



kōura KiwiSaver Scheme

Replacement PDS

# Product Disclosure Statement (PDS)

Issued by kōura Wealth Limited  
24 May 2021

This document replaces the  
product disclosure statement  
dated 10 February 2021



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](http://www.business.govt.nz/disclose). kōura Wealth 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.

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## 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. kōura Wealth Limited (**we, our or us**) will invest your money and charge you a fee for its services. The returns you receive are dependent on our investment decisions and the performance of the investments. The value of these 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 kōura KiwiSaver Scheme (**Scheme**) has 6 investment options representing exposure to different types of assets (**Funds**). These Funds are summarised below. More information about the investment targets and strategy for each of these Funds is provided in Section 3 (Description of your investment options).

### Who manages the Scheme?

kōura Wealth Limited is the manager of the Scheme. See section 7 of this document (Who is involved?) for more information.

### How can you get your money out?

KiwiSaver is designed to help you save for your future, therefore under most circumstances you will not be able to withdraw your investment until you reach age 65. If you joined KiwiSaver or a complying fund before 1 July 2019 and were aged 60 or over when you joined, a 5-year minimum membership requirement applies. You can transfer your investment to another KiwiSaver scheme at any time.

In certain circumstances, like if you buy your first home, suffer a serious illness, have a life shortening congenital condition or significant financial hardship, you may be able to make an early withdrawal. See section 2 (How Does this Investment Work?) for further information.

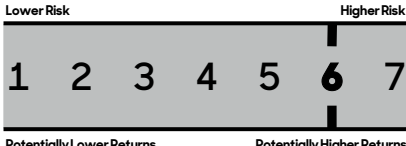
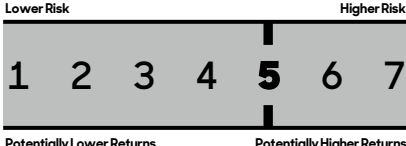
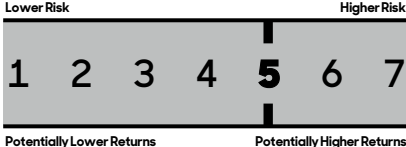
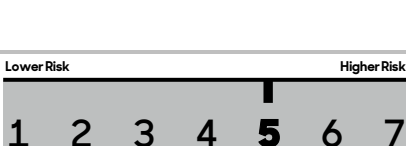
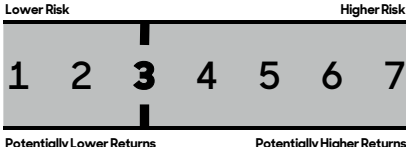
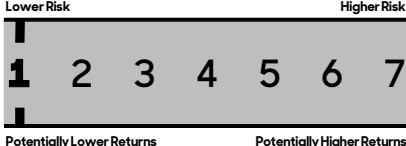
### How will your investment be taxed?

The Scheme is a portfolio investment entity (**PIE**). The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (**PIR**). This can be 10.5%, 17.5% or 28%. See section 6 of the PDS (What taxes will you pay?) on page 17 for more information.

### Where can you find more key information?

We are 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 [www.kourawealth.co.nz](http://www.kourawealth.co.nz). We will also give you copies of these documents on request.

## Our Funds

	Fund	Description and Objective	Risk Indicator <sup>1</sup>	Annual fund charges (% of net asset value <sup>2</sup> )
<b>Growth Funds</b>	<b>US Equities Fund</b>	Invests in financial products to provide investors an exposure to the US stock market.		0.63%
	<b>Rest of World Equities Fund</b>	Invests in financial products to provide investors an exposure to the share markets of Europe, Australasia, Singapore, Hong Kong, Japan and Israel.		0.63%
	<b>Emerging Markets Equities Fund</b>	Invests in financial products to provide investors an exposure to emerging markets including Eastern Europe, the Middle East, South America, Africa and Asia including China.		0.63%
	<b>NZ Equities Fund</b>	Invests in financial products to provide investors an exposure to the New Zealand share market.		0.63%
<b>Income Funds</b>	<b>Fixed Interest Fund</b>	Invests in financial products to provide investors an exposure to the New Zealand corporate and government bond markets.		0.63%
	<b>Cash Fund</b>	Invests in bank products, term deposits and short dated money market instruments to provide a high degree of liquidity to investors close to buying a house.		0.63%

1. As the fund started on 23 October 2019, actual returns for the fund are not available before then. To calculate the risk indicator for the five-year period ending 31 March 2020, market index returns have been used up to 31 October 2019 with actual fund returns used for the balance of the period. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund.
2. In addition to the annual fund charges above, you will also be charged an administration fee of \$30 per annum per member if you are over the age of 18

Investors that choose to invest with the assistance of a facilitator will be charged an additional fee. This additional fee will be 0.30% of your account balance per annum taking the total fund cost to 0.93% per annum.

Portfolios of Funds will be rebalanced semi annually by the manager – see section 2 (How does this investment work?) for more information.

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 independent financial advice or work out your risk profile at [www.sorted.org.nz/tools/investor-kickstarter](http://www.sorted.org.nz/tools/investor-kickstarter).

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## 2. How does this investment work?

### The Scheme

The Scheme is a KiwiSaver Scheme established under the Financial Markets Conduct Act 2013. The Scheme has been designed to help you save for a better financial future, whether that be purchasing your first home or saving for your retirement.

The Scheme has been designed to ensure that every investor is able to invest in a portfolio of funds that meets their personal objectives and risk appetite. Rather than offering a small set of generic options, kōura offers investors the ability to invest in six different passive Funds. These Funds represent the building blocks of an appropriately diversified portfolio for investors.

Situated on the kōura website is a digital advice tool that will help you select the appropriate portfolio of Funds for your objective and risk appetite. The tool requires you to fill in a short questionnaire, following which the tool will recommend a portfolio of Funds designed for you (a **kōura Portfolio**). Alternatively, you may create your own portfolio of Funds and invest in a mix of any number of the Funds as you wish.

You will be asked annually, using the digital advice tool, to reassess the mix of Funds in your portfolio to ensure your portfolio remains appropriate for your investment needs.

### Facilitator assistance

If you would like a dedicated person to assist you with the management of your KiwiSaver you have the ability to use a facilitator. Amongst other things, the role of the facilitator is:

- to assist you as you progress through the digital advice tool to choose your portfolio;
- to be a point of contact for you if you have any questions on your KiwiSaver; and
- to ensure you undertake your annual KiwiSaver reviews, maximise your Government contributions and provide other forms of assistance as required to get the best out of your KiwiSaver.

To receive this higher level of service, you will agree to pay your facilitator an ongoing fee of 0.30% per annum of your KiwiSaver balance. This fee will be deducted from your KiwiSaver balance monthly and paid directly to your facilitator.

A facilitator cannot give financial advice unless they are a financial adviser qualified to give investment advice. Financial advice will be provided by the kōura digital advice tool.

If you agree to use a facilitator, you will be required to retain the services of that facilitator for a period of at least 12 months after you have started using the services of your facilitator. If at any point in time after the first 12 months of having used a facilitator, you feel you no longer need the services of your facilitator, you are able to inform kōura or the facilitator directly and this charge will be stopped.

Further information on the role of facilitators is available in the Other Material Information (OMI), available on the [kōura website](#) or [the disclose register](#).

### Rebalancing

Each kōura Portfolio (or portfolio selected by an investor, without using the digital advice tool) will be rebalanced semi annually by the manager, to ensure that, at rebalancing your proportion of each Fund remains the same as that chosen at the time you selected the portfolio.

## How does this investment work?

The Scheme enables you to pool your money with other members in your chosen Funds. The pool is used to buy investments that are managed on behalf of all investors in the Scheme. You will purchase units in the Fund using the contributions made by you, or on your behalf by your employer.

Each unit you buy will have a price calculated each business day based on the value of the Fund's assets at the time (the **Unit Price**). Your investment return is represented by a change (an increase or decrease) in the unit price of the Fund(s) that you invest in. The Unit Price will go up and down every day reflecting the movement in the value of the underlying assets held by the Fund.

The value of your holdings in each Fund on any given business day represents your interest in the Scheme. This interest is held in an account in your name. It is important to understand that this interest will not give you any right to any particular assets of a Fund in which you are invested.

KiwiSaver is a long term investment and you will only be able to withdraw your investment in the Scheme in certain circumstances set out below. When you become eligible to withdraw, your interest in the Scheme will be redeemed for cash. There are no regular distributions from the Scheme.

The Scheme is a trust governed by a trust deed between us as the Manager, and Public Trust as the Supervisor. Fund assets are held by an independent custodian (MMC Limited) appointed by the Supervisor. The Fund assets are held independently of the manager and the other Funds. The assets of a Fund can only be used to meet the liabilities of that Fund.

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

Responsible investing is taken into account with the kōura KiwiSaver scheme, further details are explained below under the benefits of the scheme.

## What are the benefits?

There are a number of benefits to the Scheme:

- **Personalised Portfolios**

kōura's differentiated fund structure allows you to use the Funds as building blocks to create a portfolio matching your own risk appetite and personal objectives.

Being invested in the right portfolio of Funds to match your objectives and risk appetite is likely to have the greatest impact on your financial future. The kōura digital advice tool helps you create your own personalised portfolio.

- **Smart Technology Driven Platform**

kōura is powered by a smart technology platform to give you advice, every kōura client has the opportunity to have an individualised portfolio of Funds for your personal situation. This tool is available on the kōura website.

You will be reminded annually to retake your assessment so you can update any changes to your risk profile and ensure your portfolio remains appropriate to your needs.

- **A scheme that aligns with your ethics**

We believe it is important for investors ethics to align with their investment philosophy. At a minimum, we avoid investments in funds or assets that do not align with the NZ Super exclusions list, when possible we will invest with a deeper set of exclusions.

kōura invests in broad international ETFs provided by BlackRock. This investment approach ensures that our investors are provided with a wide range of exposures. Although we will always choose funds that align with our responsible investing policy, there is a risk that at times the underlying funds may have assets in them that do not fully align with our policy.

kōura's responsible investing policy is available on the [kōura website](#) and sets out additional information on how we manage your KiwiSaver investment in a sustainable way.

- **Access to a facilitator to assist you with your KiwiSaver**

For those clients that need extra help and want further explanation over and above what can be delivered via a call centre, kōura will be able to match you with a facilitator who will become your own personal KiwiSaver coach and help you leverage the kōura digital advice tools to make the best KiwiSaver decisions. The different service levels are summarised in the table below:

	<b>Facilitated client</b>	<b>Direct client</b>
<b>Signup process</b>	✓ Facilitator to assist with the process and discuss each component of the kōura advice	✓ Customer to work through the advice using the online tools
<b>Ongoing checkups</b>	✓ Ongoing conversations (at least annually) to ensure your KiwiSaver remains fit for purpose	✓ Automated annual reminder to conduct an online checkup
<b>Assistance with Government Contributions</b>	✓ Personalised followups via email and phone	✓ Automated reminders via email
<b>Assistance with withdrawals</b>	✓ Facilitator available to help with withdrawal forms and understand eligibility	✓ Assistance available via phone, email or chat
<b>Underlying fees</b>	✓ 0.93% of your account balance per year plus \$30/year	✓ 0.63% of your account balance per year plus \$30/year

Clients that do not take up the facilitator service will still receive assistance as required via the standard kōura chat, email and telephony channels.

## Joining the Scheme

You may join the Scheme if you are:

- a New Zealand citizen, or entitled to live in New Zealand indefinitely, and
- living or normally living in New Zealand (with some exceptions).

In order to join the Scheme you will need to either visit the kōura website and sign up via the online form or talk to an accredited kōura facilitator.

## Making investments

There are three ways to contribute to the Scheme.

### 1. You contribute

If you are a salary or wage earner you can choose to contribute either 3%, 4%, 6%, 8% or 10% of your before-tax salary or wages. If you don't choose an amount, the default rate of 3% will apply.

Your employer will automatically deduct these contributions and send them to us via Inland Revenue. You can change your contribution rate at any time, or, if you've been a KiwiSaver member for 12 months, you can take a break from making KiwiSaver contributions from your pay – this is called a savings suspension. A savings suspension can be a period of between 3 and 12 months and there is no limit to the number of times you can take or renew a savings suspension.

If you are self-employed you can set up regular payments with us.

You can also make voluntary payments (or lump sum payments) at any time.

### 2. Your employer contributes

If you are contributing through your before-tax salary or wages, your employer is also required to make regular contributions to your KiwiSaver provided that:

- they are not already paying into another eligible registered superannuation scheme for you;
- you are between the ages of 18 and 65; and
- you are not on a savings suspension.

The minimum your employer must contribute is equal to 3% of your before-tax salary or wages.

Employer Superannuation Contribution Tax is deducted from your employer contributions before they are applied to your KiwiSaver account.

### 3. The Government contributes

If you are a contributing member aged 18 and over and mainly live in New Zealand, the Government will make an annual contribution to your KiwiSaver account. This is known as the Government contribution.

The maximum annual Government contribution you are entitled to is \$521.43. To get this you will have to contribute at least \$1042.86 a year. The Government contribution ceases when you reach age 65.



## Withdrawing your Investments

Because KiwiSaver is designed to be a long term investment to help you save for retirement, generally you cannot withdraw your investment until you've reached the age of 65. However there are limited circumstances where you can withdraw all or some of your investment early. These include:

- buying your first home;
- significant financial hardship;
- serious illness;
- moving overseas permanently; and
- congenital life-shortening illness

We set out what you can withdraw, and when in further detail in the table below:

Reason for withdrawal	What you can withdraw					Further conditions
	Your Contributions	Employer Contributions	Government Contributions	Transferred Superannuation Savings from Australia	Kickstart Contribution <sup>1</sup>	
You've reached the age of 65 <sup>2</sup>	✓	✓	✓	✓	✓	
You want to buy your first home	✓	✓	✓			You must leave a minimum balance of \$1,000 in your account
You want to withdraw for financial hardship	✓	✓		✓		You will need to provide a statutory declaration that includes your assets and liabilities
You have a serious illness	✓	✓	✓	✓	✓	You will need to provide medical evidence to support your withdrawal request.
You move overseas	✓	✓			✓	
You move to Australia	✓	✓	✓	✓	✓	You can transfer your balance to an Australian complying scheme
Death	✓	✓	✓	✓	✓	
Congenital life-shortening illness	✓	✓	✓	✓	✓	You will require medical evidence to support your withdrawal request.
You want to withdraw your Australian Savings from age 60				✓		You will need to sign a statutory declaration that you do not intend to work again

<sup>1</sup> The kickstart contribution was a \$1,000 tax free Government contribution made to all KiwiSaver members who joined before 21 May 2015.

<sup>2</sup> If you joined KiwiSaver or a complying fund before 1 July 2019 and were aged 60 or over when you joined, a 5-year minimum membership requirement applies. You can opt out of this 5-year period, however you will no longer be eligible to receive the Government and compulsory employer contributions.

There are further conditions for these withdrawal options. Please see the OMI document on the offer register for the Scheme at <https://disclose-register.companiesoffice.govt.nz/> for more information.

When you reach age 65 and are eligible to withdraw your investments, there are a number of ways you can receive your investment. You may withdraw a lump sum, make regular withdrawals or stay in the Scheme.

If you die, we will pay the balance of your investment to your estate.

For a first home withdrawal, you are required to have at least \$1,000 in your account after the withdrawal, plus any money transferred from an Australian superannuation scheme. If you emigrate to Australia your investment may at your request be transferred to an Australian superannuation scheme that has membership criteria similar to KiwiSaver. Other conditions may apply when withdrawing your investment in these circumstances.

For a life-shortening congenital illness withdrawal, in addition to providing medical evidence, you will need to complete a statutory declaration acknowledging that your KiwiSaver funds are to be released as if you had reached age 65 and that you will no longer be eligible to receive Government contributions or compulsory employer contributions.

## **How to switch between Funds**

You may switch between Funds at any time through the online portal which can be found at [www.kourawealth.co.nz](http://www.kourawealth.co.nz). You will not be charged to switch between Funds.

### 3. Description of your investment options

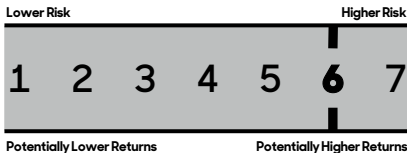
We offer 6 Funds into which you can invest. We recommend that you invest using kōura's digital advice tool.

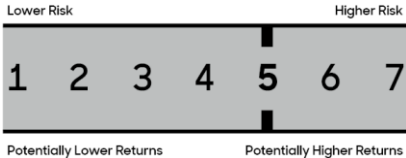
Each Fund provides investors with an exposure to an asset class. Each Fund is classified as either an income fund or a growth fund. An income fund is a lower risk investment and will invest in assets such as cash and fixed interest, and a growth fund is a higher risk investment and will invest in shares in domestic and international companies (equity funds).

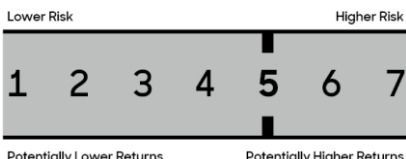
kōura's international funds (US Equities, Emerging Market Equities and Rest of World Equities), will be invested exclusively in funds managed by large global fund managers.

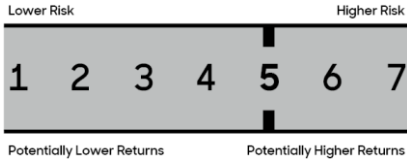
kōura's domestic funds (NZ Equities, Fixed Interest and Cash) may achieve the desired exposure by either investing directly in a portfolio of securities or may invest in an existing investment fund.

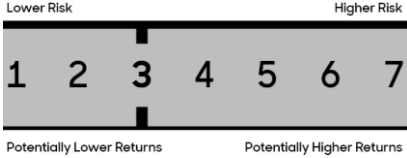
#### The Funds

<b>Name of the Fund</b>	<b>US Equities Fund</b>				
<b>Summary of the investment objectives and investment strategy for the Fund</b>	<p>The Fund provides investors an exposure to the US share market. The Fund invests in underlying funds to provide this exposure.</p> <p>The Fund expects to deliver a negative return once in every 4-5 years</p>				
<b>Target investment mix</b>	<table> <tr> <td>Cash and cash equivalents</td> <td>1.0%</td> </tr> <tr> <td>International equities</td> <td>99.0%</td> </tr> </table>	Cash and cash equivalents	1.0%	International equities	99.0%
Cash and cash equivalents	1.0%				
International equities	99.0%				
<b>Risk indicator<sup>1</sup></b>	 <p>Lower Risk <span style="float: right;">Higher Risk</span></p> <p>1 2 3 4 5 <b>6</b> 7</p> <p>Potentially Lower Returns <span style="float: right;">Potentially Higher Returns</span></p>				
<b>Minimum suggested time frame for holding the investment</b>	9+ Years				

<b>Name of the Fund</b>	<b>Rest of World Equities Fund</b>
<b>Summary of the investment objectives and investment strategy for the Fund</b>	<p>This Fund provides exposure to the share markets of Europe, Australasia, Singapore, Hong Kong, Japan and Israel. The Fund will invest in underlying funds to provide this desired exposure.</p> <p>The Fund expects to deliver a negative return once in every 4-5 years</p>
<b>Target investment mix</b>	<p>Cash and cash equivalents 1.0%</p> <p>International equities 99.0%</p>
<b>Risk indicator<sup>1</sup></b>	
<b>Minimum suggested time frame for holding the investment</b>	9+ Years

<b>Name of the Fund</b>	<b>Emerging Markets Equities Fund</b>
<b>Summary of the investment objectives and investment strategy for the Fund</b>	<p>This Fund provides exposure to emerging markets including Eastern Europe, the Middle East, South America, Africa and Asia including China. The Fund will invest in underlying funds to provide this desired exposure.</p> <p>The Fund expects to deliver a negative return once in every 3-4 years</p>
<b>Target investment mix</b>	<p>Cash and cash equivalents 1.0%</p> <p>International equities 99.0%</p>
<b>Risk indicator<sup>1</sup></b>	
<b>Minimum suggested time frame for holding the investment</b>	9+ Years

<b>Name of the Fund</b>	<b>New Zealand Equities Fund</b>
<b>Summary of the investment objectives and investment strategy for the Fund</b>	<p>The Fund provides investors an exposure to the New Zealand share market.</p> <p>The Fund will invest in underlying funds which provide exposure to the New Zealand share market or underlying securities, which will be managed directly by the manager.</p> <p>The Fund expects to deliver a negative return once in every 3–5 years</p>
<b>Target investment mix</b>	<p>Cash and cash equivalents            1.0%</p> <p>International equities                    99.0%</p>
<b>Risk indicator<sup>11</sup></b>	
<b>Minimum suggested time frame for holding the investment</b>	9+ Years

<b>Name of the Fund</b>	<b>Fixed Interest Fund</b>
<b>Summary of the investment objectives and investment strategy for the Fund</b>	<p>The Fund provides an exposure to New Zealand Government and Corporate bonds.</p> <p>The Fund will invest in underlying funds which provide exposure to New Zealand Government and Corporate Bonds or underlying securities, which will be managed directly by the manager.</p> <p>The Fund expects to deliver a negative return once in every 7–9 years.</p>
<b>Target investment mix</b>	<p>Cash and cash equivalents            1.0%</p> <p>International equities                    99.0%</p>
<b>Risk indicator<sup>1</sup></b>	
<b>Minimum suggested time frame for holding the investment</b>	2+ Years

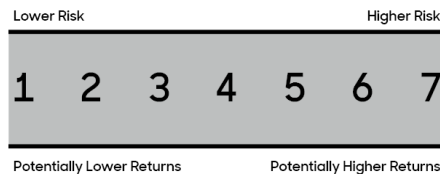


## 4. What are the risks of investing?

### 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.

Risk indicators for each Fund can be found in 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 independent financial advice or work out your risk profile at [www.sorted.org.nz/tools/investor-kickstarter](http://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 5-year period to 31 March 2021. 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 cause the Funds' value to move up and down, which impact on the risk indicator, are:

- **Market risk**  
Investment market performance can be affected by a range of things like economic conditions (such as investor opinion, inflation, interest and employment rates), political events, and environmental and technological issues.
- **Financial product risk**  
We are a passive investor and invest in or build financial products that track an index. There is a risk that our financial products do not perform as we expect which will impact returns.
- **Currency risk**  
Our foreign equity investments will not be fully hedged into New Zealand Dollars. The value of the foreign assets and currency can change (up or down) when there are movements in the exchange rate between the New Zealand Dollar and the currency of the foreign country.
- **Liquidity risk**  
Low liquidity can mean a fund may be unable to sell its assets, which would affect the ability of the fund to make payments when needed (such as meeting withdrawal requests), or you may receive a lesser amount than expected if the assets must be sold quickly and there are few buyers.

- **Interest rate risk**  
Fixed interest investments may become more or less valuable depending upon changes in interest rates. If market interest rates rise, existing fixed rate investments become less valuable because new fixed interest investments will pay the current, higher rate of interest, and vice versa when market interest rates fall. Interest rate risk is more applicable to the Fixed Interest Fund and Cash Fund.
- **Credit risk**  
A party to an investment contract may not honour their obligations or fail to complete transactions, or may become insolvent. If this occurs in any of the investment contracts held by a fund, you may not recover the full amount of your investment in that fund.

## Other Specific Risks

- **Passive Investment risk**  
We employ a passive investment philosophy, this means that our Funds will perform in line with the markets. If there is a market downturn, kōura, as manager of the Funds will not take proactive action to change asset exposures and the underlying portfolio will perform in line with the markets.
- **Investment option risk**  
kōura offers a digital advice tool that provides you with advice and guidance to assist you in achieving your investment objectives. If your circumstances or risk appetite changes and you do not re-take your risk assessment, there is a risk that your funds will not be invested in the most appropriate portfolio of Funds to suit your objectives.
- **Facilitator risks**  
Customers that use a facilitator may be exposed to additional risks. These risks are:
  - A facilitator may not be available and provide the level of assistance expected or required when they have signed up to use the facilitator
  - Not all facilitators will be financial advisers with an investment strand qualification which may impact the quality of assistance that they receive through their facilitator

Further details on these risks and the mitigation that kōura has put in place to manage these risks are available in the OMI document which is available on the [kōura website](#) and the [disclose register](#).



## 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 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 and facilitator charges). Small differences in these fees can have a big impact on your investment over the long term.
- One-off fees. There are currently no one-off fees charged in relation to the Funds.

Fund	Fund Charges (% of asset value) <sup>1</sup>		Other Charges <sup>1</sup>
	Direct clients	Facilitated clients	
US Equities Fund	0.63	0.93	Administration fee of \$30 per annum for all members over the age of 18.
Rest of World Equities Fund	0.63	0.93	
Emerging Markets Equities Fund	0.63	0.93	
NZ Equities Fund	0.63	0.93	
Fixed Interest Fund	0.63	0.93	
NZ Cash Fund	0.63	0.93	

### Annual fund charges

The annual fund charges comprise an annual investment management fee of 0.63% per annum charged on the total funds under management (calculated as gross asset value). These charges cover the fees of kōura, any external fund managers that we utilise, the Supervisor, the custodian and the administration manager. They also pay for other charges and expenses such as accounting and audit fees.

The annual fund charges exclude transaction costs incurred by the funds in which the Scheme invests and any hedging costs. kōura has elected to impose a cap on its annual fund charges. Therefore the annual fund charge set out in the table above is the most you will pay. kōura will bear the cost of any charges to the extent the cap is exceeded.

### Individual action fees

We do not currently charge contribution, establishment, termination, or withdrawal fees, and we intend that, for the foreseeable future, we will not introduce any such fees.

However, we could charge individual action fees or other fees in the future. If this happens, you may be charged other fees on an individual basis for investor-specific decisions or actions. See 'The fees can be changed' below for more information

### Facilitator fees

If you have agreed to use the services of a facilitator to assist you with your KiwiSaver you may also be charged a facilitator fee. This fee will be 0.30% per annum making the annual fund cost 0.93% of your asset value.

The facilitator fee will be deducted from your account balance each day and paid to your facilitator monthly. We will stop charging your facilitator fee if you inform either us or your facilitator that you no longer wish to use the services of a facilitator.

The facilitator fee is not deducted when we calculate the PIE tax you pay as a member. This means that if you are charged this fee, you should discuss with your accountant or tax adviser whether you can seek a

1. All Fund Charges are exclusive of GST

deduction for this fee by including it in your tax return. The annual tax statements we send you will set out how much you have paid in facilitator fees annually.

## Other charges

### Administration fee

We have delegated the performance of certain administration management functions for the Scheme (including registry) to MMC Limited (MMC). We and MMC are reimbursed from the Scheme's assets for the day-to-day administration of members' balances and for maintaining the member register for the Scheme. Currently the fee is \$30 per member per year paid monthly in arrears (\$2.50 per member per month). This is a Scheme fee and not a per Fund fee, therefore you will pay the same fee no matter how many Funds you are invested into.

### Example of how fees apply to an investor

Lily invests \$10,000 in the NZ Equities Fund. This brings the starting value of her investment to \$10,000.

She is also charged management and administration fees, which work out to about \$63 (0.63% 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, Lily pays other charges of \$30. Lily did not access the scheme through a facilitator.

Estimated total fees for the first year:

Fund charges:	\$63 (0.63% of \$10,000)
Other charges (administration fee):	\$30 (\$2.50 per month)
Individual action fee:	Nil
Total fees:	\$93 per year

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 NZ Equities Fund. If you are 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

We are entitled to alter charges (including increasing fees or introducing new fees) at any time with the prior approval of the Supervisor, subject to us providing members and the Supervisor with 30 days' prior written notice of each such fee increase or new fee. There are no limits on the charges that may be set, subject to the requirement under the KiwiSaver Act 2006 to not charge unreasonable fees. Details of the current charges are set out above and in the annual financial statements of the Scheme.

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.kourawealth.co.nz](http://www.kourawealth.co.nz)

## 6. What taxes will you pay?

The Scheme is a portfolio investment entity. The amount of tax you pay is based on your prescribed investor rate (PIR). To determine your PIR, go to <https://www.ird.govt.nz/roles/portfolio-investment-entities/using-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 the 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.

## 7. Who is involved?

### About kōura Wealth Limited

kōura Wealth Limited is the manager of the Scheme.

#### Our registered office is:

Level 4  
Australis Nathan Building  
37 Galway Street  
Britomart  
Auckland, 1010

#### You can contact us by:

Calling us on 0800 527 547  
Emailing us at [info@kourawealth.co.nz](mailto:info@kourawealth.co.nz)  
Mailing us at PO Box 4349, Shortland Street,  
Auckland, 1140

Role	Name	Description
Supervisor	Public Trust	Supervises our management of the Scheme. The Supervisor is independent
Custodian	MMC Limited	Holds Scheme assets on behalf of investors
Fund Administrator	MMC Limited	Provides fund administration services
Facilitator		Available to clients to assist them with their KiwiSaver. If you desire the assistance of a facilitator, kōura will recommend a facilitator to you

## 8. How to complain

### The Manager

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

Complaints Manager – kōura Wealth  
PO Box 4349  
Shortland Street  
Auckland 1140

Telephone: 0800 527 547  
Email: [info@kourawealth.co.nz](mailto:info@kourawealth.co.nz)

### The Supervisor

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

Public Trust  
Level 9, 34 Shortland Street  
PO Box 1598 Shortland Street  
Auckland 1140

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

### Independent Dispute Resolution Scheme

We are a member of the Financial Services Complaints Limited Scheme which is an independent dispute resolution scheme. If you make a complaint to us (or the supervisor), and the complaint cannot be resolved you may refer it to Financial Services Complaints Limited at:

Financial Services Complaints Limited  
PO Box 5967  
WELLINGTON 6140

Telephone: 0800 347 257  
Email: [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)

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

## 9. Where you can find more information

Further information on the Scheme such as the trust deed for the Scheme, the SIPO, fund updates and other material information, is available on the offer register and scheme register at [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose) by searching 'kōura KiwiSaver Scheme'.

A copy of information on the offer register or scheme register is available on request to the Registrar of Financial Service Providers.

Information regarding your investment will be available at the investor portal which is available at [www.kourawealth.co.nz](http://www.kourawealth.co.nz).

This information is available free of charge.

## 10. How to apply

You can sign up on the kōura website [www.kourawealth.co.nz](http://www.kourawealth.co.nz). We will make it easy for you.

