme is a portfolio investment entity (**PIE**). The amount of tax you pay is based on your prescribed investor rate (**PIR**).

To determine your PIR, go to [ird.govt.nz/income-tax/income-tax-for-individuals/types-of-individual-income/portfolio-investment-entity-income-for-individuals/prescribed-investor-rates](http://ird.govt.nz/income-tax/income-tax-for-individuals/types-of-individual-income/portfolio-investment-entity-income-for-individuals/prescribed-investor-rates)

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) (click 'Search for an offer' and search for 'Lifetime Retirement Funds').

**SECTION 7**

# Who is involved?

## About Lifetime Asset Management Limited

Lifetime is the Manager of the Scheme. More information can be found at [lifetimeincome.co.nz](http://lifetimeincome.co.nz)

**We can be contacted at:**

Lifetime Asset Management Limited  
 Level 5, 139 The Terrace  
 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 Scheme.
Custodian	Adminis NZ Limited	Holds the assets of each Fund on trust.
Administration Manager	Apex Investment Administration (NZ) Limited	Provides registry, accounting, pricing and valuation services for the Scheme.
Investment Manager	Milliman Pty Ltd	Manages the RMO for the Lifetime Retirement Income Fund and monitors this Fund's investments.

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## SECTION 8

# How to complain

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

Lifetime Asset Management Limited  
Level 5, 139 The Terrace  
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 2, 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 refer your complaint to Financial Services Complaints Limited (**FSCL**) – A Financial Ombudsman Service. FSCL is our and Public Trust’s independent external ombudsman and dispute resolution scheme that has been approved by the Minister of Consumer affairs under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

They can be contacted at:

Financial Services Complaints Limited – A Financial Ombudsman Service  
Floor 4, 101 Lambton Quay Wellington Central  
Wellington 6011

**Email:** [info@fscl.org.nz](mailto:info@fscl.org.nz)

**Phone:** 0800 347 257

You won’t be charged a fee by us, the Supervisor or FSCL for investigating or resolving a complaint.

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## SECTION 9

# Where you can find more information

Further information relating to the Scheme, 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 six monthly investor statements and 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 Scheme at **[lifetimeincome.co.nz](http://lifetimeincome.co.nz)**

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## SECTION 10

# How to apply

You can complete an application form to invest in the Funds online at **[lifetimeincome.co.nz](http://lifetimeincome.co.nz)**



## CONTACT US

Our helpdesk staff are available to assist you with any queries. Please note that our contact centre staff are not able to provide you with financial advice.

Telephone: **0800 254 338**

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

Website: **[lifetimeincome.co.nz](http://lifetimeincome.co.nz)**